



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

July 21, 2005

IN REPLY PLEASE
REFER TO FILE: **PD-3**

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**JOINT COMMUNITY FACILITIES AGREEMENTS
SAUGUS UNION SCHOOL DISTRICT
WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
SCC/PLUM CANYON, LLC
COMMUNITY FACILITIES DISTRICTS
SUPERVISORIAL DISTRICT 5
3 VOTES**

JOINT RECOMMENDATION WITH THE COUNTY LIBRARIAN THAT YOUR BOARD:

1. Adopt the enclosed Resolution declaring that a joint community facilities agreement with the Saugus Union School District and SCC/Plum Canyon, LLC, to provide financing of certain bridge and thoroughfare fees and library fees through a Community Facilities District proposed by the Saugus Union School District, will be beneficial to the residents of the County.
2. Adopt the enclosed Resolution declaring that a joint community facilities agreement with the William S. Hart Union High School District and SCC/Plum Canyon, LLC, to provide financing of certain bridge and thoroughfare fees and library fees through a Community Facilities District proposed by the William S. Hart Union High School District, will be beneficial to the residents of the County.
3. Approve and instruct the Chair to sign the enclosed joint community facilities agreement between the County of Los Angeles, Saugus Union School District, and SCC/Plum Canyon, LLC.

4. Approve and instruct the Chair to sign the enclosed joint community facilities agreement between the County of Los Angeles, William S. Hart Union High School District, and SCC/Plum Canyon, LLC.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Saugus Union School District and the William S. Hart Union High School District are currently processing two separate Community Facilities Districts over the same proposed subdivisions of property described as follows: Tracts 31803 and 62389 (Plum Canyon Project, developed by SCC/Plum Canyon, LLC) and Tract 53189 (Burnham Project, developed by SCC Acquisitions, Inc.). The Community Facilities Districts are proposed to issue bonds for financing school facilities to serve these subdivisions, and the County has been requested to allow the bond proceeds to finance the County's Bridge and Thoroughfare District fees and library fees as well. These fees are included in the conditions of approval for subdivision development within the unincorporated area and may be included in the proposed Community Facilities Districts if the County enters into a joint community facilities agreement with the developer and each school district and adopts resolutions declaring that the joint community facilities agreements are beneficial to its residents.

The Mello-Roos policies adopted by the Board of Supervisors on January 5, 1993, and January 25, 1994, limit the use of community facilities district financing to public facilities required by residential, commercial, and industrial subdivisions that will have a significant regional benefit. The policies also limit eligible projects to those for which subdivision approvals have progressed to a point where the public benefit can be assessed, which, except in extraordinary circumstances, requires prior tentative map approval.

Representatives from Public Works and the Public Library are members of the County's Mello-Roos Task Force. As directed by the Board of Supervisors on October 3, 1991, the Mello-Roos Task Force reviewed the two joint community facilities agreements submitted by SCC/Plum Canyon, LLC. The Task Force determined that the bridge and thoroughfare fees and library fees that are proposed to be financed will pay for public facilities that will have a significant regional benefit and the Acting Director of Public Works and the County Librarian concur in that determination.

Only one of the subdivisions within the proposed Community Facilities Districts has received tentative map approval. Tentative Tract Map No. 31803 was approved by the County on April 26, 2000. The Task Force found no extraordinary circumstances that would justify community facilities district financing for bridge and thoroughfare fees and library fees that may be required for the other two proposed subdivisions (Tracts 62389 and 53189).

The Acting Director of Public Works and the County Librarian jointly recommend, therefore, that the County only agree to allow the two school district Community Facilities Districts to provide financing for those bridge and thoroughfare fees and library fees that are required by Tentative Tract Map No. 31803. Consistent with this recommendation, the enclosed Resolutions and agreements do not include financing for Tracts 62389 and 53189.

Implementation of Strategic Plan Goals

The agreements further our commitment to Service Excellence through the provision of regional infrastructure improvements that will have a positive impact on the quality of life of County residents.

FISCAL IMPACT/FINANCING

The enclosed Resolutions and joint community facilities agreements do not impose any financial obligation on the County. The proposed Community Facilities Districts will be formed by the Saugus Union School District and the William S. Hart Union High School District with SCC/Plum Canyon, LLC, and SCC Acquisitions, Inc., and will not include any financial obligation of the County.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Resolutions and joint community facilities agreements, which are authorized by and in accordance with the provisions of Section 53316.2 of the California Government Code, have been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The Final Environmental Impact Report for Tentative Tract Map No. 31803 was certified by the County on August 22, 2000.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Action on the proposed joint community facilities agreements is not anticipated to have a negative impact on current services.

