

Federal Aviation Administration Land Release Request

County of Santa Clara Solar PV Projects

Reid Hillview Airport

San Martin Airport

- I. Obligating Conveyance Instrument or Grant**
- II. Property Description and Airport Graphics**
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I. Obligating Conveyance Instrument or Grant

N/A

No airport land will be conveyed as a result of the implementation of these solar PV projects. The projects will be owned by the County of Santa Clara and 100 percent of the net financial benefit generated by each of the solar PV systems will be transferred to the Airport Fund as described in Attachment A. Furthermore, at the end of solar PV systems' productive life, these will be removed from the premises and the land could be used for other purposes. For avoidance of doubt, the land will remain under the ownership of the County of Santa Clara's Airports Division.

II. Property Description and Airport Graphics

See Attachment B, Site Descriptions related to proposed solar PVC project, and Attachment C, Valbridge Property Report for more details regarding current property descriptions and conditions. Also Attached for reference are Attachments B.1 and B.2, Title Reports for Reid Hillview and San Martin Airports, respectively.

III. Property Condition

See Attachment C –Valbridge Property Report. This report addresses the following property details for each of the two airport sites:

- a. Property Descriptions
- b. Property Use (current)
- c. Neighborhood Analysis
- d. Highest and Best Use Analysis

IV. Federal Obligations

N/A

V. Purpose / Kind of Release

The airport parcels described herein and in attached supporting documents, would host solar PV systems that will, as an end benefit, generate financial gains for the sole benefit of the Airport Fund. The airport parcels hosting the solar PV systems would not be conveyed via a land sale, lease, or exchange. Instead, under an Memorandum of Understanding (MOU) between the County of Santa Clara (County) and the County's Roads and Airports Department (R&A -an agency of the County of Santa Clara), the County would install and maintain the proposed solar PV systems for a term of 25 years, and R&A would allow the County to use the land for this purpose per the terms stipulated in the MOU -Attachment A. The County further agrees that 100% of the net benefit generated by the solar PV system will be transferred to the Airport fund.

VI. Justification for the Release

Reid Hillview Airport

As part of a revised 2007 airport master plan, the County of Santa Clara Airports Division drafted a revised Airport Layout Plan (Exhibit 1) that included a solar array in the same footprint as the proposed project. The plan envisioned a solar PV system that would generate clean renewable electricity that would offset some or all of the electricity consumed by the airport operations.

The proposed solar PV project will not offset the electricity consumed by the airport operations, but instead will provide a steady revenue stream to the airport fund for a period of 25 years with no administrative, financial or management burden added to the Airports Department. It is also important to note that the proposed solar PV project will have no negative impacts on vehicular or pedestrian traffic in the area, and will not generate any environmental pollution.

San Martin Airport

The Airports Department has no current plans or projects impacting the footprint where the proposed solar PV system would be installed. Conceptually, the Airports Department has internally discussed the future possibility of extending the runway to accommodate larger aeronautical vessels. Alternative, non-aeronautical uses of the land, would be limited to agricultural uses per the report produced by Valbridge Property Consultants, Attachment C.

According to Valbridge's land use appraisal findings, the best non-aeronautical use of the land is solar PV as it generates greater revenue and has minimal, if any, negative environmental impacts to the area.

Fair Market Value and Disposition of Land Being Sold

N/A.

The land will not be sold or otherwise conveyed to any other party. The land will remain under the ownership of the County of Santa Clara's Airports Department. An MOU (Attachment A) has been established to define responsibilities and financial allocations related to the solar PV systems.

VII. Resolution and Reinvestment Agreement

N/A.

Please refer to Section VII.

VIII. Environmental Determination

See attached Categorical Exclusion (CATEX) for Reid Hillview Airport (Attachment D) and for San Martin South County Airport (Attachment E). The project's California Environmental Quality Act (CEQA) Initial Study / Mitigated Negative Declaration adoption resolution by the Santa Clara County Board of Supervisors is included for reference as Exhibit 2.

Also attached are the FAA's Final Determination of project approval for Solar Glare Hazards (Attachment F).

IX. Other Supporting Documents

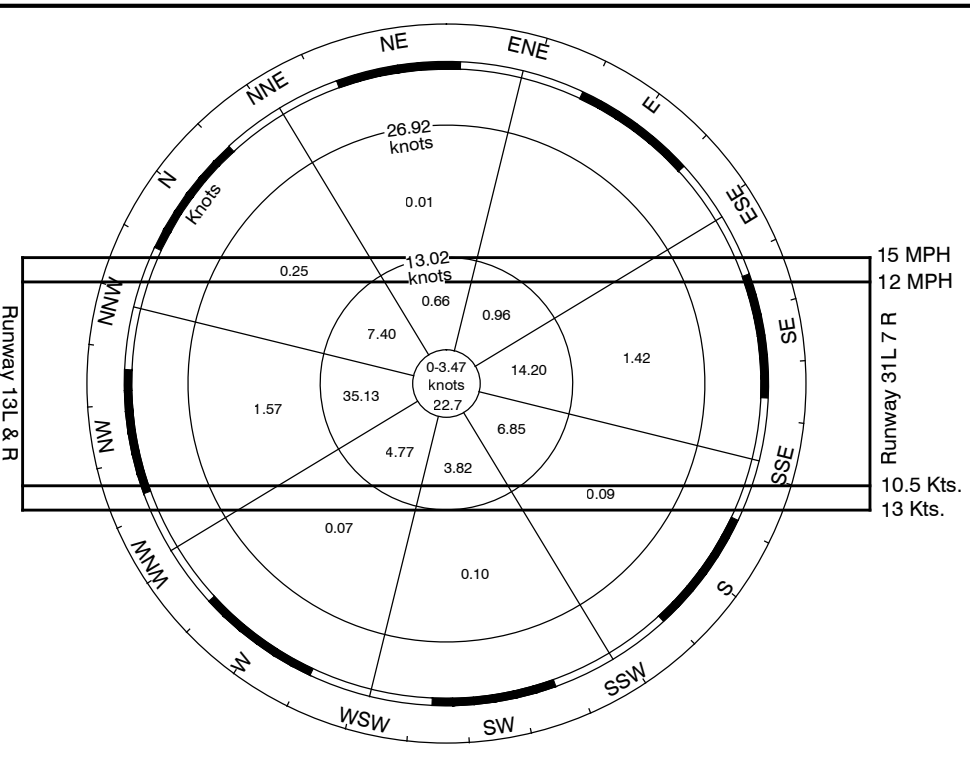
Project Finance Documents:

- | | |
|----------------|---|
| Attachment M.1 | Clean Renewable Energy Bond Allocation award for Reid Hillview Airport |
| Attachment M.2 | Clean Renewable Energy Bond Allocation award for San Martin Airport |
| Attachment M.3 | Executed NCREB ELPA w Banc of America Leasing & Capital |
| Attachment M.4 | Executed Taxable NCREB ELPA Purchase Contract w Banc of America Leasing & Capital |
| Attachment M.5 | Executed Fund Disbursement Escrow Agreement w Banc of America Leasing & Capital |
| Attachment M.6 | Reid Hillview Airport R4R Pro-forma |
| Attachment M.7 | South County (San Martin) Airport Pro-forma |
| Attachment M.8 | Santa Clara County NCREBs Final Pricing by KNN Financial |

EXHIBIT 1

RUNWAY END DATA							
APPROACH END OF RUNWAY:	Latitude	13L		31R		31L	
		Existing	37° 20' 11.46" N	37° 19' 47.01" N	37° 20' 09.66" N	37° 19' 45.23" N	37° 20' 12.20" N
Future	37° 20' 12.20" N	37° 19' 47.75" N	37° 20' 10.29" N	37° 19' 45.86" N	37° 20' 12.20" N	37° 19' 47.75" N	37° 20' 10.29" N
Runway End Coordinates (a)	Longitude	121° 49' 21.36" W	121° 48' 58.20" W	121° 49' 24.33" W	121° 49' 01.17" W	121° 49' 21.36" W	121° 49' 01.17" W
Future	Longitude	121° 49' 22.06" W	121° 48' 58.90" W	121° 49' 24.92" W	121° 49' 01.76" W	121° 49' 22.06" W	121° 49' 01.76" W
Runway End Elevations (MSL)	Existing	124'	136'	123'	134'	124'	134'
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Runway Markings	Existing	Visual	Visual	Visual	Visual	Visual	Visual
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Runway Touch Down Zone Elevation (MSL)	Existing	133'	130'	131'	128'	133'	128'
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Navigation Aids	Existing	None	None	GPS	None	None	None
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Visual Aids	Existing	VASI 4', REIL	VASI 4', REIL	None	VASI 4'	None	VASI 4'
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Approach Type (FAR Part 77 Category)	Existing	Visual [A(V)]	Visual [A(V)]	Visual [A(NP)]	Visual [A(V)]	Visual [A(V)]	Visual [A(V)]
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Approach Visibility (Minimums)	Existing	Visual	Visual	1 1/4 Mi. Straight-in	Visual	Visual	Visual
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Approach Slope (Required/Clear)	Existing	20:1/42:1	20:1/37:1	20:1/39:1	20:1/33:1	20:1/42:1	20:1/33:1
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Runway Safety Area (Width)	Existing	120'	120'	120'	120'	120'	120'
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Runway Safety Area (Length Beyond Runway End)	Existing	684'	240'	599'	240'	684'	161'
Future	Existing	591'	240'	599'	240'	591'	161'
Obstacle Free Zone (Width)	Existing	250'	250'	250'	250'	250'	250'
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Obstacle Free Zone (Length Beyond Runway End)	Existing	200'	200'	200'	200'	200'	200'
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Object Free Area (Width)	Existing	250'	250'	250'	250'	250'	250'
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change
Object Free Area (Length Beyond Runway End)	Existing	684'	147'	668'	161'	684'	161'
Future	Existing	No Change	240'	No Change	240'	No Change	240'
Hold Line (Distance From Runway CL)	Existing	125'	125'	125'	125'	125'	125'
Future	Existing	No Change	No Change	No Change	No Change	No Change	No Change

RUNWAY DATA				
AIRPORT REFERENCE CODE	RUNWAY 13L-31R		RUNWAY 13R-31L	
	EXISTING	FUTURE	EXISTING	FUTURE
AIRCRAFT WINGSPAN	Baron 58	No Change	Baron 58	No Change
UNDERCARRIAGE WIDTH	> 7'	No Change	> 7'	No Change
APPROACH SPEED (kts.)	96	No Change	96	No Change
MAX. TAKEOFF WT. (lbs.)	5,500	No Change	5,500	No Change
PHYSICAL LENGTH AND WIDTH	3,101 x 75'	No Change	3,099' x 75'	No Change
Runway High Point (MSL)	133'	No Change	131'	No Change
Runway Low Point (MSL)	121'	No Change	120'	No Change
VERTICAL LINE OF SIGHT PROVIDED	Yes	No Change	Yes	No Change
EFFECTIVE GRADIENT (%)	0.48%	No Change	0.48%	No Change
MAXIMUM GRADIENT (%)	0.75%	No Change	1.25%	No Change
Runway/Taxiway Surface Type	Asphalt	No Change	Asphalt	No Change
PAVEMENT STRENGTH (1,000#) - S/D/D/T	17/-/-	No Change	17/-/-	No Change
Runway Edge Lighting	MIRL	No Change	None	No Change



ALL WEATHER WIND ROSE		
WIND COVERAGE		
Runway	12 M.P.H. (10.5 Knots)	15 M.P.H. (13 Knots)
13L-31R	98.75%	99.61%
13R-31L	98.75%	99.61%
Combined	98.75%	99.61%

SOURCE: RECORDS OF SAN JOSE WEATHER STATION, DEPARTMENT OF PUBLIC WORKS, COOPERATIVE STATION OF THE U.S. WEATHER BUREAU, 1937-1947.

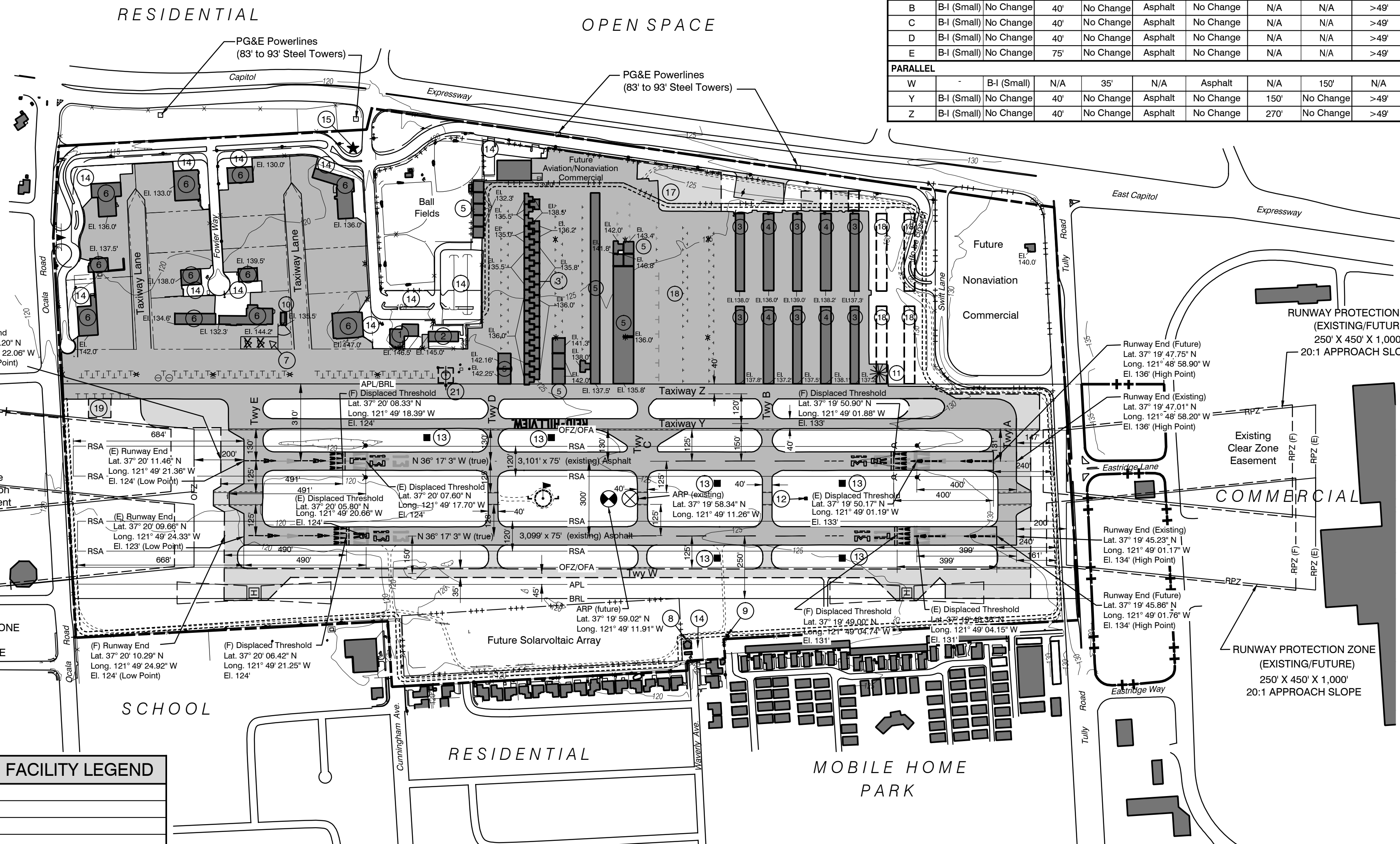
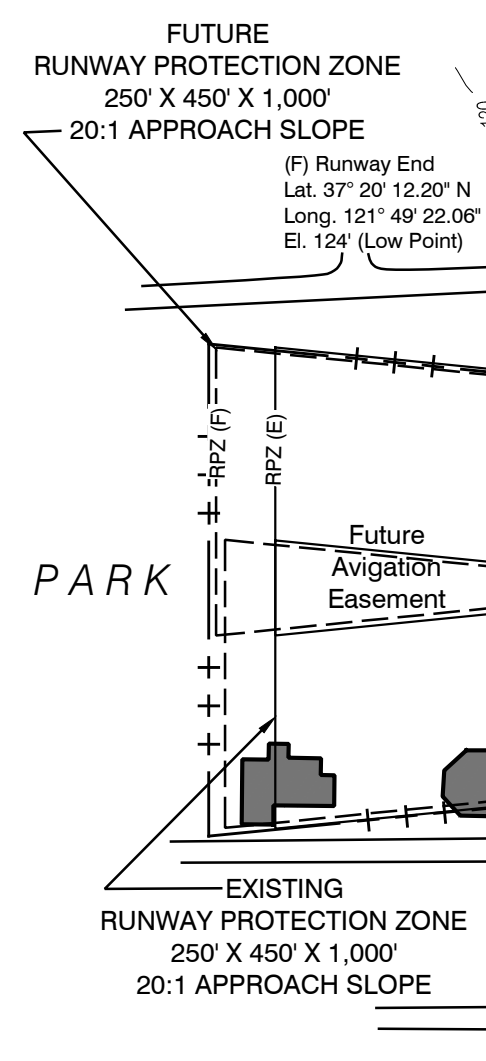
ALP NOTES

(a) Airport coordinate data source: National Oceanic and Atmospheric Administration (NOAA) Obstruction Chart dated May 4, 1992. Data is NAD 83 and NAVD 88. NOAA's VERTCON program used to convert original NGVD 29 data to NAVD 88.

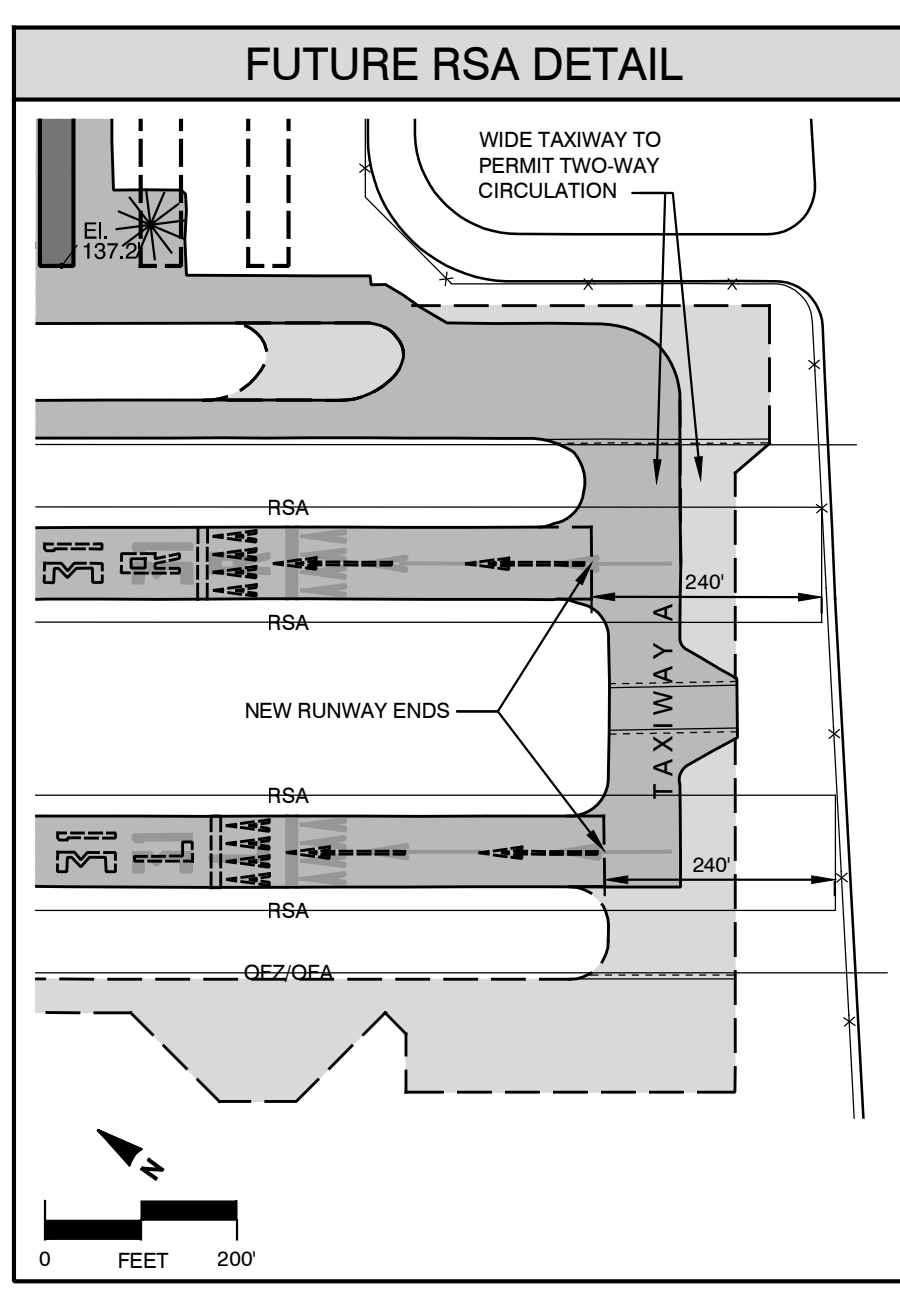
(b) The airport is in Township 7 South, Range 1 East. This quadrangle has not been sectioned.

(c) Nonstandard Conditions:
- Runway Safety Area and Object Free Area for Runway 31L & Runway 31R are less than 240'. Runway to be shifted to provide standard RSA.

AIRPORT DATA		
AIRPORT REFERENCE CODE	EXISTING	FUTURE
AIRPORT REFERENCE CODE	B-1 (Small)	No Change
AIRPORT REFERENCE POINT (a)	Latitude	37° 19' 58.34" N
Longitude	121° 49' 11.26" W	121° 49' 11.91" W
AIRPORT ELEVATION (Above Mean Sea Level)	136'	No Change
MEAN MAX. TEMP. (Hottest Month)	84.0° F (July)	No Change
AIRPORT AND TERMINAL NAVIGATIONAL AIDS	Beacon, VOR/DME	No Change
GPS APPROACH ESTABLISHED	Yes	No Change
AIRPORT ACREAGE	Fee Simple	179
Aviation Easement	19	27
Tiedowns	460	No Change
AIRCRAFT PARKING SPACES	Hangar Units	185
Helicopter	5	No Change

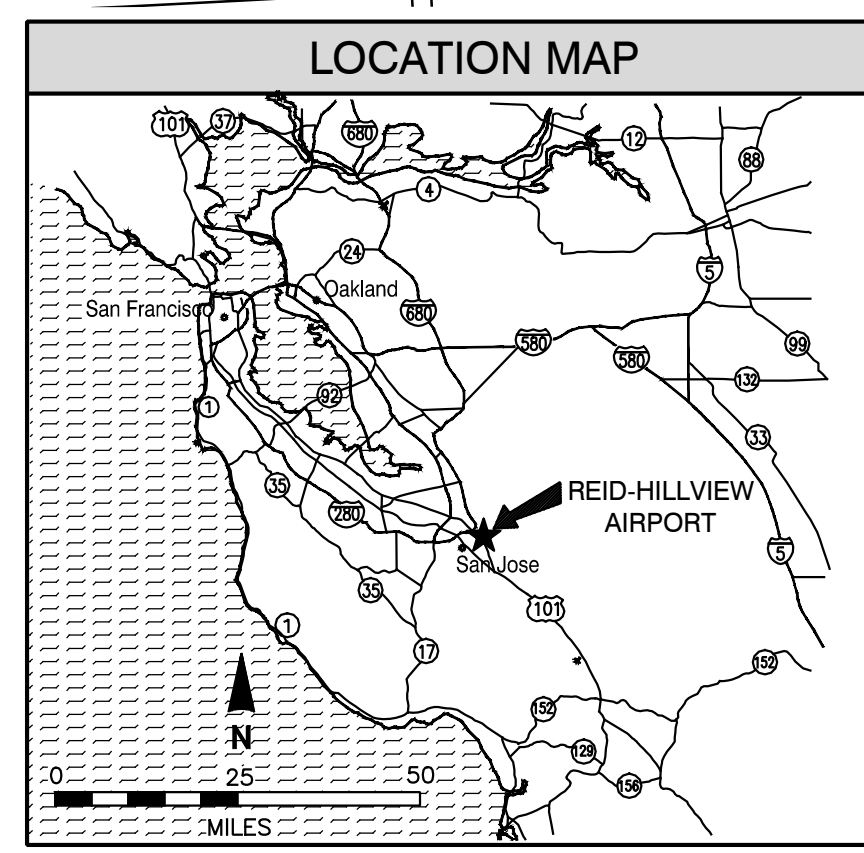
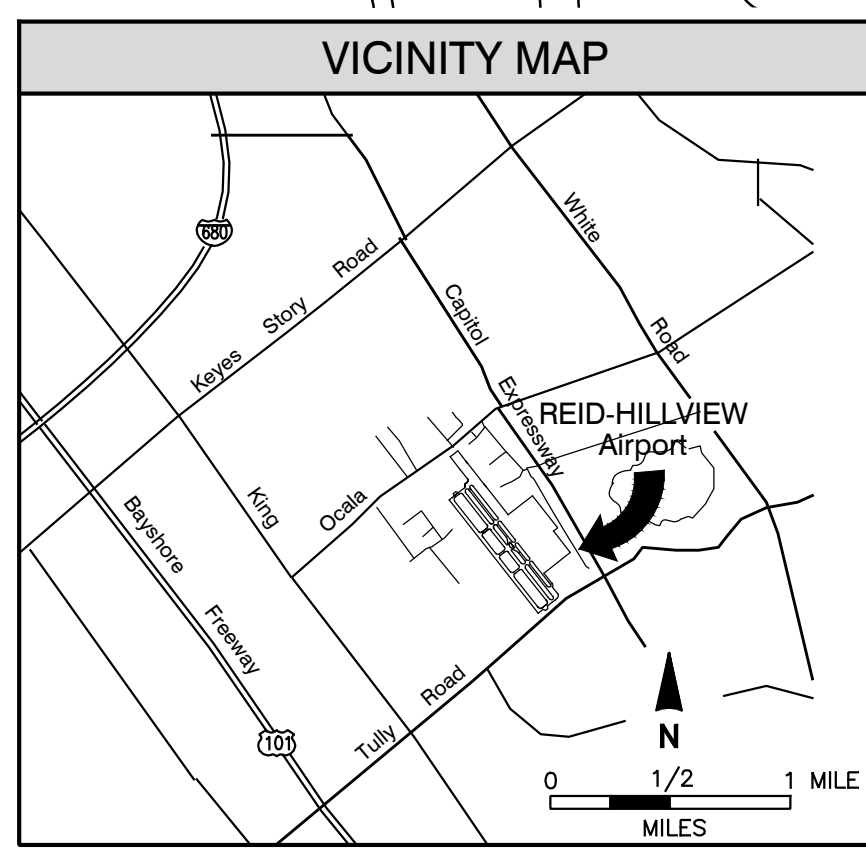


