

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



ITEM: 3.33
(ID # 11204)

MEETING DATE:

Tuesday, November 5, 2019

FROM : TLMA-PLANNING:

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/PLANNING: DESERT QUARTZITE SOLAR PROJECT - ADOPTION OF ORDINANCE NO. 664.62, APPROVING DEVELOPMENT AGREEMENT NO. 1900017 - Applicant: Desert Quartzite, LLC - Engineer/Representative: URS Corporation - Fourth Supervisorial District - Chuckwalla Zoning Area - Palo Verde Valley Area Plan: Agriculture (AG) - Location: The overall solar facility is located south of Interstate 10 and west of Mesa Drive - 160 gross acres (County Jurisdiction) APN: 879-110-001. District 4. [Applicant fees 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. **ADOPT** ORDINANCE NO. 664.62, an Ordinance of the County of Riverside approving Development Agreement No. 1900017.


ACTION:Policy

Charissa Leach, Assistant TLMA Director 10/28/2019

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and Ordinance No. 664.62 is adopted as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: November 5, 2019
xc: Planning, COB

Kecia R. Harper
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS: Applicant Fees 100%			Budget Adjustment:	No
			For Fiscal Year:	N/A

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

The public hearing on the Desert Quartzite Solar Project ("Project") was held on October 29, 2019 (agenda item 21.1). At the conclusion of public testimony, the Board of Supervisors closed the public hearing and: (i) adopted Resolution No. 2019-232 Certifying the Environmental Impact Report for the Desert Quartzite Solar Project (EIR00544), adopting environmental findings pursuant to the California Environmental Quality Act, and adopting a Mitigation Monitoring and Reporting Program; (ii) approved Conditional Use Permit No. 3721, subject to the conditions of approval, advisory notification document and based upon the findings and conclusions incorporated in the staff report and in Resolution No. 2019-232; and (iii) introduced Ordinance No. 664.62 Approving Development Agreement No. 1900017 based upon the findings and conclusions incorporated in the staff report and in Resolution No. 2019-232.

The adoption of Ordinance No. 664.62 will finalize the Board's approval of Development Agreement No. 1900017 (DA No. 1900017) for the Project. Per State law, a Development Agreement is a legislative act that must be approved by Ordinance. Ordinance No. 664.62 incorporates by reference and adopts DA No. 1900017.

As previously advised in Agenda Item 21.1 of October 29, 2019, DA No. 1900017 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. 1900017 contains terms consistent with Board of Supervisors Policy No. B-29, including terms regarding public benefit payments and increases (Section 4.2 of DA No. 1900017) and 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 (Section 4.3 of DA No. 1900017). The DA establishes an adjusted Development Impact Fee (DIF) total of \$259,875 and an additional Community Benefit Fee (CBF) also at a total of \$259,875, which would both be paid prior to grading or building permit, whichever occurs first (Section 4.4 of DA No. 1900017).

Approval and use of Conditional Use Permit No. 3721 are conditioned upon DA No. 1900017 being entered into and effective.

Impact on Citizens and Businesses

The impacts of processing DA No. 1900017 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 October 29, 2019, public hearing scheduled for this Project and any verbal or written testimony provided

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

by the public was considered by the Board at that time. Today's action on the adoption of Ordinance No. 664.62 will finalize the Board's approval of DA No. 1900017.

SUPPLEMENTAL:

Additional Fiscal Information

Staff labor and expenses to process this project have been paid directly through the applicant's deposit based fees. There was no General Fund used on this project.

ATTACHMENTS:

- A. Ordinance No. 664.62**
- B. Development Agreement No. 1900017**



Jason Farin, Senior Management Analyst

10/30/2019



Gregory V. Priamos, Director County Counsel

10/28/2019


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STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss

I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said county held on November 5, 2019, the foregoing ordinance consisting of 3 Sections was adopted by the following vote:

AYES: Jeffries, Spiegel, Washington, Perez and Hewitt
NAYS: None
ABSENT: None

DATE: November 5, 2019

KECIA R. HARPER
Clerk of the Board
By: 
Deputy

SEAL

2019-0511062

12/11/2019 02:13 PM Fee: \$ 0.00

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Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder



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

When recorded return to
Assistant TLMA Director – Planning and Land Use
4080 Lemon Street, 12th Floor
Riverside, CA 92501

6080

DEVELOPMENT AGREEMENT NO. 1900017

A DEVELOPMENT AGREEMENT BETWEEN

COUNTY OF RIVERSIDE

AND DESERT QUARTZITE, LLC

AND A-YUAN KAO CHAO

FINAL

11.5.19 3.33

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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" - Annual Review Report Template

DEVELOPMENT AGREEMENT NO. 1900017

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 collectively referred to as "OWNER"):

DESERT QUARTZITE, LLC and A-YUAN KAO CHAO

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 to the Project; 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 "Base Payment" means an amount equal to \$150 multiplied by the entire Solar Power Plant Net Acreage and which is payable to COUNTY annually pursuant to Subsections 4.2.1 and 4.2.2 of this Agreement and increased annually by 2% from and after 2013 (currently \$169 per acre in 2019).

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

1.1.4 "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.

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

- (a) Specific plans and specific plan amendments;
- (b) Zoning, including variances;
- (c) Conditional use permits, public use permits and plot plans;
- (d) Tentative and final subdivision and parcel maps;
- (e) Grading and building permits;
- (f) Right of Entry to access COUNTY owned wells in the Project vicinity for groundwater well monitoring; and
- (g) Environmental cleanup review.

1.1.6 “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.

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

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

1.1.9 “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.

1.1.10 “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.

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

1.1.12 “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.

1.1.13 "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.

1.1.14 "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.

1.1.15 "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.

1.1.16 "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.

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

1.1.18 "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 3.6 of this Agreement.

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

1.1.20 "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, any areas specifically designated and set aside as environmentally sensitive land, conservation land or open space land, or the fencing of

such designated lands. The Solar Power Plant Net Acreage included in the Existing Development Approvals is approximately 2,666 acres (2,506 acres of public land managed by the Bureau of Land Management (“BLM”) and 160 acres of private land) and is described and shown on Exhibit “F” to this Agreement. This area may be constructed in smaller units according to a phased schedule. In the event the Project is modified by any Subsequent Development Approval, the Assistant TLMA Director – Planning and Land Use, in consultation with the County Executive Officer and County Counsel, shall recalculate the Solar Power Plant Net Acreage as part of such Subsequent Development Approval 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.

1.1.21 “Subsequent Development Approvals” means all Development Approvals approved subsequent to the Effective Date in connection with development of the Property and not required to develop, maintain, repair or restore the Solar Power Plant in accordance with the Development Plan as it exists on the Effective Date.

1.1.22 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.23 “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” - 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. This Agreement shall commence on the Effective Date and shall continue for a period of thirty (30) years from the issuance of the first grading or building permit, whichever occurs first, 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 interest in 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, 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.

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

(d) OWNER's election to terminate this Agreement. If OWNER elects not to develop all or a portion of the Solar Power Plant Net Acreage as a Solar Power Plant, OWNER shall provide notice of such election to COUNTY and such notice shall (i) seek to terminate this Agreement as to the portion of the Solar Power Plant Net Acreage that is the subject of such notice of termination; and (ii) shall, as applicable, acknowledge that the Conditional Use Permit [CUP No. 3721] shall be null and void as to the Solar Power Plant Net Acreage that is the subject of such notice of termination. If the OWNER elects not to develop any of the 160 acres of private land and further satisfies the conditions of subsection (ii), the OWNER may terminate this Agreement in its entirety. Following receipt of OWNER's notice of election to terminate this Agreement, OWNER and COUNTY shall execute an appropriate instrument in recordable form evidencing such termination, and shall cause such instrument to be an amendment to this Agreement 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.

(e) Cancellation of the Agreement by the parties in accordance with section 2.5 of 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 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 or email records of the party sending the facsimile or email after transmission by facsimile or email 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

Assistant TLMA Director – Planning and Land Use
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:

DESERT QUARTZITE, LLC
c/o Robert Holbrook, P.E.
First Solar, Inc.
135 Main Street, 6th Floor
San Francisco, CA 94105
Fax No. (415) 894-6234
RHolbrook@FIRSTSOLAR.COM

with a copy to:

Jill Yung
Paul Hastings, LLP
101 California Street, 48th Floor
San Francisco, CA 94105
Fax No. (415) 856-7330
jillyung@paulhastings.com

with a copy to:

A-YUAN KAO CHAO
21725 Marjorie Avenue
Torrance, CA 90503
ayuankao@yahoo.com

(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 Existing Development Approvals shall not expire and shall remain valid for the Term of this Agreement so long as the Project remains in compliance with all conditions of approval for the Existing Development Approvals and in compliance with this Agreement. 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 take action on all applications for Subsequent Development Approvals, and such applications shall be processed in the normal manner for processing such matters. As set forth in Board of Supervisors Policy No. B-29, any agreements, permits or other approvals from COUNTY necessary to site, develop and operate the Solar Power Plant shall be eligible for an expedited entitlement process under the Fast Track Program.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which 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 or the Phasing Plan set forth in Section 3.4.

3.4 Phasing Plan. Development of the Property shall be subject to all timing and phasing requirements established by the Development Plan. In addition, Development of the Property may occur in phases. Each phase will be defined by the OWNER at the time the OWNER either (1) submits design plans to COUNTY for grading and building permits or (2) requests a notice to proceed from BLM to allow Solar Power Plant construction in a particular area. The construction of site access roads, substation, generation tie-line, operations and maintenance building and distribution lines would occur as the solar arrays are being assembled. Construction is anticipated to occur over 24 to 48 months, regardless of whether it is phased. If the development of the Solar Power Plant occurs in phases, the Annual Public Benefits Payments called for in Section 4.2 shall be based on the Solar Power Plant Net Acreage of each OWNER-defined phase.

3.5 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.

3.6 Reservations of Authority.

3.6.1 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 its current agricultural use of lands within COUNTY's jurisdiction, it is not anticipated that COUNTY will adopt any Development Exactions applicable to the development of the Property within the next three years. For that reason, no subsequently adopted Development Exaction shall be applicable to development of the Property for a period of five years from the Effective Date of this Agreement ("Exaction Safe Harbor"). After the Exaction Safe Harbor expires, 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.

3.6.2 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.

3.6.3 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.

3.6.4 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.

3.7 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.

3.8 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.

3.9 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.

3.10 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.

3.11 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 Annual Public Benefit Payments.

4.2.1 Initial Annual Public Benefit Payment. Prior to the issuance of the first grading or building permit, whichever occurs first, for any part of the Solar Power Plant, OWNER shall pay to COUNTY an amount equal to the Base Payment calculated on the entire Solar Power Plant Net Acreage; provided, however, that such initial annual public benefit payment shall be prorated based on the number of whole months remaining between the date of payment and the first following September 30th.

If the development of the Solar Power Plant occurs in phases, prior to issuance of the first grading or the first building permit, whichever occurs first, for any part of the Solar Power Plant, OWNER shall give notice to COUNTY in writing of OWNER'S decision to develop the Solar Power Plant in phases and shall pay to COUNTY an

amount equal to the Base Payment calculated on the entire Solar Power Plant Net Acreage for the first phased unit that the OWNER seeks to develop; provided however, that such initial annual public payment shall be prorated based on the number of whole months remaining between the date of payment and the first following September 30th. Prior to issuance of the first grading permit, the first building permit or the first notice to proceed with construction for each successive phased unit, whichever occurs first, for any part of the Solar Power Plant, OWNER shall pay to COUNTY an amount equal to the Base Payment calculated on the entire Solar Power Plant Net Acreage for each such successive phased unit; provided however, that such initial annual public benefit shall be prorated based on the number of whole months remaining between the date of payment and the first following September 30th.

4.2.2 Subsequent Annual Public Benefit Payments. Prior to the first September 30th following the initial annual public benefit payment and each September 30th thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Base Payment.

4.2.3 Suspension of Power Production. In the event the County takes action which compels a Solar Power Plant included in the Solar Power Plant Net Acreage to stop all power production for a period longer than 90 consecutive days for any reason other than a default under this Agreement or a violation of the conditions of approval of any Existing Development Approval or Subsequent Development Approval, the next payment due under Subsection 4.2.2 may be reduced up to 50 percent based on the period of time the Solar Power Plant was compelled to remain inoperative.

