



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE

October 22, 2024

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

Dear Supervisors:

**MUNICIPAL SERVICES CORE SERVICE AREA
APPROVE JOINT COMMUNITY FACILITIES AGREEMENT
BETWEEN WILLIAM S. HART UNION HIGH SCHOOL DISTRICT,
THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT,
AND BOUQUET CANYON, LLC
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

Public Works is seeking Board approval to adopt a Resolution to approve the Joint Community Facilities Agreement between the William S. Hart Union High School District, the Los Angeles County Flood Control District, and Bouquet Canyon, LLC, to allow certain storm drain improvements to be financed by a Community Facilities District (yet to be formed). Once completed, these improvements will be transferred first to the City of Santa Clarita, who in turn is expected to propose to transfer them to the Los Angeles County Flood Control District.

IT IS RECOMMENDED THAT THE BOARD:

1. Acting as a responsible agency for the Bouquet Canyon project, consider the Final Environmental Impact Report, prepared and certified by the City of Santa Clarita as lead agency for the project; certify that the Board has independently reviewed and considered the information contained in the Final Environmental Impact Report and reached its own conclusions regarding the environmental effects of the County's approvals related to the project as shown in the Final Environmental Impact Report; adopt the mitigation monitoring program as applicable; and determine that the significant adverse effects of the project have been reduced to an acceptable level or are outweighed by the specific considerations of the project, as outlined in the Environmental Findings of Fact, which findings are adopted and incorporated herein by reference as applicable.

2. Adopt the Resolution approving the Joint Community Facilities Agreement between the William S. Hart Union High School District, the Los Angeles County Flood Control District, and Bouquet Canyon, LLC.
3. Authorize and direct the Chair of the Board to execute the Joint Community Facilities District Agreement on behalf of the Los Angeles County Flood Control District.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to comply with the California Environmental Quality Act for a responsible agency, adopt a resolution approving the Joint Community Facilities Agreement (JCFA) (enclosed), and authorize and direct the Chair of the Board to execute the JCFA on behalf of the Los Angeles County Flood Control District (LACFCD). The JCFA is a condition precedent to the formation of a Community Facilities District (CFD) by the William S. Hart Union High School District to provide financing for the storm drain improvements that are proposed for the Bouquet Canyon residential project located in the City of Santa Clarita. The construction of storm drain improvements is a condition of the City's approval of the Bouquet Canyon project, and once completed, will be transferred first to the City who in turn anticipates proposing to transfer them to the LACFCD.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: North Star 3, Realize Tomorrow's Government Today, Focus Area Goal G, Internal Controls and Processes, Strategy ii, Manage and Maximize County Assets, by providing a cost-effective source of financing to fund the capital construction needs of the County and to facilitate their transfer to the LACFCD.

FISCAL IMPACT/FINANCING

There will be no fiscal impact to the County General Fund. The JCFA does not include any financial obligation for the County or the LACFCD.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The William S. Hart Union High School District intends to form a CFD, pursuant to the Mello-Roos Community Facilities Act of 1982, to provide financing for the storm drain improvements to be included in the development of the Bouquet Canyon project (Tract 82126). The Bouquet Canyon project is a proposed residential development located within the City of Santa Clarita. The development will consist of 371 single-family residential units and will benefit the public by allowing for the construction of additional housing to help address the County's housing demands.

The JCFA is authorized by the California Government Code, Section 53316.2, et seq., which provides (in pertinent part):

- (a) A community facilities district may finance facilities to be owned or operated by a public agency other than the agency that created the district...only pursuant to a joint community facilities agreement...adopted pursuant to this section.
- (b) At any time prior to the adoption of the resolution of formation creating a community facilities district...the legislative bodies of two or more local agencies may enter into a joint community

facilities agreement pursuant to this section and Sections 53316.4 and 53316.6...if the legislative body of each entity adopts a resolution declaring that the joint agreement would be beneficial to the residents of that entity.

Adoption of the Resolution to approve the JCFA will enable the William S. Hart Union High School District to finance the storm drain improvements through Mello-Roos financing that are proposed to ultimately be owned and operated by the LACFCD. The storm drain improvements that will be transferred to the LACFCD under the JCFA are identified in Exhibit B.

