

Contract No.: _____
Approved: _____

CIRCULATION DIF CREDIT RECONCILIATION THROUGH MAY 31, 2025 FOR THE FOLLOWING AGREEMENTS:

1. **CONTRACT NO 2025-167**
2. **CONTRACT NO. 2022-029 Tr 18480 (Harvest (for Pine))**
3. **CONTRACT NO. 2022-163 Tr 16420-3 (Commercial Town Center)**
4. **CONTRACT NO. 2022-163 Tr 16420-3 (Homecoming Phase 5)**
5. **CONTRACT NO. 2023-249 Tr 16420-4 (Block 9 – Independence)**
6. **CONTRACT NO. 2024-277 Tr 16420-5 (Block 3A)**
7. **CONTRACT NO. Tr 16420-6 (Club in Main Block 11)**

AND

**FIRST AMENDMENT TO CONSTRUCTION CREDIT AND REIMBURSEMENT AGREEMENT FOR THE PRESERVE CIRCULATION (STREETS, SIGNALS AND BRIDGES) DEVELOPMENT IMPACT FEE PROGRAM
(Circulation Projects 2004-2025)**

THIS CIRCULATION DIF CREDIT RECONCILIATION (“**Reconciliation**”) and FIRST AMENDMENT TO CONSTRUCTION CREDIT AND REIMBURSEMENT AGREEMENT FOR THE PRESERVE CIRCULATION (STREETS, SIGNALS AND BRIDGES) DEVELOPMENT IMPACT FEE PROGRAM (“**Amendment No. 1**”) is made and entered into this ___ day of _____, 20__ (“**Reconciliation Date**”), by and between the CITY OF CHINO, a California municipal corporation (“**City**”) and CHINO DEVELOPMENT CORPORATION, a California corporation and CHINO PRESERVE DEVELOPMENT CORPORATION, a California Corporation (collectively, “**Developer**”). City and Developer are sometimes hereinafter referred to individually as “**Party**” and jointly as “**Parties**”. All capitalized terms used and not defined herein, shall have that definition ascribed to it in the Contract 2025-167 (defined below).

RECITALS

WHEREAS, City and Developer entered into that certain Contract No. 2025-167 entitled “Construction Credit and Reimbursement Agreement for the Preserve Circulation (Streets, Signals and Bridges) Development Impact Fee Program (Circulation Projects 2004-2019)” on November 19, 2024

(the “**Contract 2025-167**”) whereby the City agreed to reimburse Developer for the design and construction of various Circulation Facilities from The Preserve Circulation DIF funds.

WHEREAS, Developer has completed the design and construction of additional circulation facilities under Contract 2025-167 as described in Section 1(a) below as the “Additional Tracts 19994/18480 Circulation Facilities”. For the purposes of this Reconciliation, all of those circulation improvements described in Contract 2025-167 and the Additional Tracts 19994/18480 Circulation Facilities are collectively referred to as the “**Contract 2025-167 Circulation DIF Improvements**”. All of the Contract 2025-167 Circulation DIF Improvements have been completed and accepted by the City for which Circulation DIF Credits in the total amount of \$38,076,155.62 were provided to Developer under Contract 2025-167 as identified in **Exhibit B** attached hereto.

WHEREAS, City and Developer subsequently entered into the following additional contracts for the design and construction of additional circulation improvements required within The Preserve Specific Plan by the Preserve Development Agreement No. 2004-073 for the Developer Properties covered by these additional contracts (the “**Additional Circulation DIF Agreements**”):

- *CONTRACT NO. 2022-029 Tr 18480 (Harvest (for Pine))*
- *CONTRACT NO. 2022-163 Tr 16420-3 (Commercial Town Center)*
- *CONTRACT NO. 2022-163 Tr 16420-3 (Homecoming Phase 5)*
- *CONTRACT NO. 2023-249 Tr 16420-4 (Block 9 – Independence)*
- *CONTRACT NO. 2024-277 Tr 16420-5 (Block 3A)*
- *CONTRACT NO. Tr 16420-6 (Club in Main Block 11)*

WHEREAS, all of the circulation improvements required under the Additional Circulation DIF Agreements (the “**Additional Circulation DIF Improvements**”) have been completed and accepted by the City for which Circulation DIF Credits in the total amount of \$10,720,544.70 were provided to Developer as identified in **Exhibit B** attached hereto.

