

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

City of Menifee
29714 Haun Road
Menifee, California 92586
Attn: City Clerk

Exempt from Fees Per Gov. Code § 6103

Space above this line for Recorder's Use Only

**AMENDMENT NO. 2 TO THE DEVELOPMENT AGREEMENT
BY AND BETWEEN
CITY OF MENIFEE
AND
CIMARRON RIDGE, LLC
REGARDING THE CIMARRON RIDGE SPECIFIC PLAN PROJECT**

This Amendment No. 2 to the Development Agreement by and between City of Menifee and Cimarron Ridge, LLC (the “**Second Amendment**”) is entered into as of the ____ day of ____, 2024 (“**Effective Date**”) by and between the CITY OF MENIFEE, a California municipal corporation (“**City**”), and PULTE HOME COMPANY, LLC, a Michigan limited liability company, who is the successor-in-interest to Cimarron Ridge, LLC (“**Developer**”), and is made with reference to the following facts and objectives:

RECITALS

A. On or about June 7, 2017, the City and Cimarron Ridge, LLC entered into that certain Development Agreement By and Between City of Menifee and Cimarron Ridge, LLC Regarding the Cimarron Ridge Specific Plan Project (“**Original DA**”).

B. On or about May 11, 2023, the City and Cimarron Ridge, LLC entered into that certain “Minor Amendment to the Development Agreement By and Between City of Menifee and Cimarron Ridge, LLC Regarding the Cimarron Ridge Specific Plan Project” (“**First Amendment**”) to adjust the timing for completion of travel way improvements to Goetz Road from Thorton to White Quartz, and to White Quartz from Thorton to Goetz Road;

C. On or about July 16, 2021, Developer became the successor in interest to the rights and obligations of Cimarron Ridge, LLC under the Original DA, as revised by the First Amendment. The Parties contemplate that an assignment and assumption agreement in the form

attached as Exhibit C to the Original DA will be reviewed and acted upon concurrent with the City's review and action on this Second Amendment..

D. Developer has submitted a Specific Plan Amendment application to revise the Project Approvals (as that term is defined in the Original DA) to develop Planning Areas 5 and 6 (as defined in the Cimarron Ridge Specific Plan No. 2013-247) as a private and gated age-restricted, active adult community with certain private recreational amenities, and to relocate the public neighborhood park from Planning Area 5 to Planning Area 4 (each as defined in the Cimarron Ridge Specific Plan No. 2013-247), and to revise the phasing plan for the timing and sequencing of developing the remaining Planning Areas as defined in the Cimarron Ridge Specific Plan No. 2013-247 so that they can proceed concurrently (collectively, the "Specific Plan Amendment"); and in connection therewith, the parties desire to amend the Original DA (as already amended by the First Amendment) to remain consistent with the Specific Plan Amendment;

In consideration of the foregoing and pursuant to Section 6.1 of the Development Agreement, the Development Agreement is hereby further amended as follows:

AGREEMENT

1. **Use of Capitalized Terms.** Unless otherwise defined herein, capitalized terms used in this Second Amendment shall have the meaning assigned to such terms in the Original DA.

2. **"Agreement" References.** Unless the context requires otherwise, references to the "Agreement" or the "Development Agreement" in this Second Amendment shall mean and refer to the Original DA as amended by the First Amendment and this Second Amendment.

3. **Revisions to Project Description.** The "Project Approvals" and "Project" as defined in Recital D of the Development Agreement are amended to incorporate the following modifications: (i) the approximately 10 acre public neighborhood park and 99 parking spaces previously approved in Planning Area 5 are being revised to approximately 10.19 acres and 101 parking spaces, and are being relocated to Planning Area 4 in place of the previously approved 0.7 acre pocket park; (ii) Planning Areas 5 and 6 are being redesigned as a private and gated age-restricted, active adult community; and (iii) a private recreational center on approximately 1.22 acres and private pickle ball facility on approximately 1.19 acres, along with 17 additional parking spots, are being added to Planning Area 5.

