

JOINT COMMUNITY FACILITIES AGREEMENT BY AND AMONG
RIVERSIDE UNIFIED SCHOOL DISTRICT
(COMMUNITY FACILITIES DISTRICT NO. 42),
THE CITY OF RIVERSIDE,
AND CENTURY COMMUNITIES OF CALIFORNIA, LLC

THIS JOINT COMMUNITY FACILITIES AGREEMENT (this “Agreement”) is entered into as of the ____ day of _____, 2025, by and among the RIVERSIDE UNIFIED SCHOOL DISTRICT, a school district of the State of California (the “School District”), THE CITY OF RIVERSIDE, a charter city and municipal organization organized and operated under the laws of the State of California (the “City”) and CENTURY COMMUNITIES OF CALIFORNIA, LLC, a Delaware limited liability company (the “Developer”).

RECITALS

A. The Developer is developing the property in the City of Riverside described in Exhibit “A” attached hereto (the “Property”). The Developer has requested that the School District establish a community facilities district (the “CFD”) pursuant to the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code (the “Mello-Roos Act”) to include the Property, for the purpose of financing, with the proceeds of the special taxes and the sale of the Bonds (defined below) of the proposed CFD, (i) the design, construction and/or acquisition of certain school facilities of the School District (the “School Facilities”), in satisfaction of the obligation of the Property and the Developer for the payment of school mitigation fees to the School District, and (ii) the design, construction and/or acquisition of certain City facilities (the “City Fee Facilities”) of the City equal to the amount of fees received by the City and deemed eligible by the City for reimbursement pursuant to the terms hereof and Section 5 hereto (the “City Fees”) as a result of the development of the Property. The City Fee Facilities are described in Exhibit “B” attached hereto. It is estimated and expected that the proceeds of the sale of the Bonds of the CFD which will be received by the City for financing the City Fee Facilities will be approximately [\$1,644,625].

B. Pursuant to Sections 53316.2, 53316.4 and 53316.6 of the Government Code, (i) a community facilities district may finance facilities to be owned or operated by an entity other than the agency that created the community facilities district pursuant to a joint community facilities agreement or a joint exercise of powers agreement adopted pursuant to that section; (ii) a party to

such an agreement may use the proceeds of any bonds or other indebtedness issued pursuant to the Mello-Roos Act to provide facilities which that party is otherwise authorized by law to provide, even though another party to the agreement does not have the power to provide those facilities; and (iii) no local agency which is a party to a joint community facilities agreement (other than a city or a county) shall have primary responsibility for formation of a community facilities district unless it is reasonably expected to have responsibility for providing facilities to be financed by a larger share of the proceeds of the special taxes and bonds of the community facilities district created pursuant to the agreement than any other local agency.

C. It is estimated, as provided in paragraph E below, that between the School District and the City, the School District will receive the largest share of the proceeds of the special taxes and sale of the Bonds of the proposed CFD, and the School District is, therefore, the appropriate agency to have primary responsibility for formation of the proposed CFD.

D. The purpose of this Agreement is to set forth the understandings of the School District, the City and the Developer with respect to the formation of the proposed CFD, if it is established, the authorization of bonded indebtedness and the sale of Bonds of the CFD, the allocation of the proceeds of the special taxes, and sale of such Bonds between the School District and the City for the design, construction and acquisition of the School Facilities and City Fee Facilities.

E. The Developer and the School District will also enter into a School Facilities Mitigation Agreement (the "Mitigation Agreement"). The Developer has requested pursuant to the Mitigation Agreement, and it is anticipated, that Bonds of the CFD will be issued in an aggregate principal amount of approximately [\$4,410,000] (the "Bond Proceeds") for the purposes of providing through the sale of such Bonds (i) a total amount to the School District of approximately [\$1,831,639] for the School Facilities and, (ii) a total amount to the City of approximately [\$1,644,625] for the City Fee Facilities.

F. The maximum aggregate principal amount of the bonded indebtedness of the CFD which will be incurred is \$6,000,000.

G. In conjunction with the issuance of building permits for the construction of homes within the Property and/or receipt of final inspections or occupancy certificates for such homes,