TAXIWAY DATA																	
TAXIWAY	DESIGN GROUP	WIDTH	SURFACE TYPE	RWY CL. TO TWY CL.	TAXIWAY SAFETY AREA WIDTH	TAXIWAY OBJECT FREE AREA WIDTH	TWY CL. TO FIXED or MOVEABLE OBJECT	TAXIWAY WINGTIP CLEARANCE									
A	B-1 (Small)	No Change	75/100'	130/150'	Asphalt	No Change	N/A	N/A	>49'	No Change	89'	No Change	>45'	No Change	20'	No Change	
B	B-1 (Small)	No Change	40'	No Change	Asphalt	No Change	N/A	N/A	>49'	No Change	89'	No Change	>45'	No Change	20'	No Change	
C	B-1 (Small)	No Change	40'	No Change	Asphalt	No Change	N/A	N/A	>49'	No Change	89'	No Change	>45'	No Change	20'	No Change	
D	B-1 (Small)	No Change	40'	No Change	Asphalt	No Change	N/A	N/A	>49'	No Change	89'	No Change	>45'	No Change	20'	No Change	
E	B-1 (Small)	No Change	75'	No Change	Asphalt	No Change	N/A	N/A	>49'	No Change	89'	No Change	>45'	No Change	20'	No Change	
PARALLEL																	
W	B-1 (Small)	No Change	N/A	35'	N/A	Asphalt	N/A	150'	No Change	>49'	No Change	>89'	No Change	>45'	No Change	20'	No Change
Y	B-1 (Small)	No Change	40'	No Change	Asphalt	No Change	N/A	270'	No Change	>49'	No Change	>89'	No Change	>45'	No Change	20'	No Change
Z	B-1 (Small)	No Change	40'	No Change	Asphalt	No Change	N/A	270'	No Change	>49'	No Change	>89'	No Change	>45'	No Change	20'	No Change



DRAWING LEGEND		
	EXISTING	FUTURE
ACTIVE AIRFIELD PAVEMENT	▬▬▬▬▬▬	▬▬▬▬▬▬
OTHER PAVEMENT IN USE	▬▬▬▬▬▬	▬▬▬▬▬▬
DIRT/GRAVEL ROAD	▬▬▬▬▬▬	▬▬▬▬▬▬
AIRPORT PROPERTY LINE	▬▬▬▬▬▬	▬▬▬▬▬▬
OTHER PROPERTY LINES	N/A	N/A
AVIGATION EASEMENT	▬▬▬▬▬▬	▬▬▬▬▬▬
INTERNAL BOUNDARY (lease, R.O.W., etc.)	▬▬▬▬▬▬	▬▬▬▬▬▬
CRITICAL AIRFIELD AREAS *	---XYZ---	---XYZ---
BUILDING	▬▬▬▬▬▬	▬▬▬▬▬▬
FENCE	▬▬▬▬▬▬	▬▬▬▬▬▬
VEHICLE GATE	▬▬▬▬▬▬	N/A
WIND CONE	▬▬▬▬▬▬	N/A
AIRFIELD LIGHTS: SINGLE/GROUP/FLASHING	•/••••/•	N/A / N/A / •
BEACON	★	N/A
UTILITY POLE / POWER LINE	•••••	N/A
TOPOGRAPHIC CONTOURS	---xxx---	N/A
AIRPORT REFERENCE POINT	⊗	⊗
SECTION CORNER (b)	⊗	⊗

BUILDING AND FACILITY LEGEND	
(1)	Terminal Building
(2)	Maintenance Building
(3)	T-Hangars
(4)	Aircraft Shelters
(5)	Aircraft Box Hangars
(6)	Fixed Base Operator
(7)	FBO
(8)	Air Traffic Control Tower (el. 170', top of handrail)
(9)	Electrical Vault
(10)	Fuel Island
(11)	Compass Rose
(12)	Ceilmeter
(13)	VASI
(14)	Automobile Parking
(15)	Rotating Beacon Tower
(16)	(Not Used)
(17)	Future Fuel Farm
(18)	Future Storage Hangars
(19)	Future Compass Rose
(20)	Future Aircraft Parking
(21)	Future Helicopter Parking



SUBMITTED BY: County of Santa Clara

By _____ Date _____

FAA-Approval Spaces

NO.	REVISION	SPONSOR	DATE
2	Added Solarvoltaic Array		Feb. 2011
1	Eliminate Declared Distances		July 2008

REID-HILLVIEW AIRPORT
SAN JOSE, CALIFORNIA

AIRPORT LAYOUT PLAN

MEAD HUNT ENGINEERS ARCHITECTS SCIENTISTS PLANNERS
707 Aviation Blvd., Santa Rosa, California 95403 • (707) 526-5610

DESIGN: DD/MT DRAWN: TE/GJ DATE: June 2007 SHEET 1 OF 3

The preparation of these documents was financed in part through a planning grant from the Federal Aviation Administration as provided under Section 505 of the Airport and Airway Improvement Act of 1982, as amended. The contents do not necessarily reflect the official views or policy of the FAA. Acceptance of these documents by the FAA does not in any way constitute a commitment on the part of the United States to participate in any development depicted herein nor does it indicate that the proposed development is environmentally acceptable in accordance with appropriate public laws.

EXHIBIT 2

RESOLUTION NO. BOS-2015-39

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA ADOPTING A FINAL INITIAL STUDY/MITIGATED NEGATIVE DECLARATION FOR THE GROUND MOUNT SOLAR PV PROJECT

WHEREAS, the County of Santa Clara ("County") desires to adopt an Initial Study/Mitigated Negative Declaration ("IS/MND") for the Facilities and Fleet Department's Ground Mount Solar PV Project (the "Project"), which is on file with the Office of the County Clerk and incorporated herein by this reference; and,

WHEREAS, pursuant to the California Environmental Quality Act ("CEQA"), the IS/MND was prepared for this Project; and,

WHEREAS, the Project consists of design, construction and operation of photovoltaic (PV) solar facilities along with associated infrastructure at six locations across central and south Santa Clara County on County property; and,

WHEREAS, this Project will utilize PG&E's Renewable Energy Self-Generation Bill Credit Transfer ("RES-BCT") program which allows the County to export energy to the grid and receive generation credits to benefitting accounts of the County; and,

WHEREAS, upon completion of the IS/MND, the County, as the Lead Agency, prepared and filed a Notice of Completion ("NOC") with the State Clearinghouse Office of Planning and Research ("SCH OPR"), for distribution to public agencies and interested parties for a public review period, commencing on February 27, 2015, and ending on March 20, 2015; and,

WHEREAS, a Notice of Intent ("NOI") to adopt the IS/MND dated February 27, 2015 was posted in the Office of the County Clerk within 24 hours of receipt; the NOI was mailed to property owners within 300 feet of the parcel boundaries of each of the Project sites, distributed to interested agencies, posted on and off site in the areas where the Project is to be located, and posted on the County website at <http://www.sccgov.org/sites/faf/cp/mp/pv/Pages/renewables-for-revenue.aspx>, notifying all interested parties of the IS/MND availability; and,

WHEREAS, if there were any organizations and individuals who have previously requested in writing that the NOI be sent to them, then such NOI was sent to the last known name and address of all such organizations and individuals; and,

WHEREAS, the NOI specified the following:

- (1) A brief description of the proposed Project and its locations; and,

- (2) The starting and ending dates for the review period during which the County will receive comments on the IS/MND; and,
- (3) The date, time, and place of any scheduled public meetings or hearings to be held by the County on the Project, if there were any; and,
- (4) The address or addresses where copies of the IS/MND, including any revisions, and all documents referenced in the IS/MND, are available for review; and,
- (5) If applicable, the presence of the site on any of the lists enumerated under Section 65962.5 of the Government Code including, but not limited to lists of hazardous waste facilities, land designated as hazardous waste property, and hazardous waste disposal sites, and the information in the Hazardous Waste and Substances Statement required under subdivision (f) of that section; and,
- (6) Where applicable, other information specifically required by statute or regulation for the Project or the type of this Project; and,

WHEREAS, copies of the IS/MND were provided to all responsible agencies, and copies were also made available at the County of Santa Clara's Office of the County Clerk; and,

WHEREAS, during the public review period, if the County received some written or oral comments on the IS/MND, then such comments have been considered and addressed, where applicable, and the following document(s) are attached hereto as Exhibit A:

- (1) the IS/MND including all appendices and public comments.

WHEREAS, the IS/MND identifies potentially significant impacts to the environment, including but not limited to specific impacts to biological resources (e.g., wetlands), cultural resources and noise, which impacts can and will be avoided or mitigated to less than significant levels through adoption and implementation of the mitigation measures proposed as part of the Project and the IS/MND; and,

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NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors makes the following findings as required by CEQA with respect to the proposed Project:

- A. That the IS/MND was prepared in accordance with all legal requirements of CEQA, including all public notice and comment period requirements;
- B. That the Board of Supervisors has considered the IS/MND and the opportunity to comment within the public comment period, as well as the opportunity to comment after the public comment period and prior to the date of this Resolution;
- C. That the IS/MND identified all potentially significant environmental impacts of the Project, including but not limited to specific potentially significant impacts to biological resources (e.g., wetlands), cultural resources and noise, which impacts can and will be avoided or mitigated to less than significant levels through adoption and implementation of the mitigation measures proposed as part of the Project and the IS/MND;
- D. That the additions and revisions, if any, to the text of the IS/MND clarified and expanded upon the impact analyses and mitigation measures, and were not a substantial revision requiring recirculation;
- E. That the IS/MND reflects the County's independent judgment and analysis;
- F. That there is no substantial evidence in the record that the Project, as mitigated, will have a significant negative effect on the environment;
- G. The administrative record is located in the Office of the Clerk of the Board of Supervisors, at 70 W. Hedding Street, 10th Floor, East Wing, San Jose, California 95110; and,
- H. The Clerk of the Board is designated as the location and custodian of the documents and other material constituting the record of proceedings upon which this decision is based.

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NOW, THEREFORE, BE IT FURTHER RESOLVED, by the Board of Supervisors of the County of Santa Clara, State of California, based upon all of the oral and documentary evidence in the record, as follows:

1. That the IS/MND for the Project is adopted; and,
2. The Clerk of the Board is designated as the location and custodian of the documents and other material constituting the record of proceedings upon which this decision is based.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Clara, State of California on MAR 24 2015, by the following vote:

AYES: CORTESE, SIMITIAN, WASSERMAN, YEAGER

NOES: CHAVEZ


ABSENT: NONE

ABSTAIN: NONE



DAVE CORTESE, President
Board of Supervisors

ATTEST:



Lynn Regadanz, Clerk of the Board of Supervisors
Date: MAR 24 2015

APPROVED AS TO FORM AND LEGALITY:



Shirley R. Edwards, Deputy County Counsel

Exhibits to this Resolution
Exhibit A – IS/MND

County of Santa Clara

Department of Planning and Development
 County Government Center, East Wing, 7th Floor
 70 West Hedding Street
 San Jose, California 95110



	Administration	Development Services	Fire Marshal	Planning
Phone:	(408) 299-6740	(408) 299-5700	(408) 299-5760	(408) 299-5779
Fax:	(408) 299-6757	(408) 279-8537	(408) 287-9308	(408) 288-9198

Notice of Intent to Adopt a Mitigated Negative Declaration

A notice, pursuant to the California Environmental Quality Act of 1970, as amended (Public Resources Code 21,000, et sec.) that the following project, with incorporation of mitigation measures, will not have a significant effect on the environment.

File Number	APN(s)	Date
10688-14CP	See Initial Study project description	Feb. 27, 2015
Project Name	Project Type	
Santa Clara County Ground Mount Solar PV Project	County Capital Project	
Owner	Applicant	
County of Santa Clara	County of Santa Clara	
Project Location		
The proposed project is located at six locations across central and south Santa Clara County. See Figure 1 below for project locations.		
Project Description		
The proposed project consists of construction and operation of ground-mounted (photovoltaic) PV arrays with an electrical generation capacity of up to 11.4 megawatts along with associated infrastructure at six locations across central and south Santa Clara County. SunPower Corporation will be the vendor and operator under contract to the County. Figure 1 shows the locations. The development footprints would total approximately 32 acres, including perimeter fencing, access roads, and equipment pads. Interconnection to the electricity grid would generally be through underground conduits.		
Purpose of Notice		
The purpose of this notice is to inform you that the County Planning Staff has recommended that a Mitigated Negative Declaration be approved for this project. County of Santa Clara Staff has reviewed the Initial Study for the project, and based upon substantial evidence in the record, finds that although the proposed project could initially have a significant effect on the environment, changes or alterations have been incorporated into the project to avoid or reduce impacts to a point where clearly no significant effects would occur.		
Public Review Period:	Begins: February 27, 2015	Ends: March 20, 2015
Public Comments regarding the correctness, completeness, or adequacy of this mitigated negative declaration are invited and must be received on or before the end of public review period. Such comments should be based on specific environmental concerns. Written comments should be addressed to the County of Santa Clara Planning Office, County Government Center, 70 W. Hedding Street, 7th Floor, East Wing, San Jose, CA 95110 . A file containing additional information on this project may be reviewed at the Planning Office under the file number appearing at the top of this form. For additional information regarding this project and the Mitigated Negative Declaration, please contact David Rader at (408) 299-5779, david.rader@pln.sccgov.org .		
The Mitigated Negative Declaration and Initial Study may be viewed at the following locations:		
(1) Santa Clara County Planning Office, 70 West Hedding Street, East Wing, 7 th Floor, San Jose, CA 95110		
(2) Facilities and Fleet website: www.sccgov.org/sites/faf/cp/mp/pv/Pages/renewables-for-revenue.aspx		
(3) Libraries: Seven Trees Branch Library, 3590 Cas Drive, San Jose, CA 95111; Morgan Hill Library: 660 West Main Avenue Morgan Hill, CA 95037		

Agencies sent a copy of this document

California Department of Fish and Wildlife, Regional Water Quality Control Boards (Districts 2 and 3), Santa Clara Valley Water District

Mitigation Measures included in the project to reduce potentially significant impacts to a less than significant level are attached at the end of this document.

A reporting or monitoring program must be adopted for measures to mitigate significant impacts at the time the Mitigated Negative Declaration is approved, in accord with the requirements of section 21081.6 of the Public Resources Code.

Prepared by:
David Rader, Planner III

David M. Rader
Signature

2/26/15
Date

Approved by:
Rob Eastwood, Principal Planner, AICP

[Signature]
Signature

2/26/15
Date

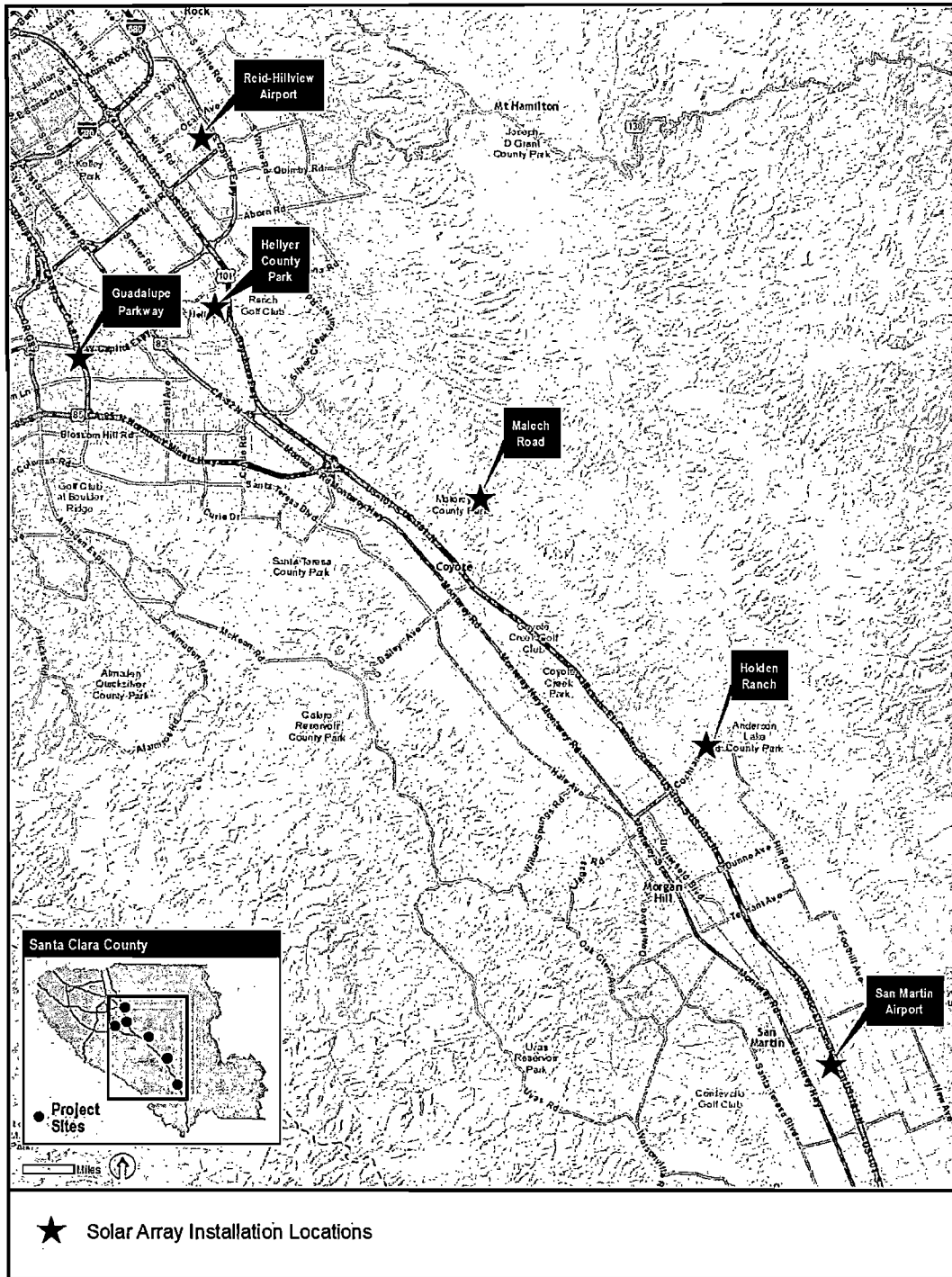


Figure 1 - Project Site Location

BIOLOGICAL RESOURCES MITIGATION:

Wetlands

The following mitigation measure would reduce the impact on federally protected wetlands to a less-than-significant level:

- *Prior to placement of free-span bridges over the wetland channels at the Malech Road project site, a qualified restoration ecologist shall delineate and mark with flags or vinyl fencing the areas to be protected during construction in order to avoid disturbance to channel banks or bed and to minimize the risk of incidental discharges during construction. Structures over these channels shall be carefully placed to minimize disturbance. Erosion control measures shall be taken to prevent erosion at the bridge foundations.*

CULTURAL RESOURCES MITIGATION:

- *Due to the possibility that significant buried cultural resources may be found during construction, the County will ensure that this language is included in all construction contracts in compliance with Section B6-16 of the Santa Clara County Ordinance:*

"If historical or unique archaeological resources are accidentally discovered during construction, work shall be halted at a minimum of 200 feet from the find and the area shall be staked off. The County shall notify the Native American Heritage Commission to arrange for an immediate evaluation of the find by a qualified archaeologist. The qualified archaeologist shall determine whether or not the site is a historical resource as defined in CEQA Guidelines section 15064.5(a). If it is determined that the site is a historical resource, the County shall refer to the provisions of CEQA Guidelines section 15064.5 and the provisions of section 15126.4 of the Public Resources Code to determine the significant environmental effects of the project on this historical resource. If the archaeological site does not meet the criteria defined in CEQA Guidelines section 15064.5(a), but does meet the definition of a unique archaeological resource in Public Resources Code section 21083.2, the preferred project site shall be treated in accordance with the provisions of this section. If it is found that the project will cause damage to a unique archaeological resource, the County shall require that reasonable efforts be made to permit any or all of these resources to be preserved in place or left in an undisturbed state. Some of the measures to be taken in the event of a discovery include: planning future construction to avoid the archaeological site; deeding archaeological sites into permanent conservation easements; capping or covering archaeological site with a layer of soil before building on the sites; and/or planning parks, greenspace or other open space to incorporate the archaeological sites in the site plan."

- *In the event of an accidental discovery or recognition of any human remains during earth moving activities, the following language shall be included in all construction contracts in accordance with CEQA Guidelines section 15064.5(e):*

"If human remains are found during construction there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the coroner of the County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the

remains to be Native American the coroner shall contact the Native American Heritage Commission within 24 hours. The Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendent from the deceased Native American. The most likely descendent may then make recommendations to the County for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The County shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the County rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the County."

CONSTRUCTION NOISE MITIGATION:

- *Construction shall be limited to the hours of 7 AM to 8 PM Monday through Friday and 9 AM to 6 PM on Saturdays. This includes all construction activities associated with the project, including grading, excavation, stripping, pavement, foundation, and installing new structures and improvements etc., on-site.*
- *Contractors shall use "new technology" power equipment with state of the art noise shielding and muffling devices. All internal combustion engine driven equipment shall be equipped with intake and exhaust mufflers which are in good working condition and appropriate for the equipment.*
- *Stationary noise generating equipment shall be located as far as possible from sensitive receptors, such as single family residences.*
- *Unnecessary idling of internal combustion engines shall be prohibited.*

INITIAL STUDY

**Ground Mount Solar PV Project
County of Santa Clara**

March 9, 2015



INITIAL STUDY

Environmental Checklist and Evaluation for Santa Clara County

File Number:	10688-14CP	Date:	March 9, 2015
Project Name:	Santa Clara County Ground Mount Solar PV Project	Project Type:	County Capital Improvement
Project Description			
<p>The proposed project consists of construction and operation of photovoltaic (PV) solar arrays with a electrical generation capacity of up to 11.4 megawatts along with associated infrastructure at six locations across central and south Santa Clara County. SunPower Corporation will be the vendor and operator under contract to the County of Santa Clara, Facilities and Fleet Department. Figure 1 shows the locations. The development footprints would total approximately 32 acres, including perimeter fencing, access roads, and equipment pads. Interconnection to the electricity grid would generally be through underground conduits. See "Project Description" below for more detail on the individual site developments.</p> <p>This project will utilize PG&E's Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) program. The RES-BCT program (formerly AB 2466) was established by the Legislature effective January 1, 2009 and is codified in Section 2830 of the Public Utilities Code. It allows a local government with one or more eligible renewable generating facilities to export energy to the grid and receive generation credits to benefitting accounts of the same local government. Using RES-BCT, government entities can take advantage of cost-effective, off-site ground-mounted solar PV systems as opposed to higher-cost carports or rooftop systems. They can also employ larger system sizes (up to 5 megawatts), which further increases cost-effectiveness.</p>			

BACKGROUND

In 2010, the County led a group of eight local public agencies in the procurement of 12 megawatts (MW) of solar photovoltaic (PV) systems. The procurement, which was completed in early 2012, resulted in the construction and installation of 5.8 MW of solar PV at the County's largest capital facilities, including correctional facilities, health clinics, and commercial office buildings. Based on a referral by Supervisor Dave Cortese, the County's Board of Supervisors has given direction for the County Facilities and Fleet Department to investigate renewable energy opportunities that might exist at any and all County properties, including "non-traditional" sites, such as park land and roads. This investigation identified six sites suitable for ground-mounted PV systems with a total electrical generating capacity of up to 11.4 MW, which is the proposed project evaluated in this Initial Study.

The project would use PG&E's Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) program, which was established by the Legislature effective January 1, 2009 and is codified in Section 2830 of the Public Utilities Code. This program allows a local government with one or more eligible renewable generating facilities to export energy to the grid and receive generation credits to benefitting accounts of the same local government. Using RES-BCT, government entities can take advantage of cost-effective, off-site ground-mounted solar PV systems as opposed to higher-cost carports or rooftop systems. They can also employ larger system sizes (up to 5 MW), further increasing cost-effectiveness.

PROJECT DESCRIPTION

Project Location

The proposed project consists of construction and operation of PV arrays and associated infrastructure at six locations across central and south Santa Clara County. SunPower Corporation will be the vendor and operator under contract to the County. Figure 1 shows the locations, and the following table lists the locations in order of north to south. The development footprints would total approximately 32 acres, including perimeter fencing, access roads, and equipment pads. Interconnection to the electricity grid would generally be through underground conduits. Consistent with Section 4.10.345 of the County's Zoning Ordinance ("Solar Energy Conversion Systems – Commercial"), the PV arrays and related above ground structures would be set back a minimum of 30 feet from any property line.

