



APPENDIX P

School Funding Agreements

Recording Requested by)
and when recorded mail to:)
)
The Williams S. Hart)
Union High School District)
Attention: Superintendent)
21515 Centre Pointe Parkway)
Santa Clarita, CA 91350-2948)
)

Space above this line for Recorder's use only.
Exempt from recording fee pursuant to Government Code § 6103.

SCHOOL FACILITIES FUNDING AND MITIGATION AGREEMENT
By and Between
THE WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
And

For
TENTATIVE TRACT MAP NO. _____

This School Facilities Funding and Mitigation Agreement (“Agreement”) is made in Santa Clarita, California, as of _____, 200__, by and between the WILLIAM S. HART UNION HIGH SCHOOL DISTRICT, a school district organized and existing pursuant to the laws of the State of California (“Hart”) and _____ (“Developer”). Hart and Developer may hereinafter be referred to individually as “Party” and collectively as “Parties.”

RECITALS

A. Developer is the owner of property identified as tentative tract map number _____ (“Tract_____”) in the County of Los Angeles (“Property”). The legal description of the Property is attached hereto as Exhibit “A,” and depicted in attached hereto as Exhibit “B.” The Property is located within Hart’s boundaries. The Property is also located within the boundaries of the Castaic Union School District (“Castaic”); however, Castaic is not a party this Agreement.

B. The Developer’s current plans for development of the Property include the construction of _____ single family dwelling units (“SFDU”) within the boundaries of the Property (“Project”). The plans for development of the Property may change over time to meet the needs of the market, and modifications of existing or pending Land Use Entitlements also may occur. The provisions herein are applicable to whatever development may occur on the Property.

C. For purposes of this Agreement, an SFDU is any dwelling unit (“DU”) that is a single family residence with no structural walls in common with any other DU. For purposes of this Agreement, an MFDU is any DU that has one or more supporting, above-ground, vertical, common walls establishing a substantial connection between that and another DU, and shall include all such DU for rent or rented as an apartment. All DU in a building containing any MFDU shall be deemed to be MFDU. For purposes of this Agreement, Commercial/Industrial Development is deemed to be any non-residential development. For purposes of this Agreement, an age restricted DU (“Age-Restricted DU”) is any DU the occupation of which is restricted in conformance with the provisions of Government Code Section 65995.1.

D. Hart and Developer recognize that the development of the Property will generate additional junior high school (“JHS”) and senior high school (“SHS”) students (“Project Students”) for which Hart must provide School Facilities. Hart does not have capacity in its existing school facilities to accommodate the Project Students, and, in order to accommodate the Project Students, Hart must construct new JHS and SHS facilities. Accordingly, Hart will require additional grade 7-12 interim and permanent school facilities including land, buildings, furnishings and equipment, interim and permanent classrooms, and central and administration facilities (collectively, “School Facilities”).

E. Historically, the State of California (“State”) has provided a substantial portion of the funds necessary for construction of School Facilities (“State Funds”). However, over the last several years the availability of State Funds for construction of new School Facilities has been varied and uncertain. With the enactment by the Legislature of Statutes 1998, Ch. 407 (“SB-50”), approval of Proposition 1A by the voters on November 3, 1998, and the implementation of the new funding program pursuant to the Leroy F. Greene School Facilities Act of 1998 (“SFP”), the State may provide funds for construction of new School Facilities. State Funds, pursuant to the SFP and subject to certain limitations, may be available to any school district that meets the State’s eligibility requirements and local-matching-funds requirements. Whether Hart obtains State Funds for School Facilities necessary to accommodate Project Students is dependent on Hart’s ability to meet those requirements. Hart does not expect that the State Funds to be made available as a result of the approval of Proposition 1A will ultimately be sufficient to fund the backlog of School Facilities needs in the State.