The JCFA between the William S. Hart Union High School District, the LACFCD, and the project's developer, Bouquet Canyon, LLC, sets forth the terms by which the LACFCD will accept and thereafter operate and maintain the storm drain improvements to be constructed by the developer for the Bouquet Canyon project.

The enclosed Resolution and JCFA Agreement have been reviewed and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The LACFCD is acting as a responsible agency for the Bouquet Canyon project. The City of Santa Clarita, as lead agency, has prepared an Initial Study, consulted with the LACFCD, and certified a Final Environmental Impact Report for this project on November 10, 2020. The LACFCD's involvement is solely related to approving the JCFA, reviewing the plans for the storm drain improvements, accepting the transfer of the storm drain improvements from the City if they meet the LACFCD's standards, and thereafter maintaining the storm drains, which will be constructed as part of the Bouquet Canyon project.

The documents and other materials constituting the record of the proceedings upon which your Board decision is based in this matter can be viewed online at the City of Santa Clarita's website at <https://filecenter.santa-clarita.com/EIR/Bouquet-Canyon-Project-Final-EIR-October-2020.pdf> or in person at Los Angeles County Public Works (Public Works), 900 South Fremont Avenue, 11th Floor, Alhambra, California 91803. The custodian of such documents at Public Works is the Transportation Planning and Programs Division (Environmental Planning and Assessments Section).

Upon the Board's approval, Public Works will file a Notice of Determination with the Registrar-Recorder/County Clerk in accordance with Section 21152 of the California Public Resources Code and will post the Notice to its website pursuant to Section 21092.2.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The operation and maintenance of public facilities under the purview of the LACFCD are routine functions of Public Works.

CONCLUSION

Please return one adopted copy of this Board letter and the executed originals of the Agreement and Resolution to the Public Works, Land Development Division.

The Honorable Board of Supervisors

10/22/2024

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, with the first name "Mark" and last name "Pestrella" clearly distinguishable.

MARK PESTRELLA, PE

Director

MP:CB:la

Enclosures

c: Chief Executive Office (Chia-Ann Yen)
County Counsel
Executive Office
Department of Regional Planning

**JOINT COMMUNITY FACILITIES AGREEMENT
BY AND BETWEEN WILLIAM S. HART UNION HIGH SCHOOL
DISTRICT, THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT,
AND BOUQUET CANYON, LLC**

(Relating to Community Facilities District No. 2024-_____ of the
William S. Hart Union High School District)

This **JOINT COMMUNITY FACILITIES AGREEMENT** ("Agreement") is made and entered into as of _____, 2024, between the **WILLIAM S. HART UNION HIGH SCHOOL DISTRICT**, a California public school district organized and operating pursuant to the applicable provisions of the California Education Code ("School District"); the **LOS ANGELES COUNTY FLOOD CONTROL DISTRICT**, a body corporate and politic ("LACFCD"); and **BOUQUET CANYON, LLC**, a Delaware limited liability company ("Property Owner"). The parties hereto may be referred to in some instances as a party ("Party") or parties ("Parties").

RECITALS

A. The Property Owner is the owner of the property described in Exhibit "A" (the "Property"), which is located within the boundaries of the School District and the LACFCD.

B. The Property Owner desires to develop the Property for residential purposes and has obtained, or will obtain, the necessary development approvals from the **City of Santa Clarita** ("City") to construct approximately 371 single-family detached and attached residential units ("SF/DU") on such property (the "Project"), and has obtained approval from City and has recorded final tract maps for Tract 82126 (which are included within the Project).

C. Development of the Property will require the construction of certain storm drain improvements by Property Owner, to be known as Miscellaneous Transfer Drain 1877 ("MTD 1877") and Miscellaneous Transfer Drain 1879 ("MTD 1879") and together with MTD 1877 the "Storm Drain Improvements"). Upon completion of construction, the Storm Drain Improvements will be transferred to the City and City, in turn, proposes to transfer the Storm Drain Improvements to the LACFCD for operation and maintenance.

