

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

3108



FROM: TLMA – Planning Department

SUBMITTAL DATE:
April 22, 2014

SUBJECT: INDIGO RANCH SOLAR PROJECT – ADOPTION OF ORDINANCE NO. 664.54, APPROVING DEVELOPMENT AGREEMENT NO. 78 – Fast Track Authorization No. 2013-008 - Applicant: Indigo Ranch Project LLC - Engineer/Representative Silverado Power – Fourth/Fourth Supervisorial District – Desert Center Area Plan - Location: northerly of Oasis Road, and westerly of Highway 177. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors: ADOPT ORDINANCE NO. 664.54, an Ordinance of the County of Riverside Approving Development Agreement No. 78.


BACKGROUND:

The public hearing on the Indigo Ranch Solar Project was held on April 22, 2014 as agenda item 16-1. At the conclusion of public testimony, the Board of Supervisors closed the public hearing, (i) adopted a Mitigated Negative Declaration for Environmental Assessment No. 42580, (ii) adopted Resolution No. 2014-050 regarding Agricultural Preserve Case No. 1027, (iii) tentatively approved Agricultural Preserve Case No. 1027, (iv) approved Conditional Use Permit No. 3693 subject to conditions of approval, and (v) introduced Ordinance No. 664.54 Approving Development Agreement No. 78.

Departmental Concurrence

Initials
JCP:lr

(continued next page)



Juan C. Perez
TLMA Director/ Interim Planning
Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	

SOURCE OF FUNDS: Deposit based funds	Budget Adjustment: N/A
	For Fiscal Year: N/A

C.E.O. RECOMMENDATION:

APPROVE

BY:


Denise C. Harden

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FOR APPROVED COUNTY COUNSEL
BY:  TIFFANY N. NORTH
DATE: 4/23/14

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 16-1 of 4/22/14 | District: 4/4 | Agenda Number:

3-20

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: INDIGO RANCH SOLAR PROJECT - ORDINANCE NO. 664.54, APPROVING DEVELOPMENT
AGREEMENT NO. 78 - Fast Track Authorization No. 2013-008 - Applicant: Indigo Ranch Project, LLC –
Fourth/Fourth Supervisorial District – Desert Center Area Plan.

DATE: April 22, 2014

PAGE: Page 2 of 2

BACKGROUND:

The adoption of Ordinance No. 664.54 will finalize the Board's approval of Development Agreement No. 78 (DA No. 78) for the Project. Per State law, a development agreement is a legislative act which must be approved by ordinance. Ordinance No. 664.54 incorporates by reference and adopts DA No. 78.

As previously advised in agenda item 16-1 of April 22, 2014, DA No. 78 has a term of 30 years and will grant the applicant vesting rights to develop the Project in accordance with the terms of the agreement. DA No. 78 contains terms requiring the applicant to take actions to ensure allocation directly to the County of the sales and use taxes payable in connection with the construction of the solar power plant, to the maximum extent possible under the law, which is a public benefit for the County. DA No. 78 also contains an agreement between the parties with regard to the computation of development impact fees using the surface mining fee category on a Project Area basis as set forth in Section 13 of Ordinance No. 659.

Approval and use of Conditional Use Permit No. 3693 is conditioned upon Development Agreement No. 78 being entered into and effective.

Impact on Citizens and Businesses

The impacts of processing DA No. 78 and adoption of this ordinance have been evaluated through the environmental review and public hearing process by staff and the Board of Supervisors. The opportunity for public review and comment was provided during the April 22, 2014 public hearing scheduled for this Project and any verbal or written testimony provided by the public was considered by Board at that time. Today's action on the adoption of Ordinance No. 664.54 will finalize the Board's approval of Development Agreement No. 78

Staff labor and expenses to process this project have been paid directly through Indigo Ranch's deposit based fees.

Recorded at request of
Clerk, Board of Supervisors
County of Riverside

When recorded return to
Office of County Counsel
3960 Orange Street, Suite 500
Riverside, CA 92501

DEVELOPMENT AGREEMENT NO. 78

A DEVELOPMENT AGREEMENT BETWEEN

COUNTY OF RIVERSIDE

AND INDIGO RANCH PROJECT LLC

AND OTHERS

TABLE OF CONTENTS

RECITALS 1

COVENANTS2

1. DEFINITIONS AND EXHIBITS2

 1.1 Definitions2

 1.1.1 “Agreement”2

 1.1.2 “COUNTY”2

 1.1.3 “Development”2

 1.1.4 “Development Approvals”3

 1.1.5 “Development Exaction”3

 1.1.6 “Development Plan”3

 1.1.7 “Effective Date”3

 1.1.8 “Existing Development Approvals”3

 1.1.9 “Existing Land Use Regulations”3

 1.1.10 “Fiscal Year”3

 1.1.11 “Land Use Regulations”3

 1.1.12 “Local Sales and Use Taxes”4

 1.1.13 “Mortgagee”4

 1.1.14 “OWNER”4

 1.1.15 “Project”4

1.1.16	“Property”	4
1.1.17	“Reservations of Authority”	4
1.1.18	“Solar Power Plant”	4
1.1.19	“Solar Power Plant Net Acreage”	4
1.1.20	“Subsequent Development Approvals”	5
1.1.21	“Subsequent Land Use Regulations”	5
1.1.22	“Transfer”	5
1.2	Exhibits	5
2.	GENERAL PROVISIONS	6
2.1	Binding Effect of Agreement	6
2.2	Ownership of Property	6
2.3	Term	6
2.4	Transfer	6
2.4.1	Right of Transfer	6
2.4.2	Release of Transferring Owner	6
2.4.3	Subsequent Assignment	7
2.5	Amendment or Cancellation of Agreement	7
2.6	Termination	7
2.7	Automatic Termination by Nonuse of Property by OWNER	7
2.8	Notices	8
3.	DEVELOPMENT OF THE PROPERTY	10
3.1	Rights to Develop	10
3.2	Effect of Agreement on Land Use Regulations	10

3.3	Timing of Development	11
3.4	Changes and Amendments	11
3.5	Reservations of Authority	11
3.5.1	Limitations, Reservations and Exceptions	11
3.5.2	Subsequent Development Approvals	12
3.5.3	Modification or Suspension by State or Federal Law	13
3.5.4	Intent	13
3.6	Public Works	13
3.7	Provision of Real Property Interests by COUNTY	13
3.8	Regulation by Other Public Agencies	13
3.9	Tentative Tract Map Extension	14
3.10	Vesting Tentative Maps	14
4.	PUBLIC BENEFITS	14
4.1	Intent	14
4.2	Local Sales and Use Taxes	14
4.3	Development Impact Fees	16
5.	FINANCING OF PUBLIC IMPROVEMENTS	16
6.	REVIEW FOR COMPLIANCE	17
6.1	Annual Review	17
6.2	Special Review	17
6.3	Procedure	17
6.4	Proceedings Upon Modification or Termination	17
6.5	Hearing on Modification or Termination	18

6.6	Certificate of Agreement Compliance	18
7.	INCORPORATION AND ANNEXATION	18
7.1	Intent	18
7.2	Incorporation	18
7.3	Annexation	18
8.	DEFAULT AND REMEDIES	19
8.1	Remedies in General	19
8.2	Specific Performance	19
8.3	Release	20
8.4	Termination or Modification of Agreement for Default of OWNER	20
8.5	Termination of Agreement for Default of COUNTY	20
8.6	Attorneys' Fees	20
9.	THIRD PARTY LITIGATION	20
9.1	General Plan Litigation	20
9.2	Third Party Litigation Concerning Agreement	21
9.3	Indemnity	21
9.4	Environment Assurances	21
9.5	Reservation of Rights	22
9.6	Survival	22
10.	MORTGAGEE PROTECTION	22
11.	MISCELLANEOUS PROVISIONS	23
11.1	Recordation of Agreement	23
11.2	Entire Agreement	23

11.3	Severability	23
11.4	Interpretation and Governing Law	23
11.5	Section Headings	24
11.6	Gender and Number	24
11.7	Joint and Several Obligations	24
11.8	Time of Essence	24
11.9	Waiver	24
11.10	No Third Party Beneficiaries	24
11.11	Force Majeure	24
11.12	Mutual Covenants	24
11.13	Successors in Interest	24
11.14	Counterparts	25
11.15	Jurisdiction and Venue	25
11.16	Project as a Private Undertaking	25
11.17	Further Actions and Instruments	25
11.18	Eminent Domain	25
11.19	Agent for Service of Process	25
11.20	Designation of COUNTY Officials	26
11.21	Authority to Execute	26
SIGNATURES		26

DEVELOPMENT AGREEMENT NO. 78

This Development Agreement (hereinafter "Agreement") is entered into effective on the date it is recorded with the Riverside County Recorder (hereinafter the "Effective Date") by and among the COUNTY OF RIVERSIDE (hereinafter "COUNTY"), and the persons and entities listed below (hereinafter "OWNER"):

INDIGO RANCH PROJECT LLC
JOHN STEPHEN DRASKOVICH
TODD CULVER DRASKOVICH
RIVERSIDE JOJOBA INC.

