Stradling Yocca Carlson & Rauth
Draft dated August 20, 2021

JOINT COMMUNITY FACILITIES AND SCHOOL FACILITIES MITIGATION AGREEMENT

by and among

THE CITY OF RIVERSIDE

AND

ALVORD UNIFIED SCHOOL DISTRICT

AND

BEAZER HOMES HOLDINGS, LLC

RELATING TO

COMMUNITY FACILITIES DISTRICT NO. 2021-2 (RIVERPOINTE/PARK PLACE)

OF THE CITY OF RIVERSIDE

Dated _____, 2021

JOINT COMMUNITY FACILITIES AND SCHOOL FACILITIES MITIGATION AGREEMENT BY AND AMONG CITY OF RIVERSIDE AND ALVORD UNIFIED SCHOOL DISTRICT AND BEAZER HOMES HOLDINGS, LLC

(Community Facilities District No. 2021-2 (Riverpointe/Park Place) of the City of Riverside)

THIS JOINT COMMUNITY FACILITIES AND SCHOOL FACILITIES MITIGATION AGREEMENT ("Agreement") is made and entered into as of the ____ day of _____, 2021, by and among CITY OF RIVERSIDE, a charter city and municipal organization organized and operating under the laws of the State of California (the "City"), the ALVORD UNIFIED SCHOOL DISTRICT, a California public school district organized and operating pursuant to the applicable provisions of the California Education Code and the California Constitution ("School District") and BEAZER HOMES HOLDINGS, LLC, a Delaware limited liability company ("Property Owner").

RECITALS:

A. Property Owner is the owner of certain real property (the "Property") located within the boundaries of City and School District, consisting of approximately ___ lots on approximately __ gross acres within Tract Map No. 37626 (the "Project"), as more fully described in Exhibit "A" attached hereto.

B. The Project will require the payment to School District of all or a part of School Fees (defined below) required to finance School Facilities (defined below). In lieu of the School Fees, the Mitigation Amount (as defined below) is expected to be paid to School District, in whole or in part, from Bond Proceeds (defined below) of the hereinafter described Community Facilities District (the "CFD"). The City Facilities (defined below) and School Facilities are sometimes collectively referred to herein as the "Facilities."

C. Pursuant to Property Owner's request, the City Council of the City (the "City Council") is in the process of forming the hereinafter described CFD pursuant to the Act to finance all or a portion of the Facilities. The City will have responsibility for the formation and administration of the CFD.

D. The City is authorized by Section 53313.5 of the Act to finance, by means of the CFD, the School Facilities. This Agreement constitutes a "joint community facilities agreement" ("JCFA") within the meaning of Section 53316.2 of the Act by and among the City, School District and Property Owner, pursuant to which the CFD will be authorized to finance the School Facilities. Pursuant to Section 53316.2(b) of the Act, a JCFA may be approved by two or more public agencies prior to the adoption of a resolution authorizing the issuance of bonds. As provided by Section 53316.6 of the Act, responsibility for constructing, maintaining and operating the City

Facilities is the City's to the extent set forth herein and responsibility for constructing, providing and operating the School Facilities is delegated to School District.

E. The provision of the City Facilities and School Facilities is necessitated by the Project, and the Parties hereto find and determine that the residents of the City, School District and CFD will be benefited by the financing of the City Facilities and School Facilities, and that this Agreement is beneficial to the interests of such residents.

ARTICLE I
GENERAL PROVISIONS

Section 1.1 Recitals.

The above recitals are true and correct and are hereby incorporated by this reference.

Section 1.2 Definitions.

Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified.

(a) "Act" means the Mello-Roos Community Facilities Act of 1982, as amended, commencing with California Government Code Section 53311, *et seq.*

(b) "Agreement" means this Joint Communities Facilities and School Facilities Mitigation Agreement.