D. Section 13-3/4 of the Los Angeles County Flood Control Act provides: "(a) The Los Angeles County Flood Control District may accept a transfer and conveyance of a storm drain improvement or drainage system lying within or outside the territorial limits of the district, if the improvement or system benefits property within the territorial limits of the district, and the governing body of the public agency that has constructed or acquired the improvement or system requests the district to accept the transfer and conveyance of the improvement or system."

E. The LACFCD has approved, or will approve, plans, and has issued, or will issue, a Flood Control Permit ("Permit") to the Property Owner for the construction of the Storm Drain Improvements to standards and conditions acceptable to the LACFCD.

F. The Storm Drain Improvements are intended to be dedicated to and accepted by the City, transferred to the LACFCD, and acquired with funds of the CFD (as defined below) to the extent such funds are available pursuant to that certain "School Facilities Funding and Mitigation Agreement," entered into by and between the School District and the Property Owner (the "School Facilities Mitigation Agreement").

G. The Property Owner has requested that the Governing Board of the School District institute proceedings under the Mello-Roos Community Facilities Act of 1982 (the "Act") and the terms and conditions of the School Facilities Mitigation Agreement to establish a community facilities district.

H. Pursuant to the Act, the Governing Board of the School District has instituted proceedings to establish **Community Facilities District No. 2024-_____ of the William S. Hart Union High School District** (the "CFD") to provide financing, in part, of (i) the Storm Drain Improvements pursuant to the Act, (ii) amounts payable to School District as school facilities mitigation payments under the terms of the School Facilities Mitigation Agreement to fund school facilities for the CFD ("Hart School Facilities") to accommodate students resulting from the development of the Property, and (iii) certain other facilities and fees to be owned and operated by certain other public agencies ("Other Public Facilities").

I. When the CFD is formed, the School District will be authorized by Section 53313.5 of the Act to finance, by means of the CFD, the acquisition of the Storm Drain Improvements, the costs of the School Facilities, and the costs of the Other Public Facilities. This Agreement constitutes a **Joint Community Facilities Agreement** ("JCFA") within the meaning of Section 53316.2 of the Act by and between the LACFCD, the School District, the CFD, and the Property Owner, pursuant to which the CFD will be authorized to finance the Storm Drain Improvements. The School District, the CFD, and Property Owner understand that the requirements of the California Government Code, Section 53316.2, subsection (e), will be satisfied inasmuch as the amount paid by the CFD to the School District for School Facilities from the proceeds of both Special Taxes (defined herein) and Bond Proceeds (defined herein) (collectively, the "CFD Sources") will be greater than the amount paid by the CFD from the combination of such CFD Sources for the Storm Drain Improvements as shown in the CFD Report submitted to the Governing Board (Board of Trustees) of the School District. As provided by Section 53316.6 of the Act, the LACFCD shall, subject to the terms and conditions of this Agreement, be responsible for operating and maintaining the Storm Drain Improvements.

J. The Parties hereto find and determine that the residents of the School District and LACFCD will be benefitted by the acceptance of the Storm Drain Improvements by City, the transfer of the Storm Drain Improvements to LACFCD, and the acquisition of the Storm Drain Improvements through the CFD Sources, and that this Agreement is beneficial to the interests of such entities and residents.

K. The School District, LACFCD, and the Property Owner desire to enter into this Agreement in accordance with Section 53316.2, 53316.4, and 53316.6 of the Act in order to provide for the financing of the Storm Drain Improvements through the CFD Sources.

**ARTICLE I
GENERAL PROVISIONS; CONDITIONS PRECEDENT**

Section 1.1. Recitals. The above recitals are true and correct and are hereby incorporated by this reference.

Section 1.2. Definitions.

Unless the context clearly otherwise requires, the terms defined in this section shall, for all purposes of this Agreement, have the meanings herein specified.

