

REPORT TO CITY COUNCIL

Approved by:

Keith Helmuth, P.E., Department Director

Arnaldo Rodriguez, City Manager

Council Meeting of: December 16, 2020

Agenda Number: B-5

SUBJECT:

Acceptance of Off-site Improvements Associated with the Love's Travel Stops and Country Stores for the Madera Travel Center Project

RECOMMENDATION:

Adopt a Resolution Accepting Improvements Required to be Installed in Connection with the Madera Travel Center Project (Project) per the terms of the Development Agreement (DA) between the City, Lisa M. Guzman, Trustee of the Bypass Trust Under the Guzman Living Trust Dated May 13, 2013 and Trustee of the Survivor's Trust Under the Guzman Living Trust Dated May, 13, 2013, and Love's Travel Stops and Country Stores, Inc.

SUMMARY:

The Developer, Love's Travel Stops & Country Stores Inc. (Loves), has completed the off-site public improvements in accordance with the DA, which was approved by Council on December 21, 2016. It is recommended that the Council accept the improvements.

DISCUSSION:

On December 21, 2016, the Council approved DA with Loves on the basis that the development of the Project would serve as a significant economic development opportunity. Due to the magnitude of the reimbursement amount and minimal Development Impact Fee (DIF) balances relative to anticipated costs, a "customized" reimbursement plan utilizing a combination of capital improvement funding sources and project-generated taxes revenues was created. A summary of funding sources and amounts for the lump sum payments is provided on Table 1.

Table 1: Reimbursement Plan			
<i>#</i>	<i>Funding Type</i>	<i>Original Estimated Amount</i>	<i>Reimbursable Improvement Type</i>
1	DIF Credits	\$279,025	Credits applied to applicable cost categories
2	Transportation Facility DIF Balance	\$1,090,000	Freeway Ramp Widening-Right Turn Lane
3	Traffic Signal DIF Balance	\$402,440	Ave 17/Sharon Blvd Traffic Signal
4	Arterial/Collector Street DIF Balance	\$576,000	Excess & Misc. Ave 17/Sharon Blvd Costs
5	Sewer DIF Balance	\$131,000	Sewer Pipe Oversizing
6	Storm Drain DIF Balance	\$68,000	Storm Drainage Pipe Costs
7	Water Pipe DIF Balance	\$73,700	Water Pipe Oversizing
8	Measure A	\$1,120,000	Ave 17 Arterial Improvements
9	LTF Unprogrammed Balance	\$1,640,000	Ave 17 & Sharon Blvd Arterial Improvements
Subtotal – Lump Sum Funding (Excluding Well Costs)		\$5,380,165	
10	Water Well	\$1.2 – 2.7 Million	Water Fund - Capital Improvements

Reimbursable costs in excess of lump sum payments from the amounts identified above will be made from a portion of the sales and transient occupancy taxes generated by the project. It was recognized that with completion of the Travel Center, a net positive impact to the General Fund would be realized in each year of operation.

It is to be noted that the amounts given are not exact as reimbursement requests along with supporting costs have not yet been received. However, original bids to which the City was copied will be indicated in said section of the report.

FINANCIAL IMPACT:

Acceptance of this subdivision will result in the transfer of maintenance and resulting costs from Developer to City.

Following acceptance of the Projects, staff will commence reimbursements in accordance with the DA. Council may be consulted later regarding schedule of reimbursements or use of other funds as the DA allows for payments and sources to vary. Variations in schedule would be based on a financial review by the Engineering and Finance Departments, and City Manager. It is not anticipated at this time that adjustment to funding sources would be modified.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

Action 115.1: As a component of the General Plan Update, encourage viable economic development

ALTERNATIVES:

As an alternative, the Council may elect to reject the Notice of Acceptance of the Project. Rejection of the Notice of Acceptance which will result in staff's inability to release funds for reimbursement and close the Project in accordance with the DA.

ATTACHMENTS:

1. Resolution
2. Development Agreement
Exhibit A – Notice of Acceptance

Attachment 1
Resolution

RESOLUTION NO. 20-___

**A RESOLUTION ACCEPTING IMPROVEMENTS FOR LOVE'S TRAVEL
STOPS AND COUNTRY STORES FOR THE MADERA TRAVEL CENTER
PROJECT AUTHORIZING THE FILING OF THE NOTICE OF ACCEPTANCE
FOR SAID DEVELOPMENT IMPROVEMENTS AND AUTHORIZING STAFF
TO RECORD THE NOTICE OF ACCEPTANCE**

WHEREAS, on December 21, 2016, the City Council adopted Ordinance No. 938 C.S., entering into a Development Agreement (DA) with Lisa M. Guzman, Trustee of the Bypass Trust Under the Guzman Living Trust Dated May 13, 2013 and Trustee of the Survivor's Trust Under the Guzman Living Trust Dated May, 13, 2013, and Love's Travel Stops and Country Stores, Inc; and

WHEREAS, the DA stipulated that the Developer, Love's Travel Stops & Country Stores Inc. (Love's), was to develop the Project Site (as that term is defined in the DA) along with the required off-site public infrastructure improvements for the Madera Travel Center Project; and

WHEREAS, the Developer, Love's, has requested final acceptance for the improvements for the Travel Center; and

WHEREAS, the City Engineer has certified to this Council that the required improvements for the Travel Center have been completed.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MADERA hereby finds, orders and resolves as follows:

1. The above recitals are true and correct.
2. The improvements for the Madera Travel Center Project are accepted.
3. The City Clerk is hereby authorized and directed to record a Notice of Acceptance as required by Section 10-2.712.2 of the Madera Municipal Code.
4. This resolution is effective immediately upon adoption.

Exhibit A

Notice of Acceptance

RECORDING REQUESTED BY:

City of Madera

AFTER RECORDING RETURN TO:

City Clerk

City of Madera

205 W. 4th Street

Madera, CA 93637

Fee Waived Per Section 27383 & 27388.1(a)(2)(D) of the Government Code

**NOTICE OF ACCEPTANCE
OF DEVELOPMENT IMPROVEMENTS**

NOTICE IS HEREBY GIVEN that on December 16, 2020, the City Council of the City of Madera confirmed the satisfactory completion of the improvements as shown on the plans for the Love's Travel Stops and Country Stores for the Madera Travel Center Project.

Dated: _____

By: _____

Alicia Gonzales

City Clerk

Attachment 2

Development Agreement

Recorded in Official Records, Madera County

REBECCA MARTINEZ

Madera County Recorder

CIT Madera City

12/28/2016

12:07 PM

1

Recording requested by:
City of Madera

After Recording Return to:
City Clerk
City of Madera
205 West Fourth Street
Madera, California 93637-3527

Doc#: 2016032980



Titles: 1 Pages: 50

Fees 0.00

Taxes 0.00

Other 0.00

PAID \$0.00

Fee Waived Per Section 27383 of the Government Code. No Document Tax Due \$ -0-

DEVELOPMENT AGREEMENT

Between the City of Madera, Lisa M. Guzman, Trustee of the Bypass Trust under the Guzman Living Trust Dated May 13, 2013 and Trustee of the Survivor's Trust under the Guzman Living Trust Dated May 13, 2013, and Love's Country Stores of California, Inc.

DEVELOPMENT AGREEMENT
BETWEEN THE CITY OF MADERA, LISA M. GUZMAN, TRUSTEE OF THE BYPASS TRUST UNDER THE GUZMAN LIVING TRUST DATED MAY 13, 2013 AND TRUSTEE OF THE SURVIVOR'S TRUST UNDER THE GUZMAN LIVING TRUST DATED MAY 13, 2013, AND LOVE'S COUNTRY STORES OF CALIFORNIA, INC.

THIS DEVELOPMENT AGREEMENT ("Development Agreement") is entered into to be effective on the date it is recorded with the Madera County Clerk/County Recorder (the "Effective Date"), between THE CITY OF MADERA, a California general law city ("City"); LISA M. GUZMAN, TRUSTEE OF THE BYPASS TRUST UNDER THE GUZMAN LIVING TRUST DATED MAY 13, 2013, AND TRUSTEE OF THE SURVIVOR'S TRUST UNDER THE GUZMAN LIVING TRUST DATED MAY 13, 2013, (collectively, "Landowner"); and LOVE'S COUNTRY STORES OF CALIFORNIA, INC., a California corporation ("Developer"). Each of the City, Landowner and Developer may be referred to as a "Party" hereunder and collectively as the "Parties."

RECITALS

A. The Legislature of the State of California has adopted California Government Code Sections 65864-65869.5 ("Development Agreement Statute") which authorizes a city to enter into a binding development agreement with persons having legal or equitable interests in real property located within a city's municipal boundaries or in unincorporated territory within a city's sphere of influence for the development of such property in order to, among other things: encourage and provide for the development of public facilities; to support development projects; provide certainty in approval of development projects in order to avoid a waste of resources and escalation in project costs and encourage an investment in and commitment to comprehensive planning which will make maximum efficient utilization of resources at the least economic cost to the public land; and provide assurance to the applicants for development projects that they may proceed with their projects in accordance with existing policies, rules, and regulations and subject to the conditions of approval of such projects, as provided in such annexation and/or development agreements.

B. Landowner owns an approximately 50 acre parcel of real property located within the City, near the northern edge of the City limits, at the Avenue 17/State Route 99 ("SR 99") interchange (APN 013-240-003)(the "Property"), as particularly described on Exhibit A.

C. Developer intends to develop approximately 25 acres of the Property, as generally depicted on Exhibit B (the "Project Site"), as a full service travel center, to include an approximately 11,981 square-foot travel stop building, comprised of an approximately 7,965 square foot convenience store and 4,016 square foot branded restaurant with drive-through, served by on-site parking for passenger vehicles and tractor-trailers, nine covered fuel islands for trucks and nine separate covered fuel islands for automobiles, as well as a truck tire care facility and approximately 4,400 square foot branded restaurant (in proposed areas separate from the travel stop building), truck scales, a hotel, a self-storage facility and an RV and boat storage facility, and other related services and amenities for the motoring public, including a historical pedestrian plaza in the southwest corner of Avenue 17 and Sharon Boulevard, which will address a part of Madera history (the "Project"). The remaining undeveloped portion of the Property will be separated from the travel center site through a parcel map.

D. At the time the Project Site is developed, Developer will be required to construct certain off-site public infrastructure improvements, which was a condition of regulatory approval of the Project, including the development approvals described in the Recitals, such improvements will include roadway improvements, freeway ramp improvements, sanitary sewer lines, storm drainage improvements, a water well and water lines and certain other utility and general improvements that will provide benefits to City and other property owners near the Developer's property who may wish to develop their properties in the future. City has agreed to reimburse Developer for a portion of the costs of constructing such off-site infrastructure improvements, and to

credit Developer for a portion of the otherwise applicable development impact fees. The City Council finds and determines that the aggregate amount of such reimbursement and credit will be less than the cost of such improvements and has further found that the City will not maintain any proprietary interest in the Project.

E. Pursuant and subject to the Development Agreement Statute, the City's Municipal Code and the City's police powers, City is authorized to enter into binding agreements with persons having legal or equitable interest in real property located within the City's municipal boundaries thereby establishing the conditions under which such property may be developed in the City.

F. City has granted the Developer a series of Development Approvals (as defined herein below) to implement the Project, which are incorporated and made a part of this Agreement. The Developer desires to receive the assurance that it may proceed with the Project in accordance with the existing land use ordinances, subject to the terms and conditions contained in this Agreement and to secure the benefits afforded the Developer by Government Code §65864.

G. This Agreement will eliminate uncertainty in planning for and securing orderly development of the Project, provide the certainty necessary for the Developer to make significant investments in public infrastructure and other improvements, assure the timely and progressive installation of necessary improvements, provide public services appropriate to each stage of development, establish phasing for the orderly and measured build-out of the Project consistent with the General Plan and the desires of the City to assure integration of the new development into the existing community.

H. The terms and conditions of this Development Agreement have undergone extensive review by the staff of the City, the City's Planning Commission, and the City Council of City and have been found to be fair, just, and reasonable.

I. City's City Council finds and determines that it will be in the best interests of City's citizens and the public health, safety, and welfare will be served by entering into this Development Agreement.

J. All of the procedures of the California Environmental Quality Act have been met with respect to the Project and this Development Agreement by the approval of Planning Commission Resolution No: 1812 adopted on August 16, 2016, which certified the final Environmental Impact Report for the Madera Travel Center dated July, 2016 (the "EIR").

K. City's City Council has approved this Development Agreement by Ordinance No. 938 C.S. adopted on December 21, 2016 and effective on December 28, 2016.

NOW THEREFORE, IN CONSIDERATION OF THE ABOVE RECITALS AND THE MUTUAL COVENANTS HEREINAFTER CONTAINED, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. **DEFINITIONS.** In this Development Agreement, the following words and phrases shall have the meanings ascribed below:

A. "County" is the County of Madera.

B. "Development Exaction" means any requirement of City in connection with or pursuant to any Land Use Regulation or Existing Development Approvals for the payment of fees, including impact fees and mitigation fees, or other monetary payments or exactions, imposed by City in order to lessen, offset, mitigate, or compensate for the impacts of new development on the environment or other public interests, whether such exactions constitute impositions made under Development Approvals or the City's General Regulations. The applicable Development Exactions in effect under the Existing Land Use Regulations are set forth in Exhibit C.

C. "Development Approvals" means all permits and other entitlements for use subject to approval or issuance by City in connection with the development of the Project Site, including, but not limited to:

- (1) Site Plan Reviews;
- (2) Tentative and final parcel and/or subdivision maps;
- (3) Conditional use or special use permits, variances or other modifications to the City's development regulations;
- (4) Grading and building permits.

D. "Development Plan" means the Existing Development Approvals defined in Section 1(F) below and vested in Section 11 below, which are applicable to development of the Project.

E. "Effective Date" means the date upon which this Development Agreement is recorded with the County Clerk/County Recorder of the County, or the date upon which Ordinance No. 938 C.S. becomes effective, whichever occurs later.

F. "Existing Development Approvals" means this Development Agreement and those certain development approvals granted by the City of Madera Planning Commission at its August 16, 2016 meeting, as follows:

- (a) SPR 2015-18: Approving and establishing requirements for the overall development of the Project Site.
- (b) TPM 2015-01: Approving and establishing requirements for division of the subject property into 4 parcels and a remainder.
- (c) CUP 2015-09: Approving and establishing requirements for a changeable copy (gasoline prices) in association with a freeway sign on the Project Site.
- (d) CUP 2015-10: Approving and establishing requirements for the sale of beer and wine as a component of the operations of the travel stop component of the Project.
- (e) CUP 2015-11: Approving and establishing requirements for a drive-thru restaurant as a component of the travel stop component of the Project.
- (f) CUP 2015-12: Approving and establishing requirements for the truck stop component of the Project.
- (g) CUP 2015-13: Approving and establishing requirements for the automotive repair facility (Tire Care Facility) component of the Project.

- (h) CUP 2015-14: Approving and establishing requirements for the sale of beer and wine in conjunction with the freestanding restaurant component of the Project.
- (i) CUP 2015-15: Approving and establishing requirements for a drive-thru component as part of a freestanding restaurant on the Project Site.
- (j) CUP 2015-16: Approving and establishing requirements for a hotel on the Project Site.
- (k) CUP 2015-17: Approving and establishing requirements for a recreational vehicle and boat self-storage facility on the Project Site.
- (l) VAR 2015-02: Approving the construction of a freeway sign taller than forty feet.
- (m) Final EIR: Environmental Impact Report prepared in conformance with the California Environmental Quality Act and certified by the Planning Commission

G. "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date.

H. "Fee Credit" means that portion of Development Exactions fees which shall be credited by the City to Developer, as specified on Exhibit C-1 and as set forth in Section 8(B) below.

I. "Future General Regulations" means those "General Regulations" adopted by the City after the Effective Date of this Development Agreement.

J. "General Regulations" means those ordinances, rules, regulations, initiatives, policies, requirements, guidelines, constraints, or other similar actions of the City, other than site-specific Project approvals, which affect, govern, or apply to the Project Site or the implementation of the Development Plan. General Regulations are applicable to more than one property within the City.

K. "Infrastructure Improvements" means collectively, that portion of off-site public improvements to be dedicated to or owned by City and constructed by Developer pursuant to the terms of Section 7 of this Development Agreement, which will be installed at the locations identified on Exhibits E – I, inclusive, and which shall include the Roadway Improvements, Ramp Improvements, Sewer Improvements, Storm Drainage Improvements, Water Well Improvements, Water Line Improvements, and Utility and General Improvements, all as more specifically described in Section 7.