RECITALS

WHEREAS, COUNTY is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Article 11, Section 7 of the California Constitution and Section 65864, et seq. of the Government Code ; and,

WHEREAS, COUNTY has adopted Procedures and Requirements Of the County of Riverside For the Consideration of Development Agreements (hereinafter "Procedures and Requirements"), pursuant to Section 65865 of the Government Code; and,

WHEREAS, OWNER has requested COUNTY to enter into a development agreement and proceedings have been taken in accordance with the Procedures and Requirements of COUNTY; and,

WHEREAS, by electing to enter into this Agreement, COUNTY shall bind future Boards of Supervisors of COUNTY by the obligations specified herein and limit the future exercise of certain governmental and proprietary powers of COUNTY; and,

WHEREAS, the terms and conditions of this Agreement have undergone extensive review by COUNTY and the Board of Supervisors and have been found to be fair, just and reasonable; and,

WHEREAS, the best interests of the citizens of Riverside County and the public health, safety and welfare will be served by entering into this Agreement; and,

WHEREAS, all of the procedures of the California Environmental Quality Act (Public Resources Code, Section 21000 et seq.) have been met with respect to the Project and the Agreement; and,

WHEREAS, this Agreement and the Project are consistent with the Riverside County General Plan and any specific plan applicable thereto; and,

WHEREAS, all actions taken and approvals given by COUNTY have been duly taken or approved in accordance with all applicable legal requirements for notice, public hearings, findings, votes, and other procedural matters; and,

WHEREAS, this Agreement will confer substantial private benefits on OWNER by granting vested rights to develop the Property in accordance with the provisions of this Agreement; and

WHEREAS, development of the Property in accordance with this Agreement will provide substantial benefits to COUNTY and will further important policies and goals of COUNTY; and,

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Sections 65864, et seq. of the Government Code are intended; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in order to assure development of the Property in accordance with this Agreement; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in excess of the generally applicable requirements in order to assure vesting of legal rights to develop the Property in accordance with this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. The following terms when used in this Agreement shall be defined as follows:

1.1.1 "Agreement" means this Development Agreement.

1.1.2 "COUNTY" means the County of Riverside, a political subdivision of the State of California.

1.1.3 "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; the construction of buildings and structures; and the installation of landscaping. When authorized by a Subsequent Development Approval as provided by this Agreement,

“development” includes the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.4 “Development Approvals” means all permits and other entitlements for use subject to approval or issuance by COUNTY in connection with development of the Property including, but not limited to:

- (a) Specific plans and specific plan amendments;
- (b) Zoning;
- (c) Conditional use permits, public use permits and plot plans;
- (d) Tentative and final subdivision and parcel maps;
- (e) Grading and building permits.
- (f) Any permits or other entitlements necessary from COUNTY for Southern California Edison’s distribution-level electrical service to and from the Project site.

1.1.5 “Development Exaction” means any requirement of COUNTY in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of fees in order to lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests.

1.1.6 “Development Plan” means the Existing Development Approvals and the Existing Land Use Regulations applicable to development of the Property.

1.1.7 “Effective Date” means the date this Agreement is recorded with the County Recorder.

1.1.8 “Existing Development Approvals” means all Development Approvals approved or issued prior to the Effective Date. Existing Development Approvals includes the Development Approvals incorporated herein as Exhibit “C” and all other Development Approvals which are a matter of public record on the Effective Date.

1.1.9 “Existing Land Use Regulations” means all Land Use Regulations in effect on the Effective Date. Existing Land Use Regulations includes the Land Use Regulations incorporated herein as Exhibit “D” and all other Land Use Regulations which are a matter of public record on the Effective Date.

1.1.10 “Fiscal Year” means the period beginning on July 1 of each year and ending on the next succeeding June 30.

1.1.11 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of COUNTY 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 and structures, 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 property. "Land Use Regulations" does not include any COUNTY ordinance, resolution, code, rule, regulation or official policy, governing:

- (a) The conduct of businesses, professions, and occupations;
- (b) Taxes and assessments;
- (c) The control and abatement of nuisances;
- (d) The granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property;
- (e) The exercise of the power of eminent domain.

1.1.12 "Local Sales and Use Taxes" means the one percent sales and use taxes imposed pursuant to and governed by the Bradley-Burns Uniform Local Sales and Use Tax Law, Revenue and Taxation Code Section 7200 et seq.

1.1.13 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.14 "OWNER" means the persons and entities listed as OWNER on the first page of this Agreement and their successors in interest to all or any part of the Property.

1.1.15 "Project" means the development of the Property contemplated by the Development Plan as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

1.1.16 "Property" means the real property described on Exhibit "A" and shown on Exhibit "B" to this Agreement.

1.1.17 "Reservations of Authority" means the rights and authority excepted from the assurances and rights provided to OWNER under this Agreement and reserved to COUNTY under Section 3.5 of this Agreement.

1.1.18 "Solar Power Plant" means the Project together with the related solar power plant real property and facilities described and shown on Exhibit "E".

1.1.19 "Solar Power Plant Net Acreage" means the area of all parts of the Property, and any other real property which is part of the Solar Power Plant, that is involved in the production, storage or transmission of power. "Solar Power Plant Net Acreage" includes, but is not limited to, all areas occupied by the power block, solar collection equipment, spaces contiguous to solar collection equipment, transformers, transmission lines and piping, transmission facilities, buildings, structures, service roads (regardless of surface type and including service roads between collectors), and fencing surrounding all such areas. "Solar Power Plant Net Acreage" shall not include any access roads outside the Property, and shall not include any areas specifically designated and set aside either as environmentally sensitive land or open space land, and shall not include

the fencing of such designated lands. The maximum allowed Solar Power Plant Net Acreage under the Existing Development Approvals is approximately 40 acres and is described and shown on Exhibit "F" to this Agreement; however, it is acknowledged and agreed that OWNER may reduce the Solar Power Plant Net Acreage via modifications to the design of the Project. In the event the Project is modified by any Subsequent Development Approval (or is modified by OWNER without any Subsequent Development Approval, to the extent permitted under the Existing Development Approvals), the Planning Director, in consultation with the County Executive Officer and County Counsel, shall recalculate the Solar Power Plant Net Acreage, which acreage shall in no event exceed the maximum permitted Solar Power Plant Net Acreage under the building permit issued for the Solar Power Plant, and such recalculated Solar Power Plant Net Acreage shall be used for all purposes under this Agreement after the effective date of such Subsequent Development Approval.

1.1.20 "Subsequent Development Approvals" means all Development Approvals approved subsequent to the Effective Date in connection with development of the Property.

1.1.21 "Subsequent Land Use Regulations" means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.22 "Transfer" means sale, assignment, lease, sublease or any other transfer of a legal or equitable interest in the Property.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

Exhibit "A" -- Legal Description of the Property.

Exhibit "B" -- Map Showing Property and Its Location.

Exhibit "C" -- Existing Development Approvals.

Exhibit "D" -- Existing Land Use Regulations.

Exhibit "E" -- Solar Power Plant.

Exhibit "F" -- Solar Power Plant Net Acreage.

Exhibit "G" -- Applicable County Development Impact Fees.

Exhibit "H" -- Annual Review Report Template

2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out only in accordance with the terms of this Agreement.

2.2 Ownership of Property. OWNER represents and covenants that it is the owner of a legal or equitable interest in the Property or a portion thereof.

2.3 Term. The term of this Agreement shall commence on the Effective Date and shall continue for a period of thirty (30) years thereafter unless this term is modified or extended pursuant to the provisions of this Agreement.

2.4 Transfer.

2.4.1 Right to Transfer. OWNER shall have the right to transfer the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, et seq., or Riverside County Ordinance No. 460) to any person, partnership, joint venture, firm or corporation at any time during the term of this Agreement; provided, however, that any such transfer shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following conditions precedent:

(a) No transfer of any right or interest under this Agreement shall be made unless made together with the transfer of all or a part of the Property.