4.2.4 Continuation of Payments. Should all or any portion of Property become part of a city or another county, the payments payable pursuant to Subsection 4.2.2 shall be paid to COUNTY prior to the effective date of incorporation or annexation. During any incorporation or annexation proceeding, OWNER shall agree that any incorporation or annexation may be conditioned so as to require OWNER to make said payments to COUNTY prior to the effective date of incorporation or annexation.

4.3. 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 Department of Tax and Fee Administration (CDTFA) 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 Project, OWNER shall do the following, consistent with law:

(a) If OWNER meets the criteria set forth in applicable CDTFA regulations and policies, OWNER shall obtain a CDTFA 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 CDTFA regulations and policies must obtain a CDTFA 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, CDTFA 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 CDTFA 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 CDTFA. 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.

4.4 Development Impact Fees and Additional Community Benefit Fee. Ordinance No. 659 is the COUNTY'S Development Impact Fee ("DIF") Program 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. OWNER and COUNTY further recognize that almost all of the Project is located on public lands managed by BLM, which will conduct its own monitoring and enforcement activities while administering the use of its lands to ensure that open space and habitat are protected. OWNERS and COUNTY have accordingly agreed to an "Adjusted DIF" for this Project of \$259,875. In addition, OWNERS will pay an Additional Community Benefit Fee ("CBF") of \$259,875. The Adjusted DIF and CBF shall be paid on or before the issuance by COUNTY of the first grading or building permit, whichever comes first, for the Project or any phase of the Project. The COUNTY'S agreement to accept an Adjusted DIF and CBF in lieu of any other amounts owed under Ordinance No. 659 for the Project is contingent upon diligent development efforts by the OWNER. Therefore, the Adjusted DIF and CBF option will be void if the OWNER has not paid the Adjusted DIF and CBF for the Project within five (5) years of executing this Agreement. If the Adjusted DIF and CBF is void, the OWNER will be required to pay the DIF category that is applicable to utility scale solar power plant projects, either by ordinance or in practice, at the time payment of a DIF is required, unless otherwise modified by agreement of the Parties. Any amounts paid as part of the Adjusted DIF and CBF will be credited toward the DIF owed.

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 September 15th of each year commencing on 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 and consistent with the template attached hereto as Exhibit "I", 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 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 that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

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. Such termination will be effective within sixty (60) days after the effective date of such notice (1) where the default can be cured, but the defaulting OWNER has failed to take such actions and cure such default within sixty (60) days after the effective date of such notice or (2) in the event that such default cannot be cured within such sixty (60) day period but can be cured within a longer time, and the defaulting OWNER has failed to commence the actions necessary to cure such default within such sixty (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. Such termination will be effective within sixty (60) days after the effective date of such notice (1) where the default can be cured, but COUNTY has failed to take such actions and cure such default within sixty (60) days after the effective date of such notice or (2) in the event that such default cannot be cured within such sixty (60) day period but can be cured within a longer time, and COUNTY has failed to commence the actions necessary to cure such default within such sixty (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. In response to any third party litigation concerning this Agreement, OWNER may alternatively, in its sole discretion, (1) abandon the Development Plan and terminate its payment obligations under this Agreement, or (2) settle with third party litigants, provided that such settlement does not require changes in the Development Plan that must be approved by COUNTY.

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. No Mortgagee (including one who acquires title or possession to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination, eviction or otherwise) shall have any obligation to construct or complete construction of improvements, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to solar power plant use except in full compliance with this Agreement. 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. All payments called for under Sections 4.1, 4.2, 4.3, and 4.4 of this Agreement, to the extent that such payments are due, shall be a condition precedent to COUNTY'S performance under this Agreement. 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. Unless expressly stated herein, 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. In the event of a Material Condemnation, meaning a condemnation of all or a portion of the Property that will have the effect of preventing development of the Project in accordance with this Agreement, OWNER may (i) request the COUNTY to amend this Agreement and/or to amend the Development Plan, which amendment shall not be unreasonably withheld, (ii) decide, in its sole discretion, to challenge the condemnation, or (iii) request that COUNTY agree to terminate this Agreement by mutual agreement, which agreement shall not be unreasonably withheld, by giving a written request for termination to the COUNTY.

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 2.7; 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.

(SIGNATURES ON NEXT PAGE)

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

COUNTY OF RIVERSIDE

Dated: December 11, 2019

By 

Kevin Jeffries

Chairman, Board of Supervisors

ATTEST:

KECIA HARPER ~~HIER~~

Clerk of the Board

By 

Deputy

(SEAL)

FORM APPROVED COUNTY COUNSEL

BY:  DATE 10/17/19



OWNER:

DESERT QUARTZITE, LLC,

a Delaware limited liability company

By: Kathryn Arbeit DS
BA

Name: Kathryn Arbeit

Title: Vice President, Project Development Americas

Dated: October 22, 2019

DESERT QUARTZITE, LLC,

a Delaware limited liability company

By: _____

Name: Beth Deane

Title: Vice President and Assistant Secretary

Dated: _____

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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 San Francisco }

On October 22, 2019 before me, Ruth G. Bolender, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Kathryn Arbeit
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.



Place Notary Seal and/or Stamp Above

Signature Ruth G. Bolender
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Development Agreement # 001900017
Document Date: — Number of Pages: —
Signer(s) Other Than Named Above: —

Capacity(ies) Claimed by Signer(s)

Signer's Name: Kathryn Arbeit
 Corporate Officer – Title(s): Vice President
 Partner – Limited General
 Individual Attorney in Fact
 Trustee Guardian of Conservator
 Other: —
Signer is Representing: Desert Quartzite, LLC

Signer's Name: —
 Corporate Officer – Title(s): —
 Partner – Limited General
 Individual Attorney in Fact
 Trustee Guardian of Conservator
 Other: —
Signer is Representing: —

OWNER:

DESERT QUARTZITE, LLC,

a Delaware limited liability company

By: _____

Name: Kathryn Arbeit

Title: _____

Dated: _____

DESERT QUARTZITE, LLC,

a Delaware limited liability company

By: Beth Deane

Name: Beth Deane

Title: Vice President and Assistant Secretary

Dated: 10/22/19

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



District of Columbia: SS

Sworn to and subscribed before me on the 22 day of Oct, 2019

Rachael Bledsoe

Notary Public's Signature
My Commission Expires 10/14/2021

OWNER:

A-YUAN KAO CHAO

Dated:

By:  _____

Print Name: Ayuan Kao Chao

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


TEXAS NOTARY ACKNOWLEDGMENT

State of Texas

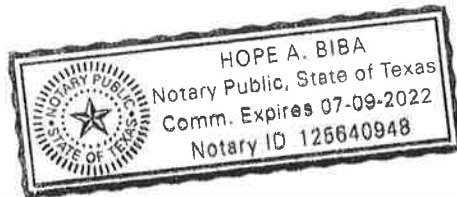
County of Williamson

Before me, Hope Biba (insert the name and character of the officer), on this day personally appeared Ayuan K. Chao, known to me (or proved to me on the oath of _____ or through CADL D3563371 (description of identity card or other document) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 22nd day of Oct, 2019



Notary Public Signature



(Seal)



Development Agreement No. 1900017

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

Legal Description of the BLM Portion of the Project Site:

San Bernardino Base and Meridian, Riverside County, California, Township 7S, Range 21E	
Section 3	W1/2, W1/2E1/2, S1/2SE1/4SE1/4, Lots 4, 5, 6
Section 4	S1/2 S1/2 S1/2
Section 5	S1/2 S1/2 S1/2
Section 6	S1/2 S1/2S E1/4
Section 7	NE1/4
Section 8	NW1/4NW1/4, SW1/4NW1/4
Section 9	E1/2
Section 10	All
Section 11	N1/2, SW1/4
Section 12	NW1/4, N1/2SW1/4
Section 13	N1/2, SW1/4, W1/2SE1/4, All that area NW CA 08974
Section 14	S1/2NE1/4, W1/2, SE1/4
Section 15	NW1/4, N1/2SW1/4, SE1/4, All that area NE of CA 4163
Section 22	NE1/4NE1/4, All that area NE of CA 4163
Section 23	N1/2, NE1/4SW1/4, SE1/4, All that area NE of CA 4163
Section 24	N1/2NW1/4, SW1/4NW1/4, NW1/4SW1/4, All that area NW of CA 8974

Legal Description of the Private Portion of the Project Site:

Real property situated in the unincorporated area of the County of Riverside, State of California, and is described as follows:

APN: 879-110-001-3

THE NORTHEAST QUARTER OF SECTION 15, TOWNSHIP 7 SOUTH, RANGE 21 EAST, SAN BERNARDINO BASE AND MERIDIAN.

EXCEPTING THEREFROM ALL OIL, GAS, OIL SHALE, COAL, PHOSPHATE, SODIUM, GOLD, SILVER AND ALL OTHER MINERAL DEPOSITS CONTAINED IN SAID LANDS, AS RESERVED IN PATENT RECORDED APRIL 02, 1954 AS INSTRUMENT NO. 16495 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

Development Agreement No. 1900017

EXHIBIT "B"

MAP SHOWING PROPERTY AND ITS LOCATION

Desert Quartzite Solar Project EIS/EIR

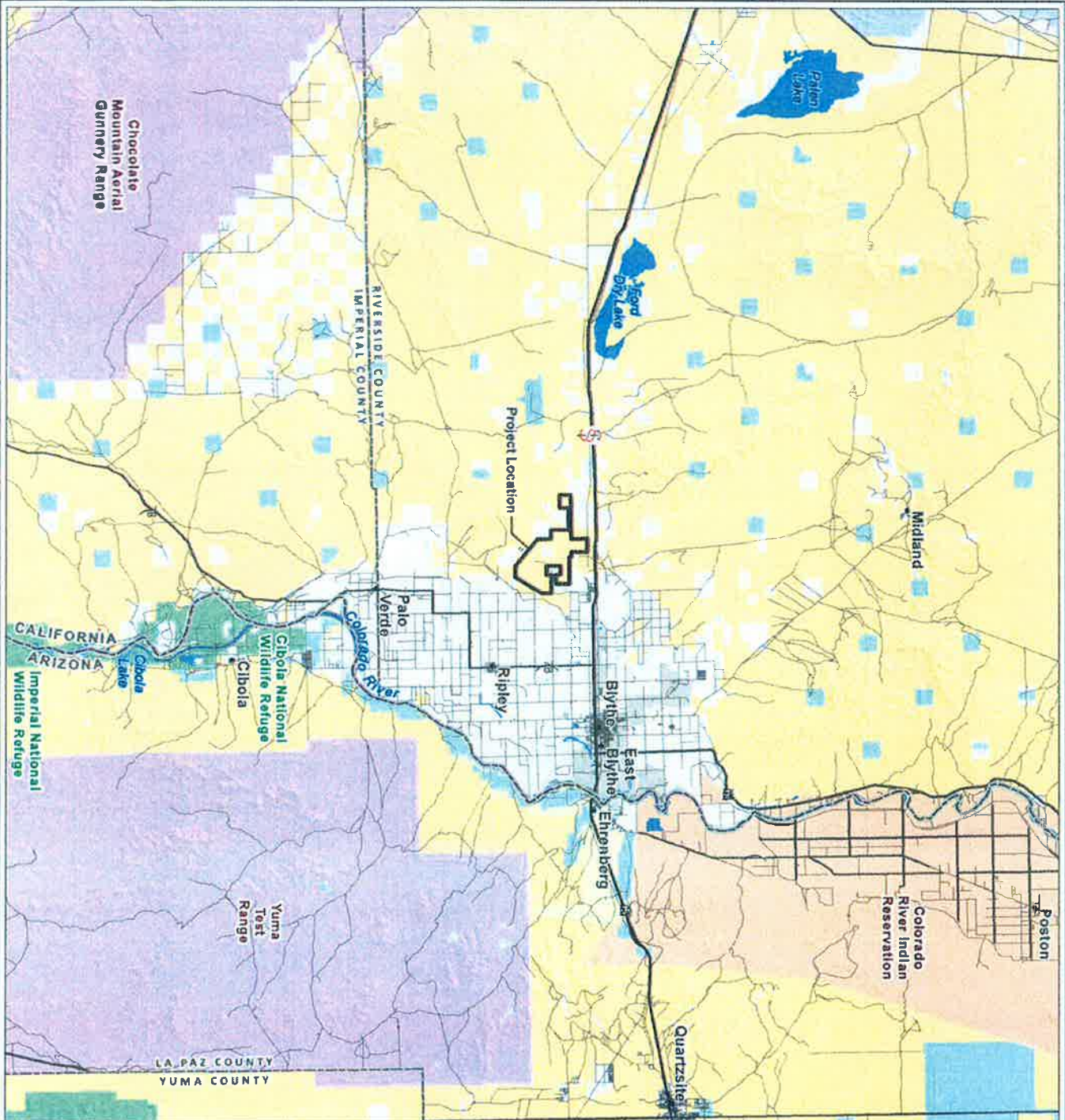
Legend

- Right-of-Way Application Boundary
- Surface Management BIA
- Surface Management BLM
- Surface Management BOR
- Surface Management DOD
- Surface Management Country/Local
- Surface Management NPS
- Surface Management State
- Surface Management USFWS
- Surface Management Other/Private
- Boundaries**
 - State Boundary
 - County Boundary
 - Urban Area
- Roads**
 - Interstate
 - US Highway
 - State Highway
 - Other Roads