WHEREAS, pursuant to Section 4 of the Contract 2025-167, City and Developer met for the purpose of ascertaining Credits to the Circulation DIFs issued by City to the Developer after the Effective Dates of the Contract 2025-167 and the Additional Circulation DIF Agreements for Developer's Properties, the amount of any cash reimbursements made to Developer, and remaining amount of the Circulation DIFs held by the City through and including May 31, 2025.

TERMS

NOW, THEREFORE, the Parties agree as follows:

1. AMENDMENT AND RECONCILIATION.

- (a) Amendment to Contract 2025-167/Additional Tracts 19994/18480 Circulation Facilities. Between the Effective Date and May 31, 2025, DEVELOPER has completed all work
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required in connection with the design and construction of certain additional Circulation Facilities in Tract 19994 and Tract 18480 of Developer's Properties (collectively the "**Additional Tracts 19994/18480 Circulation Facilities**") at the following additional DIF Costs: Tract 18840 \$67,970.29 ; Tract 19994 \$2,876,656.96 . Exhibit A to the Contract 2025-167 is amended by adding page "A-4" attached hereto, which identifies the Additional Tracts 19994/18480 Circulation Facilities and the Circulation DIF Credit amounts for those Circulation Facilities. The Summary of Improvements in the Contract 2025-167 is amended to include the Additional Tracts 19994/18480 Circulation Facilities and Section 2.1 of the Contract 2025-167 is amended to increase the Total DIF Cost of the Project from \$35,131,528.37 to \$ 38,076,155.62.

- (b) Circulation DIF Credit and Reimbursement Reconciliation. Exhibit B of the Contract 2025-167 is hereby deleted in its entirety and replaced with an updated Exhibit B attached hereto which shall constitute a revision to and update of the Circulation DIF Credit and Reimbursement Reconciliation and the Circulation DIF Credit and Reimbursement Amount in the Contract 2025-167 from the Effective Date of the Contract 2025-167 though and including May 31, 2025. Section 2.2 of the Contract 2025-167 is amended to increase the Circulation DIFs from \$28,208,553.49 to \$28,527,475.23 and Section 2.3 is amended to reduce the Remaining Circulation DIF Credit and Reimbursement Amount from \$6,922,974.88 to \$5,548,680.39 (the "**Remaining Credit Balance**") all as set forth in Exhibit B attached. The Remaining Credit Balance does not include the Remaining Tract 20161 Circulation DIF Credits set forth in Section 2 below.
- (c) Updated DIF Credit Addendum. Exhibit C of the Contract 2025-167 is hereby deleted and replaced with an updated Exhibit C attached hereto.

2. COVENANT AGREEMENT RECONCILIATION. City and Developer are also parties to: (1) that certain Covenant Agreement for Prepayment of Development Impact Fees for Tract 20161 dated July 21, 2020 (the "**Tract 20161 Covenant Agreement**"), and (2) that certain Covenant Agreement for Prepayment of Development Impact Fees Credits for approved the Developer's application for PL 18-0012 (Master Site Approval) and PLI 8-0013, -0014, -0015, -0016, -0017, -0097 and -0098 (Tentative Tract Map Nos. 20164,20165, 20166, 20167, 20168, 20248 and 20249) dated July 21, 2020 (the "**Block 4 Covenant Agreement**") (together the "**Covenant Agreements**"). Capitalized terms used in this Section 2 are as defined in the Covenant Agreements. Developer has pre-paid Cash Amounts for the Circulation DIF for all of the dwelling units required by the Covenant Agreements. The Parties agree that there are no Cash Amounts for Circulation DIF remaining under the Block 4 Covenant Agreement and that there is only \$169,977.90 of Cash Amounts for Circulation DIF remaining under the Tract 20161 Covenant Agreement ("**Remaining Tract 20161 Circulation Cash Amount**") from the Covenant Agreement as referenced in Exhibit B. The CITY hereby agrees to apply the Remaining Tract 20161 Circulation Cash Amounts for Circulation DIF for the remaining 32 units in Tract 20161.
3. WARRANTY RE ABSENCE OF DEFAULTS. Developer represents and warrants to City that, as of the Reconciliation Date, Developer is not in default of any material term of Contract 2025-167 or the Additional Circulation DIF Agreements (collectively the "**Agreements**"), and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreements by Developer.
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4. CONTINUING EFFECT OF AGREEMENT. Except as amended by this Amendment, all provisions of the Contract 2025-167 shall remain unchanged and in full force and effect.
5. COUNTERPARTS. This Reconciliation and Amendment may be executed in multiple identical counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to be executed as of the day and year first above written.