Site	Location	Assessor Parcel Numbers	Area of Parcel(s)	GP / Zoning	Development Area
Reid-Hillview Airport	Cunningham Ave, San Jose (incorporated)	491-13-001, 491-12-070, 491-12-069, 491-12-068, 491-12-063	39 acres	Public-Quasi Public / Industrial Park	3.23 acres
Hellyer County Park	Sylvandale Av, San Jose (incorporated)	494-66-004 494-66-003	20 acres	Open Space, Parklands, Habitat / Open Space	6.64 acres
Guadalupe Parkway	San Jose (incorporated)	459-28-005 459-28-004	9 acres	Residential Neighborhood / Agricultural, R-1	6.35 acres
Malech Road	Malech Road, San Jose (uninc.)	729-57-002	277 acres	Open Hillside / Open Space	9.20 acres
Holden Ranch	19050 Malaguerra Ave, Morgan Hill	728-35-001	73 acres	Open Space / Open Space	1.01 acres
San Martin Airport	555 Church Ave, San Martin (uninc)	825-11-022	64 acres	Transportation / A-20Ac-sr	5.80 acres

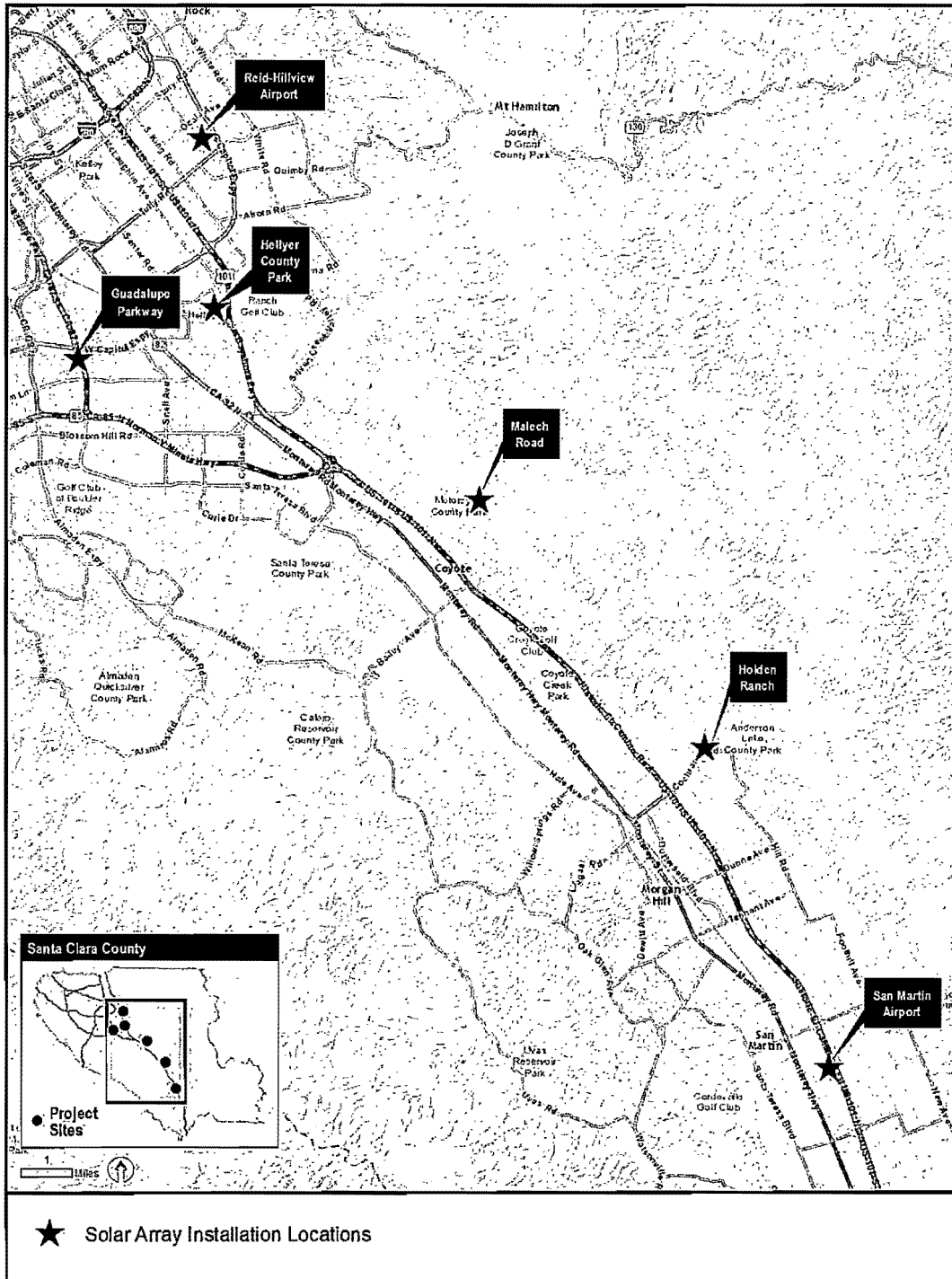


Figure 1 – PV Array Locations

Site / Array Descriptions

The proposed installations would consist of solar PV panels constructed of monocrystalline silicon, anti-reflective glass, aluminum frame, and copper electrical wires with plastic sheathing. These panels would be mounted in rows on steel piers and either be fixed in a tilted position and oriented to maximize absorption of sunlight or integrated with a single-axis, horizontal solar tracking system configured to optimize energy production by following the path of the sun throughout the day. **Figure 2** shows a typical installation. Each installation would include an equipment pad containing DC-AC inverters and switchgear, which would be connected to the PV arrays via underground PVC conduits. The equipment pad would be connected via underground and / or overhead to a nearby PG&E feeder, which is typically pole-mounted. Each installation would be protected by a 6-foot high chain-link fence. No lighting would be installed at any of the arrays.

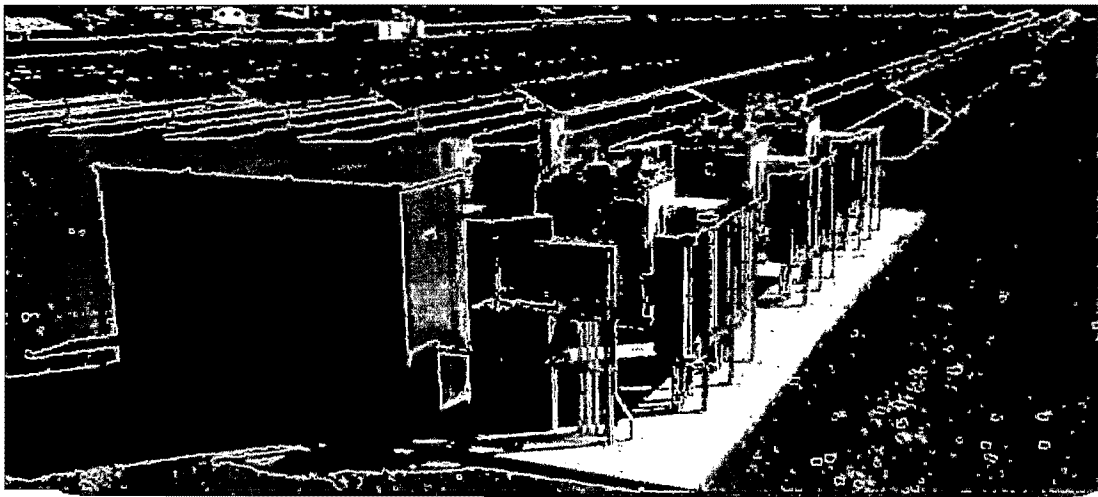


Figure 2 – Photograph of Typical Ground Mount PV Solar Arrays (background) and Electric Equipment Pads for Inverters and Switch Gear (foreground)

The construction periods would range from approximately 10 weeks at Reid-Hill, Holden Ranch, and San Martin Airport to 16 weeks at Guadalupe Parkway, Hellyer County Park, and Malech Road. Installation activities at each site would include the following:

- grubbing, clearing, minor grading
- construction of a base rock access road
- driving piers into the ground (up to 10 feet below grade), except at Hellyer County Park (see separate site description below)
- erecting steel support structures
- constructing electrical equipment pads and installing inverters and switchgear
- trenching and installing PVC conduit between the equipment pad, solar array, and AC tie-in location installing the PV modules

Typical equipment used for these activities are as follows:

- medium bulldozer to scrape / clear / grub sites as necessary
- small track excavator with vibratory equipment to install piles
- dump truck (10-wheeler) for delivering base rock

- back-hoe for trenching and small excavations
- concrete truck as necessary (limited)
- boring equipment as necessary
- gradall excavator
- Bobcat to install fencing
- pick-up trucks with generators / compressors / rivet guns and miscellaneous small hand tools

Ongoing raw material and equipment deliveries to the site would take place throughout the construction period. Interconnection would be completed early in the project once equipment pads are constructed, with coordination from PG&E. A stormwater pollution prevention plan (SWPPP) would be prepared and implemented for each project site. The proposed project will employ best available dust control measures to reduce and control dust emissions during any grading operations. These measures are listed in Appendix A.

Reid-Hillview Airport

This site, which is located on the southwest side of Reid-Hillview Airport near Cunningham Avenue (see **Figure 3** below), would host a 1.04 megawatt system using a sun-tracking arrays on approximately 3.2 acres. This same site was previously evaluated in 2012 for a 1.28 megawatt PV solar system by the Environmental Impact Report on the Reid-Hillview Airport Master Plan (State Clearinghouse #2011052005). The system would interconnect to a PG&E feeder approximately 1,400 feet to the northwest of the site. The site would be surrounded by approximately 1,950 feet of linear fencing with a double gate located at the North end of the site for operations / maintenance entry. The design assumes that the site will have minimal –if any additional grading and to meet the tolerances of the proposed array –slope < 10.5%. A 12-foot-wide road approximately 3,700 feet long would provide access from the north end of the site.

Hellyer County Park

This site would host a 2.74 megawatt fixed-tilt PV system that would cover approximately 6.6 acres in an open field southwest of the velodrome (see **Figure 4** below or site plan). The site is a capped former landfill. To avoid penetration of the cap, the arrays would be supported by concrete ballast foundations on 3-4-inch gravel bases rather than piles driven into the ground. The concrete supports would be closely spaced to reduce pressure on the ground. To reduce ground pressure during construction, lighter-weight, wheeled vehicles (rather than tracked) would be used. The PV system would be surrounded by approximately 2,100 linear feet of six-foot high perimeter fencing with a single line of barbed wire above the fence at 7-10 feet. A double gate entry for operations and maintenance would be located on the east side. A 12-foot-wide paved base rock road would branch off of the existing Coyote Creek Trail road to provide site access. The design assumes minimal grading will be required. The array would interconnect to the PG&E electric grid through a new 400-foot underground AC line at the northeast corner of the proposed installation.

Guadalupe Parkway

This site would host a 2.07 megawatt fixed-tilt PV system that would cover approximately 6.4 acres on two vacant parcels west of Guadalupe Parkway. **Figure 5** shows the site plan. A connection to the PG&E feeder north of the site would be via a underground conduit that would be directionally bored under Guadalupe Parkway. The site would be protected by approximately 1,700-foot perimeter fencing with a double gated entry for operations / maintenance. Proposed access for construction and operations / maintenance would be from an access road that would be extended southward from a paved access road that connects to Capitol Expressway. This 900-foot access road would require the construction of a 3-4-foot high Keystone type retaining wall for a distance of approximately 300 feet to maintain a 12-foot-

wide access road that is level. However, if Caltrans permits use of existing access from the west side of Highway 87, the northern access road would not be constructed.

Malech Road

This location would host two PV systems, totaling 3.84 megawatts, that would be located on the west and east sides of two wetland / drainage channels. **Figure 6** shows the site plan. The system would be supported using galvanized pile piers and interconnected with the PG&E feeder via a 900 linear-foot underground AC wire. The two array locations would be protected by approximately 3,600 linear feet of perimeter fencing consisting of a six-foot high chain-link fence with a single barbed wire at 7 feet. A 12-foot-wide base rock road from Road P would be constructed to provide access for construction equipment and operations and maintenance. The road would use bridges to completely span the two drainage channels in order to avoid disturbance to the beds or banks. A crane would be used to put the bridges in place prior to moving construction vehicles across.

Holden Ranch

This site would host a .31 megawatt PV system at the Santa Clara County Office of the Sheriff's Justice Training Center at 19050 Malaguerra Avenue, Morgan Hill. This site was formerly the Harry Holden Ranch for Boys, and is still referred to as Holden Ranch. **Figure 7** shows the site plan. The system would interconnect to a PG&E feeder approximately 950 feet east of the site. The site would be protected by approximately 1,100 feet of perimeter fencing, which would include a double gate located at the north end of the site for operations / maintenance access. The design assumes that the site will require minimal (if any) grading to meet the tolerances of the proposed array (slope < 10.5%). The existing paved area would be used for construction laydown and access.

San Martin Airport

A 1.36 megawatt fixed-tilt PV facility would be located at the southern boundary of the County-owned airport within the community of San Martin. **Figure 8** shows the site plan. The system would be supported using galvanized pile piers and interconnected with the PG&E feeder via an 840 linear-foot underground AC wire. The site would be protected by a 1,700-foot-long, six-foot high chain-link fence with a single barbed wire at 7 feet. A double gate would be located at the north end to provide entry for operations and maintenance. A 12-foot wide base rock road would be constructed from the paved road to the north. The design assumes that the site will require minimal (if any) grading to meet the tolerances of the proposed array (slope < 10.5%).

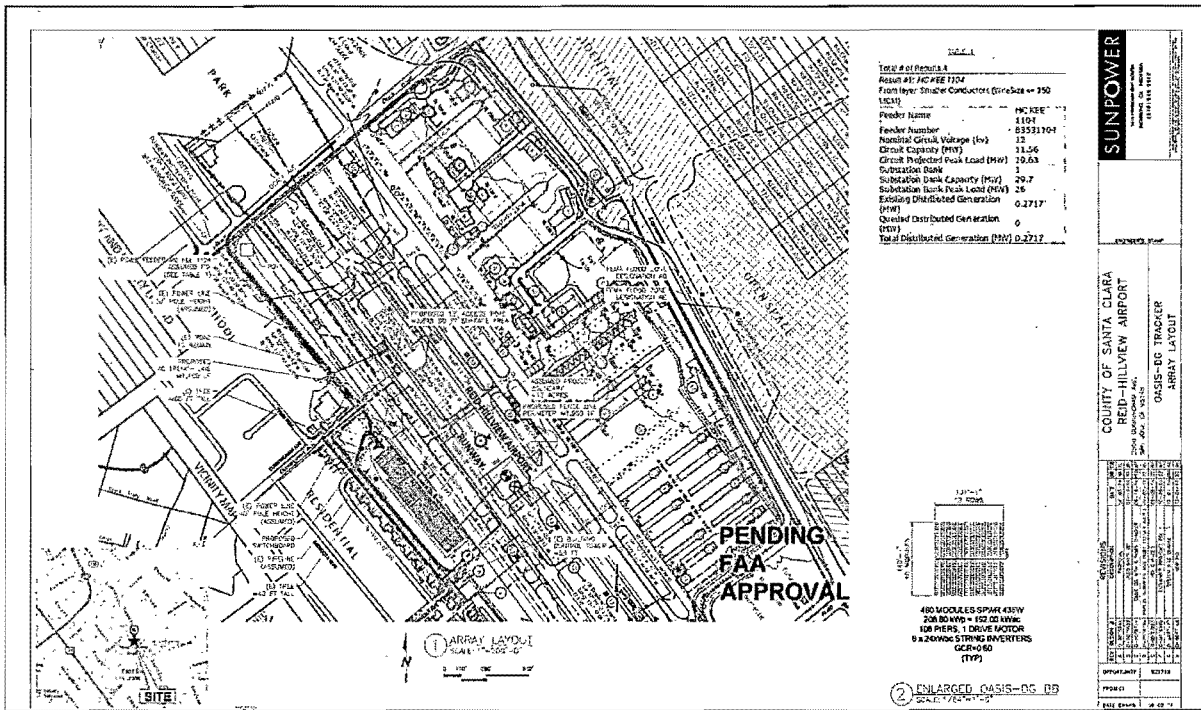


Figure 3 – Reid-Hillview Site Plan

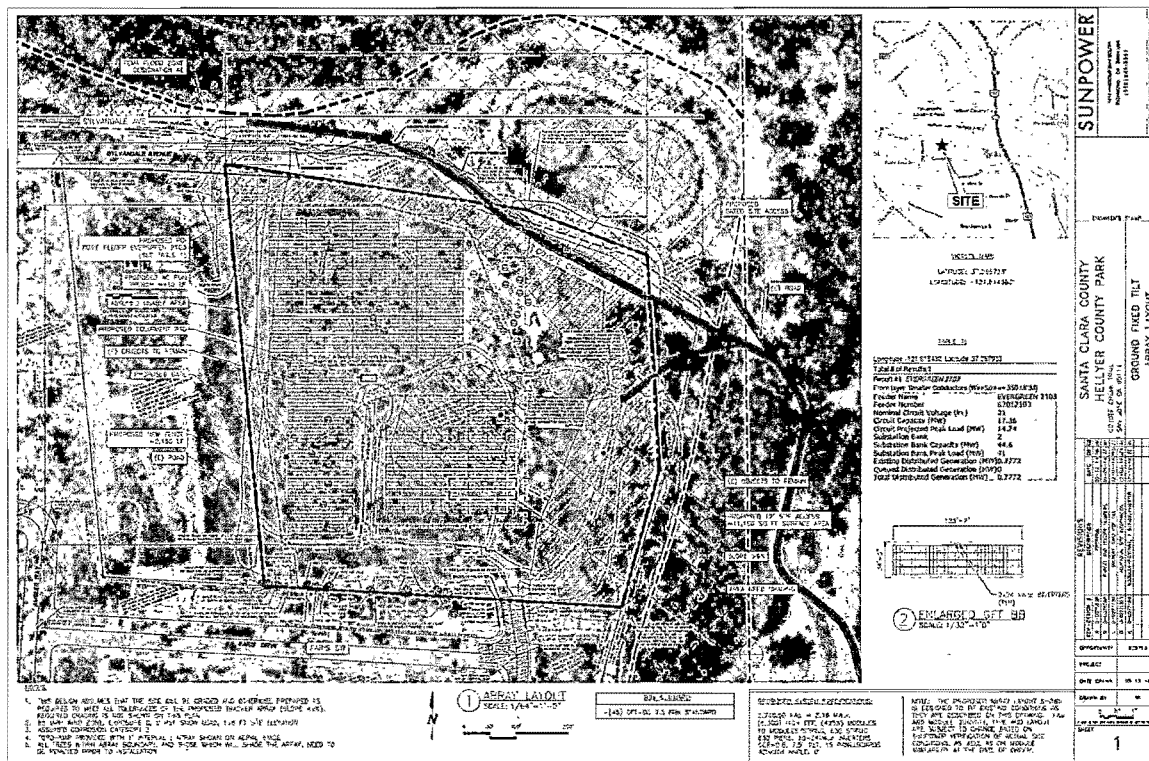


Figure 4 – Hellyer County Park Site Plan

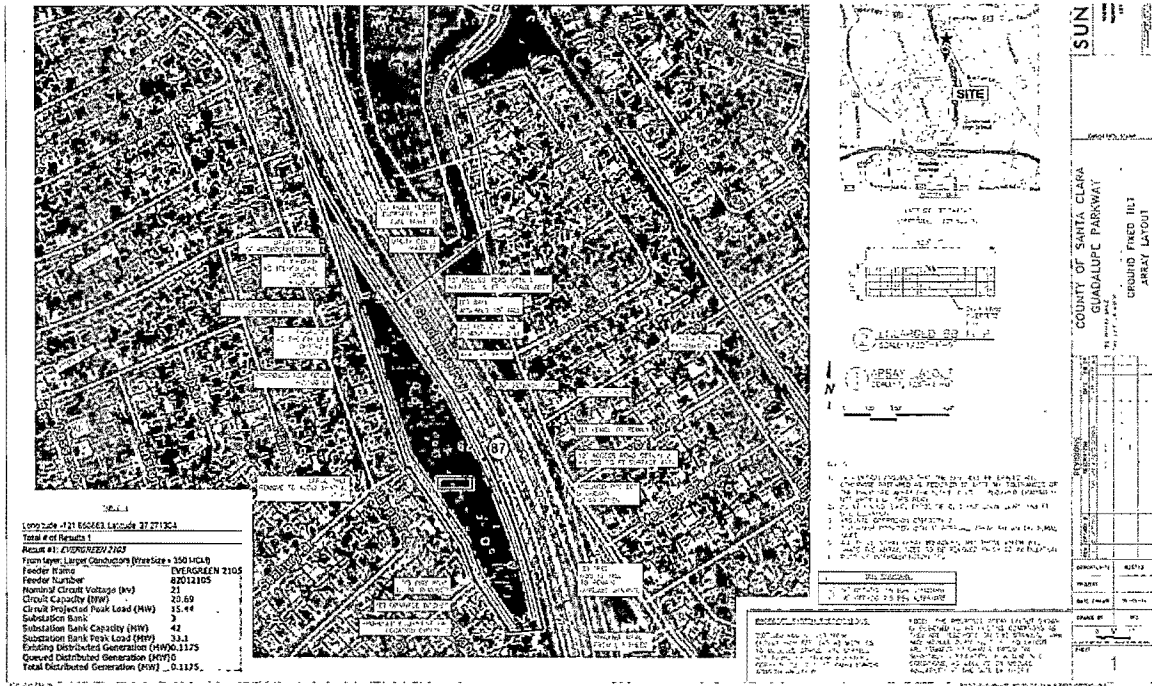


Figure 5 - Guadalupe Parkway Site Plan

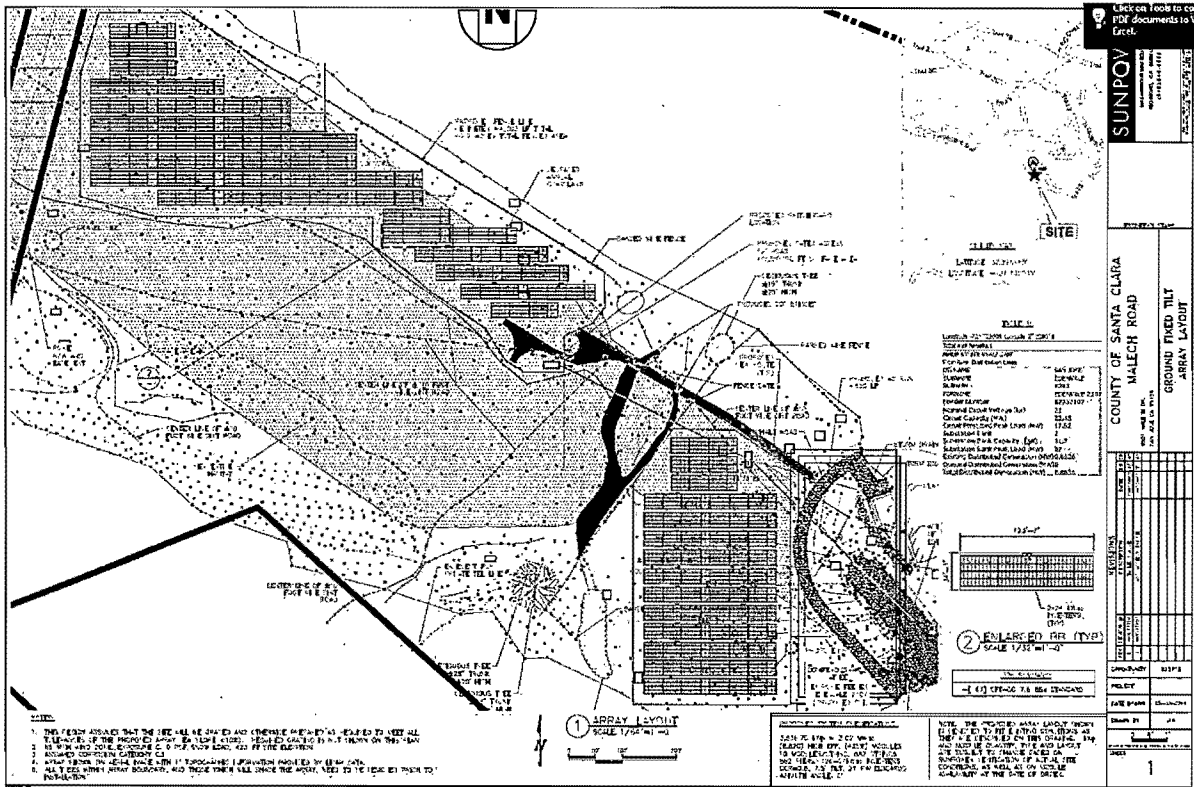


Figure 6 - Malech Road Site Plan

The environmental factors checked below would be potentially affected by this project, involving at least one impact as indicated by the checklist on the following pages.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

- | | | |
|--|---|--|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture / Forest Resources | <input type="checkbox"/> Air Quality |
| <input checked="" type="checkbox"/> Biological Resources | <input checked="" type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology / Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality |
| <input type="checkbox"/> Land Use | <input checked="" type="checkbox"/> Noise | <input type="checkbox"/> Population / Housing |
| <input type="checkbox"/> Public Services | <input type="checkbox"/> Resources / Recreation | <input type="checkbox"/> Transportation / Traffic |
| <input type="checkbox"/> Utilities / Service Systems | <input type="checkbox"/> Mandatory Findings of Significance | <input type="checkbox"/> None |

DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A **MITIGATED NEGATIVE DECLARATION** will be prepared.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or **NEGATIVE DECLARATION** pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or **NEGATIVE DECLARATION**, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.
- I find that the proposed project MAY have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.

David M. Rader
Signature

3/9/15
Date

David M. Rader
Printed name

For

ENVIRONMENTAL CHECKLIST AND DISCUSSION OF IMPACTS

A. AESTHETICS					
WOULD THE PROJECT:	IMPACT				SOURCES
	YES			NO	
	<u>Potentially Significant Impact</u>	<u>Less Than Significant With Mitigation Incorporated</u>	<u>Less Than Significant Impact</u>	<u>No Impact</u>	
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2,3,4, 6,17f
b) Substantially damage scenic resources along a designated scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3, 6,7 17f
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2,3
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3,4
e) If subject to ASA, be generally in non-compliance with the Guidelines for Architecture and Site Approval?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	11
f) If within a Design Review Zoning District for purposes of viewshed protection (d, -d1, -d2), conflict with applicable General Plan policies or Zoning Ordinance provisions?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2,3,4,8a, 9,12, 17f

SETTING:

The following table summarizes the visual setting and visibility of the six project sites.

Site Name / Location	Surroundings	Site Visibility / Viewshed
Reid-Hillview Airport, San Jose – Southwest of the runway between the ends of Cunningham and Waverley Avenues	The site is bounded on the north, east, and south by airport property and on the west by a residential neighborhood.	Visible from airport property, but screened from adjacent residences by solid fences. Not located within a viewshed area.
Hellyer County Park - Between Sylvandale Ave, Paradise Avenue, and the Hellyer Velodrome, San Jose	The site is bounded on the south and west by residential neighborhoods and on the north and east by Hellyer County Park, including the Velodrome.	Visible from Coyote Creek Trail, but screened from adjacent residences by solid fences. Not located within a viewshed area.
Guadalupe Parkway - Between Capitol Expressway and Branham Lane, San Jose	The site is sandwiched between a residential neighborhood on the west and State Route (SR) 87 (Guadalupe Parkway) to the east	Visible from SR 87, but screened from adjacent residences by a sound wall. Not located within a viewshed area.
Malech Road - 9501 Malech Road, unincorporated San Jose	The site is located north of County social service facilities—House on the Hill and Mariposa Lodge. The	Located in a viewshed area, but not visible from the valley floor or from State Route (SR) 101 or

	immediate surroundings are County-owned grazing lands.	from Metcalf Road.
Holden Ranch, 19050 Malaguerra Av, Morgan Hill	The site is completely surrounded by County-owned land. A residential neighborhood is located to 500-1,000 feet to the south.	Screened from residential neighborhood by riparian corridor along Coyote Creek. Not located within a viewshed area.
San Martin Airport, 555 Church Ave, San Martin	The site is bounded by the airport to the north, SR 101 to the east, and agricultural properties to the south and west.	Visible from SR 101 and surrounding rural residential properties. Not located within a viewshed area.