(c) "Alvord School Facilities Account" means the fund(s), account(s) or sub-account(s) of the CFD (regardless of its designation within the Bond Resolution) into which a portion of the Bond Proceeds may be deposited in accordance with the Bond Resolution to finance the School Facilities.

(d) "Bond Proceeds" shall mean those net funds generated by the sale of the Bonds.

(e) "Bond Resolution" means that Resolution, Resolution Supplement, Fiscal Agent Agreement, Indenture of Trust or other equivalent document(s) providing for the issuance of the Bonds.

(f) "Bonds" shall mean those bonds, or other securities, issued by, or on behalf of the CFD, as authorized by the qualified electors within the CFD.

(g) "Certificates of Compliance" means those certificates issued by School District pursuant to Education Code Section 17620(b) to Property Owner certifying that Property Owner has paid the Deposit in order to obtain a building permit.

(h) "CFD" means Community Facilities District No. 2021-2 (Riverpointe/Park Place) of the City of Riverside.

(i) "City Facilities" means the city facilities in lieu of development impact fees described in the formation proceedings regarding the CFD.

(j) "Deposits" shall mean all amounts advanced to School District by Property Owner prior to the issuance and sale of the Bonds, as security for the future payment, with Bond Proceeds, of the Mitigation Amounts due in connection with Certificates of Compliance issued by School District for lots within the Project prior to the issuance and sale of the Bonds and the funding of the Alvord School Facilities Account.

(k) "Disbursement Request" means a request for payment relating to School Facilities in the form attached hereto as Exhibit "B."

(l) "Mitigation Amount or Amounts" means for each residential unit within the Project, [_____% of School District's Level 2 school mitigation fee of $_____ per square foot of assessable space (either with a cash payment, pursuant to Section 2.5, or with Bond Proceeds) for such residential unit. At the time of this Agreement, the amount per square foot is $_____. The amount per square foot shall not adjust based on School District's future fee studies, rather it shall increase each January 1, commencing January 1, 2022, by two percent (2%) of the amount per square foot in the preceding year.]

(m) "Party" or "Parties" shall mean any one or all of the parties to this Agreement and the CFD.

(n) "Rate and Method" means the individual Rate and Method of Apportionment of the Special Tax authorizing the levy and collection of special taxes pursuant to proceedings undertaken for the formation of the CFD pursuant to the Act.

(o) "School Facilities" means those K-12 school sites, preschool facilities, school facilities, including classrooms, on-site office space at a school, central support and administrative facilities, interim housing, furniture, equipment, technology, busses, and transportation facilities needed by School District in order to serve the student population to be generated as a result of development of the property within the CFD, and also includes costs associated with the maintenance and operation of school facilities in accordance with the Act.

(p) "School Fees" means those school mitigation fees pursuant to Education Code Section 17620 and Government Code Sections 65995, 65995.5 and 65995.7 required to finance School Facilities.

(q) "State" means the State of California.

(r) "Special Taxes" means the special taxes authorized to be levied and collected pursuant to the Rate and Method.

ARTICLE II
FORMATION OF THE CFD AND ISSUANCE OF BONDS

Section 2.1 Formation of the CFD.

The City, pursuant to the written request of the Property Owner, initiated proceedings pursuant to the Act for the formation of the CFD, the authorization of the Special Taxes within the CFD and the authorization of Bonds on behalf of the CFD, with the qualified electors approving the levy of the Special Taxes and the sale of the Bonds.

Section 2.2 Mitigation Amount Deposits.

Subsequent to the execution of this Agreement and prior to School District's receipt of Bond Proceeds, Property Owner may obtain Certificates of Compliance for lots within the Project by posting Deposits equivalent to the Mitigation Amount.

