

**JOINT COMMUNITY FACILITIES AGREEMENT**

**by and among**

**COUNTY OF SAN JOAQUIN,**

**CITY OF STOCKTON,**

**COUNTY OF SAN JOAQUIN COMMUNITY FACILITIES DISTRICT  
NO. 2009-1 (AIRPARK 599),**

**AND**

**CATELLUS STOCKTON, LLC**

**Dated as of [March 1, 2026]**

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**JOINT COMMUNITY FACILITIES AGREEMENT**

**THIS JOINT COMMUNITY FACILITIES AGREEMENT** (this “Facilities Agreement”), dated as of [March 1, 2026], is by and among the COUNTY OF SAN JOAQUIN, a political subdivision of the State of California (the “County”), the CITY OF STOCKTON, a municipal corporation organized and existing under the laws of the State of California (the “City”), County of San Joaquin Community Facilities District No. 2009-1 (Airpark 599), a community facilities district organized and existing under the laws of the State of California (the “Community Facilities District”) and CATELLUS STOCKTON, LLC, a limited liability company organized and existing under the laws of the State of California (the “Developer”).

**WITNESSETH:**

**WHEREAS**, the County Board of Supervisors of the County (the “County Board of Supervisors”) 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 County Board of Supervisors 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 tax (the “Special Tax”) levied within the Community Facilities District to finance certain public facilities (the “Facilities”);

**WHEREAS**, the Facilities proposed to be financed by the Community Facilities District include certain Facilities to be owned and operated by the County (the “County Facilities”) and certain Facilities to be owned and operated by the City (the “City Facilities”);

**WHEREAS**, Section 53316.2 of the Act provides that a community facilities district may finance facilities to be owned or operated by a public agency other than the agency that created the community facilities district only pursuant to a joint community facilities agreement or a joint exercise of powers agreement adopted pursuant to said Section;

**WHEREAS**, Section 53316.2 of the Act further provides that at any time prior to the adoption of the resolution of formation creating a community facilities district or a resolution of change to alter a district, or a resolution or resolutions authorizing issuance of bonds pursuant to Section 53356 of the Act, the legislative bodies of two or more local agencies may enter into a joint community facilities agreement pursuant to said Section and Sections 53316.4 and 53316.6 of the Act to exercise any power authorized by the Act with respect to the community facilities district being created if the legislative body of each entity adopts a resolution declaring that such a joint agreement would be beneficial to the residents of that entity;

**WHEREAS**, no resolution authorizing the issuance of any Bonds has been adopted;

**WHEREAS**, the City Council and the Board of Supervisors of the County have each adopted a resolution declaring that such a joint agreement would be beneficial to the residents of that entity;

**WHEREAS**, the Developer is developing the property within the boundaries of the Community Facilities District;

**WHEREAS**, development of such property requires the acquisition, construction and installation of certain City Facilities;

**WHEREAS**, in order to provide for the acquisition, construction and installation of the County Facilities, the County and the Developer are entering into this agreement, pursuant to which the Developer will acquire, construct and install, or cause to be acquired, constructed and installed, certain of the County Facilities and, upon satisfaction of the conditions specified therein, the County will acquire and take title to such County Facilities and that the Developer will be paid the purchase price thereof from proceeds of the Special Tax or Bonds (collectively, "District Proceeds") made available for such purpose by the Community Facilities District; and

**WHEREAS**, in order to provide for the acquisition, construction and installation of the City Facilities and for the financing of the City Facilities with District Proceeds, the County, the Community Facilities District and the City desire to enter into this Facilities Agreement in accordance with Sections 53316.2, 53316.4 and 53316.6 of the Act;

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

## ARTICLE I

### **ISSUANCE OF BONDS AND COLLECTION OF SPECIAL TAX**

**Section 1.1 Issuance of Bonds.** It is anticipated that the Community Facilities District will issue Bonds to finance the acquisition, construction and installation of the County Facilities and the City Facilities. The County Board of Supervisors, acting as the legislative body of the Community Facilities District, shall, in its sole discretion, determine whether, when, under what conditions and to what extent Bonds shall be issued to finance the acquisition, construction and installation of the County Facilities or the City Facilities, or any combination thereof. In no event shall the City have any right to compel the Community Facilities District to issue Bonds to finance the acquisition, construction and installation of City Facilities or to disburse Bond proceeds to pay the costs of the acquisition, construction and installation of City Facilities.

