

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



**ITEM: 3.83**  
(ID # 25144)

**MEETING DATE:**  
Tuesday, July 30, 2024

**FROM :** TLMA-TRANSPORTATION

**SUBJECT:** TRANSPORTATION AND LAND MANAGEMENT AGENCY/TRANSPORTATION:  
Approval and execution of the Road and Bridge Benefit District Project Agreement between KB Home Coastal Inc. and the County of Riverside associated with Tract Nos. 36417-1, 36417-2, and 36417-3. Not a project under CEQA pursuant to Section 15378 (b)(5) of the State CEQA Guidelines. District 3. [\$1,746,475 Total Cost – Road and Bridge Benefit District 100%]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Find the Road and Bridge Benefit District Project Agreement is not a project pursuant to State CEQA Guidelines Section 15378 (b)(5);
2. Approve and execute the Road and Bridge Benefit District Project Agreement between KB Home Coastal Inc. and the County of Riverside associated with Tract Nos. 36417-1, 36417-2, and 36417-3; and
3. Authorize the Chairman of the Board of Supervisors to execute the same.

**ACTION:Policy**

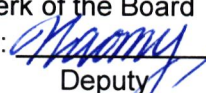
  
Dennis Acuna, Director of Transportation 6/7/2024

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Gutierrez, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: July 30, 2024  
xc: Trans.

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 1,746,475	\$ 0	\$ 1,746,475	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> Road and Bridge Benefit District 100%. No General Funds will be used on this project.			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 24/25	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

KB Home Coastal Inc. (Developer) is developing a community commonly known as Olivebrook that includes Tract Nos. 36417-1, 36417-2, and 36417-3 (Tract) that consists of two hundred twenty-eight (228) single-family residential homes located at the southwest corner of Leon Road and Olive Avenue.

The Developer is conditioned to construct improvements on Leon Road that include three (3) southbound lanes and one (1) northbound lane. These road improvements are identified facilities under the County of Riverside (County) Menifee Valley Area Road and Bridge Benefit (RBBB) District.

The Developer and the County now desire to enter into this Road and Bridge Benefit District Project Agreement (RBBB Agreement) to provide a means by which the Developer's eligible costs for the construction of certain road improvements are offset against the Developer's obligation to pay the applicable RBBB fees for the Tract. The Developer would be eligible to receive reimbursement from the Menifee Valley Area RBBB Program in an amount set forth in this RBBB Agreement. Upon completion of the improvements, acceptance by the County, and verification of actual costs, the County Transportation Department will determine the actual reimbursement due to the Developer.

The RBBB Agreement is not a "project" under the California Environmental Quality Act (CEQA). Pursuant to Section 15378 of the State CEQA Guidelines, the RBBB Agreement does not have the potential to result in direct physical changes in the environment and it is not reasonably foreseeable that the RBBB Agreement will result in an indirect physical change in the environment. The RBBB Agreement does not authorize any development, construction, maintenance, operation, or any other activity that would have the potential to result in any significant effect on the environment. Any future development, if it occurs at all, will be the result of subsequent actions subject to further CEQA review. The RBBB Agreement is not a project pursuant to Section 15378 (b)(5) of the State CEQA Guidelines which states that a "project" does not include "organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment". Therefore, it is reasonably foreseeable that the RBBB Agreement will not result in any direct or indirect physical change in the environment.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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A companion item is on the Board agenda this same date.

**Impact on Residents and Businesses**

The improvements along Leon Road will improve traffic flow and is a facility identified in the County General Plan.

**Additional Fiscal Information**

RBBB cash reimbursement is subject to the availability and programming of funds received by the County Menifee Valley Area RBBB District.

**ATTACHMENTS:**

Vicinity Map

RBBB Agreement



Jason Farin, Principal Management Analyst 7/24/2024



Aaron Gettis, Chief of Deputy County Counsel 7/17/2024

**PROJECT AGREEMENT  
ROAD AND BRIDGE BENEFIT DISTRICT  
MENIFEE VALLEY AREA  
Leon Road (North of Salt Creek Channel)**

THIS AGREEMENT (this "Agreement") is entered into this day of July 30, 2024, by and between the County of Riverside, a political subdivision of the State of California, hereinafter referred to as the "County" and KB Home Coastal Inc., a California corporation with its place of business at 36310 Inland Valley Drive Suite 300, Wildomar CA, 92595, hereinafter referred to as the "Developer". The County and Developer are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

**RECITALS**

WHEREAS, the Board of Supervisors (the "Board") of the County of Riverside (the "County") pursuant to Section 66484 of the California Government Code and Chapter 16.28 of the Riverside County Code ("Chapter 16.28") and Resolution No. 88-242, adopted on May 24, 1988, established the Menifee Valley Road and Bridge Benefit District ("District"), which consisted of more than one Zone and established a fee schedule for each Zone to fund a specified percentage of the estimated construction cost for those designated facilities within each Zone; and,

WHEREAS, the County, by Resolution No. 90-295, adopted on July 3, 1990, and by Resolution No. 91-480, adopted October 22, 1991, and by Resolution No. 96-02, adopted March 19, 1996, and by Resolution 2000-072, 2000-073, 2000-074 adopted April 25, 2000, and by Resolution 2000-189 adopted June 27, 2000, and by Resolution No. 2006-310 adopted on September 12, 2006, and by Resolution No. 2006-359 adopted November 13, 2006, and by Resolution 2017-131 adopted August 29, 2017 has amended the list of designated road and bridge improvements whose construction costs are to be funded by the District and the road and bridge improvement fee schedule; currently applicable for properties within the District is established by Resolution 2006-359; and

WHEREAS, Developer presently owns or has owned property that is located within Zone E4 of the District, and this property has received development approval from the County as Tract Nos. 36417-1 (65 Lots), 36417-2 (99 Lots), and 36417-3 (64 Lots) (as shown on Exhibit A which is attached hereto (the "Tract")); and

WHEREAS, as a condition of development of the Tract, the Developer is required to construct improvements to Leon Road that are identified on Exhibits B and C, which is attached hereto (the "Improvements"); the design and construction costs reimbursement of the Improvements will be based on actual costs and are not to exceed what is set forth in Exhibit D, respectively, that is attached hereto and, by this reference made a part hereof; and

WHEREAS, the Improvements are designated as road improvements, the construction costs of which are to be funded by the District; and

WHEREAS, the Developer has developed all of the Tract; and

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WHEREAS, the County, assuming the Improvements is constructed as if it is to be constructed under the direction and supervision or under the authority of the County, and can be funded by the District, consistent with Resolution No. 2017-131, based on actual cost in an amount not to exceed ONE MILLION SEVEN HUNDRED FORTY-SIX THOUSAND FOUR HUNDRED SEVENTY-FIVE DOLLARS (\$1,746,475), as shown on Exhibit D; and

WHEREAS, the Developer has requested to enter into an agreement with the County by the terms of which it can be reimbursed or receive credit from fees that the District has collected or will collect in the future for actual construction costs in an amount that is not to exceed the amount specified in Exhibit D; and

WHEREAS, the County estimates the total amount of District fees that can be collected from the Tract consistent with Resolution No. 2017-131 and the development rights that have been approved by the County to be NINE HUNDRED FIFTEEN THOUSAND SIX HUNDRED FORTY-EIGHT DOLLARS (\$915,648).

### AGREEMENT

NOW, THEREFORE, for good and valuable consideration and the mutual promises contained herein, it is agreed as follows:

**Section 1. Purpose of the Agreement:** Following execution of this Agreement, the Developer shall cause, consistent with Sections 3 through 12, below, the Improvements to be designed, engineered, and constructed as if it had been constructed under the direction and supervision or under the authority of the County, and the County shall pay or credit the Developer the Reimbursement Amount consistent with Exhibit D in conformance with Section 6, below.