F. Developer and Hart acknowledge the possibility that Hart may receive State Funds for a portion of the cost of the additional School Facilities needed to accommodate Project Students. However, there is no guarantee that Hart will receive such State Funds in an amount sufficient to provide School Facilities for the Project Students and other students within Hart’s boundaries. In prior years, Hart provided each real-estate developer with the opportunity to

assign to Hart any rights the developer may have to reimbursement from State Funds attributable to the developer's project not including any State financial or other hardship assistance received by the District ("Reimbursable State Funds"). In exchange for the assignment to Hart of such rights, the developer's obligation to mitigate the impacts on Hart's School Facilities is proportionally reduced. Developer acknowledges that Hart and other developers ("Fair Share Mitigation Payment Participants") have entered into similar agreements and that those agreements may contain reimbursement provisions. Developer has elected to assign to Hart the Developer's rights, if any, to future Reimbursable State Funds, and in exchange therefor, the Developer's obligation to mitigate the impacts of development of the Property has been reduced as specified herein. Hart hereby assumes the risk that State Funds will not be available to assist in funding School Facilities necessary to mitigate the impact of development of the Property.

G. Developer and Hart desire to enter into this Agreement to set forth Developer's obligations to mitigate impacts of the development of the Property and Hart's obligations to provide School Facilities necessary to accommodate Project Students. Hart has determined that it will be able to mitigate the adverse impacts that might otherwise result from the development of the Property through payment by Developer of the Fair Share School Impact Mitigation Payments (defined in Section 2) pursuant to this Agreement. The procedures set forth in this Agreement will ensure that the development of the Property will have no adverse impacts on Hart's ability to provide adequate School Facilities for the Project Students.

IN LIGHT OF THE FOREGOING FACTS, IT IS MUTUALLY AGREED THAT:

1. ***Incorporation of Recitals.*** The foregoing Recitals are hereby incorporated into, and are a fully operative and effective part of, this Agreement.

2. ***Mitigation Obligation.*** Hart has caused to be prepared and approved a report dated _____, and entitled "Fair Share School Impact Mitigation Payment Adjustment Analysis for Calendar Year _____" ("Annual Adjustment Analysis"). The Annual Adjustment Analysis established the fair share mitigation payments applicable in calendar year _____ to new residential development within Hart's boundaries ("Fair Share School Impact Mitigation Payments"). The Annual Adjustment Analysis is on file and may be reviewed at Hart's district office.

The initial Fair Share School Impact Mitigation Payments payable hereunder to Hart in calendar year _____, as determined by Hart on a per DU basis as of January 1, _____, are _____ per SFDU and _____ per MFDU. As previously described herein, the Parties agreed to reduce the initial Fair Share School Impact Mitigation Payment amounts in consideration of the assignment to Hart by Developer of its rights, if any, to Reimbursable State

Funds attributable to Project Students that are received by Hart. The Developer hereby assigns to Hart all of Developer's rights to reimbursement, if any, from future Reimbursable State Funds. Therefore, the initial Fair Share School Impact Mitigation Payment amounts payable in calendar year _____ have been reduced to _____ per SFDU and _____ per MFDU.

With respect to any Age-Restricted DU or Commercial/Industrial Development occurring on the Property, Developer shall pay the fees as provided in Education Code Section 17620 and Government Code Section 65995 *et seq.* or any comparable successor statutory provisions ("Statutory School Fees").

3. ***Timing of Payments.*** The Fair Share School Impact Mitigation Payment(s) and the Statutory School Fees required pursuant to this Agreement shall be paid to Hart prior to the time that an application for a building permit for any construction on the Property is submitted to the County, the City of Santa Clarita ("City"), or any other governmental entity that has the authority to issue building permits for the development of the Property.

4. ***Adjustments To Mitigation Obligation.*** The Fair Share School Impact Mitigation Payment amounts shall be reviewed and, if applicable, increased or decreased by Hart, at the times, and in accordance with the methodologies set forth in the Annual Adjustment Analysis and this Section. The Developer acknowledges that the Annual Adjustment Analysis for Calendar Year _____ has been prepared and distributed to other Fair Share Mitigation Payment Participants. The Developer further acknowledges that Hart has already adjusted the Fair Share School Impact Mitigation Payment amounts for calendar year _____, and that those amounts took effect and became applicable to payments made pursuant to this Agreement on or after January 1, _____. Future adjustments shall be based on variations in student generation factors ("SGF"), land value of school sites ("Land Value Component") and costs of construction, furnishings, equipment and related costs ("Non-Land Value Component") as set forth in this Section.

(a) ***Student Generation Factors.*** As set forth in the Annual Adjustment Analysis, certain initial SGF were used in determining the initial amounts of the Fair Share School Impact Mitigation Payments. Effective each January 1, commencing January 1, _____, the amount of Fair Share School Impact Mitigation Payments shall be increased or decreased based upon the recalculation of the SGF for Hart determined in accordance with the methodology set forth in the Annual Adjustment Analysis and the other provisions of this Section.