Figure 1-1
Regional Context



Date: 1/27/2015
Sources: AECOM, BLM, ESRI, FWS, SDM, US Census, USGS



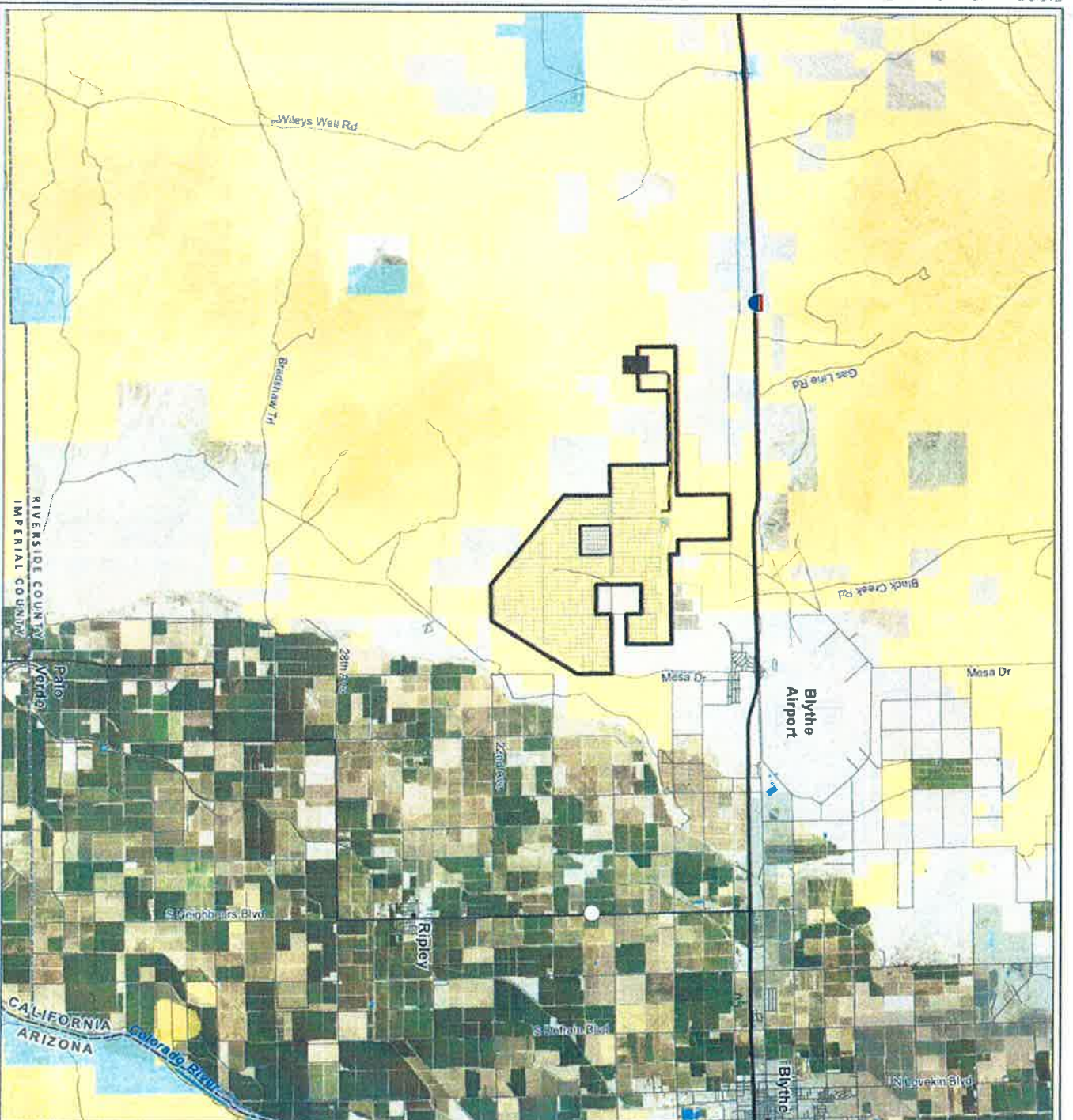
Desert Quartzite Solar Project EIS/EIR

Legend

- Right-of-Way Application Boundary
- Boundary of Private Land Parcel
- Colorado River Substation
- Gen-Tie Line
- Surface Management**
- BLM
- State
- Boundaries**
- State Boundary
- County Boundary
- Urban Area
- Roads**
- Interstate
- US Highway
- State Highway
- Other Roads

Figure 2-1
Project Location

Date: 7/19/2016
Source: AECOM, BLM, ESRI, Esri Sdata, US Census, USGS



Development Agreement No. 1900017

EXHIBIT C

EXISTING DEVELOPMENT APPROVALS
ON ASSESSOR'S PARCEL NO. 879-110-001

Specific Plan

Not in a Specific Plan

Zoning

W-2-10

Conditional Use Permit No. 3721

Land Divisions

None

Other Development Approvals

Environmental Impact Report No. 544

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. 1900017

EXHIBIT D

EXISTING LAND USE REGULATIONS

1. Riverside County General Plan as amended through Resolution No. 2019-150
2. Ordinance No. 348 as amended through Ordinance No. 348.4896
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. 458.16
6. Ordinance No. 460 as amended through Ordinance No. 460.154
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. 650.6
13. Ordinance No. 659 as amended through Ordinance No. 659.13
14. Ordinance No. 663 as amended through Ordinance No. 663.10
15. Ordinance No. 671 as amended through Ordinance No. 671.21
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. 742 as amended through Ordinance No. 742.1
21. Ordinance No. 743 as amended through Ordinance No. 743.3
22. Ordinance No. 748 as amended through Ordinance No. 748.1
23. Ordinance No. 749 as amended through Ordinance No. 749.1
24. Ordinance No. 752 as amended through Ordinance No. 752.2

25. Ordinance No. 754 as amended through Ordinance No. 754.2
26. Ordinance No. 787 as amended through Ordinance No. 787.8
27. Ordinance No. 806 as amended through Ordinance No. 806
28. Ordinance No. 810 as amended through Ordinance No. 810.2
29. Ordinance No. 817 as amended through Ordinance No. 817.1
30. Ordinance No. 824 as amended through Ordinance No. 824.15
31. Ordinance No. 847 as amended through Ordinance No. 847.1
32. Ordinance No. 859 as amended through Ordinance No. 859.3
33. Ordinance No. 875 as amended through Ordinance No. 875.1
34. Ordinance No. 915 as amended through Ordinance No. 915
35. Ordinance No. 925 as amended through Ordinance No. 925.1
36. Ordinance No. 926 as amended through Ordinance No. 926
37. Ordinance No. 927 as amended through Ordinance No. 927
38. Ordinance No. 931 as amended through Ordinance No. 931
39. Ordinance No. 949 as amended through Ordinance No. 949
40. Resolution No. 2012 -047 Establishing Procedures and Requirements of the County of Riverside for the Consideration of Development Agreements
41. 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. 1900017

EXHIBIT "E"

SOLAR POWER PLANT

The overall Project, known as the Desert Quartzite Solar Project, encompasses a total of 2,666.1 acres divided between County of Riverside and Bureau of Land Management jurisdiction. Of this 2,666.1 acre area, 2,436 acres is proposed for the solar facility on BLM land, 66.8 acres for the 230 kV transmission line on BLM land, 3.3 acres for buried telecommunications line and possible above-ground electrical service on BLM land, and 160 acres of the solar facility on private land under the jurisdiction of the County of Riverside.

The project proposes the construction and operation of a 450 megawatt (MW) commercial solar photovoltaic (PV) electrical generation facility. The solar panels will be a single-axis, tracking design aligned in north-south rows. The panels would be a maximum height of 13 feet at a maximum tilt position and a minimum clearance of approximately 1.5 feet beneath the panels would be provided. The panels would be connected to each other and would transmit the power generated via underground direct current (DC) cables that would lead to a Power Conversion Station (PCS) that would be situated within each larger group of rows of panels. The PCS would use an inverter to convert the DC power from the panels into alternative current (AC). A transformer at each PCS would step up the voltage to medium voltage AC (MVAC) at 34.5 kV and then transmitted to one of several Photovoltaic Combining Switchgear (PVCS) which would collect the power from a group of arrays and transmit to the on-site substation through overhead lines. The on-site substation is proposed within a 2.6 acre area at the northwestern portion of the Project site within BLM land. The voltage would be further stepped up at the substation to match Southern California Edison (SCE) regional transmission grid levels of 230 kV. The power would then be transmitted via a 2.79-mile long transmission line (gen-tie line) to the Colorado River Substation located to the west of the site all within BLM land.

An operations and maintenance (O&M) building is proposed adjacent to the on-site substation in the northwest portion of the Project Site. This building would be used for parts storage, facility security systems, and monitoring equipment and would include offices, restroom, and storage area within a 120 foot by 50 foot footprint. Additional storage containers would be located outside of the building. An above-ground water tank would be located at the building for drinking water and sanitary purposes. A septic system is also proposed to serve the building.

The entire Project area perimeter of 2,663.1 acres would be fenced with a seven foot high chain-link or wire fence. Where required, the base of the fence may include tortoise exclusionary fencing material anchored below the ground surface consistent with United States Fish and Wildlife Service (USFWS) guidelines. Temporary construction staging areas near the O&M building would be fenced as well.

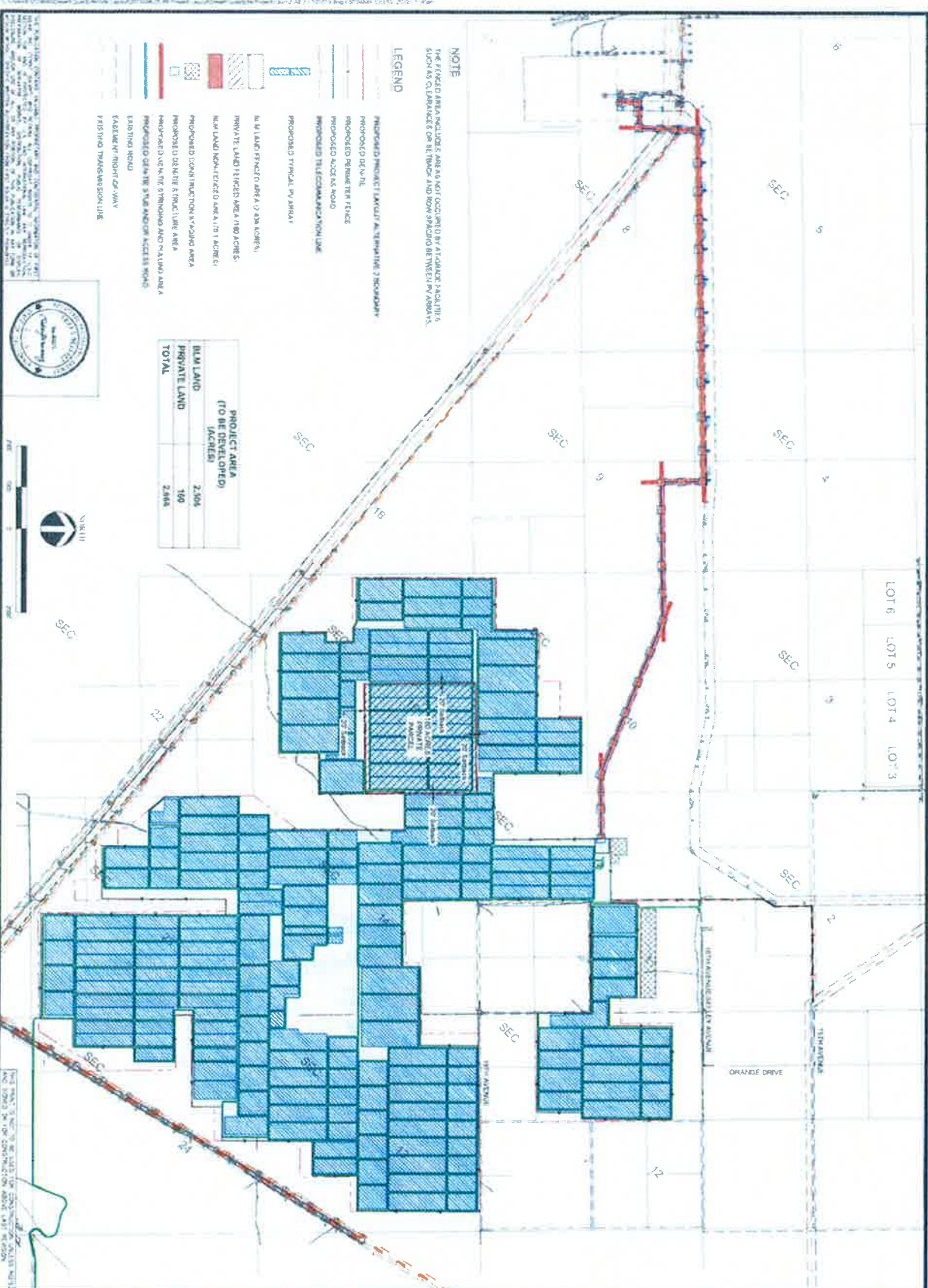
Development Agreement No. 1900017

EXHIBIT "F"