**Section 2. Definitions:** Unless otherwise specifically defined in this Agreement, all terms will have the meaning ascribed to them by the Rules and Regulations for the Administration of Road and Bridge Benefit Districts of the County of Riverside.

**Section 3. Preparation and Approval of Plans and Specifications:** To the extent that it has not already done so, the Developer shall cause plans (the "Plans") to be prepared for the Project. The Developer shall obtain the written approval of the Plans from County. The Developer shall provide a copy of the Plans and Specifications to the Director of Transportation Department of the County, or his/her designee (the "County Engineer").

**Section 4. Duty of Developer to Construct:** To the extent authorized by law, County will grant the Developer any license and/or permit required from it to allow for the construction of the Improvements as approved by County. The Developer shall perform all of its obligations hereunder and shall conduct all operations with respect to the construction of the Project in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall not be relieved of its obligation to construct the Project and cause title to the Project to be conveyed to the County even if the Reimbursement Amount is less

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than the actual cost of the Project. Notwithstanding the foregoing, nothing set forth in this Agreement shall be construed to require the Developer to perform any work requiring a contractor's license, nor shall the Developer be deemed to be performing construction services pursuant to this Agreement.

**Section 5. Acquisition of County Facilities:** The Developer hereby agrees to convey to the County and the County hereby agrees to pay to the Developer the Reimbursement Amount for the Project, subject to the terms and conditions hereof.

The Reimbursement Amount is to be paid solely from fees collected or to be collected by the District and designated for the cost of construction of the Project and the County shall not be obligated to pay the Reimbursement Amount except from amounts held by the District for such purposes.

**Section 6. Payment of the Reimbursement Amount:** The Developer accepts that this Agreement does not serve to stop the County from making further adjustments to the District Fee, by amending the District, consistent with State law. The Developer acknowledges that the Board will annually consider adjustments to the District Fee. The parties agree that the dollar amount of any fee credit to be earned by the Developer pursuant to this Agreement will be determined by the actual cost of construction incurred not to exceed Exhibit D. The maximum allowable reimbursement amount will be based on the reimbursement scheduled established by the District at the time the Developer pays District Fees. **Additionally, cash reimbursement is subject to availability of funds received by the District which may include reimbursement over a period of time.**

(a) Upon recordation of a Notice of Completion for the Project and acceptance of the Project by the County Engineer, the Developer shall submit a billing to the County Engineer requesting determination of the actual cost of the Project and the District Fee credit. The reimbursement amount of the earned fee credit is to equal the actual cost incurred in an amount not to exceed what is set forth in Exhibit D in constructing the Project. The Developer is to supply all documentation requested by the County Engineer in determining the actual construction cost of the Project. The County Engineer is to use his best efforts to determine the amount of the earned fee credit within thirty (30) calendar days of receipt of the bill submitted by the Developer which may include reimbursement over a period of time.

(b) The County Engineer will provide the Developer written notice, in the form of Exhibit E attached hereto (the "Credit Notice"), of the dollar amount of the earned credit. If the dollar amount of the earned fee credit exceeds the dollar amount of the District Fee that would otherwise be due from the Developer (the "Fee Credit Excess"), the County Engineer will identify in the Notice that the Fee Credit Excess will generate either: (i) a cash reimbursement to the Developer or (ii) an earned fee credit to offset the District Fee required on another approved tract or parcel map to be developed by the Developer within the District. Once completed, the Credit Notice is to be executed and dated by the County Engineer and the Developer.

(c) If the dollar amount of the earned fee credit is less than the District Fee that would be due from the Developer, the Credit Notice will so note. The amount of credit to be applied with each District Fee payment on either a per unit or per acre basis will be identified, and shall be based on prorating the earned fee credit over those units which have not previously paid the District Fee in the first phase of the Tract.

(d) If the Developer is issued one or more building permits prior to the date the County Engineer accepts the Project and prepares the Notice of Credit, then the Developer will have to pay the full District Fee for each permit issued, and upon acceptance of the Project by the County Engineer, the County Engineer will note on the Notice of Credit the full District fee paid to date of acceptance and make the appropriate adjustment for the application of the earned fee credit consistent with the subsections (b) or (c) above.

**Section 7. Bid and Construction Requirements:**

(a) In order to insure that the Project is constructed as if it had been constructed under the direction and supervision, or under the authority of, the County, the Developer shall comply with all of the requirements set forth in this Section.

(b) Prior to soliciting bids, the Developer shall submit a bid packet for review and approval to the County Engineer. The contract for the construction of the Project shall be awarded to the responsible bidder submitting the lowest responsive bid for the Project after notice inviting sealed bids is given as required for public works projects pursuant to any applicable provisions of the California Public Contract Code and the rules, regulations and policies of the County. Upon opening of bids and prior to awarding the construction contract, the Developer shall submit the lowest responsible bidder's bid to the County Engineer for review and approval, which approval shall not be unreasonably withheld or delayed.

(c) The Developer shall require, and the specifications, bid and contract documents shall require all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged to perform work on the Project, to pay at least general prevailing wage rates to all workers employed in the execution of the contract, to post a copy of the general prevailing wage rates at the job-site in a conspicuous place available to all employees and applicants for employment, and to otherwise comply with applicable provisions of the California Labor Code, the California Government Code and the California Public Contract Code relating to general prevailing wage rates as required by the specifications approved by the County Engineer. The County has provided the Developer with copies of tables setting forth the general prevailing wage rates, and the Developer hereby acknowledges receipt thereof.

(d) The Developer shall require each contractor, subcontractor, vendor, equipment operator and owner operator, in each such case to the extent such individual or entity is engaged to perform work on the Project, to provide proof of insurance coverage satisfying the requirements of Section 12(g) hereof throughout the term of the construction of the Project. Rather than requiring its contractors to provide such insurance, the Developer may elect to provide the same for the benefit of its contractors.

(e) Each contractor engaged to perform work on the Project shall be required to furnish (i) labor and material payment bonds, and (ii) contract performance bonds, each in an amount equal to one hundred percent (100%) of the contract price naming the Developer and the County as obligees and issued by a California admitted surety subject to the provisions of Section 995.660 of the California Code of Civil Procedure. All such bonds shall be in a form as shown in Exhibit F. Rather than requiring its contractors to provide such bonds, the Developer may elect to provide the same for the benefit of its contractors.

(f) The Developer shall comply, and shall cause each contractor, subcontractor, vendor, equipment operator and owner operator, in each such case to the extent such individual or entity is engaged to perform work on the Project, to comply, with such other requirements relating to the construction of the Project as the County may impose by written notification delivered to the Developer, to the extent legally required as a result of changes in applicable Federal, State or County laws, rules or procedures.

(g) The Developer shall require, and the specifications and bid and contract documents shall require, all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged to perform work on the Project, to submit certified weekly payroll records to the Developer for inspection by the County Engineer, and to furnish certified payroll records to the County Engineer promptly upon request.

The Developer shall provide proof to the County Engineer, at such intervals and in such form as the County Engineer may require, that the foregoing requirements have been satisfied as to the Project.

**Section 8. Licenses and Permits:** To the extent authorized by law, County will grant the Developer any license and/or permit required from it to allow for the construction of the Project as approved by County. The form and content of said license and/or permit shall be in form mutually acceptable to both the County and the Developer.

**Section 9. Modifications to the Estimated Cost Stated in Exhibit D:** The lowest responsible bid for the Project shall not exceed the amounts shown in Exhibit D without a formal amendment to this Agreement. If during the course of construction of the Project, the Developer is presented with a change order or set of change orders that would increase the construction cost, the Developer must receive the approval of the County Engineer before approving the change order(s). In no instance shall the total construction costs, including any change orders, exceed the estimated costs shown in Exhibit D without a formal amendment to this Agreement. Upon approving the change order, the County Engineer will cause a formal amendment to this Agreement to be prepared, if necessary. Failure to comply with this provision will result in the County not reimbursing or crediting the Developer for any change orders.