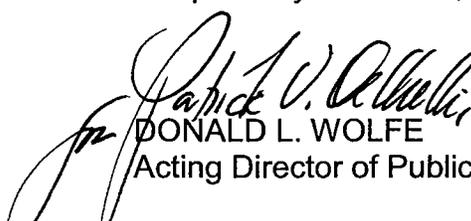
CONCLUSION

Upon the adoption of the Resolutions, please return two certified copies of each to us for transmittal to the appropriate school district.

The Honorable Board of Supervisors
July 21, 2005
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The enclosed agreements are being executed in counterparts. Enclosed are six originals and a County file copy of each of the two joint community facilities agreements. Upon approval, please return four originals of each agreement and three adopted copies of this letter to Public Works and forward one original of each agreement and one adopted copy of this letter each to the Public Library and Department of Regional Planning for their records. We will return the County original to you upon our receipt of the counterparts from the Saugus Union School District, the William S. Hart Union High School District, and SCC/Plum Canyon, LLC. At that time, you may conform the County file copy and forward it to County Counsel.

Respectfully submitted,


DONALD L. WOLFE
Acting Director of Public Works


MARGARET DONNELLAN TODD
County Librarian

RLP:dp

C060067

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Enc.

cc: Chief Administrative Office
County Counsel
County Public Library
Department of Regional Planning

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES, STATE OF CALIFORNIA, DECLARING THE
JOINT COMMUNITY FACILITIES AGREEMENT
FOR SAUGUS UNION SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT
TO BE BENEFICIAL TO THE RESIDENTS OF THE
COUNTY OF LOS ANGELES**

WHEREAS, at the request of SCC/Plum Canyon, LLC (Company), the Saugus Union School District (School District) has agreed to consider the formation of a community facilities district (CFD) over the property which is Tentative Tract Map No. 31803 and is generally known as Plum Canyon (the Project), pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (Act); and

WHEREAS, pursuant to Section 53316.2 of the Act, a community facilities district is authorized to finance facilities to be owned or operated by an entity other than the agency that created the district pursuant to a joint community facilities agreement; and

WHEREAS, the County of Los Angeles (County) is a political subdivision of the State of California authorized to provide public facilities, which will be beneficial to the residents of the County; and

WHEREAS, the Company, School District, and County propose to enter into a joint community facilities agreement to provide for the CFD to finance, in addition to School District facilities, public facilities provided by the County through the payment of Bridge and Thoroughfare fees and Library fees imposed on the Project by the County, all collectively known as "County Facilities," through the School District's issuance of special tax bonds and levy of special taxes on properties within the proposed CFD; and

WHEREAS, the County facilities will be under the ownership, management, and control of the County.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Los Angeles, State of California, approves the joint community facilities agreement as proposed and declares that the joint community facilities agreement will be beneficial to the residents of the County of Los Angeles.

The foregoing Resolution was on the ____ day of _____, 2005, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By 
Deputy

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DECLARING THE
JOINT COMMUNITY FACILITIES AGREEMENT
FOR WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT
TO BE BENEFICIAL TO THE RESIDENTS OF THE
COUNTY OF LOS ANGELES**

WHEREAS, at the request of SCC/Plum Canyon, LLC (Company), the William S. Hart Union High School District (School District) has agreed to consider the formation of a community facilities district (CFD) over the property which is Tentative Tract Map No. 31803 and is generally known as Plum Canyon (the Project), pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (Act); and

WHEREAS, pursuant to Section 53316.2 of the Act, a community facilities district is authorized to finance facilities to be owned or operated by an entity other than the agency that created the district pursuant to a joint community facilities agreement; and

WHEREAS, the County of Los Angeles (County) is a political subdivision of the State of California authorized to provide public facilities which will be beneficial to the residents of the County; and

WHEREAS, the Company, School District and County propose to enter into a joint community facilities agreement to provide for the CFD to finance, in addition to School District facilities, public facilities provided by the County through the payment of Bridge and Thoroughfare fees and Library fees imposed on the Project by the County, all collectively known as "County Facilities," through the School District's issuance of special tax bonds and levy of special taxes on properties within the proposed CFD; and

WHEREAS, the County facilities will be under the ownership, management, and control of the County.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Los Angeles, State of California, approves the joint community facilities agreement as proposed and declares that the joint community facilities agreement will be beneficial to the residents of the County of Los Angeles.

The foregoing Resolution was on the ____ day of _____, 2005, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By 
Deputy

**JOINT COMMUNITY FACILITIES AGREEMENT
FOR SAUGUS UNION SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT
(TRACT 31803)**

This Joint Community Facilities Agreement (AGREEMENT) is made as of this _____ day of _____, 2005, by and between the County of Los Angeles (COUNTY), a political subdivision of the State of California (STATE), the Saugus Union School District (DISTRICT), a California public school district, and SCC/Plum Canyon, LLC (the DEVELOPER), a Delaware limited liability company. The purpose of the AGREEMENT is to provide for financing of certain fees imposed by the COUNTY upon the DEVELOPER'S project located within Tentative Tract Map No. 31803 and commonly known as Plum Canyon (the PROJECT). The COUNTY, the DISTRICT, and the DEVELOPER may be referred to herein individually as a "PARTY" and collectively as the "PARTIES."

