CITY MANAGER'S REPORT JULY 8, 2024 CITY COUNCIL REGULAR MEETING

ITEM:

APPROVE FINAL MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 66 LOTS IN TRACT

3225 WITHIN THE MOSSDALE LANDING AREA

RECOMMENDATION:

Adopt Resolution Approving Final Map for Tract 3225 within the Mossdale Landing Area, Totaling 66 Single Family Lots and Subdivision Improvement Agreement with K. Hovnanian Homes Northern

California, Inc.

SUMMARY:

The proposed Final Map for Tract 3225, included as Attachment "C", will subdivide the 13.26 acre S1 Pond parcel in the Mossdale Landing area. K. Hovnanian Homes Northern California, Inc. (KHOV) is proposing 66 single family lots. A Vicinity Map is included at Attachment "B".

Staff recommends that the City Council approve the proposed Final Map for Tract 3225 and a Subdivision Improvement Agreement (SIA), included as Attachment "D", with KHOV by Resolution included as Attachment "A".

BACKGROUND:

On January 27th, 2003, Council and Planning Commission approved the Mossdale Landing Project entitlements, which included the compliance with California Environmental Quality Act (CEQA) and adoption of Urban Design Concept (UDC), Vesting Tentative Subdivision Map (VTM) for Tract 3142, VTM for Tract 3225, and a Development Agreement (DA) for the Mossdale Landing Project. The land for the proposed Final Map for Tract 3225 is within the geographic boundaries of the VTM.

The developer, Lathrop Mossdale Investors, LP (LMI), was required to use the low density residential area of Tract 3225 as a recycled water storage pond (S1) until a river discharge permit was obtained from the Regional Water Quality Control Board (RWQCB). LMI retained reversionary rights to the land of S1 to regain the title to the land when alternative means of disposal of recycled water were funded by LMI.

LMI agreed to fund a portion of the Surface Water Discharge Project for the pro-rata share of the S1 pond. On January 8, 2024, Council approved the Project Funding Agreement with LMI and a quitclaim deed to transfer ownership of the S1 property to KHOV at the request of LMI.

CITY MANAGER'S REPORT JULY 8, 2024 CITY COUNCIL REGULAR MEETING APPROVE FINAL MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 66 LOTS IN TRACT 3225 WITHIN THE MOSSDALE LANDING AREA

KHOV is now requesting Council to approve the Final Map for Tract 3225. As required by the Lathrop Municipal Code Chapter 16.16, all final maps must include an SIA to guarantee specific offsite and onsite improvements.

The total estimated cost of the improvements for Tract 3225 is \$2,919,400. Performance and labor & material securities have been provided to the City with the proposed SIA in the amount of:

Improvement Total:	\$3,437,412
Performance Bond (150% of Unfinished Improvements)	\$5,156,118
Labor & Materials Bond (50% of Performance Bond)	\$2,578,059

The SIA also quarantees the construction of the improvements along McKee Boulevard, Brookhurst Boulevard, and Golden Valley Parkway.

Tract 3225 was annexed into a Community Facilities District (CFD) for maintenance purposes with the approval of the VTM.

Potential Council acceptance of the public improvements will be processed by staff at a later date when the improvements are completed. Prior to acceptance, KHOV will be required to provide a one (1) year warranty bond.

As a precondition to record the Final Map, KHOV must satisfy the Escrow Instructions, included as Attachment "E", by depositing necessary sums to guarantee the payment of all fees and providing required documents.

REASON FOR RECOMMENDATION:

KHOV has fulfilled all of the requirements of the City's subdivision ordinance as listed below:

Documents	Status
 Final Map ready for signature 	Received
2. Subdivision Improvement Agreement	Received
3. Faithful Performance and Labor & Materials Security	Received
 Street Improvement, Landscape, Light & Joint Trench Plans, Traffic Signal Plans 	Received
5. Geotechnical Report	Received
6. Allocation of Water and Sewer capacity documents	To be provided in escrow
7. Escrow Instructions	Received

CITY MANAGER'S REPORT JULY 8, 2024 CITY COUNCIL REGULAR MEETING APPROVE FINAL MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 66 LOTS IN TRACT 3225 WITHIN THE MOSSDALE LANDING AREA

Fees	Stat	us		
1. Final Map plan check fee	Paid			
2. Improvement Plans - Plan check and inspection fees	Paid			
3. Sierra Club Settlement fee	To	be ow	paid	in

FISCAL IMPACT:

There is no fiscal impact to the City as all costs are covered by development fees and any shortfalls in the City's maintenance and operating costs are covered by the CFD.

ATTACHMENTS:

- Resolution Approving Final Map for Tract 3225 within the Mossdale Landing Α. Area, Totaling 66 Single Family Lots and Subdivision Improvement Agreement with K. Hovnanian Homes Northern California, Inc.
- В. Vicinity Map - Tract 3225
- C. Draft Final Map - Tract 3225
- Subdivision Improvement Agreement with K. Hovnanian Homes Northern D. California, Inc. for Final Map Tract 3225
- E. Escrow Instructions - Final Map 3225

PAGE 4

CITY MANAGER'S REPORT JULY 8, 2024 CITY COUNCIL REGULAR MEETING APPROVE FINAL MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 66 LOTS IN TRACT 3225 WITHIN THE MOSSDALE LANDING AREA

APPROVALS	
MW	6/20/24
Bellal Nabizadah	Date
Assistant Engineer	
Brad Toylor City Engineer	<u>6/20/2024</u> Date <u>6/24/2024</u>
Cari James Finance Director	Date
	6.20.2024
Michael King	Date
Assistant City Manager	
Marko	1406/06/0
Salvador Navarrete	Date
City Attorney	
	7.2.24
Stephen J. Salvatore	Date
City Manager	

RESOLUTION NO. 24-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING FINAL MAP FOR TRACT 3225 WITHIN THE MOSSDALE LANDING AREA, TOTALING 66 SINGLE FAMILY LOTS AND SUBDIVISION IMPROVEMENT AGREEMENT WITH K. HOVNANIAN HOMES NORTHERN CALIFORNIA, INC.

WHEREAS, on January 27th, 2003, Council and Planning Commission approved the Mossdale Landing Project entitlements, which included the compliance with California Environmental Quality Act (CEQA) and adoption of Urban Design Concept (UDC), Vesting Tentative Subdivision Map (VTM) for Tract 3142, VTM for Tract 3225, and a Development Agreement (DA) for the Mossdale Landing Project; and

WHEREAS, the land for the proposed Final Map for Tract 3225 is within the geographic boundaries of the VTM; and

WHEREAS, the developer, Lathrop Mossdale Investors, LP (LMI), was required to allow the City to use the low density residential area of Tract 3225 as a recycled water storage pond (S1) until alternative means of disposal of recycled water were available; and

WHEREAS, LMI retained reversionary rights to the land of S1 to regain the title to the land when the pond is no longer needed by the City as a storage pond; and

WHEREAS, LMI agreed to fund a portion of the Surface Water Discharge Project for the pro-rata share of the S1 pond; and

WHEREAS, on January 8, 2024, Council approved the Project Funding Agreement with LMI and a quitclaim deed to transfer ownership of the S1 property to K. Hovnanian Homes Northern California, Inc. (KHOV), at the request of LMI; and

WHEREAS, staff received a request from KHOV to process the Final Map for Tract 3225; and

WHEREAS, as required by the Lathrop Municipal Code Chapter 16.16, all final maps must include a Subdivision Improvement Agreement (SIA) to guarantee specific offsite and onsite improvements; and

WHEREAS, performance and labor & material securities have been provided with the proposed SIA for Tract 3225 that guarantee the onsite and offsite subdivision improvements for Tract 3225, in the amount as follows:

Improvement Total:	\$3,437,412
Performance Bond (150% of Unfinished Improvements)	\$5,156,118
Labor & Materials Bond (50% of Performance Bond)	\$2,578,059

WHEREAS, the SIA also guarantees the construction of the improvements along McKee Boulevard, Brookhurst Boulevard and Golden Valley Parkway; and

WHEREAS, Tract 3225 was annexed into a Community Facilities District (CFD) for maintenance purposes with the approval of the VTM; and

WHEREAS, potential Council acceptance of the public improvements will be processed by staff at a later date when the improvements are completed. Prior to acceptance, KHOV will be required to provide a one (1) year warranty bond; and

WHEREAS, KHOV must satisfy the Escrow Instructions, included as Attachment "E" to the City Manager's Report that accompanies this Resolution, by depositing necessary sums to guarantee the payment of all fees and providing required documents; and

WHEREAS, there is no fiscal impact to the City because all costs are covered by development fees and the City's maintenance and operating costs for the future public improvement will be paid by the CFD that has been established with the VTM.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Lathrop that approves the following:

- 1. The Final Map for Tract 3225 and is hereby approved as submitted for recordation with the San Joaquin County Assessor/Recorder/County Clerk Office subject to the K. Hovnanian Homes Northern California, Inc.'s completion of requirements of the escrow instructions.
- 2. The proposed Subdivision Improvement Agreement with K. Hovnanian Homes Northern California, Inc. and related documents, including herein-referenced escrow instructions attached to the City Manager's Report that accompanied this Resolution, in substantially the form as attached to the July 8, 2024 staff report.

PASSED AND ADOPTED by the City day of July 2024 by the following vote:	Council of the City of Lathrop this 8 th
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	Sonny Dhaliwal, Mayor
ATTEST:	APPROVED AS TO FORM:
	Market
Teresa Vargas, City Clerk	Salvador Navarrete, City Attorney

ATTACHMENT





ATTACHMENT

OWNER'S STATEMENT

THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED TO THE CITY OF LATHROP AS EASEMENTS FOR PUBLIC PURPOSES.

- I THE REAL PROPERTY DESCRATED ON SAID MAP AS APPLE GROVE AVENUE, FARM HOUSE ROAD, PEACH HOLLOW WAY, AND WEATHERVANE DRIVE FOR PUBLIC RIGHT HAVY PURPOSES.
 - 2.4 NOW-EXCLUSIVE EASEMENT TOGETHER WITH THE RIGHT TO CONSTRUCT, RECORD THOUGH MAINTAIN SONDWALLES, OFER AND UNDER THE STRIPS OF LAND SHOWN UPON SAID MAP MARKED WALL EASEMENT (ME).
- 3.4 NON-EXCLUSIVE EASEMENT TOGETHER WITH THE RIGHT TO CONSTRUCT, REPARE AND MANTAIN CABLES, PRES, AND CONDUIS AND THER APPURTENANCES UPON, OVER AND UNDER THE STRIPS OF LAND SHOWN UPON SAID MAP MARKED PUBLIC UTILITY EASEMENT (POLE).

THE UNDERSIGNED DOES HEREBY RELINQUISH ANY AND ALL RIGHTS OF WORESS AND FORESS TO PROLLAR TRAFFIC SHORTHESS ROWSHIPST BOUGHEST BOULD WALLEY PARKWAY ALCOG THE UT UNITED WORLD BY THE STHOOL ALLALLEY.