**Section 10. Inspection; Completion of Construction:** The County Engineer shall have responsibility for providing inspection of the work of construction of the Project to insure that the work of construction is accomplished in accordance with the Plans and the specifications approved by the County Engineer. County personnel shall have access to the site of the work of construction at all reasonable times for the purpose of accomplishing such inspection.

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No later than (10) ten business days after receiving notification from the County that the Project has been constructed in accordance with the Plans, the Developer shall forthwith file with the Riverside County Recorder a Notice of Completion pursuant to the provisions of Sections 9550 of the California Civil Code. The Developer shall furnish to the County a duplicate copy of each such Notice of Completion showing thereon the date of filing with said County Recorder.

**Section 11. Maintenance of Facilities; Warranties:** The Developer shall maintain the Project in good and safe condition until their acceptance by the County. Prior to the acceptance of the Project, the Developer shall be responsible for maintaining the Project in proper operating condition, and shall perform such maintenance as the County Engineer reasonably determines to be necessary. As of the date of acceptance, the performance bond provided by the Developer for the Project pursuant to Section 7(e) hereof shall be reduced to an amount equal to 10% of the original amount thereof and shall serve as a warranty bond to guarantee that the Project will be free from defects due to faulty workmanship or materials for a period of 12 months from the date of acceptance, or the Developer may elect to provide a new warranty bond or cash in such an amount. As of the date of acceptance of the Project, the Developer shall assign to the County all of the Developer's rights in any warranties, guarantees, maintenance obligations or other evidence of contingent obligations of third persons with respect to the Project.

**Section 12. Insurance Requirements:** Without limiting or diminishing the Developer's obligation to indemnify or hold the County harmless, the Developer shall procure and maintain or cause to be maintained, at its sole cost and expense the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the County herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

(i) *Commercial General Liability:* Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations, explosion, collapse, use of cranes, and other heavy equipment and underground hazards, personal and advertising injury covering claims which may arise from or out of Developer's performance of its obligations hereunder. Policy shall name by endorsement the County and its special districts, respective directors, officers, Board of Supervisors, elected officials, employees, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

(ii) *Vehicle Liability:* Developer shall maintain liability insurance for all owned, non-owned or hired vehicles in an amount not less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name by endorsement the County, its special districts, their respective directors, officers, Board of Supervisors, elected officials, employees, agents or representatives as Additional Insureds.

(iii) *Worker's Compensation Insurance:* Developer shall maintain Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupation Disease with limits not less than \$2,000,000 per person per accident. Policy shall be endorsed to waive subrogation in favor of the County.

General Insurance Provisions - all lines:

(a) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. Best rating of not less than an A:VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager.

(b) The Developer's insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self-insured retentions which are deemed unacceptable to the County, at the election of the County's Risk Manager, the Developer's carriers shall either: (i) reduce or eliminate such deductibles or self-insured retentions as respects this Agreement with the County, or (ii) procure a bond which guarantees payment of losses and related investigations, claims administration, defense costs and expenses.

(c) The Developer shall cause their insurance carrier(s) to furnish the County with (i) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein; or (ii) if requested to do so orally or in writing by the County Risk Manager, provide original certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect.

(d) Further, said Certificate(s) and Endorsements to policies of insurance shall contain the covenant of the insurance carrier(s) that it shall provide no less than thirty (30) days written notice be given to the County prior to any material modification or cancellation of such insurance. In the event of a material modification or cancellation of coverage, this Agreement shall terminate forthwith, unless the County receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of Endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages and the insurance required herein are in full force and effect. Individual(s) authorized by the insurance carrier to do so, on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

(e) ***The Developer shall not commence construction of the Improvements until the County has been furnished original Certificate(s) of Insurance and certified original copies of Endorsements or policies of insurance including all endorsements and any and all other attachments as required in this Section. "Designated Insured" endorsements are not in compliance with County insurance requirements.***

(f) It is understood and agreed by the parties hereto and the Developer's insurance company(s) that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.

(g) The Developer and contractors shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement and will require all such subcontractors to name on their insurance policies by endorsement the County, its special districts, their respective directors, officers, Board of Supervisors, elected officials employees, agents or representatives as Additional Insureds. Copies of such certificates and endorsements shall be provided to the County. The minimum limits of liability required of all tiers of subcontractors is \$2,000,000 Combined Single Limit for Commercial General Liability and \$2,000,000 Combined Single Limit for Vehicle Liability Insurance.

(h) Developer agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this agreement.

**Section 13. Ownership of Facilities:** Notwithstanding the fact that a portion or all of the Project may be constructed in dedicated street rights-of-way or on property that has been or will be dedicated to the County, the Project shall be and remain the property of the Developer until acceptable title thereto is conveyed to the County as provided herein. Acceptable title means title to land, or an easement therein, delivered free and clear of all liens, taxes assessments, leases, easements, and encumbrances, whether any such item is recorded or unrecorded, except those non-monetary items which are reasonably determined by the County not to interfere with the intended use of the land and the Project. Such ownership by the Developer shall likewise not be affected by any agreement that the Developer may have entered into or may enter into with the County pursuant to the provisions of the Subdivision Map Act, Section 66410 *et seq.* of the Code, and the provisions of this Section shall control.

**Section 14. Representations, Warranties and Covenants of the Developer:** The Developer makes the following representations, warranties and covenants for the benefit of the County, as of the date hereof and as of the date of the Payment Request is delivered to the County hereunder:

(a) Organization. The Developer represents and warrants that the Developer is a California corporation duly organized and validly existing under the laws of the State of California, is in good standing under the laws of the State of California, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) Authority. The Developer represents and warrants that the Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and

validly executed and delivered on behalf of the Developer.

(c) Binding Obligation. The Developer represents and warrants that this Agreement is a valid and binding obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(d) Completion of Project. The Developer covenants that it will use its reasonable and diligent efforts to do all things that may be lawfully required of it in order to cause the Project to be completed in accordance with this Agreement.

(e) Compliance with Laws. The Developer covenants that, while the Project is owned by the Developer or required pursuant to this Agreement to be maintained by the Developer, it will not commit, suffer or permit any of its agents, employees or contractors to commit any act to be done in, upon or to the Project in violation in any material respect of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the Tract or the Project.

(f) Payment Requests. The Developer represents and warrants that it will diligently follow all procedures set forth in this Agreement with respect to Payment Requests.

(g) Financial Records. Until the final acceptance of the Project, the Developer covenants to maintain proper books of record and account for the Project and all costs related thereto. The Developer covenants that such accounting books will be maintained in accordance with generally accepted accounting principles, and will be available for inspection by the County and the County Engineer, at any reasonable time during regular business hours on two business days' prior written notice, subject to mutually acceptable arrangements regarding the confidentiality of proprietary data.

(h) Permits. The Developer covenants that it will obtain all governmental or other permits required to proceed with the construction of the Project and that it will pay all fees relating thereto.

(i) Environmental Matters. The Developer represents and warrants that it has complied with, has caused compliance with, or will cause compliance with, the California Environmental Quality Act as required for the construction of the Project and its conveyance to the County.

**Section 15. Representations, Warranties and Covenants of County:** County makes the following representations, warranties and covenants for the benefit of the Developer:

(a) Authority. County represents and warrants that County has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly

executed and delivered on behalf of County.

(b) Binding Obligation. County represents and warrants that this Agreement is a valid and binding obligation of County and is enforceable against County in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(c) Completion of the Improvements. The County covenants that it will use its reasonable and diligent efforts to take expeditiously all actions that may be lawfully required of it in issuing permits, processing and approving plans and specifications and inspecting the Project in accordance with this Agreement.

(d) Payment Requests. County represents and warrants that it will diligently follow all procedures set forth in this Agreement with respect to each payment request and payment of the Reimbursement Amount.