L. "Land Use Regulations" means all ordinances, resolutions, codes, rules regulations, and official policies of City governing the development and use of land, including, without limitation, the permitted use of land; the density or intensity of use; subdivision requirements; the maximum height and size of proposed buildings; the provisions for reservation or dedication of land for public purposes; and the design, improvement, and construction standards and specifications applicable to the development of the Project Site that are a matter of public record on the Effective Date of this Development Agreement. "Land Use Regulations" does not include any City ordinance, resolution, code, rule, regulation, or official policy, governing:

- (1) The conduct of businesses, professions, and occupations;
- (2) Taxes and assessments;
- (3) The control and abatement of nuisances;

- (4) The granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property; and
- (5) The exercise of the power of eminent domain.

M. "Owner" means the person having a legal or equitable interest in the Property and Project and all successors, transferees, or assigns thereof.

N. "Phase 1 Project" shall mean the approximately 11,981 square-foot travel stop building, comprised of an approximately 7,965 square foot convenience store and approximately 4,016 square foot branded restaurant(s) with drive-through, served by on-site parking for passenger vehicles and trailer trucks, nine covered fuel islands for trucks and nine separate fuel islands for automobiles, a truck tire care facility, truck scales, and an approximately 81 room hotel.

O. "Reimbursement Amount" shall mean the amount set forth in Section 8 below, which shall be payable by City to Developer to reimburse Developer for a portion of the cost and expense of designing and installing the Infrastructure Improvements. The Reimbursement Amount shall be due and payable as set forth in Section 8 below.

P. "State" shall mean the State of California.

Q. "Subsequent Development Approvals" means all development approvals required subsequent to the Effective Date in connection with development of the Project Site.

R. "Subsequent Land Use Regulation" means any Land Use Regulation adopted and effective after the Effective Date.

S. "Substantially Complete Building Permit Application" shall mean an application or request for a building permit that substantially satisfies the requirements of the General Regulations and the requirements specified in the Existing Development Approvals.

2. INCORPORATION OF RECITALS AND EXHIBITS. The Recitals and all defined terms set forth therein are hereby incorporated into this Agreement as if set forth herein in full. All exhibits attached hereto are incorporated by reference.

3. INTERESTS OF LANDOWNER AND DEVELOPER; BINDING EFFECT OF DEVELOPMENT AGREEMENT. Developer represents that it has an equitable or other interest in the Property sufficient to be bound by this Development Agreement. That portion of the Property which comprises the Project Site, as described in Recital C, is hereby made subject to this Development Agreement. Development of the Project Site is hereby authorized and shall be carried out in accordance with the terms of this Development Agreement. Upon recordation of the Development Agreement, the provisions of this Development Agreement shall constitute covenants which shall run with the Property and the benefits and burdens hereof shall bind and inure to all successors in interest to and assigns of the Parties hereto. Developer's right to develop the Project Site in accordance with the Development Approvals and the terms of this Development Agreement including the obligations set forth herein shall not become effective unless and until Developer acquires the Project Site. Upon conveyance of Landowner's fee interest in the Project Site to Developer, Landowner shall have no further rights or privileges, and shall be fully released from any further liability or obligation under this Development Agreement with respect to the Project Site and the remainder of the Property retained by Landowner.

4. PURPOSE OF THIS AGREEMENT.

A. Developer Objectives. In accordance with the legislative findings set forth in the Development Agreement Statute, and with full recognition of City's policy of judicious restraints on its police powers, Developer wishes to obtain reasonable assurances that the Project may be developed in accordance with Existing Land Use Regulations subject to the terms of this Development Agreement and City's Subsequent Land Use Regulations. In the absence of this Development Agreement, Developer would have no assurance that it can complete the Project for the uses and to the density and intensity of development set forth in this Development Agreement. This Development Agreement, therefore, is necessary to assure Developer that the Project will not be (i) reduced in density, intensity or use, or (ii) subjected to new rules, regulations, ordinances or official policies or delays which are not permitted by this Development Agreement or the Reservation of Authority (as defined in Section 10 below).

B. Mutual Objectives. Development of the Project in accordance with this Development Agreement will provide for the orderly development of the Project. Moreover, a development agreement for the Project will eliminate uncertainty in planning for and securing orderly development of the Project, assure installation of necessary improvements, assure attainment of maximum efficient resource utilization within City at the least economic cost to its citizens and otherwise achieve the goals and purposes for which the Development Agreement Statute was enacted. The Parties believe that such orderly development of the Project will provide many public benefits to City through the imposition of development standards and requirements under the provisions and conditions of this Development Agreement, including without limitation, increased tax revenues, installation of off-site infrastructure improvements, and job creation. Additionally, although development of the Project in accordance with this Development Agreement will restrain City's land use or other relevant police powers, this Development Agreement provides City with sufficient Reservation of Authority during the term hereof to remain responsible and accountable to its residents. In exchange for these and other benefits to City, Developer will receive assurance that the Project may be developed during the term of this Development Agreement in accordance with the Existing Land Use Regulations and Reservation of Authority.

C. Mutual Benefits; Acknowledgment of Consideration. By this Development Agreement, City and Developer desire to set forth the terms under which Developer will receive certain reimbursements for commercial development and economic performance on the Project Site. The City has determined to offer Developer reimbursements and credits for a portion of the costs incurred by Developer in its installation of the Infrastructure Improvements because the same will provide significant benefits to City by increasing the capacity of and expanding City's water, storm drainage and sewer service systems, by the installation of traffic signals and a new roadway to promote the orderly flow of traffic and increase City's street network capacity, and otherwise. The aggregate amount of such reimbursement and all credits provided to Developer hereunder will not exceed the actual and reasonable cost incurred by Developer in connection with construction and installation of the Infrastructure Improvements as determined pursuant to Section 8 below. The Project will also promote the economic wellbeing of City by attracting businesses that will provide City with a significant, long-term revenue stream and a source of employment for residents of the community. City and Developer acknowledge and agree that the consideration that is to be exchanged pursuant to this Development Agreement is fair, just, and reasonable.

5. EXHIBITS. The following exhibits are incorporated into and made a part of this Development Agreement by this reference:

<u>Exhibit A</u>	Legal Description of Property
<u>Exhibit B</u>	Depiction of Project Site
<u>Exhibit C-1</u>	Development Exactions (Fees) and Project Fee Credits
<u>Exhibit C-2</u>	Traffic and Transportation Mitigation Fees
<u>Exhibit D</u>	General Description of Infrastructure Improvements, Costs and Reimbursable Amounts

<u>Exhibit E</u>	Depiction of Roadway Improvements/Roadway Work
<u>Exhibit F</u>	Depiction of Sewer Improvements/Sewer Work
<u>Exhibit G</u>	Depiction of Storm Drainage Improvements/Storm Drainage Work
<u>Exhibit H</u>	Depiction of Water Improvements/Water Work
<u>Exhibit I</u>	Depiction of Utility and General Improvements/Utility and General Improvements Work
<u>Exhibit J</u>	Form of Assignment and Assumption Agreement

6. TERM AND TERMINATION.

A. Term. The term of this Development Agreement shall commence on the Effective Date and shall terminate thirty six (36) months from the Effective Date [subject to Section 22(I)], provided, however, that the Term may be extended pursuant to the following:

1) If Developer submits a properly completed Substantially Complete Building Permit Application for each building in the Phase 1 Project prior to the expiration of the 36-month initial term, then such term shall automatically be extended to a date forty eight (48) months from the Effective Date, without the need for further action by the Parties. Thereupon, the City shall promptly take action on such applications, as contemplated in Section 7(D)(1) below.

2) If the term has been extended as permitted by Section 6(A)(1) of this Agreement and if the Building Permits are issued by the City, as contemplated, then such term shall automatically be extended to a date sixty (60) months from the Effective date, without the need for further action by the Parties.

3) If the term has been extended by Section 6(A)(2) of this Agreement and if Developer completes each building in the Phase 1 Project and receives a temporary or final certificate of occupancy within sixty (60) months of the Effective Date, the term of this Agreement shall automatically be extended to a date twenty (20) years from the Effective Date, without the need for further action by the Parties.

B. Termination in the Event of Order or Judgment. This Development Agreement shall terminate and be of no force and effect upon the occurrence of the entry of a final judgment or issuance of a final order after exhaustion of any appeals directed against the City as a result of any lawsuit filed against the City to set aside, withdraw, or abrogate the approval by the City Council of City of this Development Agreement. In the event that this Agreement or any of the Development Approvals are subjected to legal challenge by a third party, and Developer is unable, or elects not to proceed with the Project due to such legal action, the term of and timing for obligations imposed pursuant to this Agreement shall be automatically tolled during such legal action.

C. Termination of Agreement Does not Terminate Project Approvals. Termination of this Development Agreement shall not constitute termination of any other land use entitlement approved for the Project Site prior to the Effective Date of this Development Agreement, or to any Subsequent Development Approvals issued by the City during the term of the Agreement. Upon termination of this Development Agreement, no party shall have any further right or obligation hereunder except with respect to (1) any obligation to have been performed prior to such termination, (2) any default in the performance of the provisions of this Development Agreement which has accrued prior to such termination, and/or (3) any provision which is noted to survive such termination, or which, by its nature, is intended to survive such termination. Pursuant to California *Government Code* §66452.6(a) the term of any parcel map or tentative subdivision map shall automatically be extended for the term of this Agreement.

7. DEVELOPER'S PROVISIONS OF INFRASTRUCTURE IMPROVEMENTS; TIMING AND CITY ASSISTANCE.

A. Developer's Provision of Infrastructure Improvements. If the Project or any portion thereof is constructed, Developer agrees to construct and install the following Infrastructure Improvements:

(1) Roadway Improvements. Developer will construct and install (a) two traffic signals (the "Traffic Signals"); (b) certain street lights, street signage and striping on or along Avenue 17 and Sharon Boulevard; (c) all paving, curbs, gutters and sidewalks to widen Avenue 17 (the "Avenue 17 Street Widening"); and (d) paving, curbs, gutters and a portion of the parkway landscaping and sidewalk (to the extent not being constructed by a third-party developer) for Sharon Boulevard, all as generally described on Exhibit D and at the locations identified on Exhibit E ("Sharon Boulevard Work") (the Traffic Signals, the Avenue 17 Street Widening, the Sharon Boulevard Work and all related improvements are collectively, the "Roadway Improvements" and the associated work, the "Roadway Work").

(2) Freeway Ramp Improvements. Developer will construct and install a dedicated right turn lane on the north bound exit ramp of the Freeway 99 and Avenue 17 interchange, as generally described on Exhibit D and at locations specified on Exhibit E, (the "Ramp Improvements").

(3) Sewer Improvements. Developer will construct and install a sewer line to connect the Property to City's existing sewer system at a point located within Sharon Boulevard, north of Ellis Street, as generally described on Exhibit D and at the locations identified on Exhibit E, which pipeline will run from such point north of and then within the Sharon Boulevard right of way (the Sewer Line and all related improvements, collectively, the "Sewer Improvements" and the associated work, the "Sewer Work").

(4) Storm Drainage Improvements. Developer will construct and install a storm drain pipeline approximately 18" in diameter within the Avenue 17 right of way and a storm drain pipeline approximately 30" in diameter within the Sharon Boulevard right of way to connect to a privately owned and maintained temporary storm retention basin to be installed by Developer at the southernmost point of the Project site, all as generally described on Exhibit D and to be installed at the locations identified on Exhibit G, and with such temporary storm retention basin to be used until a permanent storm drain connection to the south becomes available (collectively, with all related improvements, the "Storm Drainage Improvements" and the associated work, the "Storm Drainage Work"). Upon completion of the permanent storm retention basin off-site, Developer may remove the temporary retention basin facility and devote that portion of the Project Site to other purposes in conformance with the conditions of approval adopted by the Planning Commission in conjunction its approval of the Existing Development Approvals.

(5) Water Well and Water Line Improvements. Developer agrees to develop a water well site on certain land contiguous to the Property to the south, as shown on Exhibit H (the "Well Site"), with rights to so construct and utilize the Well Site to be secured by City, as depicted on Exhibit H, subject to approval by the City engineer. In addition to the Well Site, Developer shall construct and install a 24" diameter PVC water pipeline connecting the well on the Well Site to the existing City water system at a point north of the Project site, as shown on Exhibit H (collectively, with all related improvements, the "Water Well and Water Line Improvements" and the associated work, the "Water Work"), with any rights in third-party property necessary to complete the Water Work to be secured by City. Any interest of Developer in or to the Well Site (and/or associated infrastructure) shall be dedicated to City in the manner prescribed by the Existing Land Use Regulations after completion of the Water Work and acceptance thereof by the City engineer. Notwithstanding anything to the contrary herein, in the event City is unable to secure third-party rights as contemplated above, City will work with Developer in good faith and with due diligence to provide an alternate location for the Well Site and/or connection point of the subject water pipeline to the City water system, all at City's expense.

(6) Miscellaneous Street and Utility Improvements. Developer will construct and install (a) median and parkway landscaping; and (b) dry utility trenching, conduits and pull boxes, all as generally described on Exhibit D and at locations identified on Exhibit I (collectively, with all related improvements, the “Utility and General Improvements” and all the associated work, the “Utility and General Improvements Work”).

B. City’s Share of Costs and Expenses. The City's reasonable and fair share of the costs and expenses associated with designing, constructing and installing the Infrastructure Improvements (based on the relative value of the Infrastructure Improvements to the City and neighboring landowners as compared to the value to Developer and the Project), shall be included in the Reimbursement Amount set forth in Section 8 below.

C. Obligation to Install Infrastructure Improvements as Condition to Certificate of Occupancy; Timing. Developer shall construct and install the Infrastructure Improvements concurrently with and as a condition precedent to the issuance of a certificate of occupancy for any improvement in the Project. All Infrastructure Improvements shall be designed, constructed and installed in accordance with standard engineering and construction industry practices and the Existing Land Use Regulations and, to the extent not addressed by the Existing Land Use Regulations, other applicable codes, rules, City standards, regulations and laws, in a good and workmanlike condition, at Developer’s sole cost and expense (except as provided herein).

D. City Obligations to Assist with the Infrastructure Improvements. In addition to City's obligation to pay the Reimbursement Amount and Fee Credit to Developer, as set forth in Section 8 below, in connection with Developer's installation of any of the Infrastructure Improvements, the Parties agree as follows:

(1) Cooperation. City shall accept for processing and promptly take action on all applications, provided they are in a proper form and acceptable for required processing, for discretionary permits, tract or parcel maps, building permits, or other land use permits or entitlements for development of the Project, in accordance with the provisions of this Development Agreement and the Development Approvals. City shall cooperate with Developer in providing expeditious review of any such applications, permits, or land use entitlements and, upon request and payment of any costs and/or extra fees associated therewith by Developer, City shall assign to the Project planners, building inspectors, and/or other staff personnel as required to ensure the timely processing and completion of the Project.

(2) Obtaining Easements and Rights of Way. City shall (a) grant to Developer any necessary temporary or permanent easements or rights-of-way to install, operate, repair, maintain, replace and access the Infrastructure Improvements or otherwise develop the Project over, on or under City owned land; (b) assist Developer in obtaining any necessary temporary or permanent easements or rights-of-way to install, operate, repair, maintain, replace and access the Infrastructure Improvements over, on or under County owned land; and (c) secure, in favor of Developer, any necessary temporary or permanent easements or rights-of-way to install, operate, repair, maintain, replace and access the Infrastructure Improvements over, on or under other third-party land, including without limitation, those required in regard to the Well Site and Water Work addressed in Section 7(A)(5) above, and in each case, temporary construction easements for pedestrian and vehicular ingress and egress and vehicular parking and the placing and storing of construction machinery, equipment, supplies, materials, dirt and fill. The Parties agree to cooperate in good faith in regard to the foregoing to facilitate obtaining such easements or rights of way as expeditiously as reasonably possible. In any event, City shall promptly provide to Developer a copy of any such easements obtained by City in favor of Developer. In the event the Developer and/or City is unable, after exercising all reasonable efforts, to acquire the real property interests necessary for the construction of such Infrastructure Improvements, as contemplated herein, by the time any final map is filed with the City, the City shall negotiate the purchase of the necessary real property interests to allow the Developer to construct the Infrastructure Improvements as required by this Agreement and, if

necessary, in accordance with the procedures established by law, use its power of eminent domain to acquire such required real property interests.

