CITY MANAGER’S REPORT
MARCH 9, 2020, CITY COUNCIL REGULAR MEETING

ITEM: APPROVE PUBLIC INFRASTRUCTURE CREDIT AND REIMBURSEMENT AGREEMENT RELATING TO THE CENTRAL LATHROP SPECIFIC PLAN AREA

RECOMMENDATION: Adopt Resolution Approving a Public Infrastructure Credit and Reimbursement Agreement with Saybrook CLSP, LLC and Lathrop Land Acquisition, LLC Relating to the Central Lathrop Specific Plan Area

SUMMARY:

The City of Lathrop adopted the Central Lathrop Specific Plan (CLSP) in 2004. The City has been working with Saybrook CLSP, LLC and Lathrop Land Acquisition LLC (“Saybrook”) to complete infrastructure improvements which will be eligible for credit or reimbursement.

The purpose of this Public Infrastructure Credit and Reimbursement Agreement is to provide a simple and current statement of credits and reimbursements. The agreement also provides detail as to the mechanisms for the application of credits and payment of reimbursements to Saybrook as the project moves forward.

Staff recommends that Council adopt a resolution approving a Public Infrastructure Credit and Reimbursement Agreement with Saybrook CLSP, LLC and Lathrop Land Acquisition, LLC relating to the CLSP area.

BACKGROUND:

The City of Lathrop adopted the Central Lathrop Specific Plan (CLSP) in 2004. The City prepared and certified an EIR for the project and adopted a Mitigation Monitoring Program.

The City also approved a Development Agreement (DA) with Richland Planned Communities (“Richland”) in 2004. The DA establishes development rights and governs the relationship between the City and Richland. In 2011, Richland relinquished its rights under the DA pursuant to a settlement agreement. In 2016, the City approved the assignment of the DA to Saybrook along with an amendment. The proposed Public Infrastructure Credit and Reimbursement Agreement is consistent with the DA assignment to Saybrook and does not substantially alter the rights and obligations previously agreed to.
The City and Saybrook have been working to complete infrastructure improvements benefiting the CLSP area including improvements to expand capacity of existing water supply and wastewater treatment facilities, parks, stormwater and drainage infrastructure, stormwater improvements, and other related infrastructure, which will be eligible for reimbursement to Saybrook.

The City imposes impact fees upon new development in the CLSP area that benefit from the infrastructure improvements constructed by Saybrook. A schedule of CLSP impact fees applicable to any project in the CLSP area is included as Exhibit B of Attachment B. The proposed agreement will help ensure timely collection and payment of reimbursements to Saybrook prior to the issuance of a building permit.

**REASON FOR RECOMMENDATION:**

The Public Infrastructure Credit and Reimbursement Agreement will provide a simple and current statement of credits and reimbursements. The agreement also provides detail as to the mechanisms for the application of credits and payment of reimbursements to Saybrook as the project moves forward.

**FISCAL IMPACT:**

There is no fiscal impact to the City. All staff time associated with the preparation of the agreement has been paid by the Saybrook.

**ATTACHMENTS:**

A. Resolution Approving a Public Infrastructure Credit and Reimbursement Agreement with Saybrook CLSP, LLC and Lathrop Land Acquisition, LLC Relating to the Central Lathrop Specific Plan Area

B. Public Infrastructure Credit and Reimbursement Agreement
APPROVALS:

Michael King
Director of Public Works
3-2-2020

Glenn Gebhardt
City Engineer
3-2-2020

Cari James
Finance & Administrative Services Director
3-4-2020

Salvador Navarrete
City Attorney
3-2-2020

Stephen J. Salvatore
City Manager
3-4-2020
RESOLUTION NO. 20-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING A PUBLIC INFRASTRUCTURE CREDIT AND REIMBURSEMENT AGREEMENT WITH SAYBROOK CLSP, LLC AND LATHROP LAND ACQUISITION, LLC RELATING TO THE CENTRAL LATHROP SPECIFIC PLAN AREA

WHEREAS, the City of Lathrop adopted the Central Lathrop Specific Plan (CLSP) in 2004; and

WHEREAS, in 2004 and approved a Development Agreement (DA) with Richland Planned Communities ("Richland"), the DA establishes development rights and governs the relationship between the City and Richland; and

WHEREAS, in 2011 Richland relinquished its rights under the DA pursuant to a settlement agreement; and

WHEREAS, in 2016 the City approved the assignment of the DA to Saybrook CLSP, LLC and Lathrop Land Acquisition LLC ("Saybrook") along with an amendment; and

WHEREAS, the City has been working with Saybrook to complete infrastructure improvements which will be eligible for credit or reimbursement; and

WHEREAS, the Public Infrastructure Credit and Reimbursement Agreement will provide a simple and current statement of credits and reimbursements and provide detail as to the mechanisms for the application of credits and payment of reimbursements to Saybrook as the project moves forward; and

WHEREAS, the Public Infrastructure Credit and Reimbursement Agreement is consistent with the assignment to Saybrook and does not substantially alter the rights and obligations previously agreed to; and

WHEREAS, there is no fiscal impact to the City, all staff time associated with the preparation of the agreement has been paid by Saybrook; and