(b) Concurrent with any such transfer, or within fifteen (15) business days thereafter, OWNER shall notify COUNTY, in writing, of such transfer and shall provide COUNTY with an executed agreement by the transferee, in a form acceptable to COUNTY, the acceptance of which shall not be unreasonably withheld, and providing therein that the transferee expressly and unconditionally assumes all the duties and obligations of OWNER under this Agreement.

Any transfer not made in strict compliance with the foregoing conditions shall constitute a default by Owner under this Agreement. Notwithstanding the failure of any transferee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the burdens of this Agreement shall be binding upon such transferee, but the benefits of this Agreement shall not inure to such transferee until and unless such agreement is executed.

2.4.2 Release of Transferring Owner. Notwithstanding any transfer, a transferring OWNER shall continue to be obligated under this Agreement unless such transferring OWNER is given a release in writing by COUNTY, which release shall be provided by COUNTY upon the full satisfaction by such transferring OWNER of the following conditions:

(a) OWNER no longer has a legal or equitable interest in all or any part of the Property.

(b) OWNER is not then in default under this Agreement.

(c) OWNER has provided COUNTY with the notice and executed agreement required under Paragraph (b) of Subsection 2.4.1 above.

(d) The transferee provides COUNTY with security equivalent in all respects to any security previously provided by OWNER to secure performance of its obligations hereunder.

2.4.3 Subsequent Transfer. Any subsequent transfer after an initial transfer shall be made only in accordance with and subject to the terms and conditions of this Section.

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part only by written consent of all parties in the manner provided for in Government Code Section 65868. This provision shall not limit any remedy of COUNTY or OWNER as provided by this Agreement.

2.6 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

~~(a) Expiration of the stated term of this Agreement as set forth in Section 2.3.~~

(b) Entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of the ordinance approving this Agreement. For purposes of clarity this termination section excludes entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of Board of Supervisors' Policy No. B-29.

(c) The adoption of a referendum measure overriding or repealing the ordinance approving this Agreement.

Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement.

2.7 Automatic Termination by Nonuse of Property by OWNER. As discussed in Section 1.1.19, it is acknowledged and agreed that OWNER may reduce the Solar Power Plant Net Acreage via modifications to the design of the Project. The Property is comprised of two (2) separate legal parcels: APN 808-240-010 (the "Jojoba Parcel") and APN 808-240-007 (the "Draskovich Parcel"). If a building permit has not been issued on

or prior to September 5, 2014 which reflects that portions of the Solar Power Plant will be located on the Jojoba Parcel, then all Development Approvals (including but not limited to Conditional Use Permit No. 3693, Agricultural Preserve Case No. 1027, and Development Agreement No. 78) shall be automatically terminated and null and void as of such date, but only with respect to the Jojoba Parcel. If a building permit has not been issued on or prior to September 5, 2014 which reflects that portions of the Solar Power Plant will be located on the Draskovich Parcel, then all Development Approvals (including but not limited to Conditional Use Permit No. 3693, Agricultural Preserve Case No. 1027 and Development Agreement No. 78) shall be automatically terminated and null and void as of such date, but only with respect to the Draskovich Parcel. If a building permit has not been issued on or prior to September 5, 2014 which reflects that portions of the Solar Power Plant will be located on either the Draskovich Parcel or the Jojoba Parcel, then all Development Approvals (including but not limited to Conditional Use Permit No. 3693, Agricultural Preserve Case No. 1027 and Development Agreement No. 78) shall be automatically terminated and null and void as of such date with respect to both the Jojoba Parcel and the Draskovich Parcel. OWNER expressly acknowledges and expressly agrees that such termination shall be automatic and shall not require a hearing by the COUNTY or opportunity for the OWNER to be heard by the COUNTY prior to such termination taking effect. Following any such termination of Development Approvals, OWNER and COUNTY shall execute an appropriate instrument in recordable form evidencing such termination, and shall cause such instrument to be an amendment to Development Agreement No. 78 to be processed in accordance with COUNTY's "Procedures and Requirements for the Consideration of Development Agreements (Solar Power Plants)" set forth in COUNTY Resolution No. 2012-047.

2.8 Notices.

(a) As used in this Agreement, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either: (i) when delivered in person to the recipient named below; (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below; (iii) on the next business day when delivered by overnight United States mail or courier service; or (iv) on the date of delivery shown in the facsimile records of the party sending the facsimile after transmission by facsimile to the recipient named below. All notices shall be addressed as follows:

If to COUNTY:

Clerk of the Board of Supervisors

Riverside County Administrative Center
4080 Lemon Street, First Floor
Riverside, CA 92502
Fax No. (951) 955-1071

with copies to:

County Executive Officer
Riverside County Administrative Center
4080 Lemon Street, 4th Floor
Riverside, CA 92501
Fax No. (951) 955-1105

and

Planning Director
Transportation and Land Management Agency
Riverside County Administrative Center,
4080 Lemon Street, 12th Floor
Riverside, CA 92501
Fax No. (951) 955-1817

and

County Counsel
County of Riverside
3960 Orange Street, Suite 500
Riverside, CA 92501
Fax No. (951) 955-6363

If to OWNER:

Indigo Ranch Project LLC
Attn: President
c/o Canadian Solar (USA) Inc.
2420 Camino Ramon, Suite 125
San Ramon, CA 94583

with copies to:

John Stephen Draskovich
P.O. Box 4706
Buena Vista, CO 81211

and

Todd Culver Draskovich
2201 Whyte Park Ave.
Walnut Creek, CA 94595

and

Riverside Jojoba Inc.
103 N. Lake Dr.
Ormond Beach, FL 32174

(c) Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by any such change.

3. DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the Development Plan. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. Except as otherwise provided in this Agreement, the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings and structures, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings and structures, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In connection with any Subsequent Development Approval, COUNTY shall exercise its discretion in accordance with the Development Plan, and as provided by this Agreement including, but not limited to, the Reservations of Authority. COUNTY 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.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of OWNER, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d 465, that the failure of the parties therein 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 OWNER shall have the right to develop the Property in such order and at such rate and at such times as OWNER deems appropriate within the exercise of its subjective business judgment, subject only to any timing or phasing requirements set forth in the Development Plan.

3.4 Changes and Amendments. The parties acknowledge that refinement and further development of the Project will require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Development Approvals. In the event OWNER finds that a change in the Existing Development Approvals is necessary or appropriate, OWNER shall apply for a Subsequent Development Approval to effectuate such change and COUNTY shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. If approved, any such change in the Existing Development Approvals shall be incorporated herein as an addendum to Exhibit "C", and may be further changed from time to time as provided in this Section. Unless otherwise required by law, as determined in COUNTY's reasonable discretion, a change to the Existing Development Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

- (a) Alter the permitted uses of the Property as a whole; or,
 - (b) Increase the density or intensity of use of the Property as a whole; or,
 - (c) Increase the maximum height and size of permitted buildings or structures;
- or,
- (d) Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole; or,
 - (e) Constitute a project requiring a subsequent or supplemental environmental impact report pursuant to Section 21166 of the Public Resources Code.

3.5 Reservations of Authority.

3.5.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the development of the Property.

(a) Processing fees and charges of every kind and nature imposed by COUNTY to cover the estimated actual costs to COUNTY of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued.

(b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure .

(c) Regulations governing construction standards and specifications including, without limitation, the Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code and Grading Code applicable in the County.

(d) Regulations imposing Development Exactions. However, given the remoteness of the location of the Project and the uniqueness of solar power plant projects, it is unanticipated that COUNTY will adopt any Development Exactions applicable to the development of the Property within the next three (3) years. For that reason, no such subsequently adopted Development Exaction shall be applicable to the development of the Property for a period of five (5) years from the Effective Date of this Agreement. Five (5) years and one (1) day from the Effective Date of this Agreement, no subsequently adopted Development Exaction shall be applicable to development of the Property unless such Development Exaction is applied uniformly to development, either throughout the COUNTY or within a defined area of benefit which includes the Property. No such subsequently adopted Development Exaction shall apply if its application to the Property would physically prevent development of the Property for the uses and to the density or intensity of development set forth in the Development Plan.

(e) Regulations which may be in conflict with the Development Plan but which are reasonably necessary to protect the public health and safety. To the extent possible, any such regulations shall be applied and construed so as to provide OWNER with the rights and assurances provided under this Agreement.

(f) Regulations which are not in conflict with the Development Plan. Any regulation, whether adopted by initiative or otherwise, limiting the rate or timing of development of the Property shall be deemed to conflict with the Development Plan and shall therefore not be applicable to the development of the Property.

(g) Regulations which are in conflict with the Development Plan provided OWNER has given written consent to the application of such regulations to development of the Property.