RECITALS

A. DEVELOPER is the master developer of the PROJECT, which is located within the boundaries of the DISTRICT in an unincorporated portion of the COUNTY.

B. Pursuant to the DEVELOPER'S request, the DISTRICT has agreed to consider the formation of a community facilities district in accordance with the provisions of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code (MELLO-ROOS ACT), which is intended to finance DEVELOPER'S obligations to mitigate the impacts on the DISTRICT'S school facilities resulting from development of the PROJECT (PROJECT CFD).

C. The DEVELOPER has proposed that, in addition to satisfying the DEVELOPER'S mitigation obligation to the DISTRICT, proceeds of bonds issued by the PROJECT CFD (BOND PROCEEDS) be used, in accordance with the provisions of the MELLO-ROOS ACT, to finance the following fees imposed on the PROJECT by the COUNTY for public facilities of the COUNTY: certain bridge and thoroughfare fees (B&T FEES) and certain library fees (LIBRARY FEES).

D. The MELLO-ROOS ACT provides that the PROJECT CFD may finance the B&T FEES and the LIBRARY FEES (collectively, "COUNTY FEES") pursuant to a joint community facilities agreement (JCFA) adopted pursuant to Government Code Section 53316.2. The PARTIES acknowledge that the purpose of this AGREEMENT is to satisfy the requirements of the MELLO-ROOS ACT in that regard.

E. Each PARTY has determined that entering into a JCFA to enable the PROJECT CFD to finance the COUNTY FEES (or any portion thereof) will be of benefit to the residents of the COUNTY and the DISTRICT, and, therefore, the PARTIES desire to enter into this AGREEMENT pursuant to Government Code Section 53316.2.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the PARTIES hereto agree as follows:

1. Recitals.

Each of the above recitals is true and correct, and is hereby incorporated as part of this AGREEMENT.

2. Formation of the PROJECT CFD; Costs.

The DISTRICT shall have the jurisdiction to undertake, and shall be solely responsible for undertaking, the proceedings to form the PROJECT CFD, to levy special taxes within the PROJECT CFD, and to issue bonded indebtedness pursuant to the MELLO-ROOS ACT within the PROJECT CFD (herein, the "PROJECT CFD BONDS"). The COUNTY is not directly or indirectly approving or responsible in any way whatsoever for the levy of special taxes within the PROJECT CFD (SPECIAL TAXES), nor is the COUNTY directly or indirectly approving or responsible in any way whatsoever for the issuance of the PROJECT CFD BONDS by the PROJECT CFD. The COUNTY shall not be responsible in any way whatsoever for the costs of the formation of the PROJECT CFD. DISTRICT shall have no liability to the COUNTY if the PROJECT CFD is not formed or if the SPECIAL TAXES and/or PROJECT CFD BONDS are not authorized by the qualified electors within the PROJECT CFD, or, if, for any reason, the PROJECT CFD BONDS are not issued.

3. Financing of LIBRARY FEES.

(a) The COUNTY acknowledges and agrees that the PROJECT CFD may finance all or any portion of the LIBRARY FEES for the PROJECT from the BOND PROCEEDS.

(b) The LIBRARY FEES may be paid prior or subsequent to the approval of this AGREEMENT and prior to or on or around the date of the issuance of the PROJECT CFD BONDS (the BOND CLOSING DATE), which amounts shall be eligible for reimbursement from the BOND PROCEEDS; provided that such amounts will be reimbursed by the PROJECT CFD solely from the BOND PROCEEDS allocated to pay LIBRARY FEES if, and when, the PROJECT CFD BONDS are issued, and then only to the extent that the BOND PROCEEDS allocated to pay LIBRARY FEES are available to pay such amounts. The payment of LIBRARY FEES as described above shall not be construed as a dedication or gift of the LIBRARY FEES or as a waiver of any right to reimbursement of such LIBRARY FEES. If the LIBRARY FEES are paid as described above, the DEVELOPER will seek reimbursement directly from the PROJECT CFD once the PROJECT CFD BONDS have been issued, and the DISTRICT agrees that the PROJECT CFD shall reimburse the DEVELOPER for such LIBRARY FEES to the extent that the BOND PROCEEDS allocated to pay LIBRARY FEES are available for such purpose. The amounts reimbursed to the DEVELOPER pursuant to this paragraph (b) shall be hereinafter referred to as the "LIBRARY FEES

REIMBURSEMENT." The PROJECT CFD shall not make any LIBRARY FEES REIMBURSEMENT out of the proceeds of the PROJECT CFD BONDS unless such payments have been verified in writing by the COUNTY, which the COUNTY agrees to promptly provide when requested if, in fact, such payments have been made.