WHEREAS, staff recommends that Council approve a Public Infrastructure Credit and Reimbursement Agreement with Saybrook relating to the CLSP area.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lathrop does hereby approve the Public Infrastructure Credit and Reimbursement Agreement with Saybrook CLSP, LLC and Lathrop Land Acquisition, LLC relating to the Central Lathrop Specific Plan Area.
The foregoing resolution was passed and adopted this 9th day of March 2020, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Sonny Dhaliwal, Mayor

ATTEST:

Teresa Vargas, City Clerk

APPROVED AS TO FORM:

Salvador Navarrete, City Attorney
PUBLIC INFRASTRUCTURE CREDIT AND REIMBURSEMENT AGREEMENT RELATING TO THE CENTRAL LATHROPP SPECIFIC PLAN AREA

This Public Infrastructure Credit and Reimbursement Agreement Relating to the Central Lathrop Specific Plan Area ("Agreement") is made and entered into this ___ day of ___, 2020 ("Effective Date") by and between the City of Lathrop ("City"), a municipal corporation of the State of California ("City"), Saybrook CLSP, LLC, a Delaware limited liability company ("Saybrook CLSP") and Lathrop Land Acquisition, LLC, a Delaware ("Lathrop Land") (Saybrook CLSP and Lathrop Land are collectively referenced herein as "Developer"). City and Developer may be collectively referred to herein as the "Parties" or individually as a "Party".

RECITALS

A. City entered into that certain Development Agreement with Richland Planned Communities Inc. ("DA"), which was approved by City via Ordinance No. 04-246 on or about January 7, 2005 ("Vesting Date") and subsequently recorded on January 28, 2005 (Instrument No. 2005-020320). The terms of that DA are applicable hereto and incorporated herein by reference.

B. On December 5, 2016, City entered into that certain Assignment and Amendment of Development Agreement ("Assignment"), by and among the City, Saybrook, and Lathrop Land, which was subsequently recorded on January 18, 2017 (Instrument No. 2017-007992) and approved by City via Ordinance No. 16-370, in connection with the Central Lathrop Specific Plan area located in the City. The terms of the Assignment are applicable and incorporated herein by reference.

C. The "Project," as referenced in this Agreement, consists of the development of a mixed use, master planned expansion of the existing Lathrop community into a predominantly undeveloped area that has been annexed on the western boundary of the City, as more particularly described and defined in the Assignment. The property comprising the Project Site is more fully shown on Exhibit A attached hereto and incorporated herein by this reference.

D. The master plan for the Project, as referenced in this Agreement as the "Central Lathrop Specific Plan" or "CLSP", applies to approximately 1,521 acres of land that has been designated for development as the Central Lathrop Specific Plan Area (the "CLSP Area").

E. Within the CLSP Area, there are approximately 392 acres in public use of some kind, e.g. roads, public improvements, etc. Developer owns or controls approximately 442 acres within the CLSP Area and approximately 687 acres are owned by others.

F. City has been working with Developer and other interested parties to complete certain future improvements benefiting the Project and the CLSP Area, including improvements to expand capacity of existing water supply and wastewater treatment facilities, parks, stormwater and drainage infrastructure, stormwater improvements, and other related infrastructure, which will be eligible for reimbursement to Developer ("Future Facilities").
G. Unless otherwise defined herein, the terms, phrases and words used in this Agreement shall have the meanings and be interpreted as set forth in the Assignment (the meaning given the term in the singular shall include the term in the plural and vice versa) unless the context clearly indicates the Parties intended another meaning. To the extent that any capitalized terms contained herein are not defined in the Assignment, then such terms shall have the meaning ascribed to them in the Development Agreement and/or the City Laws, other applicable law or, if no meaning is given a term in any of those sources, the common understanding of the term shall control.

H. The City imposes certain fees upon new development, including, but not limited to development impact fees, CLSP Area of Benefit fees, capacity fees, capital facilities fees, cost reimbursement fees, and any other applicable fee or charge imposed on the development of any property within the CLSP Area (collectively, “Impact Fees”). A schedule of CLSP Impact Fees applicable to any project in the CLSP Area is included herein as Exhibit B.

I. Developer has paid certain expenses for certain improvements or made such improvements and is entitled to other amounts for which Developer is entitled to a credit against Impact Fees (“Credit”), and has provided certain improvements up to the date of execution of the Assignment for which Developer is entitled to a reimbursement (“Reimbursement”) from fees paid by or on behalf of such other properties within the CLSP Area or, outside of the CLSP Area if they benefit from those improvements. The purpose of this Agreement is to detail the mechanisms for the application of Credits and payment of Reimbursements to Developer in furtherance of the Assignment, only for those items set forth in the Exhibits to this Agreement. The existing Credits and Reimbursements are set forth in Exhibits C-1 and D hereof, and they do not include any Future Improvements.

J. Developer has “perfected capacity” as reflected on the Water Capacity Allocation and Wastewater Capacity Allocations set forth in Exhibits C-2 and C-3, attached hereto and incorporated herein by this reference, respectively.

K. Pursuant to section 5.04.2(m) of the Assignment, the Parties have agreed, and Developer has relied upon such agreement, that all provisions of the Lathrop Municipal Code, including without limitation Chapter 3.22 thereof, have been met and complied with by Developer as to the existing Credits and Reimbursements referenced in recital I above. As such, those Credits shall be applied, and Reimbursements paid, exclusively in accordance with the terms hereof and the Assignment.