3.5.2 Subsequent Development Approvals. This Agreement shall not prevent COUNTY, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations which do not conflict with the Development Plan, nor shall this

Agreement prevent COUNTY from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Plan.

3.5.3 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 Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

3.5.4 Intent. The parties acknowledge and agree that COUNTY is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to COUNTY all of its police power which cannot be so limited. This Agreement shall be construed, contrary to its stated terms if necessary, to reserve to COUNTY all such power and authority which cannot be restricted by contract.

3.6 Public Works. If OWNER is required by this Agreement to construct any public works facilities which will be dedicated to COUNTY or any other public agency upon completion, and if required by applicable laws to do so, OWNER shall perform such work in the same manner and subject to the same requirements as would be applicable to COUNTY or such other public agency if it would have undertaken such construction.

3.7 Provision of Real Property Interests by COUNTY. In any instance where OWNER is required to construct any public improvement on land not owned by OWNER, OWNER shall at its sole cost and expense provide or cause to be provided, the real property interests necessary for the construction of such public improvements. In the event OWNER is unable, after exercising reasonable efforts to acquire the real property interests necessary for the construction of such public improvements, and if so instructed by OWNER and upon OWNER'S provision of adequate security for costs COUNTY may reasonably incur, COUNTY shall negotiate the purchase of the necessary real property interests to allow OWNER to construct the public 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. OWNER shall pay all costs associated with such acquisition or condemnation proceedings. This Section 3.8 is not intended by the parties to impose upon the OWNER an enforceable duty to acquire land or construct any public improvements on land not owned by OWNER, except to the extent that the OWNER elects to proceed with the development of the Project, and then only in accordance with valid conditions imposed by the COUNTY upon the development of the Project under the Subdivision Map Act, Government Code Section 66410 et seq., or other legal authority.

3.8 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not within the control of COUNTY possess authority to regulate aspects of the

development of the Property separately from or jointly with COUNTY and this Agreement does not limit the authority of such other public agencies. For example, pursuant to Government Code Section 66477 and Section 10.35 of Riverside County Ordinance No. 460, another local public agency may provide local park and recreation services and facilities and in that event, it is permitted, and therefore shall be permitted by the parties, to participate jointly with COUNTY to determine the location of land to be dedicated or in lieu fees to be paid for local park purposes, provided that COUNTY shall exercise its authority subject to the terms of this Agreement.

3.9 Tentative Tract Map Extension. Notwithstanding the provisions of Section 66452.6 of the Government Code, no tentative subdivision map or tentative parcel map, heretofore or hereafter approved in connection with development of the Property, shall be granted an extension of time except in accordance with the Existing Land Use Regulations.

3.10 Vesting Tentative Maps. If any tentative or final subdivision map, or tentative or final parcel map, heretofore or hereafter approved in connection with development of the Property, is a vesting map under the Subdivision Map Act (Government Code Section 66410, et seq.) and Riverside County Ordinance No. 460 and if this Agreement is determined by a final judgment to be invalid or unenforceable insofar as it grants a vested right to develop to OWNER, then and to that extent the rights and protections afforded OWNER under the laws and ordinances applicable to vesting maps shall supersede the provisions of this Agreement. Except as set forth immediately above, development of the Property shall occur only as provided in this Agreement, and the provisions in this Agreement shall be controlling over any conflicting provision of law or ordinance concerning vesting maps.

4. PUBLIC BENEFITS.

4.1 Intent. The parties acknowledge and agree that development of the Property will detrimentally affect public interests which will not be fully addressed by the Development Plan and further acknowledge and agree that this Agreement confers substantial private benefits on OWNER which should be balanced by commensurate public benefits. Accordingly, the parties intend to provide consideration to the public to balance the private benefits conferred on OWNER by providing more fully for the satisfaction of public interests.

4.2. Local Sales and Use Taxes. OWNER and COUNTY acknowledge and agree that solar power plant owners have substantial control with respect to sales and use taxes payable in connection with the construction of a solar power plant and a corresponding responsibility to assure that such sales and use taxes are reported and remitted to the California State Board of Equalization (BOE) as provided by law. To ensure allocation directly to COUNTY, to the maximum extent possible under the law, of the sales and use taxes payable in connection with the construction of the solar power plant including, OWNER shall do the following, consistent with law:

- (a) If OWNER meets the criteria set forth in applicable BOE regulations and policies, OWNER shall obtain a BOE permit, or sub-permit, for the solar power plant jobsite and report and remit all such taxable sales or uses

pertaining to construction of the solar power plant using the permit or sub-permit for that jobsite to the maximum extent possible under the law.

(b) OWNER shall contractually require that all contractors and subcontractors whose contract with respect to the solar power plant exceeds \$100,000.00 ("Major Subcontractors") who meet the criteria set forth in applicable BOE regulations and policies must obtain a BOE permit, or sub-permit, for the solar power plant jobsite and report and remit all such taxable sales or uses pertaining to construction of the solar power plant using the permit or sub-permit for that jobsite to the maximum extent possible under the law.

(c) Prior to the commencement of any grading or construction of the solar power plant, OWNER shall deliver to COUNTY a list that includes, as applicable and without limitation, each contractor's and Major Subcontractor's business name, value of contract, scope of work on the solar power plant, procurement list for the solar power plant, BOE account numbers and permits or sub-permits specific to the solar power plant jobsite, contact information for the individuals most knowledgeable about the solar power plant and the sales and use taxes for such solar power plant, and, in addition, shall attach copies of each permit or sub-permit issued by the BOE specific to the solar power plant jobsite. Said list shall include all the above information for OWNER, its contractors, and all Major Subcontractors. OWNER shall provide updates to COUNTY of the information required under this section within thirty (30) days of any changes to the same, including the addition of any contractor or Major Subcontractor.

(d) OWNER shall certify in writing that OWNER understands the procedures for reporting and remitting sales and use taxes in the State of California and will follow all applicable state statutes and regulations with respect to such reporting and remitting.

(e) OWNER shall contractually require that each contractor or Major Subcontractor certify in writing that they understand the procedures for reporting and remitting sales and use taxes in the State of California and will follow all applicable state statutes and regulations with respect to such reporting and remitting.

(f) OWNER shall deliver to COUNTY or its designee (as provided in section (g) below) copies of all sales and use tax returns pertaining to the solar power plant filed by the OWNER, its contractors and Major Subcontractors. Such returns shall be delivered to COUNTY or its designee within thirty (30) days of filing with the BOE. Such returns may be redacted to protect, among other things, proprietary information and may be supplemented by additional evidence that payments made complied with this policy.

(g) OWNER understands and agrees that COUNTY may, in its sole discretion, select and retain the services of a private sales tax consultant with

expertise in California sales and use taxes to assist in implementing and enforcing compliance with the provisions of this Agreement and that OWNER shall be responsible for all reasonable costs incurred for the services of any such private sales tax consultant and shall reimburse COUNTY within thirty (30) days of written notice of the amount of such costs.

4.3 Development Impact Fees. Ordinance No. 659 is the COUNTY's Development Impact Fee Program ("DIF") adopted under the authority of the Mitigation Fee Act. DIF applies to all development in COUNTY under the COUNTY's land use jurisdiction. Per Ordinance No. 659, the fees collected under the DIF program "shall be used toward the construction and acquisition of Facilities identified in the Needs List and the acquisition of open space and habitat". OWNER and COUNTY acknowledge and agree that solar power plants do not present the same Facilities needs as other new residential, commercial or industrial development. For that reason, OWNER and COUNTY agree that the application and payment of the surface mining Development Impact Fee category from Ordinance 659 computed on a Project Area basis as set forth in Section 13 of Ordinance No. 659 is appropriate for the Project due to similar development impacts. The applicable Development Impact Fees for the Project are set forth in Exhibit G to this Agreement. The applicable Development Impact Fees shall be paid when a certificate of occupancy is issued for the Project or upon final inspection, whichever occurs first. However this section shall not be construed to prevent payment of the Development Impact Fees prior to issuance of an occupancy permit or final inspection. The Development Impact Fees may be paid at the time application is made for a building permit as set forth in Section 12 of Ordinance No. 659.

5. FINANCING OF PUBLIC IMPROVEMENTS.

If deemed appropriate, COUNTY and OWNER will cooperate in the formation of any special assessment district, community facilities district or alternate financing mechanism to pay for the construction and/or maintenance and operation of public infrastructure facilities required as part of the Development Plan. OWNER also agrees that it will not initiate and/or cooperate in the formation of any such special assessment district, community facilities district or alternate financing mechanism involving any other public agency without the prior written consent of the COUNTY.