TO ENSURE MUNICIPAL WATER SERVICES TO ALL LOTS SHOWN UPON THIS MAP, ALL WATER THE UNDERSHOUGH DAKE HAVE HAVE WHITH THE UNDERSHOUGH DAY HAVE WHEN THE DISTINCTIVE BORDER UPON THIS MAP HEREBY ARE EDIDIATED TO THE CITY OF LATHORP.

THIS MAP SHOWS ALE EASEMENTS OF RECORD ON THE PREMISES

OWNER:

PRINTED NAME

SIGNATURE:

TITE DATE:

OWNER'S ACKNOWLEDGEMENT:

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIES ONLY THE IDENTITY OF THE INDIVIDIAL WHO SCARED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND THE TRUTHETUNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA.

STATE OF CALIFORNIA.

S S COUNTY OF

SS	
CALIFORNIA	
<u>'</u>	Ö
9	JNTY OF

A NOTARY PUBLIC,	BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOMEDCED TO ME THAT HE EXECUTED THE SAME IN HIS	JRE ON THE INSTRUMENT THE PERSON, OR ENTITY D. EXECUTED THE INSTRUMENT.
ON 2024, BEFORE ME PERSONALLY APPEARED	BASIS OF SATISFACTORY EVIDENCE TO BE TO WITHIN INSTRUMENT AND ACKNOWLEDGED TO	AUTHORIZED CAPACITY, AND BY HIS SIGNATURE ON THE INSTRUMENT THE UPON BEHALF OF WHICH THE PERSON ACTED, EXECUTED THE INSTRUMENT.

뿚

CALIFORNIA THAT CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

STATE	
AND	
COUNTY	
SAID	
FOR	
QNA	
Z.	- 22
PUBLIC	BUSINESS
8	Ē
NOT	Ě
AME,	9
PRINTED NAME, NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE	PRINCIPAL COUNTY OF BUSINESS:
10	σ.

EXPIRES:	COMMISSION # OF NOTARY:
COMMISSION EXPIRES:	COMMISSION

(D.D. SHEET

48) Š

3225 TRACT NO. 3224 SUBDIVISIONS OF SAN JOAQUIN COUNTY MOSSOALE LANDING - NEIGHBORNOOD 12

SAN JOAQUIN COUNTY RECORDS, BEING A PORTION OF SECTION 34, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MUNTH DIABLO BASE & MENDIAM CITY OF LATHROP SAN JOAQUIN COUNTY, CALIFORNIA







SURVEYOR'S STATEMENT:

THIS WAD WAS PREPARED BY WE OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY WAD IN CONFIGNATION. COLAL ORDINATE OF THE REQUISEMENTS OF THE SURVEY WAS THE RECURS OF CHAPPENDEN OF A PACKET IN A DIRECTION OF THE RECURS OF CHAPPENDEN OF CONDITIONALLY DEPROVED THE STAIL FINAL THE STAIL FINAL THE CHAPPENDEN OF CONDITIONALLY POPPONDEN OF STAIL FINAL THE MAINTEN AND COLDET HEM STAIL FINAL THE ORDINATE STAIL FINAL THE ORDINATE OF THE ORDINATE ORDINATE ORDINATE ORDINATE ORDINATE OF THE ORDINATE OR

, 2024. DAY OF DATED THIS

IAN BRUCE MACDONALD LS NO: 8817.



RICHT TO FARM STATEMENT:

PER CITY OF LATHROP CODE OF ORDINANCES. THE 15 CHAPTER 15.48.04, THE CITY OF LATHROP PERMITS, NOTICED ADMOUNTED AGENTAINS WITHIN THE COLVING MEDICAL PROPERTY OF ARE PERMICATES AND PERSIDIDES. VOIL ARE HERBEY NOTICED INAT THE PROPERTY OF ARE PERCHAPICAL CLOSE TO AGRICULTURAL LANDS AND OFFERIANS. YOU MAY BE USABLED CLOSE TO AGRICULTURAL LANDS AND OFFERIANS. YOU MAY BE USBLED TO LOSE TO AGRICULTURAL LANDS THE LAMPUL AND PERPER US OF AGRICULTURAL CHAPLACA. AND PESTIDIOES AND FROM OTHER AGRICULTURAL ACTIVATION. PROPER USE OF AGRICULTURAL OF AGRICULTURAL ACTIVATION. PROPER OF AGRICULTURAL OF AGRICULTURAL ACTIVATION PROPERTY OF AGRICULTURAL MAY PROPERTY OF AGRICULTURAL WASTER PRODUCTS. PROPERTY OF AGRICULTURAL WASTER PRODUCTS. PROPERTY OF AGRICULTURAL ACTIVATION OF CORPORATION OF AGRICULTURAL MAY DEPREDATION OF AGRICULTURAL MAY DEVENTED AGRICULTURAL ACTIVATION OF CONTINUES AND THE AGRICULTURAL ACTIVATION OF AGRICULTURALLY ACTIVATION AS WERE AGRICULTURALLY ACTIVATION OF AGRICULTURALLY ACTIVATION OF AGRICULTURALLY ACTIVATION OF AGRICULTURALLY ACTIVATION AS AGRICULTURALLY ACTIVATION OF AGRICULTURALLY ACTIVATION AS AGRICULTURALLY ACTIVATION ASSECTION OF AGENT AS AGRICULTURALLY ACTIVATION ASSECTION OF AGENT AS AGRICULTURALLY ACTIVATION ASSECTION OF AGENT AS AGRICULTURALLY ACTIVATION ASSECTION ASSECTION OF AGRICULTURALLY ACTIVATION ASSECTION ASSECTION ASSECTION OF AGENT ASSECTION OF AGRICULTURALLY ACTIVATION ASSECTION ASSEC

STATEMENT OF SOILS REPORT

A SOLS REPORT ENTILED, "HARRIS PROPERTY, LATHROP, CALIFORNIA, GEOTECHNICAL REPLORATION, PROCECT NO 16752000000 AND DATED JULY 11, 2019, HAS BEEN PREPARED F THIS PROJECT BY ENGEN OKORPORATED, AND THE LETTER OF THRID PARTY RELIANCE, DATED OCCEMBER 13, 2023, ARE ON TIE WITH HE CITY OF LATHROP

CITY SURVEYOR'S STATEMENT

I, DARRYL ALEXANDER, HEREBY STATE, THAT I, HAVE EXAMINED THIS FINAL, MAP OF TRACT NO. 252, SUBDIVISORS OF SAM JOACHAN COUNTY, MASSAGEL (LANDIAGE, A RICHOROSOD) TY BND THAT THE SUBDIVISOR SHOWN HEREON COMPLEX WITH ALL THE PROVISORS OF CHAPTER 2 OF CALFORNIA SUBDIVISOR NAP ACT, AS AMENDED, AND THAT THIS FINAL MAP IS FECHNICALLY CORRECT.

DAY OF DATED THIS

2024,

DARRYL ALEXANDER, LS NO. 5071 ACTING CITY SURVEYOR

No. 5071

CITY ENGINEER STATEMENT:

I, GENN GEBLARDI, HEREBY STATE THAT I HAVE EXAMINED THIS MAP OF TRACT NO. 3225. SUPPROPRISONS OF SAN JADOUIN CONVIN, MOSSOBLE, LANDING, ENG-BRORDOOD 12" AND THAT INE SUBDIVISIONS OF SAN HEREON IS SUBSTANTIALLY THE SAME AS IT APPERABLE ON THE VESTING TENATIVE MAP, AND ANY APPENDED, SITERATIONS THEREOF. THE THAT INTESTINAL WAR COMPLES WITH ALL APPLICABLE OF ORDANNICES OF THE CITY OF LATHERD, AND ANY ARMANDARINS THEREOF, APPLICABLE AT THE TIME OF APPROVAL OF THE VESTING TENTATIVE MAP.

DAY OF DATED THIS

2024.

GLENN GEBHARDT, R.C.E. 34681 CITY ENGINEER OF THE CITY OF LATHROP, CALIFORNIA



CLERK'S STATEMENT:

CIT

I, TERESA VARGAS, CITY CLERK AND CLERK OF THE CITY COUNCIL OF THE CITY OF LATHROP.

SATE OF CALLICHWIN, DO PRETEY STATE THAT THE HERENE BEDOBLED MAR ENTILED "THACT NO.

SASS SUBMOSCINGS OF SAN, JACQUIN COUNTY, MOSSDALE LANDING. "NEGHOBRODD 17"

CONSISTING OF TOUR 44) SHEETS, MASS PRESENTED TO SAD CITY COUNCIL, AS PROYDED PELLAM,

AT A R CLULAR WEITHOR CHEREFOR HILD ON THE.

DAY A PASSED AND ADDRETED ALT SADD METHOR OF THE STORY OF LAHARDO FOR PUBLIC USE,

RECORDATION, AND DOPETED ALT SADD METHOR, APPROVE SADD MAP, AND ALTHRORIZED TIS

RECORDATION, OF ALL LASCHAMIS, ABUITTERS RICHIS OF A ACTESS AND MATER RICHIS, AND

ACCEPTED THE OPPERATOR OF THE STORY OF THE STORY OF THE STORY OF THE STORY

ACCEPTED THE OPPERATOR OF THE STORY OF THE STORY OF THE STORY OF THE STORY

MEROPHER TO STORY OF CONFILERD. IN ACCORDANCE WITH CHAPTER 16, THE 16.16 OF THE CITY

I FURTHER STATE THAT ALL BONDS AS REQUIRED BY LAW TO ACCOMPANY THE WITHIN MAP BEEN APPROVED BY THE CITY COUNCL OF THE CITY OF LATHROP AND FILED IN MY OFFICE.

2024. DAY OF DATED THIS

TERESA VARGAS COTT CLERK AND CLERK OF THE CITY COUNCIL OF THE CITY OF LATHROP, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

THE PLANNING COMMISSION'S STATEMENT: SECRETARY OF

TENTATIVE TRACT MAP NO. 3225 APPROVED BY 2024. 2024 VESTING THIS DAY OF THIS MAP CONFORMS TO THE PLANNING COMMISSION ON THE DATED

풀

MARK WEISSNER SECRETARY OF THE PLANNING COMMISSION COMMUNITY DEVELOPMENT DIRECTOR

COUNTY RECORDER'S STATEMENT:

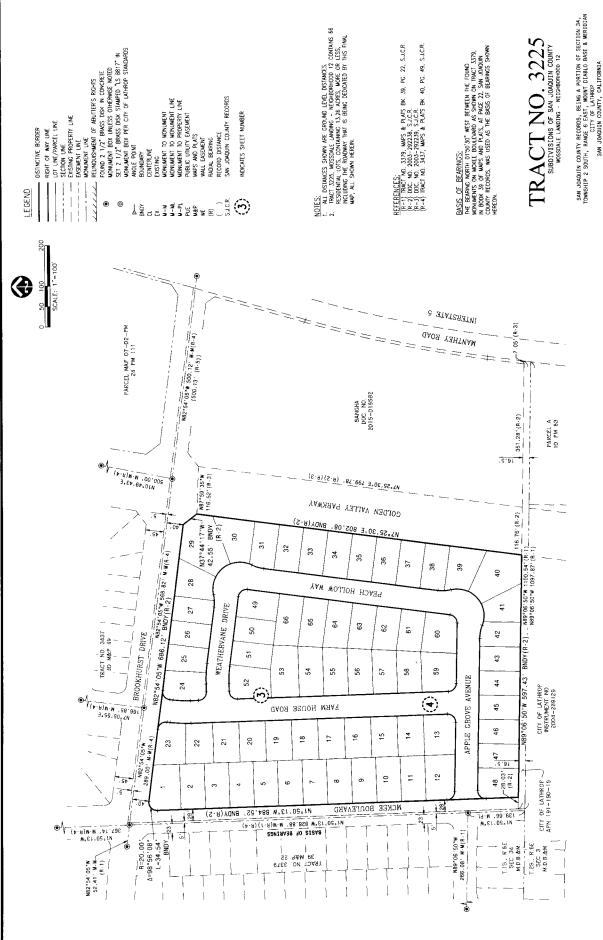
M. IN BOOK 2024, AT AT THE REQUEST OF DAY OF MAPS AND PLATS, AT PAGE FILED THIS .