**Section 1.2 Special Tax Collections.** It is anticipated that the Community Facilities District may make proceeds of the Special Tax available to finance the acquisition, construction and installation of the County Facilities and the City Facilities. The County Board of Supervisors, acting as the legislative body of the Community Facilities District, shall, in its sole discretion, determine whether, when, under what conditions and to what extent any such Special Tax proceeds shall be made available to finance the acquisition, construction and installation of the County Facilities or the City Facilities, or any combination thereof. In no event shall the City have any right to compel the Community Facilities District to make proceeds of the Special Tax available to finance the acquisition, construction and installation of City Facilities or to disburse such Special Tax proceeds to pay the costs of the acquisition, construction and installation of City Facilities.

**Section 1.3 Funding of City Facilities.** (a) The City Facilities, including any real or tangible property that is to be purchased, constructed, expanded or rehabilitated, are described in Exhibit A attached hereto.

(b) It is anticipated that the Community Facilities District will make District Proceeds available to finance the acquisition, construction and installation of the City Facilities. If the Community Facilities District makes District Proceeds available for such purpose, the Community Facilities District shall notify the City of the amount of such District Proceeds available for such purpose within 15 days of such District Proceeds becoming so available. The Community Facilities District makes no representation that, if District Proceeds are made available to finance the acquisition, construction and installation of the City Facilities, such District Proceeds will be sufficient to finance the acquisition, construction and installation of all of the City Facilities, and neither the County nor the Community Facilities District shall have any liability to the City if such District Proceeds are insufficient for such purpose. If the Community Facilities District determines not to make District Proceeds available to finance the acquisition, construction and installation of the City Facilities, neither the County nor the Community Facilities District shall have any obligation to provide any amounts to finance or pay the costs of the acquisition, construction and installation of the City Facilities.

**Section 1.4 Disbursements.** (a) District Proceeds available for the acquisition, construction and installation of the City Facilities shall be deposited in a special account (howsoever denominated, the “City Facilities Account”), which (i) prior to the issuance of Bonds, is to be established and held by or on behalf of the Community Facilities District, and (ii) upon the issuance of Bonds is to be established and held under the Indenture pursuant to which the Bonds are issued. Moneys on deposit in the City Facilities Account shall be invested and disbursed at the direction of the Community Facilities District.

(b) To the extent that moneys are available therein, the Community Facilities District shall cause disbursements to be made from the City Facilities Account from time to time to pay the costs of the acquisition, construction and installation of the City Facilities upon submission of a written request of the City stating (i) the name and address of the person to whom payment is to be made, (ii) the amount to be paid, (iii) that an obligation in such amount has been incurred by the City, (iv) the purpose for which the obligation to be paid was incurred, (v) that each item of the obligation to be paid constitutes a cost of the City Facilities, (vi) that the obligation to be paid has not been the subject of a prior City request for disbursement from the City Facilities Account, (vii) that each portion of the City Facilities for which payment is requested was constructed under the direction and supervision, or under the authority of, the City or was constructed as if it had been constructed under the direction and supervision, or under the authority of, the City, and (viii) that each portion of the City Facilities being purchased pursuant to this Agreement for which payment is requested is being acquired and purchased in accordance with the provisions of the Act and this Agreement.

The Community Facilities District shall process in a timely manner, and within no more than 90 days after receipt, written requests for disbursements received from the City that conform to the requirements hereof.

**Section 1.5 Responsibility for Debt Service or Special Taxes.** The City shall have no obligation, responsibility, or authority with respect to the issuance and sale of the Bonds, the District Proceeds available to finance the construction and acquisition of the improvements, the payment of the principal and interest on the Bonds, or for the levy of the Special Taxes to provide for the payment of principal and interest thereon. The Community Facilities District shall have the sole authority and responsibility for all such matters. The parties hereto specifically agree that the liabilities of the Community Facilities District, including liabilities, if any, of the Community Facilities District pursuant to the documents providing for the issuance of Bonds, shall not be or become liabilities of the City.

**Section 1.6 Construction, Ownership and Maintenance of County Facilities and City Facilities.** (a) The City shall have no responsibility for the acquisition, construction and installation of the County Facilities. The County Facilities shall be and remain the sole and separate property of the County and shall be operated, maintained and utilized by the County. The City shall not have any ownership interest in the County Facilities, and the City shall have no responsibility for the operation, maintenance or utilization of the County Facilities.

(b) Neither the County nor the Community Facilities District shall have any responsibility for the acquisition, construction and installation of the City Facilities. The City Facilities shall be and remain the sole and separate property of the City and shall be operated, maintained and utilized by the City. Neither the County nor the Community Facilities District shall have any ownership interest in the City Facilities, and neither the County nor the Community Facilities District shall have any responsibility for the operation, maintenance or utilization of the City Facilities.