(b) ***Land Value Component.*** The Annual Adjustment Analysis established a Land Value Component assuming a construction-ready condition, with dedicated and improved public roads and utilities, including storm drainage facilities. This Land Value Component has been used in calculating the initial Fair Share School Impact Mitigation Payments that are effective as of January 1, _____. The Parties acknowledge this value per acre may vary as the

Property is developed. Consequently, effective each January 1, commencing January 1, _____, the Fair Share School Impact Mitigation Payment amount shall be increased or decreased based upon the Land Value Component determined as of a valuation date in the preceding month of October as specified by the District. This adjustment shall be determined by the appraised value per-net-acre of the sites then under consideration by Hart for the next JHS site and the next SHS site (“Proposed Sites”). If Hart identifies more than one (1) JHS Proposed Site or more than one (1) SHS Proposed Site, the Land Value Components for the JHS and for the SHS shall be based on the average of the appraised per acre values of all JHS Proposed Sites and the average of the appraised per acre values of all SHS Proposed Sites.

Hart shall select an appraiser (“Hart Appraiser”), who shall be a member of the Appraisal Institute (“AI”), to conduct the appraisals of the Proposed Sites. Hart shall pay the cost of the appraisals with Fair Share School Impact Mitigation Payments received by Hart from Developer or others, or interest earned thereon. The Proposed Sites shall be appraised on the basis of the highest and best use of the Proposed Sites as determined by the Hart Appraiser. If Developer does not concur with Hart’s choice of the Hart Appraiser, or with the Hart Appraiser’s opinion of value, Developer may, at its own expense, designate an AI appraiser (“Developer Appraiser”) to independently appraise the Proposed Sites and prepare a report establishing and supporting the Developer Appraiser’s opinion of the fair market value (“FMV”) of each of the Proposed Sites. If the opinions of value of the Hart Appraiser and the Developer Appraiser differ by ten percent (10%) or less from each other, the appraised FMV of the Proposed Sites shall be deemed to be the average FMV of the two (2) appraisals of the Proposed Sites. If the opinions of value of the Hart Appraiser and the Developer Appraiser differ by more than ten percent (10%), the Hart Appraiser and the Developer Appraiser shall be instructed to agree upon a third AI appraiser (“Supplemental Appraiser”) to appraise the Proposed Sites. Hart and Developer shall equally share the cost of the Supplemental Appraiser. The Supplemental Appraiser also shall independently appraise the Proposed Sites and prepare a report establishing and supporting his or her opinion of the FMV of each of the Proposed Sites. In that event, the appraised FMV of each of the Proposed Sites shall be deemed to be the average FMV of the two (2) appraisals having the closest opinions of value. In the event the appraisal of each of the Proposed Sites conducted by the Supplemental Appraiser equals the average of the Hart Appraiser and the Developer Appraiser, then the appraised FMV of each of the Proposed Sites shall be deemed to be the value determined by the Supplemental Appraiser.

In the event one or more other Fair Share Mitigation Payment Participants also desire to designate a Developer Appraiser, such appraiser shall be the appraiser designated by a majority of Developer and the other Fair Share Mitigation Payment Participants whose mitigation agreements contain a Land Value Component adjustment substantially similar to the provisions of this Agreement. Developer agrees to bear its pro rata share of the cost of the Developer Appraiser and the Supplemental Appraiser designated by a majority of the parties

executing such mitigation agreements with Hart. If the parties are unable to agree on the Developer Appraiser, Hart shall designate the Developer Appraiser from a list of appraisers submitted by Developer and other Fair Share Mitigation Payment Participants.

(c) *Non-Land Value Component.* Each January 1, commencing January 1, _____, the Non-Land Value Component shall be increased or decreased, if applicable, based upon the percentage change in the Marshall & Swift Class D Wood Frame Index for the Western United States (“Index”) for the twelve (12) month period ending on the preceding October 31. In the event the Index is no longer published, an equivalent index shall be reasonably determined by Hart.

(d) *Adjustment Process.* The annual adjustment of the Fair Share School Impact Mitigation Payments shall be accomplished in the manner and in accordance with the procedure set forth in the Annual Adjustment Analysis and this Subsection.