Deposits posted prior to the issuance of Bonds will be held unexpended by School District and then released to Property Owner upon the sale of Bonds to the extent the Mitigation Payments for such lots have been satisfied by the deposit of Bond Proceeds in the Alvord School Facilities Account. After the issuance of the last series of Bonds (other than Bonds issued for refunding purposes only), to the extent that all Bond Proceeds deposited into the Alvord School Facilities Account are not sufficient to satisfy the Mitigation Payments for such lots, the portion of the Deposits not satisfied with Bond Proceeds shall be retained and used by School District to construct School Facilities.

Section 2.3 Issuance and Sale of Bonds.

The City Council, acting as the legislative body of the CFD, may, in its sole discretion, in accordance with its adopted policies, adopt the Bond Resolution and issue the Bonds. Prior to the City Council adopting the Bond Resolution, Property Owner shall notify School District of: i) the estimated issuance date for the Bonds and ii) the estimated amount of proceeds to be deposited in the Alvord School Facilities Account.

Section 2.4 Bond Proceeds.

In the event that the CFD is formed and Bonds are issued, the City, or the CFD (as may be applicable), and Property Owner shall determine the amount of Bond Proceeds to be deposited into the Alvord School Facilities Account or any applicable accounts or subaccounts thereof. As Bond Proceeds are transferred to School District and reserved to fund School Facilities, Property Owner shall receive a credit in the amount transferred against the payment of School Fees. Nothing herein shall supersede the obligation of an owner of the Property to make an advance or pay School Fees to School District when due. The purpose of this Agreement is to provide a mechanism by which the CFD may levy Special Taxes and issue Bonds to provide a source of funds to finance School Facilities in lieu of the payment of School Fees. In the event that Bond Proceeds, including investment earnings thereon, are not available or sufficient to satisfy the obligation, then Property Owner shall remain obligated to make an advance or pay School Fees to School District.

Section 2.5 Mitigation Payment Credit Account.

(a) After being notified by Property Owner that Bond Proceeds have been deposited into the Alvord School Facilities Account, School District will establish a credit account ("Credit Account") in the amount of assessable square feet for which the Mitigation Payment is deemed satisfied. Such determination shall be made by dividing the amount deposited in the Alvord School Facilities Account by an amount equal to [_____% of the Level 2 school mitigation fee per square foot of School District.]

(b) Once established, School District shall deduct from the Credit Account the square footage of units for which Deposits had been made pursuant to Section 2.2 and return the corresponding Deposits to Property Owner. If such deduction would result in a negative balance

within the Credit Account, School District shall retain a portion of the Deposits such that when added to the Bond Proceeds deposited in the Alvord School Facilities Account would result in a balance of zero (0) square feet within the Credit Account. Such retained Deposits may then be used by School District to fund School Facilities.

(c) Property Owner may obtain Certificates of Compliance for lots within the Project by requesting that School District deduct from the Credit Account the assessable square feet of the unit for which the Certificate of Compliance is being sought. In the event that there is an insufficient balance in the Credit Account to cover a request for a Certificate of Compliance, Property Owner may only obtain a Certificate of Compliance by paying the remaining Mitigation Amount in cash.

Section 2.6 Disbursements for School Facilities.

(a) From time to time following the funding of the Alvord School Facilities Account, School District may notify the City in writing and request a disbursement from the Alvord School Facilities Account to fund School Facilities by executing and submitting an executed Disbursement Request to the City. Upon receipt of such Disbursement Request completed in accordance with the terms of this Agreement, the CFD shall wire transfer or otherwise pay to School District such requested funds to the extent that Bond Proceeds are available in the Alvord School Facilities Account for such purpose.

(b) School District agrees that prior to submitting a Disbursement Request requesting payment from the CFD, it shall review and approve all costs included in its request and will have already paid or incurred such costs of School Facilities from its own funds subsequent to the date of this Agreement, or will disburse such amounts to pay the costs of School Facilities following receipt of funds from the CFD. In the event that School District does not disburse any Bond Proceeds received by it to third parties within five banking days of receipt, it will trace and report to the CFD all earnings, if any, earned by School District, from the date of receipt of such Bond Proceeds by School District to the date of expenditure by School District for capital costs of the School Facilities. School District agrees that in processing the above disbursements it will comply with all legal requirements for the expenditure of Bond Proceeds under the Internal Revenue Code of 1986 and any amendments thereto.