DISCUSSION:

a,c,f)

Less Than Significant. None of the project sites are located near scenic vistas. As discussed below, although the Malech Road site is located in a Viewshed District under the Santa Clara County’s Zoning Ordinance, it would not be visible from the valley floor and therefore would not alter views of the ridgeline. Three of the six sites—Guadalupe Parkway, Reid-Hillview Airport, and Hellyer County Park—are located in developed urban areas where utility infrastructure and other structures are already present. For example, the Guadalupe Parkway site is adjacent to a freeway that contains overhead wires for light rail. Reid Hillview Airport contains utility poles, chain-link fences, tarmac, and hangars and other buildings. The Hellyer County Park site is a former landfill that is adjacent to the Velodrome, which contains an elevated paved track for cycling and related structures. Although the San Martin Airport and Malech Road sites are in rural areas, the surrounding area contains infrastructure and other structures. SR 101 is adjacent to the San Martin Airport site, and a California Highway Patrol inspection facility, and greenhouses and agricultural processing facilities are in the immediate vicinity. The Malech Road site is in the vicinity of several existing County facilities, including a social service facilities and a Santa Clara County Sheriff’s shooting range. Considering these existing conditions, the installation of PV solar arrays would not substantially degrade the existing visual character or quality of the site and its surroundings.

Five of the six sites are not located in a Design Review District. The Malech Road site is located in a Design Review District. The County’s Zoning Ordinance (§4.10.345 Solar Energy Conversion Systems–Commercial) prohibits the siting of commercial solar energy systems in these districts. As a County project, the proposed project is not considered a private commercial project and is therefore not subject to the regulations of the zoning ordinance. However, as shown in Figure 9, the arrays would be substantially located in areas of the site that are not visible from the valley floor (non-colored areas of the map). Therefore, installation of PV arrays at the Malech Road site would not conflict with applicable General Plan policies or Zoning Ordinance provisions.

b,d,e)

No Impact. None of the six project sites is within the vicinity of a state scenic highway. Metcalf Road, a County-designated scenic road, is located to the north of the Malech Road parcel.

B. AGRICULTURE / FOREST RESOURCES					
In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland.					
WOULD THE PROJECT:	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Convert 10 or more acres of farmland classified as prime in the report <i>Soils of Santa Clara County (Class I, II)</i> to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3,23,24,26
b) Conflict with existing zoning for agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	9,21a
c) Conflict with an existing Williamson Act Contract or the County's Williamson Act Ordinance (Section C13 of County Ordinance Code)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 28
d) Conflict with existing zone for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	9,
e) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	32
f) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3,4,26

SETTING:

None of the sites are classified as forest land or commercial timberland. The following table shows the agricultural classifications are shown in the following table.

Site Name	Total Parcel Acreage	Agriculture / Soils	Solar array footprint (acres)
Reid-Hillview Airport	39	Urban / Built-Up Land	3.23
Hellyer County Park	20	Urban / Built-Up Land	6.64
Guadalupe Parkway	9	Urban / Built-Up Land	6.35

Site Name	Total Parcel Acreage	Agriculture / Soils	Solar array footprint (acres)
Malech Road	277	Grazing Lands, Not Prime Farmland	9.20
Holden Ranch	73	Prime Farmland, but scores "not significant" using LESA model	1.01
San Martin Airport	64	Prime Farmland, but scores "not significant" using LESA model	5.80

Note: LESA= Land Evaluation and Site Assessment, a model developed by the California Department of Conservation for evaluating farmland resources.

DISCUSSION:

a-b)

Less Than Significant Impact. Only two of the sites contain Prime Farmland, although they scored "not significant" using the California Department of Conservation's Land Evaluation and Site Assessment (LESA) model. In addition, these two sites would only convert approximately 7 acres, which is less than the County's 10-acre threshold of significance.

c-f)

No Impact. None of the project sites are under a Williamson Act contract. None contain forest land or are zoned for Timberland Production.

MITIGATION:

None required.

C. AIR QUALITY					
Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.					
WOULD THE PROJECT:	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5,29, 30
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5,29, 30
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5,29, 30

project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?					
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5,29, 30

SETTING:

The proposed project is located within the San Francisco Bay Area Air Quality Management District (BAAQMD), which regulates air pollutants, including those that may be generated by construction and operation of development projects. These so-called criteria pollutants include reactive organic gases, carbon monoxide, nitrogen dioxide, and particulate matter (PM). BAAQMD also regulates toxic air contaminants (fine particulate matter), long-term exposure to which is linked with respiratory conditions and increased risk of cancer. Major sources of toxic air contaminants in the Bay Area include major automobile and truck transportation corridors (e.g., freeways and expressways) and stationary sources (e.g., factories, refineries, power plants).

DISCUSSION:

a-d)

Less Than Significant. The proposed project consists of construction and operation of PV arrays on six sites. BAAQMD has screening thresholds for criteria pollutants for various land use types. However these land use types are for residential and commercial projects that generate frequent vehicle trips. The PV arrays are unmanned and typically only require two visits a year by operations and maintenance staff. Construction would involve trucking materials to the site and minor grading / excavation to install piers to support the frames holding the PV panels. This construction would last several weeks and would be less than or equivalent to or less than the level of construction that would occur with commercial facilities (e.g., 277,000 square foot general office building) that would fall below BAAQMD’s screening thresholds. Therefore, construction and operation of the proposed project would not violate air quality standards, result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment, expose sensitive receptors to substantial pollutant concentrations, or conflict with or obstruct implementation of the applicable air quality plan. Because the proposed PV arrays would be unmanned and visited only infrequently for maintenance, the project would not involve significant exposure of sensitive receptors to any source of toxic air contaminants, such as freeways.

The Guadalupe Parkway site is located along the Guadalupe transportation corridor, which includes Highway 87 and a Valley Transportation Authority (VTA) light rail line. Prior to the extension of Highway 87 south of Interstate 280, a Health Risk Assessment was prepared to address excavation in areas of Chrysostile asbestos in ultramafic rock that naturally occurs in the serpentine rock formations in the Communications Hill area north of Hillsdale Avenue.¹ It is

¹Santa Clara County Transit District, March 1988. Summary Report: Serpentine/Asbestos Public Health Analysis, Guadalupe Corridor Transportation Facility.

possible that fill placed on the project site could contain traces of asbestos from excavation in the Communications Hill area. BAAQMD enforces the California Air Quality Board's Airborne Toxic Control Measures (ATCM), which regulates Naturally Occurring Asbestos (NOA) emissions from grading, quarrying, and surface mining at sites which contain ultramafic rock. The ATCM requires employment of best available dust control measures to reduce and control dust emissions in these areas. Construction at the Guadalupe Parkway site would involve minor grading on the north side of the site to create a level road to allow access for construction and ongoing operations and maintenance from Capitol Expressway. The proposed project has incorporated BAAQMD dust control measures (see Appendix A) that will be used during construction of the road and any other grading at the Guadalupe Parkway site to ensure that no exposure of people to airborne asbestos particles would occur.

MITIGATION:

None required.

D. BIOLOGICAL RESOURCES					
WOULD THE PROJECT:	IMPACT				SOURCES
	YES			NO	
	<u>Potentially Significant Impact</u>	<u>Less Than Significant With Mitigation Incorporated</u>	<u>Less Than Significant Impact</u>	<u>No Impact</u>	
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 7, 17b, 17o,
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3, 7, 8a, 17b, 17e, 22d, 22e, 33
c) Have a substantial adverse effect on federally protected wetlands as defined by section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) or tributary to an already impaired water body, as defined by section 303(d) of the Clean Water Act through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3, 7, 17n, 33
d) Have a substantial adverse effect on oak woodland habitat as defined by Oak Woodlands Conservation Law (conversion/loss of oak woodlands) – Public Resource Code 21083.4?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 31, 32
e) Interfere substantially with the movement of any native resident or migratory fish or wildlife	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 7, 17b, 17o

species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				<input checked="" type="checkbox"/>	3,4, 171
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3,4, 171
g) Conflict with any local policies or ordinances protecting biological resources:					
i) Tree Preservation Ordinance [Section C16]?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1,3,31, 32
ii) Wetland Habitat [GP Policy, R-RC 25-30]?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3, 8a
iii) Riparian Habitat [GP Policy, R-RC 31-41]?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3, 8a,

SETTING:

The following table summarizes the biological resources setting for the six project sites, including coverage under the Santa Clara Valley Habitat Plan (VHP).

Site Name	Total Parcel Acreage	Valley Habitat Plan Coverage	Valley Habitat Plan Land Cover	Valley Habitat Plan Survey Area*	Solar array footprint (Acres)
Reid-Hillview Airport	39	Urban Development >2 Acres Covered	California Annual Grassland	Burrowing Owl	3.23
Hellyer County Park	20	Urban Development	Golf Courses / Urban Parks	None	6.64
Guadalupe Parkway	9	Urban Development	Golf Courses / Urban Parks	None	6.35
Malech Road	277	Rural Development Covered	California Annual Grassland / Serpentine Bunchgrass Grassland	Serpentine Bunchgrass Grassland	9.20
Holden Ranch	73	Private Development Covered	Grain / Row Crop	None	1.01
San Martin Airport	64	Rural Development Not Covered	California Annual Grassland	None	5.80

*In or near the footprints of the proposed PV arrays

DISCUSSION:

a,b,d-f)

Less Than Significant. The Reid Hillview Airport site is located within the Burrowing Owl Survey and Fee Zone under the VHP. The Malech Road site contains Serpentine Bunchgrass Grassland, and may host rare plants, including the larval host plant for the Bay Checkerspot butterfly. Compliance with the California and Federal Endangered Species Acts would occur through the VHP, which is further discussed below.

Riparian Habitat and Oak Woodlands

The Hellyer County Park and Holden Ranch sites are adjacent to riparian habitat along Coyote Creek. The proposed Holden Ranch PV development footprint is approximately 70 feet from the edge of this corridor. The proposed Hellyer County Park development footprint is located approximately 150 feet from the edge of the riparian corridor. Therefore, the proposed project would not have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or US Fish and Wildlife Service. In addition, the project would be consistent with a riparian setback requirement in Condition #11 of the VHP. This provision requires that in Urban Service Areas, where the riparian vegetation extends more than 100 feet beyond the top of bank of a Category 1 stream (i.e., Coyote Creek), an additional 35-foot buffer shall be maintained beyond the edge of the riparian vegetation. The proposed project also would not have a substantial adverse effect on oak woodland habitat.

Wildlife Movement

The proposed PV arrays at the Malech Road site appear to be located on or adjacent to the mapped landscape linkage #8, as identified in the VHP. Ecological Consultants H.T. Harvey and Associates conducted a wildlife movement and habitat linkage assessment to determine existing wildlife movement patterns in the project vicinity and to assess potential impacts on local and regional wildlife movement associated with construction of a solar array at the proposed project site. The letter report is contained in Appendix B. Figure 10 shows the potential wildlife movement pathways identified by the assessment in relation to the area of the proposed PV arrays. The assessment concluded that wildlife movement in a northwest-southeast direction along Coyote Ridge would not be constrained as a result of the proposed project due to the width of Coyote Ridge. The proposed development would occupy a very small portion of Coyote Ridge, and wildlife would be able to easily navigate around the site as necessary to be able to move in a northwest-southeast direction. Therefore, the proposed project would not have a significant impact on potential wildlife movement pathways on and around the project site or in the project region.

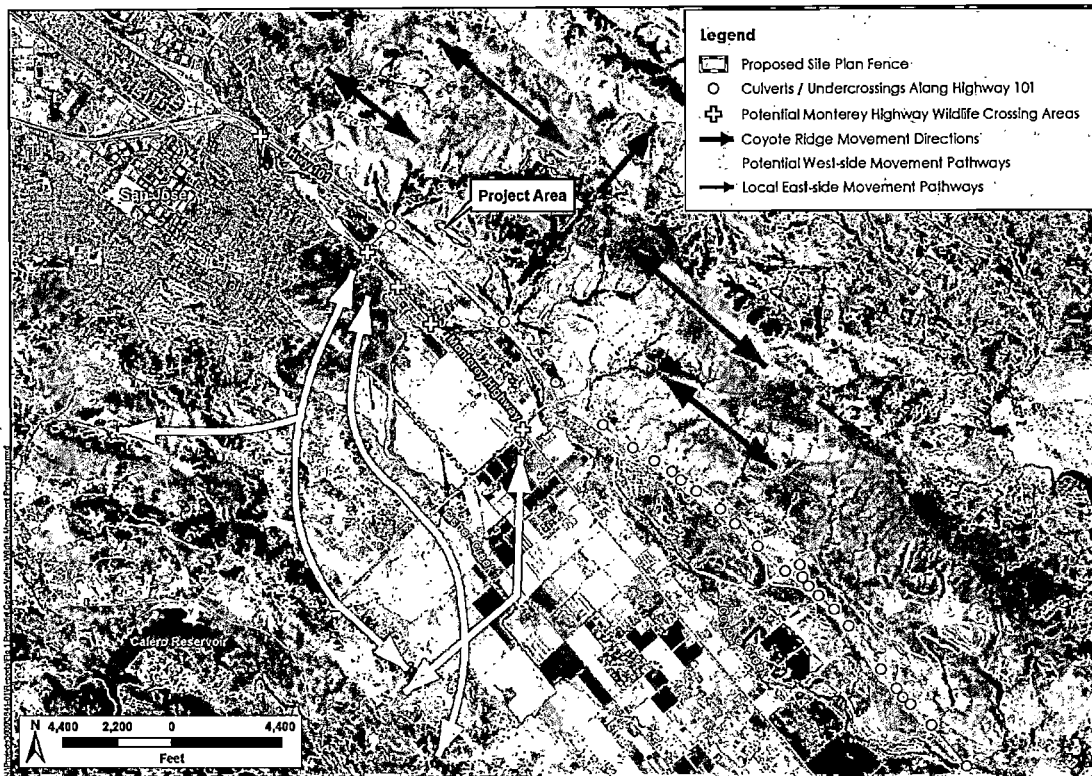


Figure 10 – Potential Wildlife Movement Pathways

Habitat Conservation Plan Consistency

All six of the proposed PV sites are located within the Santa Clara Valley Habitat Plan Permit Area (VHP), and thus are subject to coverage under the Habitat Plan. In 2013, the County adopted an updated Airport Master Plan for Reid Hillview Airport, which included a conceptual design for a PV system in the location proposed for this project. Protocol level Burrowing Owl surveys were conducted of the Airport by HT Harvey for the Master Plan. HT Harvey determined that the area designated for the PV facility contained potential Burrowing Owl foraging habitat but not nesting habitat. Any loss of Burrowing Owl foraging habitat would be addressed through compliance with the VHP.

The area where the proposed Malech Road PV arrays would be installed is mapped as California Annual Grassland land cover. H.T. Harvey and Associates conducted a survey of the site to ground truth / map onsite land covers. Per the letter report (see Appendix C), the site contains a mix of annual grassland and serpentine bunchgrass grassland. Subsequent land cover mapping and rare plant surveys are planned for the site in spring/ summer 2015 to determine how the arrays can be sited to comply with the VHP through either adjusting the locations of the PV arrays or eliminating either or both of the arrays if that is the only way to feasibly avoid impacts per the VHP conditions. Also, as noted above, the proposed arrays at Malech Road would not impede wildlife movement through the area. Therefore, it would be consistent with the VHP goal

of preserving wildlife linkages. Therefore, the proposed project would not conflict with the provisions of an adopted Habitat Conservation Plan.

c)

Less Than Significant with Mitigation Incorporation. As shown on Figure 6 (Malech Road Site Plan), two wetland drainage channels are located between the two locations of the proposed arrays. The H.T. Harvey survey concluded that these features would likely be claimed as jurisdictional by the U.S. Army Corps of Engineers. A road providing access to both of these locations would use free span bridges to cross the two drainage channels without disturbing their beds or banks. A crane would be used to put the bridges in place prior to moving construction vehicles across. However, the impact on federally protected wetlands would remain potentially significant, and mitigation is required to reduce it to a less-than-significant level.

g)

No Impact. Conflict with any local policies or ordinances protecting biological resources

MITIGATION:

The following mitigation measure would reduce the impact on federally protected wetlands to a less-than-significant level:

- *Prior to placement of free-span bridges over the wetland channels at the Malech Road project site, a qualified restoration ecologist shall delineate and mark with flags or vinyl fencing areas to be protected during construction in order to avoid disturbance to channel banks or bed and to minimize the risk of incidental discharges during construction. Structures over these channels shall be carefully placed to minimize disturbance. Erosion control measures shall be taken to prevent erosion at the bridge foundations.*

E. CULTURAL RESOURCES					
WOULD THE PROJECT	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5 of the CEQA Guidelines, or the County's Historic Preservation Ordinance (Section 17 of County Ordinance Code) – i.e. relocation, alterations or demolition of historic resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3, 16, 19, 40, 41

b) Cause a substantial adverse change in the significance of an archaeological resource as defined in §15064.5 of the CEQA Guidelines?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3, 19, 40, 41,
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2,3,4,,40,41
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2, 40,41

SETTING:

The following table summarizes the setting related to the potential for cultural resources for the six project sites.

Site Name	Total Parcel Acreage	Site Conditions	Solar array footprint (Acres)
Reid-Hillview Airport	39	Urban / built-up land – general aviation airport	3.23
Hellyer County Park	20	Urban / built-up land – landfill cap	6.64
Guadalupe Parkway	9	Urban / built-up land – parcels remaining following construction of a freeway	6.35
Malech Road	277	Grazing lands – adjacent to County facilities	9.20
Holden Ranch	73	Grazing lands – adjacent to County facilities	1.01
San Martin Airport	64	Fallow agricultural land – adjacent to general aviation airport	5.80

DISCUSSION:

a)

No Impact. None of the proposed sites contain historic resources.

b-d)

Less Than Significant With Mitigation Incorporation. Construction of the proposed PV arrays would involve installation of piles up to 10 feet below grade to provide anchors for support structures. Shallow grading (1-3 feet below grade) may also take place for site clearing, grubbing, and leveling for the PV arrays, equipment pads, and road improvements. With the exception of the Malech Road site (discussed below), the project sites are located in previously

developed areas that are at low risk for substantial adverse changes to unknown prehistoric resources during project construction.

A Cultural Resources Evaluation² was conducted in 2010 as part of the environmental review of a water system upgrade that involved installation of an underground pipeline and associated improvements extending from Malech Road into the Mariposa Lodge site and ending at the County's firing range. This development is located several hundred feet to the east of the proposed PV array sites. Archival research revealed one recorded site, CA-SCL-272, within the project area and 26 recorded sites within one-half mile of the site of the water system upgrade. The evaluation recommended archaeological monitoring of earthmoving activities for an area in the immediate vicinity of the site of the proposed PV arrays. However, no resources were found during construction. Because there is still a risk that undiscovered cultural resources could be adversely affected during construction of the PV installations at the Malech Road site, the following mitigation measure is incorporated into the proposed project to reduce this impact to a less than significant level.

MITIGATION:

- *Due to the possibility that significant buried cultural resources may be found during construction, the County will ensure that this language is included in all construction contracts in compliance with Section B6-16 of the Santa Clara County Ordinance:*

"If historical or unique archaeological resources are accidentally discovered during construction, work shall be halted at a minimum of 200 feet from the find and the area shall be staked off. The County shall notify the Native American Heritage Commission to arrange for an immediate evaluation of the find by a qualified archaeologist. The qualified archaeologist shall determine whether or not the site is a historical resource as defined in CEQA Guidelines section 15064.5(a). If it is determined that the site is a historical resource, the County shall refer to the provisions of CEQA Guidelines section 15064.5 and the provisions of section 15126.4 of the Public Resources Code to determine the significant environmental effects of the project on this historical resource. If the archaeological site does not meet the criteria defined in CEQA Guidelines section 15064.5(a), but does meet the definition of a unique archaeological resource in Public Resources Code section 21083.2, the preferred project site shall be treated in accordance with the provisions of this section. If it is found that the project will cause damage to a unique archaeological resource, the County shall require that reasonable efforts be made to permit any or all of these resources to be preserved in place or left in an undisturbed state. Some of the measures to be taken in the event of a discovery include: planning future construction to avoid the archaeological site; deeding archaeological sites into permanent conservation easements; capping or covering archaeological site with a layer of soil before building on the sites; and/or planning parks, greenspace or other open space to incorporate the archaeological sites in the site plan."

- *In the event of an accidental discovery or recognition of any human remains during earth moving activities, the following language shall be included in all construction contracts in accordance with CEQA Guidelines section 15064.5(e):*

²Archaeological Resource Management. January 2010. Cultural Resource Evaluation of the Malech Road Water System Upgrade Project in the County of Santa Clara.

“If human remains are found during construction there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the coroner of the County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American the coroner shall contact the Native American Heritage Commission within 24 hours. The Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendent from the deceased Native American. The most likely descendent may then make recommendations to the County for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The County shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the County rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the County.”

F. GEOLOGY AND SOILS					
WOULD THE PROJECT:	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:					
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6, 17c, 43
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6, 17c
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6, 17c, 17n, 18b
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6, 17L, 118b
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6, 14, 23, 24
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2, 3, 17c, 23, 24, 42
d) Be located on expansive soil, as defined in the report, <i>Soils of Santa Clara County</i> , creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	14,23, 24,
e) Have soils incapable of adequately supporting the	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3,6, 23,24,

use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of waste water?					
f) Cause substantial compaction or over-covering of soil either on-site or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3, 6
g) Cause substantial change in topography or unstable soil conditions from excavation, grading, or fill?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2, 3, 6,17], 42

SETTING:

The following table summarizes mapped geologic hazards for the six project sites:

Site Name	Alquist-Priolo or Other Fault Rupture Zone	Landslide Hazard Zone	Liquefaction
Reid-Hillview Airport	No	No	State / County Mapped
Hellyer County Park	No	No	State / County Mapped
Guadalupe Parkway	No	No	State / County Mapped
Malech Road	County only (portion of site)	No	State Mapped
Holden Ranch	County only	No	State / County Mapped
San Martin Airport	County only	No	No

DISCUSSION:

a-c)

Less Than Significant. None of the six sites are located in Alquist-Priolo earthquake fault zones or landslide hazard zones. Four of the six sites are in liquefaction zones as mapped by both the State of California and the County of Santa Clara County. Three of the sites—Malech Road, Holden Ranch and San Martin Airport—are located in County fault rupture zones. However, only a portion of the Malech Road site is mapped as a fault rupture zone, and the proposed locations of the PV arrays would be outside of this zone. In addition, the arrays are not habitable structures, would top out at less than eight feet in height, and would be fenced to prevent entry by unauthorized personnel. Geotechnical investigations will be conducted at all six sites prior to finalization of design to determine if soil remediation is required to ensure that the pier foundations can withstand ground shaking during seismic events.

d-g)

No Impact. The project sites do not contain expansive soils. Moreover, no facilities (septic systems) will be constructed at the sites that will involve discharge of treated wastewater to the ground. Any site grading would be conditioned to prevent compaction or over-covering of soil. The project sites are generally flat, and construction would not involve a significant change in the site topography.

MITIGATION:

None required.

G. GREENHOUSE GAS EMISSIONS					
WOULD THE PROJECT	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b) Conflict with any applicable plan, policy or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

SETTING:

Given the overwhelming scope of global climate change, it is not anticipated that a single development project would have an individually discernible effect on global climate change. It is more appropriate to conclude that the greenhouse gas emissions generated by the proposed project would combine with emissions across the state, nation, and globe to cumulatively contribute to global climate change. The primary GHG associated with development projects is carbon dioxide, which is directly generated by fuel combustion (vehicle trips, use of natural gas for buildings) and indirectly generated by use of electricity.

DISCUSSION:

a-b)

Less Than Significant. The proposed project consists of construction and operation of PV arrays on six sites. BAAQMD has screening thresholds for greenhouse gas (GHG) emissions for various land use types. However these land use types are for residential and commercial projects that generate frequent vehicle trips. The PV arrays are unmanned and typically only require two

visits a year by operations and maintenance staff. Therefore, GHG emissions from project operations would be de minimis. Construction would involve trucking materials to the site and minor grading / excavation to install piers to support the frames holding the PV panels. This construction would last several weeks. Construction emissions are also considered to be less than significant when the development is below the operational screening level size. Therefore, construction and operation of the facility would not result in a cumulatively considerable net increase in GHG emissions.

MITIGATION:

None required.

G. HAZARDS & HAZARDOUS MATERIALS					
WOULD THE PROJECT	IMPACT				SOURCE
	YES			NO	
	<u>Potentially Significant Impact</u>	<u>Less Than Significant With Mitigation Incorporated</u>	<u>Less Than Significant Impact</u>	<u>No Impact</u>	
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 4, 5
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2, 3, 5
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within 1/4 mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	46
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	47
e) For a project located within an airport land use plan referral area or, where such a plan has not been adopted, within two miles of a public airport or public use airport, or in the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3, 22a
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	5, 48
g) Expose people or structures to a significant risk of loss, injury or death involving wildland fires including where wildlands are adjacent to urbanized areas or where residences are	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4, 17g

intermixed with wildlands?				<input checked="" type="checkbox"/>	1, 3, 5, 31
h) Provide breeding grounds for vectors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3
i) Proposed site plan result in a safety hazard (i.e., parking layout, access, closed community, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3

SETTING:

Two of the six sites are located at County airports—Reid-Hillview Airport and San Martin Airport, respectively. One site, Malech Road, is located in a Wildland Urban Interface zone. The Hellyer County Park site is located on a discontinued landfill.