DEVELOPER

CHINO DEVELOPMENT CORPORATION, a California corporation

Bryan Goodman
Its: _____

CHINO PRESERVE DEVELOPMENT CORPORATION, a California corporation

Bryan Goodman
Its: _____

CITY

CITY OF CHINO, a municipal corporation

Linda Reich
City Manager

ATTEST:

Natalie Gonzaga
City Clerk

APPROVED AS TO CONTENT:

Hye Jin Lee
Director of Public Works

APPROVED AS TO FORM:

Fred Galante
City Attorney

EXHIBIT A

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Additional Street Improvements Added to Contract
#2025-167

<u>Project -Tract #</u>	<u>Additional Costs</u>
Tr. 18840	\$ 67,970.29
Tr. 19994	<u>\$ 2,876,656.96</u>
Total Additional Streets Costs to be added to Contract 2025-167	\$ 2,944,627.25

EXHIBIT B

Streets DIF Credit Summary as of 5/31/2025 Contract # 2025-167

					Totals Thru 05/31/2025	
Tract	Builder	Project	Density	Total Units	Total Building Permits	Total Credits
16420.1	LMC	HCP Maintenance Bldg	SqFt		-	(17,663.24)
		HCP Pool Bldg	SqFt		-	(7,544.60)
		HCP Rec Center Bldg	SqFt		-	(107,042.00)
		Homecoming- Ph 1	HDR	152	152	(984,200.00)
		Homecoming- Ph 2	HDR	189	189	(1,223,775.00)
		Homecoming- Ph 3	HDR	458	458	(2,965,550.00)
16519	John Laing	Secret Garden	MDR	84	84	(468,399.00)
16520	Lennar	Garden Glen I	LDR	51	51	(447,216.00)
16521	K Hovnanian	Ten Bloom Road	MDR	69	69	(375,659.00)
16522	Centex	Canterbury Grove I	LDR	48	48	(423,328.00)
16523	Shea	Iris	LDR	61	61	(526,242.00)
17148	Standard Pacific	Hidden Hollow	MDR	81	81	(586,183.00)
17149	Standard Pacific	Shady Lane	MDR	60	60	(428,915.00)
17150	Shea	Enchanted Forest	LDR	55	55	(505,890.00)
17266	Pardee	Candlewood	LDR	64	64	(776,215.00)
17357	KB	Evergreen	MDR	58	58	(327,562.00)
17390	Brookfield	Mulberry - Casita	MDR	126	126	(760,141.00)
17514	Centex	Citrus Commons	HDR	118	118	(659,856.00)
17515	Centex	Agave	MDR	104	104	(588,020.00)
17571	Western National	Affordable Apartments	HDR	250	250	(1,801,250.00)
17574	Cal Atlantic	Amelia (stark)	MDR	110	110	(888,910.00)
17610	Centex	Canterbury Grove II	LDR	48	48	(441,504.00)
17611	KB	Cantana	MDR	21	21	(143,199.00)
17612	KB	Ariatta	MDR	42	42	(286,398.00)
17613	Lennar	Garden Glen II	LDR	51	51	(469,098.00)
17616	Shea	Tetherwind	MDR	162	162	(945,756.00)
17635	Woodside Homes	Palisades	LDR	79	79	(999,595.00)
18693	KB	Lynbrook	MDR	114	114	(777,366.00)
18778	K Hovnanian	Sonata	MDR	65	65	(443,235.00)
18890	William Lyon	Laurel Lane (Deboer)	MDR	70	70	(558,530.00)
19749	7 Eleven	Mill Creek - Gas Station	SqFt	-	-	(47,169.10)
		Boos Development	SqFt	-	-	(61,199.27)
		DL Fine	SqFt	-	-	(77,098.12)
19980	LMC	Homecoming- Ph 4	HDR	454	454	(3,520,316.00)
20102	TriPointe	Lot 14/15 - Hazel	HDR20	133	133	(773,171.00)
20102.1	TriPointe	Lot 14/15 - Ivy	HDR20	113	113	(657,043.00)
		Lot 14/15 - Ivy II AG Buffer	HDR20	21	21	(122,199.00)
20165	Century	PA 5 Greenway	LDR	79	79	(240,969.75)
20166	KB Home	PA 4 Driftstone	LDR	69	69	(210,467.25)
20167	Lennar	Voyage PA1	LDR	60	60	(183,015.00)
20168	Richmond American	Parklin PA2&3	LDR	68	68	(207,417.00)
20169	Lewis-TBD	TBD	MDRD	26	-	-
20170	Richmond American	PA-3 Liberty - Gardenside	MDRD	80	80	(244,020.00)
20171	TriPointe	PA-2/8/9 Bungalow - Delia	MDRA	123	123	(250,507.95)
20172	Pulte	PA-4 - Monarch	MDRD	76	76	(231,819.00)
20173	Beazer	PA-6/7 Zinnia	MDRA	149	143	(291,240.95)
20231	Lennar	Lot 11 - Morning Sun	HDR20	106	106	(616,814.00)
20232	William Lyon	Lot 11 - Verbena	HDR20	70	70	(407,330.00)
20248	Lennar	Voyage PA6&7	LDR	56	56	(170,814.00)
20249	Richmond American	Parklin PA8&9	LDR	56	56	(170,814.00)
20270	Richmond American	PA-5 Liberty - Gardenside	MDRD	36	36	(109,809.00)
			Totals	4,565	4,533	(28,527,475.23)
Contract #2025-167 Credits Total excludes:		Total Streets DIF Credits 2025-167 to 5/31/25			4,533	28,527,475.23
Projects covered under other Contracts		Total Streets DIF Credits Additional Contracts:				
2022-029, 2022-163, 2023-249, 2024-277		2022-029, 2022-163, 2023-249, 2024-277				
and Tract 16420-6 projects		and Tract 16420-6 projects to 5/31/25			1,061	10,720,544.70
Total also excludes Streets Cash DIF prepayments		Total Streets Cash DIF Prepayments used to 5/31/25			-	4,291,660.10
per Covenant Agreements Tr 20161 & 20164		Total Streets DIF Credits & Cash Prepayments to 5/31/25			5,594	43,539,680.03
totaling \$4,461,637.70 less used to date \$4,291,660.10						
leaves balance \$169,977.60 for 32 units in Tr 20161						