4. **Revisions to Definitions.**

a. The definition of "Planning Area" shall be added as a new defined term between the definitions of "Permitted Uses" and "Planning Commission" in the Original DA, as follows:

"**Planning Area**" shall mean and refer to the planning areas, as defined in the Cimarron Ridge Specific Plan (No. 2013-247), as it may be amended from time to time in accordance with Applicable Laws and the Development Agreement.

b. The definition of "Sports Field" and "Sports Field Uses" at Page 7 of the Development Agreement shall be amended in its entirety as follows:

"**Sports Park**" shall mean that minimum 10.19-acre multipurpose park within Planning Area 4 of the Specific Plan improved with two baseball fields, one soccer field, stadium lighting, bathrooms, walking trails, all inclusive playground, and related amenities; the athletic fields at the Sports Park shall use irrigated grass playing fields and/or artificial turf fields of a size and quality appropriate to meet the standards promulgated by the California State Soccer Association - South (Cal South), or equivalent standards for youth soccer for general practice and local games (not including tournaments), as well as flag football and similar youth sports field uses. The term "Sports Park" shall not include any permanent structures, other than baseball field fencing and stands, restroom and concession facilities, Light Infrastructure, a picnic pavilion, benches and tot lots, and such other facilities as are depicted in Specific Plan section 3.1.

5. **Revisions to Section 4.15.** Section 4.15 of the Development Agreement is amended to read in its entirety as follows:

4.15 Developer Park Improvement Credits. This Section 4.15 shall set forth the full and complete satisfaction of the Developer's obligation to the City related to provision of neighborhood and/or community parks pursuant to the Municipal Code, Government Code section 66477 (the "**Quimby Act**") and this Agreement, and no further park dedications, in-lieu fees or other facility requirements of any type related to local park obligations ("**Public Park Obligation**") shall apply to the Project. Developer is obligated, based on the City's formula for local park dedication, to provide 10.77 acres of unimproved neighborhood parks. Developer will be providing 10.19 acres of dedicated land for the Sports Park. The specific details and formula for Developer's park code obligation, and proposed park dedications/estimated improvement costs are as follows:

Park Land Dedication and In Lieu Payment Obligations

- Developers Quimby Act/City Code Obligation = 10.77 acres (756 DUs (or final maximum lot count per the approved Specific Plan) x 2.85 persons per DU = 2,154.6 persons; @ 5 acres/1000 persons= 10.77 acres).
- Specific Plan Proposed Park (Sports Park) Total = 10.19 acres (City owned and maintained community park in Planning Area 4)
- *Quimby in lieu payment due to City for 0.58 acres of parkland* (10.77 acre requirement less 10.19 acre dedication), which shall be calculated based

upon the per acre fair market value of the improved value of the subdivision (per Municipal Code Section 7.75.070), and which shall be paid prior to recordation of the final map for Planning Area 4.

Park Improvement Obligation and Park DIF Credits

- Current Estimated Park Improvement Costs: 10.19-acre fully improved, dedicated multi-purpose community park with Sports Park in Planning Area 4 = \$5,509,672¹
- The above calculated improvement costs are estimates only and shall not be used as any basis for limitations of park improvements.
- Based on the above formula and obligation, Developer shall be entitled to credits from the parks component of the City-wide Impact Fee (“**Park DIF**”) for the final verified costs of the Sports Park.
- Developer shall pay the applicable per unit in Park DIF at each certificate of occupancy until City approval of the final verified costs of the Sports Park, at which time the Park DIF paid by Developer pursuant to this provision shall be refunded to Developer, but only to the extent of available credits as provided hereunder. In no event shall Developer be entitled to fee credits in excess of the amounts actually paid to the City pursuant to this provision.