DISCUSSION:

a-i)

No Impact. The proposed PV arrays would not involve transport of hazardous materials or emit hazardous emissions or be located on hazardous materials sites. Two of the sites are located at public use airport; however, the safety of persons working at or using the airport would not be affected. None of the proposed sites are located on a hazardous materials site. However, the Hellyer County Park site is located on a former landfill that has been capped. To avoid penetration of the cap, the arrays would be supported by concrete ballast foundations on 3- to 4-inch gravel bases rather than piles driven into the ground. The concrete supports would be closely spaced to reduce pressure on the ground. To reduce ground pressure during construction, lighter-weight, wheeled vehicles (rather than tracked) would be used. The Malech Road site is located or within a wildland urban interface (WUI), but the site design is consistent with requirements for defensible space to reduce the hazard of wildland fires. The project would not include standing water or other conditions that could provide a breeding ground for vectors. The project sites are in isolated areas and would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.

MITIGATION:

None required.

H. HYDROLOGY AND WATER QUALITY					
WOULD THE PROJECT:	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	34, 36
b) Substantially deplete groundwater supplies or interfere substantially with groundwater	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3, 4

	recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted?			<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3, 17n,
d)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site? (Note policy regarding flood retention in watercourse and restoration of riparian vegetation for West Branch of the Llagas.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3, 17p
e)	Create or contribute increased impervious surfaces and associated runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5, 36, 21a
f)	Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5
g)	Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3, 17p, 18b, 18d
h)	Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3, 18b, 18d
i)	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2, 3, 4, 17p
j)	Be located in an area of special water quality concern (e.g., Los Gatos or Guadalupe Watershed)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	4, 6a,
k)	Be located in an area known to have high levels of nitrates in well water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	4, 20b, 20c
l)	Result in a septic field being constructed on soil where a high water table extends close to the natural land surface?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3
m)	Result in a septic field being located within 50 feet of a drainage swale; 100 feet of any well, water course or water body or 200 feet of a reservoir at capacity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 17e
n)	Conflict with Water Collaborative Guidelines and Standards for Land Uses Near Streams?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	22d, 22e

SETTING:

The Hellyer County Park and Holden Ranch sites are in the vicinity of Coyote Creek. Portions of

these sites have been mapped as 100-year floodplain, which have a 1% chance of flooding in any given year.

DISCUSSION:

a,c-f)

Less Than Significant. The proposed project would involve installation of piers up to 10 feet into the ground. For five of the six sites, this ground penetration would not have the potential to degrade groundwater. However, the Hellyer County Park site is located on a former landfill that has been capped. To avoid penetration of the cap, which could potentially release potential contaminants into the soil below the landfill, the arrays would be supported by concrete ballast foundations on 3- to 4-inch gravel bases rather than pile-driven supports. The concrete supports would be closely spaced to reduce pressure on the ground. To reduce ground pressure during construction, lighter-weight, wheeled vehicles (rather than tracked) would be used.

The Malech Road site contains two drainage channels located in the area between the two proposed array sites. A base rock road would cross through this area to provide access for construction and operations and maintenance. However, the drainage channels would be completely spanned by bridges; therefore, the course and velocity of drainage through these channels would be unaffected.

Each of the proposed PV installations would add less than 1 acre of impervious surface over pre-project conditions. The arrays would be supported on piers driven into the ground, and access roads would be composed of base rock. The only impervious surfaces would be concrete slabs for supporting electrical equipment. Because of minimal amount of ground coverage, stormwater would be retained on site without hydromodification controls, and the project would be in compliance with the current regional stormwater NPDES permit. Drainage patterns would not be substantially altered, and as noted above, stormwater would be retained on site. A stormwater pollution prevention plan would be prepared for each project site. Construction BMPs, such as use of straw wattles and grass seeding, would be employed to prevent erosion during construction.

For the reasons described above, the proposed project would not violate any water quality standards or waste discharge requirements, substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site, create or contribute increased impervious surfaces and associated runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff, or otherwise substantially degrade groundwater.

b,g-n)

No Impact. Water and wastewater treatment are not required to support the PV arrays. Therefore, on-site wells and septic systems are not project components; therefore, site development would not be affected by high groundwater, nor would it contribute nitrates to the

groundwater. The project sites do not provide significant groundwater recharge. However, the only impervious surfaces would be small equipment pads. Access roads would be constructed of pervious base rock.

The Hellyer County Park and Holden Ranch project sites are adjacent to Coyote Creek and areas mapped as Zone AE, which are subject to inundation by the 1-percent-annual-chance flood event determined by detailed methods. The proposed project would be constructed outside of these mapped areas, and therefore would not place structures place within a 100-year flood hazard area.

The proposed construction footprints are more than 300 feet from the top of bank of Coyote Creek; therefore the project would not conflict with the County’s Riparian Setback policies (R-RC 37 and 38), which are consistent with the Water Collaborative Guidelines.

MITIGATION:

None required.

I. LAND USE		IMPACT				SOURCE
		YES			NO	
WOULD THE PROJECT:		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a)	Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2, 4
b)	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	8a, 9, 18a
c)	Conflict with special policies:					
i)	San Martin &/or South County?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 8a, 20
ii)	Los Gatos Specific Plan or Lexington Watershed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 8a, 22b, 22c
iii)	Guadalupe Watershed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 8a
iv)	Stanford?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	8a, 21
v)	City of Morgan Hill Urban Growth Boundary Area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	8a, 17a
vi)	West Valley Hillside Preservation Area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 8a
vii)	Water Collaborative (Guidelines and Standards for Land Use Near Streams)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	22d, 22e

SETTING:

The project sites are owned by the County of Santa Clara and operated as a juvenile detention facility. The following table shows locations and land use designations.

Site Name	Location	Assessor Parcel Numbers	Total Parcel Acreage	GP / Zoning
Reid-Hillview Airport	Cunningham Ave, San Jose, 95148 (incorporated)	491-13-001	39	Public-Quasi Public / Industrial Park
Hellyer County Park	Sylvandale Av, San Jose, 95111 (incorporated)	494-66-004 494-66-003	20	Open Space, Parklands, and Habitat / Open Space
Guadalupe Parkway	San Jose, 95136 (incorporated)	459-28-005 459-28-004	9	Residential Neighborhood / Agricultural, R-1
Malech Road	9501 Malech Road, San Jose, 95138 (unincorporated)	729-57-002	277	Open Hillside / Open Space
Holden Ranch	19050 Malaguerra Av, Morgan Hill, 95037 (incorporated)	728-35-001	73	Open Space / Open Space
San Martin Airport	555 Church Ave, San Martin, 95046 (unincorporated)	825-11-022	64	Transportation / A-20Ac-sr

DISCUSSION:

a-c)

No Impact. Development of the PV arrays would not divide any established communities. Four of the proposed sites are located within city limits. However, as a public agency, the County is not subject to the land use regulations of these jurisdictions. Special policies c), i-vi) are not applicable to the location of the proposed project. Construction would occur outside of the stream protection zone of the Water Collaborative Guidelines and Standards for Land Use Near Streams, and therefore would not conflict with this policy.

MITIGATION:

None required.

J. NOISE				
WOULD THE PROJECT:	IMPACTS			SOURCE
	YES		NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in exposure of persons to or generation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			<input checked="" type="checkbox"/>	<input type="checkbox"/>	45
b)	Result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	13, 45
c)	Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 2, 5, 45
d)	Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 2, 5, 45
e)	For a project located within an airport land use plan referral area or, where such a plan has not been adopted, within two miles of a public airport or public use airport, or private airstrip would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 5, 22a

SETTING:

The following table summarizes site conditions related to exposure from construction noise.

Site Name	Location	Sensitive Receptors – Distance from Construction	Natural or Man-Made Sound Barriers
Reid-Hillview Airport	Cunningham Ave, San Jose, (incorporated)	Residential – 60 feet	None
Hellyer County Park	Sylvandale Av, San Jose, (incorporated)	Residential – 120 feet	None
Guadalupe Parkway	San Jose, (incorporated)	Residential – 60 feet	Freeway soundwall
Malech Road	9501 Malech Road, San Jose, (uninc.)	Substance Abuse Treatment Center – 200 feet	None
Holden Ranch	19050 Malaguerra Av, Morgan Hill, 95037 (incorporated)	Residential – 700 feet	None
San Martin Airport	555 Church Ave, San Martin, 95046 (unincorporated)	Rural residential – 600 feet	None

DISCUSSION:

a)

Potentially Significant.

Construction of the arrays would generate noise and would temporarily increase noise levels in adjacent areas. The construction periods would range from approximately 10 weeks at Reid-Hill,

Holden Ranch, and San Martin Airport to 16 weeks at Guadalupe Parkway, Hellyer County Park, and Malech Road. However, actual construction noise would be intermittent as the various pieces of construction would operate only when performing a task, such as grading, trenching, delivering materials, and installing the components of the PV arrays and associated equipment. The County noise ordinance restricts construction-related noise near single-family residential areas to 60 dBA for mobile equipment operated Monday through Saturday from 7:00 AM to 7:00 PM.

The nearest residences could potentially be exposed to noise levels above the standard of 60 dBA for mobile equipment. In addition, they would experience an increase of ambient noise levels of more than five dBA Leq. There would be variations in construction noise levels on a day-to-day basis depending on the actual activities occurring at the site and the location of activities within the site. Mitigation would reduce this potentially significant impact to a less-than-significant level.

b-d)

Less Than Significant. Noise from operation of the proposed PV arrays would be negligible. Therefore, the project would not result in a substantial permanent increase in ambient noise levels in the vicinity of the six project sites above existing levels.

Construction of the proposed project would involve driving of piers into the ground. However, because vibratory pile driving equipment would be used, the installation would not generate excessive groundborne vibrations or groundborne noise levels. Two of the project sites are located within an airport land use plan referral area. However, the arrays would be unmanned and would not expose people residing or working in the project area to excessive noise levels.

MITIGATION:

Implementation of the following mitigation measures would reduce temporary construction impacts to a less-than-significant level:

- *Construction shall be limited to the hours of 7 AM to 8 PM Monday through Friday and 9 AM to 6 PM on Saturdays. This includes all construction activities associated with the project, including grading, excavation, stripping, pavement, foundation, and installing new structures and improvements etc., on-site.*
- *Contractors shall use "new technology" power equipment with state of the art noise shielding and muffling devices. All internal combustion engine driven equipment shall be equipped with intake and exhaust mufflers which are in good working condition and appropriate for the equipment.*
- *Stationary noise generating equipment shall be located as far as possible from sensitive receptors, such as single family residences.*
- *Unnecessary idling of internal combustion engines shall be prohibited.*

K. POPULATION AND HOUSING		
	IMPACT	SOURCE

WOULD THE PROJECT:	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Induce substantial growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 4
b) Displace substantial numbers of existing housing or people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 2, 3, 4

SETTING:

The proposed PV arrays would be located at six sites within incorporated and unincorporated Santa Clara County.

DISCUSSION:

a-b)

No Impact. The proposed project would not involve development or displacement of housing. Construction of the proposed PV arrays would not induce growth as they would either provide electricity to existing County facilities (Holden Ranch), or feed power into PG&E's electricity grid, providing the County with discounts.

MITIGATION:

None required.

L. PUBLIC SERVICES					
WOULD THE PROJECT:	IMPACT				
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response					

times or other performance objectives for any of the public services:					
i) Fire Protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5
ii) Police Protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5
iii) School facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5
iv) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5, 17h
v) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5

SETTING:

The proposed PV arrays would be located at six sites within incorporated and unincorporated Santa Clara County.

DISCUSSION:

a,i-v)

Less Than Significant. Depending upon the location, law enforcement and fire services are already being provided to the project sites by the County of Santa Clara, the City of San Jose, and Morgan Hill. The proposed PV arrays would not require expansion of facilities that support these services. The proposed project would not require other public services, such as schools or parks.

MITIGATION:

None required.

M. RESOURCES AND RECREATION					
WOULD THE PROJECT:	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Result in the loss of availability of a known mineral resource that would be of future value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 2, 3, 6, 44
b) Result in the loss of availability of a locally-important mineral resource recovery site as delineated on a local general plan, specific plan, or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 2, 3, 6,8a
c) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 2, 4, 5, 17h
d) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 4, 5

e) Be on, within or near a public or private park, wildlife reserve, or trail or affect existing or future recreational opportunities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	17h, 21a
f) Result in loss of open space rated as high priority for acquisition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	27

SETTING:

The proposed PV arrays would be located at six sites within incorporated and unincorporated Santa Clara County. Two of the sites— Hellyer County Park and Malech Road are adjacent to or in the vicinity of recreational facilities. The Hellyer County Park site is surrounded by parkland to the north and east, including a trail along Coyote Creek and the Velodrome. The Malech Road parcel contains the County’s Motorcycle Park, an off-road vehicle park. Coyote Creek Trail is located north of the parcel.

DISCUSSION:

a)

No Impact. Construction would not affect known mineral resources.

b-f)

Less Than Significant Impact. The proposed project is construction and operation of PV arrays; therefore, it would not increase the use of neighborhood or regional parks or require the expansion of existing recreational facilities.

Two of the proposed project sites— Hellyer County Park and Malech Road and are adjacent to or in the vicinity of recreational facilities. The Malech Road site is within 1,500 feet of Motorcycle Park, an off-road vehicle park and more than 3,000 feet from the Coyote Creek Trail. The proposed PV arrays would not be visible from these facilities and would not affect their usage.

The PV development sites are on property already owned by the County. The development site at Hellyer County Park is a former landfill that is fenced off, covered in ruderal grassland, and is not considered high quality open space. At 7 acres, this site also represents only about x percent of all of the land at Hellyer County Park. The PV arrays at the Malech Road sites, which would be enclosed by chain-link fencing, would represent approximately 3 percent of the total acreage of the parcel. No trails are located in the vicinity of the Malech Road PV array sites. Neither of these developments would be considered a significant loss of recreational open space.

MITIGATION:

None required.

N. TRANSPORTATION / TRAFFIC

WOULD THE PROJECT:	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 4, 5, 6, 7, 49, 52
b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the County congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6, 49, 50, 52
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5, 6, 7, 52
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3, 5, 6, 7, 52
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5, 48, 52
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8a, 21a
g) Not provide safe access, obstruct access to nearby uses or fail to provide for future street right of way?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3, 6, 7, 52

SETTING:

The proposed PV arrays would be located at six sites within incorporated and unincorporated Santa Clara County.

DISCUSSION:

a-g)

Less Than Significant Impact. The PV arrays would be unmanned and require only two visits per year by maintenance staff. Construction would be staged to avoid peak hours on local roadways. Therefore, construction and operation of the proposed project would not conflict with a circulation plan or other transportation-related plan. The array sites would take advantage of

existing access routes for construction and ongoing maintenance visits and therefore would not include design features that would create traffic-related hazards. These access routes would also be available for emergency access to the sites. The proposed project would not involve or otherwise affect air traffic. The PV arrays proposed for Reid-Hillview and San Martin Airports would be located in areas that would comply with FAA Part 77 height restrictions and the Comprehensive Land Use Plans for these airports.

MITIGATION:

None required.

O. UTILITIES AND SERVICE SYSTEMS					
WOULD THE PROJECT:	IMPACT				SOURCE
	YES			NO	
	<u>Potentially Significant Impact</u>	<u>Less Than Significant With Mitigation Incorporated</u>	<u>Less Than Significant Impact</u>	<u>No Impact</u>	
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5,
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5, 21a, 38
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5
d) Require new or expanded entitlements in order to have sufficient water supplies available to serve the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5, 21,
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5
f) Not be able to be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 5
g) Be in non-compliance with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5, 6

SETTING:

The proposed PV arrays would be located at six sites within incorporated and unincorporated Santa Clara County.

DISCUSSION:

a-g)

Less Than Significant. The proposed PV arrays would not require utilities except for interconnection to PG&E's electricity grid, which is part of the proposed project. As a condition of project approval, all stormwater run-off that would result from additional impermeable surfaces (e.g., array footings, equipment pads) would be retained on site through bioswales or other low-impact development methods (see Hydrology/Water Quality). The existing dormitory is proposed to be demolished. Construction will not result in waste materials that would need to be trucked to landfills.

MITIGATION:

None required.

P. MANDATORY FINDING OF SIGNIFICANCE					
WOULD THE PROJECT:	IMPACT				SOURCE
	YES			NO	
	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1 to 52
b) Does the project have impacts that are individually limited, but cumulatively considerable ("Cumulatively considerable" means that the incremental effects of an individual project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1 to 52

c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1 to 52
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DISCUSSION:

a) **Less Than Significant Impact.** As discussed in the Biological Resources section, the proposed project would not have the potential to substantially reduce the habitat of any fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number of, or restrict the range of, a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory.

b) **Less Than Significant Impact.** All impacts evaluated in this Initial Study were found to be less than significant, or could be reduced to less than significant with incorporation of mitigation (Biological Resources, Cultural Resources, Noise). When added to past, current, or probable future projects identified in the project vicinity that, the incremental effects of these project-related impacts would not result in cumulatively considerable impacts.

c) **Less Than Significant Impact.** As described in the environmental topic sections of this Initial Study where impacts were found to be less than significant, the proposed project would not have environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly.

Initial Study Source List*

1. Environmental Information Form
2. Field Inspection
3. Project Plans
4. Working knowledge of site and conditions
5. Experience With Other Projects of This Size and Nature
6. County Expert Sources: Geologist, Fire Marshal, Roads & Airports, Environmental Health, Land Development Engineering, Parks & Recreation, Zoning Administration, Comprehensive Planning, Architectural & Site Approval Committee Secretary
7. Agency Sources: Santa Clara Valley Water District, Santa Clara Valley Transportation Authority, Midpeninsula OpenSpace Regional District, U.S. Fish & Wildlife Service, CA Dept. of Fish & Game, Caltrans, U.S. Army Corps of Engineers, Regional Water Quality Control Board, Public Works Depts. of individual cities, Planning Depts. of individual cities,
- 8a. Santa Clara County (SCC) General Plan
- 8b. The South County Joint Area Plan
9. SCC Zoning Regulations (Ordinance)
10. County Grading Ordinance
11. SCC Guidelines for Architecture and Site Approval
12. SCC Development Guidelines for Design Review
13. County Standards and Policies Manual (Vol. I - Land Development)
14. Table 18-1-B of the Uniform Building Code (expansive soil regulations) [1994 version]
15. Land Use Database
16. Santa Clara County Heritage Resource (including Trees) Inventory [computer database]
17. GIS Database
 - a. SCC General Plan Land Use, and Zoning
 - b. USFWS Critical Habitat & Riparian Habitat
 - c. Geologic Hazards
 - d. Archaeological Resources
 - e. Water Resources
 - f. Viewshed and Scenic Roads
 - g. Fire Hazard
 - h. Parks, Public Open Space, and Trails
 - i. Heritage Resources - Trees
 - j. Topography, Contours, Average Slope
 - k. Soils
 - l. HCP Data (habitat models, land use coverage etc)
 - m. Air photos
 - n. USGS Topographic
 - o. Dept. of Fish & Game, Natural Diversity Data
 - p. FEMA Flood Zones
 - q. Williamsosn Act
 - r. Farmland monitoring program
 - s. Traffic Analysis Zones
18. Base Map Overlays & Textual Reports (GIS)
 - a. Paper Maps
 - a. SCC Zoning
 - b. Barclay's Santa Clara County Locaide Street Atlas
 - c. Color Air Photos (MPSI)
 - d. Santa Clara Valley Water District - Maps of Flood Control Facilities & Limits of 1% Flooding

- e. Soils Overlay Air Photos
- f. "Future Width Line" map set
19. CEQA Guidelines [Current Edition]

Area Specific: San Martin, Stanford, and Other Areas

San Martin

- 20a. San Martin Integrated Design Guidelines
- 20b. San Martin Water Quality Study
- 20c. Memorandum of Understanding (MOU) between Santa Clara County & Santa Clara Valley Water District

Stanford

- 21a. Stanford University General Use Permit (GUP), Community Plan (CP), Mitigation and Monitoring Reporting Program (MMRP) and Environmental Impact Report (EIR)
- 21b. Stanford Protocol and Land Use Policy Agreement

Other Areas

- 22a. South County Airport Comprehensive Land Use Plan and Palo Alto Airport comprehensive Land Use Plan [November 19, 2008]
 - 22b. Los Gatos Hillside Specific Area Plan
 - 22c. County Lexington Basin Ordinance Relating to Sewage Disposal
 - 22d. User Manual Guidelines & Standards for Land Uses Near Streams: A Manual of Tools, Standards and Procedures to Protect Streams and Streamside Resources in Santa Clara County by the Santa Clara Valley Water Resources Protection Collaborative, August 2005 – Revised July 2006.
 - 22e. Guidelines and Standards for Land Use Near Streams: Streamside Review Area – Summary prepared by Santa Clara County Planning Office, September 2007.
 - 22f. Monterey Highway Use Permit Area
- Soils
23. USDA, SCS, "Soils of Santa Clara County"
 24. USDA, SCS, "Soil Survey of Eastern Santa Clara County"

Agricultural Resources/Open Space

25. Right to Farm Ordinance
26. State Dept. of Conservation, "CA Agricultural Land Evaluation and Site Assessment Model"
27. Open Space Preservation, Report of the Preservation 2020 Task Force, April 1987 [Chapter IV]
28. Williamson Act Ordinance and Guidelines (current version)

Air Quality

29. BAAQMD Clean Air Plan, and BAAQMD CEQA Air Quality Guidelines (2011)
30. BAAQMD Annual Summary of Contaminant Excesses & BAAQMD, "Air Quality & Urban Development - Guidelines for Assessing Impacts of Projects & Plans" [current version]

Biological Resources/ Water Quality & Hydrological Resources/ Utilities & Service Systems"

31. Site-Specific Biological Report

Initial Study Source List*

32. Santa Clara County Tree Preservation Ordinance Section C16, Santa Clara County Guide to Evaluating Oak Woodlands Impacts, Santa Clara County Guidelines for Tree Protection and Preservation for Land Use Applications

33. Clean Water Act, Section 404

34. Riparian Inventory of Santa Clara County, Greenbelt Coalition, November 1988

35. CA Regional Water Quality Control Board, Water Quality Control Plan, San Francisco Bay Region [1995]

36. Santa Clara Valley Water District, Private Well Water Testing Program [12-98]

37. SCC Nonpoint Source Pollution Control Program, Urban Runoff Management Plan [1997]

38. County Environmental Health / Septic Tank Sewage Disposal System - Bulletin "A"

39. County Environmental Health Department Tests and Reports

Archaeological Resources

40. Northwest Information Center, Sonoma State University

41. Site Specific Archaeological Reconnaissance Report

Geological Resources

42. Site Specific Geologic Report

43. State Department of Mines and Geology, Special Report #42

44. State Department of Mines and Geology, Special Report #146

Noise

45. County Noise Ordinance

Hazards & Hazardous Materials

46. Section 21151.4 of California Public Resources Code

47. State Department of Toxic Substances, Hazardous Waste and Substances Sites List

48. County Office of Emergency Services Emergency Response Plan [1994 version]

Transportation/Traffic

49. Transportation Research Board, "Highway Capacity Manual", Special Report 209, 1995.

50. SCC Congestion Management Agency, "Monitoring and Conformance report" (Current Edition)

51. Official County Road Book

52. Site-specific Traffic Impact Analysis Report

*Items listed in bold are the most important sources and should be referred to during the first review of the project, when they are available. The planner should refer to the other sources for a particular environmental factor if the former indicate a potential environmental impact.

Appendix A

Dust Control Construction Measures



Table 8-1
Basic Construction Mitigation Measures

1. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
2. All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
3. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
4. All vehicle speeds on unpaved roads shall be limited to 15 mph.
5. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
6. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
7. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified visible emissions evaluator.
8. Post a publicly visible sign with the telephone number and person to contact at the lead agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance with applicable regulations.



**Table 8-2
Additional Construction Mitigation Measures**

1. All exposed surfaces shall be watered at a frequency adequate to maintain minimum soil moisture of 12 percent. Moisture content can be verified by lab samples or moisture probe.
2. All excavation, grading, and/or demolition activities shall be suspended when average wind speeds exceed 20 mph.
3. Wind breaks (e.g., trees, fences) shall be installed on the windward side(s) of actively disturbed areas of construction. Wind breaks should have at maximum 50 percent air porosity.
4. Vegetative ground cover (e.g., fast-germinating native grass seed) shall be planted in disturbed areas as soon as possible and watered appropriately until vegetation is established.
5. The simultaneous occurrence of excavation, grading, and ground-disturbing construction activities on the same area at any one time shall be limited. Activities shall be phased to reduce the amount of disturbed surfaces at any one time.
6. All trucks and equipment, including their tires, shall be washed off prior to leaving the site.
7. Site accesses to a distance of 100 feet from the paved road shall be treated with a 6 to 12 inch compacted layer of wood chips, mulch, or gravel.
8. Sandbags or other erosion control measures shall be installed to prevent silt runoff to public roadways from sites with a slope greater than one percent.
9. Minimizing the idling time of diesel powered construction equipment to two minutes.
10. The project shall develop a plan demonstrating that the off-road equipment (more than 50 horsepower) to be used in the construction project (i.e., owned, leased, and subcontractor vehicles) would achieve a project wide fleet-average 20 percent NO_x reduction and 45 percent PM reduction compared to the most recent ARB fleet average. Acceptable options for reducing emissions include the use of late model engines, low-emission diesel products, alternative fuels, engine retrofit technology, after-treatment products, add-on devices such as particulate filters, and/or other options as such become available.
11. Use low VOC (i.e., ROG) coatings beyond the local requirements (i.e., Regulation 8, Rule 3: Architectural Coatings).
12. Requiring that all construction equipment, diesel trucks, and generators be equipped with Best Available Control Technology for emission reductions of NO_x and PM.
13. Requiring all contractors use equipment that meets CARB's most recent certification standard for off-road heavy duty diesel engines.

Appendix B

H.T. Harvey Wildlife Linkage Assessment



11 February 2015

Beberly Velasquez
SunPower Corporation
1414 Harbour Way South
Richmond, CA 94804

Re: Malech Road Solar Array Project - Wildlife Movement and Habitat Linkage Assessment (HTH #3641-01)

Dear Ms. Velasquez:

This letter describes the results of the wildlife movement and habitat linkage assessment conducted by H. T. Harvey & Associates for SunPower Corporation's proposed solar array project located near Malech Road in Santa Clara County, California. The purpose of the assessment is to determine existing wildlife movement patterns in the project vicinity and to assess potential impacts on local and regional wildlife movement associated with construction of a solar array at the proposed project site. This letter is provided to support project planning and environmental review.

