

7.0 PUBLIC AND PRIVATE FINANCING PLAN

Financing Plans

This section of the McCabe Ranch II Specific Plan provides the general framework for the financing and phasing of public improvements in the Plan area, including: the estimated costs of providing the proposed public infrastructure and facilities; the proposed mechanisms for financing the costs of construction and maintenance of those facilities; and the phasing of construction. Although this section provides the general framework for the financing and phasing of public improvements in the Plan area, a comprehensive financing plan will be required to be developed prior to project construction. The comprehensive financing plan for the construction and maintenance of public facilities for the McCabe Ranch II Specific Plan shall identify:

- Private source financing for the on-site public and private improvements, Development Impact Fees, as well as the vertical construction, and
- Public financing for the off-site public improvements and Development Impact Fees. The public financing vehicles that may be used are as follows:

Special Districts

Special districts may be formed to provide certain public services within a defined geographical area, and County Service Areas may provide for maintenance of public roads, street lights, landscaping, parks, or drainage facilities, as well as many other services authorized by law. Permanent Road Divisions are limited to providing construction and maintenance for road related items including grading, paving, drainage structures, street lighting, and roadway landscaping. Landscape and Lighting Districts may provide for public lighting and landscaping as well as park and recreation acquisition and maintenance. The Master Developer shall enter into a Development Agreement with the County that includes provisions for backbone infrastructure development.

The acts authorizing the establishment of assessment districts are:

- 1) Streets & Highways Code Section 5000 et seq – The Improvement Act of 1911
- 2) Streets & Highways Code Section 10000 et seq – The Municipal Improvement Act of 1913
- 3) Streets & Highways Code Section 8500 et seq – The Improvement Bond Act of 1915
- 4) Mello-Roos Community Facilities District Act of 1982.
- 5) Landscape and Lighting Act of 1972.

Other Financing Provisions

Other specific financing provisions include the following:

- 1) Circulation: As noted previously, all streets within McCabe Ranch II Specific Plan shall be constructed as public roads, except for private drives and private roads within multi-family home enclaves and commercial use areas. The Master Developer shall enter into a Development Agreement with the County for all streets, roads, and drives and shall be constructed and maintained in accordance with County of Imperial standards, unless otherwise specified within this Specific Plan.

- 2) Water, Sewer, and Wastewater Reclamation: The Master Developer will prepare a water study that will detail the capital facilities needed to provide water to the McCabe Ranch II Specific Plan. The Master Developer will prepare, appropriate studies and adopt a master service agreement pursuant to the requirements of and in accordance with District procedures. Costs associated with the negotiation of a service agreement will be determined by mutual agreement between the Master Developer and the County of Imperial. The Master Developer shall enter into a Development Agreement with the County and the Master Developer shall finance, construct, and/or cause to be constructed its fair share of all necessary sewage treatment and wastewater recycling systems employing traditional development capital and finance or Assessment District, Community Facilities Assessment District, and/or other private, public, or semi-public bond or finance mechanisms permitted by the County of Imperial. The Master Developer shall fund and construct its fair share of required public service facilities employing traditional development capital and finance or Assessment District, Community Facilities Assessment District, and/or other private, public, or semi-public bond or finance mechanisms permitted under County policies and procedures.

7.1 PHASING

As noted in Section 2.4 the Plan area is comprised of four related but independent components: the conventional residential area including related schools, parks, commercial and mixed use elements; while the gated community is strictly residential. The development timing of each component will be determined by market conditions and is somewhat independent of the other components.

Within each development component, construction of the McCabe Ranch II Specific Plan is to be phased to meet the following objectives:

- Provide an orderly buildout of the community based upon market and economic conditions;
- Provide adequate public infrastructure and facilities including school utility stub ups concurrent with construction of each phase; and
- Protect the interests of public health, safety, and welfare.

Figure 7-1 depicts the anticipated land use phasing for each of the four independent development components within the Plan area. **Section 6.0 – Utilities Plan** describes the water, wastewater and storm drainage phasing for each of the four independent development components within the Plan area.

It is generally anticipated that within each component, the sub-components will be developed in numerical order as indicated in **Figure 7-1**. Although subject to change, this order will generally work in tandem with the most judicious phasing of the utilities infrastructure.

Within each of the phases, it is anticipated that subdivision maps will be prepared and approved by the County on a unitized basis to allow for sub-phasing of the area and related sub-phasing of required infrastructure .

Phasing is planned to occur in concert with the provision of appropriate levels of infrastructure, community facilities, public facilities, schools and parks. Phasing sequencing would be subject to change over time to respond to various factors. Individual phases may overlap or develop concurrently. Development phasing is to be implemented by tentative tract maps, parcel maps, and site development permits which would condition the development of appropriate

levels of infrastructure and community facilities. A plan for the phasing of public improvements shall accompany the first submittal for each tentative tract map.

The timing for the installation of public infrastructure, utilities and the provision of public services and facilities including schools in the McCabe Ranch II Specific Plan area is to be determined as part of the County's approval process. Facilities shall be constructed and services made available concurrently with the development process. Additionally, each component may be developed over several phases with associated infrastructure and community facilities provided concurrently, proportionate to the percentage of residential units completed. School facilities will be developed concurrent with the phasing of the Specific Plan provided however, schools may be developed in phases only if the school district has implemented a plan to finance and operate the school facility. If market conditions preclude the development of the gated community component in the Plan area, a conventional (non-gated) residential neighborhood may be developed in its place.

This page intentionally left blank.