**Section 16. Indemnification:** Developer agrees to protect, indemnify, defend and hold the Community Facilities District, the County, its elected officials, directors, officers, employees, agents and representatives, individually or any combination thereof (the "Indemnified Parties"), harmless from and against any and all claims, including, but not limited to, third-party claims, and against any and all losses, liabilities, expenses, suits, actions, decrees, judgments, awards, reasonable attorney's fees, and court costs which the Indemnified Parties may suffer or which may be sought against or recovered or obtained from the Indemnified Parties, as a result of, or by reason of, or arising out of, or in consequence of any acts, omissions, negligence, willful misconduct of Developer, its employees, contractors, or agents in connection with (a) the approval or performance of this Agreement, (b) the awarding of credit pursuant to or on account of this Agreement, and/or (c) the untruth or inaccuracy of any representation or warranty made by said Developer in this Agreement. If said Developer fails to do so, the Indemnified Parties shall have the right, but not the obligation, to defend the same and charge all of the direct or incidental costs of such defense, including reasonable attorney's fees or court costs, to and recover the same from said Developer.

The Provisions of this Section shall survive the termination of this Agreement.

**Section 17. Developer as a Private Developer:** In performing under this Agreement, it is mutually understood that the Developer is acting as an independent contractor, and not as an agent of the County. The County shall have no responsibility for payment to any contractor, subcontractor or supplier of the Developer.

**Section 18. Other Agreements:** Nothing contained herein shall be construed as affecting the County's or the Developer's respective duty to perform its respective obligations under other agreements, land use regulations or subdivision requirements relating to the development of the Tract, which obligations are and shall remain independent of the Developer's rights and obligations, and the County's rights and obligations, under this Agreement; provided, however, that the Developer shall use its reasonable and diligent efforts to perform each and every covenant to be performed by it under any lien or encumbrance, instrument, declaration, covenant, condition, restriction, license, order, or other agreement, the nonperformance of which could reasonably be

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expected to materially and adversely affect the acquisition, construction and installation of the Project.

**Section 19. Binding on Successors and Assigns:** Neither this Agreement nor the duties and obligations of the Developer hereunder may be assigned to any person or legal entity other than an affiliate of the Developer without the written consent of the County, which consent shall not be unreasonably withheld or delayed. Neither this Agreement nor the duties and obligations of the County hereunder may be assigned to any person or legal entity, without the written consent of the Developer, which consent shall not be unreasonably withheld or delayed. The agreements and covenants included herein shall be binding on and inure to the benefit of any partners, permitted assigns, and successors-in-interest of the parties hereto.

**Section 20. Amendments:** This Agreement can only be amended by an instrument in writing executed and delivered by the County and the Developer.

**Section 21. Waivers:** No waiver of, or consent with respect to, any provision of this Agreement by a party hereto shall in any event be effective unless the same shall be in writing and signed by such party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

**Section 22. No Third Party Beneficiaries:** No person or entity shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the County and the Developer (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Agreement.

**Section 23. Notices:** Any written notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

DEVELOPER	COUNTY
KB Home Coastal Inc. Attention: Scott Hansen 36310 Inland Valley Drive, Suite 300 Wildomar, CA 92595 Phone No: (951) 691-5300	County of Riverside Attention: Alvin Medina 4080 Lemon St, 8 <sup>th</sup> Floor Riverside, CA 92501 Phone: 951-955-1667

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopy, upon the sender's receipt of an appropriate answerback or other written acknowledgment, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail,

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(d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section.

**Section 24. Jurisdiction and Venue:** Each of the County and the Developer (a) agrees that any suit action or other legal proceeding arising out of or relating to this Agreement shall be brought in the State Courts in the County of Riverside or Federal Courts in the district in which said County is located, (b) consents to the jurisdiction of each such court in any suit, action or proceeding, and (c) waives any objection that it may have to the laying of venue or any suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Each of the County and the Developer agrees that a final and non-appeal-able judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

**Section 25. Attorneys' Fees:** If any action is instituted to interpret or enforce any of the provisions of this Agreement, each Party shall be responsible for their own attorney's fees.

**Section 26. Governing Law:** This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

**Section 27. Usage of Words:** As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

**Section 28. Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original.


**Section 29. Severability:** If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

**[Signatures of Parties on Following Pages]**

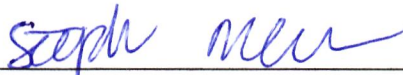
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year above written.

**COUNTY OF RIVERSIDE**

RECOMMENDED FOR APPROVAL:

By:   
Dennis Acuna  
Director of Transportation


APPROVED AS TO FORM:  
Minh C. Tran  
County Counsel

By:   
Stephanie Nelson  
Deputy County Counsel

APPROVAL BY THE COUNTY BOARD OF SUPERVISORS:


By:   
**CHUCK WASHINGTON**  
Chairman, County Board of Supervisors

ATTEST:  
Kimberly Rector  
Clerk of the Board

By:   
Deputy

**DEVELOPER**

KB Home Coastal Inc., a California corporation

By:   
Scott Hansen  
Vice President



# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT


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 Riverside }

On April 26, 2024 before me, Judith Mireles, Notary Public, personally appeared Scott Hansen, 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.

  
\_\_\_\_\_  
Judith Mireles, Notary Public



(SEAL)

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF PROPERTY**

**[ATTACHED BEHIND THIS PAGE]**

**EXHIBIT A**

**LEGAL DESCRIPTION**

That certain real property located in the County of Riverside, State of California, more particularly described as follows:

**PARCEL A:**

PARCEL 1 OF AMENDED PARCEL MAP NO. 13711, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 114 PAGE 35 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM, PARCEL 4110-6 AS SHOWN ON RECORD OF SURVEY RECORDED JULY 23, 1983 IN BOOK 70, PAGES 26 THROUGH 33 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

ALSO EXCEPTING THEREFROM, ANY PORTION LYING WITHIN AMENDED TRACT NO. 30266-1, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 431 PAGES 19 THROUGH 26, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN:461-160-029

**PARCEL B:**

LOTS 1 THROUGH 59, INCLUSIVE, AND LOT 62 OF TRACT NO. 30266-1, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 426, PAGES 85 THROUGH 91, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

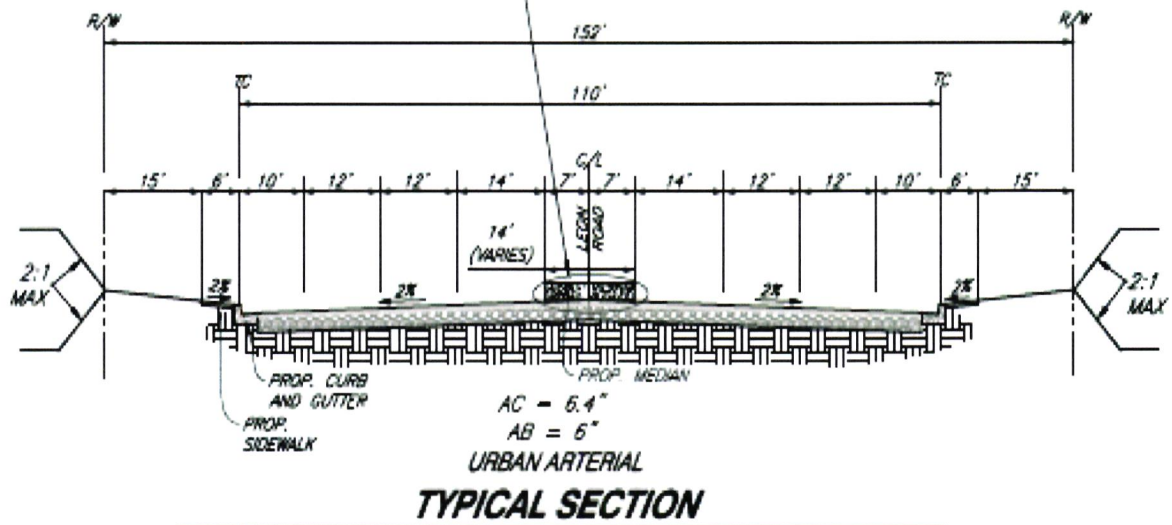
APN:461-270-001 THROUGH 461-270-025 AND 461-271-001 THROUGH 461-271-009 AND 461-272-001 THROUGH 461-272-008 AND 461-273-001 THROUGH 461-273-018