Developer, or its successors or assigns, shall advance City Fee Facilities costs in lieu of payment of City Fees (the “Advances”) at such times as Bond Proceeds are not available in a sufficient amount to pay for City Fee Facilities. In such case, Property Owner shall be entitled to, but only to the extent of 80% of the Bond Proceeds received by the City in accordance with Sections 6 and 7 of this Agreement, (i) reimbursement of such Advances and (ii) credit for payments made to City from Bond Proceeds against City Fees which would otherwise be due to City in conjunction with the development of the Property, all as further described herein.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.
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, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code.
 - b. **“Advance”** means an amount advanced by the Developer to City for City Fee Facilities in lieu of payment of City Fees prior to the availability of sufficient CFD Proceeds.
 - c. **“Agreed-Upon Allocation”** shall have the meaning given such term in Section 6 herein.
 - d. **“Agreement”** means this Joint Community Facilities Agreement, dated [_____, 2025], by and among the City, the School District, and the Developer.
 - e. **“Bond Proceeds”** shall mean those net funds generated by the sale of the Bonds and investment earnings thereon.
 - f. **“Bonds”** shall mean those bonds, or other securities, issued by, or on behalf of the CFD in one or more series, as authorized by the qualified electors of the CFD.

g. **“CFD Proceeds”** shall mean one or more of the following sources of funds:(i) Bond Proceeds; (ii) special taxes levied in the CFD for the direct payment of City Fee Facilities; and (iii) any prepayments of special taxes in the CFD that are to be applied to authorized facilities of the CFD, including City Fee Facilities, pursuant to the Rate and Method.

h. **“City Facilities Allocation”** shall have the meaning given such term in Section 6 herein.

i. **“City Representative”** means the City Manager or his designee, or the Chief Financial Officer/Treasurer.

j. **“Developer”** means Century Communities of California, LLC, and its successors and assigns.

k. **“Disbursement Request”** means a request for payment relating to City Facilities or City Fee Facilities in the form attached hereto as Exhibit “D.”

l. **“Party”** or **“Parties”** shall mean anyone or all of the parties to this Agreement.

m. **“Rate and Method”** means the 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 Mello-Roos Act.

n. **“School District”** means Riverside Unified School District, a California school district.

o. **“Special Taxes”** means the special taxes authorized to be levied and collected within the CFD pursuant to the Rate and Method.

p. **“State”** means the State of California.

3. Formation Proceedings. The Board of Education of the School District shall conduct proceedings pursuant to the Mello-Roos Act for the formation of the proposed CFD which shall be designated “Community Facilities District No. 42 of Riverside Unified School District, County of Riverside, State of California”, as shown on the map attached hereto as Exhibit “C.” The Board of

Education shall also conduct proceedings pursuant to the Mello-Roos Act to authorize the CFD to incur a bonded indebtedness in an amount not to exceed \$6,000,000 for the purpose of financing the School Facilities and City Fee Facilities. The Board of Education shall commence such proceedings as soon as is reasonably possible and shall thereafter conduct and complete such proceedings in a timely manner.

4. Fee Deposit with City for Preparation and Implementation of this Joint Community Facilities Agreement. The Developer shall cause to be deposited with the City Representative, or his/her designee, an aggregate amount of \$14,500 for the City's costs in connection with the preparation of this Agreement, of which \$14,500 has been deposited by Developer to be held in to cover all costs incurred in drafting, preparing and implementing this Agreement. The City Representative will prepare an accounting of the costs incurred and provide an accounting to the Developer. If the amount deposited is insufficient to cover such costs, the Developer will cause an additional amount to be deposited with the City Representative within thirty (30) calendar days of being provided a written request for the additional funds. The amounts deposited with the City Representative that have not been used will be returned to the Developer. Any portion of the amounts deposited with the City Representative that are used for the purposes identified above shall be reimbursable to the Developer from the proceeds of the Bonds earmarked for costs of issuance.

5. Issuance of Bonds. Upon completion of the proceedings for the formation of CFD No. 42 and the authorization of bonded indebtedness, the School District shall proceed to issue and sell one or more series of Bonds of CFD No. 42 in an aggregate principal amount which shall not exceed \$6,000,000 for the purpose of providing a total amount of approximately [\$1,831,639] to the School District for financing the design, construction and acquisition of School Facilities, and a total amount to the City of approximately [\$1,644,625] for financing the City Fee Facilities. The School District shall proceed with the issuance and sale of each series of such Bonds when it is determined, in the sole discretion of the School District, that all of the conditions which must be satisfied in connection with the issuance and sale of Bonds of the CFD, including the requirements of Section 53345.8 of the Government Code, have been satisfied. In making such determination, the School District shall be guided by the advice of its bond counsel and municipal advisor and the underwriter of the Bonds.