STEVE J. BESTOLARIDES ASSESSOR-RECORDER - COUNTY CLERK SAN JOAGUIN COUNTY, CALIFORNIA SHEET 1 OF 4

ASSISTANT/DEPUTY RECORDER

25225-RES

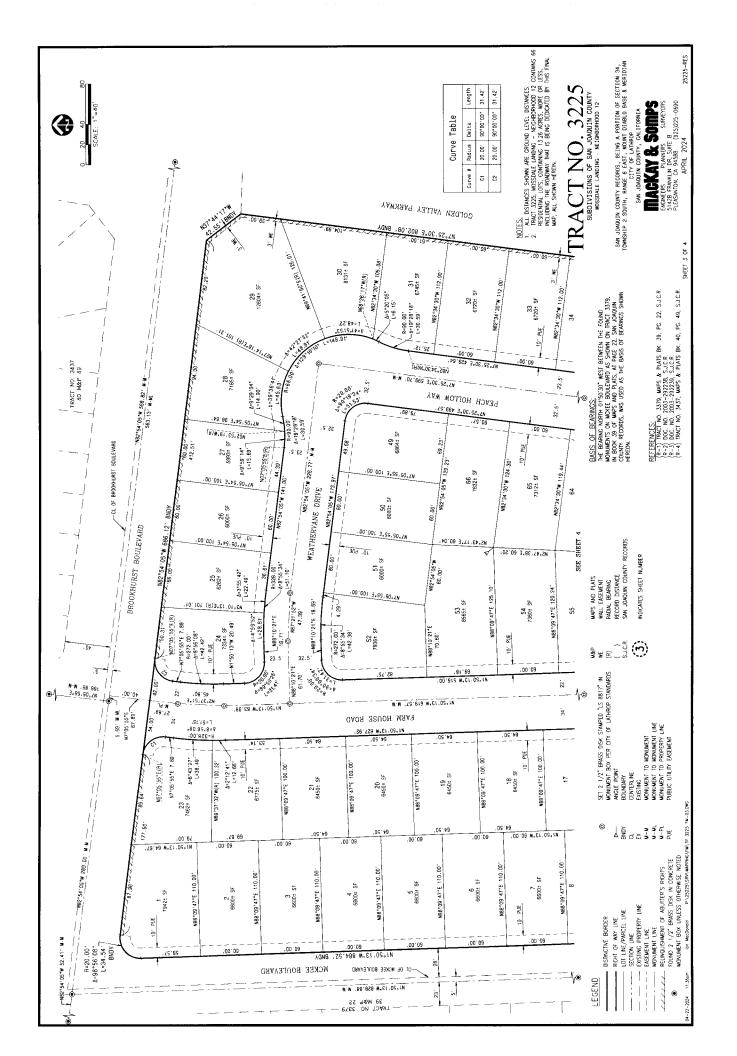
04-22-2024

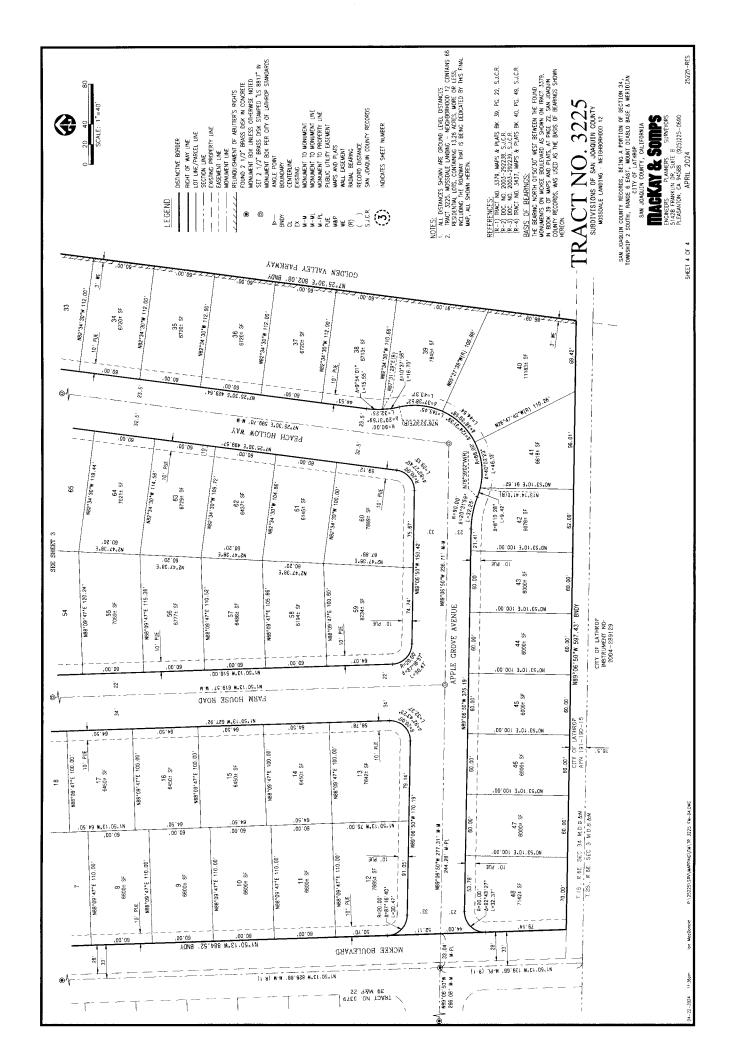


THE CAN BE SOMPS
SINGLES FRANKING SURFFORS
PLEASATION, CA 9-598 (\$252)25-0590
APRIL 2024

SHEET 2 OF

25225-RES





CITY OF LATHROP

SUBDIVISION IMPROVEMENT AGREEMENT MARIPOSA – TRACT 3225

K. HOVNANIAN HOMES NORTHERN CALIFORNIA, INC.

This Subdivision Improvement Agreement ("Agreement") is made and entered into this 8th day of July, 2024 ("Effective Date"), by and between the CITY OF LATHROP, a municipal corporation of the State of California ("CITY") and K. Hovnanian Homes Northern California, Inc., a California Corporation ("SUBDIVIDER"), regarding APN: 191-19-032 located within the City of Lathrop ("PROPERTY").

RECITALS

- A. On January 27th 2003, CITY approved Vesting Tentative Map for Tract 3225 (VTM) to create 66 residential lots on 13.26 acres of land.
- B. SUBDIVIDER intends to record one Final Map for Tract 3225 to complete the Mariposa Subdivision, as shown in Exhibit "A" (hereinafter "Final Map"). The land for the proposed Final Map is within the geographic boundaries of VTM.
- C. SUBDIVIDER shall be responsible for compliance with all Conditions of Approval associated with, including, without limitation, the construction or cash deposit of specified improvements (as that term is defined below) as described more fully herein.
- D. Pursuant to Division 2 of Title 7 of the Government Code of the State of California and CITY's Subdivision Regulations (City of Lathrop, Code of Ordinances, Chapter 16), SUBDIVIDER is required to make certain offers of dedication and to construct certain Improvements required under the Conditions of Approval on the VTM (collectively, "COAs") and as identified in the approved Final Map, Improvement Plans and this Agreement.

For purposes of this Agreement, the term "Improvements" shall collectively mean all public improvements required under the COAs and as expressly set forth in this Agreement that will provide services and access to lots within the Final Map and the term "Improvement Plans" shall collectively refer to the Improvement Plans approved by CITY.

AGREEMENT

NOW, THEREFORE, in consideration of CITY'S pending (1) approval of the Final Map on July 8, 2024, and subsequent recordation; (2) approval of Improvement Plans in accordance with the terms of this Agreement and all applicable laws and regulations, the parties hereto mutually covenant and agree as follows:

- 1. SUBDIVIDER shall construct or cause to be constructed at its sole cost and expense the Improvements as specified and in accordance with the provisions of this Agreement. All Improvements shall be constructed to the reasonable satisfaction and approval of the City Engineer, in an ethical and workmanlike manner in accordance with the approved Improvement Plans and specifications, the applicable improvement standards and specifications of the CITY'S Department of Public Works, the applicable Ordinances of the City Lathrop, and the applicable provisions of the California Subdivision Map Act.
- 2. SUBDIVIDER shall complete, and CITY shall have accepted all Improvements by July 8, 2025, subject to any extension(s) provided for herein and as otherwise expressly provided for in this Agreement. Provided, however, that said deadline shall be extended for twenty-four (24) months upon SUBDIVIDER's request to CITY, supported by reasonable documentation that it is using commercially reasonable efforts to complete same and have said Improvements accepted by CITY.
 - 3. CITY, or its agent(s), shall, at any time during the progress of the Improvements,

have free access thereto, and shall be allowed to examine the same and all material to be used therein. If the Improvements or any part thereof are not completed in strict compliance with the standards set forth in Paragraph 1 above, CITY may refuse to accept and may reject the defective Improvements and/or materials therein.

- 4. SUBDIVIDER shall secure the services of skilled personnel necessary to construct the Improvements. CITY is not skilled in these matters and relies upon the skill of the SUBDIVIDER to ensure that the construction of the Improvements is in the most skillful and durable manner.
- 5. CITY'S acceptance of the Improvements does not operate as a release of SUBDIVIDER from any guarantee hereunder.
- 6. The parties acknowledge and agree that SUBDIVIDER is removing any existing well sites as required in accordance with applicable laws and regulations, including those required by the County Environmental Health Department. The parties further acknowledge and agree that SUBDIVIDER is conveying any and all of SUBDIVIDER'S groundwater rights associated therewith, if any, to CITY via the Final Map.
- 7. SUBDIVIDER guarantees and warrants that the Improvements shall be constructed in compliance with the standards set forth in Paragraph 1 above, free from any defects in work or labor done and from any defects in materials furnished. Further, SUBDIVIDER shall repair and warranty the Improvements in good condition and in accordance with CITY specifications for one (1) year after CITY's acceptance of the Improvements. As required by this Agreement, prior to acceptance of the Improvements, SUBDIVIDER shall deposit with CITY a Warranty Bond in the amount equal to 10% of the final construction cost (Cost x 10%) for the Improvements for Tract 3225 to ensure SUBDIVIDER's repair and warranty of the Improvements in accordance with the

terms of this Agreement. The Warranty Bond shall be released at the end of the one-year guarantee period provided no claims against it are then outstanding.