Should the Property be included within such a special assessment district, community facilities district or other financing entity, the following provisions shall be applicable:

(a) In the event OWNER conveys any portion of the Property and/or public facilities constructed on any portion of the Property to COUNTY or any other public entity and said Property is subject to payment of taxes and/or assessments, such taxes and/or assessments shall be paid in full by OWNER prior to completion of any such conveyance.

(b) If OWNER is in default in the payment of any taxes and/or assessments, OWNER shall be considered to be in default of this Agreement and COUNTY may, in its sole discretion, initiate proceedings pursuant to Section 8.4 of this Agreement.

Notwithstanding the foregoing, it is acknowledged and agreed by the parties that nothing contained in this Agreement shall be construed as requiring COUNTY or the COUNTY Board of Supervisors to form any such district or to issue and sell bonds.

6. REVIEW FOR COMPLIANCE.

6.1 Annual Review. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall review this Agreement annually, on or before the September 15th of each year commencing on the September 15th at least six months after the Effective Date, in order to ascertain the good faith compliance by OWNER with the terms of the Agreement. On or before July 1st of each year, OWNER shall submit an annual monitoring report, in a form specified by the TLMA Director consistent with the template attached hereto as Exhibit "H", providing all information necessary to evaluate such good faith compliance as determined by the TLMA Director.

6.2 Special Review. The Board of Supervisors may order a special review of compliance with this Agreement at any time. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall conduct such special reviews.

6.3 Procedure.

(a) During either an annual review or a special review, OWNER shall be required to demonstrate good faith compliance with the terms of the Agreement. The burden of proof on this issue shall be on OWNER.

(b) Upon completion of an annual review or a special review, the TLMA Director shall submit a report to the Board of Supervisors setting forth the evidence concerning good faith compliance by OWNER with the terms of this Agreement and his recommended finding on that issue.

(c) If the Board finds on the basis of substantial evidence that OWNER has complied in good faith with the terms and conditions of this Agreement, the review shall be concluded.

(d) If the Board makes a preliminary finding that OWNER has not complied in good faith with the terms and conditions of this Agreement, the Board may modify or terminate this Agreement as provided in Section 6.4 and Section 6.5. Notice of default as provided under Section 8.4 of this Agreement shall be given to OWNER prior to or concurrent with, proceedings under Section 6.4 and Section 6.5.

6.4 Proceedings Upon Modification or Termination. If, upon a preliminary finding under Section 6.3, COUNTY determines to proceed with modification or termination of this Agreement, COUNTY shall give written notice to OWNER of its intention so to do. The notice shall be given at least ten (10) calendar days prior to the scheduled hearing and shall contain:

(a) The time and place of the hearing;

(b) A statement as to whether or not COUNTY proposes to terminate or to modify the Agreement; and,

(c) Such other information as is reasonably necessary to inform OWNER of the nature of the proceeding.

6.5 Hearing on Modification or Termination. At the time and place set for the hearing on modification or termination, OWNER shall be given an opportunity to be heard and shall be entitled to present written and oral evidence. OWNER shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on this issue shall be on OWNER. If the Board of Supervisors finds, based upon substantial evidence, that OWNER has not complied in good faith with the terms or conditions of the Agreement, the Board may terminate this Agreement or modify this Agreement and impose such conditions as are reasonably necessary to protect the interests of the County. The decision of the Board of Supervisors shall be final, subject only to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

6.6 Certificate of Agreement Compliance. If, at the conclusion of an annual or special review, OWNER is found to be in compliance with this Agreement, COUNTY shall, upon request by OWNER, issue a Certificate of Agreement Compliance ("Certificate") to OWNER stating that after the most recent annual or special review and based upon the information known or made known to the TLMA Director and Board of Supervisors that (1) this Agreement remains in effect and (2) OWNER is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, shall state whether the Certificate is issued after an annual or a special review and shall state the anticipated date of commencement of the next annual review. OWNER may record the Certificate with the County Recorder.

Whether or not the Certificate is relied upon by transferees or OWNER, COUNTY shall not be bound by a Certificate if a default existed at the time of the Periodic or Special Review, but was concealed from or otherwise not known to the TLMA Director or Board of Supervisors.

7. INCORPORATION AND ANNEXATION.

7.1 Intent. If all or any portion of the Property is annexed to or otherwise becomes a part of a city or another county, it is the intent of the parties that this Agreement shall survive and be binding upon such other jurisdiction.

7.2 Incorporation. If at any time during the term of this Agreement, a city is incorporated comprising all or any portion of the Property, the validity and effect of this Agreement shall be governed by Section 65865.3 of the Government Code.

7.3 Annexation. OWNER and COUNTY shall oppose, in accordance with the procedures provided by law, the annexation to any city of all or any portion of the Property unless both OWNER and COUNTY give written consent to such annexation.

8. DEFAULT AND REMEDIES.

8.1 Remedies in General. It is acknowledged by the parties that COUNTY would not have entered into this Agreement if it were to be liable in damages under this Agreement, or with respect to this Agreement or the application thereof.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that COUNTY shall not be liable in damages to OWNER, or to any successor in interest of OWNER, or to any other person, and OWNER covenants not to sue for damages or claim any damages:

(a) For any breach of this Agreement or for any cause of action which arises out of this Agreement; or

(b) For the taking, impairment or restriction of any right or interest conveyed or provided under or pursuant to this Agreement; or

(c) Arising out of or connected with any dispute, controversy or issue regarding the application, validity, interpretation or effect of the provisions of this Agreement.

~~Notwithstanding anything in this Article 8 to the contrary, OWNER's liability to COUNTY in connection with this Agreement shall be limited to direct damages and shall exclude any other liability, including without limitation liability for special, indirect, punitive or consequential damages in contract, tort, warranty, strict liability or otherwise.~~

8.2 Specific Performance. The parties acknowledge that money damages and remedies at law generally are inadequate and specific performance and other non-monetary relief are particularly appropriate remedies for the enforcement of this Agreement and should be available to all parties for the following reasons:

(a) Money damages are unavailable against COUNTY as provided in Section 8.1 above.

(b) Due to the size, nature and scope of the project, it may not be practical or possible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, OWNER may be foreclosed from other choices it may have had to utilize the Property or portions thereof. OWNER has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, and it is not possible to determine the sum of money which would adequately compensate OWNER for such efforts.

8.3 General Release. Except for non-damage remedies, including the remedy of specific performance and judicial review as provided for in Section 4.2.6 (c) and Section 6.5, OWNER, for itself, its successors and assignees, hereby releases the COUNTY, its officers, agents, employees, and independent contractors from any and all claims, demands, actions, or suits of any kind or nature whatsoever arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other monetary liability or damages, whatsoever, upon the COUNTY because it entered into this Agreement or because of the terms of this Agreement. OWNER hereby waives the provisions of Section 1542 of the Civil Code which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

8.4 Termination or Modification of Agreement for Default of OWNER. Subject to the provisions contained in Subsection 6.5 herein, COUNTY may terminate or modify this Agreement for any failure of OWNER to perform any material duty or obligation of OWNER under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as "default"); provided, however, COUNTY may terminate or modify this Agreement pursuant to this Section only after providing written notice to OWNER of default setting forth the nature of the default and the actions, if any, required by OWNER to cure such default and, where the default can be cured, OWNER has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.5 Termination of Agreement for Default of COUNTY. OWNER may terminate this Agreement only in the event of a default by COUNTY in the performance of a material term of this Agreement and only after providing written notice to COUNTY of default setting forth the nature of the default and the actions, if any, required by COUNTY to cure such default and, where the default can be cured, COUNTY has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.6 Attorneys' Fees. In any action at law or in equity to enforce or interpret this Agreement, or otherwise arising out of this Agreement, including without limitation any action for declaratory relief or petition for writ of mandate, the parties shall bear their own attorneys' fees.

9. THIRD PARTY LITIGATION.

9.1 General Plan Litigation. COUNTY has determined that this Agreement is consistent with its General Plan, and that the General Plan meets all requirements of law.

OWNER has reviewed the General Plan and concurs with COUNTY's determination. The parties acknowledge that:

(a) Litigation may be filed challenging the legality, validity and adequacy of the General Plan; and,

(b) If successful, such challenges could delay or prevent the performance of this Agreement and the development of the Property.

COUNTY shall have no liability in damages under this Agreement for any failure of COUNTY to perform under this Agreement or the inability of OWNER to develop the Property as contemplated by the Development Plan of this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, or portions thereof, are invalid or inadequate or not in compliance with law.