SOLAR POWER PLANT NET ACREAGE

Project-Related Facility	Size or Number of Components	Approximate Land Area on BLM (acres)	Approximate Land Area on Private Land (acres)	Total Land Area (acres)
Area Included within BLM and County Applications				
BLM ROW Application Area	NA	5,115	NA	5,115
Private Lands under County Jurisdiction	NA	NA	160	160
Total Application Area	NA	NA	NA	5,275
Facilities Within Perimeter Fence and Post-Construction ROW				
PV Arrays	115 arrays; 1.41 million individual modules; 234,438 piles	1,880	123	2,004
At-Grade Items (Substation, O&M Building, PCSs, and PVCSSs)	1 Substation, 1 O&M Building, 115 PCSs, 10 PVCSSs	5.6 (2.6 ac for Substation, 2.0 ac for O&M Building)	0.1	5.7
Internal Access Roads	66.34 miles	151.6	9.2	160.8
Communication Line (inside fence)	1.4 miles long by 20 feet wide	1	0	1
Undeveloped Area	NA	397	27	425
Sub-total Area Enclosed by Perimeter Fencing	17.1 miles of security fence	2,436	160	2,596
Facilities Outside Perimeter Fence and Post-Construction ROW				
Gen-Tie Line Corridor	3.94 miles long by 140 feet wide	66.8	0	66.8
Communication Line (outside fence)	1.4 miles long by 20 feet wide	3.3	0	3.3
Total Project Area – Solar Power Plant Net Acreage	NA	2,506	160	2,666

Upon notice to and in consultation with the Assistant TLMA Director - Planning and Land Use, the County Executive Officer and County Counsel, OWNER may reduce the Solar Power Plant Net Acreage to the extent that OWNER later decides not to develop all acres approved by COUNTY for development.



NOTE

THE PROJECT AREA INCLUDES AREAS NOT OCCUPIED BY EXISTING BUILDINGS AND IS SUBJECT TO ALL APPLICABLE REGULATIONS AND ORDINANCES OF THE COUNTY OF RIVERSIDE AND THE STATE OF CALIFORNIA.

LEGEND

- PROPOSED PROJECT PERIMETER FENCE
- PROPOSED PERIMETER FENCE
- PROPOSED ACCESS ROAD
- PROPOSED TELECOMMUNICATIONS LINE
- PROPOSED TYPICAL PV ARRAY
- BLM LAND FENCED AREA (7.28 ACRES)
- PRIVATE LAND FENCED AREA (180 ACRES)
- BLM LAND NON-FENCED AREA (17.1 ACRES)
- PROPOSED SOLAR RADIATION PV ARRAY AREA
- PROPOSED 50' WIDE STRIP FENCED AREA
- PROPOSED 50' WIDE STRIP NON-FENCED AREA
- EXISTING ROAD
- EXISTING RIGHT-OF-WAY
- EXISTING TRANSMISSION LINE

PROJECT AREA (TO BE DEVELOPED)	
BLM LAND	2,506
PRIVATE LAND	140
TOTAL	2,646



DESERT QUARTZITE
SOLAR PROJECT
RIVERSIDE COUNTY
CALIFORNIA

DATE: 11/11/11	SCALE: AS SHOWN
PROJECT NO: 11-00000	SHEET NO: 1 OF 1
DESIGNER: [Name]	CHECKER: [Name]
APPROVER: [Name]	DATE: 11/11/11

THIS PLAN IS THE PROPERTY OF [Company Name] AND IS NOT TO BE REPRODUCED OR COPIED IN ANY MANNER WITHOUT THE WRITTEN PERMISSION OF [Company Name].

Development Agreement No. 1900017

EXHIBIT "G"

ANNUAL REVIEW TEMPLATE

ANNUAL REVIEW REPORT – SOLAR POWER PLANT PROJECTS

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.: 1900017 (Desert Quartzite)

Effective Date of Development Agreement: _____

Developer/Owner: _____

Project Name: _____

Permit Number(s): _____

APN Number(s): _____

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

Date Annual Public Benefit Payment Submitted to County For This Reporting Period:

* * *

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 Review Report.

TLMA Director: _____

Signature: _____

Date: _____

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

When recorded return to
Assistant TLMA Director – Planning and Land Use
4080 Lemon Street, 12th Floor
Riverside, CA 92501

DEVELOPMENT AGREEMENT NO. 1900017

A DEVELOPMENT AGREEMENT BETWEEN

COUNTY OF RIVERSIDE

AND DESERT QUARTZITE, LLC

AND A-YUAN KAO CHAO

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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" - Annual Review Report Template

DEVELOPMENT AGREEMENT NO. 1900017

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 collectively referred to as "OWNER"):

DESERT QUARTZITE, LLC and A-YUAN KAO CHAO

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 to the Project; 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 “Base Payment” means an amount equal to \$150 multiplied by the entire Solar Power Plant Net Acreage and which is payable to COUNTY annually pursuant to Subsections 4.2.1 and 4.2.2 of this Agreement and increased annually by 2% from and after 2013 (currently \$169 per acre in 2019).

1.1.3 “COUNTY” means the County of Riverside, a political subdivision of the State of California.

1.1.4 “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.

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

- (a) Specific plans and specific plan amendments;
- (b) Zoning, including variances;
- (c) Conditional use permits, public use permits and plot plans;
- (d) Tentative and final subdivision and parcel maps;
- (e) Grading and building permits’;
- (f) Right of Entry to access COUNTY owned wells in the Project vicinity for groundwater well monitoring; and
- (g) Environmental cleanup review.

1.1.6 “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.

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

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

1.1.9 “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.

1.1.10 “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.

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

1.1.12 “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.

1.1.13 "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.

1.1.14 "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.

1.1.15 "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.

1.1.16 "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.

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

1.1.18 "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 3.6 of this Agreement.

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

1.1.20 "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, any areas specifically designated and set aside as environmentally sensitive land, conservation land or open space land, or the fencing of

such designated lands. The Solar Power Plant Net Acreage included in the Existing Development Approvals is approximately 2,666 acres (2,506 acres of public land managed by the Bureau of Land Management (“BLM”) and 160 acres of private land) and is described and shown on Exhibit “F” to this Agreement. This area may be constructed in smaller units according to a phased schedule. In the event the Project is modified by any Subsequent Development Approval, the Assistant TLMA Director – Planning and Land Use, in consultation with the County Executive Officer and County Counsel, shall recalculate the Solar Power Plant Net Acreage as part of such Subsequent Development Approval 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.

1.1.21 “Subsequent Development Approvals” means all Development Approvals approved subsequent to the Effective Date in connection with development of the Property and not required to develop, maintain, repair or restore the Solar Power Plant in accordance with the Development Plan as it exists on the Effective Date.

1.1.22 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.23 “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” - 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. This Agreement shall commence on the Effective Date and shall continue for a period of thirty (30) years from the issuance of the first grading or building permit, whichever occurs first, 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 interest in 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, 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.

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

(d) OWNER's election to terminate this Agreement. If OWNER elects not to develop all or a portion of the Solar Power Plant Net Acreage as a Solar Power Plant, OWNER shall provide notice of such election to COUNTY and such notice shall (i) seek to terminate this Agreement as to the portion of the Solar Power Plant Net Acreage that is the subject of such notice of termination; and (ii) shall, as applicable, acknowledge that the Conditional Use Permit [CUP No. 3721] shall be null and void as to the Solar Power Plant Net Acreage that is the subject of such notice of termination. If the OWNER elects not to develop any of the 160 acres of private land and further satisfies the conditions of subsection (ii), the OWNER may terminate this Agreement in its entirety. Following receipt of OWNER's notice of election to terminate this Agreement, OWNER and COUNTY shall execute an appropriate instrument in recordable form evidencing such termination, and shall cause such instrument to be an amendment to this Agreement 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.

(e) Cancellation of the Agreement by the parties in accordance with section 2.5 of 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 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 or email records of the party sending the facsimile or email after transmission by facsimile or email 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

Assistant TLMA Director – Planning and Land Use
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:

DESERT QUARTZITE, LLC
c/o Robert Holbrook, P.E.
First Solar, Inc.
135 Main Street, 6th Floor
San Francisco, CA 94105
Fax No. (415) 894-6234
RHolbrook@FIRSTSOLAR.COM

with a copy to:

Jill Yung
Paul Hastings, LLP
101 California Street, 48th Floor
San Francisco, CA 94105
Fax No. (415) 856-7330
jillyung@paulhastings.com
with a copy to:

A-YUAN KAO CHAO
21725 Marjorie Avenue
Torrance, CA 90503
ayuankao@yahoo.com

(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 Existing Development Approvals shall not expire and shall remain valid for the Term of this Agreement so long as the Project remains in compliance with all conditions of approval for the Existing Development Approvals and in compliance with this Agreement. 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 take action on all applications for Subsequent Development Approvals, and such applications shall be processed in the normal manner for processing such matters. As set forth in Board of Supervisors Policy No. B-29, any agreements, permits or other approvals from COUNTY necessary to site, develop and operate the Solar Power Plant shall be eligible for an expedited entitlement process under the Fast Track Program.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which 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 or the Phasing Plan set forth in Section 3.4.

3.4 Phasing Plan. Development of the Property shall be subject to all timing and phasing requirements established by the Development Plan. In addition, Development of the Property may occur in phases. Each phase will be defined by the OWNER at the time the OWNER either (1) submits design plans to COUNTY for grading and building permits or (2) requests a notice to proceed from BLM to allow Solar Power Plant construction in a particular area. The construction of site access roads, substation, generation tie-line, operations and maintenance building and distribution lines would occur as the solar arrays are being assembled. Construction is anticipated to occur over 24 to 48 months, regardless of whether it is phased. If the development of the Solar Power Plant occurs in phases, the Annual Public Benefits Payments called for in Section 4.2 shall be based on the Solar Power Plant Net Acreage of each OWNER-defined phase.

3.5 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.

3.6 Reservations of Authority.

3.6.1 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 its current agricultural use of lands within COUNTY's jurisdiction, it is not anticipated that COUNTY will adopt any Development Exactions applicable to the development of the Property within the next three years. For that reason, no subsequently adopted Development Exaction shall be applicable to development of the Property for a period of five years from the Effective Date of this Agreement ("Exaction Safe Harbor"). After the Exaction Safe Harbor expires, 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.

3.6.2 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.

3.6.3 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.

3.6.4 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.

3.7 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.

3.8 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.

3.9 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.

3.10 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.

3.11 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 Annual Public Benefit Payments.

4.2.1 Initial Annual Public Benefit Payment. Prior to the issuance of the first grading or building permit, whichever occurs first, for any part of the Solar Power Plant, OWNER shall pay to COUNTY an amount equal to the Base Payment calculated on the entire Solar Power Plant Net Acreage; provided, however, that such initial annual public benefit payment shall be prorated based on the number of whole months remaining between the date of payment and the first following September 30th.