- 8. If SUBDIVIDER, in whole or in part, abandons the Improvements, or unnecessarily or unreasonably delays construction of the Improvements, fails to complete construction of the Improvements within the time specified in this Agreement, or fails to repair, replace or reconstruct any defects, CITY may, but is not required to, proceed to complete and/or repair, replace, or reconstruct the Improvements, either by itself or by contract for such service, and CITY may cause to be forfeited such portion of any security deposited therein as is necessary to cover the costs of completion, repair, replacement, or reconstruction incurred by CITY. Once action is taken by CITY to complete, repair, replace and/or reconstruct the Improvements, SUBDIVIDER shall be responsible for all costs incurred by CITY to complete and/or repair, replace, or reconstruct the Improvements, even if SUBDIVIDER subsequently completes the work.
- 9. The CITY shall have recourse against SUBDIVIDER for any and all amounts necessary to complete the obligations of SUBDIVIDER in the event the security (including but not limited to any Letter of Guarantee, Certificate of Deposit, cash, bond for performance, labor and materials and repair and maintenance, letter of credit or cash deposit) therefore is insufficient to pay such amounts. All administrative costs, including reasonable attorney's fees pursuant to Government Code Section 66499.4, incurred by the CITY, in addition to the costs of the improvements shall be a proper charge against the security and SUBDIVIDER. In the event it becomes necessary for CITY to bring an action to compel performance of this Agreement or to recover costs of completing such improvements, SUBDIVIDER shall pay reasonable attorney's fees, costs of suit and all other expenses of litigation incurred by CITY in connection therewith.
 - 10. SUBDIVIDER is required to post Performance and Labor & Materials bonds to

guarantee the Improvements associated with the Final Map as included and described in Exhibit "C" of this Agreement. The amount of performance security shall be equal to the unfinished Improvement cost plus a 50% contingency (Cost x 150%). The corresponding labor and materials bond amount shall be 50% of the performance bond amount (Performance Security x 50%). Further, SUBDIVIDER shall also comply with CITY's insurance requirements set forth on Exhibit "B" attached hereto and incorporated herein. The Performance and Labor & Materials bond values are shown in Table 1 of this Agreement.

Table 1 – Bond Values

Improvement Total	\$3,437,412
Performance Bond Value (150% of Unfinished Improvement Total)	\$5,156,118
Labor & Materials Bond Value (50% of Performance Bond Value)	\$2,578,059

- the offsite improvements required by the Tract 3225 COA's of the VTM. SUBDIVIDER shall obtain or cause to be obtained an encroachment permit, prior to commencing any work in the City Right-of-Way, from City for the improvements listed in subsection "a", and "b" below. The guarantees for the offsite improvements shall be included with the guarantees of the Project shown in Table 1 above. The offsite improvements include, but are not limited to, completion of the following offsite improvements (hereinafter collectively referred to as "Offsite Improvements"):
 - a. Brookhurst Boulevard and Golden Valley Parkway Improvements: The applicant shall repair any existing pavement if determined to need maintenance by the City Engineer, install landscaping and irrigation, and repair any concrete sidewalks or curb ramps along the frontage of the Project that are not compliant with current ADA and City Standards.
 - b. McKee Boulevard Improvements: The applicant shall repair any existing pavement

if determined to need maintenance by the City Engineer, construct curb, gutter, sidewalk, and install landscaping along the frontage of the Project.

Pursuant to COA No. 52, prior to approval of the first final map, the applicant 12. shall prepare, for City review and approval, a Traffic Monitoring Program ("TMP"). The TMP shall be used to determine the current status of the need for traffic circulation system operation improvements for each phase. The TMP shall be updated on an annual basis and confirm the near and long term circulation improvements needs (including on-site circulation improvements, offsite circulation improvements, interchange improvements and traffic signals) based upon current operating conditions and projected new development. The TMP shall include the proposed timing for the construction of the improvements in each phase. SUBDIVIDER has not prepared a TMP prior to approval of this first Final Map however CITY has prepared a Citywide TMP, dated October 1, 2022, as part of the ongoing traffic planning efforts. CITY's TMP did not include the intersection adjacent to the Final Map, Golden Valley Parkway and Brookhurst Boulevard ("Intersection"), therefore CITY funded and completed a Signal Warrant Evaluation prepared by Crane Transportation Group, dated May 30, 2024 ("Signal Evaluation"), to supplement the TMP and study the Intersection. The Signal Evaluation concluded that a traffic signal is not warranted in both the existing and 2026 conditions but will be warranted prior to build-out conditions and when Golden Valley Parkway is extended to its ultimate configuration. The Signal Evaluation fulfills SUBDIVDER's obligation to prepare a TMP prior to approval of the first final map by analyzing current operation conditions and projected new development as well as the proposed timing for the construction of improvements.

Pursuant to COA No. 53, all required traffic signals, off-site street improvements and interchange improvements identified in the TMP for each phase shall be completed or guaranteed in the

appropriate final map. All improvements identified in the TMP for each phase shall be completed or guaranteed prior to the approval of the last final map for that phase. As stated in the TMP, a traffic signal is warranted at the Intersection at the build-out phase of development. The traffic signal is warranted to allow ingress and egress from Brookhurst Boulevard to Golden Valley Parkway which directly benefits the Final Map area, therefore the Final Map is the appropriate final map to fund the traffic signal. The Final Map is not the only development that will benefit from the traffic signal, therefore a fair share of 25% of the total cost of the traffic signal is appropriate as the Final Map occupies one corner of the four-legged intersection. SUBDIVDER, in compliance and satisfaction of COA No. 53, shall deposit with CITY \$215,259, equal to 25% of the total cost to construct the traffic signal, prior to recordation of the Final Map.

- 13. Pursuant to the City of Lathrop Municipal Code section 16.16.160, SUBDIVIDER is required to construct all frontage improvements as detailed in the above code section. Improvements that are the responsibility of the SUBDIVIDER have been constructed on Golden Valley Parkway by another developer and the CITY reimbursed that developer for the costs of said improvements. Therefore, instead of constructing the improvements, SUBDIVIDER is responsible for reimbursing the CITY for it fair share of costs of the improvements. PROPERTY fronts \$563,021.84 of improvements on Golden Valley Parkway, therefore, SUBDIVIDER shall deposit with CITY \$563,021.84 prior to recordation of the Final Map as their fair share of costs of the improvements.
- 14. SUBDIVIDER shall, prior to offering dedication of improvements to CITY, provide or cause to be provided the GIS layers and attributes in compliance with the City Standards effective at the time of offering dedication of improvements to CITY related to Tract 3225 as well as the Offsite Improvements.

- 15. Neither CITY nor any of its officers, employees or agents shall be liable to SUBDIVIDER, and/or SUBDIVIDER'S agents, contractors or subcontractors for any error or omission arising out of or in connection with any work to be performed under this Agreement on SUBDIVIDER PROPERTY other than the parcels of the subdivision owned by SUBDIVIDER (and its successors and assigns).
- 16. Neither CITY nor any of its officers, employees or agents shall be liable to SUBDIVIDER or to any person, entity, or organization, for any injury or damage that may result to any person or property from the subdivision of all or any part of the land covered by this Agreement.
- 17. SUBDIVIDER hereby agrees to, and shall hold CITY, its elective and appointive boards, commissions, officers, agents and employees (collectively, the "*Indemnitees*"), harmless from any liability for damage or claims which arises from SUBDIVIDER and/or SUBDIVIDER'S contractors, subcontractors, agents, lessees, or employees' operations under this Agreement, whether such operations be by SUBDIVIDER or by any of SUBDIVIDER'S contractors, subcontractors, lessees, or by any one or more persons directly or indirectly employed by, or acting as agent for, SUBDIVIDER or any of SUBDIVIDER'S contractors or subcontractors.
- or legal proceedings of any type that maybe brought or instituted against CITY and the Indemnitees on any claim or demand, of any nature whatsoever, and pay or satisfy any judgment that may be rendered against CITY and the Indemnitees in any such action, suit or legal proceedings, resulting from or alleged to have resulted from SUBDIVIDER performance or non-performance of its duties and obligations under this Agreement, or from the negligent act or omission of itself, its agents, contractors, representatives, servants or employees, except in the event and to the extent said

claims resulted from the gross negligence or willful misconduct of CITY and/or the Indemnitees. The promises and agreement to indemnify and hold harmless set forth in this Paragraph are not conditioned or dependent on whether or not any indemnity has prepared, supplied or approved any plan or specification in connection with this work or subdivision, whether or not any such indemnity has insurance or indemnification covering any of these matters. CITY does not, and shall not, waive any rights against SUBDIVIDER which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by CITY of any deposit with CITY by SUBDIVIDER. The aforesaid hold harmless agreement by SUBDIVIDER shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations referred to in this Paragraph 18, regardless of whether or not CITY has prepared, supplied or approved of, plans and/or specifications for the subdivision.

subcontractors are, or shall be, considered to be agents of CITY in connection with the performance of SUBDIVIDER'S obligations under this Agreement. Neither CITY nor any of CITY's agents, contractors, lessees or subcontractors are, or shall be, considered to be agents of SUBDIVIDER in connection with the performance of any work contemplated under this Agreement. SUBDIVIDER shall not assign this Agreement without the prior written consent of CITY, which such consent shall not be unreasonably delayed, conditioned or denied, except that this Agreement may be assigned to any purchaser or transferee of an interest in all or a part of the SUBDIVIDER PROPERTY without the need for CITY consent. If such consent is given, or not required, the terms of this Agreement shall apply to and bind the heirs, successors, executors, administrators and assignees of SUBDIVIDER, and any heirs, successors, executors, administrators and assignees of SUBDIVIDER shall be jointly and severally liable hereunder

unless SUBDIVIDER and its assignee have executed an Assignment and Assumption Agreement in which case SUBDIVIDER shall be released from all of its obligations hereunder so assigned to the assignee. Notwithstanding anything to the contrary in the foregoing, SUBDIVIDER shall be permitted to assign its rights and obligations under this Agreement to any "Affiliate", which is defined to mean an entity or person that is directly or indirectly Controlling, Controlled by, or under common Control of SUBDIVIDER. The term "Control" as used herein, shall mean the power to direct the day-to-day management of SUBDIVIDER, and it shall be a presumption that Control with respect to a corporation or limited liability company is the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the Controlled corporation or limited liability company, and, with respect to any individual, partnership, trust, other entity or association, Control is the possession, indirectly or directly, of the power to direct or cause the direction of the day-to-day management of the controlled entity.