(3) Approval by City Engineer; Dedication and Acceptance. Upon substantial completion of the Infrastructure Improvements by Developer in accordance with the terms of this Agreement, the City Engineer shall inspect and approve the same, which approval shall not be unreasonably withheld or delayed. Upon such approval by City Engineer and Developer's dedication of the Infrastructure Improvements to City in the manner prescribed by applicable City codes, ordinances, and regulations, City shall accept the same, subject to Developer's compliance with the Existing Land Use Regulations.

(4) Operation and Maintenance of Infrastructure Improvements; Warranty. Upon acceptance of the Infrastructure Improvements by City, as contemplated above, (a) City shall, at its sole cost and expense, operate and maintain the Infrastructure Improvements in good and working order as part of its public systems; and (b) Developer shall have no further interest in or obligation in regard to the Infrastructure Improvements beyond that inuring to the public in general.

8. FEE CREDIT; CITY OBLIGATION TO REIMBURSE DEVELOPER. Developer, pursuant to this Agreement, will be financing the construction of Infrastructure Improvements that otherwise would be paid for by City or other parties, or would serve other properties beyond the Project Site, or would be financed by City Development Exaction Fees and other public utility and infrastructure funding sources. In consideration of the financing of such improvements by Developer, and in consideration of the substantial public benefits to be achieved by the Project during each year of the term of this Development Agreement, City and Developers agree that Developers shall be entitled to fee credits and reimbursement as provided in this Section 8. Pursuant to this Section 8, City shall offer fee credit and/or reimburse Developer for the City's fair and reasonable share of Developer's reasonable and actual cost and expense incurred in connection with the construction and installation of the Infrastructure Improvements (the "Reimbursement Amount"). Developer shall provide to City satisfactory evidence of such costs and expenses as actually incurred by Developer, as provided by Section 8(J) below.

A. Reimbursement Amount. The total Reimbursement Amount, not including costs associated with the Water Well Improvements or the Ramp Improvements Excess Cost (as defined below), shall not exceed Six Million Eight Hundred Seventy Thousand Dollars (\$6,870,000). This Reimbursement Amount, established based on the maximum reimbursement schedule set forth in Exhibit D, constitutes the City's fair and reasonable share of the Developer's reasonable and actual costs. City and Developer agree that due to the variability of potential costs associated with the Water Well Improvements and the Ramp Improvements, those costs are not fully included in the maximum Reimbursement Amount, but will be reimbursed in accordance with the terms set forth in Section 8(C) and Section 8(D) of this Agreement, respectively. In no event shall the City be required to reimburse an amount above Developer's actual costs and expenses. Developer shall provide to City satisfactory evidence of actual costs and expenses pursuant to Section 8(J) of this Agreement.

B. Fee Credit. To the extent Developer dedicates land, funds or constructs Infrastructure Improvements that exceed the size or capacity required to serve the Project Site for the benefit of other properties, or if such dedication or Infrastructure Improvements benefit other properties, regardless of their size or capacity, City shall provide Developer with credit against the Development Exaction Fees applicable to the Project, as generally set forth in Exhibit C-1. The fee credit shall equal (and shall not exceed) Developer's aggregate hard and soft costs (including land costs, if applicable) actually paid by Developer for the particular Infrastructure Improvement in question. Fee credit shall be given by the City at the time the applicable Development Exaction Fees would otherwise be paid by Developer.

C. Water Well Reimbursement. Upon Developer's completion and City's acceptance of the Water Well Improvements, City shall reimburse to Developer the full and complete actual costs to develop the Water Well, less any fee credits applicable to water well costs that are available to Developer in accordance with Section 8(B), subject to the terms and conditions set forth in this Section 8(C).

(1) Reimbursable costs for the Development of the Water Well shall include all items required by the City Engineer to develop and make operational a water well to City Standards. Design and Engineering Costs, City permit and inspection fees, and Contract Overhead not to exceed 10% shall be eligible for reimbursement. Costs shall be documented in the manner described in Section 8(J) of this Agreement.

(2) Prior to the selection of a contractor and commencement of work, Developer shall submit for approval by the City Engineer an itemized cost proposal for all improvements and associated expenses which will be eligible for reimbursement.

(3) Reimbursement for the Water Well Improvements shall be made within 60 days of the City Engineer's determination of Actual Expenses Costs and Expenses as described in Section 8(J) of this Agreement.

D. Ramp Improvement Excess Cost. As set forth in Exhibit D, the total Reimbursement Amount includes estimated costs for the Ramp Improvements of One Million Ninety Thousand Seventy Six Dollars (\$1,090,076). The Parties recognize and agree that the actual cost of the Ramp Improvements may substantially deviate from the estimated cost shown in Exhibit D due to design changes that may be required by Caltrans after the Effective Date (such increased costs, the "Ramp Improvement Excess Costs"). City shall reimburse to Developer the full and complete actual costs to develop the Ramp Improvements up to a maximum total cost of Two Million Dollars (\$2,000,000), less the amount of One Million Ninety Thousand Seventy Six Dollars (\$1,090,076), if paid to Developer pursuant to Sections 8(E) and 8(F), subject to the terms and conditions set forth in this Section 8(D).

(1) Reimbursable costs for the development of the Ramp Improvements shall include all items required by Caltrans, in consultation with the City. Design and Engineering Costs, City or Caltrans permit and inspection fees, and Contract Overhead not to exceed 10% shall be eligible for reimbursement. Costs shall be documented in the manner described in Section 8(J) of this Agreement.

(2) Prior to the selection of a contractor and commencement of work, Developer shall submit for approval by the City Engineer an itemized cost proposal for all improvements and associated expenses which will be eligible for reimbursement.

(3) Reimbursement for the Ramp Improvement Excess Costs shall be made through Supplemental Payments pursuant to Section 8(G), below.

(4) To the extent that the actual cost of Infrastructure Improvements (not including costs associated with the Water Well Improvements or the Ramp Improvements Excess Cost) are below the total Reimbursement Amount, the difference shall be subtracted from the amount of the Ramp Improvement Excess Cost otherwise payable to Developer under this Section.

E. Partial Lump Sum Reimbursement at Completion and Acceptance of Infrastructure Improvements. In addition to any amount of fee credits or reimbursements made to Developer pursuant to Sections 8(B) through 8(D) of this Agreement, upon Developer's completion and City's acceptance of all Infrastructure Improvements as defined in this Agreement, City shall reimburse to Developer a sum of not less than one million dollars (\$1,000,000).

Any amount the City elects to reimburse to Developer in excess of \$1,000,000 pursuant to this Section may be credited against the amount to be reimbursed to Developer pursuant to Section 8(F) below. Partial Reimbursement of the Infrastructure Improvements pursuant to this Section shall be made within 60 days of the City Engineer's determination of Actual Costs and Expenses as described in Section 8(J) of this Agreement.

F. Partial Lump Sum Reimbursement After One Year of Phase 1 Project Operation. In addition to any amount of fee credits or reimbursements made to Developer pursuant to Sections 8(B), 8(C), 8(D) and 8(E) of this Agreement, upon the one-year anniversary of the issuance of a certificate of occupancy for the final building to be occupied in the Phase 1 Project, City shall reimburse to Developer an amount equal to the lesser of: (1) the actual, total combined costs for all Roadway Improvements and Traffic and Transportation Mitigation Fees, less any amount reimbursed to Developer pursuant to Section 8(E) of this Agreement; or (2) the sum of Five Million Two Hundred Thousand Dollars (\$5,200,000), less any amount reimbursed or scheduled to be reimbursed to Developer pursuant to Section 8(E) of this Agreement.

G. Reimbursement From Future Sales Taxes and Transient Occupancy Taxes - "Supplemental Payments". In addition to fee credits and reimbursements provided pursuant to Sections 8(B) through 8(F) of this Agreement, in order to reimburse Developer for a portion of the Developer's unreimbursed cost of the Infrastructure Improvements, City agrees to make periodic supplemental reimbursement payments ("Supplemental Payments") to Developer in the amounts, at the times, and subject to the terms and conditions set forth in this Section 8(G).

(1) Calculation of Supplemental Payments. The Supplemental Payments required to be made by City hereunder shall be calculated based upon the amount of Sales Taxes and Transient Occupancy Tax generated by the Project Site. "Sales Taxes" shall mean the sales tax revenues from the imposition of the Bradley-Burns Uniform Sales and Use Tax Law (commencing with Section 7200 of the Revenue and Taxation Code), as the same may be amended from time to time, that the California State Board of Equalization ("SBOE") determines are generated by the Project Site and are paid to the City. Any sales tax revenues generated by the Project Site that the SBOE determines are payable to any jurisdiction other than City shall be excluded in the calculation of Sales Taxes hereunder. "Transient Occupancy Tax" shall mean the special tax levied within the City of Madera pursuant to Chapter 4 of Title VIII of the Madera Municipal Code on the privilege of occupying a room or rooms, or other living space, in a hotel or other transient lodging facility where the occupancy is less than 30 days. In no event shall the Supplemental Payments required to be made hereunder be secured by the City's general fund.

(2) Timing of Supplemental Payments. The Supplemental Payments shall be made by the City semi-annually, in arrears, no later than May 15th (for the preceding July 1st through December 31st period) and November 15th (for the preceding January 1st through June 30th period). The first calendar year for which Supplemental Payments are made shall be the second calendar year during which the Project is open to the public for business and Sales Taxes and Transient Occupancy Taxes are generated. After the supplemental payments commence, City's obligation shall continue until the earlier of (a) the expiration of the term of this Development Agreement, or (b) the date on which the total amount of Supplemental Payments made to Developer pursuant to this Section, plus the fee credits and reimbursements previously received by Developer pursuant to Sections 8(B) through 8(F), equal the total Reimbursement Amount.

(3) Amount of Supplemental Payment. For each calendar year for which Developer is entitled to receive a Supplemental Payment hereunder, the Supplemental Payment for such calendar year shall be not less than one-half of the total combined amount of Sales Tax and Transient Occupancy Tax generated by the Project Site and received by the City.

(4) Calculation of Supplemental Payment. The City, prior to making each semi-annual Supplemental Payment, shall determine the total Sales Taxes and Transient Occupancy Tax generated from the Project Site during the prior semi-annual period and actually paid to the City for such period based on the data provided by the SBOE (Sales Tax) and the operator of the Project Site Hotel (Transient Occupancy Tax) to City, and based upon such determination and the formula described in Section 8(G)(3) above, the amount of the applicable semi-annual Supplemental Payment. Such determination as between City and Developer shall be conclusive and binding on City and Developer, except that either party shall have the right to contest the Sales Tax data provided by SBOE in accordance with the procedures available under applicable law. If any final decision in such contest results in a recalculation of such data, then the Parties shall make such adjustments in the amounts credited pursuant to this Section as are necessary to reflect the final determination. In the event that Developer is entitled to receive a Supplemental Payment for the prior semiannual period in accordance herewith, then City shall, in the ordinary course of business, remit the amount of the Supplemental Payment to Developer.

(5) Developer Cooperation. Developer shall cooperate with City in providing to City such information that Developer may have regarding Sales Taxes and Transient Occupancy Taxes, subject to any nondisclosure or confidentiality provisions in Developer's leases with its tenants, if any. Specifically, Developer shall provide and shall require any of its tenants, licensees, franchisees or transferees to provide to City copies of the quarterly sales tax reports submitted to the SBOE concurrently with submission to the SBOE.

H. Reimbursement from Benefited Properties. The Parties recognize that certain of the Infrastructure Improvements will significantly benefit the future development of other properties (the "Benefited Properties"). To facilitate equitable distribution of costs among benefitted properties, the City shall require that all individual developers of Benefited Properties reimburse the City for their fair share costs of the Infrastructure Improvements paid for by Developer. For each Benefited Property, full reimbursement shall be required as a condition precedent to the issuance of the first building permit for that Benefited Property. The City shall implement this requirement through the imposition of a condition of approval on the use permit or first tentative subdivision map of any nature approved for each Benefited Property and/or as a requirement of any development agreement entered into for a Benefited Property. The City shall not be obligated to pay reimbursements to Developer from funds received from individual developers of Benefited Properties. City shall have the option to utilize any such funds it collects to make the annual Supplemental Payment to the Developer in lieu of using Sales Tax and Transient Occupancy Tax generated by the Project Site as contemplated by Section 8(G) of this Agreement.

I. Waiver of Further Reimbursement. Except for the Reimbursement Amount, as set forth in this Development Agreement, Developer hereby waives all rights to any other reimbursements in relation to the Infrastructure Improvements.

J. Developer's Cost Documentation. Within ninety (90) days of City's acceptance of the Infrastructure Improvements, Developer shall provide City with evidence of actual and reasonable costs and expenses for the Infrastructure Improvements for which reimbursements are to be made, in order to determine the final Reimbursement Amount. Such evidence shall include executed contracts, invoices, cancelled checks, and other documents reasonably required by the City Engineer to determine the reasonable and actual costs of the Infrastructure Improvements, together with a written certification signed by an officer of Developer setting forth hard and soft costs paid by Developer for the Infrastructure Improvements (the "Developer's Cost Documentation"). The actual Reimbursement Amount and the Fee Credit shall be determined in the reasonable discretion of the City Engineer, in good faith, based on the Developer's Cost Documentation.

K. Right to Reimbursement. All rights to reimbursement shall be personal to the Developer and such rights shall not run with the Property. Notwithstanding the foregoing, Developer may transfer or convey its right to fee credit or reimbursement to a third party, upon written notification to the City of said transfer or conveyance.

L. Term for Credits and Reimbursements. City shall not be obligated to pay any funds to Developer toward the Reimbursement Amount following the expiration of the term of this Development Agreement.

M. Installation of Monuments as Condition Precedent to Reimbursements. The installation of monuments required in conjunction with the approval and recordation of the Parcel Map creating the Project Site (TPM 2015-01) shall occur prior to the issuance of any reimbursements specified in Section 8 of this Agreement.

9. **CONSTRUCTION OF HISTORIC PEDESTRIAN PLAZA.** Notwithstanding any other provision of this Agreement, Developer shall construct and complete the Historic Pedestrian Plaza as identified in Recital C and the Existing Development Approvals, no later than issuance of a certificate of occupancy for the final building to be occupied in the Phase 1 Project.

10. **RESERVATION OF AUTHORITY.** The following shall be referred to as City's "Reservation of Authority":

A. Limitations, Reservations, and Exceptions. Notwithstanding any other provision of this Development Agreement, the following Subsequent Land Use Regulations shall apply to the development of the Project Site:

- (1) Processing fees and charges imposed by City to cover the estimated actual costs to City of processing applications for Subsequent Development Approvals, provided such fees are consistent with fees and charges imposed generally by City on all new development.
- (2) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals, and any other matter of procedure.
- (3) Regulations governing construction standards and specifications, including, without limitation, the City's Building Code, Plumbing Code, Mechanical Code, Electrical Code, and Fire Code.
- (4) Regulations which are in conflict with the Development Plan provided Developer has given written consent to the application of such regulations to development of the Project Site.
- (5) Regulations required to be adopted by changes in State or Federal law.

B. Subsequent Development Approvals. This Development Agreement shall not prevent City, in acting on Subsequent Development Approvals, from applying the Subsequent Land Use Regulations which do not conflict with the Development Plan, nor shall this Development Agreement prevent City from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or Subsequent Land Use Regulations not in conflict with the Development Plan.

C. Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations enacted after the Effective Date of this Development Agreement prevent or preclude compliance with one or more of the provisions of this Development Agreement, such provisions of this Development Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations and the remainder of this Development Agreement shall remain in full force and effect.

D. Regulation by Other Public Agencies. It is acknowledged by the Parties that other public agencies not within the control of City possess authority to regulate aspects of the development of the Project Site separately from or jointly with City. This Development Agreement does not limit the authority of such other public agencies.

11. DEVELOPMENT OF THE PROPERTY; TIMING AND CHANGES/AMENDMENTS.

A. Rights to Develop. Subject to the terms of this Development Agreement, Developer shall have a vested right to develop the Project in accordance with and to the extent of the Development Plan. The Project shall be subject to all Subsequent Development Approvals, if any, required to complete the Project as contemplated by the Development Plan. Except as otherwise provided in this Development Agreement, the permitted uses of the Project Site, the density and intensity of use, the maximum height and size of proposed buildings, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan. The Project shall be subject to all mitigation measures specified in the Final EIR and Mitigation Monitoring Program as certified and adopted by the Planning Commission on August 16, 2016. In addition, City agrees that (i) the City shall not require any additional land dedications, additional construction of infrastructure improvements or any additional impact mitigation measures beyond those required by the Existing Land Use Approvals, including this Development Agreement, in connection with, and as a condition to, the development and construction of any portion of the Project, and the Project shall not be subject to any such additional requirements imposed pursuant to Future General Regulations or Subsequent Land Use Regulations; and (ii) the Development Exactions imposed in connection with, and as a condition to, the development and construction of any portion of the Project shall be limited to the Development Exactions as set forth on Exhibits C-1 and C-2 and the Project shall not be subject to any additional Development Exactions imposed pursuant to Future General Regulations or Subsequent Land Use Regulations.