9.2 Third Party Litigation Concerning Agreement. OWNER shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless COUNTY, its officers, agents, employees and independent contractors from any claim, action or proceeding against COUNTY, its officers, agents, employees or independent contractors to attack, set aside, void, or annul the approval of this Agreement or the approval of any permit granted pursuant to this Agreement. COUNTY shall promptly notify OWNER of any such claim, action or proceeding, and COUNTY shall cooperate in the defense. If COUNTY fails to promptly notify OWNER of any such claim, action or proceeding, or if COUNTY fails to cooperate in the defense, OWNER shall not thereafter be responsible to defend, indemnify, or hold harmless COUNTY. COUNTY may in its discretion participate in the defense of any such claim, action or proceeding.

9.3 Indemnity. In addition to the provisions of 9.2 above, OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of OWNER, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (OWNER's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure and conveyance of the public improvements, save and except claims for damages arising through the sole active negligence or sole willful misconduct of COUNTY. OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. COUNTY may in its discretion participate in the defense of any such legal action.

9.4 Environment Assurances. OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability, based or asserted, upon any act or omission of OWNER, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns and independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil

and groundwater conditions, and OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any action based or asserted upon any such alleged act or omission. COUNTY may in its discretion participate in the defense of any such action.

9.5 Reservation of Rights. With respect to Sections 9.2, 9.3 and 9.4 herein, COUNTY reserves the right to either (1) approve the attorney(s) which OWNER selects, hires or otherwise engages to defend COUNTY hereunder, which approval shall not be unreasonably withheld, or (2) conduct its own defense, provided, however, that OWNER shall reimburse COUNTY forthwith for any and all reasonable expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor.

9.6 Survival. The provisions of Sections 8.1 through 8.3, inclusive, Section 8.6 and Sections 9.1 through 9.6, inclusive, shall survive the termination of this Agreement.

10. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit OWNER, in any manner, at OWNER's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. COUNTY acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with OWNER and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. COUNTY 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 Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

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

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee, has submitted a request in writing to the COUNTY in the manner specified herein for giving notices, shall be entitled to receive written notification from COUNTY of any default by OWNER in the performance of OWNER's obligations under this Agreement.

(c) If COUNTY timely receives a request from a Mortgagee requesting a copy of any notice of default given to OWNER under the terms of this Agreement, COUNTY shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to OWNER. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. If the Planning Director, acting in consultation with the County Executive Officer and County Counsel, provides her prior written consent, which consent shall not be unreasonable withheld, a Mortgagee in possession shall not have an obligation or duty under this Agreement to perform any of OWNER's obligations or other affirmative covenants of OWNER hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by OWNER is a condition precedent to the performance of a covenant by COUNTY, the performance thereof shall continue to be a condition precedent to COUNTY's performance hereunder. Any transfer by any Mortgagee in possession shall be subject to the provisions of Section 2.4 of this Agreement.

11. MISCELLANEOUS PROVISIONS.

11.1 Recordation of Agreement. This Agreement and any amendment, modification, termination or cancellation thereof shall be recorded with the County Recorder by the Clerk of the Board of Supervisors within the period required by Section 65868.5 of the Government Code.

11.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Section 4.2 of this Agreement, including the payments set forth therein, are essential elements of this Agreement and COUNTY would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

11.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

11.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

11.6 Gender and Number. As used herein, the neuter gender includes the masculine and feminine, the feminine gender includes the masculine, and the masculine gender includes the feminine. As used herein, the singular of any word includes the plural.

11.7 Joint and Several Obligations. If at any time during the term of this Agreement the Property is owned, in whole or in part, by more than one OWNER, all obligations of such OWNERS under this Agreement shall be joint and several, and the default of any such OWNER shall be the default of all such OWNERS.

11.8 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

11.9 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

11.10 No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

11.11 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force). If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended under any circumstances for more than five (5) years.

11.12 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

11.13 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is binding upon each party and each successor in interest during ownership of the Property or any portion thereof.

11.14 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

11.15 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Riverside Historic Courthouse of the Superior Court of the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

11.16 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between COUNTY and OWNER is that of a government entity regulating the development of private property and the owner of such property.

11.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this 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 or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

11.18 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by COUNTY of its power of eminent domain.

11.19 Agent for Service of Process. In the event OWNER is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, OWNER shall file with the TLMA Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon OWNER. If for any reason service of such process upon such agent is not feasible, then in such event OWNER may be personally served with such process out of this County and such service shall constitute valid service upon OWNER. OWNER is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto. OWNER for itself, assigns and successors hereby waives the provisions of the Hague

Convention (Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil or Commercial Matters, 20 U.S.T. 361, T.I.A.S. No. 6638).

11.20 Designation of COUNTY Officials. Except for functions to be performed by the Board of Supervisors, COUNTY may, at any time and in its sole discretion, substitute any COUNTY official to perform any function identified in this Agreement as the designated responsibility of any other official. COUNTY shall provide notice of such substitution pursuant to Section 2.8; provided, however, the failure to give such notice shall not affect the authority of the substitute official in any way.

11.21 Authority to Execute. The person executing this Agreement on behalf of OWNER warrants and represents that he has the authority to execute this Agreement on behalf of his corporation, partnership or business entity and warrants and represents that he has the authority to bind OWNER to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

COUNTY OF RIVERSIDE

Dated:

By: JEFF STONE
Chairman, Board of Supervisors

ATTEST:

KECIA HARPER-IHEM

Clerk of the Board

By:
Deputy
(SEAL)

FORM APPROVED COUNTY COUNSEL
BY: Tiffany N. North DATE: 4/15/14

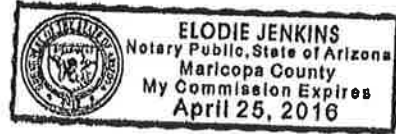


OWNER: INDIGO RANCH PROJECT LLC

Dated: 04/15/2014

By: Thomas Koerner
President, Vice President and Treasurer

Elodie Jenkins
April 15, 2014



OWNER: JOHN STEPHEN DRASKOVICH

Dated:

By: John Stephen Draskovich

OWNER: TODD CULVER DRASKOVICH

Dated:

By: Todd Culver Draskovich

OWNER: INDIGO RANCH PROJECT LLC

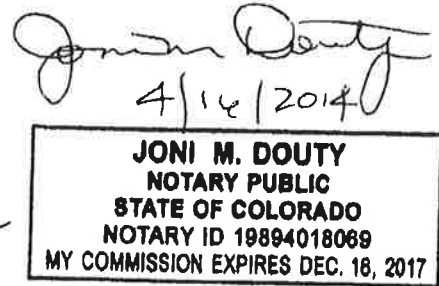
Dated:

By: Thomas Koerner
President, Vice President and Treasurer

OWNER: JOHN STEPHEN DRASKOVICH

Dated: 4/16/14

John Stephen Draskovich
By: John Stephen Draskovich



OWNER: TODD CULVER DRASKOVICH

Dated:

By: Todd Culver Draskovich

OWNER: INDIGO RANCH PROJECT LLC

Dated:

By: Thomas Koerner
President, Vice President and Treasurer

OWNER: JOHN STEPHEN DRASKOVICH

Dated:

By: John Stephen Draskovich

OWNER: TODD CULVER DRASKOVICH

Dated: 4-16-14

Todd Culver Draskovich
By: Todd Culver Draskovich

State of California
County of Contra Costa
On 4-16-2014 before me, Karen C. Hewitt
Notary Public, personally appeared Todd Culver Draskovich

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: Karen C. Hewitt





OWNER: RIVERSIDE JOJOBA INC.

Dated:

D Galshack

By: David Galshack
Vice President



Deborah S Whitley

Dated:

By: Gail Floch
Secretary

(ALL SIGNATURES SHALL BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC. EXECUTION ON BEHALF OF ANY CORPORATION SHALL BE BY TWO CORPORATE OFFICERS.)

OWNER: RIVERSIDE JOJOBA INC.

Dated:

By: David Galshack
Vice President

Dated: 4-18-14

By: Gail Floch
Secretary



Deborah S. Whitley

(ALL SIGNATURES SHALL BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC. EXECUTION ON BEHALF OF ANY CORPORATION SHALL BE BY TWO CORPORATE OFFICERS.)