**EXHIBIT "B"**

**TYPICAL CROSS SECTION**

**[ATTACH BEHIND THIS PAGE]**

CASH-IN-LIEU FOR MEDIAN  
 AN AMOUNT OF \$ 261,190.00 HAS BEEN PLACED  
 INTO ACCOUNT #20000-3130100000-230106  
 FOR THE FUTURE CONSTRUCTION OF LANDSCAPE  
 MEDIAN LOCATED ON LEON ROAD.  
 RECEIPT NUMBER 38654-4 DATED 02-14-2024



RBBB Agreement  
 KB Home Coastal Inc.  
 Tract Nos. 36417-1, 36417-2, and 36417-3  
 Leon Road Street Improvements (North of Salt Creek Channel)

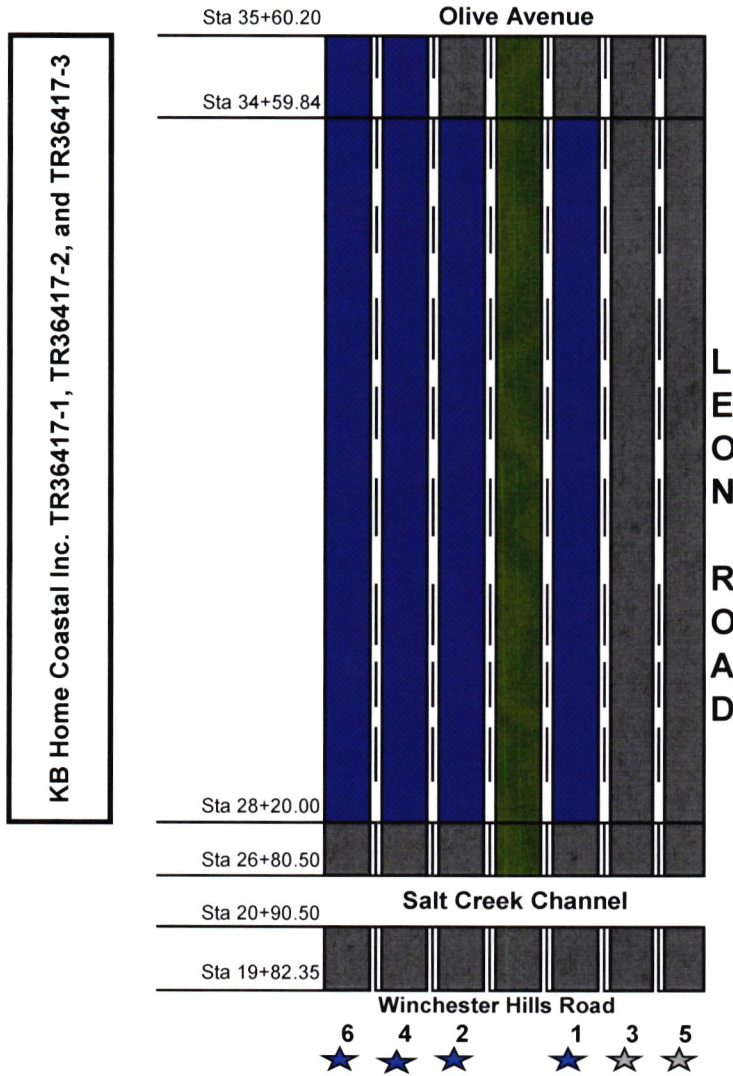
**EXHIBIT "C"**

**IMPROVEMENTS DIAGRAM**

**[ATTACH BEHIND THIS PAGE]**





**KB Home Coastal Inc.  
TR36417-1, TR36417-2, and TR36417-3 (MS4437)**

**Street Improvements Diagram  
Leon Road (North of Salt Creek Channel)**



KB Home Coastal Inc. TR36417-1, TR36417-2, and TR36417-3



-  Lanes 1, 2, 4, and 6 new roadways covered by RBBD
-  Median (Cash-In-Lieu) covered by RBBD
-  Lanes 3, and 5 not constructed
-  Roadway Improvements not covered by RBBD

**EXHIBIT "D"**

**FACILITY BUDGET**

**[ATTACH BEHIND THIS PAGE]**



**KB Home Coastal Inc.  
TR36417-1, TR36417-2, and TR36417-3 (MS4437)**

FACILITY BUDGET WORKSHEET  
Leon Road (North of Salt Creek Channel)  
Menifee Valley Area RBBB

<b>Street RBBB Reimbursement Budget</b>	<b>Full RBBB Cost</b>
Leon Road Street Improvements (North of Salt Creek Channel)	\$ 3,870,172.00
Reimbursement per linear ft for 1 lane	\$ 580

<b>Street Improvements Cost Estimates</b>	<b>Linear Feet</b>	<b>Lane Count</b>	<b>Amount</b>
<b>Lane 1</b> Sta 28+20.00 to 34+59.84	639.84	1	\$ 371,107
<b>Lane 2</b> Sta 28+20.00 to 34+59.84	639.84	1	\$ 371,107
<b>Lane 4</b> Sta 28+20.00 to 35+60.20	740.20	1	\$ 429,316
<b>Lane 6</b> Sta 28+20.00 to 35+60.20	740.20	1	\$ 429,316
<b>Median</b> Cash-In-Lieu			\$ 145,629
Leon Road Street Improvements (North of Salt Creek Channel) Maximum RBBB Program Reimbursement			\$ 1,746,475

<b>Maximum RBBB Program Reimbursement TR36417-1, TR36417-2, and TR36417-3 Leon Road Street Improvements</b>	\$ 1,746,475
---	--------------

RBBB Obligation of 228 Lots @ \$4,016.00/du (Menifee Valley Zone E4) = \$915,648

**EXHIBIT D**

**I. REIMBURSEMENT:**

The final settlement shall be based on the actual allowable cost of design, engineering, and construction costs for the completion and acceptance of the project described in this Agreement, and shall not exceed the maximum obligation of the COUNTY herein. The Menifee Road and Bridge Benefit District will not provide reimbursement for:

- Tapers that will not be part of ultimate improvements;
- Frontage improvements including but not limited to curb, gutter, and sidewalks; and
- Right-Of-Way Costs.

**II. MAXIMUM OBLIGATION:**

Eligible Reimbursement for Leon Road Street Improvements (North of Salt Creek Channel)

Leon Road – Ultimate Road Imp. (Lane 1 – 639.84 LF)	\$371,107
Leon Road – Ultimate Road Imp. (Lane 2 – 639.84 LF)	\$371,107
Leon Road – Ultimate Road Imp. (Lane 4 – 740.20 LF)	\$429,316
Leon Road – Ultimate Road Imp. (Lane 6 – 740.20 LF)	\$429,316
Leon Road – Raised Median (Cash In Lieu)	\$145,629

**Maximum Eligible reimbursement pursuant to Resolution No. 2017-131 is \$1,746,475**

**III. DOCUMENTATION TO BE PROVIDED BY DEVELOPER**

To assist the County in determining the eligible costs for a completed Improvement, Developer will provide the following documents to County:

1. Plans, specifications and Developer’s civil engineer’s cost estimate;
2. List of bidders from whom bids were requested;
3. Construction schedules and progress reports;
4. Contracts, insurance certificates with each contractor or vendor;
5. **Change orders and County approvals for each change order;**
6. Invoices received from all contractors, vendors and consultants (including consultant timesheet showing time charge to improvements);
7. **Canceled checks from payments made to contractors and vendors(copy both front and back of canceled checks);**
8. **Spreadsheet showing total costs incurred in and related to the construction of each Improvement and the check number for each item of cost and invoice;**
9. Final lien releases from each contractor and vendor;
10. Recorded Notice of Completion; and

RBBD Agreement  
 KB Home Coastal Inc.  
 Tract Nos. 36417-1, 36417-2, and 36417-3  
 Leon Road Street Improvements (North of Salt Creek Channel)

11. Such further documentation as may be reasonably required by County to evidence the completion of construction and the payment of each item of cost and invoice.