B. Timing of Development. It is anticipated that the Infrastructure Improvements will be constructed in conjunction with Developer's development of its travel center and related improvements on the Project Site, as referenced in Recital C. The Parties acknowledge that Developer cannot at this time predict when or the rate at which the Project Site will be developed, since the same depends upon numerous factors which are not within the control of Developer, including without limitation, timing of Developer obtaining fee title to the Project Site, delay in obtaining necessary easement or other rights in third-party property, and market and weather conditions. Since the California Supreme Court held in *Pardee Construction v. City of Camarillo*, 37 Cal. 3d 465 (1984) that the failure of the parties in that case to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that Developer shall have the right to develop the Project Site in such order and at such rate and at such times as Developer deems appropriate within the exercise of Developer's subjective business judgment, subject only to any timing requirements set forth in the Existing Development Approvals and the Development Plan. Any regulation, whether adopted by initiative or otherwise, limiting the rate or timing of development of the Project Site shall be deemed to conflict with the Existing Development Approvals and therefore shall not be applicable to the development of the Project Site.

C. Effect of Development Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Development Agreement, the rules, regulations, and official policies governing permitted uses of the Project Site, the density and intensity of use of the property, the maximum height and size of proposed buildings, and the design, improvement, and construction standards and specifications applicable to development of the Project Site shall be the Existing Land Use Regulations. City shall exercise its lawful reasonable discretion in connection with Subsequent Development Approvals in accordance with the Development Plan, and as provided by this Development Agreement. City shall accept for processing, review, and action all applications for Subsequent Development Approvals, and such applications shall be processed in the normal manner for processing such matters. City may, at the request of Developer, contract for planning and engineering consultant services to expedite the review and processing of Subsequent Development Approvals, the cost of which shall be borne by Developer.

D. Amendments and Modifications.

(1) Major Amendments. Any amendment to this Development Agreement which affects or relates to (a) the term of this Development Agreement; (b) permitted uses of the Project Site; (c) provisions for the reservation or dedication of land; (d) conditions, terms, restrictions or requirements for subsequent discretionary actions; (e) the density or intensity of use of the Project Site or the maximum height or gross square footage of proposed buildings; or (f) monetary contributions by Developer, shall be deemed a "Major Amendment" and shall require giving of notice and a public hearing before the Planning Commission and City Council. Any amendment which is not a Major Amendment shall be deemed a Minor Modification (as further defined in and subject to Section 11(D)(2) below). The City Manager or his or her designee shall have the authority, in his or her reasonable discretion, to determine if an amendment is a Major Amendment subject to this Section 11(D)(1) or a Minor Modification subject to Section 11(D)(2) below. The City Manager's determination may be appealed to the City Council.

(2) Minor Modifications. The Parties acknowledge that refinement and further implementation of the Project may demonstrate that certain minor changes may be appropriate with respect to the details and performance of the Parties under this Development Agreement. The Parties desire to retain a certain degree of flexibility with respect to the details of the Project and with respect to those items covered in the general terms of this Development Agreement. If and when the Parties find that clarifications, minor changes, or minor adjustments are necessary or appropriate and do not constitute a Major Amendment under Section 11(D)(1) (each a "Minor Modification"), they shall effectuate such Minor Modification through a written instrument executed by the Developer and City Manager. Unless otherwise required by law or the Municipal Code, no Minor Modification shall require prior notice or hearing, nor shall it constitute an amendment to this Development Agreement.

12. PERIODIC REVIEW FOR COMPLIANCE WITH DEVELOPMENT AGREEMENT. In accordance with California Government Code Section 65865.1, City shall review this Development Agreement at least once during every twelve (12) month period from the Effective Date of this Development Agreement, at which time Developer shall demonstrate good faith compliance with the terms of this Development Agreement, as reasonably requested by City. Failure by City in any given calendar year to undertake and complete its annual review of the Agreement shall constitute a finding by City that Developer is in compliance with all of the terms and conditions of this Agreement for that calendar year.

13. AMENDMENT OR CANCELLATION OF DEVELOPMENT AGREEMENT. This Development Agreement may be amended or canceled in whole or in part only by mutual consent of the Parties and in the manner provided for in California Government Code Sections 65867, 65867.5, and 65868. The provisions of this Section do not impact the rights or remedies of the Parties (including without limitation, the right to terminate this Development Agreement) in the case of a Developer Default or City Default, as addressed in Section 14 below.

14. EVENTS OF DEFAULT; REMEDIES.

A. Default By Developer; City's Remedies. Developer is in default under this Development Agreement (a "Developer Default") if City makes a finding and determination that upon the basis of substantial evidence (as provided to Developer) the Developer has not complied in good faith with one or more of the material terms or conditions of this Development Agreement for ninety (90) days after receipt of written notice thereof, or such longer cure period as agreed to by City. In the case of a Developer Default, City shall conduct a hearing utilizing the periodic review procedures of Section 12 before City may terminate this Development Agreement. In such case, Developer acknowledges that City shall have such termination right because the remedies provided by law, including, but not limited to, damages, are deemed by City to be inadequate to fully remedy a Developer Default and due to the extreme difficulty of assessing with certainty damages for such Developer Default. The above

notwithstanding, if City elects to terminate this Development Agreement, the Developer may challenge such termination by instituting legal proceedings, in which event the court shall exercise its review, based on substantial evidence, as to the existence of cause for termination.

B. Default By City; Developer's Remedies. City is in default under this Development Agreement (a "City Default") if Developer makes a finding and determination that upon the basis of substantial evidence (as provided to City), City has not complied in good faith with one or more of the material terms or conditions of this Development Agreement for ninety (90) days after receipt of written notice thereof, or such longer cure period as agreed to by Developer. In the case of a City Default, Developer may pursue any legal or equitable remedies available to it under this Development Agreement or otherwise.

C. Waiver and Nature of Remedies. No default under this Development Agreement can be waived unless in writing. Waiver of any one default shall not be deemed to be a waiver of any other default of the same or any other provision hereof. Failure or delay in giving written notice of default shall not waive a party's right to give future notice of the same or any other default. Remedies under this Development Agreement shall be deemed cumulative and not exclusive.

D. Limitation of Liability. Notwithstanding anything in this Development Agreement to the contrary, neither party, under any circumstances, shall be liable to the other party for any punitive or exemplary damages arising out of this Development Agreement. This Section 14(D) shall survive termination of the Development Agreement.

15. **UNIFORM CODES.** This Development Agreement does not prevent the City from adopting and amending in compliance with State law certain Uniform Codes which are based on recommendations of a multi-state professional organization and which become applicable throughout the City -- including that portion of the Property subject to this Development Agreement. Such Uniform Codes include, but are not limited to, the *Uniform Building Code, Uniform Mechanical Code, National Electrical Code, and Uniform Fire Code.*

16. **PREVAILING WAGE COMPLIANCE.** Developer shall comply with all state and federal labor laws, including without limitation, those requiring the payment of prevailing wage. All fee credits and the Reimbursement Amount are intended to compensate Developer for no more than the cost associated with the construction and installation of Infrastructure Improvements required as a condition of regulatory approval. In accordance with California Labor Code Section 1720(c)(2), such compliance shall require Developer to pay prevailing wages in connection with the construction of and installation of all Infrastructure Improvements for which Developer is receiving a portion of the Reimbursement Amount or fee or fee credits, but not in connection with the construction of any other portion of the Project.

17. **LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT.** In regard to Avenue 17 and Sharon Boulevard median landscaping comprising part of the Infrastructure Improvements, City and Developer agree to reasonably cooperate in either (i) the creation of a landscape and lighting maintenance district ("LMD"); or (ii) annexing the relevant landscaping site into existing Zone 51 LMD, pursuant to California Streets and Highways Code Section 22500, et seq., for purposes of the payment of operation, maintenance and other covered costs associated with the such landscaping and lighting improvements. In the event City desires to create a new LMD, Developer agrees to reasonably cooperate in the proceedings for such creation by not opposing the formation of the LMD and, as applicable, casting a vote in favor of the LMD's creation; provided that the initial amount of the maximum assessment shall be in accordance with the Engineer's Report prepared for the LMD, and annual adjustments to the special tax shall not exceed the rate of inflation.

18. PUBLIC HEALTH AND SAFETY CONCERNS; APPLICATION OF FUTURE REGULATIONS.

A. This Development Agreement does not prevent the City from adopting Future General Regulations and applying such Future General Regulations to the Project and the Project Site, provided that City's City Council adopts findings that a failure to apply such Future General Regulations would create a fire, life, or safety hazard. These findings shall be based upon substantial evidence in the record from a hearing conducted by City's City Council as to which the Developer was provided at least ten (10) days advance written notice.

B. Notwithstanding Section 18(A) above, the City shall not apply to the Project or the Project Site any Future General Regulations which prevent, preclude, or unreasonably delay or alter or in any way affect the implementation of all or any portion of the Development Plan, unless City's City Council, in accordance with subsection (A) above, also makes a finding that such Future General Regulations are reasonably necessary to correct or avoid such injurious or detrimental condition. Any Future General Regulations applied to the Project or the Project Site pursuant to this subsection shall only apply for the duration necessary to correct and avoid such injurious or detrimental condition.

19. ASSIGNMENT, TRANSFER OR SALE.

A. Right to Assign. Developer shall have the right to sell, transfer or assign the Project Site in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, *et seq.*) to any person, partnership, joint venture, firm, corporation or other entity at any time during the term of this Development Agreement; provided, however, that any such sale, transfer, or assignment shall include the assignment and assumption of the rights (including the right to receive all or any portion of the Reimbursement Amount), duties, and obligations arising under or from this Development Agreement to the extent reasonably applicable to the transferred portion of the Project Site and be made in strict compliance with the following conditions precedent:

- (1) No sale, transfer, or assignment of any right or interest under this Development Agreement shall be made unless made together with the sale, transfer, or assignment of all or a part of the Project Site. Developer agrees to provide specific notice of this Development Agreement, including the record or document number, where a true and correct copy of this Development Agreement may be obtained from the County Clerk/County Recorder of the County of Madera, in any grant deed or other document purporting to transfer the title or an interest in the Project Site during the term of this Development Agreement or any extension thereof.
- (2) Concurrent with any such sale, transfer, or assignment, or within fifteen (15) business days thereafter, Developer shall notify City, in writing, of such sale, transfer, or assignment and shall provide City with an executed Assignment and Assumption Agreement, substantially in the form specified in Exhibit J, by the purchaser, transferee, or assignee, providing therein that the purchaser, transferee, or assignee expressly and unconditionally assumes all the duties and obligations of the Owner/Developer under this Development Agreement to the extent allocable to the portion of the Project Site transferred, other than duties that are expressly reserved and retained by the transferor in such agreement, where the transferor still owns a portion of the Project Site. Any sale, transfer, or assignment not made in strict compliance with the foregoing conditions shall constitute a default by Developer under this Development Agreement. Notwithstanding the failure of any purchaser, transferee, or assignee to execute the agreement required under this section, the burdens of this Development Agreement shall be binding upon such purchaser, transferee, or assignee, to the extent allocable to the portion of the Project Site transferred, but the benefits of this Development Agreement shall not inure to such purchaser, transferee, or assignee until and unless such assumption agreement is executed.

- (3) Reorganization Not an Assignment. Notwithstanding anything to the contrary set forth above, the following shall not be deemed an assignment under this Development Agreement: (i) any sale, pledge, assignment or other transfer of all or a portion of the Project Site to an entity directly controlled by Developer or its affiliates and (ii) any change in Developer entity form, such as a transfer from a corporation to a limited liability company or partnership, that does not affect or change beneficial ownership of the Project Site; provided, however, in such event, Developer shall provide to City written notice, together with such backup materials or information reasonably requested by City, within thirty (30) days following the date of such reorganization or City's request for backup information, as applicable.

B. Release of Transferring Owner. Notwithstanding any sale, transfer, or assignment, Developer or any successor Owner thereof shall continue to be obligated under this Development Agreement unless Developer or such subsequent Owner is given a release in writing, signed by City, which release shall be provided by City upon the full satisfaction by Developer or such subsequent Owner of all of the following conditions:

- (1) Developer or Owner no longer has a legal interest in all or any part of the Project site except as a beneficiary under a deed of trust; or if such requested release relates only to a portion of the Project site, Developer or Owner no longer has a legal interest in such portion of the Project site except as a beneficiary under a deed of trust.
- (2) Developer or Owner is not then in default under this Development Agreement beyond the applicable cure period.
- (3) Developer or Owner or purchaser has provided City with the notice and executed assumption agreement required under Section 19(A)(2) above.
- (4) Developer or Owner has reimbursed City for any and all reasonable City costs associated with Developer or Owner's transfer of all or a portion of the Project Site.

20. NOTICE. Unless expressly provided otherwise in this Development Agreement, any notices, reports, communications, and payments hereunder must be in writing and given by personal delivery or sent by (i) registered or certified mail return receipt requested, postage prepaid, (ii) nationally recognized overnight courier service, or (iii) facsimile transmission, addressed as follows (unless written notice of change thereof is provided):

To City:

City Clerk
City of Madera City Hall
205 West Fourth Street
Madera, California 93637
Facsimile: (559) 674-2972

With copy to (at same address):

City Attorney
Facsimile: (559) 673-1304

To Landowner:

Lisa M. Guzman
7173 North Blackstone Street
Fresno, CA 93650

To Developer:

Love's Country Stores of California, Inc.
10601 N. Pennsylvania Ave.
Oklahoma City, OK 73120
Attention: Kym VanDyke, Project Manager
Facsimile: (405) 463.3581

With copy to (at same address):

General Counsel and Director of Legal Services
Facsimile: (405) 463.3576

Notice shall be deemed received on the earlier of (a) actual receipt, (b) 3 business days after deposit in the U.S. Mail, (c) the first business day after deposit with an overnight courier, or (d) if by facsimile transmittal, upon receipt of proof of transmission. Any notice or communication not received because of a change of address or facsimile number, without notice to the other party thereof, or refusal to accept delivery, will be deemed received, notwithstanding the same, as set forth above.

21. MORTGAGEE PROTECTION. The Parties hereto agree that this Development Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering the Project Site or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Project Site, except as limited by the provisions of this section. City acknowledges that the lenders providing such financing may require certain Development Agreement interpretations and modifications and agrees upon request, from time to time, to meet with Developer and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. City will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Development Agreement. Any mortgagee of the Project Site shall be entitled to the following rights and privileges:

A. Neither entering into this Development Agreement nor a breach of this Development Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Project Site made in good faith and for value, unless otherwise required by law.

B. The mortgagee of any mortgage or deed of trust encumbering the Project Site, or any part thereof, which mortgagee has submitted a request in writing to City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by Developer in the performance of Developer's obligations under this Development Agreement.

C. If City receives a timely request from a mortgagee requesting a copy of any notice of default given to Developer under the terms of this Development Agreement, City shall provide a copy of that notice to the mortgagee within ten (10) days of sending the notice of default to Developer. The mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed to Developer under this Development Agreement.

D. Any mortgagee who comes into possession of the Project Site, or any part thereof, by any means, whether pursuant to foreclosure of the mortgage deed of trust, or deed in lieu of such foreclosure or otherwise, shall take the Project Site, or part thereof, subject to the terms of this Development Agreement. Notwithstanding any other provision of this Development Agreement to the contrary, no mortgagee shall have an obligation or duty under this Development Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and further provided that any sale, transfer or assignment by any mortgagee in possession shall be subject to the provisions of Section 19 of this Agreement.

22. MISCELLANEOUS.

A. Entire Agreement; Binding Effect. This Development Agreement contains the entire agreement and understanding of Developer and City in regard to the Project and supersedes all negotiations and proposed agreements, whether oral or written, between Developer and City in regard to the subject matter hereof. Each party acknowledges that it has read this Development Agreement and has signed it freely and voluntarily without reliance on any representations or promises made by the other, or the other party's attorneys or representatives, except as expressly set forth in this Development Agreement. This Development Agreement is and shall be binding upon and shall inure to the benefit of the affiliates, subsidiaries, successors, assigns, agents, officers, current employees and administrators of each of Developer and City.