Section 2.7 Responsibility for Mitigation Amounts.

(a) The Parties hereto acknowledge and agree that the final responsibility for the payment of the Mitigation Amounts lies with Property Owner.

(b) If the amounts derived from Bond Proceeds for School Facilities deposited in the Alvord School Facilities Account, including investment earnings thereon, if any, are not sufficient to fund the total cost of the Mitigation Amounts, the Parties hereto agree that all responsibility and liability for the amount of such shortfall shall be and remain with Property Owner, and shall not lie with the CFD, School District, or the City.

(c) School District agrees to utilize or apply funds provided to it by the CFD, in accordance with the Act, the Local Agency Special Tax and Bond Accountability Act (described in Section 4.1 hereof), the requirements of federal tax law compliance with which is necessary in order

for interest on the Bonds to be excluded from the gross income of the recipients for federal income tax purposes and other applicable law, and as set forth herein.

(d) School District shall indemnify, defend, and hold harmless, the City, CFD and Property Owner, their respective officers, employees and agents, and each and every one of them from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of or resulting from the violation by School District of any of the terms of this Agreement of the design, engineering, and construction of the School Facilities and any other facilities constructed with the proceeds of the Mitigation Amounts.

Section 2.8 Mitigation of School Fee Obligations of Project.

Property Owner and School District agree that payment of the Mitigation Amount to School District with respect to any lot within the Project, whether with CFD Bond proceeds or otherwise, shall constitute full mitigation of the obligations due School District in connection with the issuance of a Certificate of Compliance with respect to such lot.

School District shall have no obligation, responsibility, or authority with respect to the issuance and sale of the Bonds, the Bond Proceeds available to finance the construction of School Facilities, the payment of the principal and interest on the Bonds, or for the levy of the Special Taxes to provide for the payment of principal and interest thereon. The City shall have the sole authority and responsibility for all such matters.

The Parties hereto specifically agree that, except as otherwise provided for in Section 2.4, the liabilities of the CFD, including liabilities, if any, of the CFD pursuant to the documents providing for the issuance of Bonds, including the Bond Resolution, shall not be or become liabilities of School District.

Section 2.9 Waiver of State and Local Funding Credits and Right to Protest.

In consideration of School District's agreement with respect to the Project to accept the Mitigation Amounts as full mitigation of the impact of the students generated by the Project upon the School Facilities, and provided School District does not breach such agreement, Property Owner agrees to waive all past, present and future credit against, or fair share reduction in, Mitigation Amounts based upon State matching funding provided to School District or the proceeds from a District-wide special tax or general obligation bond authorization, or School Facilities Improvement District ("SFID") bond authorization for school facilities. In addition, Property Owner knowingly waives its right of protest as may be afforded by Government Code Section 66020 or any other provision of law, so long as School District is not in breach of this Agreement.

Section 2.10 Property Owner Advance.

Within ten (10) business days of execution of this Agreement by School District, Property Owner agrees to deposit with School District the amount of [_____ Thousand Dollars ($_____)] to be used to advance fund School District's costs in entering into and administering the terms of this Agreement. Such advance by Property Owner may be reimbursed, subject to the approval of the City, from the proceeds of the sale of the Bonds, but under no circumstances shall School District be obligated to pay Property Owner from any other source of funds. Should this Agreement not be approved for any reason, any remaining balance of the amounts

advanced by Property Owner pursuant to this Section shall be refunded to Property Owner within ten (10) business days after School District is notified that this Agreement will not be approved.

Section 2.11 Administration of the CFD.