(c) Following the issuance of the PROJECT CFD BONDS, the amount of BOND PROCEEDS allocated to pay LIBRARY FEES (after payment of the LIBRARY FEES REIMBURSEMENT) (the NET LIBRARY BOND PROCEEDS) shall be paid directly to the COUNTY, whether or not such payment is in advance of the time that such LIBRARY FEES are otherwise payable, upon the execution and submission of a request for payment by the DEVELOPER (the DISBURSEMENT REQUEST). Upon receipt of such DISBURSEMENT REQUEST, the PROJECT CFD shall pay (in a mutually acceptable manner) to the COUNTY such requested funds to the extent that BOND PROCEEDS allocated to pay LIBRARY FEES are available for such purpose. DEVELOPER shall use its best commercially reasonable efforts to submit or cause to be submitted a DISBURSEMENT REQUEST requisitioning payment to the COUNTY of all NET LIBRARY BOND PROCEEDS within ten (10) days of the BOND CLOSING DATE. The amount of the LIBRARY FEES paid out of the BOND PROCEEDS to the COUNTY in advance of the time that such fees are otherwise due shall be referred to herein as the "ADVANCE PAYMENT."

(d) When an owner of real property in the PROJECT (a "PROPERTY OWNER") seeks a building permit from the COUNTY, the PROPERTY OWNER will be required to pay the library fees due and payable in the amount required by Los Angeles County Code (LACC) Chapter 22.72 at the time that the building permit is issued (the PAYMENT DATE) less any credit received as provided herein. After payment of the NET LIBRARY BOND PROCEEDS, the PROPERTY OWNER shall receive a credit against the library fees due for each unit for which a building permit is sought in the amount of the LIBRARY PER UNIT CREDIT (as defined below). To the extent that there is a balance due and owing to the COUNTY for library fees after application of the LIBRARY PER UNIT CREDIT, the PROPERTY OWNER shall be responsible for paying the balance to the COUNTY prior to receiving a building permit for such unit. For purposes of this AGREEMENT, the term "LIBRARY PER UNIT CREDIT" shall be calculated by dividing the amount of the ADVANCE PAYMENT by the total number of units in the PROJECT whose library fees remain unpaid. The LIBRARY PER UNIT CREDIT shall be provided to a PROPERTY OWNER until the total of such credits equals the ADVANCE PAYMENT.

(e) The PARTIES acknowledge that the amount of the library fees charged by the COUNTY for a unit in the PROJECT will be determined on the PAYMENT DATE and will be higher than the LIBRARY PER UNIT CREDIT, which will require the PROPERTY OWNER to pay the difference directly to the COUNTY before receiving a building permit for such unit, if (i) pursuant to LACC Chapter 22.72, the library fees are higher than the amounts assumed when the PROJECT CFD BONDS were issued, and/or (ii) the BOND PROCEEDS allocated to pay LIBRARY FEES were not sufficient to pay all LIBRARY FEES at the time the PROJECT CFD BONDS were issued.

(f) Other than any ADVANCE PAYMENT of library fees, the PARTIES hereto acknowledge and agree that all library fees are due and payable on the PAYMENT DATE, and the timing and payment of such library fees are not contingent on the formation of the PROJECT CFD or the issuance of PROJECT CFD BONDS by the PROJECT CFD. The responsibility for the use of the library fees lies solely with the COUNTY.

(g) The PROJECT CFD shall not make any ADVANCE PAYMENT out of the proceeds of the PROJECT CFD BONDS unless the amount payable has been verified in writing by the COUNTY, which the COUNTY agrees to promptly provide in connection with any DISBURSEMENT REQUEST.

(h) The DEVELOPER knowingly waives its right to protest (as may be afforded by Government Code Section 66020) the imposition on any portion of the PROJECT of any library mitigation fee imposed by Ordinance No. 98-0068, including any increases due to an increase in the CPI, as provided in said Ordinance No. 98-0068, so long as the COUNTY is not in breach of this AGREEMENT; provided, however, that such waiver shall not apply to any "alternative fee proposals" suggested by the County Librarian or any other party, or to any library mitigation fee imposed pursuant to a new ordinance or an amendment to Ordinance No 98-0068.

4. Financing of B&T FEES.

(a) The COUNTY acknowledges and agrees that the PROJECT CFD may finance all or any portion of the B&T FEES for the PROJECT from the BOND PROCEEDS.