L. The Parties desire to provide a simple, administrable and current statement of credit and reimbursement issues with respect to the Project. They do not intend by this Agreement to substantively alter their respective rights and obligations under the Assignment or such other existing agreements between them referenced in the recitals above (“Other Agreements”). Accordingly, this Agreement shall be interpreted consistently with the Assignment and the Other Agreements and not to change the Parties’ respective rights and obligations under the Assignment and the Other Agreements except that Exhibits D-1, D-2 and D-3 of the Assignment have been updated and modified to reflect agreement on these items as reflected in the Exhibits B, C-1 and D to this Agreement.

M. The Parties acknowledge that they cannot alter the rights of third parties, including owners and developers of land in the CLSP Area, by this Agreement. Accordingly, nothing in this Agreement shall be interpreted to alter or impair such rights, to require the City to forego compliance with provisions of Applicable Law that establish or protect those rights, or to pre-commit the City to any action as to which any third party is entitled to notice and hearing before such action is taken.
NOW, THEREFORE, for good and valuable consideration, City and Developer agree as follows:

AGREEMENT

1. **Recitals.** The recitals set forth above are true and correct and made a part of this Agreement.

2. **City and Developer Obligations.**

   (a) **City Obligations:**

   (i) To help ensure timely payment of Reimbursements to Developer as contemplated hereunder, City shall impose, to the extent permitted by applicable law, a condition of approval for any development in the CLSP Area that requires each Owner whose property is benefitted by public improvements within the Project (1) be subject to Impact Fees and (2) be obligated pay the entirety of its respective Impact Fees prior to issuance any building permit for any building on said property (“Benefitted Property”). In connection therewith, the Benefitted Property Owner(s) shall be required, to the extent permitted by applicable law and as a condition of development approval, to participate in the establishment of any Impact Fee that would collect the proportionate share of the reimbursable costs from each Benefitted Property Owner. Notwithstanding, the City may extend and maintain its current fee deferral program, which defers some City impact fees to the certificate of occupancy, with respect to Impact Fees affecting property in the CLSP Area.

   (ii) Fees as set forth in Section 5.05.3(e) of the Assignment and to the extent permitted by Applicable Law, City shall use best efforts to collect all fees required by City ordinance and resolution before issuance of any building permit issued for any property in the CLSP Area subject to any Impact.

   (iii) As set forth in the Assignment or as required by Applicable Law, City shall use best efforts to cooperate with Developer to adopt or amend any future development impact fees, CLSP Area of Benefit fees, capacity fees, capital facilities fees, cost reimbursement fee, and any other applicable fee or charge imposed on properties within the CLSP Area required for the implementation of the Assignment.

   (iv) Upon Developer’s request, but not more than twice annually, City shall provide Developer an accounting of all Impact Fees allocated by Developer and/or received by the City, if any, during the prior reporting period and prepare an update to one or more of Exhibits B, C-1, C-2, C-3, D or F to this Agreement.

   (b) **Developer Obligations:**

   Developer shall timely comply with the requirements of Section 7.05.2.2(b)(4)(iii) of the Assignment.
3. **Fee Credits.**

(a) **Amount.** Consistent with the applicable terms and conditions of the Assignment, developer has accumulated Credits against Impact Fees. The Credits shall be applied against the payment by Developer of the appropriate Impact Fee in the amounts set forth in Exhibit C-1, subject to inflationary provisions provided by the City’s legislative documents establishing each Saybrook Land Impact Fee.

(b) **Process to Utilize Credits.** When Developer desires to apply the Credits outlined in Exhibit C-1, Developer shall file the Fee Credit Assignment Form with the City, a form included herein as Exhibit E and the City’s application of Credits for Developer’s benefit shall be evidenced substantially as indicated in that exhibit. City need not issue a building permit except upon payment of all applicable fees in full unless the applicant for that permit presents a fully executed version of Exhibit E.

(c) **Accounting of Impact Fee(s) allocated by Developer.**

(i) City shall provide Saybrook a courtesy copy of each and every City Building Division permit invoice issued for land within the CLSP Area to allow Saybrook to confirm that City is collecting amounts consistent with this Agreement, the Development Agreement and adopted Impact Fees.

(ii) In the event that Saybrook identifies any inaccuracies, Saybrook shall make the City aware of the issues and City shall use best commercial efforts to collect any sums erroneously under-charged or charged in error.

4. **Reimbursement.**

(a) **Impact Fees to Fund Reimbursement.** The City has adopted the CLSP Impact Fees, and may adopt additional fees and charges pursuant to Article 5 of the Assignment, which shall be adopted and enforced in compliance with Applicable Law. City shall apply all Impact Fee revenue received to payment of the applicable Reimbursement, as set forth in Exhibit D and the City’s reimbursements to Developer shall be evidenced substantially as indicated in that exhibit, within a reasonable time after payments made to the City. Notwithstanding Chapter 3.22 of the Lathrop Municipal Code, many of the improvements for which reimbursement are due have been completed (or bonded for) such that all payments received from owners or developers of Benefitted Properties will be reimbursed to Developer. As this is not true of all improvements, Exhibit D indicates the specific reimbursement terms for each such improvements.