Methods

H. T. Harvey & Associates senior wildlife ecologists conducted a review of existing information on regional wildlife movement patterns and a field verification of local habitat conditions to assess the status and function of potential wildlife movement pathways. I reviewed pertinent information from other projects in the Coyote Valley area (including our assessment of wildlife movement issues pertaining to the Envision San Jose 2040 General Plan [HTH 2009]) and the Santa Clara Valley Habitat Plan (VHP) (ICF International 2012; Santa Clara Valley Habitat Agency 2012). Senior wildlife ecologist Patrick Stone, B.S. conducted a field survey of the project site and the surrounding area on 26 January 2014 to observe the local topography, connectivity of natural communities and open spaces, and potential barriers to wildlife movement around the project site. In performing this assessment, I also drew on my previous work assessing wildlife movement issues in the North Coyote Valley area for the Envision San Jose 2040 General Plan and its Environmental Impact Report (EIR), and for an EIR for the Gavilan College Coyote Valley campus, as well as two decades of wildlife-related work in and around Coyote Valley.

Results and Discussion

Wildlife movement issues pertaining to the project are best characterized as being either local or regional/landscape issues. These two issues are discussed separately below.

Local wildlife movement. Local wildlife movement pertains to movement of individuals within a population. Regular movements by animals within their home ranges, or movement by amphibians between breeding and nonbreeding areas, would be considered local movements. The project site consists almost entirely of grassland, and it is located within a much larger expanse of grassland on the western slope of Coyote Ridge. Large and medium-sized mammals such as the bobcat (*Lynx rufus*), American badger (*Taxidea taxus*), coyote (*Canis latrans*), striped skunk (*Mephitis mephitis*), grey fox (*Urocyon cinereoargenteus*), mule deer (*Odocoileus hemionus*), and raccoon (*Procyon lotor*) are expected to forage in and traverse over the grassland in the project site at times. When the project is constructed, barbed wire fencing will be used to surround the site, but all of these animals are likely to be able to move over or through the fencing if they desire.

The grassland on the site provides no features such as large rock outcrops or dense vegetation that furnish cover, shelter, or denning sites for such animals, nor any particular attraction as a high-quality site for species that dig their dens, such as coyotes, foxes, or badgers. As a result, the site provides no resources for these large and medium-sized mammals that are not also abundant in the surrounding grasslands. During their local movements, animals will simply move around or through the fencing that surrounds the project, and continue their activities. As shown on Figure 1, grassland and other natural habitats extend for more than 1100 feet to the southwest (between the site and Highway 101), and for much greater distances in all other directions. As a result, for animals that are not able or willing to move through the site, the ability to easily traverse around the project site will preclude any substantial impacts to local movement.

Similarly, the site provides no resources for small mammals, reptiles, amphibians, or invertebrates that are not also provided by surrounding habitats. These smaller animals will be easily able to move under the barbed wire fencing that surrounds the project site, and thus the project will not preclude their local movements. Existing refugia within the project site, such as small mammal burrows, will continue to be present after construction given the very limited nature of ground disturbance associated with the project. As a result, small animals that rely on burrows as temporary refugia when moving across open grasslands such as those at the project site will be able to continue to find refugia.

The project will avoid impacts to the wetland/drainage on the east side of the proposed project footprint. As a result, any animals that may move preferentially along this drainage (e.g., amphibians associated with moist conditions or animals that use vegetation within the drainage for cover) will be able to continue such movements unhindered.

In summary, the project will not have a substantial adverse effect on local movements of wildlife due to the ability of animals to continue to move through, and/or move around, the project area after construction.

Regional/landscape-scale wildlife movement. Regional or landscape-scale wildlife movement includes the movement of individuals between populations. In the vicinity of the project site, there are two primary areas of wildlife movement/habitat linkage that are important, and that we considered: linkage between the Santa Cruz

Mountains to the west and the Diablo Range to the east, and linkage between Diablo Range populations (ICF 2012).

Wildlife populations in the Santa Cruz Mountains are largely separated from those in the Diablo Range by San Francisco Bay, urban development in the greater San Jose, Morgan Hill, and Gilroy areas, and agricultural land uses in Coyote Valley (between Morgan Hill and San Jose), the San Martin area (between Gilroy and Morgan Hill), and south of Gilroy. Each of these mountain ranges provides extensive natural habitat that supports populations of a number of wildlife species. Exchange of individuals and genes between populations in the two ranges is important for the long-term persistence of wildlife populations and the potential for adaptation to changing environmental conditions, such as climate change.

Due to the constraints imposed by San Francisco Bay and dense urban development, wildlife movement between these two mountain ranges must rely on the use of less developed areas. Well to the south of the project site, wildlife movement can occur along the Pajaro River valley, where there is little urban development. However, that linkage is quite long (i.e., animals would have to travel 5-6 miles between the foothills of these two mountain ranges). Shorter pathways of potential wildlife movement (3-4 miles) exist in the San Martin area. However, the shortest pathways occur in the northern Coyote Valley area. Because wildlife movement is expected to occur most frequently and successfully (e.g., without risk of predation or diversion to other areas) where movement pathways are shortest, the northern Coyote Valley area represents the best location for wildlife movement between these two mountain ranges, in the absence of other factors such as dispersal impediments (discussed below). In particular, the project site is located near a constriction where there is a separation of less than 0.5 mile between the two mountain ranges.

As a result, the northern Coyote Valley and Santa Teresa Hills-Tulare Hill area is predicted to be an important linkage and movement pathway for wildlife between the Santa Cruz Mountains to the west and Diablo Range to the east. The VHP identifies a primary terrestrial linkage (Santa Theresa Hills to Metcalf Road #8) associated with this east-west wildlife movement pathway that runs in the vicinity of the project site. Species that are expected to move through Coyote Valley between the two mountain ranges include mountain lion (*Puma concolor*), bobcat, American badger, coyote, striped skunk, grey fox, mule deer, raccoon, and others.

The greatest impediment to wildlife movement between the Santa Cruz Mountain Range and the Diablo Mountain Range in the Coyote Valley area consists of roadways, in particular, Highway 101 and Monterey Highway as illustrated on Figure 1. It is widely held that roads impede wildlife movement, although the effects of roads on such movement vary considerably depending on road design and on the species in question. Highway 101 represents a substantial impediment to wildlife because of its high vehicle speeds, high traffic volumes, and width. Highway 101 is an eight-lane roadway with a tall, continuous median barrier. Monterey Highway is also a substantial impediment to wildlife movement. Although Monterey Highway is narrower than Highway 101, with only four lanes and slightly lower vehicle speed, it has a median barrier more than four feet tall that is continuous for long distances with very limited openings (Figure 1). Owing to the impediments that these two roadways impose on wildlife crossings, road-killed animals are frequently seen along these roads (pers. obs.). These roadways are the primary factor limiting wildlife movement across the northern Coyote Valley area.

However, there are locations where wildlife can cross these two roadways; these locations are shown on Figure 1. Along Highway 101, these include bridges over Coyote Creek near Highway 85 and just north of Morgan Hill, and over Coyote Creek Golf Drive (where animals of all sizes can easily move under the highway bridges); bridges over the highway at Metcalf Road and Bailey Avenue; a golf cart undercrossing northwest of Coyote Creek Golf Drive; and numerous drainage culverts (Figure 1). The undercrossings are of various sizes, and the largest animals (such as deer) are not expected to use most culverts. In addition, animals may be reluctant to move freely across the overpasses at Metcalf Road and Bailey Avenue due to existing traffic. However, studies by DeAnza College researchers have documented a number of wildlife species moving through these undercrossings (Phillips et al. 2012). Similarly, the Fisher Creek undercrossing of Monterey Highway, as well as gaps in the median barriers at several intersections, allow wildlife to cross Monterey Highway (Figure 1). Therefore, while these roadways limit wildlife movement and cause roadway mortality, wildlife can move across them.

Thus, for the sake of assessing project impacts to wildlife movement across Coyote Valley, we focused on whether the project would adversely affect wildlife movement to or from the crossings of Highway 101 and Monterey Highway. Figure 1 depicts conceptual pathways by which wildlife may move through Coyote Valley on both sides of the Monterey Highway/Highway 101 impediments (note that this figure focuses on the northern portion of Coyote Valley, near the project site; wildlife may also cross the valley farther south). On the west side of the valley, the yellow arrows on Figure 1 show how wildlife may move between the foothills of the Santa Cruz Mountains and crossings of Monterey Highway. On the east side of the valley, the large, orange, northeast-southwest trending arrow generally illustrates how wildlife can move (in many locations) between Highway 101 and portions of Coyote Ridge. Between Highway 101 and Monterey Highway, there are numerous pathways (not shown) that animals can take to cross Coyote Creek and move between the two roadways.

The project area is not located immediately adjacent to any of the Highway 101 crossings. Furthermore, animals moving to or from these crossings can choose many pathways. The small blue arrows on Figure 1 indicate a few of the multiple pathways that animals may take when moving to or from the crossings nearest the project site. The distance between the project site and the nearest crossings (approximately 0.5 mile), coupled with the natural land uses in the intervening areas (which are suitable for wildlife movement), provides ample opportunity for wildlife moving to or from the Highway 101 crossings to move without any hindrance from the project. Therefore, the project will not adversely affect wildlife movement between the Santa Cruz Mountains and the Diablo Range.

The second regional/landscape movement pathway in the project vicinity consists of movements by wildlife within the Diablo Range, such as movement along Coyote Ridge in a northwest-southeast direction. In the vicinity of the project site, wildlife movement in the northwest to southeast direction along Coyote Ridge is far less impeded than the cross-valley movement pathways. To the north and east of the project site lies contiguous areas of open space and ranch land that supports annual and serpentine grassland, serpentine scrub, and oak woodlands. Common and rare wildlife species in the region can move along Coyote Ridge and hills surrounding the project site relatively undisturbed by human activity. The project represents such a small proportion of the

land on Coyote Ridge that most wildlife moving along the ridge would not pass anywhere near the site. For those fewer animals whose long-distance dispersal might take them closer to the project site, they could easily detour around the site, or cross through the site's fencing, as described for local movements above. Therefore, the project site does not represent an impediment to regional landscape linkages within the Diablo Range.

Summary

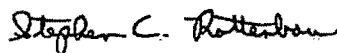
Local wildlife movements in the vicinity of the project site will not be substantially affected by the project. For larger animals, ample habitat is present around the site to allow movement around the site, and most or all of these animals will be able to move through the surrounding fencing and move through site as well. For small animals, movement through the site will not be substantially impeded because fencing will not impede movement and the majority of habitat on the site will not be substantially affected.

Wildlife moving between the east and west sides of Coyote Valley, such as between Coyote Ridge and the Santa Teresa Hills, is currently constrained by the scarcity of locations to safely cross Monterey Highway and Highway 101. The project does not interfere with the ability of wildlife to access those crossings, and thus the project will not interfere with wildlife movement in an east-west direction. Although the habitat linkage line depicted in the Santa Clara Valley Habitat Plan transects the project site, the location of the line represents a conceptual linkage rather than the actual movement pathway; as discussed above, there are a number of known and potential wildlife movement pathways leading to and from the under-crossings below Highway 101 and the Monterey Highway crossings identified in Figure 1.

Wildlife movement in a northwest-southeast direction along Coyote Ridge is not constrained as a result of the proposed project due to the width of Coyote Ridge. The project will occupy a very small portion of Coyote Ridge, and wildlife will be able to easily navigate around the site as necessary to be able to move in a northwest-southeast direction.

Therefore, the proposed project will not have a significant impact on potential wildlife movement pathways on and around the project site or in the project region. Please feel free to contact me at (408) 458-3205 or strottenborn@harveyecology.com if you have any questions regarding our report.

Sincerely,



Stephen Rottenborn, Ph.D.
Principal Wildlife Ecologist

Enclosure: Figure 1

Literature Cited

H. T. Harvey & Associates (HTH). 2009. Envision San José 2040 General Plan Update – Biological Resources Existing Conditions Report. May 4. Los Gatos, CA. Prepared for David J. Powers and Associates.

ICF International. 2012. Santa Clara Valley Habitat Plan: Final. August. San Francisco, California. Prepared for City of Gilroy, City of Morgan Hill, City of San José, County of Santa Clara, Santa Clara Valley Transportation Authority, and Santa Clara Valley Water District.

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Appendix C

H.T. Harvey Serpentine Soil Survey and Habitat Mapping



25 November 2014

Beberly Velasquez
SunPower Corporation
1414 Harbour Way South
Richmond, CA 94804

Re: Serpentine Soil Survey and Habitat Mapping for the Santa Clara County Solar Array Project near Malech Road (HTH #3641-01)

Dear Ms. Velasquez:

This letter describes the results of, and recommendations regarding, the serpentine soil survey and habitat assessment conducted by H. T. Harvey & Associates for SunPower Corporation's (SunPower) proposed solar array project located near Malech Road in Santa Clara County (County), California. The purpose of the soil survey and habitat assessment is to determine the extent of mapped serpentine soils and serpentine habitats in relationship to the proposed project footprint and construction areas. This letter is provided to support project design and facilitate compliance with avoidance and minimization requirements.

Methods

H. T. Harvey & Associates plant ecologist Élan Alford conducted a field survey of the proposed project site on 18 November 2014 to determine the existing conditions and delineate potential serpentine habitat within 100 feet of the proposed project boundaries (survey area). Her survey also included an assessment of potential wetlands and other jurisdictional waters in the survey area. Prior to conducting the survey, Ms. Alford reviewed available information on the existing biological conditions and mapped extent of soil formations that may support serpentine habitats. This review included information from the U.S. Department of Agriculture's Soil Survey Geographic Database (2010), the Santa Clara Valley Habitat Plan (VHP) (ICF International 2012), and the Santa Clara Valley Agency website and Geobrowser application. In the field, the ecologist carefully documented the conditions she observed and recorded habitat boundaries using a Global Positioning System receiver and digital mapping device.

Results

The vegetative cover observed within the survey area consisted of serpentine bunchgrass grassland, California annual grassland, and degraded annual grassland with serpentine soil influences (Figure 1). In addition, a linear wetland swale runs from north to south through the eastern half of the survey area. A description of each vegetative cover and the observed conditions within the survey area is provided here.

The VHP identifies habitat within the survey area as both “Serpentine Bunchgrass Grassland” and “Non-serpentine.” The non-serpentine area is primarily mapped through the central and eastern portion of the proposed project footprint and survey area. The project area boundaries on the north, west, and south edges of the proposed footprint are located within mapped Serpentine Bunchgrass Grassland.

Serpentine grassland occurs through the southwestern portion of the project footprint. Serpentine influenced soils from the Montara and Climara soil series occur throughout the entire site. Montara series soils typically have a serpentine bedrock layer relatively close to the surface and most often exhibit serpentine habitat characteristics, including serpentine rock outcroppings. However, in Climara soils, the serpentine bedrock layer is typically deeper and supports a more substantial layer of topsoil where non-serpentine plants can occur. This means that areas mapped as Climara may or may not exhibit serpentine influence or serpentine habitat characteristics. A significant native annual vegetation component, including the larval host plant for Bay checkerspot butterfly, dwarf plantain (*Plantago erecta*), was observed in the southwestern portion of the survey area. This native plant occurs to such a degree that both Climara and Montara soil formations in this area were determined by Ms. Alford to support serpentine grassland habitat.

California annual grassland occurs through most of the eastern portion of the survey area, between the proposed solar array footprint and the existing paved road, Road P. This area was included in the survey area where it lies within 100 feet of the proposed AC Run. Although the soils in this area are in the Climara series, the vegetation is dominated by non-native annual grassland species and does not exhibit serpentine influences. The grasses in the eastern portion of the survey area also appear to not have been as heavily grazed or disturbed as the northern and western portions of the survey area.

Degraded annual grassland vegetation occurs throughout the northern portion of the survey area. This area is heavily grazed to the extent that the conditions limited the plant ecologist’s ability to accurately interpret habitat type. The remaining vegetation observed in this area during the field visit was therefore unidentifiable due to the time of year and the intensity of grazing. The presence of small rock outcrops, scattered rock fields, and mapped Climara series soils within this area indicate potential for serpentine influence. However, the abundance and density of plant shoots observed in the degraded areas is consistent with non-native grassland species. Based on the results of this survey alone, the plant ecologist cannot determine the presence or absence of serpentine grassland habitat. This confounding factor is particularly important where the VHP has mapped serpentine bunchgrass grassland within the proposed project boundaries.

One wetland occurs within the survey area. A swale feature dominated by hydrophytic vegetation (*Juncus* sp.) runs through the site and connects two drainage features uphill and downhill of the existing fence lines. This wetland feature flows to and connects with a serpentine seep mapped just south of the survey area (SCVHP 2012). Based on wetland expertise and past project experience, the swale feature would be expected to be claimed as a jurisdictional wetland by the U.S. Army Corps of Engineers and the Regional Water Quality

Control Board. However, riparian jurisdiction under Section 1600 of the California Fish and Game Code would not be expected because the swale lacks incised banks or a distinct streambed.

Discussion

Under the VHP, portions of the proposed project area and solar array footprint lie within lands mapped as serpentine habitats. Our field survey was able to verify that portions of that area appear to contain serpentine communities, but due to the time of year and heavy grazing, we were not able to verify that serpentine habitat is present throughout the entire area mapped by the VHP as serpentine. Nevertheless, we expect serpentine habitat to be present throughout most of the VHP-mapped serpentine areas. Therefore, implementation of the project as proposed would require surveys for special-status, serpentine-associated plants in accordance with VHP requirements; such surveys would need to be conducted during three to four site visits spread between early March and late summer/early fall. In addition, surveys for adult Bay checkerspot butterflies would be required in mid-spring (usually April) in areas that support the species' larval host plants. The special-status plant and Bay checkerspot surveys would be required in all the areas depicted on Figure 1 as VHP-mapped serpentine habitats.

In addition, we noted some expression of serpentine plant communities in areas that are not mapped by the VHP as serpentine habitats, yet it is unclear to us whether the VHP's requirements pertaining to serpentine apply to such areas, because they were not mapped as serpentine by the VHP. The VHP describes appropriate minimization measures that shall be implemented "where mapped serpentine cannot be avoided." This implies that minimization measures are only required where the plan has mapped serpentine habitat. Based on the information and guidance available in VHP, it is our understanding that minimization measures (such as the rare plant and Bay checkerspot surveys) would be required for impacts to *mapped* serpentine areas and would not be required for other areas where our plant ecologist identified serpentine habitat characteristics. H. T. Harvey and Associates recommends that the County, as one of the VHP Partners, provide guidance regarding whether minimization, plant surveys, and/or butterfly surveys will be required in areas exhibiting serpentine influences but located outside of mapped serpentine bunchgrass grassland habitat.

"Conditions on Covered Activities" described in the VHP (page 6-59) state, "On undeveloped sites, the project area and construction staging area must be located to avoid or minimize impacts to any serpentine on site." The same section also states, "The project will be designed to preserve larger patches of serpentine outside the development area and limit impacts to the smallest patches feasible and to the edges of serpentine patches regardless of their size." If possible, within engineering and operational constraints, we recommend shifting the proposed project footprint to the southeast to minimize potential impacts to mapped serpentine habitat.

Please feel free to contact me at (408) 458-3284 or pstone@harveyecology.com if you have any questions regarding our report.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Stone', with a stylized flourish extending from the end.

Patrick Stone
Project Manager – Senior Wildlife Ecologist

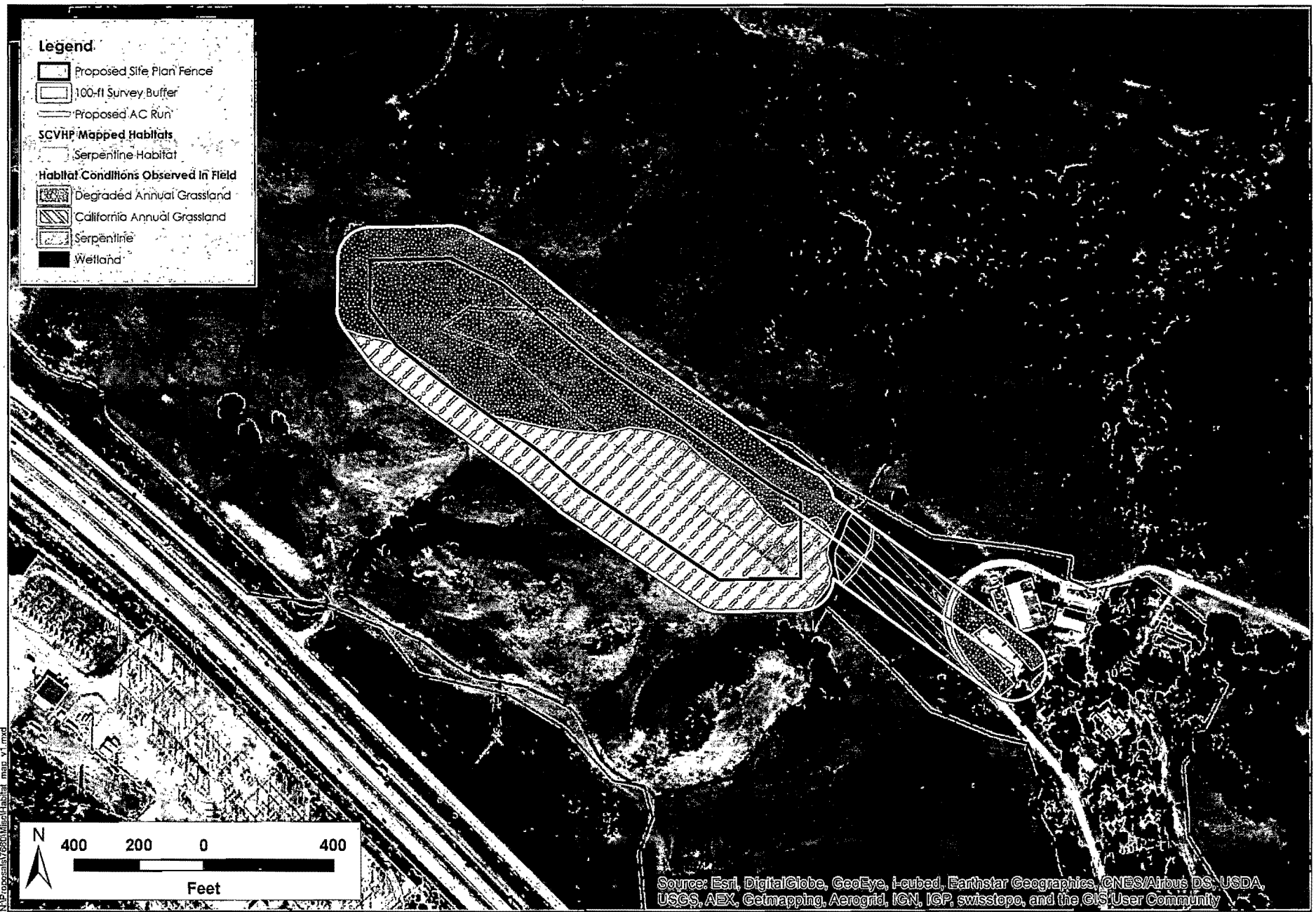
Enclosure: Figure 1

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ICF International. 2012. Santa Clara Valley Habitat Plan: Final. August. San Francisco, California. Prepared for City of Gilroy, City of Morgan Hill, City of San José, County of Santa Clara, Santa Clara Valley Transportation Authority, and Santa Clara Valley Water District.

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H.T. HARVEY & ASSOCIATES
Ecological Consultants

Serpentine and Wetland Habitat Map
Malech Road Solar Project (3641-01)
November 2014

SAN JOSE POST-RECORD

95 S. Market St., Ste. 535, SAN JOSE, CA 95113
Telephone (408) 287-4866 / Fax (408) 287-2544

LF# 75477

Marissa Greene
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PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California)
County of SANTA CLARA) ss

Notice Type: GPHSC - SANTA CLARA PUBLIC HEARING-1 PUB

Ad Description:
Land Use CEQA Hearing

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the SAN JOSE POST-RECORD, a newspaper published in the English language in the city of SAN JOSE, county of SANTA CLARA, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of SANTA CLARA, State of California, under date 02/03/1922, Case No. 27844. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

03/11/2015

Executed on: 03/11/2015
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

[Handwritten Signature]

Signature

75477

This space for filing stamp only

SJ#: 2727517



NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the County of Santa Clara Board of Supervisors has scheduled a public hearing at the meeting indicated below to consider the following application, Tuesday, March 24, 2015, no earlier than 9:30 a.m. Notice of Intent to Adopt the Initial Study and Mitigated Negative Declaration in matters directly related to land usage for the County of Santa Clara's Renewables for Revenue Solar PV Project. ALL INTERESTED PERSONS MAY APPEAR AND BE HEARD during the public hearing in regard to the above-referenced consideration in the Board of Supervisors Chambers, 70 West Hedding Street, First Floor, San Jose. Written communications should be filed with the Clerk of the Board prior to the hearing date. IF YOU CHALLENGE THIS LAND USE DECISION IN COURT, you may be limited to raising only those issues that you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Office of the Clerk of the Board of Supervisors prior to, or at, the public hearing. DOCUMENTS WILL BE ON FILE in the Office of the Clerk of the Board of Supervisors located on the 10th floor at the address given above, on or before the Friday preceding the hearing. THIS NOTICE OF PUBLIC HEARING is given pursuant to the order of the Clerk of the Board of Supervisors as required by the Government Code of the State of California. BOARD OF SUPERVISORS LYNN REGADANZ, CLERK FOR FURTHER INFORMATION relating to the proposal above please contact: Lin Ortega (408) 993-4643. 3/11/15

SJ-2727517#



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SANTA CLARA CO BD OF SUPS
70 W HEDDING ST 10TH FL EAST WNG
SAN JOSE, CA 95110

SJ# 2727517

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the County of Santa Clara Board of Supervisors has scheduled a public hearing at the meeting indicated below to consider the following application. Tuesday, March 24, 2015, no earlier than 9:30 a.m. Notice of Intent to Adopt the Initial Study and Mitigated Negative Declaration in matters directly related to land usage for the County of Santa Clara's Renewables for Revenue Solar PV Project. ALL INTERESTED PERSONS MAY APPEAR AND BE HEARD during the public hearing in regard to the above-referenced consideration in the Board of Supervisors Chambers, 70 West Hedding Street, First Floor, San Jose. Written communications should be filed with the Clerk of the Board prior to the hearing date. IF YOU CHALLENGE THIS LAND USE DECISION IN COURT, you may be limited to raising only those issues that you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Office of the Clerk of the Board of Supervisors prior to, or at, the public hearing. DOCUMENTS WILL BE ON FILE in the Office of the Clerk of the Board of Supervisors located on the 10th floor at the address given above, on or before the Friday preceding the hearing. THIS NOTICE OF PUBLIC HEARING is given pursuant to the order of the Clerk of the Board of Supervisors as required by the Government Code of the State of California. BOARD OF SUPERVISORS LYNN REGADANZ, CLERK FOR FURTHER INFORMATION relating to the proposal above please contact: Lin Ortega (408) 993-4643. 3/11/15

COPY OF NOTICE

Notice Type: GPHSC SANTA CLARA PUBLIC HEARING-1 PUB
Ad Description: Land Use CEQA Hearing

To the right is a copy of the notice you sent to us for publication in the SAN JOSE POST-RECORD. Thank you for using our newspaper. Please read this notice carefully and call us with any corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

03/11/2015

The charge(s) for this order is as follows. An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

Publication	\$55.10
Total	\$55.10

SJ-2727517#

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SAN DIEGO COMMERCE, SAN DIEGO	(619) 232-3486
SAN FRANCISCO DAILY JOURNAL, SAN FRANCISCO	(800) 640-4829
THE DAILY RECORDER, SACRAMENTO	(916) 444-2355
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* A 0 0 0 0 0 3 6 9 7 7 2 3 *

ATTACHMENT A

COUNTY OF SANTA CLARA MEMORANDUM OF UNDERSTANDING FOR USE OF ROADS AND AIRPORTS PROPERTIES AMONG AND BETWEEN ROADS/AIRPORTS AND FAF

This is a Memorandum of Understanding (“MOU”) between the Facilities and Fleet Department (“FAF”) and the Roads and Airports Department (“Roads/Airports”) of the County of Santa Clara for the use of Roads/Airports properties serving a Roads (or where applicable, Airports) and other public purposes.