4. **Revisions to Section 4.15.1(b).** Section 4.15.1(b) of the Development Agreement is amended to read in its entirety as follows:

(b) Construction of Sports Park. Prior to issuance of building permits for the first residential unit in Planning Areas 4, 5, 6 or 7, Developer shall submit park improvement plans for the Sports Park, consistent with the conceptual Sports Park plans approved by the City Council on or about [REDACTED], 2024. Within 60 days following final City approval of all required plans and permits for the Sports Park, Developer shall commence construction of the Sports Park and shall thereafter diligently pursue completion thereof, with substantial completion and opening of for public use occurring no later than the earlier of (i) twelve months following commencement of construction and (ii) issuance of the four hundred eighty-fifth (485th) building permit within the Project overall. As a condition precedent to this Second Amendment taking effect, Developer shall provide City with a completion bond in a form acceptable to the City and in the full amount of the estimated cost of constructing the Sports Park, as well as a construction schedule for the Sports Park. The bond shall be callable if, among other reasons, Developer fails to meet the construction schedule deadlines; provided, however, that (i) the parties shall reasonably and in good faith consider modifications to the construction schedule where required due to factors beyond Developer’s reasonable control; and (ii) the

¹ Estimated construction costs; credit to be based on final, verified improvement costs.

Sports Park shall in no event be completed later than the issuance of the four hundred eighty-fifth (485th) building permit within the Project overall. Upon completion of the Sports Park in substantial conformance with the approved park improvement plans, City shall promptly accept the Sports Park and release the security described herein.

5. **Revisions to Section 4.15.1(c).** Section 4.15.1(c) of the Development Agreement is amended to read in its entirety as follows:

(c) City Timely Review. The City shall, within its reasonable discretion and subject to the requirements of this Agreement, approve, conditionally approve, or reject the park improvement plans described in Section 4.15.1(b) in a timely manner, taking into account competing demands on staff capacity. The City shall not unreasonably withhold or delay its review of such park improvement plans.

6. **Revisions to Section 4.15.1(d).** Section 4.15.1(d) of the Development Agreement is amended to read in its entirety as follows:

(d) CFD for Park Maintenance. Developer agrees to and hereby requests that the City create or annex the Property into a valid and enforceable land-based financing mechanism (“**Financing Mechanism**”) that will provide for the long-term operations and maintenance funding for the Sports Park. The Financing Mechanism is anticipated to be the citywide community facilities district, which the Project shall annex into, consistent with Developer’s agreement and request (as provided in the first sentence of this paragraph), prior to recordation of each Final Map. The Developer shall establish a Homeowners Association, with conditions, covenants, and restrictions reasonably approved by the City, which shall be responsible for maintaining and operating the private recreation center, pickle ball facility, and all other private recreational amenities constructed within Planning Areas 5 and 6. Developer shall also establish a Homeowners Association, with conditions, covenants, and restrictions reasonably approved by the City, which shall be responsible for maintaining and operating the park in Planning Area 1B. Prior to issuance of the first building permit following execution of this Second Amendment, Developer shall post an appropriate bond, in a form approved by the City Attorney, for completion of the required park improvements.

7. **Cooperation; Further Acts.** Each party agrees to provide reasonable assistance to the other and cooperate to carry out the intent and fulfill the provisions of this Second Amendment. Each of the parties shall promptly execute and deliver all documents and perform all acts as necessary to carry out the matters contemplated by this Second Amendment.

8. **Integration; Interpretation; Recordation.** The Original DA, the First Amendment, and this Second Amendment reflects the complete understanding of the parties with respect to the subject matter thereof. To the extent this Second Amendment conflicts with the Original DA, or any prior interpretation thereof, this Second Amendment supersedes the Original DA and any prior interpretations thereof. In all other respects, the parties hereto re-affirm and ratify all other provisions of the Original DA and the First Amendment. This Second Amendment shall be duly recorded following its full execution.

9. **Counterparts.** This Second Amendment may be executed in counterparts, each of which shall be deemed an original, and all such counterparts, when taken together, shall constitute one agreement.

10. **Authority.** The person or persons executing this Second Amendment on behalf of the City and Developer warrant and represent that they have the authority to execute this Second Amendment and the authority to bind the City and Developer, as applicable, to the performance of their respective obligations hereunder.

IN WITNESS WHEREOF, the City and the Developer have signed this Second Amendment, by and through the signatures of their authorized representatives as of the day and year first hereinabove written.

CITY OF MENIFEE,
a California municipal corporation

PULTE HOME COMPANY, LLC,
a Michigan Limited Liability Company

By: _____
Mayor

By: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

Jeffrey Melching, Esq.
Rutan & Tucker, LLP,
City Attorney