(b) **Scope and Timing of Reimbursement.**

(i) To the extent provided by the Assignment, Developer is entitled to Reimbursements in the amounts set forth in Exhibit D and Exhibit F.

(ii) Timing of Reimbursement to Developer shall occur within a reasonable time after payments made to the City as provided in paragraph (a) of this section above. City shall deliver such reimbursement to the address set forth in Section 12 below.

(iii) City further agrees that no person or entity may be issued a credit in lieu of paying any of the Impact Fees covered by Exhibit B except as required by Applicable Law.
5. Adjustment for Inflation.

Credits and Reimbursements to Developer shall be adjusted for inflation to the extent permitted by the City’s legislative documents creating each Impact Fee, and all of the exhibits to this Agreement shall be changed to reflect this adjustment.

6. Future Improvements to be Credits or Reimbursements.

(a) Pursuant to Section 6.03 of the Assignment, the City may, from time to time, require Developer to construct or fund the construction of Future Facilities, for which Developer shall be entitled to additional Credits or Reimbursements. To the extent the Parties agree to the provision of the Future Facility by Developer, including the amount of the Credit or Reimbursement to be paid to Developer, and to the extent that City has established a funding mechanism or identified sufficient funds to credit or reimburse Developer in conformance with section 6.03.2 of the Assignment, and upon compliance with Applicable Law, including Chapter 3.22 of the Lathrop Municipal Code with respect to those Future Facilities, such Future Facilities Credit and Reimbursement amounts shall be added to Exhibit C-1, Exhibit D and Exhibit F and shall be treated in the same manner as all other Credits and Reimbursements in accordance with Section 4 above.

(b) The Parties anticipate the following future improvements (although the Developer may construct others pursuant to section 6.03 of the Assignment) and City agrees to use best efforts to adopt new or to amend existing Impact Fees to offset Developer’s costs by offering additional Credits and Reimbursements:

(i) oversizing of South San Joaquin Irrigation District infrastructure;
(ii) future Storm Drainage;
(iii) future water tank;
(iv) traffic signals;
(v) neighborhood parks; and,
(vi) recycled water outfall.

(c) The Parties agree that all provisions of the Lathrop Municipal Code, including without limitation Chapter 3.22 thereof have been complied with for the credits and reimbursements outlined in Exhibit F. As such, those credits shall be applied by, and reimbursements paid to, Developer exclusively in accordance with the terms hereof and the Assignment.

7. Term of Agreement; Termination.

(a) This Agreement shall commence on the Effective Date and shall terminate on the sooner of (i) ten years after the Termination Date (but not termination) of the Assignment or (ii) when Developer has received all Credits and Reimbursements provided for in the Assignment and the Other Agreements or otherwise due Developer under Applicable Law.
(b) If the City determines that this Agreement has terminated under subsection 7(a)(ii) of the immediately preceding sentence, City shall: (a) notify Developer of that fact in writing; and (b) at Developer's request, provide Developer reasonable documentation to confirm that determination ("Termination Notice"). Developer may dispute that Termination Notice and/or the documentation submitted in connection therewith by written notice to City. Any such notice from Developer shall include reasonable documentation identifying the outstanding obligations under this Agreement. Should the Parties be unable to resolve their disagreement, either may resort to the remedies provided by Article 12 of the Assignment.

8. **Indemnification.** The Parties' rights and obligations with respect to indemnifying one another for claims arising under this Agreement shall be those conferred by the Assignment.

9. **Governing Law.** This Agreement shall be governed by the laws of the State of California.

10. **Binding Effect.** This Agreement is for the benefit of and shall be binding upon both Parties and their respective successors, heirs, executors, administrators, permitted assigns and successors in interest.

11. **Assignment.** To the extent and in the manner provided in sections 1.01 and 13.01 of the Assignment, Developer may assign its rights and obligations under this Agreement.

12. **Notices.** For purposes of this Agreement, "notice" means any notice, demand, request, or other communication to be provided under this Agreement. All notices shall be in writing and shall be sent to the below addresses or at such other addresses as either Party may later specify for that purpose. All notices required or permitted under this Agreement shall be personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid or by a nationally recognized overnight courier, such as FedEx or UPS, with charges prepaid for next business day delivery, addressed to the Parties as follows:

If to City:

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330  
Attn: City Clerk  

With a concurrent copy to:  
City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330  
Attn: Salvador Navarrete, City Attorney  
Email: snavarrete@ci.lathrop.ca.us  

If to Developer:  
Saybrook CLSP, LLC  
303 Twin Dolphin Drive, Suite 600  
Redwood Shores, CA 94065  
Attn: Jeffrey M. Wilson  
Email: jwilson@saybrookfundadvisors.com
With a courtesy copy to: Best, Best & Krieger LLP
300 South Grand Avenue, 25th Floor
Los Angeles, CA 90071
Attn: Seth Merewitz
Email: seth.merewitz@bbklaw.com

The date of any notice shall be the date of receipt, provided that rejection or other refusal to accept or the inability to deliver because of a change in address of which no notice was given shall be deemed to constitute receipt of the notice sent. Either Party may change its address for notice by giving notice to the other Party in accordance with this Section 12.