1. PURPOSE

- a. FAF manages the County’s various general fund property holdings, and is responsible for development and implementation of the County’s alternative energy projects on County property.
- b. Roads/Airports manages the County’s roads and airports holdings for applicable roads or airports purposes, including those depicted on **Exhibit A** (the “Properties”).
- c. Roads/Airports incurs annual costs in securing and maintaining the Properties.
- d. Through the provision of federal funding (New CREBs), FAF has partnered with a solar PV system provider to install renewable generating facilities on County property and will serve the primary purpose of fulfilling County, state and federal clean renewable energy and sustainability goals (including climate change). This PV system will generate renewable electricity at lower cost to the County over time than through the traditional method of energy delivery.
- e. FAF has identified the Properties as Project Sites potentially suitable for installation and operation of a solar PV systems and, if used for this purpose, net energy savings are expected to be generated for the benefit of the County over a 25 year period. Such net energy savings would be received from PG&E in the form of net energy bill credits (the “Energy Bill Credits”).
- f. Roads/Airports desires to benefit from the use of the Properties as an alternative energy site which would serve a roads or airports purpose (as applicable) if Roads/Airports were to receive 100% of the actual net savings resulting from the Energy Bill Credits attributable to the use of the Properties.

2. THE PROPERTIES (Reid Hillview & South County Airports, and Guadalupe Freeway at Capital Expressway)

FAF (and each of the County's successors, contractors, tenants and assigns) will use the Properties as alternative energy sites (e.g. Solar PV System sites), subject to the following conditions:

- a. Roads/Airports will continue, and shall be responsible and liable for, ongoing Roads/Airports duties and costs related to Roads/Airports activities, including all responsibility for compliance with applicable Roads/Airports regulatory agency permits. To this end, Roads/Airports will be provided with uninterrupted access to the Properties prior to, during, and after installation of any fencing installed in or around the alternative energy systems. FAF will ensure that Roads/Airports is supplied with keys, combinations or any other necessary mechanism for uninterrupted access to the Properties. No changes to access will be made without obtaining written approval from Roads/Airports.
- b. FAF will have exclusive use of the Properties within the fenced boundaries for the sole purpose of constructing, installing, managing, operating and using a solar or other alternative energy project ("alternative energy system", "Facility", "Eligible Renewable Generating Facility", as used interchangeably) on these Properties, including a right of ingress and egress, and the ability to install any and all necessary connections and utilities for this use. Roads/Airports will retain a right of access to the site as landowner and agency responsible for compliance with Roads/Airports applicable regulatory requirements. The alternative energy systems will be fenced off by FAF or its agents. All FAF responsibilities shall be within the fenced off areas of the site; however, Roads/Airports shall retain responsibility within the fenced area for those duties outlined in Section 2.a. above.
- c. FAF will be solely responsible for all costs, expenses and liabilities associated with its use and installation of the alternative energy system, including system operations, phone use, utilities, IT infrastructure and network connectivity, environmental mitigation, contamination, CEQA, emergency response, fire/life/safety/hazardous materials compliance, compliance with applicable laws and site security (excepting those obligations of Roads/Airports as stated herein). FAF shall be responsible for obtaining necessary approvals and meeting all conditions of the Federal Aviation Administration (FAA), Caltrans, and other regulatory, code compliance or permitting agencies having jurisdiction over the Properties.
- d. The parties acknowledge and understand that the Planning Department developed an Initial Study and Mitigated Negative Declaration for the Project and that both

the Project and the IS/MND have been finalized and approved by the Board of Supervisors on March 24, 2015.

- e. FAF or its contractors shall be responsible for any replacement or damage that occurs to the Properties, including fencing and utilities infrastructure, that results, directly or indirectly, from any or all activities of FAF or its contractors related to the Sunpower project prior to, during, or following the installation of the Eligible Renewable Generating Facilities at the Properties.
- f. Prior to, during, and following construction of the Facility, and for the life of the Project, FAF will establish a staff contact and provide a phone contact to address any/all public inquiries, complaints related to the Sunpower project. Roads/Airports staff will refer all inquiries to this source. This contact information will be prominently posted on the project sites.
- g. Roads/Airports commits use of these Properties for a period of 25 years. At the end of this commitment, Roads/Airports retains the right to use the Properties for a public purpose consistent with Roads/Airports governing charters. Within 180 days from the 25th year, FAF will be obligated to remove all Solar PV System infrastructure and restore the Properties to the baseline condition of March 25, 2015, reasonable wear and tear excepted. Upon mutual agreement, Roads/Airports and FAF may elect to extend the use of this site for the Solar PV System project.
- h. Prior to the start date of any construction, Roads/Airports reserves the right, but not the obligation, to review all construction plans prior to construction within the review time periods allotted to FAF under the Master Purchasing and Services Agreement, provided that Roads/Airports shall not unreasonably delay its review and completes all such reviews within ten days of receipt of such documentation from FAF.
- i. FAF will be responsible for ensuring compliance with all applicable ordinances and agreements, including but not limited to the IPM Ordinance and Cal-Fire (CDF) Memorandum of Agreement (Santa Clara County Parks and Recreation Department and Airport Department Fire Prevention Operational Procedures).
- j. All trash and debris shall be contained in appropriate receptacles at all times and disposed of in accordance with applicable laws.
- k. FAF shall ensure that all uses and all employees, contractors, state agencies, federal agencies and other users of the Properties comply fully with all County and other applicable laws, rules, regulations, policies and procedures at all times (excepting those obligations of Roads/Airports as stated herein above).

3. FINANCIAL PROVISIONS.

Roads/Airports will receive an annual credit in the amount equal to 100 percent of the Actual Net Savings resulting from the use of the Energy Bill Credits generated by the Eligible Renewable Generating Facility. The Actual Net Savings shall be calculated on an annual basis by applying the appropriate formula shown in Section 3.1. FAF will calculate the actual amount to be credited to Roads/Airports which shall be subject to Roads/Airports review and approval. The credit will be transferred to Roads/Airports in the form of revenue. FAF and Roads/Airports shall jointly establish a transparent documentation process prior to transferring the annual net savings credit amount to Roads/Airports. FAF will provide relevant documentation supporting the calculation of the transfer amount. Roads/Airports and FAF will meet and confer to establish a standard format for this documentation so that annual comparisons provide consistent savings/revenue data.

3.1 NET SAVINGS CALCULATION FORMULA

Actual Net Savings Calculation formula:

Actual Net Savings = PG&E Bill Credits – Bond Debt Repayment Charges – PG&E Charges – Lost NEM Credits – Unapplied PG&E Bill Credits – Operations & Maintenance Charges – Performance Guarantee Charges – Major Maintenance Charges – Regulatory and Environmental Charges – Insurance Charges – Program Administration Costs.

PG&E Charges shall include, but not necessarily be limited to, Special Facilities charges, RES-BCT charges, Stand-by charges, Power Charge Indifference Adjustment (PCIA) charges and Cost of Ownership charges. Roads/Airports acknowledges that PG&E may impose additional applicable charges as may be approved by the California Public Utilities Commission from time to time.

4. TERM

This MOU shall be effective for so long as the Properties are used by FAF for an alternative energy system, for a minimum of 25 years from the date of system operation.

5. AMENDMENT

Any amendment to the terms and conditions of this MOU shall be effective only upon mutual agreement in writing signed by all parties to this MOU. Any provision of the MOU which conflicts with new or revised financial conditions or requirements, or state or federal laws, shall be deemed to be amended consistent with those laws and requirements.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding effective ("Effective Date") as of the last date signed below by all parties:




Sylvia Gallegos, Deputy County Executive
Office of the County Executive

8-24-2016
Date Signed



Michael Murdter, Director
Director of Roads and Airports Department

8/24/16
Date Signed



Jeffrey Draper, Director
Facilities and Fleet Department

8/22/2016
Date Signed

EXHIBIT A – PROPERTIES & SITE DESCRIPTIONS

Site Name: Guadalupe Parkway

Site Address: 783 Amanda Drive, San Jose, CA 95136

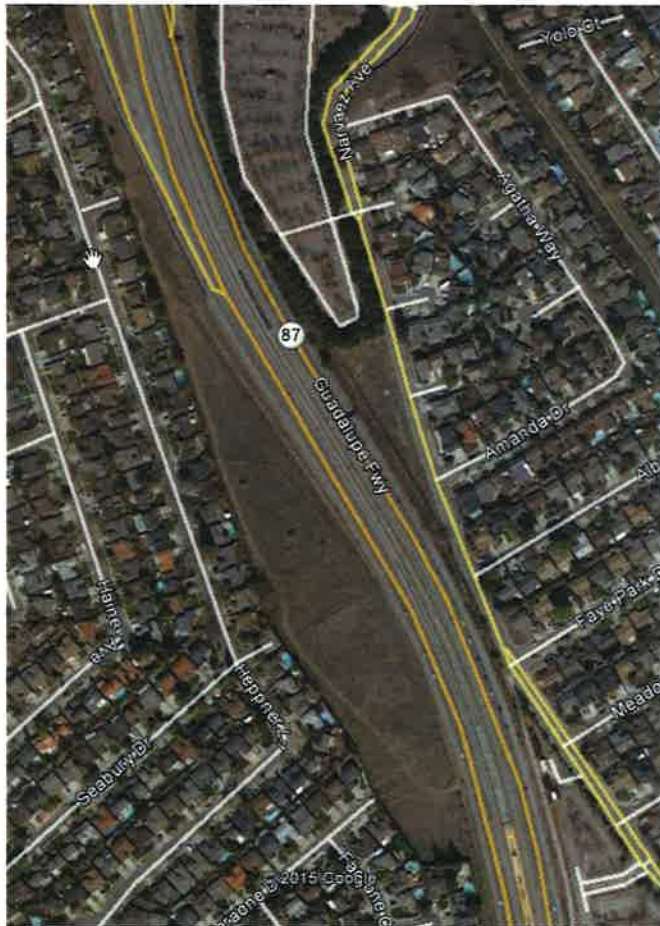
Parcel Number(s): 459-28-005, 459-28-004, 462-14-019

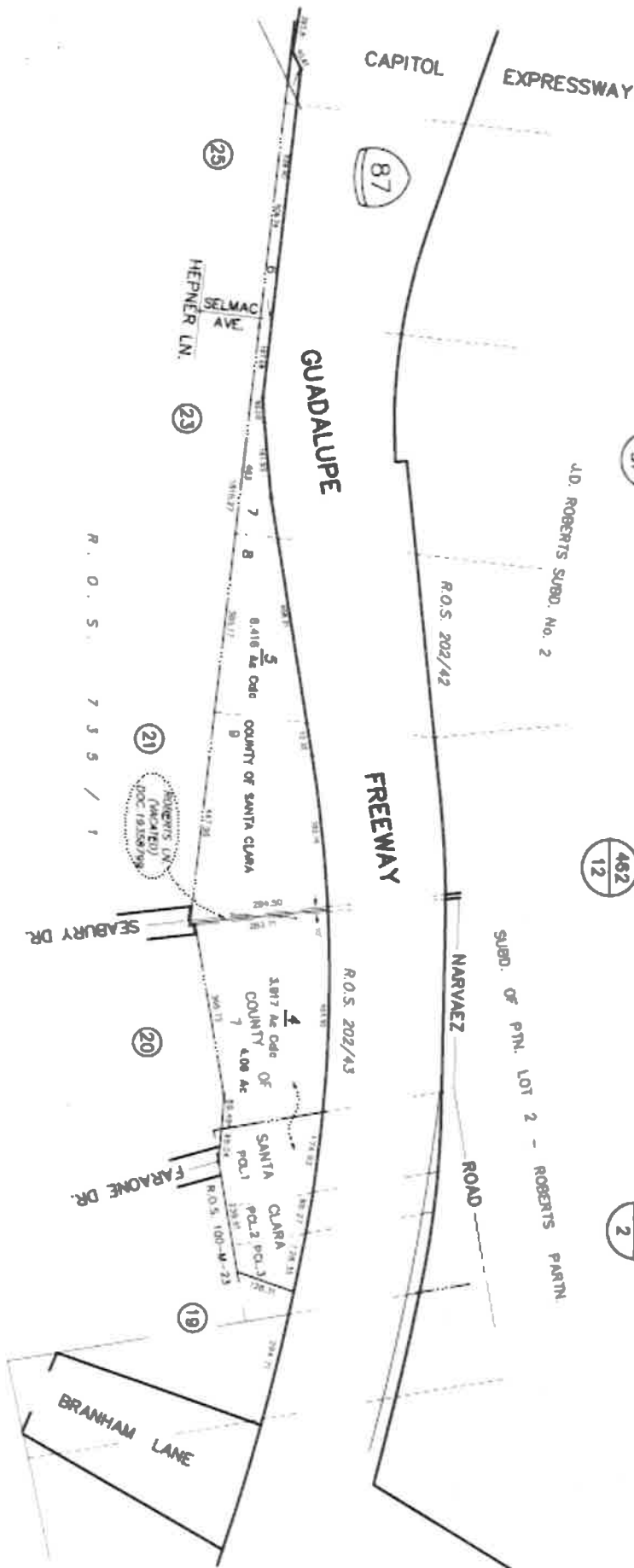
Description of Site and Surrounding Area:

This site is a vacant lot located along the Guadalupe/87 Freeway in the south-west quadrant of the intersection of the Guadalupe/87 Freeway and Capital Expressway in the southern part of the city of San Jose. The site is owned and maintained by the Santa Clara County Department of Roads and Airports. Currently there is limited access to the site from Capitol Expressway and restricted access from the Guadalupe/87 Freeway.

Site Exposure: C

Satellite Picture of Property:





R. O. S. 7 3 5 / 1

UNLESS OTHERWISE NOTED
Ordained map by assessor's papers with
ATTEN: EIR & T. Code. See XI
Effective Fall 1997 2014-2015

Ex A - 2

Site Name: **San Martin Airport***

**Note: San Martin Airport is the official name for South County Airport, but the former is not yet recognized by the FAA so this should be clarified in the CEQA application.*

Site Address: 13030 Murphy Avenue, San Martin, CA 95046

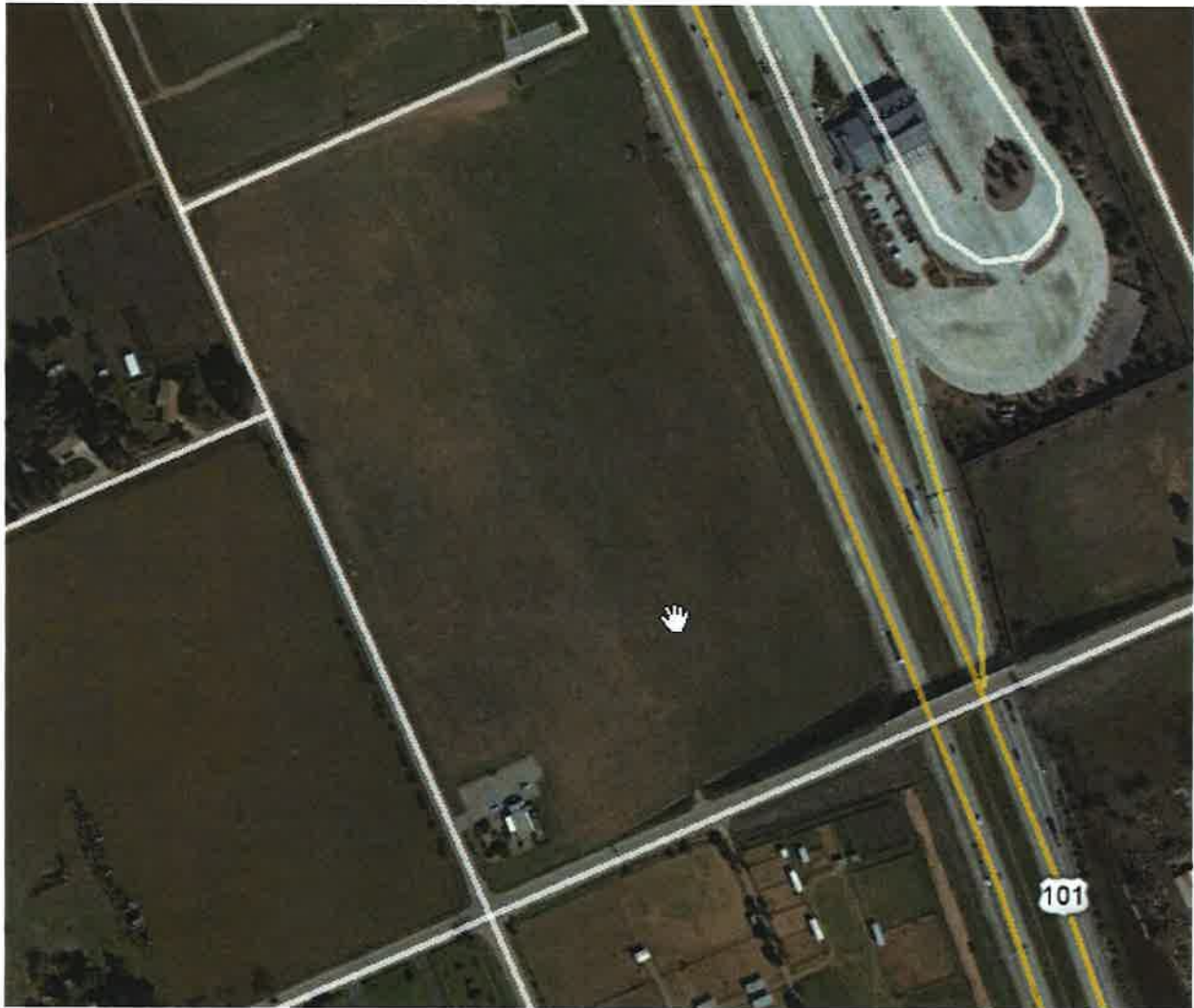
Parcel Numbers: 825-11-022

Description of Site and Surrounding Area:

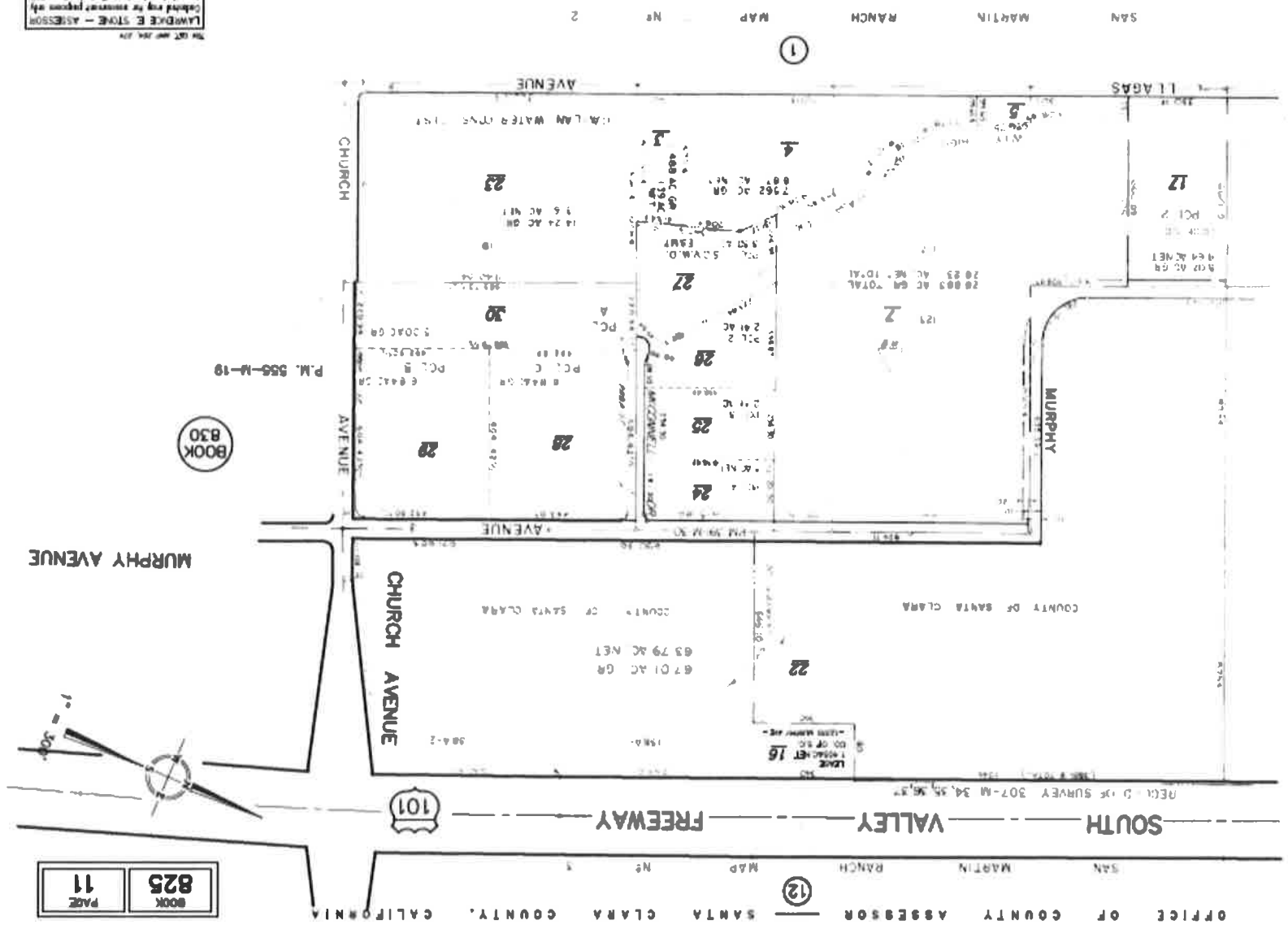
This is vacant land property owned by the Santa Clara County Department of Roads and Airports. The property is located north-west of the intersection of Highway 101 and Church Avenue, accessible from Murphy Avenue, and located in the community of San Martin.