Transportation DIF Credit Summary			
Existing Contracts	Tract Map No.	Development	Allocated Credits
2022-029	18480	Harvest (for Pine)	\$ 5,326,638.73
2022-163	16420-3	Commercial Town Center	\$ 2,154,012.17
"	"	Homecoming Ph 5	\$ 1,070,696.00
2023-249	16420-4	Block 9 - Independence	\$ 1,340,967.46
2024-277	16420-5	Block 3A	\$ 635,628.00
	16420-6	Club on Main Block 11	<u>\$ 192,602.34</u>
Subtotal			\$ 10,720,544.70
Contract #2025-167 DIF Agreement (Projects Constructed from 2004-2019)			\$ 38,076,155.62
Total DIF Credits Issued to Developer (as of May 31, 2025)			\$ 48,796,700.32
Contract 2025-167 Validated Costs (Projects 2004-2019)			\$ 38,076,155.62
Allocated DIF Credits Proposed DIF Agreement			\$ (28,527,475.23)
Cash paid 12/2024			\$ (4,000,000.00)
Remaining Credit Balance			\$ 5,548,680.39

EXHIBIT C

DIF CREDIT ADDENDUM

**ADDENDUM NO. 1
(Assignment of Credit)**

❖ DIF Credit and Reimbursement Summary:

	Total Credit Amount	Credits Applied	Balance
Circulation DIF	\$ 38,076,155.62	(\$32,527,475.23)	\$5,548,680.39
	Balance	Credits Assigned	Balance Forward
Assigned DIF Credit	\$		

Chino Preserve Development Corporation is hereby transferring DIF *Credit* in the amount of \$_____ to:

❖ Assignee: _____

❖ Credit Transfer Amount \$_____

❖ Remaining Credit: \$_____

"Any transfer or assignment of credits or reimbursement rights acknowledged in this Addendum shall be made in accordance with City procedures, on a form approved by and acknowledged by the City. All parties to this Addendum agree that City will have no obligation to recognize or honor an assignment or transfer that does not comply with the terms of this Addendum."