The City shall have the power and duty to provide for the administration of the CFD, subject to the terms hereof and the Bond Resolution, including employing and compensating all consultants and providing for the various other administration duties set forth in this Agreement. It is understood and agreed by Parties hereto that School District was not or will not be considered a participant in the proceedings relative to formation of the CFD or the issuance of the Bonds, other than as a Party to this Agreement.

ARTICLE III
TERM AND TERMINATION

Section 3.1 Effective Date.

This Agreement shall become effective and of full force and effect as of the date ("Effective Date") it is approved and executed by the Board of Education of School District, by Property Owner and the City Council, to be confirmed by the execution hereof by the authorized representatives of the Parties hereto.

Section 3.2 Termination.

If the CFD is unable to complete the sale of the Bonds prior to January 1, 2028, any obligation of the Parties, if any, to finance all or any portion of the Mitigation Amounts with CFD bond proceeds pursuant to this Agreement shall automatically terminate and be of no further force or effect. In such event, School District shall retain all Deposits in full satisfaction of the Mitigation Amount obligations related to the lots within the Project for which Certificates of Compliance were issued based upon the posting of such Deposits and thereafter, in order to obtain an additional Certificate of Compliance for a unit within the Project, Property Owner shall be required to pay School District the Mitigation Amount for such unit.

ARTICLE IV
ADDITIONAL GENERAL PROVISIONS

Section 4.1 Recordkeeping; Inspection of Records.

School District hereby agrees to keep and maintain full and accurate records of all amounts, if any, paid to School District for Mitigation Amounts and investment earnings thereon and the City or the CFD, or the Fiscal Agent on their behalf, hereby agrees to keep and maintain full and accurate records of all amounts, and investment earnings, if any, disbursed to School District from the Alvord School Facilities Account. Each Party further agrees to make such records available to any other Party hereto, including Property Owner, during normal business hours upon reasonable prior notice. All such records shall be kept and maintained by the appropriate Party as provided by applicable law and their respective policies. School District and Property Owner agree that they will cooperate with the CFD and the City in providing documentation, reports or other data reasonably required and requested by the City or the CFD in meeting the reporting requirements of the CFD under Sections 50075.1, 50075.3, and 50075.5 and Article 1.5 (commencing with Section 53410) of Chapter 3 of

Part 1 of Division 2 of Title 5 of, the Government Code (collectively, the "Local Agency Special Tax and Bond Accountability Act"). School District's reporting obligations pursuant to this Section shall be limited to providing reports or other data detailing the following: (A) the amount of CFD funds received by School District to fund School Facilities, (B) the amount of such CFD funds deposited in separate funds or accounts of School District reflecting Mitigation Amounts and the number of dwelling units for which such Mitigation Amounts apply, and (C) School Facilities that have been acquired or constructed, in whole or in part, with CFD funds. School District's reporting obligation shall terminate when all CFD funds have been disbursed from the Alvord School Facilities Account, or from any account or subaccount thereof that has been allocated Bond Proceeds to finance Mitigation Amounts, and School District has provided to the City a report for the last disbursement received by School District. If no CFD funds have been received by School District or used to finance School Facilities since the previous report, no report shall be required and the City may rely upon the previous reports.

Section 4.2 Partial Invalidity.

If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 4.3 Successors and Assigns.

Property Owner may assign its rights pursuant to this Agreement to a purchaser of the Property, or any portion thereof, and such purchaser and assignee shall assume the obligations of Property Owner pursuant to this Agreement and to be bound thereby. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto.

Section 4.4 Notice.

Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any Party or other person shall be deemed to have been received when personally delivered or upon deposit of the same in the United States Post Office registered or certified, postage prepaid, addressed as follows:

City:	City of Riverside 3900 Main Street, 6th Floor Riverside, CA 92522 Attention: Chief Financial Officer/Treasurer
With a copy to:	Stradling Yocca Carlson & Rauth 660 Newport Center Drive, Suite 1600 Newport Beach, CA 92660 Attention: Bradley R. Neal, Esq.