20. Prior to acceptance of the Improvements by the City Council, the SUBDIVIDER shall be solely responsible for maintaining the quality of the Improvements, and maintaining safety at the project site. The SUBDIVIDER'S obligation to provide the Improvements shall not be satisfied until after the City Engineer has made a written determination that all obligations of the Agreement have been satisfied and all outstanding fees and charges have been paid, and the City Council has accepted the Improvements as complete. The CITY and SUBDIVIDER shall form Community Facilities Districts to finance maintenance and improvements within 2 months of Final Map approval. The CITY expects to preserve the ability to use future special taxes of the CFD for payment of the cost of acquisition of the Improvements, which may require that acceptance of improvements by CITY be subject to the provisions of an acquisition agreement to be entered into by the CITY and SUBDIVIDER providing that CITY expects to be paid or reimbursed acquisition

costs through future CFD special taxes. SUBDIVIDER shall cooperate to facilitate such method

of acquisition.

21. SUBDIVIDER shall, at its expense, require or cause to require all its contractors

and sub-contractors to obtain and maintain all necessary permits and licenses for construction of

the Improvements, and commercially reasonable insurance. Prior to the commencement of said

Improvement construction, the General Contractor/subcontractors shall obtain a City of Lathrop

Business License. SUBDIVIDER and CITY, as applicable, shall comply with all applicable local,

state and federal laws applicable to this Agreement whether or not said laws are expressly stated

in this Agreement.

22. This Agreement and the Exhibits attached hereto comprise the entire understanding

and agreement between the parties regarding the subject matter of this Agreement. The Recitals

are incorporated into this Agreement by this reference, as if fully set forth herein.

23. 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.

24. 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

Email: website cco@ci.lathrop.ca.us

With a copy:

City of Lathrop

390 Towne Centre Drive

Lathrop, CA 95330

Attn: Salvador Navarrete, City Attorney Email: website cao@ci.lathrop.ca.us

If to SUBDIVIDER:

K. Hovnanian Homes Northern California, Inc.

3721 Douglas Boulevard, Suite 150

Roseville, CA 95661 Attn: John Baayoun

Email: JBaayoun@KHOV.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 Paragraph 26.

27. The following miscellaneous provisions are applicable to this Agreement:

a. <u>Controlling Law.</u> The parties agree that this Agreement shall be governed

and construed by and in accordance with the laws of the State of California.

b. Definitions. The definitions and terms are as defined in this Agreement.

c. Exhibits. The following exhibits are attached to this Agreement and are

incorporated to this Agreement by this reference:

EXHIBIT A: FINAL MAP TRACT 3225

EXHIBIT B: CITY INSURANCE REQUIREMENTS

EXHIBIT C: TOTAL IMPROVEMENT ESTIMATE

d. <u>Force Majeure</u>. Neither party shall be deemed to be in default on account

of any delay or failure to perform its obligations under this Agreement, and all performance and

other dates specified in this Agreement shall be extended, where delays are due to: war;

insurrection; strikes and labor disputes; lockouts; riots; floods; earthquakes; fires; casualties; acts

of God; acts of the public enemy; acts of terrorism; epidemics and related governmental orders

and restrictions; quarantine restrictions; freight embargoes; materials shortages and/or inability to

obtain materials due to tariffs, governmental restrictions or priority; unusually severe weather; acts or omissions of the other party; or acts or failures to act of any public or governmental agency or entity (except that acts or failures to act of CITY shall not excuse performance by CITY); or moratorium (each a "Force Majeure Delay"). An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if Notice (as that term is defined above) by the party claiming such extension is sent to the other party within sixty (60) days of the commencement of the cause.

- e. <u>Headings</u>. The paragraph headings are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.
- f. <u>Incorporation of Documents</u>. All documents referred to herein and all documents which may, from time to time, be referred to in any duly executed amendment hereto are by such reference incorporated herein and shall be deemed to be part of this Agreement.
- g. <u>Modification of Agreement</u>. This Agreement shall not be modified or be binding upon the parties unless such modification is agreed to in writing and signed by the parties.
- h. <u>Severability</u>. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the provisions of this Agreement not so affected shall remain in full force and effect.
- i. <u>Successors and Assigns</u>. Except as otherwise expressly provided herein, the provisions of this Agreement shall inure to the benefit of, and shall apply to and bind, the successors and assigns of the parties.
- j. <u>Time of the Essence</u>. Time is of the essence of this Agreement and each of its provisions (subject to Subparagraph 27(d)). In the calculation of time hereunder, the time in which an act is to be performed shall be computed by excluding the first day and including the

last. If the time in which an act is to be performed falls on a Saturday, Sunday or any day observed as a legal holiday by CITY, the time for performance shall be extended to the following business day.

k. <u>Venue</u>. In the event either party brings that suit hereunder, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of San Joaquin. The party in whose favor judgment is entered shall be awarded reasonable attorneys' fees.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this 8th day of July 2024.

A (FY OF LATHROP, California municipal corporate of California	tion of the			
By:	:				
	Stephen J. Salvatore City Manager	Date			
City	TEST: Clerk of and for the City athrop, State of California				
Ву:					
	Teresa Vargas City Clerk	Date			
APF	PROVED AS TO FORM B	Y THE LIT	Y OF LATHI	ROP CITY A	TTORNEY
By:	Mari	140	_ 4(20)	2024	
	Salvador Navarrete City Attorney	Date	(*	(

SUBDIVIDER:

By: K. Hovnanian Homes Northern California, Inc						
a California Corporation						
John Baayoun	Date					
Division President	Dute					

EXHIBIT A

FINAL MAP TRACT 3225

THE UNDERSIGNED DOES HERBEY STATE THAT WE ARE THE OWNERS OF ALL THE LAND DELINEATED WHO EXCENDED THE HERBEN WEBDOOD FRAME AND SERVED THE HERBEN WEBDOOD FRAME FURTHERS. THAT WEBDOOD FRAME WEBDOND TO CONSISTING OF FORM OF SAM JAKGUIN COUNTY, MOSSDALE INADING NEED-REDGENOR OF SAM JAKETS, THAT MARE CAUSSDALE WAND TO BE PERPARED TO RECORD AND CONSISTING OF THE PERPARATION AND RECORDATION OF SAM JAKE BY SAM DAVE TO BE PERPARATION AND RECORDATION OF SAM DAVE BY ANNARE WEBDOOD TO CONSISTING OF SAM DAVE BY ANNARE WHIT THE PRESTANT OF WHEN DESCRIBES ALL THE LOTS INTENDED FOR SALE BY NUMBER WHIT THE PRESTANT HAS NOW THE TOTS INTENDED FOR SALE

AS THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED TO THE CITY OF LATHROP EASEMENTS FOR PUBLIC PURPOSES:

- 1. THE REAL PROPERTY DESIGNATED ON SAID MAP AS APPLE GROVE AVENUE, FARM HOUSE ROAD, PEACH HOLLOW WAY, AND WEATHERVANE DRIVE FOR PUBLIC RIGHT WAY PURPOSS.
- 2.A NOW-EXCLUSIVE EASEMENT TOGETHER WITH THE RIGHT TO CONSTRUCT, RECONSTRUCT REPORT AND MAINTAIN SOUNDWALLS, OVER AND UNDER THE STRIPS OF LAND SHOWN UPDN SAID MAP MARKED "WILL EASEMENT" (NE).
- 3.4 NON-EXCLUSIVE EASEMENT TOGETHER WITH THE RICHT TO CONSTRUCT, RECORDSTRUCT, TEPAR AND MANTAIN VORLES, PRES, AND CONDUITS AND THEIR APPRIERANCES UPON, OVER AND UNDER THE STRIPS OF LAND SHOWN UPON SAID MAP MARKED "PUBLIC UTLITY EASEMENT" (PUE).

THE UNDERSOMED DOES HEREBY RELINDOUSH ANY AND ALL RICHTS OF INCRESS AND EGRESS WHOLGHEN THAT ALL ALLONG THE CHALLTERS ROCHS THE TO PROCHEMENT BOLICKARD AND GOIDEN VALLEY PREMARK ALONG THE LOT LINES INDICATED BY THE SYMBOL.

9

TO ENSURE MUNICIPAL WATER SERVICES TO ALL LOTS SHOWN UPON THIS MAP, ALL WATER MENES THAT THE UNDERSOUGED MAY HANK WHITEN THE DISTINCTIVE BORDER UPON THIS MAP, HERBY ARE BORDAKED TO THE CITY OF LATHROP.

THIS MAP SHOWS ALL EASEMENTS OF RECORD ON THE PREMISES

OWNER:

PRINTED NAME

SIGNATURE:

IIIE DATE:

OWNER'S ACKNOWLEDGEMENT:

NOTARY PUBLIC OF UNES OFFICE COMPETING THIS CREATEST VERFES ONLY THE DEWINY OF THE NAVIOUSLA WHO SPACE THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULLINESS, ACCURACY, OR VALIDTY OF THAT DOCUMENT

_	Ţ
	-
	- {
ε	
į	
2	-
5	L.
5	>
	Š
٤	\overline{a}

ON PRESONALLY APPEARED TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE OWN THE NEW OWN TO THE OWN THE NEW OWN THE OWN

풀

CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT HE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

i	
TURE	
SIGNA	

WINESS MY HAND:

STATE AND FOR SAID COUNTY AND PRINTED NAME, NOTARY PUBLIC IN

COMMISSION EXPIRES:

PRINCIPAL COUNTY OF BUSINESS:

COMMISSION # OF NOTARY:

48)

(D.D. SHEET NO.

3225 SUBDIVISIONS OF SAN JOAQUIN COUNTY TRACT NO

MOSSDALE LANDING - NEIGHBORHOOD 12

SAN JOAQUIN COUNTY RECORDS, BEING A PORTION OF SECTION 34, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MOUNT DIABLO BASE & MERIDIAN CALIFORNIA SAN JOAQUIN COUNTY,

NACKAY & SOMPS

SUITE B 8 (925)225-0690 **APRIL** 2024 5142B FRANKLIN PLEASANTON, CA



VICINITY MAP

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY WE OR UNDER MY DRECTION AND IS BASED UPON A FELD SURVEY WAS IN CONFERNANCE WITH HE REQUISELENTS OF THE SURVEY WAS ARRENTED THE REQUISE OF THE REMAINALLY COPPORTING THE CHAPPROVED OF SCHÖNLINGHALLY APPROVED VISING TENTING MAP I SERFHER STATE THAT ALL THE MONUMENTS SHOWN HERGON WILL BE UNPROPENTED ARE CATED BY THE CHAPPORT SHOW IN THE REPROPERTY OF THE CHAPPORT SHOW HERGON WILL BE UNPROPENTED SHOW FROM THE ORDINGHAL SHOW THE OFFICE OF THE CHAPPORT SHOW THE OFFICE OFFICE OF THE CHAPPORT SHOW THE OFFICE OFF

2024. DAY OF DATED THIS

IAN BRUCE MACDONALD LS NO: 8817,



RIGHT TO FARM STATEMENT:

PER CITY OF LATHROP CODE OF OFDINANCES THE 15 CHAPTER 15.48 04, THE CITY OF LATHROP PERMIS OF SERATIONS OF PREPRINCE AND COLOUTINAL OFFRANDONS WITHIN THE COTY LIMITS, INCLUDING THE PROPERTY OF ACE PREPASANGS WITHIN THE OFF ACE OFF

STATEMENT OF SOILS REPORT:

A SOLS REPORT ENTILED, "HARAS PROPERTY, LATHROP, CALIFORNA, GEOTECHNICAL REPLORATION, PROJECT NO, 15222,000,000 AND DATED JULY 11, 2019, HAS BEEN PREPARED F HAS PROJECT BY ENGEO INCORPORATED, AND THE LETTER OF THIRD PARTY RELIANCE, DATED DECEMBER 13, 2023, ARE ON FILE WITH THE CITY OF LATHROP.