13. Payments to Developer. All payments due to Developer hereunder shall be sent to the following address or at such other address (or wiring instructions) as Developer shall from time to time specify in writing to City:

Saybrook CLSP, LLC
303 Twin Dolphin Drive, Suite 600
Redwood Shores, CA 94065
Attn: Jeffrey M. Wilson

14. Amendments. Any modifications to this Agreement shall be in writing and signed by authorized representatives of both Parties.

15. Attorney’s Fees and Venue. As provided in section 15.06 of the Assignment, in the event of a dispute arising under this Agreement between the Parties, the prevailing Party shall be entitled to an award against the other Party of reasonable and actual attorney’s fees and costs incurred in connection with the dispute. The venue for any litigation shall be in San Joaquin County, California.

16. Cumulative Rights: Waiver. The failure by either Party to exercise, or delay in exercising any rights under this Agreement, shall not be construed or deemed to be a waiver thereof, nor shall any single or partial exercise by either Party preclude any other or future exercise thereof or the exercise of any other right. Any waiver of any provision or any waiver of any breach of any provision of this Agreement must be in writing, and any waiver by either Party of any breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of that provision or of any breach of any other provision of this Agreement.

17. Severability. If any provision of this Agreement is deemed by a court of competent jurisdiction to be invalid, illegal or unenforceable, such provision shall be deemed to be severed or deleted from this Agreement and the balance of this Agreement shall remain in full force and effect notwithstanding such invalidity, illegality or unenforceability.

18. Headings. All headings herein are inserted only for convenience and ease of reference and are not considered in the construction or interpretation of any provision of this Agreement.

19. Signing Authority. The individuals signing this Agreement represent and agree that they have full and actual authority to bind their respective Parties to this Agreement.
20. **Entire Agreement.** This Agreement, together with the Assignment and the Other Agreements, constitute the entire agreement between the Parties regarding its subject. Those Agreements supersede all proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the Parties related to the subject matter of this Agreement. To the extent of any conflict among them, they shall control in the following order: (i) the Assignment, (ii) the Other Agreements in reverse order of their effective dates, and (iii) this Agreement.

21. **No Third-Party Beneficiaries.** There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. In particular and without limitation, no merchant builder or other purchaser of land from Developer shall have any right to enforce this Agreement.

22. **Minor Modifications**

The provisions of this Agreement require a close degree of cooperation between the Parties and “Minor Changes” to this Agreement may be required from time to time. “Minor Changes” mean changes to this Agreement that are consistent with the CLSP, the Assignment, and other agreements reference in section 20 above, which do not result in a change in use, an increase in density or intensity of use, significant new or increased environmental impacts that cannot be mitigated, or violations of any applicable health and safety regulations in effect on the Execution Date of the Assignment. Changes to the exhibits contained herein shall be delegated to appropriate City staff and not be considered “Minor Modifications.”

Accordingly, the Parties may mutually agree they will cooperate in good faith to make “Minor Changes” to this Agreement to be evidenced by their approval and execution of an “operating memorandum” reflecting such Minor Changes. To the extent permitted by Applicable Law:

a. Neither the Minor Changes nor any Operating Memorandum shall require public notice or hearing.

b. The City Attorney and City Manager shall be authorized to determine whether proposed modifications and refinements are “Minor Changes” subject to this Section 22 or more significant changes requiring amendment of this Agreement.

c. The City Manager may execute any Operating Memorandum without City Council action.

23. **Counterparts; Electronic Signatures.** This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument. Signatures may be given by facsimile, emailed PDF, or other electronic means with the same force and effect as signed, wet originals.

[Signatures to follow on next page]
IN WITNESS WHEREOF, City and Developer have executed this Agreement as of the Effective Date.

CITY:

CITY OF LATHROP,
A California municipal corporation

By: ___________________________
    Stephen J. Salvatore
    City Manager

ATTEST:

City Clerk of and for the City
of Lathrop, State of California

By: ___________________________
    Teresa Vargas
    City Clerk

APPROVED AS TO FORM:

By: ___________________________
    Salvador Navarrete
    City Attorney
DEVELOPER:

Saybrook CLSP, LLC, a Delaware limited liability company

By: ____________________________

Name: __________________________

Title: ____________________________

Lathrop Land, LLC, a Delaware limited liability company

By: ____________________________

Name: __________________________

Title: ____________________________
EXHIBIT A

DEPICTION OF PROJECT SITE
Depiction of Project Site
EXHIBIT B

CLSP IMPACT FEES
### Exhibit - B
As of: March 2, 2020

**CITY OF LATHROP**
**CAPITAL FACILITY FEES**

**Central Lathrop**

<table>
<thead>
<tr>
<th>Type of Development</th>
<th>Units</th>
<th>Culture and Leisure</th>
<th>Municipal Services</th>
<th>Sewer/Recycled Water System</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Neighbhoods</td>
<td>Parks</td>
<td>Community Linear</td>
<td>Facilities</td>
</tr>
<tr>
<td></td>
<td>Parks</td>
<td></td>
<td>Facilities</td>
<td></td>
</tr>
<tr>
<td>Single Family</td>
<td>DU</td>
<td>$2,347</td>
<td>$4,009</td>
<td>$3,544</td>
</tr>
<tr>
<td>Multi-Family</td>
<td>DU</td>
<td>$1,677</td>
<td>$2,864</td>
<td>$2,530</td>
</tr>
<tr>
<td>Service/Retail Commercial</td>
<td>1,000 sq. ft.</td>
<td>$2,597</td>
<td>$1,026</td>
<td>$1,026</td>
</tr>
<tr>
<td>Other Non-Residential</td>
<td>1,000 sq. ft.</td>
<td>$1,666</td>
<td>$912</td>
<td></td>
</tr>
</tbody>
</table>

