
**THIRD AMENDMENT TO
ACQUISITION AND FUNDING AGREEMENT**

by and among

**CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 31
(CITRUS HEIGHTS NORTH)**

and

CITY OF FONTANA

and

SC FONTANA DEVELOPMENT COMPANY, LLC

Dated as of _____ 1, 2021

**City of Fontana
Community Facilities District No. 31
(Citrus Heights North)
Special Tax Bonds**

**THIRD AMENDMENT TO
ACQUISITION AND FUNDING AGREEMENT**

THIS THIRD AMENDMENT TO ACQUISITION AND FUNDING AGREEMENT (this “Third Amendment”), dated as of _____ 1, 2021, is by and among the CITY OF FONTANA COMMUNITY FACILITIES DISTRICT NO. 31 (CITRUS HEIGHTS NORTH), a community facilities district organized and existing under the laws of the State of California (the “Community Facilities District”), the CITY OF FONTANA, a general law city organized and existing under the laws of the State of California (the “City”), and SC FONTANA DEVELOPMENT COMPANY, LLC, a limited liability company organized and existing under the laws of the State of Delaware (formerly organized as and converted from SC Fontana Development Corporation, a corporation organized and existing under the laws of the State of California) (the “Developer”).

WITNESSETH:

WHEREAS, the City Council (the “City Council”) of the City (the “City Council”) has, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (the “Act”), established the Community Facilities District;

WHEREAS, pursuant to the Act, the proceedings of the City Council and an election held within the Community Facilities District, the Community Facilities District is authorized to issue special tax bonds (the “Bonds”) secured by a special taxes (the “Special Taxes”) levied within the Community Facilities District to finance certain public facilities;

WHEREAS, pursuant to the Acquisition and Funding Agreement, dated as of October 1, 2005, by and among the Community Facilities District, the City and SC Fontana Development Corporation, as amended by the First Amendment to Acquisition and Funding Agreement, dated as of December 1, 2006, by and among the Community Facilities District, the City and SC Fontana Development Corporation, and the Second Amendment to Acquisition and Funding Agreement, dated as of June 1, 2018, by and among the Community Facilities District, the City and the Developer (as so amended, the “Second Amended Acquisition and Funding Agreement”), the Developer agreed to construct, or cause to be constructed, certain facilities described in the Second Amended Acquisition and Funding Agreement (the “Facilities”), and the Communities Facilities District agreed to purchase the Facilities from the Developer with proceeds of the Bonds;

WHEREAS, the Second Amended Acquisition Agreement provides that the Second Amended Acquisition Agreement may be amended by an instrument in writing executed and delivered by the Community Facilities District, the City and the Developer; and

WHEREAS, the Community Facilities District, the City and the Developer now desire to enter into this Third Amendment in order to make certain amendments to the Second Amended Acquisition and Funding Agreement;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

Section 1.1. Amendment to Exhibit A. Exhibit A of the Second Amended Acquisition and Funding Agreement is hereby amended to read in full as set forth in Exhibit A hereto.

Section 1.2. Effect of Third Amendment. This Third Amendment and all of the terms and provisions herein contained shall form part of the Second Amended Acquisition and Funding Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Second Amended Acquisition and Funding Agreement. The Second Amended Acquisition and Funding Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended, and as amended hereby. If there shall be any conflict between the terms of this Third Amendment and the terms of the Second Amended Acquisition and Funding Agreement (as in effect on the day prior to the effective date of this Third Amendment), the terms of this Third Amendment shall prevail.

Section 1.3. Counterparts. This Third Amendment may be executed in counterparts, each of which shall be deemed an original.

Section 1.4. Effective Date. This Third Amendment shall be effective as of _____, 2021.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment as of the day and year first hereinabove written.

**CITY OF FONTANA COMMUNITY
FACILITIES DISTRICT NO. 31
(CITRUS HEIGHTS NORTH)**

By: _____

CITY OF FONTANA

By: _____

**SC FONTANA DEVELOPMENT
COMPANY, LLC, a Delaware limited
liability company**

By: _____

EXHIBIT A

FACILITIES

<u>Component</u>	<u>Segment</u>	<u>Acquisition Cost</u>
1. Lytle Creek Road (Summit to Casa Grande)	a. Sewer	\$ 411,950
	b. Storm drain	985,600
	c. Street improvements (including right-of-way acquisition)	893,200
	d. Final asphalt cap and lift	92,400
	e. Landscaping (excluding PA5 frontage)	431,200
2. Summit Avenue (Lytle Creek to Citrus)	a. Sewer	659,120
	b. Storm drain (Lytle Creek to Parkside)	2,002,000
	c. Storm drain (Parkside to Citrus)	1,602,000
	d. Street improvements (including right-of-way acquisition)	1,852,320
	e. Final asphalt cap and lift	154,000
	f. Traffic signal @ Knox	355,740
	g. Dry Utilities	693,000
	h. Landscaping & median (excluding PA5&6 & PA12 frontage)	1,309,000
3. Knox Avenue (Summit to Citrus)	a. Sewer	485,100
	b. Storm Drain	1,447,600
	c. Street improvements (including right-of-way acquisition)	1,201,200
	d. Final asphalt cap and lift	225,600
	e. Landscaping (eastside from Summit to Northern edge of PA9)	585,000
	f. Landscaping (north edge of PA9 to Citrus)	1,868,000
4. Citrus Avenue (Summit to northern boundary of PA3)	a. Sewer	1,001,000
	b. Storm drain	1,889,580
	c. Street improvements (including right-of-way acquisition)	2,233,000
	d. Final asphalt cap and lift	843,500
	e. Traffic signal @ Knox	628,000
	f. Landscaping including median (Summit to Knox, excluding PA12)	1,062,600
	g. Landscaping including median (Knox to northern boundary of PA3)	956,000

5. Knox Avenue (Citrus to 1300' East of Citrus)

a.	Sewer	255,000
b.	Storm drain	600,000
c.	Street improvements (including right-of-way acquisition)	817,820
d.	Final asphalt cap and lift	75,000

6. Traffic Signals

a.	Traffic Signal at Citrus Avenue/Duncan Canyon Road Intersection	584,250
b.	Traffic Signal at Arboretum Avenue/Duncan Canyon Road Intersection	584,250
c.	Traffic Signal at Cypress Avenue/Duncan Canyon Road Intersection	584,250
d.	Traffic Signal at Sierra Avenue/Duncan Canyon Road Intersection	584,250
e.	Traffic Signal at Cypress Avenue/Casa Grande Intersection	584,250