(b) The B&T FEES may be paid prior or subsequent to the approval of this AGREEMENT and prior or subsequent to the BOND CLOSING DATE, which amounts shall be eligible for reimbursement from the BOND PROCEEDS; provided that such amounts will be reimbursed by the PROJECT CFD solely from the BOND PROCEEDS allocated to pay B&T FEES if, and when, the PROJECT CFD BONDS are issued, and then only to the extent that the BOND PROCEEDS allocated to pay B&T FEES are available to pay such amounts. The payment of B&T FEES as described above shall not be construed as a dedication or gift of the B&T FEES or as a waiver of any right to reimbursement of such B&T FEES. If the B&T FEES are paid as described above, the DEVELOPER will seek reimbursement directly from the PROJECT CFD once the PROJECT CFD BONDS have been issued, and the DISTRICT agrees that the PROJECT CFD shall reimburse the DEVELOPER for such B&T FEES to the extent that the BOND PROCEEDS allocated to pay B&T FEES are available for such purpose. The amounts reimbursed to the DEVELOPER pursuant to this paragraph (b) shall be hereinafter referred to as the "B&T FEES REIMBURSEMENT." The PROJECT CFD shall not make any B&T FEES REIMBURSEMENT out of the proceeds of the PROJECT CFD BONDS unless such payments have been verified in writing by the COUNTY, which the COUNTY agrees to promptly provide when requested if, in fact, such payments have been made.

(c) The PARTIES hereto acknowledge and agree that all B&T FEES are due and payable at the time and in the amount established by the COUNTY, and the timing and payment of such B&T FEES are not contingent on the formation of the PROJECT CFD or the issuance of PROJECT CFD BONDS by the PROJECT CFD. The responsibility for the use of the B&T FEES lies solely with COUNTY.

(d) If the amount derived from BOND PROCEEDS is not sufficient, or if the BOND PROCEEDS are otherwise not available, to fund the total cost of the B&T FEES for the PROJECT, the PARTIES hereto agree that all responsibility and liability for the amount of such shortfall(s) shall be and remain with the PROPERTY OWNER as described herein and shall not lie with DISTRICT, the PROJECT CFD, or the COUNTY.

(e) The PROJECT CFD shall not make any payment for B&T FEES out of the proceeds of the PROJECT CFD BONDS unless the amount payable has been verified in writing by the COUNTY, which the COUNTY agrees to promptly provide in connection with any DISBURSEMENT REQUEST.

5. Amendment. This AGREEMENT may be amended at any time, but only by means of a writing signed by all PARTIES.

6. Entire Agreement. This AGREEMENT contains the entire agreement between the PARTIES with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the PARTIES with respect to the subject matter of this AGREEMENT. The signatories hereto represent that they have been appropriately authorized to enter into this AGREEMENT on behalf of the PARTY for whom they sign.

7. Successors and Assigns. This AGREEMENT shall be binding upon and inure to the benefit of the successors and assigns of the PARTIES hereto. This AGREEMENT may be assigned by the DEVELOPER without the prior written consent of the other PARTIES hereto.

8. Severability. If any part of this AGREEMENT is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this AGREEMENT shall be given effect to the fullest extent reasonably possible.

9. Recordkeeping: Inspection of Records. Each PARTY hereto agrees to keep and maintain full and accurate records of all amounts, received by or paid to such PARTY. Each PARTY further agrees to make such records available to the other PARTY hereto during normal business hours upon reasonable prior notice. All such records shall be kept and maintained by the appropriate PARTY as provided by applicable law and their respective policies.

10. 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.

[Signatures for Joint Facilities Financing Agreement between Saugus Union School District, the County of Los Angeles, and SCC/Plum Canyon, LLC]

SCC/PLUM CANYON, LLC,
A DELAWARE LIMITED LIABILITY COMPANY

By: _____
Bruce Elieff, Manager

[Signatures for Joint Community Facilities Agreement between Saugus Union School District, the County of Los Angeles and SCC/Plum Canyon, LLC]

COUNTY OF LOS ANGELES

By: _____
Chair, Board of Supervisors

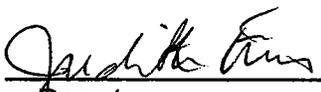
ATTEST:

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: 
Deputy

[Signatures for Joint Community Facilities Agreement between Saugus Union School District, the County of Los Angeles and SCC/Plum Canyon, LLC]

The Board of Trustees of the Saugus Union School District approved this Agreement on the ____ day of _____, 2005, and authorized execution and delivery hereof by the undersigned representative of the District.