**Surface Water Supply Full-Cost**

<table>
<thead>
<tr>
<th>All New Development (by size of water meter)</th>
<th>S/8&quot;</th>
<th>5/8&quot;</th>
<th>1&quot; Fire Line</th>
<th>3/4&quot;</th>
<th>1 1/2&quot;</th>
<th>2&quot;</th>
<th>3&quot;</th>
<th>4&quot;</th>
<th>6&quot;</th>
<th>8&quot;</th>
<th>10&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$5,752</td>
<td>$5,752</td>
<td>$791</td>
<td>$791</td>
<td>$791</td>
<td>$791</td>
<td>$791</td>
<td>$11,795</td>
<td>$11,795</td>
<td>$11,795</td>
<td>$11,795</td>
</tr>
</tbody>
</table>

**San Joaquin RTIF 7/1/19**

<table>
<thead>
<tr>
<th></th>
<th>WLS Regional Transportation</th>
<th>West/Central Lathrop Transportation</th>
<th>Offsite Roadway Improvements Eff. 7/1/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>DU</td>
<td>$3,511</td>
<td>$3,722</td>
</tr>
<tr>
<td>Multi-Family</td>
<td>DU</td>
<td>$2,107</td>
<td>$2,284</td>
</tr>
<tr>
<td>Retail Commercial</td>
<td>1,000 sq. ft.</td>
<td>$1,400</td>
<td>$4,743</td>
</tr>
<tr>
<td>Service/Office Commercial</td>
<td>1,000 sq. ft.</td>
<td>$1,780</td>
<td>$3,495</td>
</tr>
<tr>
<td>Industrial</td>
<td>1,000 sq. ft.</td>
<td>$1,080</td>
<td></td>
</tr>
<tr>
<td>Acre</td>
<td>1,000 sq. ft.</td>
<td>$440</td>
<td></td>
</tr>
</tbody>
</table>

**In-Lieu Community**

<table>
<thead>
<tr>
<th></th>
<th>Park Dedication Reimbursement</th>
<th>Entitlement Reimbursement</th>
<th>City Fee</th>
<th><strong>City Reimbursement</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>DU</td>
<td>$2,453</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-Family</td>
<td>DU</td>
<td>$1,754</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Development</td>
<td>Acre</td>
<td>$3,256</td>
<td></td>
<td>$183</td>
</tr>
<tr>
<td>Outstanding Financial Obligation</td>
<td>Lot</td>
<td></td>
<td></td>
<td>$6,527.19</td>
</tr>
</tbody>
</table>

**Storm Drainage**

<table>
<thead>
<tr>
<th></th>
<th>Storm Drainage WS2</th>
<th>Storm Drainage WS4</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Development in those Areas</td>
<td>Acre</td>
<td>$47,649</td>
</tr>
</tbody>
</table>

**Per Gross Developable**

<table>
<thead>
<tr>
<th></th>
<th>Mossville Tract Regional Levee Impact Fee Eff. 7/1/19</th>
<th>Levee Impact Admin Fee Eff. 7/1/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family - Residential</td>
<td>Acre 18,148</td>
<td>$544</td>
</tr>
<tr>
<td>Multi-Family - Residential</td>
<td>Acre 16,925</td>
<td>$496</td>
</tr>
<tr>
<td>Commercial</td>
<td>Acre 11,487</td>
<td>$516</td>
</tr>
<tr>
<td>Industrial</td>
<td>Acre 14,300</td>
<td>$429</td>
</tr>
</tbody>
</table>

**Sewer Perfected Capacity**

<table>
<thead>
<tr>
<th></th>
<th>Wastewater Flow Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Density - Res.</td>
<td>200 gpd/du</td>
</tr>
<tr>
<td>Med. Density - Res.</td>
<td>180 gpd/du</td>
</tr>
<tr>
<td>High Density - Res.</td>
<td>170 gpd/du</td>
</tr>
<tr>
<td>Commercial</td>
<td>590 gpd/acre</td>
</tr>
</tbody>
</table>

ADD 3% ADMINISTRATIVE FEE TO CUMULATIVE TOTAL OF ALL CFF FEES AND CREDITS EXCLUDING THE SAN JOAQUIN RTIF, LEVEE IMPACT, AND CITY REIMBURSEMENT

Collected at Building Permit

* Collected/Assigned at Final Map

**Collected at Close of Escrow**
## Central Lathrop Specific Plan: Credits

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Culture &amp; Leisure Facilities</th>
<th>In-Lieu Community Parks Dedication</th>
<th>Sewer/Recycled Water System (fee)</th>
<th>West/Central Lathrop Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>DA Reference/ Exhibits</td>
<td>Exhibit D-1—Generations Center Land/Land Improvements (line 3)</td>
<td>Per Section 7.06.2.6</td>
<td>Exhibit D-2—Pump Station &amp; Force Main (line 1), Oversized Mains (line 2) &amp; RW Mains (line 3)</td>
<td>Exhibit D-1—GVP (line 1) &amp; Lathrop Rd (line 2) improvements</td>
</tr>
<tr>
<td>Credit?</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Total Credits Available</td>
<td>441.35 Dwelling Unit's*</td>
<td>1771.94 Dwelling Unit's*</td>
<td>2225.03 Dwelling Unit's*</td>
<td>990.42 Dwelling Unit's*</td>
</tr>
<tr>
<td>Source/Authority</td>
<td>Goodwin CFF 23 Jan 2019</td>
<td>Goodwin CFF 23 Jan 2019</td>
<td>Goodwin CFF 23 Jan 2019</td>
<td>Goodwin CFF 3 May 2018</td>
</tr>
</tbody>
</table>