On or about November 15 of each year, commencing with calendar year ~~2004~~ 2003, Hart shall prepare and submit to Developer an Annual Adjustment Analysis for the subsequent calendar year, which shall specify the adjustments made in accordance with Subsections (a) through (c) above. The Annual Adjustment Analysis calculates the proposed Fair Share School Impact Mitigation Payments to be applicable effective January 1 of the next succeeding calendar year. Upon Developer’s request at any other reasonable time, Hart shall meet with Developer to review and discuss the Annual Adjustment Analysis not later than December 10 of each year. Hart shall take into account any information provided by Developer with respect to the Annual Adjustment Analysis, either before or after completion of the Annual Adjustment Analysis, in determining adjustment of the Fair Share School impact Mitigation Payments. Any disputes between Developer and Hart with respect to the Annual Adjustment Analysis not resolved to each Party’s satisfaction shall be resolved in accordance with Section 21 of this Agreement, but only after either Hart or Developer determines that no other alternative is feasible. Pending such resolution, any revised Fair Share School Impact Mitigation Payments that become due may be paid under protest and, if any amount subsequently is determined to have been improperly applied by Hart, Hart shall return such additional amount to Developer with interest at the average rate paid by the Los Angeles County Local Agency Investment Fund accruing from the date of payment to the date of repayment by Hart to Developer.

5. *Notice of Annual Adjustment.* On or about November 15 of each year, commencing with calendar year 2004, Hart shall forward to Developer the Annual Adjustment Analysis provided for in Section 4(d) of this Agreement. The Annual Adjustment Analysis shall serve as notice from Hart of any determination applicable in the next calendar year of the SGF, Land Value Component, Non-Land Value Component, Fair Share School Impact Mitigation Payments, or any other determination or document that would impose a duty on Developer or change the extent of Developer’s obligations under this Agreement. Developer acknowledges

that Hart's ability to provide the Annual Adjustment Analysis to Developer by November 15 in any particular year is dependent on collection and analysis of certain information not within Hart's control. Failure by Hart in any particular year to forward the Annual Adjustment Analysis to Developer by November 15 shall be deemed insufficient grounds for Developer to avoid the increase or decrease in the Fair Share School Impact Mitigation Payments for the subsequent calendar year. Hart's provision of the Annual Adjustment Analysis to Developer after November 15 in any particular year shall not prejudice Developer's right, as set forth in Subsection (d) of Section 4, to review the Annual Adjustment Analysis and seek a determination from Hart, if Developer requests such determination within thirty (30) calendar days after receipt of the Annual Adjustment Analysis.

6. ***Certificates of Compliance.***

(a) Immediately upon receipt by Hart of the required Fair Share School Impact Mitigation Payment in the amount required pursuant to this Agreement for each SFDU or MFDU as requested by Developer, Hart shall issue written certification required by Developer to obtain building permits for the construction of those SFDU or MFDU from the County, the City, or other governmental entity that requires such certification ("Certificates of Compliance").

(b) Immediately upon receipt by Hart of the amount required pursuant to this Agreement for Age-Restricted DU or Commercial/Industrial Development as requested by Developer, Hart shall issue Certificates of Compliance to Developer for those Age-Restricted DU or that Commercial/Industrial Development.

7. ***Hart Educational and School Facilities Policies.*** Except as set forth herein, this Agreement shall not in any manner be asserted by Developer to interfere in any way with, or to limit, Hart's Board of Trustees in determining what educational and school facilities policies will best further the interests of Hart's students or the construction or operation of its educational facilities.

8. ***Support of Land Use Applications.*** Within ten (10) days of receipt of written request from Developer, Hart shall express, in either written or oral form, its support for any request for a land use approval, whether legislative or administrative, sought for the development of any portion of the Property from the County, the City, or any other governmental entity which has the right to grant such an approval. Such action by Hart shall relate only to the adequacy of School Facilities for such development and not the desirability or undesirability of approval except as related to adequacy of School Facilities for such proposal.

9. ***Certification of Adequacy of Mitigation.*** Hart shall provide written certification within ten (10) days of receipt of a written request from Developer that adequate School

Facilities exist, or that the financing provided by this Agreement guarantees their availability as needed, to house the Project Students. This written certification shall be given to the California Department of Real Estate, the County, the City, or any other governmental entity which may have development approval authority over any portion of the Property.