School District: Alvord Unified School District
9 KPC Parkway
Corona, CA 92879
Attention: Superintendent

Property Owner: Beazer Homes Holdings, LLC
c/o Beazer Homes
310 Commerce, Suite 150
Irvine, CA 92602
Attn: _____

Each Party can change its address for delivery of notice by delivering written notice of such change or address to the other Parties within ten (10) calendar days prior to such change.

Section 4.5 Captions.

The captions to Sections used herein are for convenience purposes only and are not part of this Agreement.

Section 4.6 Governing Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California applicable to contracts made and performed in said State.

Section 4.7 Entire Agreement.

This Agreement contains the entire agreement between the Parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the Parties with respect to the subject matter of this Agreement.

Section 4.8 Amendments.

This Agreement may be amended or modified only in writing executed by the authorized representative(s) of each of the Parties hereto.

Section 4.9 Waiver.

The failure of any Party hereto to insist on compliance within any of the terms, covenants or conditions of this Agreement by any other Party hereto, shall not be deemed a waiver of such terms, covenants or conditions of this Agreement by such other Party, nor shall any waiver constitute a relinquishment of any other right or power for all or any other times.

Section 4.10 Cooperation and Execution of Documents.

The Parties hereto agree to complete and execute any further or additional documents which may be necessary to complete or further the terms of this Agreement.

Section 4.11 Attorneys' Fees.

In the event of the bringing of any action or suit by any Party against any other Party arising out of this Agreement, the Party in whose favor final judgment shall be entered shall be entitled to recover from the losing Party all costs and expenses of suit, including reasonable attorneys' fees.

Section 4.12 Exhibits.

The following exhibits attached hereto are incorporated into this Agreement by reference.

Exhibit	Description
"A"	Property Description
"B"	Disbursement Request Form

Section 4.13 Signatories.

The signatories hereto represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign.

Section 4.14 Execution in Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Community Facilities and School Facilities Mitigation Agreement as of the day and year written above.

ALVORD UNIFIED SCHOOL DISTRICT

By_____
President of the Board of Education
of the Alvord Unified School District

ATTEST:

By_____
Clerk of the Board of Education of
the Alvord Unified School District

Property Owner:

BEAZER HOMES HOLDINGS, LLC, a Delaware limited liability company

By: _____

Name: _____

Title: _____

City:

CITY OF RIVERSIDE

By: _____
Name: _____

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
Bond Counsel

Approved as to form

Senior Deputy City Attorney

EXHIBIT "A"

PROPERTY DESCRIPTION

EXHIBIT "B"

DISBURSEMENT REQUEST FORM

1. Community Facilities District No. 2021-2 (Riverpointe/Park Place) of the City of Riverside ("CFD No. 2021-2") is hereby requested to pay from the Alvord School Facilities Account, or any applicable account or subaccount thereof, established by CFD No. 2021-2 in connection with its Special Tax Bonds (the "Bonds") to Alvord Unified School District ("Alvord USD"), as payee, the sum set forth below:

$_____ (the "Requested Amount")

2. The Requested Amount is due and payable, has not formed the basis of any prior request or disbursement and is being made with respect to the obligation of the Property to pay Mitigation Amounts to Alvord USD.

3. The Requested Amount is authorized and payable pursuant to the terms of that certain Joint Community Facilities Agreement, dated as of _____, 2021, by and among Alvord Unified School District, BEAZER HOMES HOLDINGS, LLC, a Delaware limited liability company, and the City (the "JCFA"). By requisitioning Bond proceeds as described above, Alvord USD is not passing upon, determining or assuming the tax-exempt status of the Bonds for federal or California income tax purposes.

4. Capitalized undefined terms used herein shall have the meanings ascribed to them in the JCFA.

Date: _____

BEAZER HOMES HOLDINGS, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

Date: _____

ALVORD UNIFIED SCHOOL DISTRICT

By: _____

_____