CITY SURVEYOR'S STATEMENT:

I, DARRY, ALEXANDER, HEREBY STATE, THAT) HAVE EXAMINED THIS FINAL MAP OF "TRACT NO. 3225, SUBDIVISIONS OF SAN JOAQUIN COUNTY, MOSSDALE, LANDING - NIGHBORHOOD 12" AND THE THE SUBDIVISION SHOWN HEREON COMPLES WITH ALL THE PROVISIONS OF CHAPTER 2 OF THE CALFORNIA SUBDIVISION MAP ACT, AS AMENDED, AND THAT THIS FINAL MAP IS TECHNICALLY CORRECT.

DAY OF DATED THIS

2024,

DARRYL ALEXANDER, LS NO. 5071 ACTING CITY SURVEYOR

No. 5071

CITY ENGINEER STATEMENT:

I, GENN GEBHARDI, HEREBY STATE THAT! HAVE EXAMINED THIS MAP OF TRACT NO. 3225, SUBDINSHONS OF SM. AND ADOUN COUNTY, MOSSDALE, LANDING, — NEGHBEROOD 12* AND THAT THE SUBDINSHONS SHOWN HEREBON SUBSTANTIALY THE SAME AS IT APPERABLD ON THE WESTING THAT MAP, AND ANY APPROVED ALTERATIONS THEREOF, FURTHER STATE THAT THIS FINAL MAP COMPLES WITH ALL APPLICABLE, ORDINANCES OF THE CITY OF LATHRORY AND ANY MENDANDARY THEREBY, APPLICABLE ADDINANCES OF THE CITY OF LATHRORY AND ANY MENDANDARY THEREBY, APPLICABLE AT THE TIME OF APPROVAL OF THE VESTING TRAINING MAP.

DAY OF DATED THIS

2024

GLENN GEBHARDT, R.C.E., 34681 CITY ENGINEER OF THE CITY OF LATHROP, CALIFORNIA

No. 34681

CITY CLERK'S STATEMENT:

I, IERESA VARGAS, CITY CLERK AND CLERK OF THE CITY COUNCIL OF THE CITY OF LATHROP.

SATE OF CALLOPAWA. DO HEREBY STATE THAT THE HERBINE BEROBIED AMP NUTHIED "HEACT NO.

SASS SUBMINISHED, OF FOUR "S AN JOACHIN COUNTY, MOSSOALE LANDING" - NEGHBORHOOD 12"

CONSISTING OF FOUR "O SHEED THAT SAN PRESENTED TO SAD CITY COUNCIL, AS PROVIDED BY LAW,

AT A RECULAR METHING THEREOF, HELD ON THE DAY OF "DAY O

I FURTHER STATE THAT ALL BONDS AS REQUIRED BY LAW TO ACCOMPANY THE WITHIN WAP HAVE BEEN APPROVED BY THE CITY COUNCIL OF THE CITY OF LATHROP AND FILED IN MY OFFICE.

2024 DATED THIS

TERESA VARGAS CITY CLERK AND CLERK OF THE CITY COUNCIL OF THE CITY OF LATHROP, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

THE PLANNING COMMISSION'S STATEMENT: SECRETARY OF

Ξ TRACT MAP NO. 3225 APPROVED BY 2024. THE VESTING TENTATIVE PLANNING COMMISSION ON

THIS DAY OF DATED

2024

MARK MEISSNER SECRETARY OF THE PLANNING COMMISSION COMMUNITY DEVELOPMENT DIRECTOR

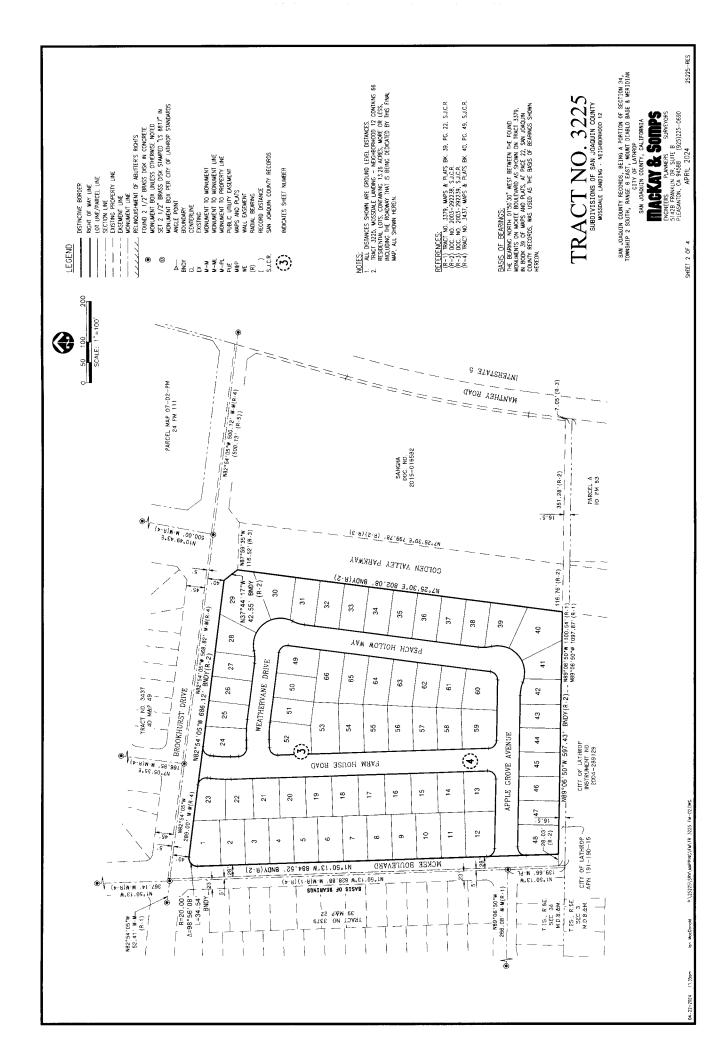
COUNTY RECORDER'S STATEMENT:

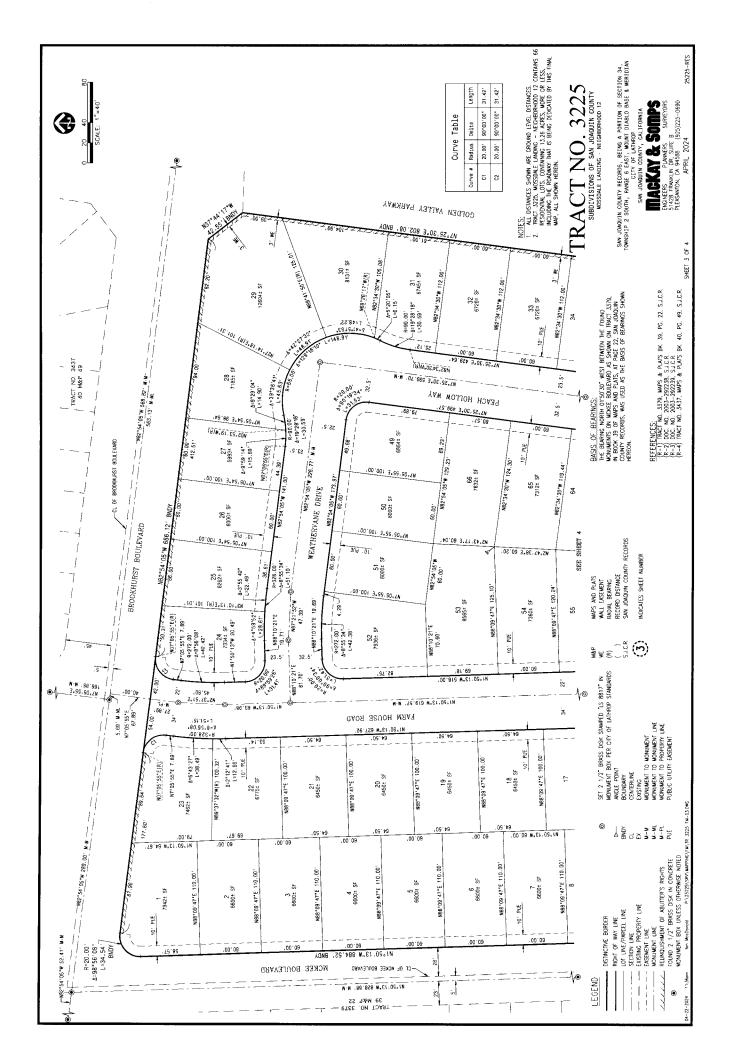
,M. IN BOOK 2024, AT AT THE REQUEST OF DAY OF OF MAPS AND PLATS, AT PAGE FILED THIS

STEVE J. BESTO, ARDES ASSESSOR-RECORDER – COUNTY CLERK SAN JOAQUIN COUNTY, CALIFORNIA SHEET 1 OF 4

ASSISTANT/DEPUTY RECORDER

25225-RES





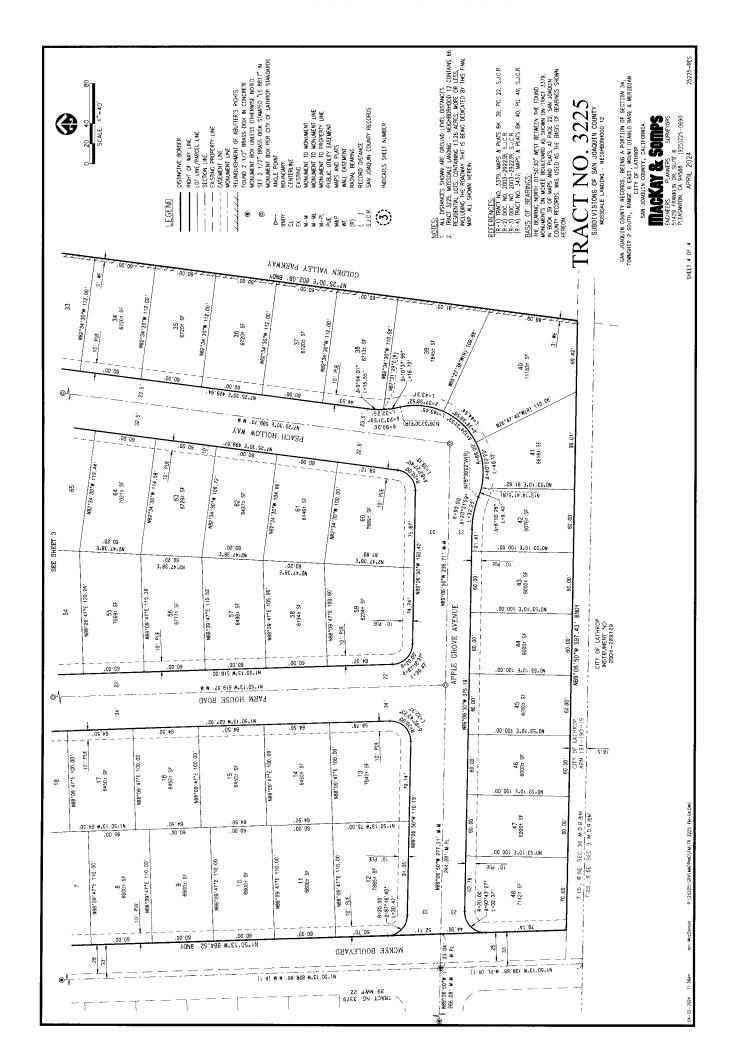


EXHIBIT B

CITY INSURANCE REQUIREMENTS

1. The Subdivider shall obtain commercial general liability insurance companies licensed to do business in the State of California with an A.M. Best Company rating Insurance rating of no less than A:VII which provides coverage for bodily injury, personal injury and property damage liability in the amount of at least \$1,000,000 for each occurrence and \$2,000,000 in the aggregate.