Development Agreement No. 78

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT "A"

Page 1 of 1

DEVELOPMENT AGREEMENT NO. 78

REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA. BEING PARCEL 22, AND PARCEL 25 OF PARCEL MAP NO. 16129, FILED IN BOOK 96 OF PARCEL MAPS, PAGE 76-80, RIVERSIDE COUNTY RECORDS. MORE PARTICULARLY DESCRIBED AS FOLLOWS:


BEGINNING AT THE SOUTHWEST CORNER OF SAID PARCEL 22, THENCE ALONG THE BOUNDARY OF SAID PARCEL 22 AND PARCEL 25 ALONG THE FOLLOWING 4 COURSES:

1. NORTH 00°45'19" WEST 2637.79 FEET;
2. THENCE, NORTH 89°54'34" EAST 661.70 FEET;
3. THENCE, SOUTH 00°47'06" EAST 2638.72 FEET;
4. THENCE, SOUTH 89°59'17" WEST 663.08 FEET TO THE POINT OF BEGINNING.

CONTAINING 40.12 ACRES, MORE OR LESS.

SEE EXHIBIT "B", PLAT TO ACCOMPANY DESCRIPTION, ATTACHED HERETO AND MADE A PART HEREOF.

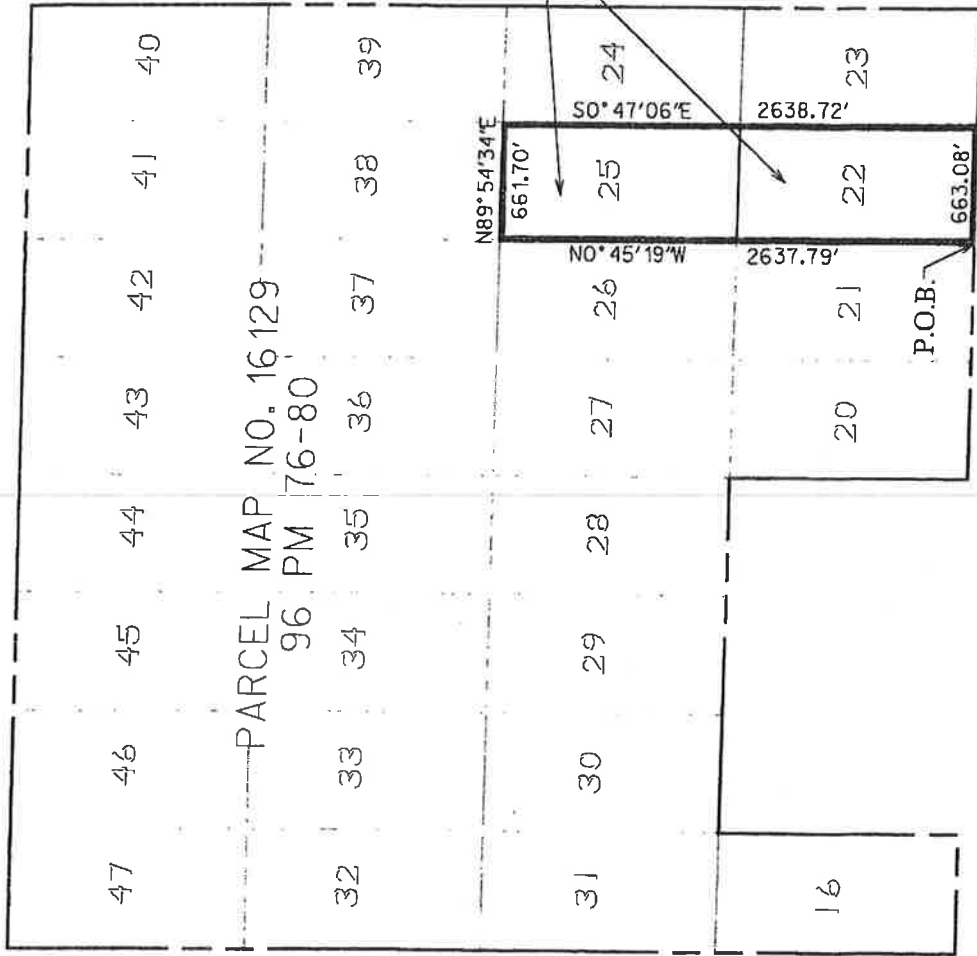
PREPARED BY:


JOHN K. JEFFRIES, L.S. 7820
(L.I.C. EXPIRES 12/31/15)
STATE OF CALIFORNIA



4/8/14
DATE

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



PARCEL MAP NO. 16129
96 PM 76-80

2525 EAST BIDWELL STREET
FOLSOM, CA 95630
916.638.8200
(FAX)916.934.5144



DEVELOPEMENT AGREEMENT NO. 78
AREA = 40.12 +/- AC.

Exhibit:

"B"

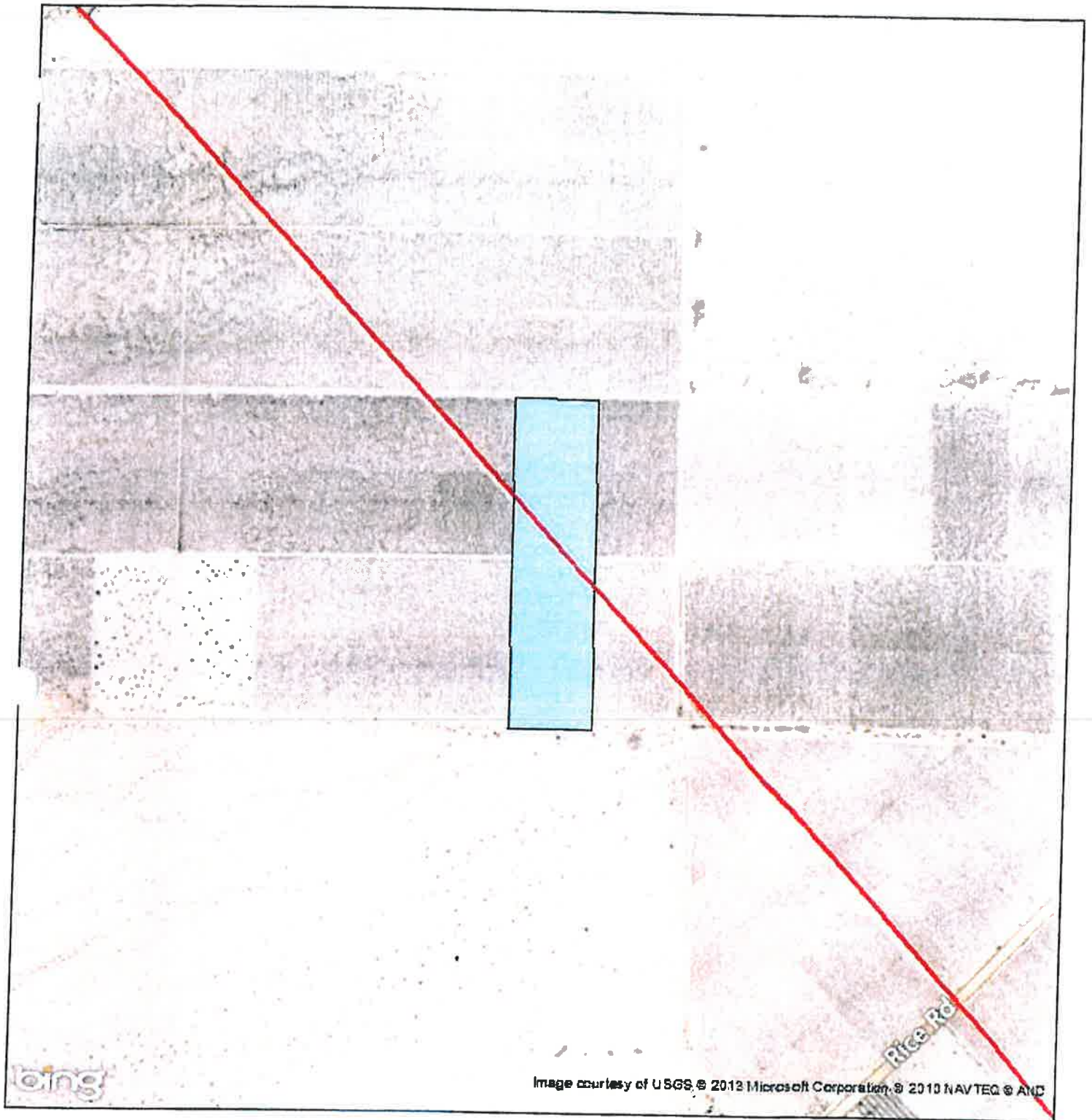
17003






S:\17003-Blue Oak Indigo Ranch\Survey\Legend\17003_02V_78_A0_EX8-9.dgn
 09-Apr-2014 11:31
 V:\FR-2014\18103\mtdrda\Bentley-2008\workspace\proj\ofa\corpstd_2005_5ACh11.plt\corpstd_2005_5ACh11.dgn

Development Agreement No. 78

EXHIBIT "B"

MAP SHOWING PROPERTY AND ITS LOCATION



Riverside County	Map Details		Map Description	
		 Project Site  Transmission	The project is located in the East of Victory Pass Quadrangle in eastern Riverside County.	Drawn By: LWC
		Figure 1: Vicinity Aerial Map		Date: 2/9/12
			SILVERADO	Revised By:
				INDIGO RANCH

Development Agreement No. 78

EXHIBIT C

EXISTING DEVELOPMENT APPROVALS

Specific Plan

Zoning

Zoning Classification: Light Agriculture – 20 Acre Minimum (A-1-20)

Conditional Use Permit No. 3693

General Plan Land Use Designation

Agriculture (AG) (10 Acre Minimum)

Land Divisions

Other Development Approvals

Agricultural Preserve Case No. 164 (AGN00164)

Agricultural Preserve Case No. 1027

The development approvals listed above include the approved maps and all conditions of approval.