10. ***Equal Treatment Provisions.*** On or about November 15 of each year, or as soon as reasonably practicable thereafter, or upon Developer's written request at any other time, Hart shall provide Developer with copies of all mitigation agreements entered into by Hart and other developers or landowners subsequent to execution of this Agreement that Hart has not already provided to Developer. Hart shall, at the same time, provide any analyses of such agreements prepared by Hart or its consultants and all other materials in Hart's possession reasonably necessary for the evaluation of the economic terms of such agreements to the extent such analyses or other materials are not subject to any attorney-client or attorney-work-product privilege.

If, subsequent hereto, Hart enters into any such agreement that is more economically advantageous than this Agreement, as agreed upon by the Parties or as determined pursuant to Section 21 herein, this Agreement shall be modified to make the obligations of this Agreement consistent with, and no greater than, the obligation imposed by that agreement. Any such modification shall not require an amendment to this Agreement but may be described in an addendum signed by Hart and Developer. Any modification of the obligations imposed on Developer pursuant to this Agreement shall be effective as of the date of Hart's approval of the more economically advantageous agreement, and Developer shall be entitled to a refund of the amount of the Fair Share School Impact Mitigation Payments in excess of the modified amount plus interest on the refunded amount at the average interest rate paid by the Los Angeles County Local Agency Investment Fund accruing from the date of each payment to the date of refund.

An agreement requiring a lesser mitigation payment per DU, but requiring other consideration of equal or greater value, such as land, shall not be considered a more economically advantageous agreement. A subsequent agreement shall not be deemed more economically advantageous if it is the result of a condition of approval imposed prior to the effective date of this Agreement that explicitly limits the amounts payable to Hart imposed by a prior action of a public agency (other than Hart) or due to a change in applicable law.

11. ***No Further Exactions.*** Hart shall not, under any circumstances:

- (a) Exercise any power or authority under current or future law to levy or impose an exaction of land, goods, money, or services, whether denominated a fee, charge, dedication, or otherwise, against any development of the Property;
- (b) Require, request, or cooperate with the County, the City, or any other governmental entity to exercise any power or authority to levy or impose an exaction of land,

goods, money, or services, whether denominated a fee, charge, dedication, or otherwise, for Hart's benefit;

(c) Oppose the development of any portion of the Property or any governmental approval, whether legislative or administrative, or any change in any governmental approval on any basis whatsoever; or

(d) Sponsor or require the formation of a Mello-Roos Community Facilities District ("CFD") for any of the Property, except for a CFD or multiple CFDs which together include all of the land within Hart's boundaries, without the express, written consent of Developer which consent may be given or withheld in Developer's sole discretion. Hart shall not unreasonably refuse to act as a sponsor for a CFD or similar public financing procedure if requested to do so by Developer. Hart may accomplish any general obligation bond election that it desires on a District-wide basis or by one or more school facilities improvement districts.

12. ***Adequacy of Developer's Mitigation Obligation.*** The Fair Share School Impact Mitigation Payments that Developer shall pay to Hart pursuant to the terms of this Agreement constitute the entire extent of Developer's obligation to provide the funds necessary for Hart to obtain the School Facilities needed to house Project Students.

13. ***Agreement Not Terminated By Change In Law.*** The Parties intend that this Agreement shall provide for the complete mitigation of all impacts, direct and cumulative, from development of the Property on Hart's ability to provide adequate educational opportunities for the Project Students. No development or change in the development of the Property, nor any governmental approval or change in any governmental approval relating to any portion of the Property, shall constitute a sufficient basis for any modification or termination of this Agreement. The provisions of this Agreement shall not be affected by: (i) any existing applicable law; (ii) any subsequent legislation enacted by the State of California acting through the legislative or initiative process; or (iii) any subsequent judicial decisions related to the matters provided for in this Agreement. The Fair Share School Impact Mitigation Payments provided for in this Agreement are hereby appropriated and dedicated to payment of the future acquisition, construction, financing, and other costs incurred by Hart to accommodate Project Students in Hart's School Facilities.