If the development of the Solar Power Plant occurs in phases, prior to issuance of the first grading or the first building permit, whichever occurs first, for any part of the Solar Power Plant, OWNER shall give notice to COUNTY in writing of OWNER'S decision to develop the Solar Power Plant in phases and shall pay to COUNTY an

amount equal to the Base Payment calculated on the entire Solar Power Plant Net Acreage for the first phased unit that the OWNER seeks to develop; provided however, that such initial annual public payment shall be prorated based on the number of whole months remaining between the date of payment and the first following September 30th. Prior to issuance of the first grading permit, the first building permit or the first notice to proceed with construction for each successive phased unit, whichever occurs first, for any part of the Solar Power Plant, OWNER shall pay to COUNTY an amount equal to the Base Payment calculated on the entire Solar Power Plant Net Acreage for each such successive phased unit; provided however, that such initial annual public benefit shall be prorated based on the number of whole months remaining between the date of payment and the first following September 30th.

4.2.2 Subsequent Annual Public Benefit Payments. Prior to the first September 30th following the initial annual public benefit payment and each September 30th thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Base Payment.

4.2.3 Suspension of Power Production. In the event the County takes action which compels a Solar Power Plant included in the Solar Power Plant Net Acreage to stop all power production for a period longer than 90 consecutive days for any reason other than a default under this Agreement or a violation of the conditions of approval of any Existing Development Approval or Subsequent Development Approval, the next payment due under Subsection 4.2.2 may be reduced up to 50 percent based on the period of time the Solar Power Plant was compelled to remain inoperative.

4.2.4 Continuation of Payments. Should all or any portion of Property become part of a city or another county, the payments payable pursuant to Subsection 4.2.2 shall be paid to COUNTY prior to the effective date of incorporation or annexation. During any incorporation or annexation proceeding, OWNER shall agree that any incorporation or annexation may be conditioned so as to require OWNER to make said payments to COUNTY prior to the effective date of incorporation or annexation.

4.3. 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 Department of Tax and Fee Administration (CDTFA) 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 Project, OWNER shall do the following, consistent with law:

- (a) If OWNER meets the criteria set forth in applicable CDTFA regulations and policies, OWNER shall obtain a CDTFA 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 CDTFA regulations and policies must obtain a CDTFA 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, CDTFA 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 CDTFA 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 CDTFA. 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.

4.4 Development Impact Fees and Additional Community Benefit Fee. Ordinance No. 659 is the COUNTY'S Development Impact Fee ("DIF") Program 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. OWNER and COUNTY further recognize that almost all of the Project is located on public lands managed by BLM, which will conduct its own monitoring and enforcement activities while administering the use of its lands to ensure that open space and habitat are protected. OWNERS and COUNTY have accordingly agreed to an "Adjusted DIF" for this Project of \$259,875. In addition, OWNERS will pay an Additional Community Benefit Fee ("CBF") of \$259,875. The Adjusted DIF and CBF shall be paid on or before the issuance by COUNTY of the first grading or building permit, whichever comes first, for the Project or any phase of the Project. The COUNTY'S agreement to accept an Adjusted DIF and CBF in lieu of any other amounts owed under Ordinance No. 659 for the Project is contingent upon diligent development efforts by the OWNER. Therefore, the Adjusted DIF and CBF option will be void if the OWNER has not paid the Adjusted DIF and CBF for the Project within five (5) years of executing this Agreement. If the Adjusted DIF and CBF is void, the OWNER will be required to pay the DIF category that is applicable to utility scale solar power plant projects, either by ordinance or in practice, at the time payment of a DIF is required, unless otherwise modified by agreement of the Parties. Any amounts paid as part of the Adjusted DIF and CBF will be credited toward the DIF owed.

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 September 15th of each year commencing on 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 and consistent with the template attached hereto as Exhibit "I", 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 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 that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

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. Such termination will be effective within sixty (60) days after the effective date of such notice (1) where the default can be cured, but the defaulting OWNER has failed to take such actions and cure such default within sixty (60) days after the effective date of such notice or (2) in the event that such default cannot be cured within such sixty (60) day period but can be cured within a longer time, and the defaulting OWNER has failed to commence the actions necessary to cure such default within such sixty (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. Such termination will be effective within sixty (60) days after the effective date of such notice (1) where the default can be cured, but COUNTY has failed to take such actions and cure such default within sixty (60) days after the effective date of such notice or (2) in the event that such default cannot be cured within such sixty (60) day period but can be cured within a longer time, and COUNTY has failed to commence the actions necessary to cure such default within such sixty (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. In response to any third party litigation concerning this Agreement, OWNER may alternatively, in its sole discretion, (1) abandon the Development Plan and terminate its payment obligations under this Agreement, or (2) settle with third party litigants, provided that such settlement does not require changes in the Development Plan that must be approved by COUNTY.

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. No Mortgagee (including one who acquires title or possession to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination, eviction or otherwise) shall have any obligation to construct or complete construction of improvements, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to solar power plant use except in full compliance with this Agreement. 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. All payments called for under Sections 4.1, 4.2, 4.3, and 4.4 of this Agreement, to the extent that such payments are due, shall be a condition precedent to COUNTY'S performance under this Agreement. 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. Unless expressly stated herein, 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. In the event of a Material Condemnation, meaning a condemnation of all or a portion of the Property that will have the effect of preventing development of the Project in accordance with this Agreement, OWNER may (i) request the COUNTY to amend this Agreement and/or to amend the Development Plan, which amendment shall not be unreasonably withheld, (ii) decide, in its sole discretion, to challenge the condemnation, or (iii) request that COUNTY agree to terminate this Agreement by mutual agreement, which agreement shall not be unreasonably withheld, by giving a written request for termination to the COUNTY.

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 2.7; 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.

(SIGNATURES ON NEXT PAGE)

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

COUNTY OF RIVERSIDE

Dated:

By _____

Kevin Jeffries

Chairman, Board of Supervisors

ATTEST:

KECIA HARPER-IHEM

Clerk of the Board

By _____

Deputy

(SEAL)

FORM APPROVED COUNTY COUNSEL

BY: Tiffany N. North
TIFFANY N. NORTH

10/17/19
DATE

OWNER:

DESERT QUARTZITE, LLC,

a Delaware limited liability company

By: _____

Name: Kathryn Arbeit

Title: _____

Dated: _____

DESERT QUARTZITE, LLC,

a Delaware limited liability company

By: _____

Name: Beth Deane

Title: Vice President and Assistant Secretary

Dated: _____

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

OWNER:

A-YUAN KAO CHAO

Dated: By: _____

Print Name: _____

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

Development Agreement No. 1900017

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

Legal Description of the BLM Portion of the Project Site:

San Bernardino Base and Meridian, Riverside County, California, Township 7S, Range 21E	
Section 3	W1/2, W1/2E1/2, S1/2SE1/4SE1/4, Lots 4, 5, 6
Section 4	S1/2 S1/2 S1/2
Section 5	S1/2 S1/2 S1/2
Section 6	S1/2 S1/2S E1/4
Section 7	NE1/4
Section 8	NW1/4NW1/4, SW1/4NW1/4
Section 9	E1/2
Section 10	All
Section 11	N1/2, SW1/4
Section 12	NW1/4, N1/2SW1/4
Section 13	N1/2, SW1/4, W1/2SE1/4, All that area NW CA 08974
Section 14	S1/2NE1/4, W1/2, SE1/4
Section 15	NW1/4, N1/2SW1/4, SE1/4, All that area NE of CA 4163
Section 22	NE1/4NE1/4, All that area NE of CA 4163
Section 23	N1/2, NE1/4SW1/4, SE1/4, All that area NE of CA 4163
Section 24	N1/2NW1/4, SW1/4NW1/4, NW1/4SW1/4, All that area NW of CA 8974

Legal Description of the Private Portion of the Project Site:

Real property situated in the unincorporated area of the County of Riverside, State of California, and is described as follows:

APN: 879-110-001-3

THE NORTHEAST QUARTER OF SECTION 15, TOWNSHIP 7 SOUTH, RANGE 21 EAST, SAN BERNARDINO BASE AND MERIDIAN.

EXCEPTING THEREFROM ALL OIL, GAS, OIL SHALE, COAL, PHOSPHATE, SODIUM, GOLD, SILVER AND ALL OTHER MINERAL DEPOSITS CONTAINED IN SAID LANDS, AS RESERVED IN PATENT RECORDED APRIL 02, 1954 AS INSTRUMENT NO. 16495 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

Development Agreement No. 1900017

EXHIBIT "B"