B. Interpretation. Developer and City expressly intend that this Development Agreement shall not be construed against either party, as this Development Agreement was negotiated at arms' length between City and Developer, both of whom were represented by legal counsel, and all of whom contributed to the drafting of this Development Agreement. Any reference within this Development Agreement to a Section shall be construed to reference all Subsections of that referenced Section.

C. Enforcement. Developer and City agree that the Superior Court in Madera County shall have jurisdiction over the implementation and enforcement of this Development Agreement, and shall have the power and authority to make such further or supplemental orders, directions, and other relief as may be necessary or appropriate for the interpretation, enforcement, or carrying out of this Development Agreement.

D. Governing Law. Except as expressly provided in this Development Agreement, all questions with respect to this Development Agreement, and the rights and liabilities of the Developer and City, shall be governed by the laws of the State of California.

E. Further Actions. Each party shall cooperate with and provide reasonable assistance to the other to the extent necessary to implement this Development Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file of record such required instruments and writings and take any actions as may be reasonably necessary, to implement this Development Agreement or to evidence or consummate the transactions contemplated by this Development Agreement.

F. Counterpart Execution. This Development Agreement may be executed in counterparts. When each party has signed and delivered its respective counterpart to the other party, each counterpart shall be deemed an original, and when taken together will constitute one and the same Development Agreement, which will be binding and effective as to Developer and City.

G. Attorneys' Fees. To the extent permitted by law, if either party commences legal action against the other to enforce its rights hereunder, the prevailing party in such action shall be entitled to recover from the other, in addition to any other relief granted, its reasonable attorney's fees, costs and expenses incidental thereto.

H. Estoppel Certificate. Either party may, at any time, and from time to time, deliver written notice to the other party requesting such party to certify in writing that, to the knowledge of the certifying party (and to the extent true), (i) this Development Agreement is in full force and effect and a binding obligation of the Parties, (ii) this Development Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (iii) the requesting party is not in default in the performance of its obligations under this Development Agreement, or if in default, to describe therein the nature of such default. The party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof. City acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees of Developer.

I. Enforced Delay, Extension of Times of Performance. In addition to specific provisions of this Development Agreement, all deadlines under this Agreement, including but not limited to the deadline for Developer to submit a Substantially Complete Building Permit Application under Section 6(A) shall be extended; and the performance by any Party of its obligations under this Agreement shall not be deemed to be in Default, and the time for performance of such obligation shall be extended where delays or default are due to war, insurrection, strikes, walkouts, riots, floods, drought, earthquakes, fires, casualties, acts of God, acts of terrorism, governmental restrictions or permitting delays imposed or mandated by governmental entities including the City (in the case of another Party relying on the Force Majeure Event), delays in securing or obtaining necessary easements or rights of way, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulation, seasonal species or habitat surveying or remediation requirements, litigation, or similar bases for excused performance beyond the reasonable control of the party relying thereupon to excuse performance hereunder (each a "Force Majeure Event"). If written notice of such delay is given to City within thirty (30) days of the commencement of such delay, an extension of time for such cause shall be granted by the City Manager in writing for the period of the enforced delay, or longer as may be mutually agreed upon. In any event, the party relying on any such Force Majeure Event to excuse performance hereunder shall act in good faith, and with due diligence, to recommence performance at the earliest possible date.

J. Indemnity. Developer agrees to and shall defend, indemnify and hold harmless the City, its City Council, boards and commissions, officers, agents, employees, volunteers and other representatives (collectively referred to as "City Indemnified Parties") from and against any and all loss, liability, damages, cost, expense, claims, demands, suits, attorney's fees and judgments (collectively referred to as "Damages"), including but not limited to claims for damage for personal injury (including death) and claims for property damage arising directly or indirectly from the following: (1) for any act or omission of Developer or those of its officers, board members, agents, employees, volunteers, contractors, subcontractors or other persons acting on its behalf (collectively referred to as the "Developer Parties") which occurs during the Term and relates to this Agreement; (2) for any act or omission related to the operations of Developer Parties, including but not limited to the maintenance and operation of areas on the Project Site accessible to the public. Developer's obligation to defend, indemnify and hold harmless applies to all actions and omissions of Developer Parties as described above caused or alleged to have been caused in connection with the Project or Agreement, except to the extent any Damages are caused by the active negligence or willful misconduct of any City Indemnified Parties. This Section 22(J) applies to all Damages suffered or alleged to have been suffered by the City Indemnified Parties regardless of whether or not the City prepared, supplied or approved plans or specifications or both for the Project. During the term of the Agreement, Developer shall maintain insurance in a form and amount acceptable to the City Attorney, with a maximum per-occurrence combined single limit of one million dollars (\$1,000,000), to assure Developer's ability to satisfy the indemnification requirements of this Section 22(J). Developer may satisfy the insurance requirements of this Section through self-coverage or through existing insurance coverage maintained by Developer.

K. City's Right to Defense. The City shall have the right to approve legal counsel retained by Developer to defend any claim, action or proceeding which Developer is obligated to defend pursuant to Section 22(J), which approval shall not be unreasonably withheld, conditioned or delayed. If any conflict of interest results during the mutual representation of the City and Developer in defense of any such action, or if the City is reasonably dissatisfied with legal counsel retained by Developer, the City shall have the right (a) at Developer's costs and expense, to have the City Attorney undertake and continue the City's defense, or (b) with Developer's approval, which shall not be reasonably withheld or delayed, to select separate outside legal counsel to undertake and continue the City's defense.

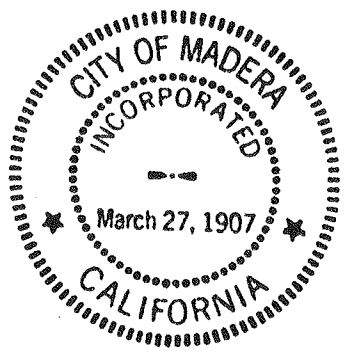
[EXECUTION PAGE(S) TO FOLLOW]

IN WITNESS WHEREOF, City and Developer have agreed to and executed this Development Agreement having an Effective Date of December 28, 20 16 (to be the date of recording, following full execution, with Madera County Clerk/County Recorder).

BY: *[Signature]*
MAYOR, Andrew J. Medellin

ATTEST:
Sonia Alvarez CITY CLERK

By: Sonia Alvarez
City Clerk
(Seal)



APPROVED AS TO FORM:
[Signature]
City Attorney, Brent Richardson

DATE: 12-28-16

City of Madera
205 West Fourth Street
Madera, CA 93637
(559) 661-5405


A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF MADERA)

On 12/28/16 before me, Sonia Alvarez, City Clerk personally appeared **Andrew J. Medellin**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


SONIA ALVAREZ
City Clerk, City of Madera



DESCRIPTION OF ATTACHED DOCUMENT (OPTIONAL)

Title or Type of Document: Development Agreement

Document Date:

Number of Pages:

Signer(s) Other Than Named Above:

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name: Andrew J. Medellin

Signer's Name:

Title: Mayor, City of Madera

Title:

DEVELOPER:

LOVE'S COUNTRY STORES OF CALIFORNIA, INC.

By: Douglas J. Stussi

Its: Vice President, CFO and Treasurer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Oklahoma)

County of Oklahoma)

On Dec. 23, 2016 before me, Carla Berry
Date Here Insert Name and Title of Officer

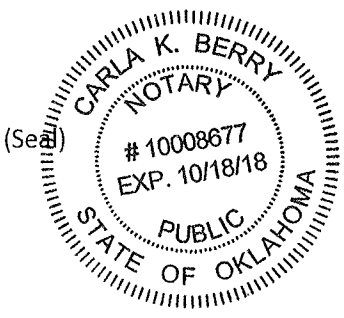
personally appeared Doug Stussi
Name(s) of Signer(s)
Vice President, CFO & Treasurer

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

I certify under PENALTY OF PERJURY under the laws of the State of Oklahoma that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Carla K. Berry



LANDOWNER:

Lisa M. Guzman

LISA M. GUZMAN, TRUSTEE OF THE BYPASS TRUST UNDER THE GUZMAN LIVING TRUST DATED MAY 13, 2013

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Madera)

On 12/27/16 before me, Sonia Alvarez, Notary Public
Date Here Insert Name and Title of Officer

personally appeared Lisa M. Guzman
Name(s) of Signer(s)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Sonia Alvarez* (Seal)



LANDOWNER:

Lisa M. Guzman

LISA M. GUZMAN, TRUSTEE OF THE SURVIVOR'S TRUST UNDER THE GUZMAN LIVING TRUST DATED MAY 13, 2013

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of *Madera*)

On *12/27/16* before me, *Sonia Alvarez, Notary Public*
Date Here Insert Name and Title of Officer
personally appeared *Lisa M. Guzman*
Name(s) of Signer(s)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Sonia Alvarez* (Seal)

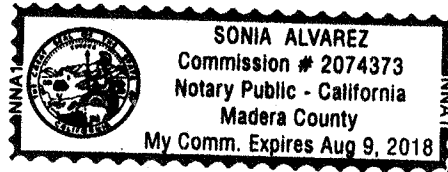


EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 013-240-003

Beginning at the Northeast corner of Section 10, Township 11 South, Range 17 East, Mount Diablo Base and Meridian, County of Madera, State of California; thence along the East line of Section 10, South 0° 10' East 1,331.25 feet to the Southeast corner of the North half of the Northeast quarter of Section 10; thence along the North line of a 51.272 acre tract of land conveyed by Henry Miller to Charles Schmidt, on December 5, 1893, South 89° 55' West 1,029.12 feet along the South line of said North half of the Northeast quarter to a point on the Easterly right of way line of the Southern Pacific Railroad; thence along said Easterly right of way line North 44° 15' West 1,858.76 feet to a point on the North line of Section 10; thence leaving railroad, North 89° 58' East 2,332.30 feet to the point of beginning.

EXCEPTING THEREFROM a road easement over and upon a strip of land 30 feet in width along the North line of and within above described tract of land for use as a right of way easement for a public road, as previously reserved of record.

ALSO EXCEPTING THEREFROM that portion granted to the State of California, in Deed executed by Felisberto da Silva, et al, and recorded February 24, 1971 in Book 1081 Page 532, as Document No. 2225 of Official Records.

AND ALSO EXCEPTING THEREFROM that portion granted to the County of Madera, in Deed executed by Jim Vincenzo Gagliardi, et al, and recorded October 24, 2003 as Document No. 03045789 of Official Records.



LANE ENGINEERS, INC.

CIVIL • STRUCTURAL • SURVEYING

979 N. Blackstone Street

Tulare, California 93274

559.688.5263

www.laneengineers.com

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Lane Project No. 14271

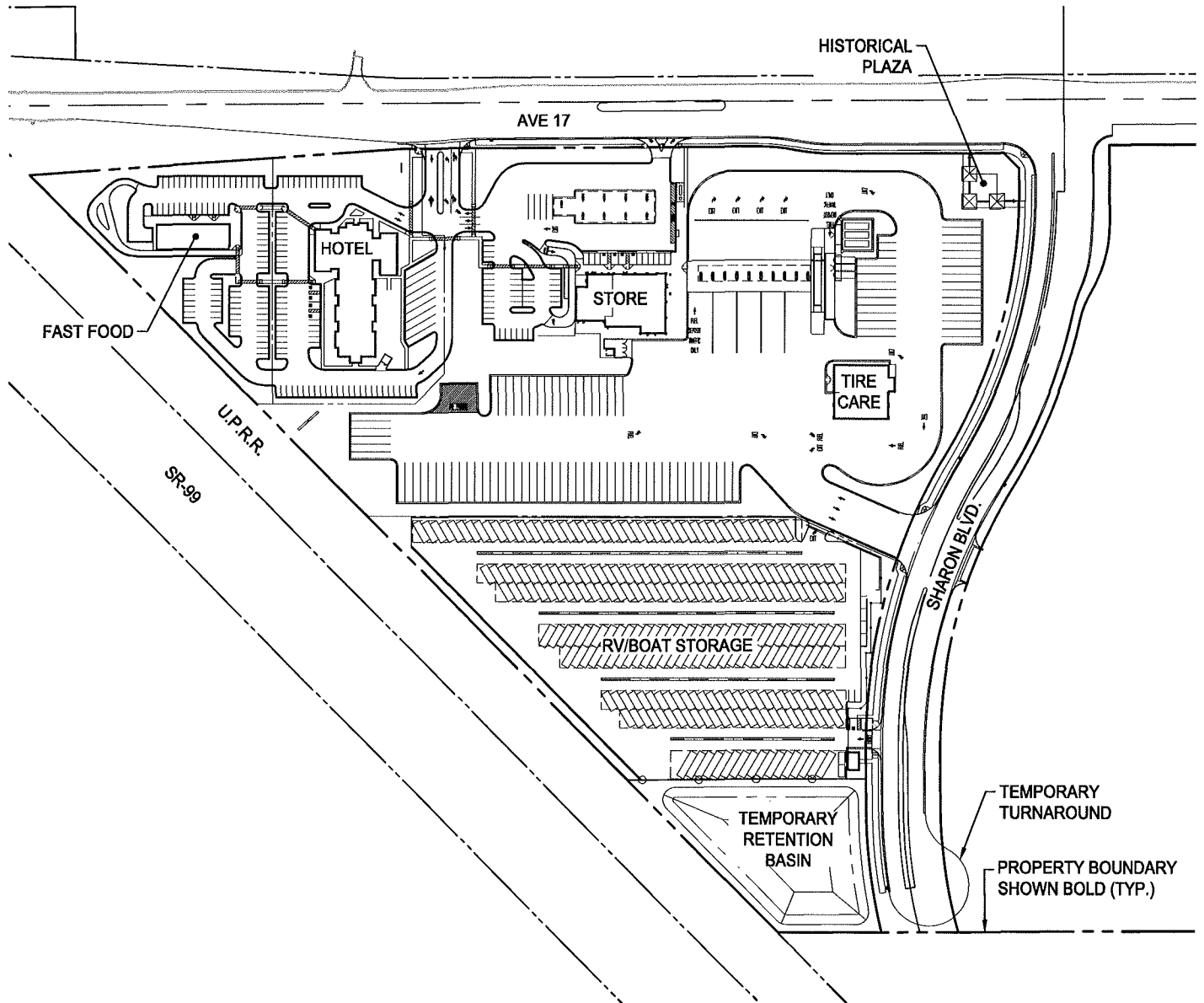


EXHIBIT 'B'
DEPICTION OF PROJECT SITE



Development Exactions - Development Impact Fees and Credit Amounts

<u>DESCRIPTION</u>	<u>Base Calculation</u>			<u>Projected Credit Amount</u>		
	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST</u>	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST</u>
A. TRAVEL STOP						
Administrative Impact Fee	20,054 SF	\$0.024	\$481	0 SF	\$0.024	\$0
Fire Department Impact Fee	20,054 SF	\$0.036	\$722	0 SF	\$0.036	\$0
General Government Impact Fee	20,054 SF	\$0.012	\$241	0 SF	\$0.012	\$0
Police Department Impact Fee	20,054 SF	\$0.072	\$1,444	0 SF	\$0.072	\$0
Public Works Impact Fee	20,054 SF	\$0.133	\$2,667	0 SF	\$0.133	\$0
Sewer Additional Impact Fee	20,054 SF	\$0.169	\$3,389	20,054 SF	\$0.169	\$3,389
Storm Drain Impact Fee	20,054 SF	\$1.210	\$24,265	20,054 SF	\$1.210	\$24,265
Sewer Exist Obl. Impact Fee	20,054 SF	\$0.036	\$722	20,054 SF	\$0.036	\$722
Streets (16 ft Arterial Median)	20,054 SF	\$0.142	\$2,848	20,054 SF	\$0.142	\$2,848
Streets (24 ft Collector Lane)	20,054 SF	\$0.251	\$5,034	20,054 SF	\$0.251	\$5,034
Streets (12 ft Arterial Lane)	20,054 SF	\$0.251	\$5,034	20,054 SF	\$0.251	\$5,034
Transportation Impact Fee	20,054 SF	\$0.254	\$5,094	20,054 SF	\$0.254	\$5,094
Traffic Signal Impact Fee	20,054 SF	\$0.087	\$1,745	20,054 SF	\$0.087	\$1,745
Water Impact Fee (Pipes)	20,054 SF	\$0.072	\$1,444	20,054 SF	\$0.072	\$1,444
Wastewater Treatment Plant Impact Fee	20,054 SF	\$0.763	\$15,301	20,054 SF	\$0.763	\$15,301
Water Impact Fee (Wells)	20,054 SF	\$0.133	\$2,667	20,054 SF	\$0.133	\$2,667
SUB-TOTAL TRAVEL STOP			\$73,097			\$67,542