*Converted to Single Family Units (SFU)
EXHIBIT C-2
**Central Lathrop Specific Plan: Water Capacity Allocation**

**Saybrook CLSP, LLC and Lathrop Land Acquisition, LLC**

**Water Capacity Allocation**

<table>
<thead>
<tr>
<th>Tract/APN</th>
<th>Beginning Balance</th>
<th>SSJID Allocation</th>
<th>Water Well Allocation</th>
<th>Allocation Date</th>
<th>Allocation #</th>
<th>GPD/Unit # of Lots</th>
<th>SSIID Allocation</th>
<th>Water Well Allocation</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>GPD</td>
<td>GPD</td>
<td></td>
<td></td>
<td></td>
<td>GPD</td>
<td>GPD</td>
<td></td>
</tr>
<tr>
<td>Addition</td>
<td>0</td>
<td>326,370</td>
<td>326,370</td>
<td>July 1, 2017</td>
<td>CLSP 2016-01</td>
<td>430</td>
<td>0</td>
<td>326,370</td>
<td>326,370</td>
</tr>
<tr>
<td>Addition</td>
<td>326,370</td>
<td>38,700</td>
<td>38,700</td>
<td>July 1, 2018</td>
<td>CLSP 2017-01</td>
<td>430</td>
<td>0</td>
<td>365,070</td>
<td>365,070</td>
</tr>
<tr>
<td>Addition</td>
<td>365,070</td>
<td>38,700</td>
<td>38,700</td>
<td>July 1, 2019</td>
<td>CLSP 2018-01</td>
<td>430</td>
<td>0</td>
<td>403,770</td>
<td>403,770</td>
</tr>
<tr>
<td>Westpark Storage (Golden Valley Self Storage)</td>
<td>403,770</td>
<td>430</td>
<td>430</td>
<td>June 18, 2019</td>
<td>CLSP 2019-01</td>
<td>430</td>
<td>1</td>
<td>403,340</td>
<td>403,340</td>
</tr>
<tr>
<td></td>
<td>403,340</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>430</td>
<td>0</td>
<td>403,340</td>
<td>403,340</td>
</tr>
<tr>
<td></td>
<td>403,340</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>430</td>
<td>0</td>
<td>403,340</td>
<td>403,340</td>
</tr>
<tr>
<td></td>
<td>403,340</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>430</td>
<td>0</td>
<td>403,340</td>
<td>403,340</td>
</tr>
<tr>
<td></td>
<td>403,340</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>430</td>
<td>0</td>
<td>403,340</td>
<td>403,340</td>
</tr>
<tr>
<td></td>
<td>403,340</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>430</td>
<td>0</td>
<td>403,340</td>
<td>403,340</td>
</tr>
<tr>
<td></td>
<td>403,340</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>430</td>
<td>0</td>
<td>403,340</td>
<td>403,340</td>
</tr>
<tr>
<td></td>
<td>403,340</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>430</td>
<td>0</td>
<td>403,340</td>
<td>403,340</td>
</tr>
<tr>
<td></td>
<td>403,340</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>430</td>
<td>0</td>
<td>403,340</td>
<td>403,340</td>
</tr>
</tbody>
</table>

**Notes**

1) Initial capacity per CLSP CFF Update Study, additional capacity to be allocated each fiscal year on July 1st for debt service payment made through the fiscal year.
EXHIBIT C-3
### Central Lathrop Specific Plan: Wastewater Capacity Allocation

**Saybrook CLSP, LLC and Lathrop Land Acquisition, LLC**

**Sewer/Recycled Water Capacity Tracking**

#### Initial Capacity

<table>
<thead>
<tr>
<th>Tract/APN</th>
<th>Beginning Balance</th>
<th>Allocation GPD</th>
<th>Allocation Date</th>
<th>Allocation No.</th>
<th>GPD/Unit</th>
<th>APNs/Lots</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Westpark Storage (Golden Valley Self Storage)</td>
<td>121,824.00</td>
<td>200</td>
<td>June 18, 2019</td>
<td>CLSP 2019-01</td>
<td>200</td>
<td>1</td>
<td>121,624.00</td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-02</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-03</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-04</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-05</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-06</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-07</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-08</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-09</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,624.00</td>
<td>0</td>
<td>CLSP 2019-10</td>
<td>200</td>
<td>0</td>
<td>121,624.00</td>
<td></td>
</tr>
</tbody>
</table>