- A. "Act" means the Mello-Roos Community Facilities Act of 1982, as amended, commencing with California Government Code, Section 53311, et seq.
- B. "Agreement" means this Joint Community Facilities Agreement.
- C. "Board" means the Governing Board (Board of Trustees) of the William S. Hart Union High School District.
- D. "Bond Proceeds" or "Proceeds of the Bonds" shall mean those net funds generated by the sale of the bonds or other securities issued on behalf of or for the benefit of the CFD.
- E. "Bond Resolution" means, collectively, that resolution, supplement, Fiscal Agent Agreement, and/or other equivalent document(s), providing for the issuance of bonds.
- F. "Bonds" shall mean those bonds, or other securities, issued by or on behalf of the CFD.
- G. "CFD" means Community Facilities District No. 2024-_____ of the William S. Hart Union High School District.
- H. "CFD Sources" means the proceeds of the Bonds and/or Special Taxes.
- I. "Purchase Price" means the actual costs of the design, engineering, and construction of the Storm Drain Improvements incurred by Property Owner, which amount shall include soft costs equal to not more than 30% of the construction costs.

- J. "Rate and Method" means the Rate and Method of Apportionment of the Special Tax pursuant to proceedings undertaken for the formation of the CFD pursuant to the Act.
- K. "Special Taxes" means the special taxes expected to be authorized to be levied and collected pursuant to the Rate and Method.
- L. "State" means the State of California.
- M. "Storm Drain Improvements" means MTD 1877 and MTD 1879 described in Exhibit "B" attached hereto.
- N. "Storm Drain Improvements Fund" means the fund(s) or account(s) (regardless of final designation in the Bond Resolution) into which a portion of the Proceeds of the Bonds may be deposited in accordance with the School Facilities Mitigation Agreement to acquire the Storm Drain Improvements.

Words of the masculine gender shall be deemed and constructed to include correlative words of the feminine and neuter genders. Unless the context clearly otherwise indicates, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies as well as natural persons.

The terms "hereby," "hereof," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement.

ARTICLE II FORMATION OF THE CFD AND ISSUANCE OF BONDS

Section 2.1. Formation of the CFD. The School District, pursuant to the School Facilities Mitigation Agreement, is conducting proceedings pursuant to the Act for the formation of the CFD, the authorization of the Special Taxes within the CFD, and the authorization to issue one or more series of Bonds on behalf of the CFD.

Section 2.2. Issuance and Sale of Bonds. If the CFD is formed, the Board, acting as the Legislative Body of the CFD, may, in its sole discretion, in accordance with its adopted policies ("CFD Policies") and the School Facilities Mitigation Agreement take action(s) to issue and sell one or more series of Bonds to finance the costs of authorized facilities including the Storm Drain Improvements.

Section 2.3. Bond Proceeds. Upon completion of the issuance of each series of Bonds, and receipt of the Bond Proceeds, the CFD shall determine the amount of the Bond Proceeds allocable to finance the Purchase Price of the Storm Drain Improvements in accordance with the CFD Policies and the School Facilities Mitigation

Agreement. Subject to the terms and conditions set forth herein, the CFD shall pay the Purchase Price directly to Property Owner, or its successor or assign. Property Owner shall use the Payment Request Form set forth in Exhibit "C," which is attached hereto and incorporated herein by this reference, to request payment of the Purchase Price from the Storm Drain Improvements Fund.

Section 2.4. Disbursements. Upon completion of the funding criteria set forth below and subject to the availability of Bond Proceeds therefore, Property Owner may execute and submit a payment request to the CFD requesting disbursement from the Storm Drain Improvements Fund of an amount equal to (but not greater than) the Purchase Price. The form of payment request shall be substantially in the form set forth in Exhibit "C" of this Agreement ("Payment Request"). The sole source of funds from which Property Owner will be entitled to receive the Purchase Price shall be the CFD Sources available for such purpose pursuant to the School Facilities Mitigation Agreement.

Property Owner and the CFD agree that no disbursement of CFD Sources shall be made for the Purchase Price unless and until all of the following have occurred: (a) the Storm Drain Improvements have been completed and accepted by the City; (b) the City has requested the LACFCD to accept the transfer and conveyance of the Storm Drain Improvements and LACFCD has accepted the transfer and conveyance; and (c) the CFD has received documentation to confirm (a) and (b) above and to confirm the final Purchase Price of the Storm Drain Improvements.

Section 2.5. Responsibility for the Storm Drain Improvements.