Said insurance coverage shall be evidenced by a certificate of insurance with policy endorsements, executed by an authorized official of the insurer(s). All parties to the Subdivision Improvement Agreement must be named insured on the policy. The policy endorsements to be attached to the certificate must provide all the following:

- a. Name the City of Lathrop, its officers, City Council, boards and commissions, and members thereof, its employees and agents as additional insured as respects to any liability arising out of the activities of the named insured. A CG 2010 or CG 2026 endorsement form or the equivalent is the appropriate form.
- b. State that "the insurance coverage afforded by this policy shall be primary insurance as respects to the City of Lathrop, its officers, employees and agents. Any insurance or self-insurance maintained by the City of Lathrop, its officers, employees, or agents shall be in excess of the insurance afforded to the named insured by this policy and shall not contribute to any loss.
- c. Include a statement that, "the insurer will provide to the City at least thirty (30) days prior notice of cancellation or material change in coverage." The above language can be included on the additional insured endorsement form or on a separate endorsement form.
- d. The policy must contain a cross liability or severability of interest clause.
- e. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/20/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed.

	f SUBROGATION IS WAIVED, subject his certificate does not confer rights t							require an endo	rsement	t. As	tatement on
	DDUČER				CONTAC NAME:		<u>r</u>				
Marsh USA LLC 30 South 17th Street				PHONE FAX							
Philadelphia, PA 19103				(A/C, No, Ext): (A/C, No): E-MAIL ADDRESS:							
Attn: philadelphia.certs@marsh.com or 212-948-0360									NAIC#		
CN101314853GAW-23-25 West NCA										20079	
	URED	110.			INSURER B: N/A N/A						
	K. Hovnanian Homes Northern California, Inc.			!	14/1						23043
	3721 Douglas Blvd., Suite 150			!	1	•		•			33588
	Roseville, CA 95661			!	INSURER D: The First Liberty Insurance Corporation 33588 INSURER E:						33300
				!							
CO	OVERAGES CER	TIFIC	CATE	E NUMBER:	INSURER F :						
T IN C	HIS IS TO CERTIFY THAT THE POLICIES NDICATED. NOTWITHSTANDING ANY RE PERTIFICATE MAY BE ISSUED OR MAY	OF I	INSUF REME! FAIN,	RANCE LISTED BELOW HAY NT, TERM OR CONDITION THE INSURANCE AFFORD	OF AN' OED BY	N ISSUED TO Y CONTRACT THE POLICIES	THE INSURE OR OTHER I S DESCRIBEI	ED NAMED ABOVE DOCUMENT WITH D HEREIN IS SUB	FOR THE	HE POI	WHICH THIS
INSR	EXCLUSIONS AND CONDITIONS OF SUCH				BEEN F						
LTR		INSD	SUBR						LIMIT		
^	χ COMMERCIAL GENERAL LIABILITY	'	1	42-HBL-331833-01		10/31/2023	10/31/2025	DAMAGE TO RENTE		\$	5,000,000
	CLAIMS-MADE X OCCUR							PREMISES (Ea occur	rrence)	\$	5,000,000
	X SIR \$250,000 PREM-OPS		,					MED EXP (Any one p	·	\$	N/A
	X	'	1					PERSONAL & ADV IN		\$	5,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:	'						GENERAL AGGREGA		\$	5,000,000
	X POLICY PRO- JECT LOC		'					PRODUCTS - COMP/	OP AGG	\$	5,000,000
C	OTHER:		\vdash	AS5-621-095402-023		10/31/2023	10/04/2004	COMBINED SINGLE	I IMIT	\$	
٦	AUTOMOBILE LIABILITY	'	'	ASS-021-090402-023		10/31/2023	10/31/2024	(Ea accident)		\$	2,000,000
	X ANY AUTO OWNED SCHEDULED	'						BODILY INJURY (Per		\$	
	AUTOS ONLY AUTOS HIRED NON-OWNED	'						BODILY INJURY (Per	- 1	\$	
	AUTOS ONLY AUTOS ONLY	'						PROPERTY DAMAGE (Per accident)	=	\$	
	 	<u> </u>	igspace					-		\$	
	UMBRELLA LIAB OCCUR	'						EACH OCCURRENCE	E	\$	
	EXCESS LIAB CLAIMS-MADE	'						AGGREGATE		\$	
Ļ	DED RETENTION \$ WORKERS COMPENSATION	<u> </u>	 _	11100 004 005 400 040 (AOO)		10/31/2023	10/04/0004	DED	T ATU.	\$	
D	AND EMPLOYERS' LIABILITY Y/N			WC6-621-095402-013 (AOS)		10/31/2023	10/31/2024	X PER STATUTE	OTH- ER	<u> </u>	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?	N/A						E.L. EACH ACCIDEN	T	\$	1,000,000
	(Mandatory in NH) If yes, describe under	'						E.L. DISEASE - EA E	MPLOYEE	\$	1,000,000
	DÉSCRIPTION OF OPERATIONS below	 '	$\vdash \vdash$	 				E.L. DISEASE - POLIC	CY LIMIT	\$	1,000,000
RE: City cont	SCRIPTION OF OPERATIONS / LOCATIONS / VEHICL : Mariposa project in Lathrop, CA - 66 residential lot su / of Lathrop, its officers, City Council, boards and comm stract, provided such contract was executed prior to the e General Liability insurance is primary and non-contrib	ibdivision mission e date o	on - App ns, and i of loss.	proval of improvement plans & final members thereof, its employees and	I map and nd agents a	recordation of fina are included as ad	al map to begin co dditional insured (e	onstruction. except for workers' com	,		
CE	RTIFICATE HOLDER				CANC	ELLATION					
CE	ATIFICATE HOLDEN				CANC	ELLATION					
City of Lathrop 390 Towne Centre Drive Lathrop, CA 95330				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.							
						RIZED REPRESEN sh USA LLC	NTATIVE		W-0		

AGENCY CUSTOMER ID: CN101314853

LOC #: Philadelphia



ACORD	ADDITION	IAL REMA	ARKS SCHEDULE	Page _ 2 _ of _ 2
AGENCY Marsh USA LLC		NAMED INSURED K. Hovnanian Homes Northern California, Inc.		
POLICY NUMBER			3721 Douglas Blvd., Suite 150 Roseville, CA 95661	
CARRIER		NAIC CODE		
ADDITIONAL REMARKS			EFFECTIVE DATE:	
THIS ADDITIONAL REMARKS F				
FORM NUMBER: 25	FORM TITLE: Certificate of	of Liability Insur	ance	
The policies referenced on this certificate	may be subject to retained limits, self-in	nsured retentions or dedu	ctibles.	

ENDORSEMENT

This endorsement, effective 12:01 AM: 10/31/2023

Forms a part of Policy No.: 42-HBL-331833-01

Issued to: Hovnanian Enterprises, Inc.

By: National Fire & Marine Insurance Company

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY PRODUCTS/COMPLETED OPERATIONS LIABILITY POLICY HOMEBUILDER LIABILITY INSURANCE POLICY

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations		
Any such person or organization but only to the extent required by a written contract executed prior to the "occurrence" or offense.	N/A		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

- A. Section II Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:
 - 1. Your acts or omissions; or
 - 2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

- 1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
- B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

 All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

- That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- C. With respect to the insurance afforded to these additional insureds, the following is added to Section III Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

- Required by the contract or agreement; or
- 2. Available under the applicable Limits of Insurance shown in the Declarations:

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this policy remain unchanged.



ENDORSEMENT

This endorsement, effective 12:01 AM:

10/31/2023

Forms a part of Policy No.:

42-HBL-331833-01

Issued to:

Hovnanian Enterprises, Inc.

By: National Fire & Marine Insurance Company

DDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY PRODUCTS/COMPLETED OPERATIONS LIABILITY POLICY HOMEBUILDER LIABILITY INSURANCE POLICY

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations			
Any such person or organization but only to the extent required by a written contract executed prior to the "occurrence" or offense.				
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.				

A. Section II – Who is An insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

- The insurance afforded to such additional insured only applies to the extent permitted by law; and
- If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this policy remain unchanged.

EXHIBIT C

TOTAL IMPROVEMENT ESTIMATE

BOND ESTIMATE

MOSSDALE LANDING, NEIGHBORHOOD 12 TRACT 3225 LATHROP, CALIFORNIA

Based on Unapproved 1st Submittal Improvement and Grading Plans prepared by MacKay & Somps dated May 2024

ITEM	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
A. GRADING AND STREETWORK					
1.	50.278	YDS	Rough grading	4.00	\$201,110
2.	24,142	CY	Import (in-tract)	10.00	\$241,420
2.	132,788	SF	Finish grade street	0.25	\$33,200
3.	64,648	SF	Structural Section (4" AC, 4"AB, 12" LTB)	4.00	\$258,590
4.	1	LS	Signing and Striping	25,000.00	\$25,000
5.	8	ΕĀ	Survey Monuments	800.00	\$6,400
6.	927	LF	9' Community Wall	175.00	\$162,230
7.	577	LF	6' Community Wall	150.00	\$86,550
ESTIMATED TOTAL GRADING AND STREETWORK:			\$1,014,500		
B. CON	ICRETE WORK	1			
1.	5,043	LF	6" Standard curb and gutter	16.00	\$80,690
2.	26.374	SF	6" Sidewalk	5.00	\$131,870
3.	20,071	ĒΑ	Curb Return and Handicap Ramp	2,500.00	\$20,000
4.	66	EA	Driveways	725.00	\$47,850
		ESTIN	NATED TOTAL CONCRETE WORK:		\$280,410
C. SANI	ITARY SEWER	WORK			
1.	11	EΑ	Manholes including reset to finish grade and vacuum test	6,000.00	\$66,000
2.	2,162	LF	8" Pipe including backfill	32.00	\$69,180
3.	54		4" Laterals w/ cleanouts	1,000.00	\$54,000
4.	1	EΑ		1,500.00	\$1,500
5.	2,162	LF	Dewatering (Wells/Pumps/Pipes)	88.50	\$191,340
ESTIMATED TOTAL SANITARY SEWER WORK:			\$382,020		
D. STO	ORM DRAIN WO	<u>DRK</u>			
1.	3	EA	Storm Drain Manhole including reset to finish grade	3,200.00	\$9,600
2.	231	LF	15" Polypropylene (Type S) Storm drain pipe	65.75	\$15,190
3.	1,571	LF	18" Polypropylene (Type S) Storm drain pipe	66.00	\$103,690
4.	9	LF	30" Polypropylene (Type S) Storm drain pipe	105.00	\$950
5.	18	EA	Curb inlet	3,800.00	\$68,400
6.	1		Connect to Existing	1,500.00	\$1,500
7.	1	LS	Erosion/Water Pollution Control	25,000.00	\$25,000
ESTIMATED TOTAL STORM DRAIN WORK:					\$224,330