COPIES OF THE EXISTING DEVELOPMENT APPROVALS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.

Development Agreement No. 78

EXHIBIT D

EXISTING LAND USE REGULATIONS

1. Riverside County General Plan as amended through Resolution No. 2014-040
2. Ordinance No. 348 as amended through Ordinance No. 348.4729 (adopted 3/11/2014)
3. Ordinance No. 448 as amended through Ordinance No. 448.A
4. Ordinance No. 457 as amended through Ordinance No. 457.103
5. Ordinance No. 458 as amended through Ordinance No. 458.13
6. Ordinance No. 460 as amended through Ordinance No. 460.151
7. Ordinance No. 461 as amended through Ordinance No. 461.10
8. Ordinance No. 509 as amended through Ordinance No. 509.2
9. Ordinance No. 547 as amended through Ordinance No. 547.7
10. Ordinance No. 555 as amended through Ordinance No. 555.19
11. Ordinance No. 617 as amended through Ordinance No. 617.4
12. Ordinance No. 650 as amended through Ordinance No. 650.5
13. Ordinance No. 659 as amended through Ordinance No. 659.12
14. Ordinance No. 663 as amended through Ordinance No. 663.10
15. Ordinance No. 671 as amended through Ordinance No. 671.20
16. Ordinance No. 673 as amended through Ordinance No. 673.3

17. Ordinance No. 679 as amended through Ordinance No. 679.4
18. Ordinance No. 682 as amended through Ordinance No. 682.4
19. Ordinance No. 726 as amended through Ordinance No. 726
20. Ordinance No. 743 as amended through Ordinance No. 743.3
21. Ordinance No. 748 as amended through Ordinance No. 748.1
22. Ordinance No. 749 as amended through Ordinance No. 749.1
23. Ordinance No. 752 as amended through Ordinance No. 752.2
24. Ordinance No. 754 as amended through Ordinance No. 754.2
25. Ordinance No. 787 as amended through Ordinance No. 787.7
26. Ordinance No. 806 as amended through Ordinance No. 806
27. Ordinance No. 810 as amended through Ordinance No. 810.2
28. Ordinance No. 817 as amended through Ordinance No. 817.1
29. Ordinance No. 824 as amended through Ordinance No. 824.13
30. Ordinance No. 847 as amended through Ordinance No. 847.1
31. Ordinance No. 859 as amended through Ordinance No. 859.2
32. Ordinance No. 875 as amended through Ordinance No. 875.1
33. Resolution No. 2012 -047 Establishing Procedures and Requirements of the
County of Riverside for the Consideration of Development Agreements
34. Board of Supervisors Policy No. B-29 as amended May 21, 2013

COPIES OF THE EXISTING LAND USE REGULATIONS LISTED ABOVE ARE
ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE
INCORPORATED HEREIN BY REFERENCE.

Development Agreement No. 78

EXHIBIT "E"

SOLAR POWER PLANT

The Indigo Ranch Solar Project is a 4.5 megawatt (MW) photovoltaic solar power plant utilizing either fixed tilt or single-axis tracker technology. The Project is located on up to 40 acres of previously disturbed fallow agricultural within the competitive renewable energy zone (CREZ) of rural eastern Riverside County. The Project delivers power through an interconnection point on Southern California Edison's Desert Center, 12.47 kilovolt (kV) distribution line which transects the subject site. The Project also includes the installation of a 12 kV Remote Automatic Recloser (RAR) on an existing pole of SCE's 12 kV circuit, installation of two new 60 ft. poles within an existing right-of-way along Phone Line Road, and replacement of three protection relays within SCE's Eagle Mountain Substation.

This Project holds an executed Power Purchase Agreement (PPA) with Southern California Edison (SCE) for a fixed term of twenty years and a scheduled commercial online date of October 5, 2014. Construction is currently scheduled to begin in June, 2014. The life of the facility is proposed at thirty (30) years and includes the PPA term of 20 years with an additional 10 years for merchant power generation. At the end of the life of the facility, the Project will be decommissioned or could seek an additional CUP to permit further use of the facility.

Environmental Assessment No. 42580 related to Conditional Use Permit No. 3693 indicates that the Project has minimal environmental impacts that are mitigated to less than significant levels through conditions of approval, project design and mitigation measures. The Project is considered exempt from Board of Supervisors Policy No. B-29 but is seeking a Development Agreement to extend the term of the conditional use permit to meet contractual obligations and financing requirements. The Project and Development Approvals conform to the policies and ordinances of Riverside County.

Development Agreement No. 78

EXHIBIT "F"

SOLAR POWER PLANT NET ACREAGE

No less than 20 acres and up to approximately 40 acres, subject to adjustment as provided in Section 1.1.20

Development Agreement No. 78

EXHIBIT "G"

APPLICABLE COUNTY DEVELOPMENT IMPACT FEES

1. Development Impact Fees – Ordinance No. 659

a. Area Plan: Desert Center/CV Desert

b. Fee Category: Surface Mining

c. Fee Amount: The fee amount payable shall be at the Surface Mining rate currently in effect, as set forth in Ordinance No. 659, as of the date the fee is paid . For reference purposes only, the fee as of the Effective Date of this Agreement is \$5,086 per acre, with a current temporary reduction by fifty percent (50%) for a total of \$2,543 per acre. OWNER and COUNTY acknowledge that the fee rate as of the Effective Date of this Agreement may not be the same as the fee rate as of the date the OWNER elects to pay the fee if Ordinance No. 659 is amended by the Board of Supervisors prior to the date of fee payment. Additionally, OWNER and COUNTY acknowledge that the Board of Supervisors may suspend any temporary reduction of fees at any time.

2. Development Impact Fees for the Project shall be computed on a Project Area basis as set forth in Section 13 of Ordinance No. 659 using the Surface Mining fee amount per acre. OWNER and COUNTY acknowledge that the Project Area acreage used for the computation of Development Impact Fees shall be limited to the Solar Power Plant Net Acreage, as the same may be modified pursuant to Section 1.1.20. OWNER and COUNTY acknowledge that any temporary reduction of fees approved by the Board of Supervisors in place at the time of payment shall be applicable to the Project.

Development Agreement No. 78

EXHIBIT "H"

ANNUAL REVIEW REPORT TEMPLATE

**ANNUAL REVIEW REPORT
FOR USE WITH DEVELOPMENT AGREEMENT NO. 78 ONLY**

To be completed by the Solar Power Plant Developer/Owner by July 1st of each year and submitted to the County of Riverside for review in accordance with Government Code section 65865.1.

Date: _____

Development Agreement No.: _____

Effective Date of Development Agreement: _____

Developer/Owner: _____

Project Name: _____

Permit Number(s): _____

APN Number(s): _____

Twelve-Month Period Covered by this Annual Review Report: _____

* * *

Owner Representation: I warrant and represent that I have authority to execute this Annual Review Report on behalf of Developer/Owner. I certify that the information filed is true and correct to the best of my knowledge and that Developer/Owner is in good faith compliance with the terms of the above referenced Development Agreement, including all conditions of approval for the above listed permits which are part of the Existing Development Approvals and Development Plan covered by the Development Agreement. I understand that the County may require additional information to supplement this Annual Review Report to aid in the County's determination.

Signature of Developer/Owner: _____

Print Name and Title: _____

* * *

[TO BE COMPLETED BY COUNTY]

County Determination: Developer is found to be in good faith substantial compliance with the terms and conditions of the Development Agreement for the period covered by this Annual Review Report.

TLMA Director:

Signature: _____

Date: _____