

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Lompoc
Attn: City Clerk
100 Civic Center Plaza
Lompoc, California 93436

(SPACE ABOVE FOR RECORDER'S USE ONLY)

**FIRST AMENDMENT
TO
DEVELOPMENT AGREEMENT**

BY AND AMONG

**HARRIS GRADE PARTNERS, LP; MJ LAND, LLC; LOMPOC RANCH JOINT
VENTURE; JOE A. SIGNORELLI, JR.; ADAM PETER SIGNORELLI; GUS THOMAS
SIGNORELLI AND THE TOWBES GROUP, INC.**

&

CITY OF LOMPOC

_____, 2014

FIRST AMENDMENT TO DEVELOPMENT AND ANNEXATION AGREEMENT BY AND AMONG: HARRIS GRADE PARTNERS, LP, MJ LAND, LLC, LOMPOC RANCH JOINT VENTURE, JOE A. SIGNORELLI, JR., ADAM PETER SIGNORELLI, GUS THOMAS SIGNORELLI, THE TOWBES GROUP, INC. AND THE CITY OF LOMPOC (APN NOS. 097-250-002, 097-250-005, 097-250-040, 097-250-050, 097-250-051, 097-250-062, and 097-250-069)

This First Amendment to Development and Annexation Agreement (the "First Amendment") is entered into on this ___ day of ___, 2014 (the "Effective Date"), by and among the CITY OF LOMPOC, a municipal corporation ("City") and HARRIS GRADE PARTNERS, L.P., a California limited partnership, MJ LAND, LLC, a California limited liability company, LOMPOC RANCH JOINT VENTURE, a California partnership, JOE A. SIGNORELLI, JR., ADAM PETER SIGNORELLI, GUS THOMAS SIGNORELLI, and THE TOWBES GROUP, INC., a California corporation (collectively, "Developers").

RECITALS

WHEREAS, pursuant to Government Code Sections 65864 *et seq.*, (the "Development Agreement Act") on February 13, 2006, City and Developers entered into the Development and Annexation Agreement (the "Agreement") for the development of certain real property consisting of approximately 143.88 acres located in the County of Santa Barbara, currently designated as APN Nos. 097-250-002, 097-250-005, 097-250-040, 097-250-050, 097-250-051, 097-250-062, and 097-250-069;

WHEREAS, the Agreement shall expire on May 31, 2014, and, pursuant to Section 7.16 of the Agreement, no provision of the Agreement may be amended, except by an agreement in writing signed by the parties or their respective successors in interest;

WHEREAS, the parties now wish to amend the Agreement to extend the expiration date by five years;

WHEREAS, pursuant to the California Environmental Quality Act and the State CEQA Guidelines, the City Council has determined no new information is available that requires any environmental review, other than that which was done in the Final Environmental Impact Report, which was adopted by City's City Council by Resolution No. 1520(06) ("the Final EIR"), as part of the review and approval process of the Agreement;

WHEREAS, pursuant to Section 7.16 of the Development Agreement Act on March 12, 2014, City's Planning Commission held a duly-noticed public hearing and after the conclusion of that hearing, reviewed all pertinent testimony and evidence, including the Addendum, recommended approval of the Addendum and First Amendment;

WHEREAS, pursuant to Section 7.16 of the Development Agreement Act on April 15, 2014, City's City Council held a duly-noticed public hearing and after the conclusion of that hearing, reviewed all pertinent testimony, including the Addendum, and evidence and the Planning Commission's recommendations; and

NOW, THEREFORE, based upon the foregoing recitals and the terms, conditions, covenants, and agreements contained herein, the parties hereto agree as follows:

Section 1. The recitals above are true and correct and incorporated herein by this reference.

Section 2. All terms, phrases and words indicated to be defined terms by capitalization in this First Amendment and that are not specifically defined in this First Amendment or the context otherwise shall have the meaning ascribed to the same term, phrase, or word in the Agreement.

Section 3. Section 5.02 of the Agreement is hereby amended so that the term of the Agreement shall commence upon the Effective Date and shall terminate on May 31, 2019.

Section 4. The parties agree, except as specifically provided in this First Amendment, the terms of the Agreement shall remain unchanged and in full-force and effect.

Section 5. The person(s) executing this First Amendment on behalf of the parties hereto warrant (i) such party is duly-organized and existing, (ii) they are duly-authorized to execute and deliver this First Amendment on behalf of said party, (iii) by so executing this First Amendment, such party is formally bound to the provisions of this First Amendment, and (iv) the entering into of this First Amendment does not violate any provision of any other agreement to which said party is bound.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date it has been signed on behalf of City, as long as it has also been signed by and on behalf of all the other parties.

Dated: _____, 2014

CITY OF LOMPOC, A California
municipal corporation

By: _____
Patrick Wiemiller
City Administrator

ATTEST:

Stacey Alvarez
City Clerk

APPROVED AS TO FORM:

Joseph W. Pannone
City Attorney, City of Lompoc

[Signatures continued on Page 5]

[Signatures continued from Page 4]

OWNERS:

Dated: _____, 2014

HARRIS GRADE PARTNERS, LP,
a California limited partnership
[APN: 097-250-040]

By: MARTIN FARRELL HOMES, INC., a
California corporation, General Partner

By: _____
Jon Martin, Vice President

By: _____
_____,
Its _____

Dated: _____, 2014

MJ LAND, LLC, a California Limited Liability
Company
[APNs: 097-250-002 and 097-250-069]

By: _____
Patrick J. McCarthy, Managing Member

By: _____
Donald M. Jensen, Managing Member

Dated: _____, 2014

LOMPOC RANCH JOINT VENTURE, a
California partnership, as to an undivided
37.5% interest of Parcels Two, Three, Four,
and Five
[APNs: 097-250-050, 097-250-051, 097-250-005
and 097-250-062]

By: _____
John Gherini, Managing Partner

[Signatures continued on Page 6]

[Signatures continued from Page 5]

Dated: _____, 2014

JOE A. SIGNORELLI, JR., as His Sole and Separate Property, as to an undivided 16.66% interest of Parcels Two, Three, Four, and Five
[APNs: 097-250-050, 097-250-051, 097-250-0005 and 097-250-062]

By: _____
Joe A. Signorelli, Jr.

Dated: _____, 2014

ADAM PETER SIGNORELLI, as His Sole and Separate Property, as to an undivided 16.67% interest of Parcels Two, Three, Four, and Five
[APNs: 097-250-050, 097-250-051, 097-250-005 and 097-250-062]

By: _____
Adam Peter Signorelli

Dated: _____, 2014

GUS THOMAS SIGNORELLI, as His Sole and Separate Property, as to an undivided 16.67% interest of Parcels Two, Three, Four, and Five
[APNs: 097-250-050, 097-250-051, 097-250-005 and 097-250-062]

By: _____
Gus Thomas Signorelli

[Signatures continued on Page 7]

[Signatures continued from Page 6]

Dated: _____, 2014

THE TOWBES GROUP, INC., a California corporation, as to an undivided 12.5% interest of Parcels Two, Three, Four, and Five [APNs: 097-250-050, 097-250-051, 097-250-005 and 097-250-062]

By: _____
Michael Towbes, Chairman

By: _____

Its _____

APPROVED AS TO FORM:

Brownstein Hyatt Farber Schreck, LLP

By: _____
Peter N. Brown, Esq.