SAUGUS UNION SCHOOL DISTRICT

By: _____
Robert Cutting, Assistant
Superintendent, Business

**JOINT COMMUNITY FACILITIES AGREEMENT
FOR WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT
(TRACT 31803)**

This Joint Community Facilities Agreement (AGREEMENT) is made as of this _____ day of _____, 2005, by and between the County of Los Angeles (COUNTY), a political subdivision of the State of California (STATE), the William S. Hart Union High School District (DISTRICT), a California public school district, and SCC/Plum Canyon, LLC (the DEVELOPER), a Delaware limited liability company. The purpose of the AGREEMENT is to provide for financing of certain fees imposed by the COUNTY upon the DEVELOPER'S project located within Tentative Tract Map No. 31803 and commonly known as Plum Canyon (the PROJECT). The COUNTY, the DISTRICT and the DEVELOPER may be referred to herein individually as a "PARTY" and collectively as the "PARTIES."

RECITALS

A. DEVELOPER is the master developer of the PROJECT, which is located within the boundaries of the DISTRICT in an unincorporated portion of the COUNTY.

B. Pursuant to the DEVELOPER'S request, the DISTRICT has agreed to consider the formation of a community facilities district in accordance with the provisions of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code (MELLO-ROOS ACT), which is intended to finance DEVELOPER'S obligations to mitigate the impacts on the DISTRICT'S school facilities resulting from development of the PROJECT (PROJECT CFD).

C. The DEVELOPER has proposed that, in addition to satisfying the DEVELOPER'S mitigation obligation to the DISTRICT, proceeds of bonds issued by the PROJECT CFD (BOND PROCEEDS) be used, in accordance with the provisions of the MELLO-ROOS ACT, to finance the following fees imposed on the PROJECT by the COUNTY for public facilities of the COUNTY: certain bridge and thoroughfare fees (B&T FEES) and certain library fees (LIBRARY FEES).

D. The MELLO-ROOS ACT provides that the PROJECT CFD may finance the B&T FEES and the LIBRARY FEES (collectively, "COUNTY FEES") pursuant to a joint community facilities agreement (JCFA) adopted pursuant to Government Code Section 53316.2. The PARTIES acknowledge that the purpose of this AGREEMENT is to satisfy the requirements of the MELLO-ROOS ACT in that regard.

E. Each PARTY has determined that entering into a JCFA to enable the PROJECT CFD to finance the COUNTY FEES (or any portion thereof) will be of benefit to the residents of the COUNTY and the DISTRICT, and, therefore, the PARTIES desire to enter into this AGREEMENT pursuant to Government Code Section 53316.2.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the PARTIES hereto agree as follows:

1. Recitals.

Each of the above recitals is true and correct, and is hereby incorporated as part of this AGREEMENT.

2. Formation of the PROJECT CFD; Costs.

The DISTRICT shall have the jurisdiction to undertake, and shall be solely responsible for undertaking, the proceedings to form the PROJECT CFD, to levy special taxes within the PROJECT CFD, and to issue bonded indebtedness pursuant to the MELLO-ROOS ACT within the PROJECT CFD (herein, the "PROJECT CFD BONDS"). The COUNTY is not directly or indirectly approving or responsible in any way whatsoever for the levy of special taxes within the PROJECT CFD (SPECIAL TAXES), nor is the COUNTY directly or indirectly approving or responsible in any way whatsoever for the issuance of the PROJECT CFD BONDS by the PROJECT CFD. The COUNTY shall not be responsible in any way whatsoever for the costs of the formation of the PROJECT CFD. DISTRICT shall have no liability to the COUNTY if the PROJECT CFD is not formed or if the SPECIAL TAXES and/or PROJECT CFD BONDS are not authorized by the qualified electors within the PROJECT CFD, or, if, for any reason, the PROJECT CFD BONDS are not issued.

3. Financing of LIBRARY FEES.

(a) The COUNTY acknowledges and agrees that the PROJECT CFD may finance all or any portion of the LIBRARY FEES for the PROJECT from the BOND PROCEEDS.

(b) The LIBRARY FEES may be paid prior or subsequent to the approval of this AGREEMENT and prior to or on or around the date of the issuance of the PROJECT CFD BONDS (the BOND CLOSING DATE), which amounts shall be eligible for reimbursement from the BOND PROCEEDS; provided that such amounts will be reimbursed by the PROJECT CFD solely from the BOND PROCEEDS allocated to pay LIBRARY FEES if, and when, the PROJECT CFD BONDS are issued, and then only to the extent that the BOND PROCEEDS allocated to pay LIBRARY FEES are available to pay such amounts. The payment of LIBRARY FEES as described above shall not be construed as a dedication or gift of the LIBRARY FEES or as a waiver of any right to reimbursement of such LIBRARY FEES. If the LIBRARY FEES are paid as described above, the DEVELOPER will seek reimbursement directly from the PROJECT CFD once the PROJECT CFD BONDS have been issued, and the DISTRICT agrees that the PROJECT CFD shall reimburse the DEVELOPER for such LIBRARY FEES to the extent that the BOND PROCEEDS allocated to pay LIBRARY FEES are available for such purpose. The amounts reimbursed to the DEVELOPER pursuant to this paragraph (b) shall be hereinafter referred to as the "LIBRARY FEES

REIMBURSEMENT." The PROJECT CFD shall not make any LIBRARY FEES REIMBURSEMENT out of the proceeds of the PROJECT CFD BONDS unless such payments have been verified in writing by the COUNTY, which the COUNTY agrees to promptly provide when requested if, in fact, such payments have been made.