14. ***Transfer and Encumbrance.*** In its sole discretion, Developer may sell or encumber the Property or a portion thereof, in an improved or unimproved condition, through any means including, but not limited to, deed, mortgage, deed of trust, or other security device. No sale, transfer, or encumbrance of any portion of the Property shall affect Developer's obligations under this Agreement. Neither this Agreement nor any breach of this Agreement

shall defeat, invalidate, diminish, or impair the lien or priority of any deed, mortgage, deed of trust, or other security device.

15. ***Mutual Cooperation.*** Unless this Agreement provides to the contrary, Hart and Developer shall, within ten (10) days of receipt of a written request from the other Party, perform any acts and prepare, sign, deliver, file, and record any documents reasonably required to obtain the goals, and to satisfy the conditions, contained in this Agreement. This includes, but is not limited to, providing the requesting Party with a written statement certifying that:

(a) This Agreement is unmodified and in full force and effect, or, if there have been modifications, this Agreement, as modified, is in full force and effect, stating the date and nature of any modification; and

(b) There are no current uncured defaults under this Agreement, or, if there are any, the dates and natures of the defaults.

16. ***Assignment of Agreement.*** Developer may act as the master developer of the Property and may sell portions of the Property to builders who will construct and sell DU to the public. Developer shall have the unconditional right to assign any right or obligation under this Agreement to anyone at any time, and the assignee shall automatically assume its proportionate share of all applicable provisions of this Agreement. Whenever this Agreement provides Developer with a right, that right may be exercised by the assignee of that right to the same extent that Developer could have exercised that right. The assignment of any right or obligation under this Agreement shall be in writing and a copy of the assignment shall be provided to Hart. No such assignment shall relieve Developer of any of its obligations under this Agreement without Hart's written consent, which Hart shall not unreasonably withhold.

17. ***No Third Party Beneficiaries.*** This Agreement is entered into solely for the benefit of Hart and Developer. Other than Hart and Developer, no third person shall be entitled, directly or indirectly, to base any claim or to have any right arising from, or related to, this Agreement.

18. ***Entire Agreement.*** This Agreement contains the entire agreement and understanding concerning the funding of School Facilities as to the Property, and this Agreement supersedes and replaces all prior negotiations and proposed agreements, written or oral, except as they are included in this Agreement. Hart and Developer acknowledge that neither the other Party nor its agents nor attorneys have made any promise, representation, or warranty whatsoever, express or implied, not contained herein to induce the execution of this Agreement and acknowledge that this Agreement has not been executed in reliance upon any promise, representation, or warranty not contained herein.

19. ***Amendments Must Be In Writing.*** This Agreement may not be modified except by a writing signed by Hart and Developer.

20. ***Acknowledgment of Independent Investigation.*** Hart and Developer acknowledge that each has conducted an independent investigation of the facts concerning the development of the Property, the impacts that Project Students will have on Hart's School Facilities, and the costs of housing Project Students.

21. ***Disputes To Be Arbitrated.*** Hart and Developer desire to resolve as quickly as possible any disputes as to the meaning of any portion of this Agreement, the validity of any determination or calculation, or the rights or obligations of Hart or Developer pursuant thereto. Therefore, any such disputes shall be resolved by binding arbitration conducted by a mutually agreed-upon retired judge of the Los Angeles Superior Court. If Hart and Developer are unable to agree on the arbitrator within thirty (30) days of the receipt of a request for arbitration, they shall request that the presiding judge of the Los Angeles Superior Court designate one. Hart and Developer shall each pay one-half the cost of the arbitration and each shall be responsible for its own attorneys' fees and costs as to any such arbitration.

22. ***Recovery Of Litigation Expenses.*** Except as provided in Section 21 above, if it becomes necessary to enforce any of the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and other costs of litigation in addition to any other relief to which it may be entitled.

23. ***Venue for Resolving Disputes.*** Any arbitration or litigation arising out of this Agreement shall be conducted only in the County.

24. ***Interpretation Guides.*** In interpreting this Agreement, it shall be deemed to have been prepared by the Parties jointly and no ambiguity shall be resolved against either Party on the premise that it or its attorneys was responsible for drafting this Agreement or any provision hereof. The captions or headings set forth in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent or any Sections, Subsections, or other provisions of this Agreement. Any reference in this Agreement to a Section or to a Subsection, unless specified otherwise, shall be a reference to a Section or Subsection of this Agreement.

25. ***Due Authority of Signatories.*** Each individual signing this Agreement warrants and represents that he or she has been authorized by appropriate action of the Party which he or she represents to enter into this Agreement on behalf of that Party.