**Section 1.7 Administration of the Community Facilities District.** The County shall have the power and duty to provide for the administration of the Community Facilities District, subject to the terms hereof and the applicable bond issuing documents, including employing and compensating all consultants for such administration and providing for the various other administration duties set forth in this Agreement. It is understood and agreed by parties hereto that the City will not be considered a participant in the proceedings relative to formation of the Community Facilities District or the issuance of the Bonds, other than as a party to this Agreement.

**Section 1.8 Tax Matters.** 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 City Facilities, the City shall 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.

## ARTICLE II

### CONSTRUCTION AND ACQUISITION OF CITY FACILITIES

**Section 2.1 Plans and Specifications.** The Developer represents that it has or will obtain approval by all appropriate local, State and federal agencies and all City departments of the plans

and specification for the City Facilities and that all of the City Facilities have been or will be constructed by the Developer in full compliance with all current standards deemed by the City Engineer to be applicable to the construction of the City Facilities.

**Section 2.2 Prevailing Wages.** The Developer covenants that with respect to the construction of the City Facilities, it will assure complete compliance with any applicable law or regulation for the payment of prevailing wages.

**Section 2.3 Purchase Price.** The amount to be paid by the City for the City Facilities (hereafter the “Purchase Price”), shall be determined by the City Engineer and shall not exceed the cost thereof, including the reasonable cost of appurtenant City Facilities and of preparing plans and specifications as well as the construction contracts and all costs of construction reasonably determined by the City Engineer to be eligible under the Act to be part of the Purchase Price, such as fees and costs incurred in obtaining permits, licenses, rights-of-way or easements, the costs of change orders, engineering, legal, fiscal and inspection fees, project management, construction administration, technical studies and land acquisition costs constituting a part of the City Facilities. The Purchase Price may include the Developer’s interest costs for any portion of the City Facilities as to which the Developer made expenditures prior to the availability of the Bond proceeds. The Developer shall provide any documentation substantiating the cost of the City Facilities reasonably requested by the City Engineer. There shall be a presumption of reasonableness as to costs incurred under a construction contract entered into by the Developer as a result of a call for bids, provided that no extraordinary limitations or requirements (such as short time frame) are imposed by the Developer of the performance of such contract. Notwithstanding any other provision herein, the City, County and Community Facilities District shall in no way be obligated to pay the Purchase Price for City Facilities except from District Proceeds made available for such purpose pursuant to Article I, Section 3 hereof.

**Section 2.4 Inspection and Acceptance.** The City Facilities shall be promptly accepted and the Purchase Price promptly paid solely from available District Proceeds if completed substantially in accordance with the approved plans and specifications for such City Facilities. The City Facilities shall be subject at all reasonable times prior to their acquisition to inspection by the City Engineer, which inspection shall be accomplished in a timely manner. Prior to acceptance of any City Facilities by the City, the Developer shall provide as built drawings or other similar plans and specifications of such City Facilities in form reasonably acceptable to the City Engineer, along with evidence satisfactory to the City Engineer that all costs of the City Facilities have been fully paid by the Developer to the party or parties entitled to be paid for such costs. All warranties, guarantees or other evidence of contingent obligations of third persons with respect to such City Facilities shall be delivered to the City Engineer prior to acceptance thereof. The City Engineer shall review the supporting evidence and respond to the Developer within thirty (30) days. The failure to respond within such time frame shall be deemed approval of the Purchase Price for the City Facilities. In the event that the City Engineer, during such time frame, finds that the supporting evidence submitted by the Developer fails to demonstrate the required relationship between the subject Purchase Price and eligible work, the City Engineer shall advise the Developer that the determination of the Purchase Price (or the ineligible portion thereof) has been disallowed and shall require further documentation from the Developer. Once the Developer delivers the further documentation, the City Engineer shall have thirty (30) days to review the additional documentation. If the further documentation is still not adequate, the City Engineer shall notify

the Developer in writing within such thirty (30) day period and may revise the Purchase Price Certificate to delete any disallowed items and the determination shall be final and conclusive. The failure to approve or disapprove of the additional documentation within such thirty (30) day period shall be deemed approval, and the City Engineer shall process the payment request. If only a portion of the Purchase Price requires further documentation, the City Engineer shall approve for payment the Purchase Price portion that does not require further documentation.