Development Exactions - Development Impact Fees and Credit Amounts

B. HOTEL

Administrative Impact Fee	57,792 SF	\$0.024	\$1,387	0 SF	\$0.024	\$0
Fire Department Impact Fee	57,792 SF	\$0.036	\$2,081	0 SF	\$0.036	\$0
General Government Impact Fee	57,792 SF	\$0.012	\$694	0 SF	\$0.012	\$0
Police Department Impact Fee	57,792 SF	\$0.072	\$4,161	0 SF	\$0.072	\$0
Public Works Impact Fee	57,792 SF	\$0.133	\$7,686	0 SF	\$0.133	\$0
Sewer Additional Impact Fee	57,792 SF	\$0.169	\$9,767	57,792 SF	\$0.169	\$9,767
Storm Drain Impact Fee	57,792 SF	\$1.210	\$69,928	57,792 SF	\$1.210	\$69,928
Sewer Exist Obl. Impact Fee	57,792 SF	\$0.036	\$2,081	57,792 SF	\$0.036	\$2,081
Streets (16 ft Arterial Median)	57,792 SF	\$0.142	\$8,206	57,792 SF	\$0.142	\$8,206
Streets (24 ft Collector Lane)	57,792 SF	\$0.251	\$14,506	57,792 SF	\$0.251	\$14,506
Streets (12 ft Arterial Lane)	57,792 SF	\$0.251	\$14,506	57,792 SF	\$0.251	\$14,506
Transportation Impact Fee	57,792 SF	\$0.254	\$14,679	57,792 SF	\$0.254	\$14,679
Traffic Signal Impact Fee	57,792 SF	\$0.087	\$5,028	57,792 SF	\$0.087	\$5,028
Water Impact Fee (Pipes)	57,792 SF	\$0.072	\$4,161	57,792 SF	\$0.072	\$4,161
Wastewater Treatment Plant Impact Fee	57,792 SF	\$0.763	\$44,095	57,792 SF	\$0.763	\$44,095
Water Impact Fee (Wells)	57,792 SF	\$0.133	\$7,686	57,792 SF	\$0.133	\$7,686
SUB-TOTAL HOTEL			\$210,652			\$194,643

Development Exactions - Development Impact Fees and Credit Amounts

C. RESTAURANT PAD

Administrative Impact Fee	4,400 SF	\$0.024	\$106	0 SF	\$0.024	\$0
Fire Department Impact Fee	4,400 SF	\$0.036	\$158	0 SF	\$0.036	\$0
General Government Impact Fee	4,400 SF	\$0.012	\$53	0 SF	\$0.012	\$0
Police Department Impact Fee	4,400 SF	\$0.072	\$317	0 SF	\$0.072	\$0
Public Works Impact Fee	4,400 SF	\$0.133	\$585	0 SF	\$0.133	\$0
Sewer Additional Impact Fee	4,400 SF	\$0.169	\$744	4,400 SF	\$0.169	\$744
Storm Drain Impact Fee	4,400 SF	\$1.210	\$5,324	4,400 SF	\$1.210	\$5,324
Sewer Exist Obl. Impact Fee	4,400 SF	\$0.036	\$158	4,400 SF	\$0.036	\$158
Streets (16 ft Arterial Median)	4,400 SF	\$0.142	\$625	4,400 SF	\$0.142	\$625
Streets (24 ft Collector Lane)	4,400 SF	\$0.251	\$1,104	4,400 SF	\$0.251	\$1,104
Streets (12 ft Arterial Lane)	4,400 SF	\$0.251	\$1,104	4,400 SF	\$0.251	\$1,104
Transportation Impact Fee	4,400 SF	\$0.254	\$1,118	4,400 SF	\$0.254	\$1,118
Traffic Signal Impact Fee	4,400 SF	\$0.087	\$383	4,400 SF	\$0.087	\$383
Water Impact Fee (Pipes)	4,400 SF	\$0.072	\$317	4,400 SF	\$0.072	\$317
Wastewater Treatment Plant Impact Fee	4,400 SF	\$0.763	\$3,357	4,400 SF	\$0.763	\$3,357
Water Impact Fee (Wells)	4,400 SF	\$0.133	\$585	4,400 SF	\$0.133	\$585
SUB-TOTAL RESTAURANT PAD			\$16,038			\$14,819

Development Exactions - Development Impact Fees and Credit Amounts

D. RV/BOAT STORAGE

Administrative Impact Fee	600 SF	\$0.024	\$14	0 SF	\$0.024	\$0
Fire Department Impact Fee	600 SF	\$0.036	\$22	0 SF	\$0.036	\$0
General Government Impact Fee	600 SF	\$0.012	\$7	0 SF	\$0.012	\$0
Police Department Impact Fee	600 SF	\$0.072	\$43	0 SF	\$0.072	\$0
Public Works Impact Fee	600 SF	\$0.133	\$80	0 SF	\$0.133	\$0
Sewer Additional Impact Fee	600 SF	\$0.169	\$101	600 SF	\$0.169	\$101
Storm Drain Impact Fee	600 SF	\$1.210	\$726	600 SF	\$1.210	\$726
Sewer Exist Obl. Impact Fee	600 SF	\$0.036	\$22	600 SF	\$0.036	\$22
Streets (16 ft Arterial Median)	600 SF	\$0.142	\$85	600 SF	\$0.142	\$85
Streets (24 ft Collector Lane)	600 SF	\$0.251	\$151	600 SF	\$0.251	\$151
Streets (12 ft Arterial Lane)	600 SF	\$0.251	\$151	600 SF	\$0.251	\$151
Transportation Impact Fee	600 SF	\$0.254	\$152	600 SF	\$0.254	\$152
Traffic Signal Impact Fee	600 SF	\$0.087	\$52	600 SF	\$0.087	\$52
Water Impact Fee (Pipes)	600 SF	\$0.072	\$43	600 SF	\$0.072	\$43
Wastewater Treatment Plant Impact Fee	600 SF	\$0.763	\$458	600 SF	\$0.763	\$458
Water Impact Fee (Wells)	600 SF	\$0.133	\$80	600 SF	\$0.133	\$80
SUB-TOTAL RV/BOAT STORAGE			\$2,187			\$2,021

Project Totals

\$301,974

\$279,025

Development Exactions - Traffic and Transportation Mitigation Fees

<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>AIR SHARE %</u>	<u>COST</u>
I. INTERSECTIONS				
A. Avenue 17 at SR 99 SB Off Ramp (Install New Traffic Signal)				
Traffic Signal	1 EA	\$400,000.00	13.1%	\$52,400
				<u>\$52,400</u>
B. Avenue 17 at SR 99 NB Ramps (Widen N/B Approach to 2 LT and 3 RT, & Install New Traffic Signal)				
Sawcut Existing Pavement	1700 LF	\$2.00	19.5%	\$663
Remove Existing Pavement	3400 SF	\$2.00	19.5%	\$1,326
General Earthwork and Import	17000 CY	\$15.00	19.5%	\$49,725
Hot Mix Asphalt	1750 TN	\$92.00	19.5%	\$31,395
Aggregate Base	3800 TN	\$32.00	19.5%	\$23,712
Traffic Signal	1 EA	\$400,000.00	19.5%	\$78,000
Traffic Signal Coordination	1 LS	\$10,000.00	19.5%	\$1,950
				<u>\$186,771</u>
C. Avenue 17 at Walden Drive (Install New Traffic Signal)				
Traffic Signal	1 EA	\$350,000.00	2.4%	\$8,225
				<u>\$8,225</u>
E. Sharon Boulevard at Driveway #3 (Install New Traffic Signal)				
Traffic Signal	1 EA	\$350,000.00	60.7%	\$212,450
				<u>\$212,450</u>
F. Avenue 17 at Yeager Drive (Install Traffic Signal)				
Traffic Signal	1 EA	\$350,000.00	2.2%	\$7,700
				<u>\$7,700</u>
II. ROADWAY SEGMENTS				
A. Ave 17 Westbound Expansion (Add 1 Travel Lane Between Sharon and Walden)				
Sawcut Pavement	600 LF	\$2.00	2.3%	\$28
Pavement Removal	1200 SF	\$2.00	2.3%	\$55
General Earthwork and Roadway Excavation	150 CY	\$5.00	2.3%	\$17
Hot Mix Asphalt	350 TN	\$92.00	2.3%	\$741
Class 2 Aggregate Base	1000 TN	\$32.00	2.3%	\$736
				<u>\$1,577</u>

Development Exactions - Traffic and Transportation Mitigation Fees

III. SR 99 FREEWAY AND RAMPS

A. SR 99 SB Loop On-Ramp (Widen Ramp to Add 1 Lane)

Sawcut Pavement	850 LF	\$1.50	18.1%	\$230
Pavement Removal	1700 SF	\$2.00	18.1%	\$614
General Earthwork and Import	2000 CY	\$15.00	18.1%	\$5,415
Hot Mix Asphalt	600 TN	\$92.00	18.1%	\$9,964
Class 2 Aggregate Base	1250 TN	\$32.00	18.1%	\$7,220
				\$23,442

B. SR 99 NB Off-Ramp (Widen Ramp to add 1 exit lane, & Auxiliary Lane)

Sawcut Pavement	1300 LF	\$2.00	13.3%	\$345
Pavement Removal	2600 SF	\$2.00	13.3%	\$689
General Earthwork and Roadway Excavation	1700 CY	\$5.00	13.3%	\$1,126
Hot Mix Asphalt	1050 TN	\$92.00	13.3%	\$12,800
Class 2 Aggregate Base	2500 TN	\$32.00	13.3%	\$10,600
				\$25,559

C. SR 99 NB On-Ramp (Widen Ramp to Add 1 Lane)

Sawcut Pavement	1500 LF	\$2.00	41.8%	\$1,254
Pavement Removal	3000 SF	\$2.00	41.8%	\$2,508
General Earthwork and Import	10000 CY	\$15.00	41.8%	\$62,700
Hot Mix Asphalt	1000 TN	\$92.00	41.8%	\$38,456
Class 2 Aggregate Base	2200 TN	\$32.00	41.8%	\$29,427
				\$134,345

D. SR 99 SB Off-Ramp (Widen Ramp to Add 1 Lane)

Sawcut Pavement	850 LF	\$2.00	54.4%	\$925
Pavement Removal	1700 SF	\$2.00	54.4%	\$1,850
General Earthwork and Roadway Excavation	1400 CY	\$5.00	54.4%	\$3,808
Hot Mix Asphalt	850 TN	\$92.00	54.4%	\$42,541
Class 2 Aggregate Base	1850 TN	\$32.00	54.4%	\$32,205
				\$81,328

Development Exactions - Traffic and Transportation Mitigation Fees

INTERCHANGE RELATED SUBTOTAL	\$503,846
CITY STREETS/ROADS SUBTOTAL	\$229,952

GRAND TOTAL	\$733,798
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NOTES:

1. The improvements described herein are based on the Final EIR and associated traffic study, certified by the City of Madera Planning Commission on 8/16/2016.
2. Improvements highlighted in orange, are improvement required within Caltrans R/W.
3. Traffic Signal, Hot Mix Asphalt, and Class 2 Aggregate Base Costs are based on the Avenue 17/SR-99 Project Study Report (PSR).
4. This estimate excludes costs related to mobilization, bonding, traffic control and other off-site related costs not specifically mentioned in this cost estimate.
5. This estimate is intended to provide an order-of-magnitude cost only. It is not based on a set of construction drawings.
6. Costs are based on prevailing wages.
7. Agency fees are included in this estimate to the extent they are listed.
8. Fees or costs associated with work related to dry utilities are not included in this estimate.

General Description of Infrastructure Improvements, Costs, and Reimbursable Amounts

IMPROVEMENT DESCRIPTION	TOTAL INFRASTRUCTURE IMPROVEMENT COST				REIMBURSABLE AMOUNT			
	QUANTITY	UNIT	UNIT COST	COST	QUANTITY	UNIT COST	COST	
I. AVENUE 17 ROADWORK								
A.1 Avenue 17 Road Excavation [P]1	6,000	CY	\$10.00	\$60,000	6,000	CY	\$10.00	\$60,000
A.2 Avenue 17 Road Excavation [AO]1	2,000	CY	\$10.00	\$20,000	-	CY	\$10.00	\$0
A.7 Avenue 17 Pavement Removal	25,909	SF	\$2.00	\$51,818	25,909	SF	\$2.00	\$51,818
A.9 West Avenue 17 Pavement (7.0" A.C. / 8.5" A.B.) [P]1	16,379	SF	\$5.75	\$94,179	16,379	SF	\$5.75	\$94,179
A.10 West Avenue 17 Pavement (7.0" A.C. / 8.5" A.B.) [AO]1	6,728	SF	\$5.75	\$38,686	-	SF	\$5.75	\$0
A.11 East Avenue 17 Pavement (7.0" A.C. / 23" A.B.) [P]1	43,031	SF	\$8.00	\$344,248	43,031	SF	\$8.00	\$344,248
A.12 East Avenue 17 Pavement (7.0" A.C. / 23" A.B.) [AO]1	18,332	SF	\$8.00	\$146,656	-	SF	\$8.00	\$0
A.19 Sawcut Pavement (Avenue 17)	2,585	LF	\$2.00	\$5,170	2,585	LF	\$2.00	\$5,170
E.1 Traffic Control	1	LS	\$40,000.00	\$40,000	1	LS	\$40,000.00	\$33,200
Subtotal Direct Costs Avenue 17 Roadwork - Minus Curb & Gutter				\$800,757				\$588,615
<i>Subtotal Ave 17 Soft and Indirect Costs [Note 3]</i>				\$273,432				\$201,049
Total Avenue 17 Costs				\$1,074,189				\$789,664
II. SHARON BOULEVARD ROADWORK								
A.3 Sharon Boulevard Road Excavation [P]1	7,500	CY	\$10.00	\$75,000	7,500	CY	\$10.00	\$75,000
A.4 Sharon Boulevard Road Excavation [AO]1	2,500	CY	\$10.00	\$25,000	-	CY	\$10.00	\$0
A.13 North Sharon Boulevard Pavement (6.5" A.C. / 19.5" A.B.) [P]1	37,654	SF	\$7.00	\$263,578	37,654	SF	\$7.00	\$263,578
A.14 North Sharon Boulevard Pavement (6.5" A.C. / 19.5" A.B.) [AO]1	20,202	SF	\$7.00	\$141,414	-	SF	\$7.00	\$0
A.15 South Sharon Boulevard Pavement (6.5" A.C. / 14.0" A.B.) [P]1	15,743	SF	\$6.25	\$98,394	15,743	SF	\$6.25	\$98,394
A.16 South Sharon Boulevard Pavement (6.5" A.C. / 14.0" A.B.) [AO]1	13,897	SF	\$6.25	\$86,856	-	SF	\$6.25	\$0
A.17 Temporary A.C. Pavement (2.5" A.C. / 6.5" A.B.)	7,521	SF	\$2.75	\$20,683	-	SF	\$2.75	\$0
Subtotal Direct Costs Sharon Boulevard Road Work - Minus Curb & Gutter				\$710,924.75				\$436,972
<i>Subtotal Sharon Boulevard - Soft and Indirect Costs [Note 3]</i>				\$242,757				\$149,253
Total Sharon Boulevard Road Work - Minus Curb & Gutter				\$953,682				\$586,225

III. CURB AND GUTTER - ALL STREETS

A.21	Curb & Gutter	2,879	LF	\$14.00	\$40,306	-	LF	\$14.00	\$0
	<i>Subtotal Curb and Gutter - Soft and Indirect Costs [Note 3]</i>				\$13,763				\$0
	Total Curb and Gutter - All Streets - Costs				\$54,069				\$0

IV. SIDEWALKS - ALL STREETS

A.25	Concrete Sidewalk [P]1	5,145	SF	\$4.00	\$20,580	5,145	LF	\$4.00	\$20,580
A.26	Concrete Sidewalk [AO]1	11,463	SF	\$4.00	\$45,852	-	SF	\$4.00	\$0
	Subtotal Direct Costs Sidewalks				\$66,432				\$20,580
	<i>Subtotal Sidewalks Soft and Indirect Costs [Note 3]</i>				\$22,684				\$7,029
	Total Sidewalks - All Streets - Costs				\$89,116				\$27,609

