

PETITION TO THE CITY COUNCIL OF THE CITY OF SALINAS
REQUESTING INSTITUTION OF PROCEEDINGS FOR
ESTABLISHMENT OF A COMMUNITY FACILITIES DISTRICT
(COMMUNITY FACILITIES DISTRICT NO. 2016-1 OF THE
CITY OF SALINAS (MONTE BELLA))

1. The undersigned (the "Owner") is the owner of more than 10% of the land depicted in Exhibit A hereto and described in Exhibit B hereto (the "Property"), which land is expected to be all of the land included within the boundaries of a community facilities district hereby proposed to be established. The Property is located within the boundaries of the City of Salinas.

2. The Owner requests that the City Council of the City of Salinas (the "City Council") institute proceedings to establish a community facilities district to be known as "Community Facilities District No. 2016-1 of the City of Salinas (Monte Bella)" (referred to herein as the "District") and designate three improvement areas within the District (each, an "Improvement Area" and collectively, the "Improvement Areas") pursuant to Chapter 2.5 (commencing with Section 53311), Part 1, Division 2, Title 5, of the Government Code of the State of California, commonly known as the "Mello-Roos Community Facilities Act of 1982", to include all of the Property.

3. The boundaries of the territory which is proposed for inclusion in the District and each Improvement Area are those depicted in Exhibit A hereto and described in Exhibit B hereto.

4. The Owner requests that the proposed District be used to finance the construction, purchase, modification, expansion and/or improvement of certain infrastructure needed for new development, such as roadway, bridge, sewer, water, reclaimed water, dry utilities, storm drain, street and parkway landscaping, curb and gutter, medians, median landscaping, traffic signals, entry signage, parks, trails, and appurtenances and appurtenant work, and development impact fees that are used by the City to construct infrastructure (the "Facilities"), and to finance the incidental expenses to be incurred, including:

(a) The cost of engineering, planning and designing the Facilities;

(b) All costs, including costs of the Owner, associated with the creation of the District, the issuance of the bonds, the determination of the amount of special taxes to be levied and costs otherwise incurred in order to carry out the authorized purposes of the District; and

(c) Any other expenses incidental to the construction, acquisition, modification, rehabilitation, completion and inspection of the Facilities.

5. The Owner further requests that the City Council authorize the levy of special taxes in each Improvement Area to pay the costs of the Facilities and the incidental costs described in paragraph 4 above and to pay principal of, interest and premium, if any, on the bonds in order to contribute to the financing of the Facilities and costs described in paragraph 4 above.

6. The Owner further requests that, upon the sale of bonds for an Improvement Area, the City Council, as legislative body of the District, annually levy special taxes on the property within the Improvement Area for the construction, acquisition and rehabilitation of the Facilities, for the

payment of the aggregate amount of principal of and interest owing on the bonds in each fiscal year, including the maintenance of reserves therefor, and for the payment of administrative expenses of the District.

7. The Owner further agrees to advance to the City of Salinas the amounts necessary to pay for the costs related to the formation of the District pursuant to the terms of that certain Reimbursement Agreement by and between the City of Salinas and the Owner relating to the District dated as of October 18, 2016, which amounts will be reimbursed, without interest, from the proceeds of the sale of the bonds, if any, and the special taxes collected by the District. If bonds are not sold or special taxes are not collected, the City of Salinas will have no obligation to reimburse amounts expended for costs incurred, but will reimburse any unexpended amounts advanced by the Owner as set forth in the Reimbursement Agreement.

Dated: 10/11, 2016

CANADIAN PACIFIC LAND, LLC,
a Florida limited liability company

By: _____

Name: _____

John C. Troutman

Title: _____

Vice President

STRACK FARMS LAND, LLC,
a Delaware limited liability company

By: _____

Name: _____

John C. Troutman

Title: _____

Vice President