**EXHIBIT "E"**

**CREDIT NOTICE**

**[ATTACH BEHIND THIS PAGE]**

RBBD Agreement  
KB Home Coastal Inc.  
Tract Nos. 36417-1, 36417-2, and 36417-3  
Leon Road Street Improvements (North of Salt Creek Channel)

**EXHIBIT E**

**REIMBURSEMENT/CREDIT AUTHORIZATION**  
**REQUEST**

CONTRACT NO./PROJECT TITLE: \_\_\_\_\_

\_\_\_\_\_  
(Firm Name - Principal)

\_\_\_\_\_  
(Business Address)

By: \_\_\_\_\_

(Signature)

\_\_\_\_\_  
(Title)

Agreement Not To Exceed Amount: \$ \_\_\_\_\_

Previously Authorized Amounts: Reimbursements: \$ \_\_\_\_\_ Credits: \$ \_\_\_\_\_

Amount Of Request: Reimbursements: \$ \_\_\_\_\_ Credits: \$ \_\_\_\_\_

**Required Attachments:**

Invoice with Remit To Address

Supporting Documentation Showing Payments For Reimbursable

Items For Reimbursements Check One:

\_\_\_\_ W-9 Form (with first request)

\_\_\_\_ Vendor Registration Completed Online ([www.co.riverside.ca.us/pucrindex.asp](http://www.co.riverside.ca.us/pucrindex.asp))

\_\_\_\_ Vendor Registration Completed With Previous Reimbursement Request

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**FOR COUNTY USE ONLY:**

Description Of Any Requested Reimbursement/Credit Amounts That Are Denied Or Withheld:

\_\_\_\_\_ DENIED \$ \_\_\_\_\_

\_\_\_\_\_ WITHHELD \$ \_\_\_\_\_

RBBB Agreement  
KB Home Coastal Inc.  
Tract Nos. 36417-1, 36417-2, and 36417-3  
Leon Road Street Improvements (North of Salt Creek Channel)

Authorized Amounts: Reimbursements: \$ \_\_\_\_\_ Credits: \$ \_\_\_\_\_

Amount of Prorated Credit to be Applied with each Fee Payment: \$ \_\_\_\_\_ / \_\_\_\_\_

(DU or Acre) Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Work Order: \_\_\_\_\_ Task Code: \_\_\_\_\_

**EXHIBIT "F"**

**CONTRACT PERFORMANCE BOND AND  
PAYMENT BOND**

**[ATTACH BEHIND THIS PAGE]**

RBBD Agreement  
KB Home Coastal Inc.  
Tract Nos. 36417-1, 36417-2, and 36417-3  
Leon Road Street Improvements (North of Salt Creek Channel)

**EXHIBIT F**  
**PAYMENT BOND**

(Public Work - Civil Code Section 9550 et seq.)

The makers of this Bond are (Contractor Name) as Principal and Original Contractor and (Surety Name), a corporation, authorized to issue Surety Bonds in California, as Surety, are held and firmly bound unto (Owner/Awarding Body Name) hereinafter called the Owner/Awarding Body, and unto the County of Riverside and the County of Riverside Transportation Department, hereinafter referred to as additional obligees and this Bond is issued in conjunction with that certain public works contract for Leon Road Street Improvements (MS4437/TR36417-1, TR36417-2, TR36417-3/Funding: RBBD) in accordance with drawings and specifications prepared by (EOR name) dated as of \_\_\_\_\_, 20\_\_\_\_, between Principal and Owner/Awarding Body, for \_\_\_\_\_ dollars(\$ \_\_\_\_\_) the total amount payable. THE AMOUNT OF THIS BOND IS 100% OF SAID SUM. Said contract is for public work described in said agreement entitled: "Road and Bridge Benefit District Project Agreement" by and among County of Riverside, a political subdivision of the State of California and KB Home Coastal Inc., a California corporation" dated as of \_\_\_\_\_, 20\_\_\_\_.

The beneficiaries of this Bond are as is stated in Section 9554 of the Civil Code and the requirements and conditions of this Bond are as is set forth in Sections 9550 through 9566 of said Code. Without notice, Surety consents to extension of time for performance, change in requirements, amount of compensation, or prepayment under said Contract.

Signed and Sealed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
(Firm Name - Principal)

\_\_\_\_\_  
(Business Address)

Affix Seal  
if  
Corporation

By: \_\_\_\_\_  
(Signature - Attach Notary's Acknowledgment)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Corporation Name - Surety)

\_\_\_\_\_  
(Business Address)

Affix  
Corporate  
Seal

By: \_\_\_\_\_  
(Signature - Attached Notary's Acknowledgment)  
ATTORNEY-IN-FACT  
(Title-Attach Power of Attorney)

RBBD Agreement  
KB Home Coastal Inc.  
Tract Nos. 36417-1, 36417-2, and 36417-3  
Leon Road Street Improvements (North of Salt Creek Channel)



**PERFORMANCE BOND**

The makers of this Bond, (Contractor Name) as Principal and Original Contractor, and (Name of Surety) as Surety, are held and firmly bound unto (Owner/Awarding Body Name), hereinafter called the Owner/Awarding Body, and unto the County of Riverside and the County of Riverside Transportation Department as additional obligees, in the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents. THE AMOUNT OF THIS BOND IS 100% OF SAID SUM.

The condition of this obligation is such, that whereas the Principal entered into a certain contract for Leon Road Street Improvements (MS4437/TR36417-1, TR36417-2, TR36417-3/Funding: RBBD) in accordance with drawings and specifications prepared by (EOR name), hereto attached, with the Owner/Awarding Body, dated as of \_\_\_\_\_, 20\_\_. Said contract is for public work defined and described in said agreement entitled: "Road and Bridge Benefit District Project Agreement" by and among County of Riverside, a political subdivision of the State of California and KB Home Coastal Inc., a California corporation" dated as of \_\_\_\_\_, 20\_\_.

Now therefore, if the Principal shall well and truly perform and fulfill all the undertakings covenants, terms, conditions and agreements of said Contract during the original term of said Contract and any extension thereof that may be granted by the Owner, with or without notice to the Surety, and during the file of any guarantee required under the Contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said Contract that may thereafter be made, then this obligation to be void, otherwise to remain in full force and virtue. Without notice, Surety consents to extension of time for performance, change in requirements, change in compensation or prepayment under said Contract.

Signed and Sealed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
(Firm Name - Principal)

\_\_\_\_\_  
(Business Address)

Affix Seal  
if  
Corporation

By: \_\_\_\_\_  
(Signature – Attach Notary’s Acknowledgement)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Corporation Name - Surety)

\_\_\_\_\_  
(Business Address)

Affix  
Corporate  
Seal

By: \_\_\_\_\_  
(Signature - Attach Notary's Acknowledgment)

ATTORNEY-IN-FACT  
(Title-Attach Power of Attorney)





# Secretary of State Certificate of Status

I, SHIRLEY N. WEBER, PH.D., California Secretary of State, hereby certify:

**Entity Name:** KB HOME COASTAL INC.  
**Entity No.:** 1687483  
**Registration Date:** 05/31/1991  
**Entity Type:** Stock Corporation - CA - General  
**Formed In:** CALIFORNIA  
**Status:** Active

The above referenced entity is active on the Secretary of State's records and is authorized to exercise all its powers, rights and privileges in California.

This certificate relates to the status of the entity on the Secretary of State's records as of the date of this certificate and does not reflect documents that are pending review or other events that may impact status.