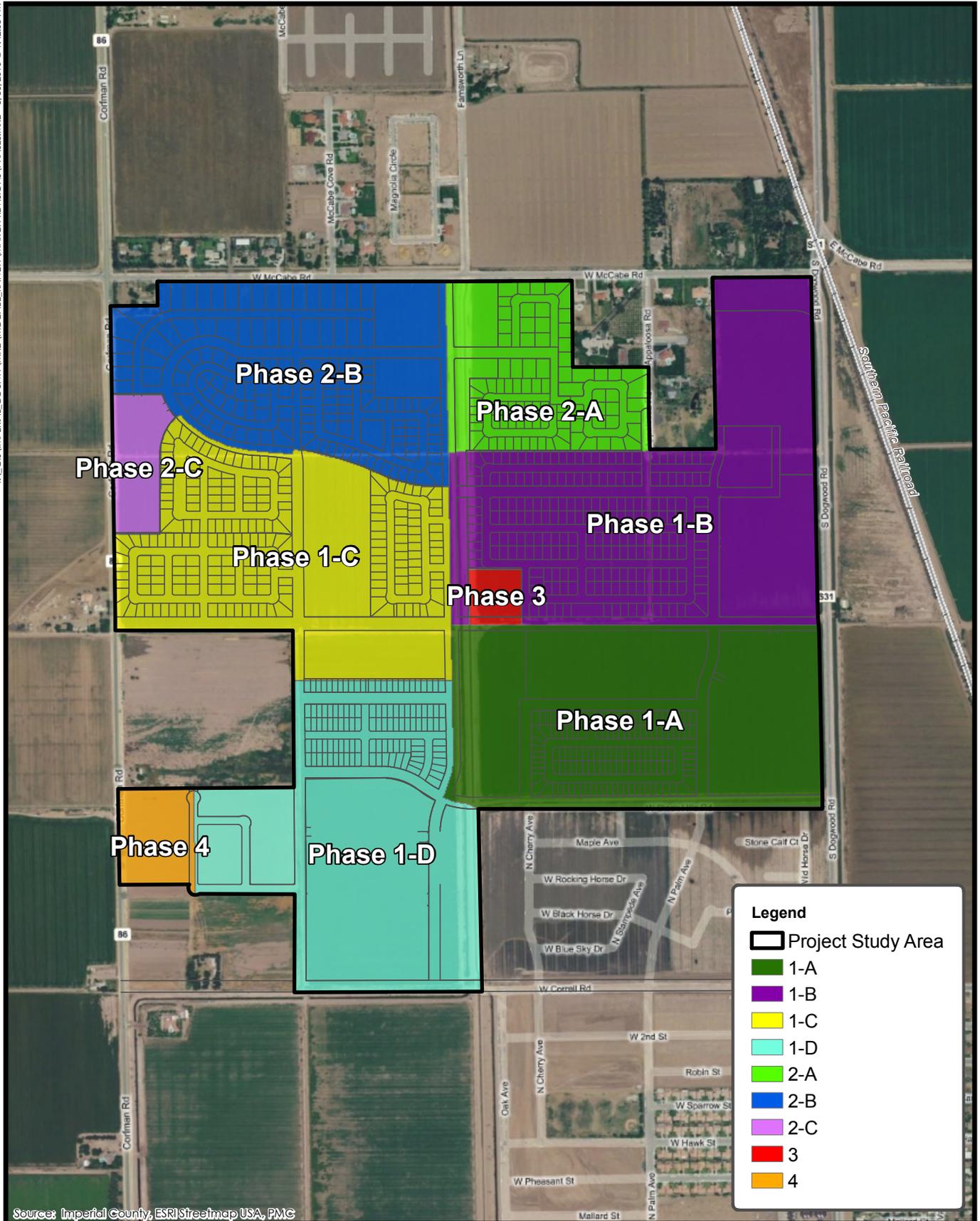


Figure 7-1
Project Phases

7.2 MAINTENANCE OF PUBLIC IMPROVEMENTS AND PRIVATE FACILITIES

The Master Developer shall enter into a Development Agreement with the County and the Master Developer shall finance, construct, and/or cause to be constructed its fair share of all necessary public improvements and private facilities. In general, improvements within all public rights-of-way, public easements, and public facilities will be maintained by the public agency having legal authority to own, operate and maintain the improvements. In general, additional private improvements and facilities will be maintained by a Landscape, Lighting and Maintenance District (LLMD), a Community Association or a Sub-Association (as would be the case for a group of multi-family units or the gated community). **Table 7-1** outlines the entities responsible for the maintenance of various improvements and facilities within the Plan area.

**TABLE 7-1
MAINTENANCE OF PUBLIC IMPROVEMENTS AND PRIVATE FACILITIES**

	Master Developer	Other Private Party	MHOA	Lighting and Maintenance District	County of Imperial	Other Public or Quasi Public
Open Space Buffer Areas		X	X	X		X
Paseos		X	X	X		
Parks		X	X	X	X	
Trails		X	X	X		
Common Landscaping Areas		X	X	X		
Signs & Monumentation		X	X	X		
Perimeter & Community Walls		X	X	X		
Sewer Treatment			X			X
Wastewater Reclamation Facilities			X			X
Water Facilities			X			X
Drainage System			X			X
Street Lighting and Public Signage			X	X		X
Public Roads, and Associated Landscaping				X	X	
Private Roads, Roadways, Drives and Associated Landscaping		X	X			
Residential Driveways		X			X	X

Note: Responsibilities to be determined.