V. MEDIAN ISLAND IMPROVEMENTS - ALL STREETS

A.22	Median Curb	2,286	LF	\$16.00	\$36,576	2,286	LF	\$16.00	\$36,576
A.23	Median Concrete	2,259	SF	\$5.00	\$11,295	2,259	SF	\$5.00	\$11,295
A.24	12" A.C. Dike	780	LF	\$15.00	\$11,700	780	LF	\$15.00	\$11,700
E.5	Sharon Blvd. Median Landscaping/Irrigation	6,562	SF	\$5.00	\$32,810	6,562	SF	\$5	\$32,810
	Subtotal Direct Costs Median Islands				\$92,381				\$92,381
	<i>Subtotal Median Island - Soft and Indirect Costs [Note 3]</i>				\$31,545				\$31,554
	Total Median Island Costs				\$123,926				\$123,935

VI. TRAFFIC SIGNALS

E.2	Traffic Signal (Ave 17 & Driveway #1)	1	LS	\$300,000.00	\$300,000	1	LS	\$300,000	\$300,000
E.3	Traffic Signal (Ave 17 & Sharon Blvd.)	1	LS	\$300,000.00	\$300,000	1	LS	\$300,000	\$300,000
	Subtotal Direct Costs Traffic Signal Improvements				\$600,000				\$600,000
	<i>Subtotal Traffic Signal - Soft and Indirect Costs [Note 3]</i>				\$204,880				\$204,937
	Total Traffic Signal Costs				\$804,880				\$804,937

VII. MISCELLANEOUS STREET IMPROVEMENTS (UTILITIES & MISC. CONSTRUCT.)

E.6	Parkway Landscaping/Irrigation [P]1	14,065	SF	\$5.00	\$70,325	14,065	SF	\$5	\$70,325
E.7	Parkway Landscaping/Irrigation [AO]1	8,052	SF	\$5.00	\$40,260	-	SF	\$5	\$0
E.8	Dry Utility Trenching, Conduits, Pull Boxes	3,600	LF	\$50.00	\$180,000	-	LF	\$50	\$0
E.9	Street Lights (LED)	14	EA	\$4,500.00	\$63,000	-	EA	\$4,500	\$0
E.10	Street Signage and Striping	1	LS	\$50,000.00	\$50,000	0.72	LS	\$50,000	\$36,042
Subtotal Direct Costs Miscellaneous Street Costs					\$403,585				
<i>Subtotal Miscellaneous Street and Utilities - Soft and Indirect Costs [Note 3]</i>					\$137,811				
Total Miscellaneous Street and Utilities Costs					\$541,396	\$142,698			

VIII. RAMP IMPROVEMENTS

A.5	SR-99 N/B Ramp Import and Earthwork	12,000	CY	\$15.00	\$180,000	12,000	CY	\$15.00	\$180,000
A.8	N/B Off-ramp Pavement Removal	7,800	SF	\$2.00	\$15,600	7,800	SF	\$2.00	\$15,600
A.18	N/B Ramp Pavement (9.0" A.C. / 21.0" A.B.)2	20,000	SF	\$9.50	\$190,000	20,000	SF	\$9.50	\$190,000
A.20	Sawcut Pavement (SR-99 N/B Off Ramp)	1,000	LF	\$2.00	\$2,000	1,000	LF	\$2.00	\$2,000
E.11	SR-99 N/B Off-Ramp Signage and Striping	1	LS	\$25,000.00	\$25,000	1.00	LS	\$25,000	\$25,000
E.12	SR-99 N/B Off-Ramp Retaining Walls and other Misc.	1	LS	\$400,000.00	\$400,000	1.00	LS	\$400,000	\$400,000
Subtotal Direct Costs Ramp Improvements					\$812,600				
<i>Subtotal Ramp Improvements - Soft and Indirect Costs [Note 3]</i>					\$277,476				
Total Ramp Improvements Costs					\$1,090,076	\$1,090,154			

IX. SANITARY SEWER

B.1	Connect to Existing Sewer	1	EA	\$2,200.00	\$2,200	1.00	EA	\$2,200	\$2,200
B.2	15" PVC - Non Parcel Frontage	2,324	LF	\$80.00	\$185,920	2,324	LF	\$80	\$185,920
B.3	15" PVC - Along Parcel Frontage	1,280	LF	\$80.00	\$102,400	1,280	LF	\$68	\$86,400
B.4	15" PVC (including trench repair)	1,006	LF	\$110.00	\$110,660	1,006	LF	\$110	\$110,660
B.5	24" PVC (including trench repair)	319	LF	\$235.00	\$74,965	319	LF	\$235	\$74,965
B.6	48" Diameter Sanitary Sewer Manhole	11	EA	\$4,700.00	\$51,700	11	EA	\$4,700	\$51,700
B.7	48" Diameter Sanitary Sewer Manhole (in existing pavement)	5	EA	\$8,000.00	\$40,000	5	EA	\$8,000	\$40,000
Subtotal Direct Costs Sanitary Sewer Improvements					\$567,845				
<i>Subtotal Sanitary Sewer - Soft and Indirect Costs [Note 3]</i>					\$193,900				
Total Sanitary Sewer Costs					\$761,745	\$740,334			

X. CITY STORM DRAINAGE FACILITY

C.1	30" CL III RCP	1,318 LF	\$120.00	\$158,160	1,318 LF	\$120	\$158,160
C.2	18" CL III RCP	1,473 LF	\$58.00	\$85,434	1,473 LF	\$58	\$85,434
C.3	12" CL III RCP	236 LF	\$55.00	\$12,980	236 LF	\$55	\$12,980
C.4	12" CL III RCP (in existing pavement)	90 LF	\$95.00	\$8,550	90 LF	\$95	\$8,550
C.5	Storm Drain Manhole	7 EA	\$6,000.00	\$42,000	7 EA	\$6,000	\$42,000
C.6	Temporary Drain Inlet	3 EA	\$2,000.00	\$6,000	3 EA	\$2,000	\$6,000
C.7	Curb Inlet	7 EA	\$5,200.00	\$36,400	7 EA	\$5,200	\$36,400
Subtotal Direct Costs City Storm Drain Improvements				\$349,524			\$349,524
<i>Subtotal City Storm Drain - Soft and Indirect Costs [Note 3]</i>				\$119,351			\$119,384
Total City Storm Drainage Facility Costs				\$468,875			\$468,908

XI. UN-USED IMPROVEMENT CATEGORY

XII. WATER SYSTEM IMPROVEMENTS

D.1	24" PVC Main, incl. gate valves - Non Parcel Frontage	2,278 LF	\$215.00	\$489,770	2,278 LF	\$215	\$489,770
D.2	24" PVC Main, incl. gate valves - Along Parcel Frontage	2,500 LF	\$215.00	\$537,500	2,500 LF	\$203	\$506,250
D.3	24" PVC Main (including trench repair)	44 LF	\$235.00	\$10,340	44 LF	\$235	\$10,340
D.4	Fire Hydrant Assembly	4 EA	\$5,500.00	\$22,000	4 EA	\$0	\$0
D.5	Connect to Existing Water	1 EA	\$5,700.00	\$5,700	1 EA	\$5,700	\$5,700
Subtotal Direct Costs Water System Improvements				\$1,065,310			\$1,012,060
<i>Subtotal Water System - Soft and Indirect Costs [Note 3]</i>				\$363,768			\$345,682
Total Water System Costs				\$1,429,078			\$1,357,742

XIII. OFF-SITE TRAFFIC MITIGATION FEES

	Cumulative Year Traffic Mitigation Fees	1 LS	\$733,798	\$733,798	1.00 LS	\$733,798	\$733,798
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TOTAL INFRASTRUCTURE IMPROVEMENT COSTS*

\$8,124,831

TOTAL REIMBURSEMENT AMOUNT*

\$6,866,004

*A Municipal Water Well will be developed as part of the Infrastructure Improvements. The Costs of the Water Well are not included in this Schedule of Costs and Reimbursements, though 100% of Well Development Costs are eligible for Reimbursement.

NOTES:

- 1.) [R] = Project Frontage or Other Project Improvement
[AO] = Additional "Oversized" Improvement Required by City
- 2.) Northbound Off-ramp pavement section is based on Caltrans Project Study Report (PSR).
- 3.) Soft and Indirect Costs Include Contingencies (10%), Engineering (10%), Contractor Overhead (10%); Traffic Control, Construction Staking, Plan Check and Inspection



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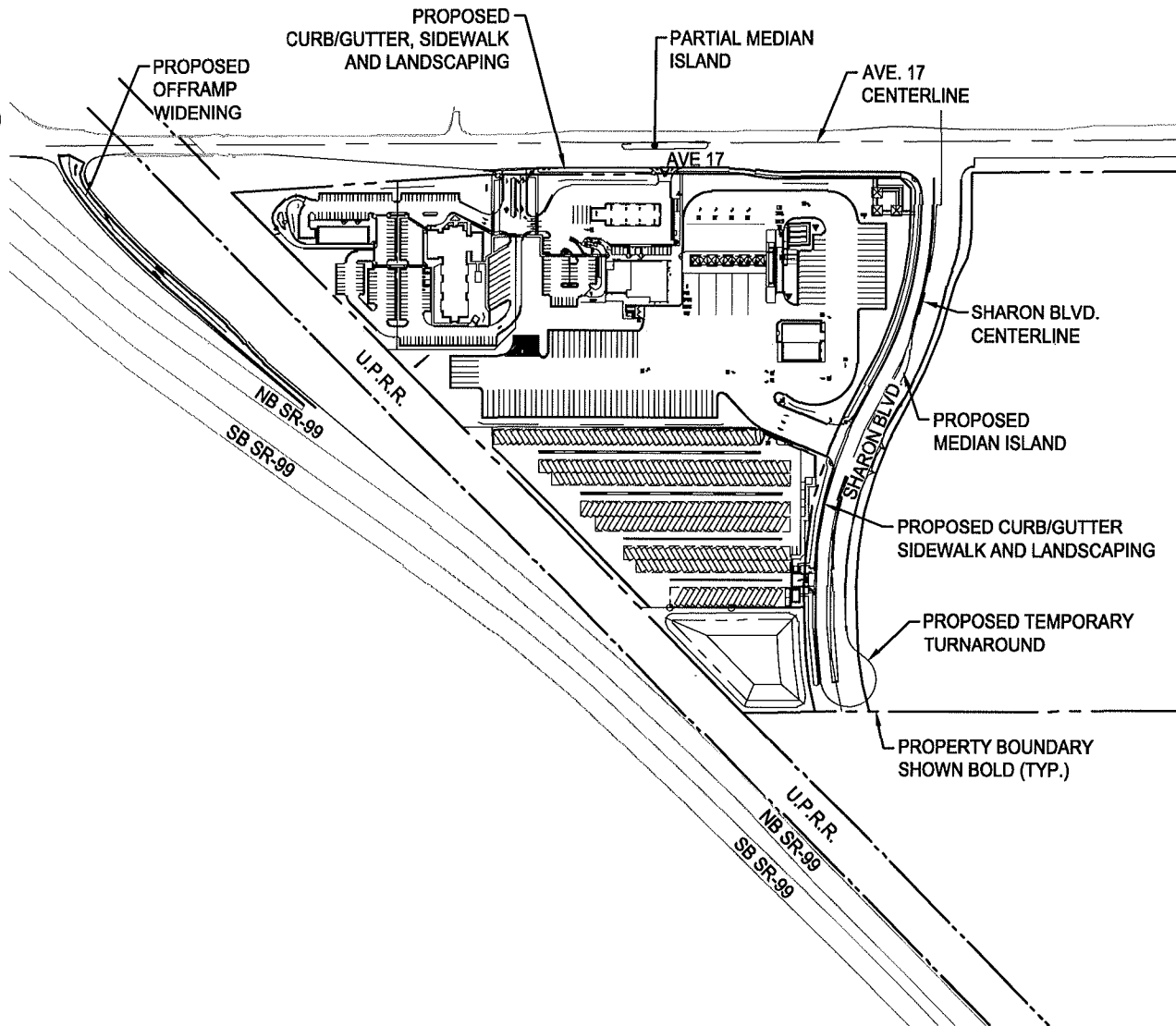


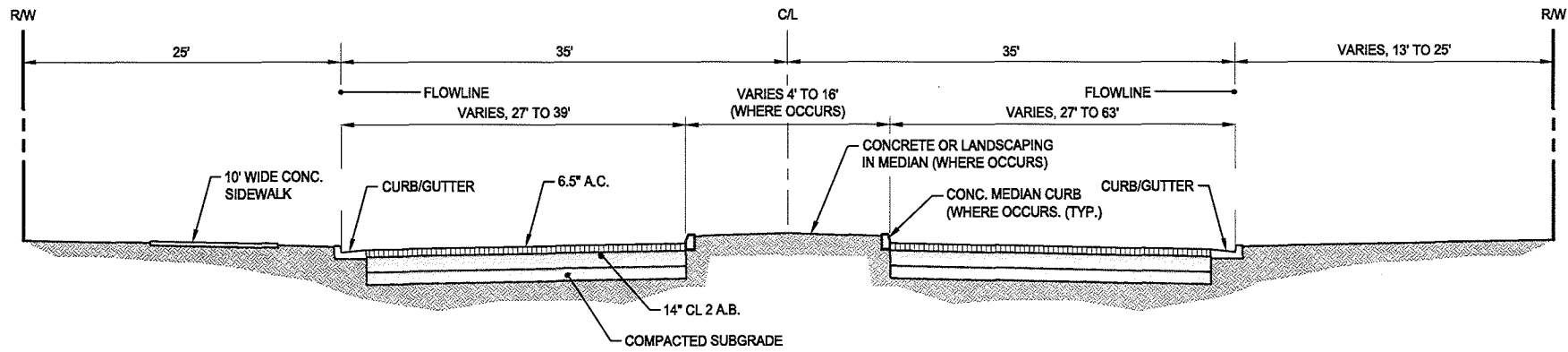
EXHIBIT 'E'
ROADWAY IMPROVEMENTS



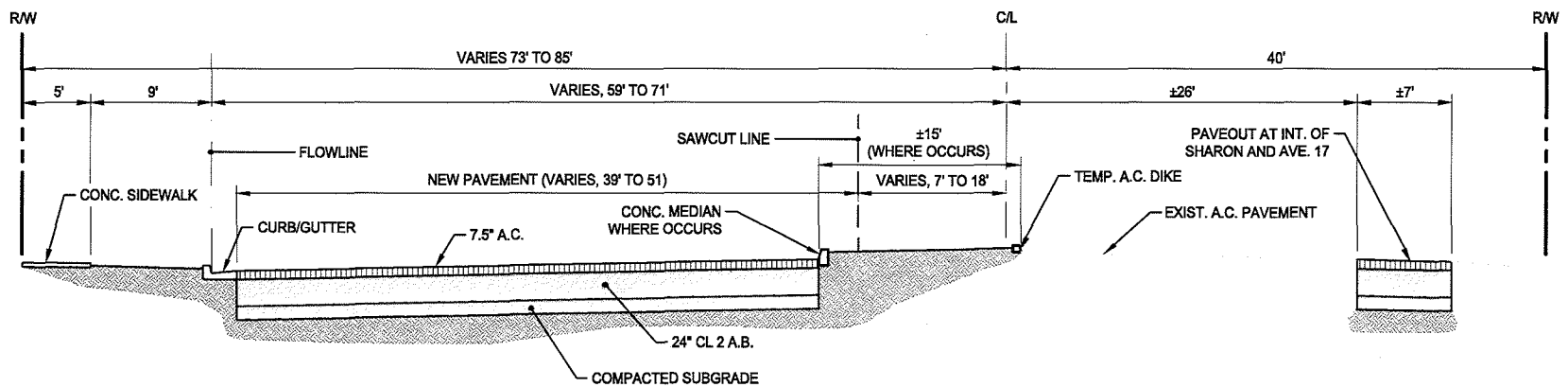


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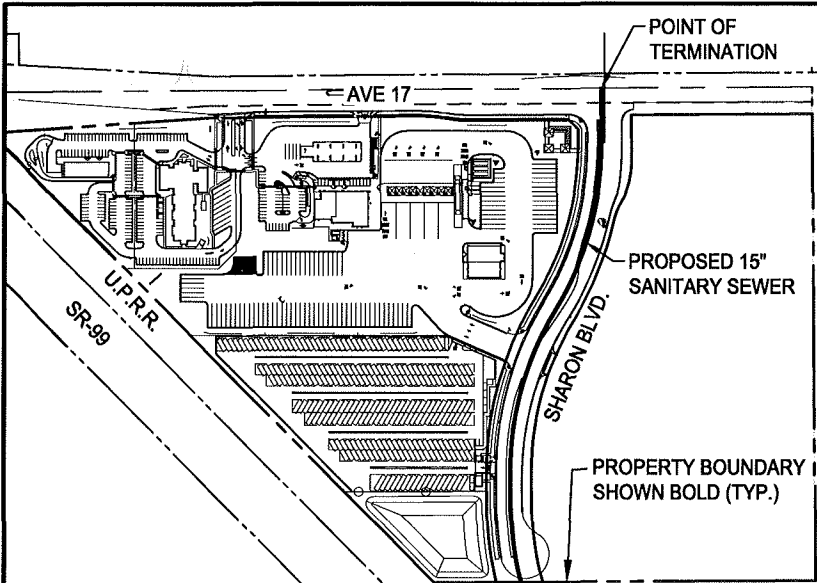


SHARON BOULEVARD STREET SECTION (LOOKING NORTH)



AVENUE 17 STREET SECTION (LOOKING NORTH)

EXHIBIT 'E'
ROADWAY IMPROVEMENTS



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PROPERTY BOUNDARY SHOWN BOLD (TYP.)