- (a) If the amount derived from CFD Sources specified in Section 2.4 above, including investment earnings thereon, if any, are not sufficient to fund the total Purchase Price, the Parties hereto agree that all responsibility and liability for the amount of such shortfall(s) shall be and remain with the Property Owner, or its successors or assigns, and shall not lie with the School District, the CFD, or LACFCD.
- (b) LACFCD expressly confirms and warrants to the School District that the Storm Drain Improvements to be financed hereunder have not been previously financed by LACFCD with the proceeds of other tax-exempt securities or bonds. If LACFCD accepts the transfer of the Storm Drain Improvements prior to the issuance of the Bonds, LACFCD shall, upon request, provide written notice to the School District of any such financing of the Storm Drain Improvements to be financed hereunder until the issuance of the Bonds.

Section 2.6. Responsibility for Debt Service or Special Taxes. LACFCD's obligations under this Agreement shall be limited to its obligations with respect to the acceptance of the transfer and conveyance and the operation and maintenance of the Storm Drain Improvements, as described in Article III below, and LACFCD shall have

no obligation, responsibility, or authority with respect to the issuance and sale of the Bonds, or the payment of the principal and interest thereon, or for the levy and collection of the Special Taxes to provide for the payment of principal and interest thereon, and the CFD shall have the sole authority and responsibility for all such matters.

The Parties hereto specifically agree that the liabilities of the CFD pursuant to the documents providing for the issuance of Bonds, including the Bond Resolution, shall not be or become liabilities of LACFCD.

Section 2.7. Administration of the CFD. The School District shall have the power and duty to provide for the administration of the CFD, subject to the terms hereof and the School Facilities Mitigation Agreement, including employing and compensating all consultants and providing for the various other administration duties set forth in this Agreement. It is understood and agreed by Parties hereto that the LACFCD will not be considered a participant in the proceedings relative to formation of the CFD, the levy or collection of the Special Taxes or the issuance of the Bonds, other than as a Party to this Agreement.

Section 2.8. Tax Matters.

- (a) In connection with the issuance of any Bonds, a portion of the proceeds of which are to be made available to finance the acquisition, construction, and installation of the Storm Drain Improvements, Property Owner and LACFCD agree to execute and deliver such certifications and agreements as may be reasonably required in order for bond counsel to conclude that interest on such Bonds will be excluded from gross income under Section 103 of the Internal Revenue Code of 1986.
- (b) LACFCD represents that, if it accepts the transfer and conveyance of the Storm Drain Improvements, the LACFCD will not use the Storm Drain Improvements for any activity that constitutes a trade or business that is carried on by persons or entities other than governmental entities ("Private Use"). The leasing of the Storm Drain Improvements or the access of a person or entity other than a governmental unit to the Storm Drain Improvements or services provided thereby on a basis other than as a member of the general public ("General Public Use") shall constitute a Private Use unless LACFCD obtains an opinion of bond counsel to the contrary. Use of the Storm Drain Improvements in a trade or business constitutes General Public Use only if the property is intended to be available and is in fact reasonably available for use on the same basis by natural persons not engaged in a trade or business.
- (c) With respect to management and service contracts, the determination of whether a particular use of the Storm Drain Improvements constitutes Private Use shall be determined on the basis of applying IRS Revenue Procedure 97-13 (as amended or supplemented from time to time, including by IRS Revenue Procedure 2017-13). LACFCD represents that if it accepts the transfer and conveyance of the Storm Drain Improvements, it

does not expect any portion of the Storm Drain Improvements to be subject to contracts or other arrangements with persons or entities engaged in a trade or business (other than governmental units) that involve the management of property or the provision of services that do not comply with the standards of IRS Revenue Procedure 97-13 (as amended or supplemented from time to time including by IRS Revenue Procedure 2017-13).

Section 2.9 Indemnification. Property Owner undertakes and agrees to indemnify and hold harmless the School District, the CFD, the School District's Governing Board and all of their officers, agents, successors in interest, assigns, and employees (individually and collectively, "School District Indemnitees"), and at the option of counsel for the School District, defend by counsel satisfactory to counsel for the School District, the School District Indemnitees from and against any and all liens and claims of lien, suits, causes of action, claims, charges, damages (including consequential, incidental, or indirect), demands, judgments, civil fines, penalties, or losses of any kind or nature whatsoever that are incurred by, or asserted against, the School District Indemnitees, arising out of or in any way connected with the design, construction, installation, or dedication of the Storm Drain Improvements. This indemnity shall apply whether occurring during the term of this Agreement and any time thereafter and shall be in addition to any other rights or remedies, which School District Indemnitees have under law, in equity, or under this Agreement.