26. **Notices.** All notices, demands, and communications between Hart and Developer shall be duly addressed as indicated below and given by personal delivery, registered or certified mail (postage prepaid and return receipt requested), Federal Express or other reliable private express delivery, or by facsimile transmission. Such notices, demands, or communications shall be deemed received (i) upon delivery if personally served or sent by facsimile, or (ii) after three business days if given or sent by any other approved manner specified above. Any Party to this Agreement may change its below-specified name, address, facsimile number, or person to whom attention should be directed by giving notice as specified in this Section. A copy of any notice, demand, or communication sent to Hart pursuant to this Agreement shall be sent to Hart's legal counsel, and a copy of any notice, demand, or communication sent to Developer pursuant to this Agreement shall be sent to Developer's legal counsel, if any. Notices, demands, and communications shall be duly addressed and sent as follows:

To Hart:

William S. Hart Union High School Dist.
Attention: Chief Operations Officer
21515 Centre Pointe Parkway
Santa Clarita, CA 91350
Fax No. (661) 259-4762

To Hart's Legal Counsel:

Bowie, Arneson, Wiles & Giannone
Attention: Brian W. Smith
4920 Campus Drive
Newport Beach, CA 92660
Fax No. (949) 851-2014

To Developer:

Attention: _____

Fax No. (____) ____ - _____

To Developer's Legal Counsel:

Attention: _____

Fax No. (____) ____ - _____

27. **California Law Governs.** This Agreement and all rights and obligations arising out of it shall be construed in accordance with the laws of the State of California.

28. **Counterparts.** This Agreement may be signed in one or more counterparts, which, taken together, shall constitute one original document.

29. **Exhibits.** All Exhibits attached hereto or referenced herein are incorporated into this Agreement.

30. **Incorporation Into Subsequent Approvals.** These obligations shall be deemed to be obligations that relate to the Property and shall run with the land as obligations of its future development.

31. **Effective Date.** This Agreement shall be effective as of the date noted on page one (1) of this Agreement.

32. **Recordation and Subordination.** This Agreement shall be recorded by Hart, and Developer shall furnish to Hart, in recordable form, documents subordinating all monetary liens and encumbrances and option agreements of record to the terms of this Agreement.

In Witness Whereof, the undersigned execute this Agreement on behalf of the Parties.

**William S. Hart Union High
School District**

Developer

By: _____
Tom Cole
Chief Operations Officer

By: _____
Print Name: _____
Title: _____

Approved as to Form:
Bowie, Arneson, Wiles & Giannone

By: _____
Print Name: _____
Title: _____

By: _____
Brian W. Smith, Attorneys for
the William S. Hart Union High
School District

Note: Please Notarize Signatures of All Parties

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____, before me, _____
_____ (here insert name and title of the officer),
personally appeared _____, personally known to me (or
proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (Seal)

Dated

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss.

On _____, before me, _____
_____ (here insert name and title of the officer),
personally appeared _____, personally known to me (or
proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (Seal)

Dated



**Sulphur Springs
Union
School District**
Serving Grades
K – 6

Administrative Offices
27000 Weyerhaeuser Way
Santa Clarita, CA 91351
Phone: 661-252-5131
www.sssd.k12.ca.us



Schools

*Canyon Springs
Community School*

*Fair Oaks Ranch
Community School*

*Golden Oak
Community School*

*Leona Cox
Community School*

*Mint Canyon
Community School*

*Mitchell
Community School*

*Pinetree
Community School*

*Sulphur Springs
Community School*

*Valley View
Community School*

District Office Fax #'s

Business Services
661-252-8814
Personnel Services
661-252-3589
Instructional Services
661-252-6847
Special Education Services
661-252-6229
Superintendent's Office
661-252-6849
Technology Department
661-252-6848

September 8, 2010

Bruce Rothman
Robinson Ranch Residential, LP
8447 Wilshire Blvd., Suite 100
Beverly Hills, CA 90211

Re: Tract 63022

Dear Mr. Rothman:

Fees for the above referenced tract are 1.5 times the Level 2 fees (\$3.37 per square foot) which would be \$5.06 per square foot.

If you have any questions or need further information, please do not hesitate to contact me.

Sincerely,

Carol Greenwood,
Administrative Secretary