MAP SHOWING PROPERTY AND ITS LOCATION

Desert Quartzite Solar Project EIS/EIR

Legend

Right-of-Way Application

- Boundary

Surface Management

- BIA
- BLM
- BOR
- County/Local
- DOD
- NPS
- State
- USFWS
- Other/Private

Boundaries

- State Boundary
- County Boundary
- Urban Area

Roads

- Interstate
- US Highway
- State Highway
- Other Roads

Scale

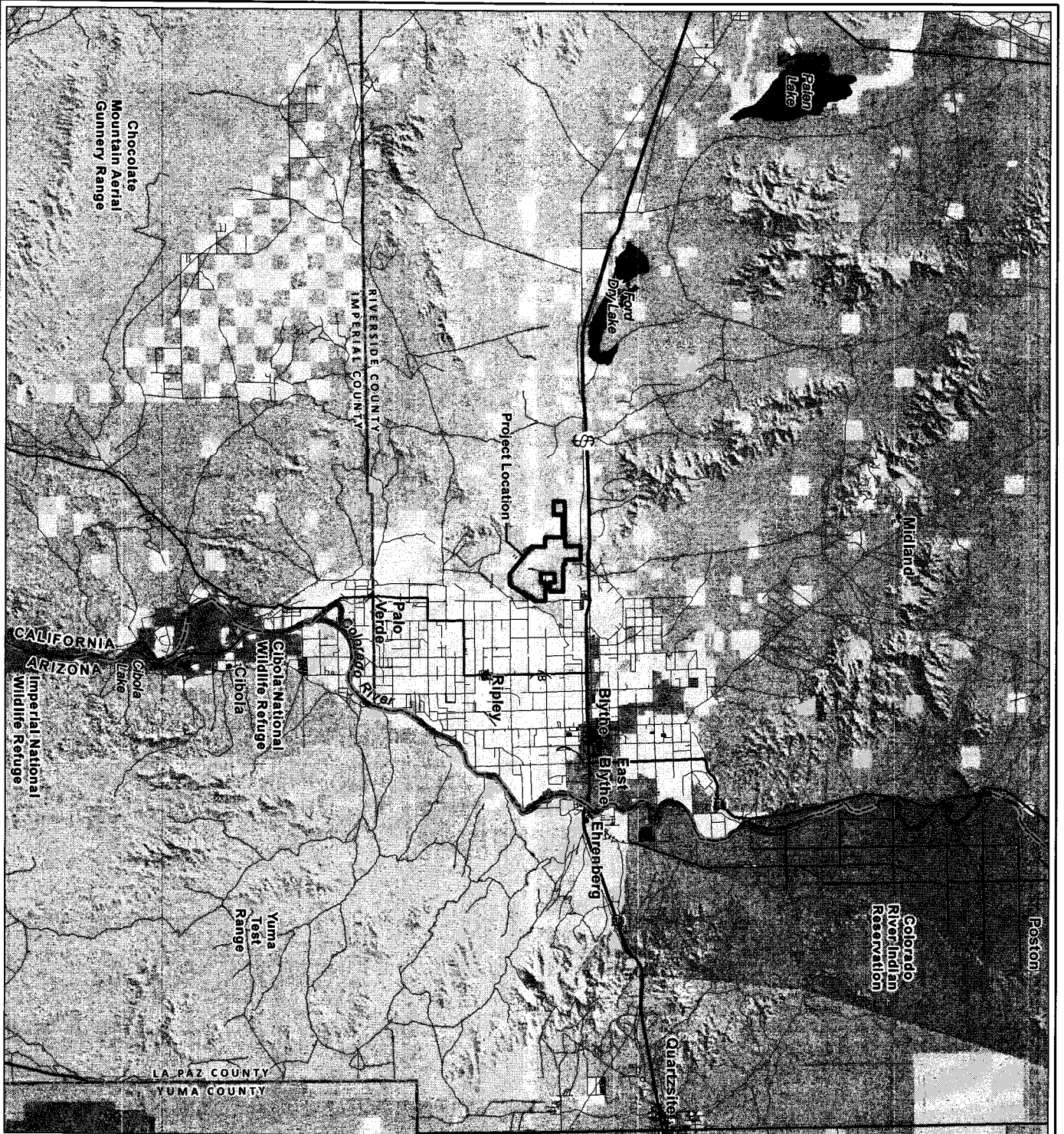
0 5 10 Miles
0 5 10 Kilometers

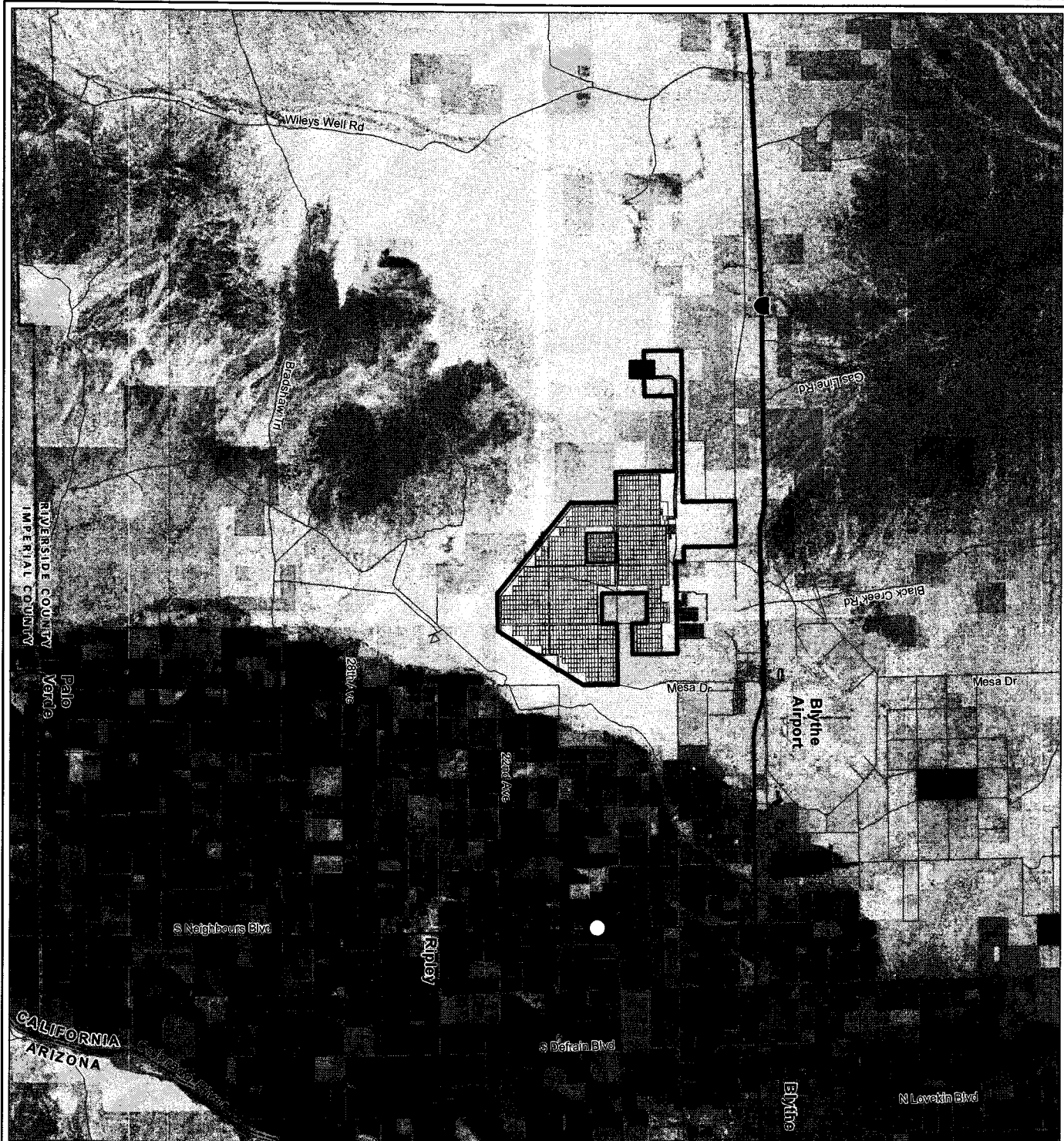
Inset Map

Map extent shown in red.

NEVADA
UTAH
CALIFORNIA
ARIZONA
Fresno
San Diego
Las Vegas
Phoenix

Figure 1-1
Regional Context





Desert Quartzite Solar Project EIS/EIR

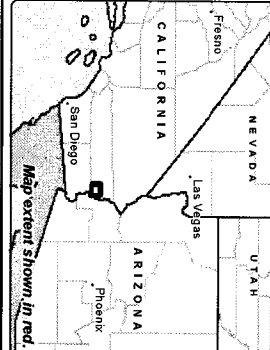
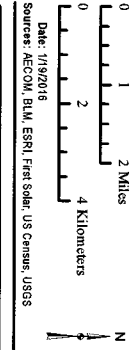
- Legend**
- Right-of-Way Application Boundary
 - Boundary of Private Land Parcel
 - Colorado River Substation
 - Gen-Tie Line

- Surface Management**
- BLM
 - State

- Boundaries**
- State Boundary
 - County Boundary
 - Urban Area

- Roads**
- Interstate
 - US Highway
 - State Highway
 - Other Roads

**Figure 2-1
Project Location**



Development Agreement No. 1900017

EXHIBIT C

EXISTING DEVELOPMENT APPROVALS
ON ASSESSOR'S PARCEL NO. 879-110-001

Specific Plan

Not in a Specific Plan

Zoning

W-2-10

Conditional Use Permit No. 3721

Land Divisions

None

Other Development Approvals

Environmental Impact Report No. 544

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. 1900017

EXHIBIT D

EXISTING LAND USE REGULATIONS

1. Riverside County General Plan as amended through Resolution No. 2019-150
2. Ordinance No. 348 as amended through Ordinance No. 348.4896
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. 458.16
6. Ordinance No. 460 as amended through Ordinance No. 460.154
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. 650.6
13. Ordinance No. 659 as amended through Ordinance No. 659.13
14. Ordinance No. 663 as amended through Ordinance No. 663.10
15. Ordinance No. 671 as amended through Ordinance No. 671.21
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. 742 as amended through Ordinance No. 742.1
21. Ordinance No. 743 as amended through Ordinance No. 743.3
22. Ordinance No. 748 as amended through Ordinance No. 748.1
23. Ordinance No. 749 as amended through Ordinance No. 749.1
24. Ordinance No. 752 as amended through Ordinance No. 752.2

25. Ordinance No. 754 as amended through Ordinance No. 754.2
26. Ordinance No. 787 as amended through Ordinance No. 787.8
27. Ordinance No. 806 as amended through Ordinance No. 806
28. Ordinance No. 810 as amended through Ordinance No. 810.2
29. Ordinance No. 817 as amended through Ordinance No. 817.1
30. Ordinance No. 824 as amended through Ordinance No. 824.15
31. Ordinance No. 847 as amended through Ordinance No. 847.1
32. Ordinance No. 859 as amended through Ordinance No. 859.3
33. Ordinance No. 875 as amended through Ordinance No. 875.1
34. Ordinance No. 915 as amended through Ordinance No. 915
35. Ordinance No. 925 as amended through Ordinance No. 925.1
36. Ordinance No. 926 as amended through Ordinance No. 926
37. Ordinance No. 927 as amended through Ordinance No. 927
38. Ordinance No. 931 as amended through Ordinance No. 931
39. Ordinance No. 949 as amended through Ordinance No. 949
40. Resolution No. 2012 -047 Establishing Procedures and Requirements of the County of Riverside for the Consideration of Development Agreements
41. 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. 1900017

EXHIBIT "E"

SOLAR POWER PLANT

The overall Project, known as the Desert Quartzite Solar Project, encompasses a total of 2,666.1 acres divided between County of Riverside and Bureau of Land Management jurisdiction. Of this 2,666.1 acre area, 2,436 acres is proposed for the solar facility on BLM land, 66.8 acres for the 230 kV transmission line on BLM land, 3.3 acres for buried telecommunications line and possible above-ground electrical service on BLM land, and 160 acres of the solar facility on private land under the jurisdiction of the County of Riverside.

The project proposes the construction and operation of a 450 megawatt (MW) commercial solar photovoltaic (PV) electrical generation facility. The solar panels will be a single-axis, tracking design aligned in north-south rows. The panels would be a maximum height of 13 feet at a maximum tilt position and a minimum clearance of approximately 1.5 feet beneath the panels would be provided. The panels would be connected to each other and would transmit the power generated via underground direct current (DC) cables that would lead to a Power Conversion Station (PCS) that would be situated within each larger group of rows of panels. The PCS would use an inverter to convert the DC power from the panels into alternative current (AC). A transformer at each PCS would step up the voltage to medium voltage AC (MVAC) at 34.5 kV and then transmitted to one of several Photovoltaic Combining Switchgear (PVCS) which would collect the power from a group of arrays and transmit to the on-site substation through overhead lines. The on-site substation is proposed within a 2.6 acre area at the northwestern portion of the Project site within BLM land. The voltage would be further stepped up at the substation to match Southern California Edison (SCE) regional transmission grid levels of 230 kV. The power would then be transmitted via a 2.79-mile long transmission line (gen-tie line) to the Colorado River Substation located to the west of the site all within BLM land.

An operations and maintenance (O&M) building is proposed adjacent to the on-site substation in the northwest portion of the Project Site. This building would be used for parts storage, facility security systems, and monitoring equipment and would include offices, restroom, and storage area within a 120 foot by 50 foot footprint. Additional storage containers would be located outside of the building. An above-ground water tank would be located at the building for drinking water and sanitary purposes. A septic system is also proposed to serve the building.

The entire Project area perimeter of 2,663.1 acres would be fenced with a seven foot high chain-link or wire fence. Where required, the base of the fence may include tortoise exclusionary fencing material anchored below the ground surface consistent with United States Fish and Wildlife Service (USFWS) guidelines. Temporary construction staging areas near the O&M building would be fenced as well.

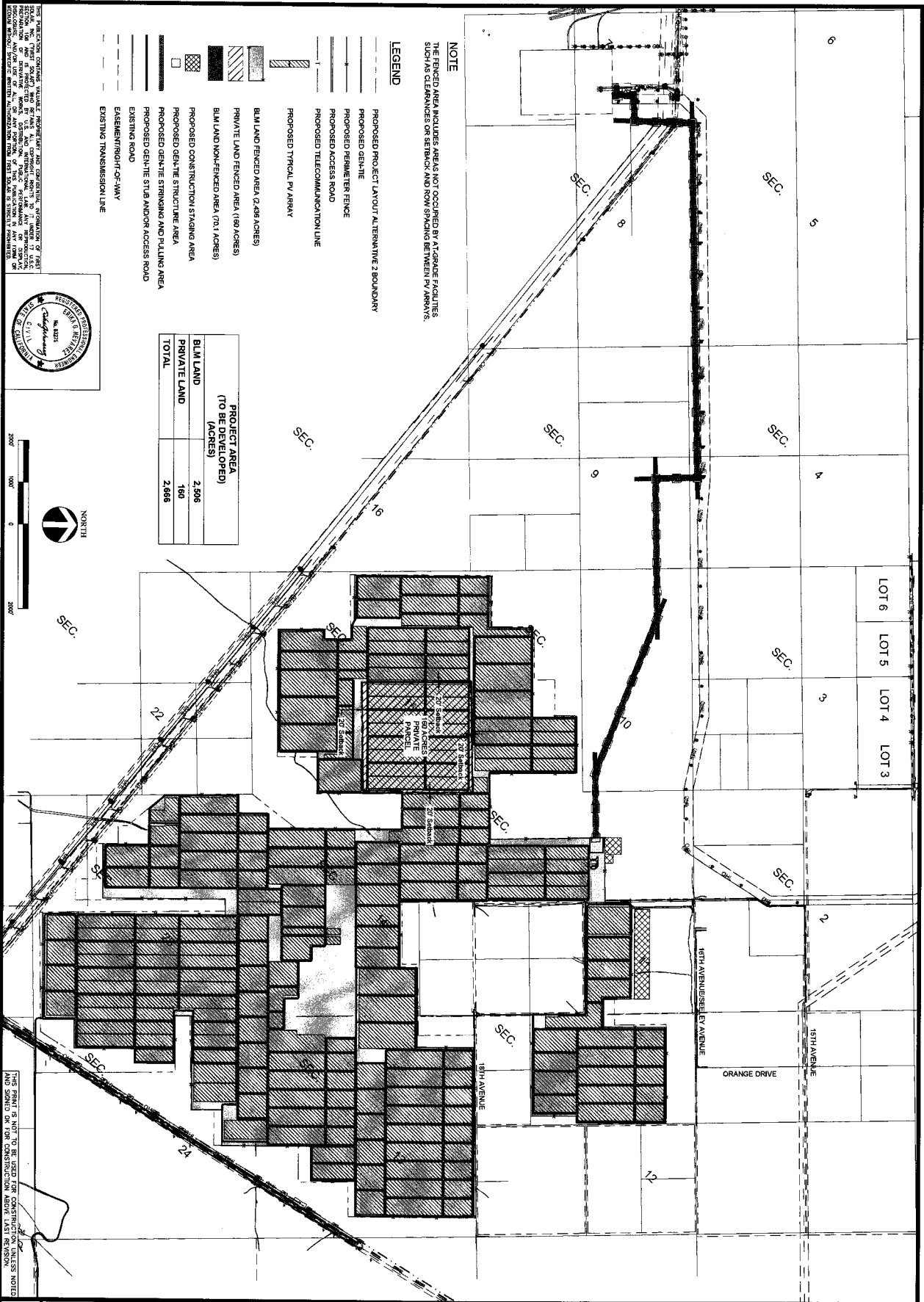
Development Agreement No. 1900017

EXHIBIT "F"