ARTICLE III TRANSFER OF THE STORM DRAIN IMPROVEMENTS TO LACFCD

Section 3.1. Acceptance by LACFCD.

- (a) LACFCD shall not be obligated to accept the transfer of the Storm Drain Improvements unless and until the Storm Drain Improvements have been completed in their entirety and in conformity with the plans approved by the LACFCD and all terms and conditions of the Permit, and accepted by the City, and the City has made a written request to transfer the Storm Drain Improvements to the LACFCD.
- (b) The LACFCD shall, within 30 days of its receipt of the request from the City, perform any additional inspections of the Storm Drain Improvements that it deems necessary to confirm that the Storm Drain Improvements have been completed in accordance with the plans approved by the LACFCD and the terms and conditions of the Permit.
- (c) Within 45 days of the completion of the inspection(s), the LACFCD shall notify City and Property Owner, in writing, that either: (1) the LACFCD accepts the transfer and conveyance of the Storm Drain Improvements; or (2) that the LACFCD's inspection(s) disclosed one or more deficiencies in the Storm Drain Improvements, which deficiencies shall be specifically identified.

- (d) If the LACFCD has notified City and Property Owner of one or more deficiencies in the Storm Drain Improvements, the following provisions shall apply:
 - (i) Property Owner shall work diligently to correct all identified deficiencies and shall promptly notify the LACFCD, in writing, when all such corrections have been completed.
 - (ii) The LACFCD shall, within 30 days of its receipt of such notice, perform all reinspections of the Storm Drain Improvements that it deems necessary to confirm that the corrections have been made.
 - (iii) Within 45 days of the completion of the reinspection(s), the LACFCD shall notify City and Property Owner, in writing, that either: (1) the LACFCD accepts the transfer and conveyance of the Storm Drain Improvements; or (2) that one or more deficiencies in the Storm Drain Improvements, which deficiencies shall be specifically identified, have not been corrected.
 - (iv) If the LACFCD notifies City and Property Owner that one or more deficiencies have not been corrected, Property Owner and the LACFCD shall meet, in good faith, to resolve any disagreements as to the deficiencies; provided, however, that the LACFCD shall not be obligated to accept the Storm Drain Improvements until all identified deficiencies have been corrected to its reasonable satisfaction.
- (e) Following its acceptance of the Storm Drain Improvements, the LACFCD shall have ownership of and the responsibility for maintenance and operation of the Storm Drain Improvements.

Section 3.2. Transfer of Easements. As a condition precedent to the LACFCD acceptance of the Storm Drain Improvements, Property Owner and any other applicable owners shall provide a duly executed deed to the LACFCD conveying to LACFCD all easements that LACFCD determines are necessary or convenient to operate, maintain, repair, and reconstruct the Storm Drain Improvements.

Section 3.3. Environmental Contamination. Property Owner shall provide to the LACFCD an accurate and complete Phase I Environmental Site Assessment for the Storm Drain Improvements and the property in or on which the Storm Drain Improvements is located, in accordance with the most updated version of ASTM E1527 Standard Practice for Environmental Site Assessment: Phase I Environmental Site Assessment Process as published by the American Society for Testing and Materials, as said Standard Practice may be updated from time to time. The completion of any and all subsurface exploratory work, testing, and remediation relating to any environmental contamination affecting the Storm Drain Improvements or the property in or on which it is located, shall be a condition precedent to the acceptance of the Storm Drain Improvements by the LACFCD.

Section 3.4. Warranty Against Defective Work. Property Owner shall guarantee and warranty the Storm Drain Improvements against any defective work or labor done or defective materials furnished in connection with the construction of the Storm Drain Improvements.

ARTICLE IV TERM

Section 4.1. Effective Date. This Agreement shall become effective and of full force and effect as of the date ("Effective Date") it is approved by the governing boards of all of the Parties, to be confirmed by the execution hereof by the authorized representatives of the Parties hereto.