(c) Following the issuance of the PROJECT CFD BONDS, the amount of BOND PROCEEDS allocated to pay LIBRARY FEES (after payment of the LIBRARY FEES REIMBURSEMENT) (the NET LIBRARY BOND PROCEEDS) shall be paid directly to the COUNTY, whether or not such payment is in advance of the time that such LIBRARY FEES are otherwise payable, upon the execution and submission of a request for payment by the DEVELOPER (the DISBURSEMENT REQUEST). Upon receipt of such DISBURSEMENT REQUEST, the PROJECT CFD shall pay (in a mutually acceptable manner) to the COUNTY such requested funds to the extent that BOND PROCEEDS allocated to pay LIBRARY FEES are available for such purpose. DEVELOPER shall use its best commercially reasonable efforts to submit or cause to be submitted a DISBURSEMENT REQUEST requisitioning payment to the COUNTY of all NET LIBRARY BOND PROCEEDS within ten (10) days of the BOND CLOSING DATE. The amount of the LIBRARY FEES paid out of the BOND PROCEEDS to the COUNTY in advance of the time that such fees are otherwise due shall be referred to herein as the "ADVANCE PAYMENT."

(d) When an owner of real property in the PROJECT (a PROPERTY OWNER) seeks a building permit from the COUNTY, the PROPERTY OWNER will be required to pay the library fees due and payable in the amount required by Los Angeles County Code (LACC) Chapter 22.72 at the time that the building permit is issued (the PAYMENT DATE) less any credit received as provided herein. After payment of the NET LIBRARY BOND PROCEEDS, the PROPERTY OWNER shall receive a credit against the library fees due for each unit for which a building permit is sought in the amount of the LIBRARY PER UNIT CREDIT (as defined below). To the extent that there is a balance due and owing to the COUNTY for library fees after application of the LIBRARY PER UNIT CREDIT, the PROPERTY OWNER shall be responsible for paying the balance to the COUNTY prior to receiving a building permit for such unit. For purposes of this AGREEMENT, the term "LIBRARY PER UNIT CREDIT" shall be calculated by dividing the amount of the ADVANCE PAYMENT by the total number of units in the PROJECT whose library fees remain unpaid. The LIBRARY PER UNIT CREDIT shall be provided to a PROPERTY OWNER until the total of such credits equals the ADVANCE PAYMENT.

(e) The PARTIES acknowledge that the amount of the library fees charged by the COUNTY for a unit in the PROJECT will be determined on the PAYMENT DATE and will be higher than the LIBRARY PER UNIT CREDIT, which will require the PROPERTY OWNER to pay the difference directly to the COUNTY before receiving a building permit for such unit, if (i) pursuant to LACC Chapter 22.72, the library fees are higher than the amounts assumed when the PROJECT CFD BONDS were issued, and/or (ii) the BOND PROCEEDS allocated to pay LIBRARY FEES were not sufficient to pay all LIBRARY FEES at the time the PROJECT CFD BONDS were issued.

(f) Other than any ADVANCE PAYMENT of library fees, the PARTIES hereto acknowledge and agree that all library fees are due and payable on the PAYMENT DATE, and the timing and payment of such library fees are not contingent on the formation of the PROJECT CFD or the issuance of PROJECT CFD BONDS by the PROJECT CFD. The responsibility for the use of the library fees lies solely with the COUNTY.

(g) The PROJECT CFD shall not make any ADVANCE PAYMENT out of the proceeds of the PROJECT CFD BONDS unless the amount payable has been verified in writing by the COUNTY, which the COUNTY agrees to promptly provide in connection with any DISBURSEMENT REQUEST.

(h) The DEVELOPER knowingly waives its right to protest (as may be afforded by Government Code Section 66020) the imposition on any portion of the PROJECT of any library mitigation fee imposed by Ordinance No. 98-0068, including any increases due to an increase in the CPI, as provided in said Ordinance No. 98-0068, so long as the COUNTY is not in breach of this AGREEMENT; provided, however, that such waiver shall not apply to any "alternative fee proposals" suggested by the County Librarian or any other party, or to any library mitigation fee imposed pursuant to a new ordinance or an amendment to Ordinance No 98-0068.

4. Financing of B&T FEES.

(a) The COUNTY acknowledges and agrees that the PROJECT CFD may finance all or any portion of the B&T FEES for the PROJECT from the BOND PROCEEDS.