No information is available from this office regarding the financial condition, status of licenses, if any, business activities or practices of the entity.



**IN WITNESS WHEREOF**, I execute this certificate and affix the Great Seal of the State of California this day of August 10, 2023.

**SHIRLEY N. WEBER, PH.D.**  
Secretary of State

**Certificate No.:** 136750326

To verify the issuance of this Certificate, use the Certificate No. above with the Secretary of State Certification Verification Search available at [bizfileOnline.sos.ca.gov](http://bizfileOnline.sos.ca.gov).



**CERTIFICATE OF SECRETARY**  
**KB HOME COASTAL INC.**

I, Tony Richelieu, do hereby certify that I am the duly elected, qualified and acting Secretary of KB HOME Coastal Inc., a California corporation (this "Corporation").

I do further certify that the resolutions attached hereto as Exhibit "A" are a true and complete representation of such resolutions that were duly adopted by the unanimous written consent of the Board of Directors of this Corporation as of August 7, 2023, and that said resolutions have not been rescinded, modified or revoked, and are in full force and effect.

WITNESS MY HAND this 7<sup>th</sup> day of August, 2023.

By: Tony Richelieu  
Tony Richelieu  
Secretary

EXHIBIT "A"  
**KB HOME COASTAL INC.**  
RESOLUTIONS ADOPTED AS OF AUGUST 7, 2023

Signing Authority

RESOLVED . . ., that the following resolutions shall supersede and replace any and all resolutions previously adopted with respect to the powers and authority herein granted including, but not limited to, resolutions adopted as of December 8, 2022, and any such prior authority is hereby revoked and restated in its entirety as follows:

RESOLVED FURTHER, that the following officers and/or employees of this Corporation be, and each hereby is, authorized to act on behalf of this Corporation; provided, however, that such authority shall be limited to such authority as may be provided herein below and to other ordinary course of business transactions relating to the operations of this Corporation as indicated herein below:

Stephen J. Ruffner	President [Regional General Manager, Coastal]
Robert V. McGibney	Executive Vice President
John P. Fenn	Executive Vice President, and President, Inland Empire Division [Regional General Manager, Inland Empire and Los Angeles/Ventura]
Michael J. Gartlan	Senior Vice President, Finance
Erick Montano	Senior Vice President, Inland Empire
Matthew Rizzo	Senior Vice President, Inland Empire
John Abboud	Vice President, Land Acquisition
Denise Lainez	Vice President, Land Acquisition
<b>Scott Hansen</b>	Vice President, Forward Planning
Jesse Kleist	Vice President, Forward Planning
Daniel C. Loth	Vice President, Sales and Marketing
Martha C. Gonzalez	Senior Director, DUP and Assistant Secretary
Erin Barber	Director, Finance, Coastal
Jennifer Blott	Director, Finance, Inland Empire
Frank Chen	Director, Forward Planning
Vernell Williams	Director, Forward Planning
Bob Dinsmore	Director, Purchasing
Allen Barrett	Senior Project Manager, Land
Chris Earl	Senior Project Manager, Land
Christina Hagan	Senior Escrow Manager
Damon Polk	Project Manager, Land
Elizabeth Shoemaker	Project Manager, Land
Jessica Cross	Manager, DUP
Bob Kronenfeld	Senior Director, Marketing
Katherine Katcher	Senior DUP Coordinator
Aubrey Fitzgerald	DUP Coordinator
Deanna Olivera	DUP Coordinator
Christian Prado	DUP Coordinator
Jordan Mastroianni	Senior Forward Planner
Richard Hamlin	Forward Planner

RESOLVED FURTHER, that any of the following person(s), acting alone be, and each hereby is, authorized and empowered for and on behalf and in the name of this Corporation and any Corporation Entity (which, for these purposes is (a) any limited liability company in which this Corporation is the sole member and (b) any partnership in which this Corporation is the general partner), to execute, acknowledge and deliver any and all documents deemed by such person to be necessary or appropriate in connection with the acquisition and/or disposition of bulk parcels of real property by this Corporation or any Corporation Entity, including, but not limited to, land purchase and sale agreements, purchase and sale of residential dwellings and lots, amendments, assignments, escrow instructions, grant deeds, promissory notes, deeds of trust, maps, agreements and related documents:

Stephen J. Ruffner                      Robert V. McGibney  
John P. Fenn

RESOLVED FURTHER, that the signature of the President or any Executive Vice President of this Corporation is required on any and all disbursements in excess of \$1,000 for non-contract items that are executed and delivered for and on behalf of this Corporation.

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized and empowered to sign, execute and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, any and all documents deemed by such person necessary or appropriate in connection with this Corporation's or any Corporation Entity's (a) land improvement and construction activities, including, but not limited to, purchase orders and subcontracts for labor and materials; and (b) land improvement and development activities including but not limited to, easements, development agreements, applications for land development approvals, option agreements, subdivision approvals, declarations of covenants, conditions and restrictions, and any other submissions required to be filed with the California Department of Real Estate ("DRE"), subdivision and tract maps and exhibits thereto, applications and submissions to obtain preliminary and final subdivision public reports and supporting documents:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Erick Montano	Matthew Rizzo
John Abboud	Denise Lainez	Scott Hansen
Jesse Kleist	Erin Barber	Jennifer Blott
Frank Chen		

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized to sign, execute and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, any and all documents required in connection with this Corporation's or any Corporation Entity's development of real property including, but not limited to, improvement bonds, subdivision improvement agreements, subdivision maps, building permit applications and such other documents related to the permit process:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Erick Montano	Matthew Rizzo
John Abboud	Denise Lainez	Scott Hansen
Jesse Kleist	Erin Barber	Jennifer Blott
Frank Chen	Vernell Williams	Allen Barrett
Chris Earl	Damon Polk	Elizabeth Shoemaker

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized to execute and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, (a) any and all documents required to be submitted to the DRE in connection with this Corporation's or any Corporation Entity's preliminary and final subdivision public report process, and to support filings required to be made pursuant to such DRE requirements; (b) utility contracts and (c) applications and other ancillary documents required to obtain city and/or County permits for projects developed by this Corporation or any Corporation Entity:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Erick Montano	Matthew Rizzo
John Abboud	Denise Lainez	Scott Hansen
Jesse Kleist	Erin Barber	Jennifer Blott
Frank Chen	Vernell Williams	Allen Barrett
Chris Earl	Damon Polk	Elizabeth Shoemaker
Jordan Mastroianni	Richard Hamlin	

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized and empowered to execute, acknowledge and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, any and all documents deemed necessary or appropriate (a) to convey title in and to property which comprises the common area in planned residential projects developed by this Corporation or any Corporation Entity to be conveyed to each respective homeowners association and any and all restrictive covenants, conditions and easements and any and all supplemental declarations with respect thereto; (b) in connection with the development of real property by this Corporation or any Corporation Entity; (c) in connection with the permitting processing with respect to such real property developments and (d) to allow the DRE to issue a public report; such documents to include, without limitation, consultant contracts, utility contracts, improvement bonds, subdivision improvement agreements, subdivision maps, tract maps, parcel maps and building permit applications:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Erick Montano	Matthew Rizzo
John Abboud	Denise Lainez	Scott Hansen
Jesse Kleist	Jennifer Blott	Frank Chen

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized and empowered for and on behalf and in the name of this Corporation and any Corporation Entity, to take all actions and to execute, deliver, file and record any and all certificates, instruments, agreements and documents as may be required or as such officer may deem necessary, advisable or proper, in connection with the financing of this Corporation's or any Corporation Entity's land improvement and development activities, including the public facilities necessary to serve such development, including, but not limited to, (a) the formation of assessment districts or community facilities districts pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, or any other comparable or similar statute or regulation; (b) authorizing the levy of assessments or special taxes against the real property of this Corporation or any Corporation Entity by any such assessment district or community facilities district; and (c) authorizing the issuance of bonds by any such assessment district or community facilities district secured by a first pledge of the proceeds of the special taxes or assessments levied on the real property of this Corporation or any Corporation Entity:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Erick Montano	Matthew Rizzo
John Abboud	Scott Hansen	Jesse Kleist
Jennifer Blott		