ITEM	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
E. WAT	ER SYSTEM W	<u>/ORK</u>			
4	2.400		Oli Detaile Metain Marin in alcaling of fittings	20.00	* 05.070
1. 2.	2,169		8" Potable Water Main including fittings	30.00	\$65,070
2. 3.	6 54	EA EA	Fire hydrant assembly 1" Services	5,500.00 1,200.00	\$33,000 \$64,800
3. 4.	66		Meter boxes	1,200.00	\$6,600
5.	2			1,500.00	\$3,000
5. 6.	8	EA	8" Butterfly Valves	800.00	\$6,400
7.	1	EA	Water Sampling Station	2,500.00	\$2,500
		ESTIN	MATED TOTAL WATER SYSTEM WORK:		\$181,370
F. DEM	O OF EXISTING	G REC	YCLED WATER BASIN AND WITHIN RIGHT-OF-WAY		
4	4	1.0	Dama for Basis A Only	ECC 2CC 00	# ECC 270
1. 2.	1		Demo for Basin A Only	566,366.00 5,000.00	\$566,370
۷.	,	LS	Demo including pavement removal within the Right-of-Way	5,000.00	\$5,000
		ESTIN	MATED TOTAL DEMO WORK:		\$571,370
G. MISC	ELLANEOUS	CONS	<u>FRUCTION</u>		
1.	2,277	LF	Joint Trench	60.00	\$136,620
2.	16	EA	Streetlights	3,500.00	\$56,000
3.	27,830	SF	Landscape and Irrigation	10.00	\$278,300
		ESTIN	MATED TOTAL MISCELLANEOUS CONSTRUCTION:		\$470,920
			SUMMARY		
	Α	GRAF	DING AND STREETWORK		\$1,014,500
	В		CRETE WORK		\$280,410
	Č		TARY SEWER WORK		\$382,020
	D		M DRAIN WORK		\$224,330
		WATE	R SYSTEM WORK		\$181,370
	F	DEMO) WORK		\$571,370
	G	MISC	ELLANEOUS CONSTRUCTION		\$470,920
			TOTAL CONOTO	ICTION COST	£2.424.000
			TOTAL CONSTRI 10% C	ONTINGENCY: TOTAL COST:	\$3,124,920 \$312,492 \$3,437,412

NOTES

- This estimate is prepared as a guide only and is subject to possible change. It has been prepared to a standard of accuracy which, to the best of our knowledge and judgment, is sufficient to satisfy our understanding of the purposes of this estimate. MacKay & Somps makes no warranty, either expressed or implied, as to the accuracy of this estimate.
- Costs presented herein represent an opinion based on historical information. No provision has been made for inflation.
- 3. All items include all materials necessary for complete installation.
- 4. All underground utilities unit prices include trenching, backill, and all other necessary items for installation.
- 5. Fire hydraunt assemblies include valve, run and reflective blue marker.
- 6. Joint trench not included.

Prepared by the firm of MACKAY & SOMPS

July 8, 2024

Via Email

Jules Fulop First American Title Company 4750 Willow Rd., Suite 275 Pleasanton, CA 94588 Email: jfulop@firstam.com

Re: Recordation of Final Map 3225; Escrow #xxxxxx

Dear Jules:

This letter constitutes the joint escrow instructions ("Escrow Instructions") of K. Hovnanian Homes Northern California, Inc., a California Corporation ("KHOV") and the City of Lathrop ("City") in connection with the above-referenced escrow ("Escrow"). The Escrow was opened in connection with recordation of the above-referenced final map ("Final Map"). Recordation of the Final Map is subject to the conditions set forth below. The transactions described in these Escrow Instructions are referred to as the "Transaction." First American Title Company is referred to as "you" or "FATCO."

A. Date for Closing

The Final Map will be recorded at the time designated by KHOV as set forth below. The Final Map can only be recorded after the City has approved the map in writing. The closing date for the Transaction is intended to occur by December 31, 2024, at the time designated in writing by KHOV, subject to satisfaction of the conditions set forth below ("*Closing*"). If the Final Map has not been recorded by December 31, 2024, FATCO will return the Final Map to the City.

B. <u>Documents to be Delivered and Recordation Documents</u>

In connection with the Transaction, you have in your possession or will receive the following documents from City and KHOV for recordation in the Official Records of San Joaquin County, California ("Official Records").

B.1. One original Final Map for Tract 3225, executed and acknowledged by the City and KHOV (provided to FATCO by City).

The document listed in Item B.1, above is referred to as the "*Recordation Documents*." The date on which the Recordation Documents are recorded in the Official Records is the Recordation Date.

C. Funds and Settlement Statement

You also have received, or will receive from KHOV, prior to the recordation of the Recordation Documents, in immediately available funds, the following amounts, in accordance with the settlement statement prepared by you and approved in writing by both KHOV and City ("Settlement Statement"): recordation costs, escrow fees and other amounts as set forth in the Settlement Statement. Such costs, fees and other amounts are the sole responsibility of KHOV.

- Funds to be wire transferred directly to the City, immediately upon recordation of the Final Map, in accordance with the wire transfer instructions for each entity are as follows:
 - 1. The amount of \$215,259, payable to the City pursuant to that certain Subdivision Improvement Agreement (referred to as "SIA") for the Golden Valley Parkway & Brookhurst Boulevard traffic signal, is to be transferred to the City upon recordation of the Final Map.
 - 2. The amount of \$563,021.84, payable to the City pursuant to that certain SIA for the Golden Valley Parkway reimbursement, is to be transferred to the City upon recordation of Final Map.

The City's wire instructions are set forth below. The amounts set forth in Section C are referred to as the "Closing Funds."

D. Closing Requirements

When the following has occurred, you are authorized to close the Escrow at the time and in accordance with the process set forth below:

- D.1. You have delivered copies of your Settlement Statement by email transmission to: (a) Robert Sprague (RSprague@KHOV.COM), (b) Ethan Meltzer (EMeltzer@KHOV.COM), (c) John Baayoun (JBaayoun@KHOV.COM), (d) Brad Taylor (btaylor@ci.lathrop.ca.us), (e) Salvador Navarrete (snavarrete@ci.lathrop.ca.us), (f) Sandra Lewis (slewis@ci.lathrop.ca.us), (g) Bellal Nabizadah (bnabizadah@ci.lathrop.ca.us), (h) Monica Garcia (mgarcia@ci.lathrop.ca.us), (i) Teresa Vargas (tvargas@ci.lathrop.ca.us), and (j) Sarah Pimentel (spimentel@ci.lathrop.ca.us), and have confirmation (by telephone or email) from Robert Sprague and Brad Taylor that the Settlement Statement is accurate and acceptable;
- D.2. You have not received any instructions contrary to these Escrow Instructions;
- D.3. The Recordation Documents have been received by you and have been fully executed and, where applicable, acknowledged, and you have attached all legal descriptions or have confirmed that all exhibits and legal descriptions are attached;
- D.4 You are prepared to record the Recordation Documents, as designated, release funds in accordance with the Settlement Statement and complete the Transaction in compliance with these Escrow Instructions;

- D.5. You have delivered a copy of these instructions, executed by an authorized signatory of FATCO with authority to bind FATCO, by email transmission to Robert Sprague and Brad Taylor at the email addresses set forth above; and
- D.6. You have received confirmation (by email or other writing) from Robert Sprague and Brad Taylor to record the Recordation Documents and complete the Transaction.

E. Closing Process and Priorities

When you have fully satisfied all of the closing requirements set forth in Section D, then you are authorized and instructed to do the following in the chronological order given:

- E.1. Date the Recordation Documents to be recorded;
- E.2. Record the Recordation Documents in the Official Records;
- E.3. Pay the costs associated with the Transaction;
- E.4. Refund any funds delivered to you by KHOV that are not disbursed at the time of the final Closing pursuant to these Escrow Instructions to the following entity and address:

K. Hovnanian Homes Northern California, Inc 3721 Douglas Boulevard, Suite 150 Roseville, CA 95661 Attn: Robert Sprague

- E.5. Notify (a) Robert Sprague (RSprague@KHOV.COM), (b) Ethan Meltzer (EMeltzer@KHOV.COM), (c) John Baayoun (JBaayoun@KHOV.COM), (d) Brad Taylor (btaylor@ci.lathrop.ca.us), (e) Salvador Navarrete (snavarrete@ci.lathrop.ca.us), (f) Sandra Lewis (slewis@ci.lathrop.ca.us), (g) Bellal Nabizadah (bnabizadah@ci.lathrop.ca.us), (h) Monica Garcia (mgarcia@ci.lathrop.ca.us), (i) Teresa Vargas (tvargas@ci.lathrop.ca.us), and (j) Sarah Pimentel (spimentel@ci.lathrop.ca.us), of the completion of the Transaction;
- E.6. Within five (5) business days after the Recordation Date, deliver to: (1) Robert Sprague, K. Hovnanian Homes Northern California, Inc, 3721 Douglas Boulevard, Suite 150, Roseville, CA 95661; and (2) Brad Taylor, City Engineer, City of Lathrop, 390 Towne Centre Drive, Lathrop, CA 95330:
 - (A) a certified copy of the Recordation Documents, showing all recording information of the Recordation Documents; and
 - (B) a certified copy of the final Settlement Statement.

F. Additional Instructions

When assembling the final documents, signature pages from all parties shall be inserted into each respective final document in creating fully executed counterparts.

Please acknowledge receipt of these instructions and your agreement to act as Escrow agent in connection with this Transaction in accordance with these Escrow Instructions, by executing and dating a copy of these Escrow Instructions below and returning it to both of the undersigned.

The Escrow Instructions may be modified only in a writing signed by both of the undersigned.

Very truly yours,

Stephen J. Salvatore Date
City Manager
City of Lathrop

Date
Division President
K. Hovnanian Homes Northern California, Inc.

ESCROW INSTRUCTIONS ACKNOWLEDGEMENT AND AGREEMENT:

Receipt of the foregoing Escrow Instructions from KHOV and the City is hereby acknowledged. The undersigned agrees, for itself, and on behalf of FATCO, to proceed in strict accordance with these Escrow Instructions. The undersigned represents and warrants to KHOV and the City that the undersigned is authorized to execute this Acknowledgement and Agreement, for itself, and on behalf of FATCO.

First American Title Company		
By: Its: Date:		