**Section 2.5 Payments to the Developer.** Rights-of-way/easements must be conveyed by the Developer to City before payment is made. The Developer may request in writing a payment of the Purchase Price of any City Facilities provided for herein. Such requests shall be accompanied by vouchers supported by invoices and copies of checks in payment of the costs thereof. Such payments shall be made only in the amount determined reasonable by the City Engineer with respect to the City Facilities to be acquired, as specified in a cost certificate completed by the City Engineer. Any such City Facilities to be acquired by the City must be completed in accordance with the approved plans and specifications. Any City Facility to be accepted by the City must be in such condition that it is ready for use by the City or the public as determined by the City Engineer. If requested by the City Engineer, the Developer shall prepare and execute a Notice of Completion acceptable to the City Engineer and record such notice in the office of the Recorder of San Joaquin County, California, and cause its contractor to provide lien releases in form acceptable to the City Engineer for all the City Facilities. Prior to final payment hereunder, the Developer shall submit for audit canceled checks for all prior payments. If any of the City Facilities to be acquired hereunder were or are financed, in whole or in part, from the proceeds of any loan secured by a mortgage or deed of trust upon any of the Developer's lands within the District, and in the absence of contrary written instructions by any mortgagee or beneficiary of such mortgagee or deed of trust, the Purchase Price shall be paid to the Developer and to such mortgagee or beneficiary, as their interest may appear. Payment of the Purchase Price shall be made only from District Proceeds made available pursuant to Article I, Section 3 hereof. If District Proceeds will be sufficient to finance the Purchase Price, payment shall be made of a portion of the Purchase Price up to the amount of District Proceeds and from additional District Proceeds that may become available from time to time thereafter, provided that the County, Community Facilities District and City have no obligation to make such District Proceeds available in the future and have no obligation to make payments of Purchase Price from any source other than District Proceeds.

**Section 2.6 City Fees.** The City may charge a reasonable fee for administration of this Agreement and acquisition of City Facilities hereunder. All City fees (i.e., plan check fee, inspection fee, administrative fees, etc.) shall be paid by the Developer at such time as required by the City Engineer. The Developer may include the amount of the payment for such fees in the Purchase Price.

**Section 2.7 Ownership and Transfer of City Facilities.** The provision or conveyance of the City Facilities to the City shall take place as follows:

(a) **Land (Fee or Easement).** The Developer shall transfer to the City the appropriate rights, title and interest in and to any land to be acquired. The Developer agrees to execute and deliver to City those documents required to complete the transfer of acceptable title (as defined herein) to the land. Acceptable title means title to the land delivered free and clear of all liens,

encumbrances, assessments, easements or leases, whether any such item is recorded or unrecorded, and taxes, except those matters which are determined by the City Engineer in his reasonable discretion not to interfere with the intended use of the land and therefore are not required to be cleared from the title. Completion of transfer shall be evidenced by the recordation of an acceptance of the interest(s) in the land by the City Council or its designee.

(b) City Facilities Constructed on Land Owned by the Developer. If City Facilities are located on land owned by the Developer, then the Developer shall retain the title to such land and the City Facilities constructed thereon until the land and City Facilities are acquired by City pursuant to this Agreement. Until title to the land and City Facilities are acquired by City, the Developer shall maintain the land and City Facilities in good and safe condition. Transfer of title to the land and the City Facilities thereon shall be in accordance with clause (i) above.

(c) City Facilities Constructed on Land Owned by the City in Fee or Easement. If City Facilities are located on land on which the City holds fee title or easement rights, the Developer shall request an encroachment permit in accordance with City codes and regulations to enter that land for purposes related to the construction and maintenance (prior to acquisition by the City hereunder) of such City Facilities. Upon completion of construction of any such City Facilities, the City Engineer shall inspect the City Facilities and if approved by the City Engineer, the City shall give written notice of its acceptance of the City Facilities.

(d) Personal Property. If the Developer provides any personal property in the City Facilities to be acquired hereunder, transfer by the Developer to the City shall be accomplished by a Bill of Sale.

(e) Funds. If the Developer provides funds for City Facilities, the providing of such funds to the City shall be acknowledged by a written receipt from the City.

### ARTICLE III

#### MISCELLANEOUS

**Section 3.1 Indemnification.** (a) The County agrees to protect, indemnify, defend and hold the City, and its officers, employees and agents, and each of them, harmless from and against any and all claims, losses, expenses, suits actions, decrees, judgments, awards, attorneys' fees and court costs which the City, or its officers, employees and agents, or any combination thereof, may suffer or which may be sought against or recovered or obtained from the City, or its officers, employees or agents, or any combination thereof, as a result of or by reason of or arising out of or in consequence of the acquisition, construction, installation, operation, maintenance or utilization of the County Facilities. If the County fails to do so, the City shall have the right, but not the obligation, to defend the same and charge all of the direct and incidental costs of such defense, including any attorneys' fees or court costs, to and recover the same from the County.