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized to sign, execute and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, any and all documents required in connection with the sale of individual lots to third parties, including, but not limited to, purchase and sale agreements, escrow instructions, notices of completion, warranty/grant deeds, contracts (including amendments, assignments, addendums and other ancillary documents forming a part of the contract), holdback agreements, termite inspection certificates, buyer and seller certificates as required under FHA, VA and other government sponsored loan programs, to effect the sale of such lots to purchasers:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Erick Montano	Matthew Rizzo
John Abboud	Martha C. Gonzalez	Jennifer Blott
Christina Hagan	Jessica Cross	Katherine Katcher
Aubrey Fitzgerald*	Deanna Olivera*	Christian Prado*

; provided, that each person designated by an asterisk is not authorized to sign warranty/grant deeds;

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized to sign, execute and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, any and all master subcontract agreements and related documents and material purchase agreements, subcontract work agreements and related documents with respect to the construction of improvements on real property:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Erick Montano	Matthew Rizzo
John Abboud	Scott Hansen	Jesse Kleist
Erin Barber	Jennifer Blott	Bob Dinsmore

RESOLVED FURTHER, that any one of the following persons, acting alone, is authorized and empowered for and on behalf and in the name of this Corporation and any Corporation Entity, to sign, execute and deliver master consultant agreements, purchase orders and subcontracts for labor and materials and related documents with respect to development of real property:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Erick Montano	Matthew Rizzo
John Abboud	Scott Hansen	Jesse Kleist
Erin Barber	Jennifer Blott	Bob Dinsmore

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized and empowered to sign, execute and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, any and all master service agreements, vendor agreements, independent contractor sales agreements and supporting documents with respect to the marketing, sales and management of real property:

Daniel C. Loth	Erick Montano	Martha C. Gonzalez
Bob Kronenfeld		



RESOLVED FURTHER, that Stephen J. Ruffner or Martha C. Gonzalez, acting alone, be, and each hereby is, authorized and empowered to sign, execute and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, any and all documents required in connection with this Corporation's or any Corporation Entity's customer service and new home warranty activities and other business operations including, but not limited to, settlement agreements, purchase orders and subcontracts for labor and materials;

RESOLVED FURTHER, that any one of the following persons, acting alone, be, and each hereby is, authorized and empowered to sign, execute and deliver for and on behalf and in the name of this Corporation and any Corporation Entity, any and all documents establishing bank accounts, financing arrangements and other ordinary course banking and financial arrangements:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
Michael J. Gartlan	Matthew Rizzo	Jennifer Blott

RESOLVED FURTHER, that any one of the following person(s), acting alone, be, and each hereby is, authorized and empowered to act on behalf of this Corporation in its capacity as a member (other than a sole member) of any limited liability company or as a partner (other than a general partner) of any partnership in which this Corporation owns an interest, directly or indirectly:

Stephen J. Ruffner	Robert V. McGibney	John P. Fenn
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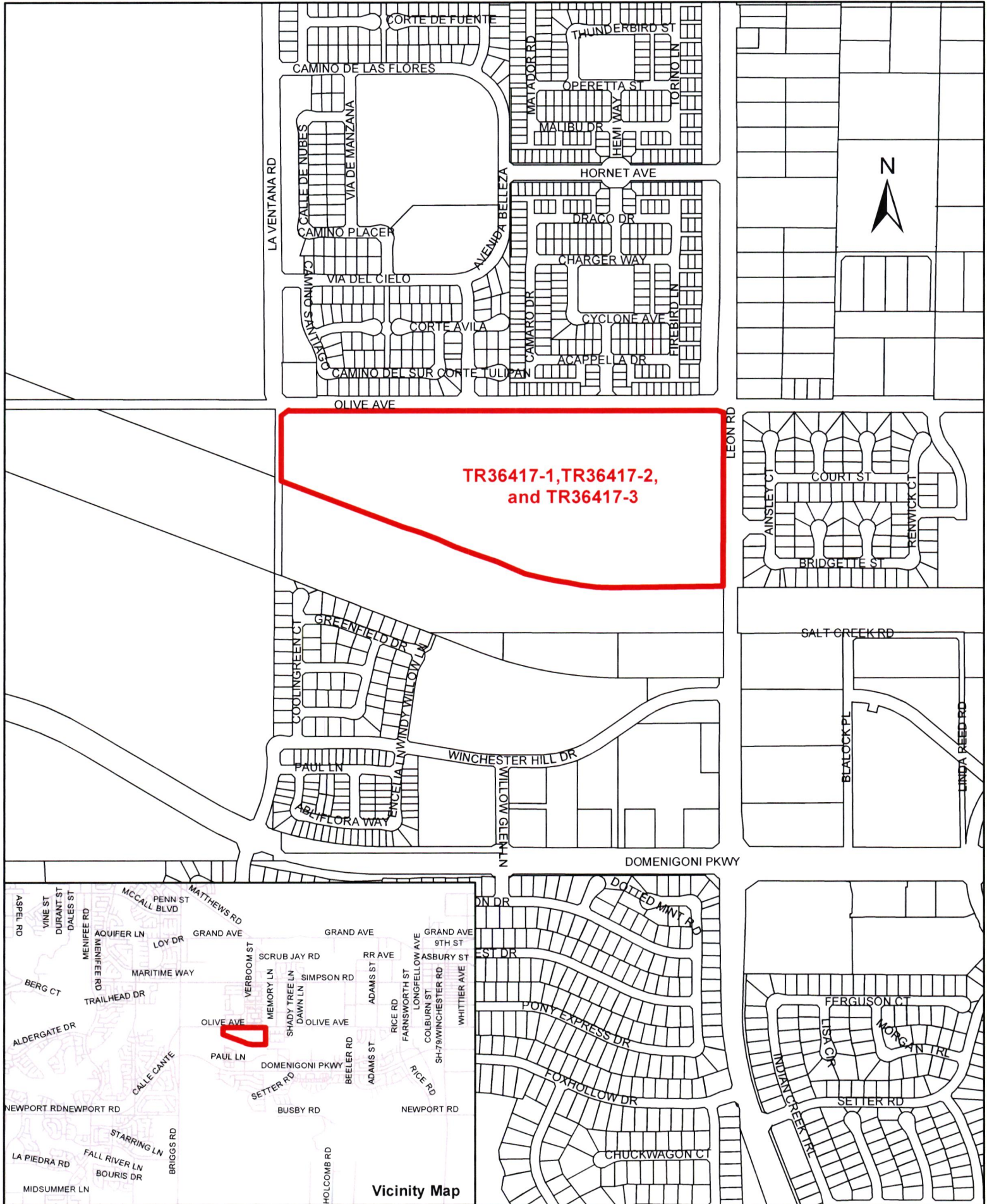
RESOLVED FURTHER, that Stephen J. Ruffner, President of this Corporation, Robert V. McGibney, Executive Vice President, and John P. Fenn, Executive Vice President, and President, Inland Empire Division, be, and each hereby is, authorized, empowered and directed, for and on behalf and in the name of this Corporation and any Corporation Entity, to take such further actions and to do all such further things which he may deem necessary and appropriate to accomplish the purpose and to effectuate the intent of the foregoing resolutions with respect to this Corporation or any Corporation Entity;

RESOLVED FURTHER, that any and all documents executed or actions undertaken by any officers or employees listed in the foregoing resolutions between December 8, 2022 and the date hereof substantively within the scope of their authority as designated above be, and they hereby are, ratified, confirmed and approved.

# Vicinity Map

## Tract Nos. 36417-1, 36417-2, and 36417-3

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Vicinity Map