Prior to each approval of the issuance of Bonds by the governing board of the School District, Developer shall notify the City in writing of the School District's intent to issue Bonds and the estimated amount of Bond Proceeds which will be made available to the City for City Fee Facilities (the "Bond Issue Notice"). The Bond Issue Notice shall also provide the City Fees paid by the Developer. Within 10 business days of receipt by the City of the Bond Issue Notice, City shall notify the School District and Developer in writing of the City Fees, and any Advances related thereto, which shall be eligible for reimbursement to the Developer upon receipt by the City of Bond Proceeds on either a taxable or tax exempt basis, as determined by the City.

6. Allocation of Construction Funds. The fiscal agent agreement or indenture for the Bonds shall provide for the creation of separate accounts for the School District and the City, into which amounts of the net proceeds of the sale of the Bonds shall be deposited to finance the School Facilities (the "School Facilities Account") and the City Fee Facilities (the "City Fee Facilities Account"). No part of the funds on deposit in the School Facilities Account will be available to pay for the City Fee Facilities, and no part of the funds on deposit in the City Fee Facilities Account will be available to the School District Account. Upon the sale of the Bonds, the School District shall provide for the deposit of net proceeds from the sale of the Bonds in the School Facilities Account and the City Fee Facilities Account. The amounts to be deposited in each of the School Facilities Account and the City Fee Facilities Account shall be determined in accordance with the Mitigation Agreement and this Agreement. Upon the issuance and sale of the Bonds, or a separate series thereof, the School District shall determine the amounts to be deposited in each such account, in consultation with the Developer and the determination of the School District shall be final and binding on the City. The fiscal agent agreement or bond indenture for the Bonds shall provide that earnings from the investment of the amount on deposit in the City Fee Facility Account shall be retained in such account. Of the amount deposited in the City Fee Facility Account, the first 20% shall be available to the City to finance City Fee Facilities with no corresponding credit against City Fees granted or reimbursement of Advances to the Developer. The remaining 80% (the "80% City Fee Facilities Amount") shall be available to the City to finance City Fee Facilities, with the Developer being reimbursed for Advances but only to the extent of the 80% City Fee Facilities Amount. City Fees shall be deemed paid with respect to the Property to the extent the 80% City Fee Facilities Amount exceeds Advances.

7. City Fee Facilities. Bonds issued to finance City Fee Facilities are expected to be issued as tax-exempt Bonds, provided the City is able to provide the necessary information and certification to the School District's bond counsel prior to issuance and subject to the notification required to be given to the City pursuant to Section 5 hereof. Otherwise such Bonds shall be issued as taxable Bonds. Upon the deposit of funds in the City Fee Facilities Account, the City shall return all prior Advances to the Developer for which the Developer has provided written proof of payment, not to exceed an 80% City Fee Facilities Amount. City Fees shall be deemed paid with respect to the Property to the extent the 80% City Fee Facilities Amount exceeds Advances. Nothing herein shall supersede the obligation of Developer to make Advances or otherwise pay City Fees to City when due. In the event that Bond Proceeds are not available or sufficient to satisfy the obligation, then Developer shall remain obligated to make Advances or otherwise pay City Fees to City as required by City in accordance with applicable law.

8. Responsibility and Indemnification. The School District shall have sole responsibility for the design, construction and acquisition of the School Facilities and the City shall have sole responsibility for the design, construction and acquisition of the City Fee Facilities. The School District agrees to indemnify and hold the City harmless from any and all liability of any nature whatsoever, including attorneys' fees and costs, with respect to the design, construction and acquisition of the School Facilities. The City agrees to indemnify and hold the School District harmless from any and all liability of any nature whatsoever, including attorneys' fees and costs, with respect to the design, construction and acquisition of the City Fee Facilities and the expenditure of the amounts of the proceeds of the Bonds which are deposited in the City Fee Facilities Account pursuant to Section 4 above. The School District further agrees to defend, indemnify and hold the City harmless from any responsibility or liability, including attorneys' fees and costs, in the event of any challenge by any person regarding (a) the School District's authority to issue and sell the Bonds of the CFD, (b) the legal sufficiency of the proceedings for the formation of the CFD or (c) the authority of the School District to levy special taxes on the land in the CFD to pay the principal of and interest on such Bonds. In the event that the School District or the City come under audit or inquiry with respect to its expenditures for the CFD and the City incurs expenses in compliance or cooperation with such audit, then the School District shall reimburse the City for such expenses solely from the Special Taxes.