ARTICLE V ADDITIONAL GENERAL PROVISIONS

Section 5.1. Recordkeeping. Property Owner agrees that they will cooperate in a timely manner with the CFD and the School District, on behalf of the CFD, in providing documentation, reports, or other data reasonably required and requested by the School District and/or the CFD in meeting the reporting requirements of the CFD under Sections 50075.1, 50075.3, and 50075.5, and Article 1.5 (commencing with Section 53410) of Chapter 3 of Part 1 of Division 2 of Title 5 of, the California Government Code (collectively, the "Local Agency Special Tax and Bond Accountability Act"). Property Owner's reporting obligations, pursuant to this Section, shall be limited to providing reports or other data detailing the Purchase Price.

Section 5.2. Partial Invalidity. 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.

Section 5.3. 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 not be assigned without the prior written consent of the other Parties hereto, which consent shall not be unreasonably withheld, and any such non-consented assignment shall be void. This Agreement is for the sole benefit of the School District, the CFD, the LACFCD, and the Property Owner, and their successors and assigns, (excluding property owners of residential lots within the CFD who are end users, who shall not be considered to be the successors or assigns of the Property Owner and shall have no rights hereunder), and no other person or entity shall be deemed to be a beneficiary hereof or have an interest herein.

Section 5.4. Notice. Any notice, payment, or instrument required or permitted by this Agreement to be given or delivered to any Party or other person shall be deemed to have been received when personally delivered or upon deposit of the same in the United States Post Office registered or certified, postage prepaid, addressed as follows:

If to School District: William S. Hart Union High School District
Attention Superintendent
21380 Centre Pointe Parkway
Santa Clarita, CA 91350

with a copy to: Atkinson, Andelson, Loya, Ruud & Romo
Attention Wendy H. Wiles
20 Pacifica, Suite 1100
Irvine, CA 92618

If to LACFCD: Los Angeles County LACFCD
Attention Ciara Barnett
Los Angeles County Public Works
900 South Fremont Avenue, 3rd Floor-LDD
Alhambra, CA 91803-1331

If to Property Owner: Bouquet Canyon, LLC
Attention Brian Bencz
15131 Alton Parkway, Suite 365
Irvine, CA 92618

with a copy to: Holland & Knight LLP
Attention Robert M. Haight, Jr.
50 California Street, Suite 2800
San Francisco, CA 94111

Any Party can change its address for delivery of notice by delivering written notice of such change or address to the other Parties within ten (10) calendar days prior to such change.

Section 5.5. Third-Party Beneficiary. The CFD shall be a third-party beneficiary of this Agreement.

Section 5.6. Captions. The captions to sections used herein are for convenience purposes only and are not part of this Agreement.

Section 5.7. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California applicable to contracts made and performed in such State.

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

WILLIAM S. HART UNION HIGH SCHOOL DISTRICT,
a California public school district

By: _____
Assistant Superintendent,
Business Services

APPROVED AS TO FORM:

Atkinson, Andelson, Loya, Ruud & Romo,
Legal Counsel to the William S. Hart Union High School District

LOS ANGELES COUNTY
FLOOD CONTROL DISTRICT

By: _____
Wendy Wiles

By _____
Chairman, Los Angeles County
Flood Control District


BOUQUET CANYON, LLC,
a Delaware limited liability company

By: _____
Lennar Homes of California, LLC,
a California limited liability company,
its sole Member

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

Name: _____

By  _____

Title: _____

EXHIBIT "A"
PROPERTY DESCRIPTION

EXHIBIT "B"
THE STORM DRAIN IMPROVEMENTS

EXHIBIT "C"
PAYMENT REQUEST FORM

COMMUNITY FACILITIES DISTRICT NO. _____

PAYMENT REQUEST FOR:

- () PROGRESS PAYMENT
- () FULL/FINAL PAYMENT

The Fiscal Agent is hereby requested to pay from the [the Storm Drain Improvements Fund] established by Resolution No. _____ of the Legislative Body of the School District, adopted on _____, and the Fiscal Agent Agreement dated as of _____, executed in accordance therewith, to the person, corporation, or other entity designated below as Payee, the sum set forth below such designation, in payment of the Purchase Price described below. The amount shown below is due and payable under the School Facilities Mitigation Agreement and/or the Joint Community Facilities Agreement and authorization with respect to the Purchase Price described below and has not formed the basis of any prior request for payment of the Purchase Price.