PROPOSED 15" SANITARY SEWER

FUTURE SHARON BLVD.

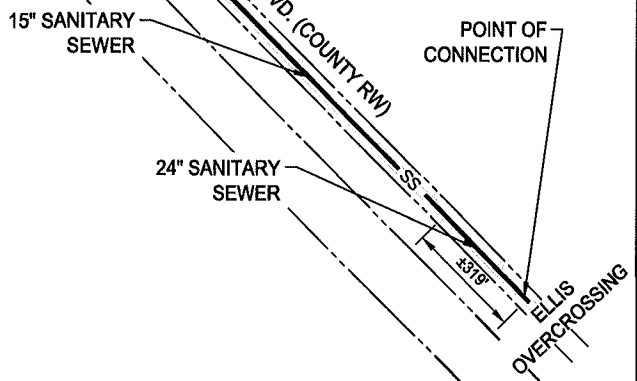


EXHIBIT 'F'
SEWER IMPROVEMENTS





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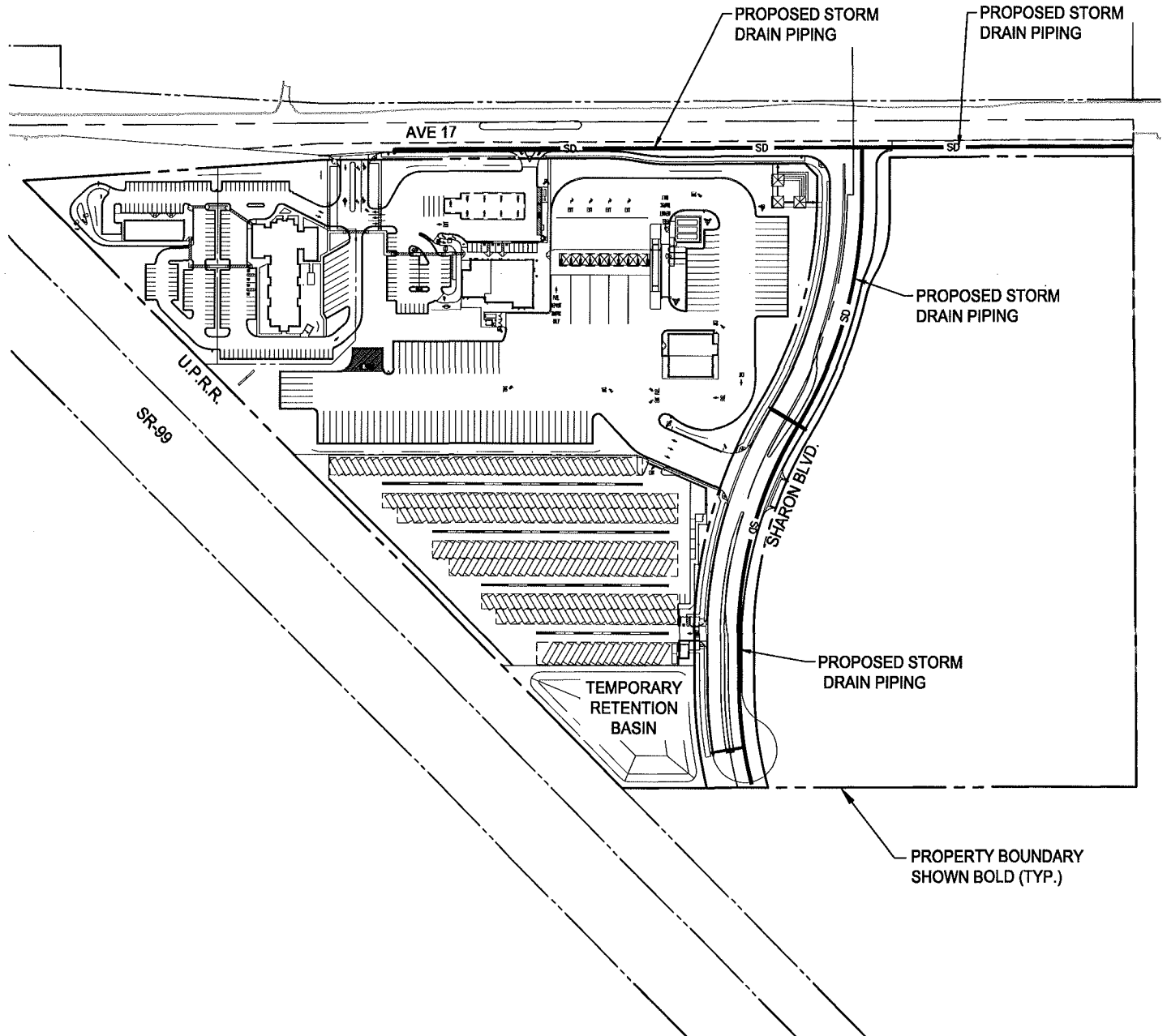


EXHIBIT 'G'
STORM DRAIN IMPROVEMENTS





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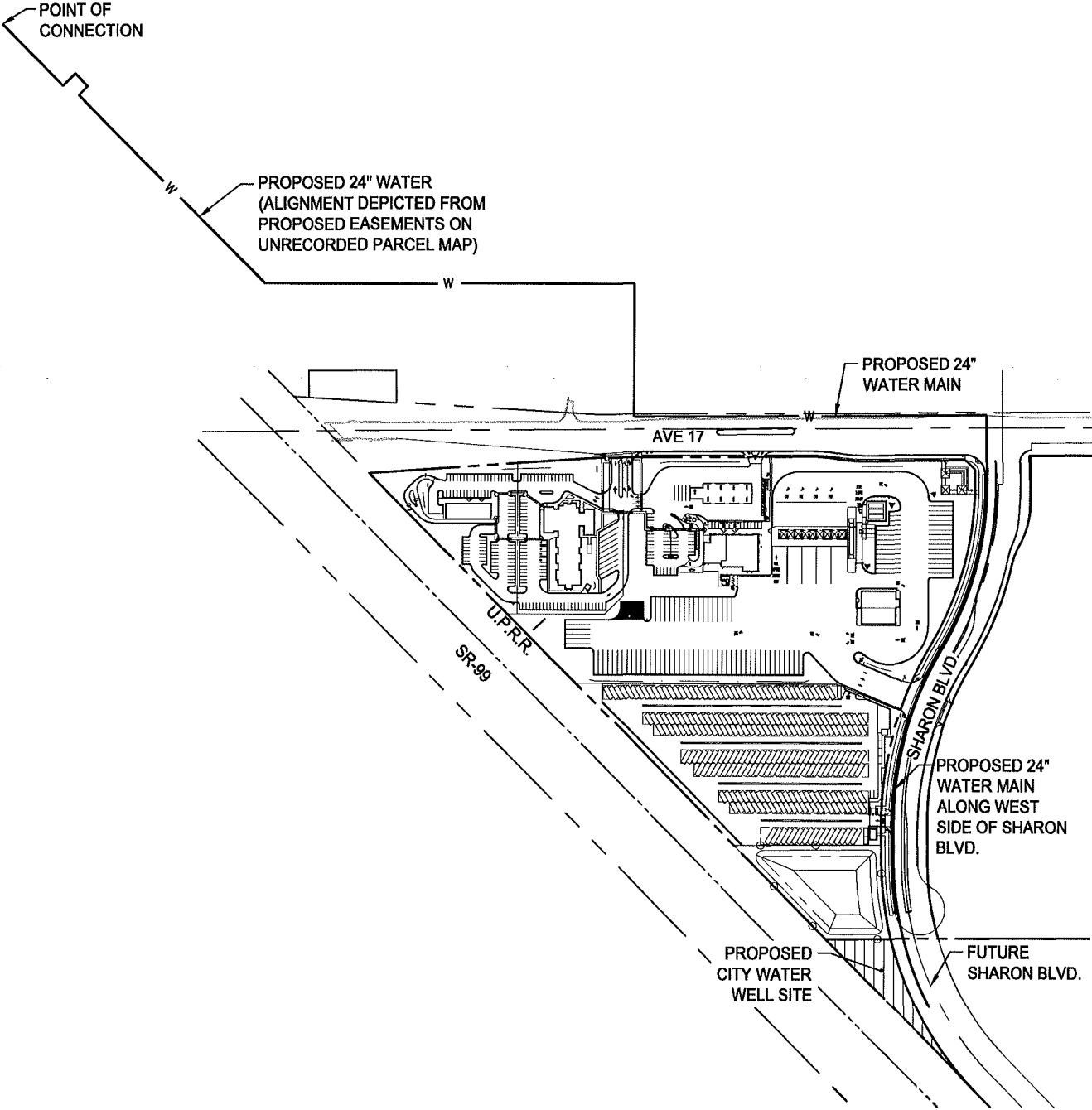


EXHIBIT 'H'
WATER IMPROVEMENTS





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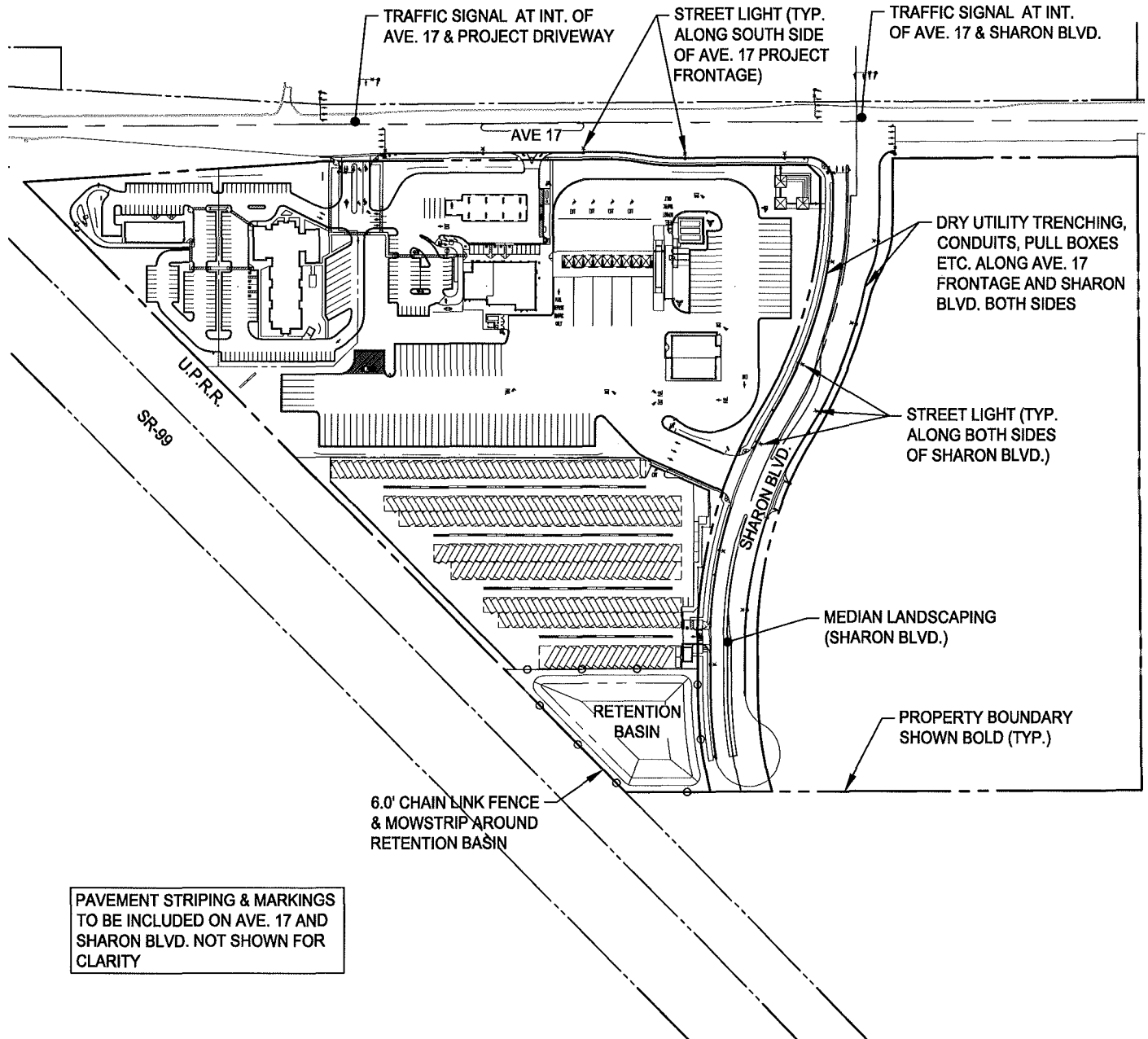


EXHIBIT 'I'
DRY UTILITY AND MISC. IMPROVEMENTS



EXHIBIT J

Form of Assumption and Assignment Agreement

OFFICIAL BUSINESS

Document entitled to free recording
Government Code Section 6103

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Madera
205 West Fourth Street
Madera, CA 93637
Attn: City Clerk

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("Agreement") is made by and between Love's Country Stores of California, Inc., a California Corporation ("Love's"), and _____, a _____ ("Assignee").

RECITALS

1. On _____, 2016, the City of Madera and Love's entered into that certain "Development Agreement" (the "Development Agreement"). Pursuant to the Development Agreement, Love's agreed to develop the Project Site (as that term is defined in the Development Agreement) as set forth in the Development Agreement. The Development Agreement was recorded against the Property in the Official Records of Madera County on _____, 20____, as Instrument No. 20____ - _____.
2. Love's intends to convey the Project Site (or a portion thereof) to Assignee, as more particularly identified and described in Exhibit A attached hereto and incorporated herein by this reference (the "Assigned Parcel").
3. Love's desires to assign and Assignee desires to assume all of Love's right, title, interest, burdens and obligations under the Development Agreement with respect to and as related to the Assigned Parcel.

ASSIGNMENT AND ASSUMPTION

NOW, THEREFORE, Love's and Assignee hereby agree as follows:

1. Love's hereby assigns, effective as of its conveyance of the Assigned Parcel to Assignee, all of the rights, title, interest, burdens and obligations of Love's under the Development Agreement with respect to the Assigned Parcel. Love's retains all the rights, title, interest, burdens and obligations under the Development Agreement with respect the Project Site other than the Assigned Parcel, if any.

2. Assignee hereby assumes all of the rights, title, interest, burdens and obligations of Love's under the Development Agreement with respect to the Assigned Parcel, and agrees to observe and fully perform all of the duties and obligations of Love's under the Development Agreement with respect to the Assigned Parcel. The parties intend hereby that, upon the execution of this Agreement and conveyance of the Assigned Parcel to Assignee, Assignee shall become substituted for Love's as the "Developer" under the Development Agreement with respect to the Assigned Parcel.

3. All of the covenants, terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

4. The Notice Address described in the Development Agreement with respect to the Assigned Parcel shall be:

5. This Agreement may be signed in identical counterparts.

IN WITNESS HEREOF, the parties hereto have executed this Agreement as of this ____ day of _____, 20____.

Love's Country Stores
of California, Inc.

ASSIGNEE:

a _____

a _____

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____