9. Indemnification and Hold Harmless. The Developer shall assume the defense of, indemnify and save harmless the City, members of the City Council, their officers, officials, employees and agents and each of them, and the School District, members of the Board of Education, their officers, officials, employees and agents and each of them, from and against all actions, damages, claims, losses or expense of every type and description to which they may be subjected or put, by reason of, or resulting from the breach of any provision of this Agreement by the Developer, claims for damages to persons or property related to the actions of Developer contemplated by this Agreement or any claims arising out of any alleged misstatement of a material fact or omission of a material fact with respect to provisions in any Official Statement for the Bonds for which the Developer certifies in a customary certificate executed in connection with the printing of the Official Statement for such Bonds. Notwithstanding the foregoing, no indemnification is given hereunder for any action, damage, claim, loss or expense directly attributable solely to the intentional acts or negligence of the City, or its officers, directors, employees or agents hereunder.

No provision of this Agreement shall in any way limit the Developer's responsibility for payment of damages resulting from the operations of the Developer, its agents, employees or its contractors.

10. 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.

11. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City or the School District. The City and the School District shall not be responsible for making any payments to any contractor, subcontractor, agent, consultant, employee or supplier of the Developer.

12. Amendment and Assignment. This Agreement may be amended at any time by a subsequent written agreement signed on behalf of all Parties to this Agreement. This Agreement may be assigned, in whole or in part, by the Developer to the purchaser of any parcel of land within the Property, provided, however, such assignment shall not be effective unless and until the City and the School District have been notified, in writing, of such assignment.

13. Beneficiaries. No person or entity shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the School District and the City, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

RIVERSIDE UNIFIED SCHOOL DISTRICT

By: _____
President of the Board of Education

ATTEST:

Clerk of the Board of Education

THE CITY OF RIVERSIDE

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

*-Signature Page-
Joint Community Facilities Agreement*

**CENTURY COMMUNITIES OF
CALIFORNIA, LLC,
a Delaware limited liability company**

By: _____

Name: _____

Its: _____

*-Signature Page-
Joint Community Facilities Agreement*

EXHIBIT "A"

DESCRIPTION OF THE PROPERTY

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF
RIVERSIDE, STATE OF CALIFORNIA, AND INCLUDES THE FOLLOWING PARCELS:

Tract_ <u>Map No.</u>	Assessor_ <u>Parcel No.</u>
38913	234-150-046
38913	234-140-018
38913	234-140-019

EXHIBIT “B”

DESCRIPTION OF CITY FEE FACILITIES

The City Fee Facilities include without limitation (i) the construction, purchase, modification, expansion, rehabilitation and/or improvement of electric transmission and appurtenant facilities, water and wastewater, drainage, flood and storm protection facilities, signage, streets and roadways, traffic signals, street lighting, parks and recreation facilities, police and fire infrastructure and capital equipment facilities, (ii) all furnishings, equipment and supplies related thereto, and (iii) all costs related to the engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for (i) and (ii) above.

The estimated City Fees related to the City Fee Facilities described above include the following:

<i>Funding Requirements</i>	<i>Total</i>
City of Riverside Fees	
Aquatic Facilities Fee	\$59,220
Local Park Fee	377,019
Regional Park Fee	36,063
Trails Fee	512
Sewer Capacity Fee	545,529
Sewer Permit to Connect Fee	6,007
Water Connection and Construction Fee	198,371
Storm Drain Fee	70,955
Traffic and Railroad Signal Fee	17,625
Transportation Impact Fee	<u>59,220</u>
Total City Fees	\$1,370,521
City of Riverside Premium	
Premium (20% of DIF)	<u>\$274,104</u>
Total City of Riverside Fees plus Premium	<u>\$1,644,625</u>

EXHIBIT “C”

MAPS SHOWING TRACTS

EXHIBIT “D”

DISBURSEMENT REQUEST FORM

City Fees

1. Riverside Unified School District Community Facilities District No. 42 (“CFD”) is hereby requested to pay from the CFD Proceeds to the City of Riverside (“City”) or its designee, as Payee, the sum set forth in 3 below.

2. The undersigned certifies that the amount requested for City Fees has not formed the basis of any prior request or payment, and is being made with respect to the [City Fees described below: (insert description)].

2. City Fees amount requested: \$_____

4. The amount set forth in 3 above is authorized and payable pursuant to the terms of the Joint Community Facilities Agreement by and among Riverside Unified School District, the City, Century Communities of California, LLC, dated [_____, 2025] (the “Agreement”). Capitalized terms not defined herein shall have the meaning set forth in the Agreement. By requisitioning CFD Proceeds as described above, the City is not passing upon, determining or assuming the tax-exempt status of the Bonds for federal or California income tax purposes.

Dated: _____

[DEVELOPER]

By: _____

Name: _____

Title: _____

Document comparison by Workshare 9 on Tuesday, July 22, 2025 3:27:31 PM

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Padding cell	

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