Payee: _____

Address: _____

Amount: _____

Total Purchase Price Paid: \$ _____

Dated: _____

Payment Request No.: _____

Executed by Authorized Representative for Community Facilities District
No. 2024-_____

Signature: _____

Name: _____

Title: _____

[Attach to all requisitions copies of County verification(s)/Property Owner certification(s)]

[Exhibit C (Continued)]

[ON LACFCD LETTERHEAD]

VERIFICATION BY LACFCD

As an authorized representative and on behalf of the Los Angeles County Flood Control District ("LACFCD"), I hereby verify that LACFCD has not previously reimbursed Bouquet Community, LLC (or its successors or assigns) for any costs of the Storm Drain Improvements.

Date: _____

By: _____
Authorized Representative
of LACFCD

[Exhibit C (Continued)]

[ON PROPERTY OWNER LETTERHEAD]

CERTIFICATION AND REPRESENTATION OF PROPERTY OWNER

On behalf of [Property Owner name], I hereby certify and represent that the above-referenced Purchase Price of \$ is currently due to [Property Owner name] and has not been previously reimbursed by LACFCD to [Property Owner name] (or to any of its successors and assigns).

Dated: _____

By: _____

Authorized Representative of
[Property Owner name]

Name: _____

Title: _____

RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES
ACTING AS THE GOVERNING BOARD OF THE LOS ANGELES COUNTY FLOOD
CONTROL DISTRICT APPROVING A JOINT COMMUNITY FACILITIES AGREEMENT WITH
WILLIAM S. HART UNION HIGH SCHOOL DISTRICT, AND BOUQUET CANYON, LLC**

WHEREAS, Bouquet Canyon, LLC, ("Property Owner"), proposes to develop property in the City of Santa Clarita ("City"), and has obtained approval of the development from the City, conditioned on, among other things, the construction of storm drain improvements serving the development ("Storm Drain Improvements"); and

WHEREAS, upon completion of the Storm Drain Improvements, the Storm Drain Improvements will be transferred to the City, who in turn anticipates proposing to transfer the Storm Drain Improvements to the Los Angeles County Flood Control District ("LACFCD").

WHEREAS, at the request of the Property Owner, the Governing Board of the William S. Hart Union High School District ("School District") will form a community facilities district ("CFD"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended ("Act"), which is expected to levy special taxes within such CFD and issue bonds, secured by such special taxes, to finance public facilities that the Property Owner is required to construct as a condition of development including the Storm Drain Improvements; and

WHEREAS, pursuant to Section 53316.2 of the Act (California Government Code, Section 53315.2), a CFD 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 ("JCFA"); and

WHEREAS, the Property Owner, School District, and LACFCD propose to enter into a JCFA, in the form attached hereto as Exhibit A, authorizing and setting forth requirements for the CFD to finance the Storm Drain Improvements through the School District's issuance of bonds and levy of special taxes on properties within the proposed CFD; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED:

1. Each of the above recitals is true and correct.
2. The Board of Supervisors finds and determines that the Storm Drain Improvements will benefit property within the territorial limits of the LACFCD and that the JFCA will be beneficial to the residents of the LACFCD.
3. The Board of Supervisors hereby approves the execution and delivery of the JFCA, substantially in the form attached hereto as Exhibit A, and the Chair of the Board of Supervisors is authorized to execute and deliver the JFCA, together with such non-substantive changes as may be approved by the Chair, with the approval of such changes to be conclusively evidenced by the execution and delivery thereof.
4. This Resolution shall be effective upon its adoption.

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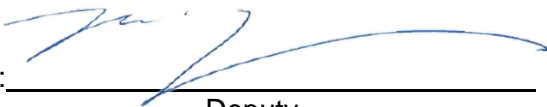
The foregoing resolution was adopted on the _____ day of _____, 2024, by the Board of Supervisors of the County of Los Angeles acting as the governing body of the Los Angeles County Flood Control District.

EDWARD YEN
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By:  _____
Deputy