RECORDED AT THE REQUEST OF AND RETURN TO:

Napa Sanitation District 1515 Soscol Ferry Road Napa, CA 94558

Exempt from Recording Fees Per G.C. 27383

Re: Napa Courtyards

AGREEMENT FOR CAPACITY FEE DEFERRAL

This Agreement is made and entered into this _____ day of ______, 20____, by and between the Napa Sanitation District, a California special District (hereafter the "District"), and Napa Pacific Associates, a California Limited Partnership (hereinafter "Owner").

RECITALS

A. Owner will be developing a 20 unit housing complex known as Napa Courtyards, located within the District's service area, in the City of Napa, California.

B. Napa Courtyards will be developed on Assessor's Parcel No's. 046-011-017 and 046-011-018, 535 Coombsville Road and more particularly described in <u>Exhibit A attached</u> hereto.

C. District normally requires the payment of capacity fees prior to the issuance of a building permit for each dwelling unit.

D. The Owner has requested that the District defer the payment of capacity fees on the subject development because the Owner will be constructing twenty (20) affordable housing units within the development, which meets the basic condition of ten percent (10%) inclusionary affordable homes on-site condition required by the City of Napa and District policy.

E. District has determined that the construction of twenty (20) affordable housing units meets the basic affordable housing inclusionary requirement required by the City of Napa and deferral of the payment of capacity fees is allowed per District policy.

AGREEMENT

NOW, THEREFORE, Owner and District, for good and valuable consideration agree as follows:

1. District will, in consideration of Owner's agreement to pay the capacity fees pursuant to section 2 below at a later date, allow Owner to defer payment of the capacity fees beyond the issuance of building permit when they are ordinarily due.

2. Owner shall pay the capacity fees in the amount of \$179,935.65 for Napa Courtyards at or prior to the close of escrow for each lot or at the date of occupancy, but in no event shall payment be made later than 18 months from the date of execution of this Agreement.

3. If payments are not received by District at close of escrow, at date of occupancy, or within 18 months from the date of execution of this Agreement, whichever occurred first, Owner shall pay penalties on the unpaid balance at the rate of 1% per month.

4. Owner shall secure from the Owner's lender a letter stating that the capacity charges have been noted as payable and that the funds have been set aside for payment of the charges. The Owner shall submit the letter to the District prior to issuance of the first building permit.

5. This Agreement shall be recorded as a lien against the property, until such time as the capacity fees have been paid.

6. Upon execution of this Agreement by Owner, the requirement for payment of capacity fees prior to the issuance of building permits for Napa Courtyards shall be deferred.

7. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and no obligations other than those set forth in this Agreement shall be recognized by or binding upon the parties.

<u>OWNER:</u>	Napa Pacific Associates, a California Limited Partnership 430 E. State St., Suite 100 Eagle, ID 83616
DISTRICT:	Napa Sanitation District 1515 Soscol Ferry Road Napa, CA 94558

8. <u>INTERPRETATION</u> The parties agree that they have carefully reviewed this Agreement, have consulted independent counsel if they saw fit or have independently elected not to do so. The doctrine that any ambiguities in a contract are to be resolved against the drafting party, shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto. This Agreement shall be interpreted and construed according to the domestic laws of the State of California, without regard to the choice of law doctrine.

9. <u>SEVERABILITY</u> If any part, term, or provision of this Agreement is held by any court to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

10. <u>MODIFICATION</u> This Agreement may be modified or amended only with the prior written consent of the parties, or their successors in interest. Such modifications and amendments shall be executed with the same formality as this Agreement, shall be recorded, and shall be interpreted as provided in this Agreement.

11. <u>EFFECTIVE DATE</u> This Agreement shall become effective on the date of execution, which shall be deemed to be the date first written above.

12. <u>QUITCLAIM DEED</u> Upon performance of Owner's obligations under this Agreement, District agrees, if requested by Owner, to execute, acknowledge and deliver a quitclaim deed to Owner within thirty (30) days after performance and to execute, acknowledge and deliver any other documents required by any title company to remove the cloud of this Agreement from the title to the Subject Property(s).

* * * * * * * * * * * * *

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

OWNER:

NAPA PACIFIC ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP

By:

Cho	2

Caleb Roope General Partner

NAPA SANITATION DISTRICT:

Napa Sanitation District, a California Special District

By:

Jill Techel Chair, Board of Directors

ATTEST:

By:

Cheryl Schuh Secretary, Board of Directors APPROVED AS TO FORM:

2 By:

John Bakker District Legal Counsel A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Idaho

County of Ada

On <u>March 5th, 2018</u> before me, <u>Katie Callen, Notary Public</u>, personally appeared <u>Caleb</u> Roope, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Idaho that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Commission Expires: 7/8/2021



<u>Exhibit A</u>

The land referred to herein below is situated in the City of Napa, County of Napa, State of California and is described as follows:

BEING a portion of the parcel of land described as "Parcel One" in both the Deed to George J. Calhoun, et ux recorded July 11, 1977 in Book 1043 at page 890 of Official Records of Napa County and the Deed to Theodore G. Bell, et ux, recorded July 27, 1956 in Book 518 at page 310 of Official Records of Napa County, and a portion of the parcel of land described in the Deed to the City of Napa, recorded August 11, 1948 in Book 295 at page 237 of Official Records of Napa County, more particularly described as follows:

Commencing on the Western line of said "Parcel One" at the Southwestern corner of the parcel of land described in the Deed to the City of Napa, recorded September 15, 1977 in Book 1051 at page 816 of Official Records of Napa County; thence South 81° 45' East along the Southern line of said City of Napa parcel 297.65 feet to the Southeastern corner thereof on the Eastern line of said "Parcel One"; thence South 00° 24' East along said Eastern line and the Southern prolongation thereof, 136.93 feet; thence North 89° 59' West along a line parallel with and 17.61 feet distant measured at right angles Southerly from the Southern line of said Calhoun parcel, 295.84 feet to the Southern prolongation of the Western line of said parcel; thence North 00° 06' East along said prolongation to and along said Western line, 179.54 feet to the point of commencement.

APN 046-011-017; -018