SOLAR POWER PLANT NET ACREAGE

Project-Related Facility	Size or Number of Components	Approximate Land Area on BLM (acres)	Approximate Land Area on Private Land (acres)	Total Land Area (acres)
Area Included within BLM and County Applications				
BLM ROW Application Area	NA	5,115	NA	5,115
Private Lands under County Jurisdiction	NA	NA	160	160
Total Application Area	NA	NA	NA	5,275
Facilities Within Perimeter Fence and Post-Construction ROW				
PV Arrays	115 arrays; 1.41 million individual modules; 234,438 piles	1,880	123	2,004
At-Grade Items (Substation, O&M Building, PCSs, and PVCSs)	1 Substation, 1 O&M Building, 115 PCSs, 10 PVCSs	5.6 (2.6 ac for Substation, 2.0 ac for O&M Building)	0.1	5.7
Internal Access Roads	66.34 miles	151.6	9.2	160.8
Communication Line (inside fence)	1.4 miles long by 20 feet wide	1	0	1
Undeveloped Area	NA	397	27	425
Sub-total Area Enclosed by Perimeter Fencing	17.1 miles of security fence	2,436	160	2,596
Facilities Outside Perimeter Fence and Post-Construction ROW				
Gen-Tie Line Corridor	3.94 miles long by 140 feet wide	66.8	0	66.8
Communication Line (outside fence)	1.4 miles long by 20 feet wide	3.3	0	3.3
Total Project Area – Solar Power Plant Net Acreage	NA	2,506	160	2,666

Upon notice to and in consultation with the Assistant TLMA Director - Planning and Land Use, the County Executive Officer and County Counsel, OWNER may reduce the Solar Power Plant Net Acreage to the extent that OWNER later decides not to develop all acres approved by COUNTY for development.



THIS PRINT IS NOT TO BE USED FOR CONSTRUCTION UNLESS NOTED AND SIGNED ON FOR CONSTRUCTION ABOVE LAST REVISION.

COPYRIGHT © 2019 DESERT QUARTZITE, LLC. ALL RIGHTS RESERVED.

PROJECT TITLE	PROPOSED PROJECT LAYOUT ALTERNATIVE 2 (10/07/19)
DATE	10/07/19
BY	DESIGN TEAM
CHECKED BY	DESIGN TEAM
SCALE	AS SHOWN
PROJECT NO.	19-000-0000
DRAWN BY	J. SHIRE
DATE	10/07/19
CHECKED BY	J. SHIRE
DATE	10/07/19
PROJECT NO.	19-000-0000
PROJECT TITLE	PROPOSED PROJECT LAYOUT ALTERNATIVE 2 (10/07/19)

DESERT QUARTZITE SOLAR PROJECT
RIVERSIDE COUNTY CALIFORNIA

DESERT QUARTZITE, LLC
1000 MAIN STREET, 2ND FLOOR, SUITE 200
RIVERSIDE, CA 92501
PHONE: (951) 505-2500

Development Agreement No. 1900017

EXHIBIT "G"

ANNUAL REVIEW TEMPLATE

ANNUAL REVIEW REPORT – SOLAR POWER PLANT PROJECTS

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.: 1900017 (Desert Quartzite)

Effective Date of Development Agreement: _____

Developer/Owner: _____

Project Name: _____

Permit Number(s): _____

APN Number(s): _____

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

Date Annual Public Benefit Payment Submitted to County For This Reporting Period:

* * *

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 Review Report.

TLMA Director: _____

Signature: _____

Date: _____

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



**ITEM: 21.1
(ID # 11108)**

MEETING DATE:

Tuesday, October 29, 2019

FROM: TLMA-PLANNING:

SUBJECT: TRANSPORTATION & LAND MANAGEMENT AGENCY/PLANNING: Conditional Use Permit No. 3721, Development Agreement No. 1900017, Ordinance No. 664.62 - EIR No. 544 - Applicant: Desert Quartzite, LLC - Engineer/Representative: URS Corporation - Fourth Supervisorial District - Chuckwalla Zoning Area - Palo Verde Valley Area Plan: Agriculture (AG) - Location: The overall solar facility is located south of Interstate 10 and west of Mesa Drive - 160 gross acres (County Jurisdiction) - Zoning: Controlled Development Areas, 10-acre minimum (W-2-10) - REQUEST: Conditional Use Permit No. 3721 is a proposal for development of a 160-acre portion of a 450 megawatt photovoltaic solar facility on 5,275 total acres. Development Agreement No. 1900017 and Ordinance No. 664.62 is a proposal for the applicant entering into a development agreement with the County for the Project, consistent with the County's solar power plant program and includes terms regarding public benefit payments and increases. APN: 879-110-001. District 4. [Applicant fees 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. **ADOPT RESOLUTION NO. 2019-232 CERTIFYING ENVIRONMENTAL IMPACT REPORT (EIR) NO. 544 FOR THE DESERT QUARTZITE SOLAR PROJECT (EIR00544)**, adopting environmental findings pursuant to the California Environmental Quality Act, and adopting a Mitigation Monitoring and Reporting Program;

ACTION: Policy

Charissa Leach, Assistant TLMA Director 10/17/2019

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is approved as recommended and Ordinance No. 664.62 is approved as introduced with waiver of the reading.

Ayes: Jeffries, Spiegel, Washington and Perez
Nays: None
Absent: Hewitt
Date: October 29, 2019
xc: Planning, COB

Kecia R. Harper
Clerk of the Board
By:
Deputy

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

2. **APPROVE CONDITIONAL USE PERMIT NO. 3721**, subject to the attached conditions of approval and advisory notification document and based upon the findings and conclusions incorporated in the staff report and in Resolution No. **2019-232**; and
3. **INTRODUCE, READ TITLE and WAIVE FURTHER READING OF, and ADOPT** on successive weeks **ORDINANCE NO. 664.62**, an Ordinance of the County of Riverside Approving Development Agreement No. **1900017**, based upon the findings and conclusions incorporated in the staff report and in Resolution No. **2019-232**.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS: Applicant Fees 100%			Budget Adjustment No	
			For Fiscal Year: N/A	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

This Project is commonly referred to as the Desert Quartzite Solar Project, which encompasses a total of 5,275 acres divided between County of Riverside and Bureau of Land Management jurisdiction. The total development proposal would occupy approximately 2,666 acres. Of this 2,666 acre area, 2,436 acres is proposed for the solar facility on BLM land, 66.8 acres for the 230 kV transmission line on BLM land, 3.3 acres for buried telecommunications line and possible above-ground electrical service on BLM land, and 160 acres of the solar facility on private land under the jurisdiction of the County of Riverside. The EIR considered development of 2,622 acres of BLM land and 160 acres of private land. Upon further refining the project layout, First Solar has represented that 2,506 acres of BLM land and 160 acres of private land meet the definition of Solar Power Plant Net Acreage.

The project proposes the construction and operation of a 450 megawatt (MW) commercial solar photovoltaic (PV) electrical generation facility. The solar panels will be a single-axis, tracking design aligned in north-south rows. The panels would be a maximum height of 13 feet at a maximum tilt position and a minimum clearance of approximately 1.5 feet beneath the panels would be provided. The panels would be connected to each other and would transmit the power generated via underground direct current (DC) cables that would lead to a Power Conversion Station (PCS) that would be situated within each larger group of rows of panels. The PCS would use an inverter to convert the DC power from the panels into alternative current (AC). A transformer at each PCS would step up the voltage to medium voltage AC (MVAC) at 34.5 kV and then transmitted to one of several Photovoltaic Combining Switchgear (PVCS) which would collect the power from a group of arrays and transmit to the on-site substation through overhead lines. The on-site substation is proposed within a 2.6 acre area at the northwestern portion of the Project site within BLM land. The voltage would be further stepped up at the substation to match Southern California Edison (SCE) regional transmission grid levels of 230 kV. The power

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

would then be transmitted via a 3.94-mile long transmission line (gen-tie line) to the Colorado River Substation located to the west of the site, with the entirety of the transmission line within BLM land.

Primary access to the Project would be from Interstate 10 via the Neighbours Boulevard/SR-78 exit to 16th Avenue/Seeley Avenue and west approximately 5 miles to the facility entrance. Secondary/emergency access to the Project would be from 22nd Avenue from SR-78 via a new 0.7 mile long road that would be constructed from Gravel Pit Road to an entrance near the southern end of the Project. The intersection of 16th Avenue/Seeley and State Route 78 would be improved to allow for a left turning lane for eastbound traffic on 16th Avenue/Seeley Avenue turning onto State Route 78 and a right turning lane for southbound traffic on Route 78 turning onto 16th Avenue/Seeley Avenue. The Project will also require appropriate dust suppression stabilizers for existing roads that may not be required to be paved to minimize the creation of dust from construction and operational traffic.

An operations and maintenance (O&M) building is proposed adjacent to the on-site substation in the northwest portion of the Project Site. This building would be used for parts storage, facility security systems, and monitoring equipment and would include offices, restroom, and storage area within a 120 foot by 50 foot footprint. Additional storage containers would be located outside of the building. An above-ground water tank would be located at the building for drinking water and sanitary purposes. A septic system is also proposed to serve the building.

2,436 acres of the Project area would be fenced with a seven foot high chain-link or wire fence. Where required, the base of the fence may include tortoise exclusionary fencing material anchored below the ground surface consistent with United States Fish and Wildlife Service (USFWS) guidelines. Temporary construction staging areas near the O&M building would be fenced as well.

Construction would be preceded by the surveys as noted in the EIS/EIR and installation of exclusionary fencing where appropriate and the location of the project's development boundaries and temporary construction impacts marked to properly contain activities during construction. Two separate construction staging areas would be developed to support construction activities. Construction would begin with site preparation to remove vegetation and create a flat and compacted surface. Trenching and installation of underground cables and preparation of cement foundations for connection and support equipment will occur following site preparation and subsequently the support structures and arrays would be installed. Power distribution equipment would be installed at the predesignated and prepared locations. The gen-tie line would be installed to provide the connection to the Colorado River Substation with laydown areas for materials for the towers within the Project area. Construction of the solar facility and the gen-tie line is anticipated to occur simultaneously and construction is anticipated to be over a 25 to 48 month period.

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Operations and maintenance of the Project is anticipated to be minimal with up to five full time workers. Activities would include cleaning of panels, anticipated twice a year, as well as soil stabilization and vegetation restoration.

If the BLM Right-of-Way (ROW) grant is not renewed beyond the 30-year operational period or the Project otherwise ceases operations, the ROW grant holder would be responsible for removal of the Project facilities and restoration of the BLM land and the private land based on the Draft Decommissioning and Site Reclamation Plan prepared for the project that would be updated and finalized prior to decommissioning to ensure it meets all applicable regulations in place at that time.