#### Notes:

1) Initial capacity of 6219.20 gpd explained on Resolution No. 13-3559 dated April 1st, 2013
2) Volumes/Unit per DRAFT Masterplan, 2019
3) 150,000 gpd from Exhibit A of Design and Construction Funding Agreement Related to the Phase 2 Expansion of the Existing Lathrop Consolidated Treatment Facility, dated November 21, 2016.
4) Saybrook owns 36,364 gpd of reserve capacity not to be allocated at this time
5) Value represents "perfected capacity" as of 01.15.2020
EXHIBIT D
REIMBURSEMENTS
## Central Lathrop Specific Plan: Reimbursements

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Saybrook Excess Land Dedication (reimburse to Saybrook) (Non Saybrook Parcels)</th>
<th>Sewer/Recycled Water System (reimburse to Saybrook) (Non Saybrook Parcels)</th>
<th>CLSP Entitlement Costs (reimburse to Saybrook) (All CLSP Parcels)</th>
<th>CLSP Storm Drainage System Improvements--WS2 (reimburse to Saybrook) (All WS2 Parcels)</th>
<th>CLSP Storm Drainage System Improvements--WS4 (reimburse to Saybrook) (All WS4 Parcels)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DA Reference/ Exhibits</td>
<td>Exhibit D-3, Community Park Land (line 1) and Linear Park Land (line 2)</td>
<td>Exhibit D-2--Pump Station &amp; Force Main (line 1), Oversized Mains (line 2) &amp; RW Mains (line 3)</td>
<td>Exhibit D-3--Entitlement Costs (line 3)</td>
<td>Exhibit D-3--Storm Drain System Improvements WS2 (line 5)</td>
<td>Exhibit D-3--Storm Drain System Improvements WS4 (line 6)</td>
</tr>
<tr>
<td>Type/Created</td>
<td>CFF (January 2019)</td>
<td>CFF (June 2018)</td>
<td>City Planning Fee (June 2019)</td>
<td>CFF (June 2019)</td>
<td>CFF (June 2019)</td>
</tr>
<tr>
<td>Credit?</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Total $</td>
<td>$4,521,397</td>
<td>$10,482,195</td>
<td>$3,611,656</td>
<td>$7,506,716</td>
<td>$6,407,110</td>
</tr>
<tr>
<td>Per?</td>
<td>Dwelling Unit</td>
<td>Dwelling Unit</td>
<td>Acre</td>
<td>Acre</td>
<td>Acre</td>
</tr>
<tr>
<td>S/unit</td>
<td>$2,413</td>
<td>$2,661</td>
<td>$3,200</td>
<td>$46,829</td>
<td>$35,418</td>
</tr>
</tbody>
</table>

*Reimbursements left in Calendar Year 2019 Q4 Dollars, anticipated to increase proportionately*
EXHIBIT E
CREDIT ALLOCATION FORM
# Fee Credit Assignment Form

Lathrop Land Acquisition, LLC to New Development  

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Culture &amp; Leisure Facilities</th>
<th>In-Lieu Community Parks Dedication</th>
<th>Surface Water Supply</th>
<th>Sewer/Recycled Water System</th>
<th>West/ Central Lathrop Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Credit</td>
<td>441.35</td>
<td>1771.94</td>
<td>938.00</td>
<td>2225.03</td>
<td>990.42</td>
</tr>
</tbody>
</table>

**Beginning Balance**
- Dwelling Unit's*
- Dwelling Unit's*
- Dwelling Unit's*
- Dwelling Unit's*

**Credit Applied by**
- Dwelling Unit*
- Dwelling Unit*
- Dwelling Unit*
- Dwelling Unit*

**Allocation Date**

**Allocation Number**

**Allocation Unit(s)**
- 0
- 0
- 0
- 0
- 0

**Remaining Capacity**

**Source Document**
- Goodwin CFF 1/23/19
- Goodwin CFF 1/23/19
- Goodwin CFF 1/23/19
- Goodwin CFF 1/23/19
- Goodwin CFF 5/3/2018

*Converted to Single Family Units (SFU)*

**Authorized:**

City of Lathrop  

Lathrop Land Acquisition, LLC  

Glenn Gebhardt, City Engineer  

Jeffrey M. Wilson, Officer

Cari James, Director of Finance  

---

*Note: The table and text content are extracted from the image and formatted to improve readability.*
EXHIBIT F
<table>
<thead>
<tr>
<th>Future Credits and Reimbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storm Drainage System Improvement - Watershed 2 (Commercial Property Underground Storage Capacity)</td>
</tr>
<tr>
<td>Storm Drainage System Improvement - Watershed 4 (Commercial Property Underground Storage Capacity)</td>
</tr>
<tr>
<td>Traffic Signals:</td>
</tr>
<tr>
<td>Golden Valley Parkway and Spartan Way (Previously Lathrop Rd.) - Eligible for Transportation Credits CIP # PS-1803</td>
</tr>
<tr>
<td>Golden Valley Parkway and Stanford Crossing (Previously Land Park Dr.)</td>
</tr>
<tr>
<td>Golden Valley Parkway and Locomotive Street into VTM 3789</td>
</tr>
<tr>
<td>Spartan Way and Central Pacific Street into VTM3789</td>
</tr>
<tr>
<td>Neighborhood Park - Phase 1A</td>
</tr>
<tr>
<td>Phase II - SSJID Oversizing</td>
</tr>
</tbody>
</table>

Notes: 1) Dollar amounts listed are estimates only; Actual dollar amount will be calculated once improvement is completed.