(b) The B&T FEES may be paid prior or subsequent to the approval of this AGREEMENT and prior or subsequent to the BOND CLOSING DATE, which amounts shall be eligible for reimbursement from the BOND PROCEEDS; provided that such amounts will be reimbursed by the PROJECT CFD solely from the BOND PROCEEDS allocated to pay B&T FEES if, and when, the PROJECT CFD BONDS are issued, and then only to the extent that the BOND PROCEEDS allocated to pay B&T FEES are available to pay such amounts. The payment of B&T FEES as described above shall not be construed as a dedication or gift of the B&T FEES or as a waiver of any right to reimbursement of such B&T FEES. If the B&T FEES are paid as described above, the DEVELOPER will seek reimbursement directly from the PROJECT CFD once the PROJECT CFD BONDS have been issued, and the DISTRICT agrees that the PROJECT CFD shall reimburse the DEVELOPER for such B&T FEES to the extent that the BOND PROCEEDS allocated to pay B&T FEES are available for such purpose. The amounts reimbursed to the DEVELOPER pursuant to this paragraph (b) shall be hereinafter referred to as the "B&T FEES REIMBURSEMENT." The PROJECT CFD shall not make any B&T FEES REIMBURSEMENT out of the proceeds of the PROJECT CFD BONDS unless such payments have been verified in writing by the COUNTY, which the COUNTY agrees to promptly provide when requested if, in fact, such payments have been made.

(c) The PARTIES hereto acknowledge and agree that all B&T FEES are due and payable at the time and in the amount established by the COUNTY, and the timing and payment of such B&T FEES are not contingent on the formation of the PROJECT CFD or the issuance of PROJECT CFD BONDS by the PROJECT CFD. The responsibility for the use of the B&T FEES lies solely with COUNTY.

(d) If the amount derived from BOND PROCEEDS is not sufficient, or if the BOND PROCEEDS are otherwise not available, to fund the total cost of the B&T FEES for the PROJECT, the PARTIES hereto agree that all responsibility and liability for the amount of such shortfall(s) shall be and remain with the PROPERTY OWNER as described herein and shall not lie with DISTRICT, the PROJECT CFD, or the COUNTY.

(e) The PROJECT CFD shall not make any payment for B&T FEES out of the proceeds of the PROJECT CFD BONDS unless the amount payable has been verified in writing by the COUNTY, which the COUNTY agrees to promptly provide in connection with any DISBURSEMENT REQUEST.

5. Amendment. This AGREEMENT may be amended at any time, but only by means of a writing signed by all PARTIES.

6. Entire Agreement. This AGREEMENT contains the entire agreement between the PARTIES with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the PARTIES with respect to the subject matter of this AGREEMENT. The signatories hereto represent that they have been appropriately authorized to enter into this AGREEMENT on behalf of the PARTY for whom they sign.

7. Successors and Assigns. This AGREEMENT shall be binding upon and inure to the benefit of the successors and assigns of the PARTIES hereto. This AGREEMENT may be assigned by the DEVELOPER without the prior written consent of the other PARTIES hereto.

8. Severability. If any part of this AGREEMENT is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this AGREEMENT shall be given effect to the fullest extent reasonably possible.

9. Recordkeeping: Inspection of Records. Each PARTY hereto agrees to keep and maintain full and accurate records of all amounts, received by or paid to such PARTY. Each PARTY further agrees to make such records available to the other PARTY hereto during normal business hours upon reasonable prior notice. All such records shall be kept and maintained by the appropriate PARTY as provided by applicable law and their respective policies.

10. 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.

[Signatures for Joint Facilities Financing Agreement between William S. Hart Union High School District, the County of Los Angeles, and SCC/Plum Canyon, LLC]

SCC/PLUM CANYON, LLC,
A DELAWARE LIMITED LIABILITY COMPANY

By: _____
Bruce Elieff, Manager

[Signatures for Joint Facilities Financing Agreement between William S. Hart Union High School District, the County of Los Angeles, and SCC/Plum Canyon, LLC]

COUNTY OF LOS ANGELES

By: _____
Chair, Board of Supervisors

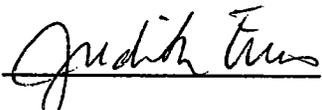
ATTEST:

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: 
Deputy

[Signatures for Joint Community Facilities Agreement between William S. Hart Union High School District, the County of Los Angeles and SCC/Plum Canyon, LLC]

The Board of Trustees of the William S. Hart Union High School District approved this Agreement on the ____ day of _____, 2005, and authorized execution and delivery hereof by the undersigned representative of the District.

WILLIAM S. HART UNION HIGH
SCHOOL DISTRICT

By:

Rory Livingston, Assistant
Superintendent, Business Services