The portion of the Project within the County's land use jurisdiction not on BLM land is comprised of the following land use cases:

CONDITIONAL USE PERMIT NO. 3721 (CUP03721) is a proposal for the approximate 160-acre portion of the overall Desert Quartzite Solar Project that is under jurisdiction of the County of Riverside. This portion is anticipated to generate 20 MW with approximately 125 acres covered by solar arrays. 12 PCS and 1 PVCS is proposed within the 160-acre area. Overhead lines to collect and transmit the power off-site include poles at a maximum height of 70'. Pursuant to the requirements of the W-2 Zone and Section 18.34 of Ordinance No. 348, an application for a Conditional Use Permit may include a request for a greater height limit in accordance with the limitations of the zone classification. Under Section 15.2, additional structure height beyond 50' and up to 105' may be allowed if it is included in the description for the Conditional Use Permit and noticed as such in all notices regarding the permit. Here, the application for the Conditional Use Permit includes a request for a greater height limit of 70' for the collector poles, which is within the 50'-105' limitations set forth in Ordinance No. 348 Section 15.2. This area is currently surrounded by existing berms on all 4 sides that would remain and that are presumed to have been associated with the prior jobo farm that operated on the site.

DEVELOPMENT AGREEMENT NO. 1900017 (DA1900017) is a proposal for the applicant entering into a development agreement with the County for the Project, consistent with the County's solar power plant program. Board of Supervisors Policy No. B-29 regarding solar power plants states, "[N]o approval required by Ordinance No. 348 shall be given for a solar power plant unless the Board first approves a development agreement with the solar power plant owner and the development agreement is effective." County Staff has negotiated terms and provisions with the applicant, for the Board's consideration, consistent with Board Policy B-29. The DA 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. 1900017 contains terms consistent with Board of Supervisors Policy No. B-29, including terms regarding public benefit payments and increases (Section 4.2 of DA No. 1900017). The Public Benefits included in the DA includes an initial payment to the County of \$169 per acre (in 2019) prior to grading permit or building permit, whichever occurs first based on the solar power plant net acreage of 2,666 acres. This amount may be divided up if the development is phased and would be based on the acreage of each phase. Following the initial payment, subsequent annual payments with 2%

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annual increases will be based on the development area constructed for the 30-year term of the agreement. The DA also includes provisions for applicable sales and use taxes to be reporting and remitting these taxes for proper allocation to the County of Riverside to the maximum extent possible under the law (Section 4.3 of DA No. 1900017). The DA establishes an adjusted Development Impact Fee (DIF) total of \$259,875 and an additional Community Benefit Fee (CBF) also at a total of \$259,875, which would both be paid prior to grading or building permit, whichever occurs first. The adjusted DIF and CBF amounts are applicable within the first five years of the agreement and after that 5 year period the project would be subject to the regular DIF applicable to the project. Approval and use of Conditional Use Permit No. 3721 is conditioned upon DA No. 1900017 being entered into and effective. Per state law, a development agreement is a legislative act that must be approved by ordinance. Proposed Ordinance No. 664.62, an Ordinance of the County of Riverside Approving Development Agreement No. 1900017, incorporates by reference DA No. 1900017 consistent with Government Code section 65867.5.

The County has reviewed the Project and has determined that it is consistent with all zoning standards, the General Plan, Board of Supervisor's Policy B-29 – Solar Power Plants, and all other applicable ordinances. Additionally, the Joint EIS/EIR has been completed in accordance with and consistent with the California Environmental Quality Act (CEQA) requirements and National Environmental Policy Act (NEPA).

As an environmental benefit, the Project would help the State achieve its renewable energy goals and mandates. The production of renewable energy has the added benefit of reducing air quality impacts and GHG emissions that would be produced by fossil-fuel based generation facilities. The Project is within close proximity to urban development within the City of Blythe, existing transmission infrastructure, and existing access roads.

The Project would also provide other important benefits to the local and regional economy from the purchase of equipment and supplies and sales tax revenue and from as agreed upon in the terms of the Development Agreement. Additionally, the Project will result in the contribution of significant development impact fees as adjusted with the Development Agreement as well as an additional Community Benefit Fee established with the Development Agreement. Indirectly the County and region would benefit from the employment of daily workers during peak construction period and would provide permanent, full time jobs upon operation. Other economic benefits include workers utilizing local and regional commercial services such as hotels and restaurants.

Environmental Impact Statement/Environmental Impact Report

A joint Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) has been prepared for this project (EIR00544) in accordance with the National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA). The EIS/EIR represents the independent judgement of Riverside County in coordination with the Bureau of Land Management (BLM). It was determined as part of the EIS/EIR analysis that the Project would result in a significant impact that cannot be fully mitigated (unavoidable). All other impacts have been addressed through project design or incorporated mitigation measures. Below is a

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summary of these significant impacts identified in the EIS/EIR:

Air Quality - AQMP Consistency

The Project would have the potential to result in or cause National Ambient Air Quality Standards (NAAQS) or California Ambient Air Quality Standards (CAAQS) violations due to the project's exceedance of regional construction emission thresholds for NO_x, PM₁₀, and PM_{2.5}. Therefore, the Project would have a significant and unavoidable cumulative effect on regional air pollution. All feasible mitigation has been adopted. However, impacts related to AQMP consistency would remain significant and unavoidable.

Air Quality – Construction Emissions-Regional

Although operational emissions are anticipated to be below a level that does not exceed emission thresholds, construction emissions for NO_x, PM₁₀, and PM_{2.5} are not able to be mitigated to a level below emission thresholds as no feasible mitigation exists to reduce these emissions. Therefore, impacts related to construction emissions would remain significant and unavoidable.

Aesthetics – Substantially degrade the existing visual character or quality of the site and its surroundings

The Project would be visible from portions of the nearby Mule Mountain and McCoy Mountain as well as from the nearby residential development and along a four mile segment of Interstate-10. The broad, flat form of the solar panels along with the dark grey color of the panels would strongly contrast from the desert landscape that surrounds the Project and would be dominant in the views from the mountains in particular due to the size of the project and the relative elevation difference. There are no feasible project design or mitigation measures that could substantially alter the appearance of the Project that could reduce these impacts below a level that could be determined to be less than significant.

Twenty-four (24) comment letters were received during the 90-day (due to NEPA/BLM requirements) public review period and, as of the date of this staff report, two comment letters have been received following the close of the public review period. These comments were reviewed, and detailed responses to each comment were prepared. Responses to the 24 comment letters received during the 90-day review period were included in the Final EIR and separate responses to the two other comment letters were prepared, which were posted on September 27, 2019 and with mailed notices to commenters sent on September 27, 2019.

For the reasons set forth above and in the EIR prepared for this Project, the proposed project will potentially have a significant effect on the environment related to Air Quality and Aesthetics. Mitigation Measures from the EIS/EIR have been incorporated as conditions of approval on the project.

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Due to the potentially significant impacts of the project, if the Board of Supervisors is to approve the project, it will be required to adopt Findings with a Statement of Overriding Considerations consistent with State CEQA Guidelines sections 15093, 15216(b), and 15126.2(b) and discussed in the Final EIS/EIR Section 15132 is required (Resolution No. 2019-232). The Statement of Overriding Considerations would clarify what benefits the project is providing that the Board of Supervisors could determine outweigh the potentially significant environmental impacts of the project. Benefits of the project would include but are not limited to: employment, efficient renewable energy, displacement of greenhouse gas emissions, local sales and use taxes, and facilitation of meeting state renewable energy and greenhouse reduction goals.

Impact on Residents and Businesses:

All potential project impacts have been studied under CEQA and noticed to the public pursuant to the requirements of the County. As stated above, the Project would help the State achieve its renewable energy goals and mandates. The production of renewable energy has the added benefit of reducing air quality impacts and GHG emissions that would be produced by fossil-fuel based generation facilities. The Project would also provide other important benefits to the local and regional economy from the purchase of equipment and supplies and sales tax revenue as agreed upon in the terms of Development Agreement No. 1900017.

SUPPLEMENTAL:

Additional Fiscal Information

As stated above, the applicant and County staff have reached an agreement on the provisions of DA No. 1900017. Under DA No. 1900017, the applicant will submit annual public benefit payments of \$150 per acre, increased annually by 2% from and after 2013 (currently \$169 per acre in 2019), based on the solar power plant net acreage amount of 2,666 acres at full build-out. The total "solar power plant net acreage" agreed upon by the applicant, was calculated using the definition in Board of Supervisors' Policy No. B-29. If the development of the Solar Power Plant occurs in phases, the Annual Public Benefits Payments shall be based on the Solar Power Plant Net Acreage of each defined phase. The initial annual public benefit payments will be based on the solar power plant net acreage included in each phase until complete build-out. The applicant will also take agreed upon actions to ensure that local sales and use taxes are directly allocated to the County to the maximum extent possible under the law. Additionally, the applicant will submit an agreed upon adjusted Development Impact Fee (DIF) payment of \$259,875. In addition, the applicant has agreed to pay an Additional Community Benefit Fee of \$259,875. The timing of the DIF payment and Additional Community Benefit Fee are set forth DA No. 1900017.

Staff labor and expenses to process this project are paid by the applicant; there is no General Fund obligation.

Contract History and Price Reasonableness

N/A

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ATTACHMENTS:

- A. Board of Supervisors Staff Report Package
- B. Conditional Use Permit No. 3721 Exhibits
- C. Final EIS/EIR
- D. Adams-Broadwell Draft EIR Comments and Responses
- E. Resolution No. 2019-232
- F. Ordinance No. 664.62
- G. Development Agreement No. 1900017



Jason Farin, Senior Management Analyst

10/23/2019



Gregory V. Priamos, Director County Counsel

10/17/2019



OFFICE OF
CLERK OF THE BOARD OF SUPERVISORS
1st FLOOR, COUNTY ADMINISTRATIVE CENTER
P.O. BOX 1147, 4080 LEMON STREET
RIVERSIDE, CA 92502-1147
PHONE: (951) 955-1060
FAX: (951) 955-1071

KECIA R. HARPER
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR
Assistant Clerk of the Board

November 12, 2019

THE PRESS ENTERPRISE
ATTN: LEGALS
P.O. BOX 792
RIVERSIDE, CA 92501

TEL: (951) 368-9225
E-MAIL: legals@pe.com

RE: ADOPTION OF ORDINANCE NO. 664.62

To Whom It May Concern:

Attached is a copy for publication in your newspaper for **ONE (1) TIME** on **Monday, November 18, 2019.**

We require your affidavit of publication immediately upon completion of the last publication.

Your invoice must be submitted to this office, WITH TWO CLIPPINGS OF THE PUBLICATION.

NOTE: PLEASE COMPOSE THIS PUBLICATION INTO A SINGLE COLUMN FORMAT.

Thank you in advance for your assistance and expertise.

Sincerely,

Karen Barton

Deputy Clerk of the Board to:
KECIA R. HARPER, CLERK OF THE BOARD

BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

ORDINANCE NO. 664.62

AN ORDINANCE OF THE COUNTY OF RIVERSIDE

APPROVING DEVELOPMENT AGREEMENT NO. 1900017

The Board of Supervisors of the County of Riverside ordains as follows:

Section 1. Pursuant to Government Code Section 65867.5, Development Agreement No. 1900017, a copy of which is on file with the Clerk of the Board of Supervisors and incorporated herein by reference, is hereby approved.

Section 2. The Chairman of the Board of Supervisors is hereby authorized to execute said Development Agreement on behalf of the County of Riverside within ten (10) days after the Effective Date of this ordinance, provided that all landowners listed in Development Agreement No. 1900017 have executed said Development Agreement within thirty (30) days after adoption of this ordinance.

Section 3. Effective Date. This ordinance shall take effect thirty (30) days after its adoption.

Kevin Jeffries, Chairman of the Board

I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said County, held on **November 5, 2019**, the foregoing Ordinance consisting of three (3) sections was adopted by said Board by the following vote:

AYES: Jeffries, Spiegel, Washington, Perez and Hewitt
NAYS: None
ABSENT: None

Kecia R. Harper, Clerk of the Board
By: Karen Barton, Deputy Clerk of the Board



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THE PRESS-ENTERPRISE

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REMITTANCE ADDRESS

BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE
'PO BOX 1147'
RIVERSIDE, CA 92502

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Publication(s): The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: Adoption of Ord. No. 664.62 /

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

11/18/2019

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: November 18, 2019
At: Riverside, California



Legal Advertising Representative, The Press-Enterprise

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BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

ORDINANCE NO. 664.62

AN ORDINANCE OF THE COUNTY OF RIVERSIDE

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AYES: Jeffries, Spiegel, Washington, Perez and Hewitt
NAYS: None
ABSENT: None

Kecia R. Harper, Clerk of the Board
By: Karen Barton, Deputy Clerk of the Board

11/18