No indemnification is required to be paid by the County for any claim, loss or expense arising from the willful misconduct or negligence of the City, or its officers, employees or agents.

(b) The City agrees to protect, indemnify, defend and hold the County and the Community Facilities District, and their respective officers, employees and agents, and each of

them, harmless from and against any and all claims, losses, expenses, suits actions, decrees, judgments, awards, attorneys' fees and court costs which the County or the Community Facilities District, or their respective officers, employees and agents, or any combination thereof, may suffer or which may be sought against or recovered or obtained from the County or the Community Facilities District, or their respective officers, employees or agents, or any combination thereof, as a result of or by reason of or arising out of or in consequence of the acquisition, construction, installation, operation, maintenance or utilization of the City Facilities. If the City fails to do so, the County and the Community Facilities District shall have the right, but not the obligation, to defend the same and charge all of the direct and incidental costs of such defense, including any attorneys' fees or court costs, to and recover the same from the City.

No indemnification is required to be paid by the City for any claim, loss or expense arising from the willful misconduct or negligence of the County or the Community Facilities District, or their respective officers, employees or agents.

**Section 3.2 Nature of Agreement; Allocation of Special Tax.** This Facilities Agreement shall constitute a joint community facilities agreement entered into pursuant to Sections 53316.2, 53316.4 and 53316.6 of the Act. The entire amount of the proceeds of the Special Tax shall be allocated and distributed to the County.

**Section 3.3 Limitation of Rights to Parties.** Nothing in this Facilities Agreement expressed or implied is intended or shall be construed to give to any person other than the County, the Community Facilities District and the City any legal or equitable right, remedy or claim under or in respect of this Facilities Agreement or any covenant, condition or provision herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the County, the Community Facilities District and the City.

**Section 3.4 Notices.** All written notices to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the County:

County of San Joaquin  
44 N. San Joaquin Street, Suite 640  
Stockton, CA 95202  
Attention: County Administrator

If to the Community Facilities District:

County of San Joaquin Community Facilities  
District No. 2009-1 (Airpark 599)  
c/o County of San Joaquin  
44 N. San Joaquin Street, Suite 640  
Stockton, CA 95202  
Attention: County Administrator

If to the City:

City of Stockton  
Public Works Department  
City Hall  
501 W. Weber Ave.  
Building 2, First Floor  
Stockton, CA 95202  
Attention: City Engineer

If to the Developer:

Catellus Stockton, LLC  
2000 Powell Street, Suite 500  
Emeryville, CA 94608  
Attention: Lexie Lam and Bill Hosler

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if given by courier or delivery service or if personally served or delivered, upon delivery, (b) if given by telecopier, upon the sender's receipt of an appropriate answerback or other written acknowledgment, (c) if given by electronic mail, on the date sent, but only if confirmation of the receipt of such electronic mail is received or if notice is concurrently sent by another means specified herein, (d) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, or (e) if given by any other means, upon delivery at the address specified in this Section.

**Section 3.5 Severability.** If any part of this Facilities Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Facilities Agreement shall be given effect to the fullest extent reasonably possible.

**Section 3.6 Successors.** This Facilities Agreement shall be binding upon and inure to the benefit of the successors of the parties hereto.

**Section 3.7 Amendments.** This Facilities Agreement may be amended, supplemented or otherwise modified only by an instrument in writing executed and delivered by each of the parties hereto.

**Section 3.8 Governing Laws.** This Facilities Agreement shall be governed and construed in accordance with the laws of the State of California.

**Section 3.9 Counterparts.** This Facilities Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

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

**COUNTY OF SAN JOAQUIN**

By: \_\_\_\_\_  
Authorized Officer

**COUNTY OF SAN JOAQUIN  
COMMUNITY FACILITIES DISTRICT  
NO. 2009-1 (AIRPARK 599)**

By: \_\_\_\_\_  
Authorized Officer

**CITY OF STOCKTON**

By: \_\_\_\_\_  
Authorized Officer

**CATELLUS STOCKTON, LLC,  
A Delaware limited liability company**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**  
**DESCRIPTION OF CITY FACILITIES**

<b>Facility</b>	<b>Estimated Purchase Price*</b>
Water System	\$6,596,200
Wastewater (Sanitary Sewer)	2,028,000

\* Amounts shown above are estimates only. The Purchase Price for a City Facility is its cost as determined pursuant to Article II Section 3.