Site Exposure: C

Satellite Picture of Property:



LAYMOND E. STONE - ASSESSOR
 Prepared under S.T. Code, Sec. 207
 Effective July 1st, 2014-2015



BOOK 825
 PAGE 11

EX A-5

Site Name: Reid-Hillview Airport

Site Address: 2500 Cunningham Avenue, San Jose, CA 95148

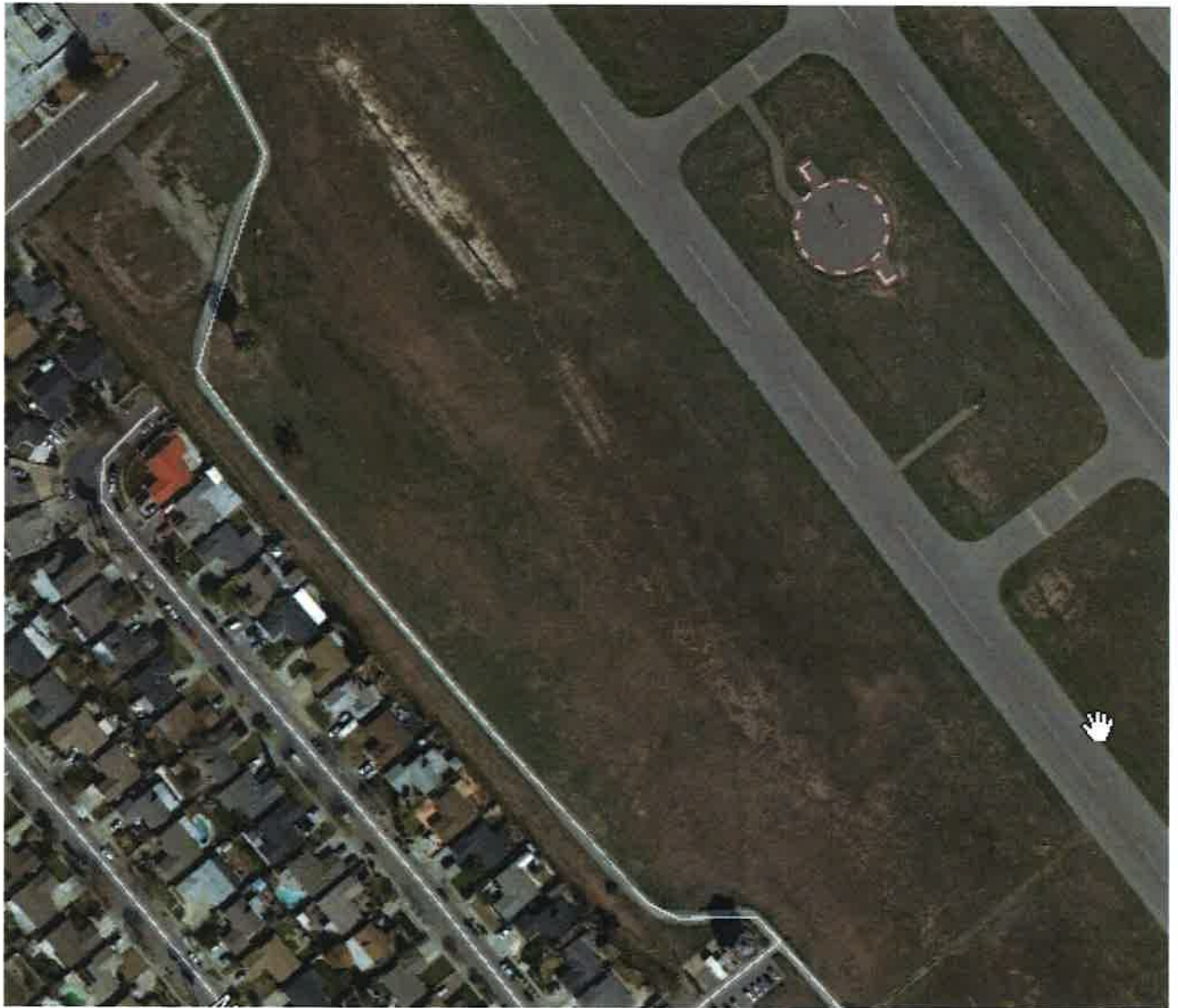
Parcel Numbers: 491-13-001, 491-12-070, 491-12-069, 491-15-009, 491-12-063

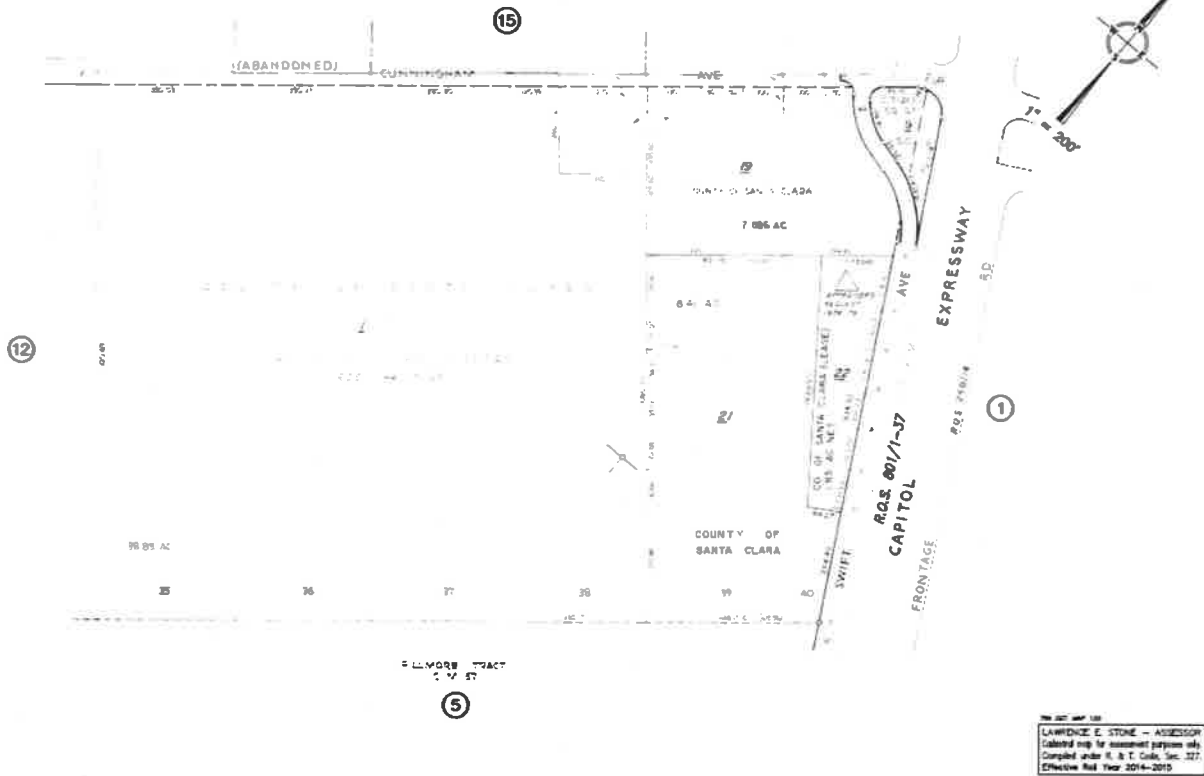
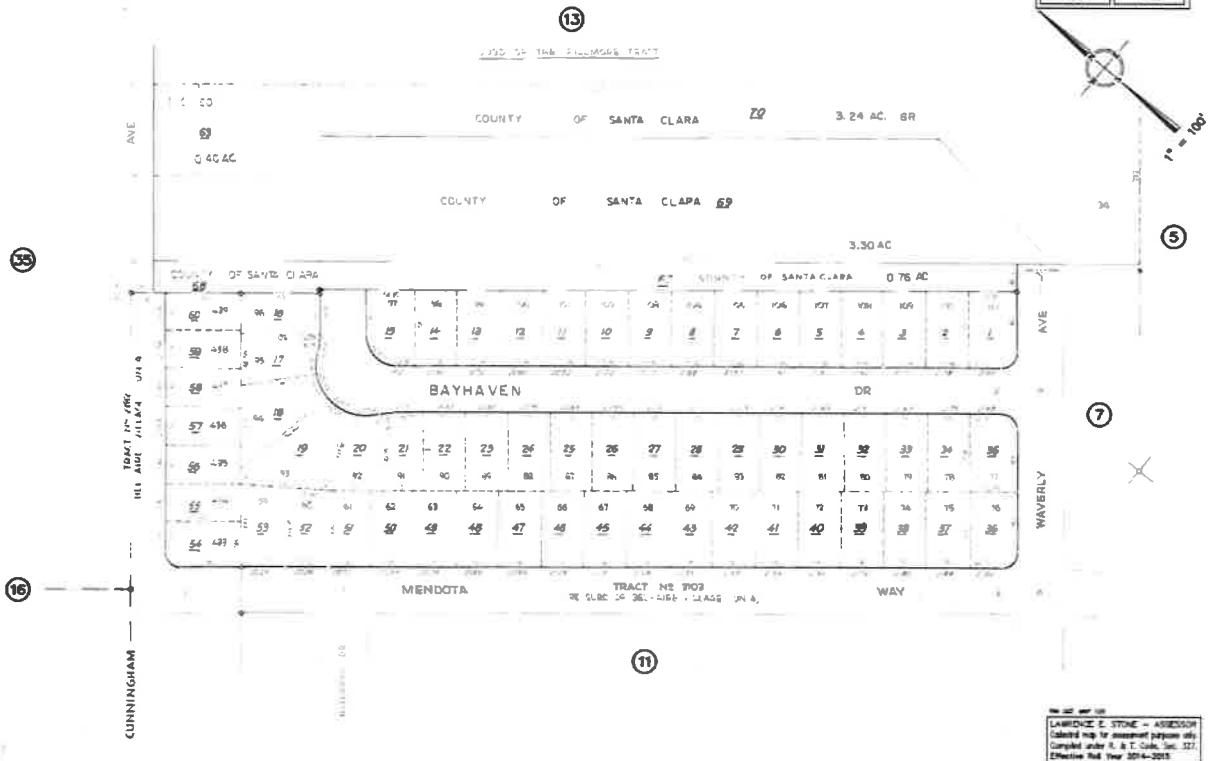
Description of Site and Surrounding Area:

This site is located on the southwest side of Reid-Hillview Airport near Cunningham Avenue. The project site is surrounded by the Reid Hillview Airport landing strip to the east and north-east, vacant land to the north-west, single family homes to the west and south-west, and Tully Rd to the south and south-east. Any construction or site improvements on this land require Federal Aviation Administration review and approval.

Site Exposure: C

Satellite Picture of Property:





ATTACHMENT B

Site Name: San Martin Airport*

**Note: San Martin Airport is the official name for South County Airport, but the former is not yet recognized by the FAA so this should be clarified in the CEQA application.*

Site Address: 13030 Murphy Avenue, San Martin, CA 95046

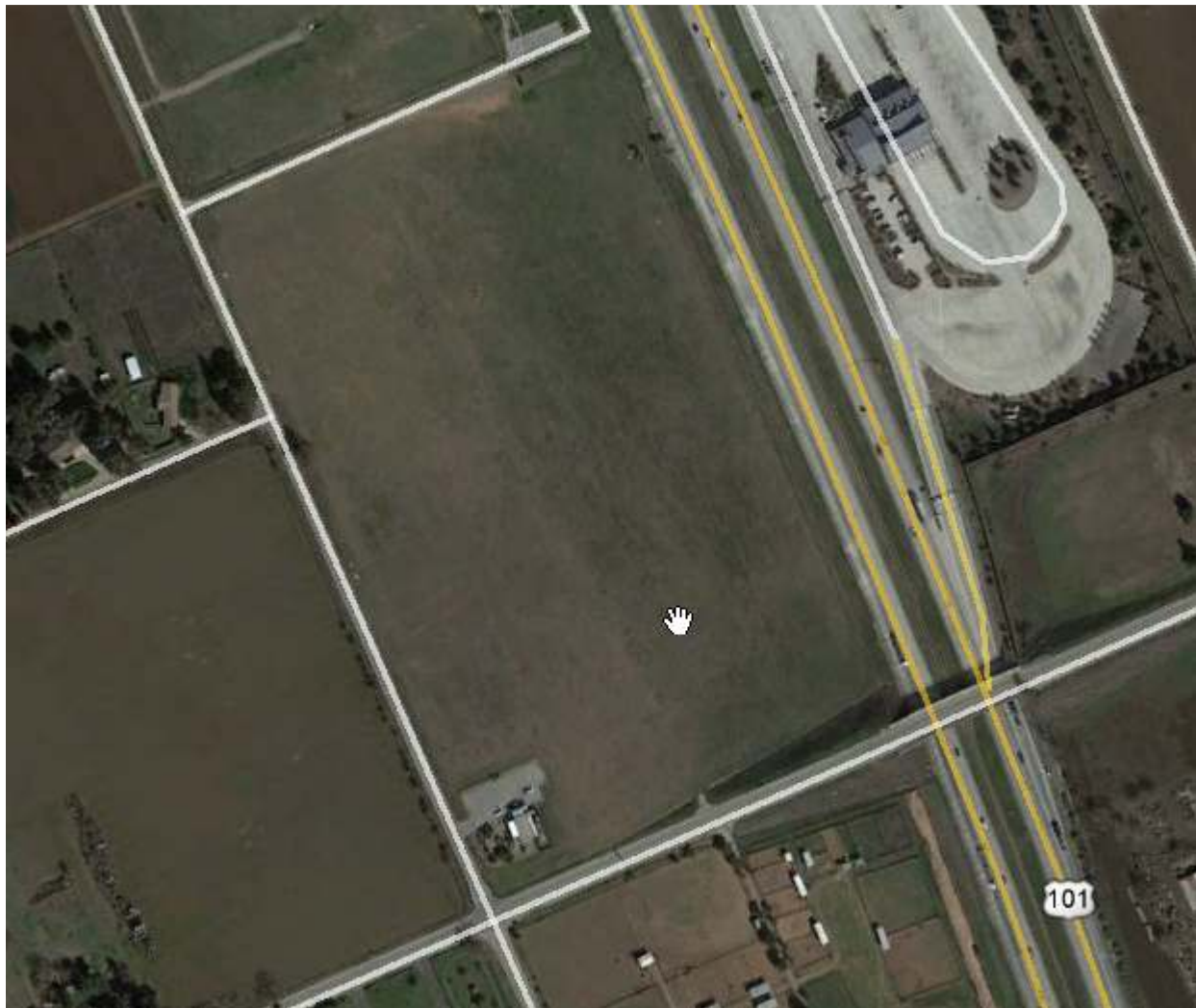
Parcel Numbers: 825-11-022

Description of Site and Surrounding Area:

This is vacant land property owned by the Santa Clara County Department of Roads and Airports. The property is located north-west of the intersection of Highway 101 and Church Avenue, accessible from Murphy Avenue, and located in the community of San Martin.

Site Exposure: C

Satellite Picture of Property:



SOUTH VALLEY FREEWAY

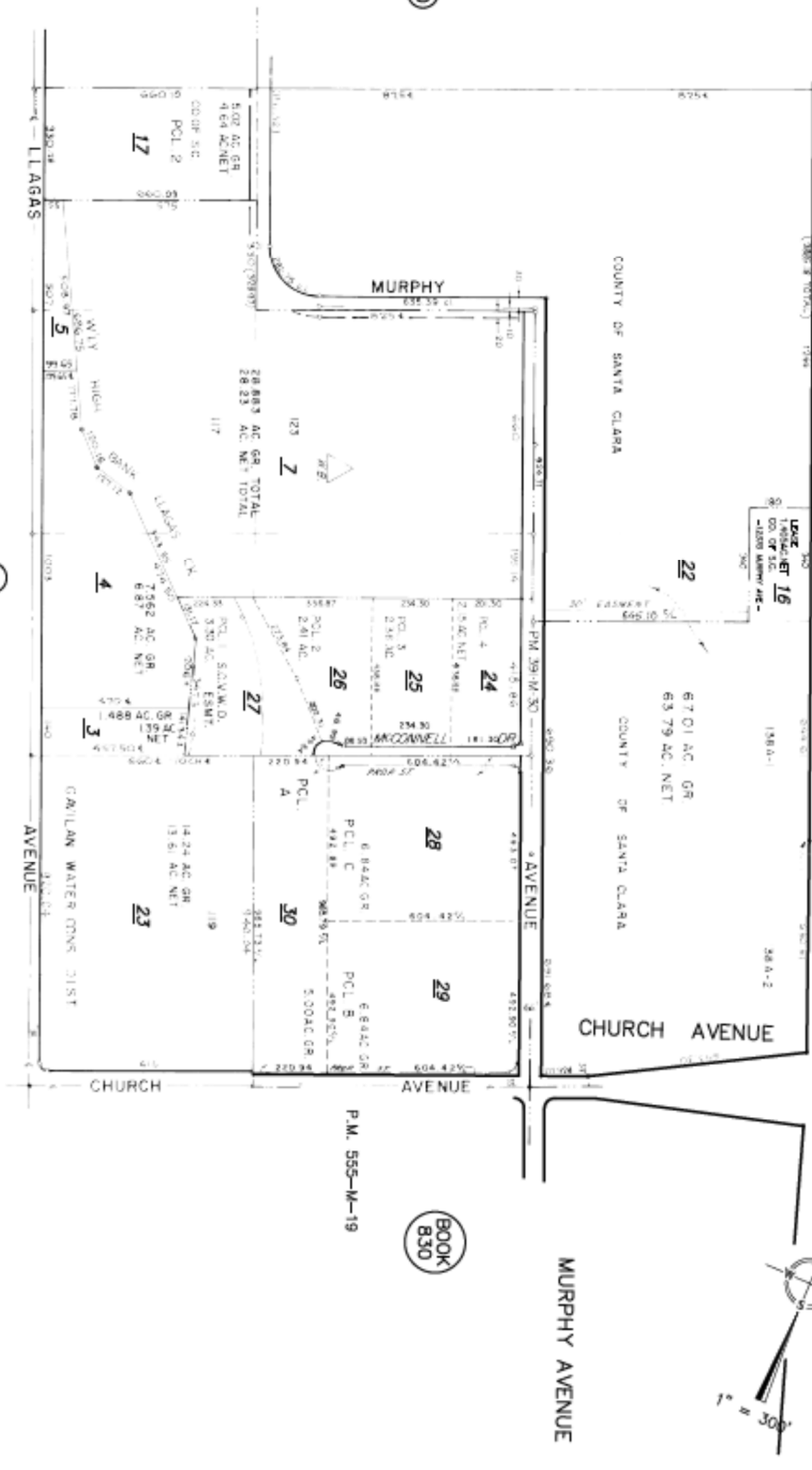
RECORD OF SURVEY 307-M-24, 35, 36, 37

1000

1000

101

BOOK 825 PAGE 11



10

1

BOOK 830

P.M. 555-M-19

704 APT. AND 204, 205
 LANDRICE E. STONE - ASSESSOR
 1000 F STREET, SUITE 100
 SAN JOSE, CALIF. 95128
 (408) 281-1234
 FAX (408) 281-1235
 E-MAIL: LANDRICE@SCLARACOUNTY.COM

Site Name: Reid-Hillview Airport

Site Address: 2500 Cunningham Avenue, San Jose, CA 95148

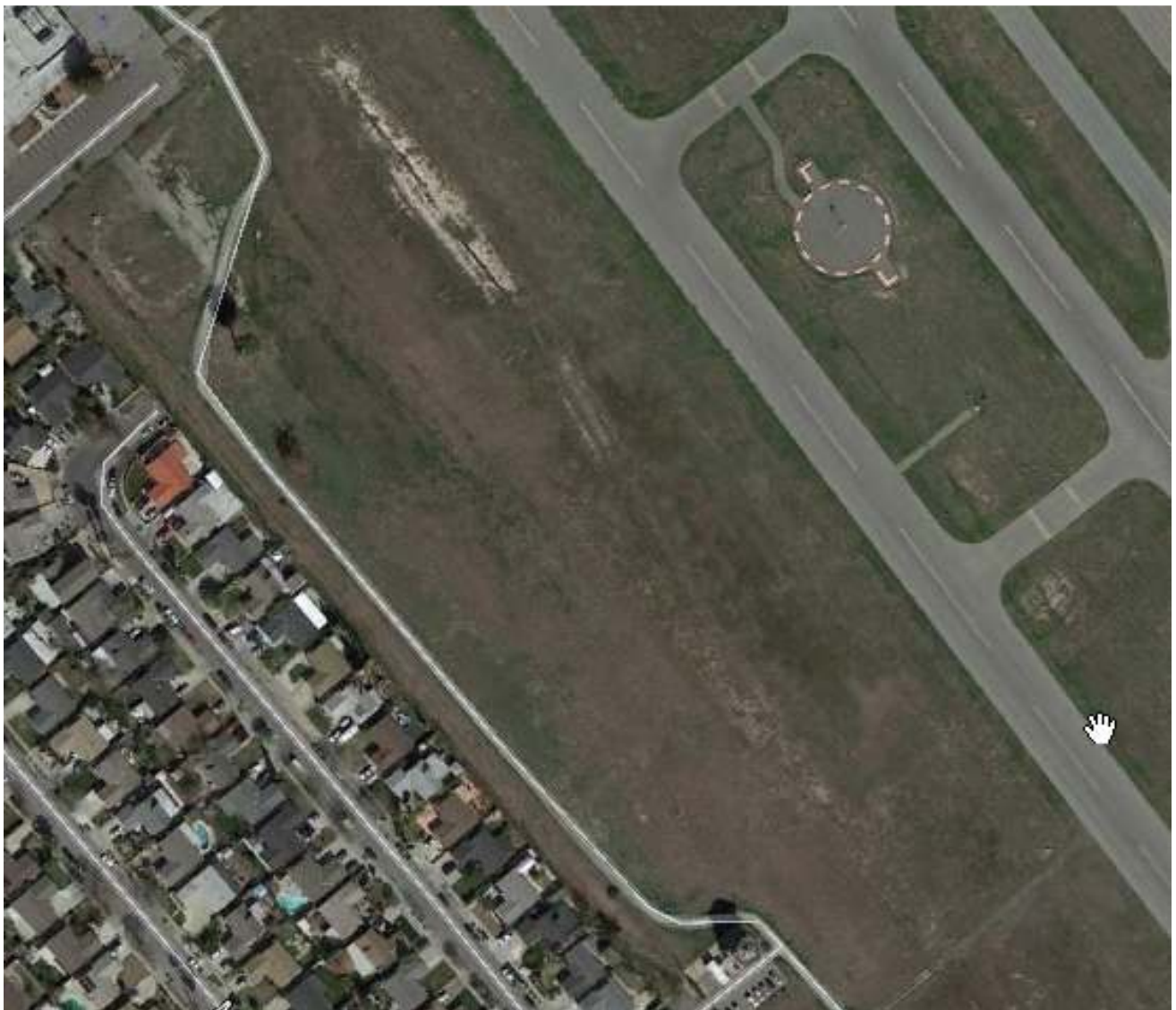
Parcel Numbers: 491-13-001, 491-12-070, 491-12-069, 491-15-009, 491-12-063

Description of Site and Surrounding Area:

This site is located on the southwest side of Reid-Hillview Airport near Cunningham Avenue. The project site is surrounded by the Reid Hillview Airport landing strip to the east and north-east, vacant land to the north-west, single family homes to the west and south-west, and Tully Rd to the south and south-east. Any construction or site improvements on this land require Federal Aviation Administration review and approval.

Site Exposure: C

Satellite Picture of Property:



ATTACHMENT B.1



Fidelity National Title Company

PRELIMINARY REPORT

*In response to the application for a policy of title insurance referenced herein, **Fidelity National Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.*

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Fidelity National Title Insurance Company, a California Corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Countersigned by:

Authorized Signature



BY

President

ATTEST

Secretary

Authorized Signature



Fidelity National Title Company

1300 Dove Street, Suite 310, Newport Beach, CA 92660

Phone: (949) 622-5000 • Fax: (949) 477-6813

PRELIMINARY REPORT

Title Officer: Mitch LaRiva (MA)

Order No.: 997-23052236-ML3

TO:

SunPower Corporation
1414 Harbour Way
South Richmond, CA 94804

ATTN: **Dennis L. Harper**

YOUR REFERENCE: **ReidHillviewAirports**

PROPERTY ADDRESS: Reid-Hillview Airport-South, Santa Clara, CA

EFFECTIVE DATE: August 28, 2014 at 7:30 a.m.

The form of policy or policies of title insurance contemplated by this report is:

ALTA Owner's

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

County of Santa Clara

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

See Exhibit A attached hereto and made a part hereof.

/nj 10/01/14

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED PARTLY IN THE COUNTY OF SANTA CLARA, AND PARTLY IN THE COUNTY OF SAN JOSE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALL OF LOTS 37 AND 38 AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT",

WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON FEBRUARY 14, 1888 IN [BOOK C OF MAPS, AT PAGE 57](#).

SAVING AND EXCEPTING FROM SAID LOT 38 THE PORTION THEREOF CONVEYED BY MANUEL C. SILVA AND MARY SILVA, HIS WIFE, TO CHARLES SILVA, BY DEED DATED JANUARY 10, 1924, RECORDED JANUARY 29, 1924 IN [BOOK 63 OF OFFICIAL RECORDS, PAGE 503](#), DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE, AT THE COMMON CORNER FOR LOTS 11, 12, 38 AND 39 OF THE FILLMORE TRACT HEREINABOVE MENTIONED; AND RUNNING THENCE ALONG THE CENTER LINE OF CUNNINGHAM AVENUE IN A SOUTHWESTERLY DIRECTION 210 FEET TO A POINT; THENCE AT RIGHT ANGLES SOUTHEASTERLY 240 FEET TO A POINT; THENCE AT RIGHT ANGLES NORTHEASTERLY 210 FEET TO A POINT; THENCE AT RIGHT ANGLES NORTHWESTERLY 240 FEET TO THE POINT OF COMMENCEMENT.

PARCEL 2:

ALL THAT CERTAIN PARCEL OF LAND SITUATE PARTLY IN THE CITY OF SAN JOSE AND PARTLY IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PORTION OF LOT 66, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON FEBRUARY 14, 1888 IN [BOOK C OF MAPS, PAGE 57](#), AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 3/4" PIPE SET IN THE SOUTHEASTERLY BOUNDARY LINE OF THE FILLMORE TRACT, AS SAID TRACT IS SHOWN UPON THE MAP ABOVE REFERRED TO; AND DISTANT ALONG SAID SOUTHEASTERLY BOUNDARY SOUTH 59° 00' WEST 1146.42 FEET FROM A 3/4 INCH IRON PIPE SET AT THE MOST EASTERLY CORNER OF LOT 69 OF THE FILLMORE TRACT, SAID POINT OF BEGINNING BEING ALSO A COMMON CORNER OF LOTS 65 AND 66 OF THE FILLMORE TRACT AND FROM WHICH POINT OF BEGINNING A 3/4" PIPE BEARS NORTH 40° 09' WEST, 30.00 FEET AND RUNNING THENCE ALONG THE DIVIDING LINE BETWEEN SAID LOTS 65 AND 66, NORTH 40° 09' WEST, 1432.86 FEET TO A 4' X 4' STAKE AT THE COMMON CORNER OF LOTS 65, 66, 35 AND 36 OF SAID FILLMORE TRACT; THENCE ALONG THE DIVIDING LINE BETWEEN LOTS 36 AND 66 OF SAID FILLMORE TRACT, NORTH 49° 51' EAST 152.00 FEET TO A 3/4" PIPE; THENCE SOUTH 40° 09' EAST 1433.26 FEET TO A 3/4" PIPE SET IN THE SOUTHEASTERLY LINE OF SAID FILLMORE TRACT AND FROM WHICH POINT A 3/4" PIPE BEARS NORTH 40° 09' WEST 30.00 FEET; THENCE ALONG THE SOUTHEASTERLY LINE OF THE FILLMORE TRACT, SOUTH 50° 00' WEST 152.00 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

ALL THAT CERTAIN PARCEL OF LAND SITUATE PARTLY IN THE CITY OF SAN JOSE AND PARTLY IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALL OF LOTS 35, 36 AND 65, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON FEBRUARY 14, 1888 IN [BOOK C OF MAPS, AT PAGE 57](#).

APN: 491-13-001 & 491-05-007

PARCEL 4:

ALL THAT CERTAIN REAL PARCEL OF LAND SITUATE IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

LOT 8 AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT", WHICH SAID MAP WAS RECORDED FEBRUARY 14, 1888 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, IN [VOLUME "C" OF MAPS, PAGE 57](#).

APN: 491-15-009

PARCEL 5:

ALL THAT PORTION OF CUNNINGHAM AVENUE LYING BETWEEN THE NORTHWESTERLY LINES OF LOTS 8 AND 35 AND THE NORTHEASTERLY LINES OF LOTS 11 AND 38 OF THE SUBDIVISION OF THE FILLMORE TRACT AS SHOWN IN [BOOK "C" OF MAPS, PAGE 57, OF THE OFFICIAL RECORDS](#) OF THE COUNTY OF SANTA CLARA, CALIFORNIA.

EXCEPTING THEREFROM THE NORTHERLY THIRTY (30) FEET OF SAID CUNNINGHAM AVENUE LYING BETWEEN NORTHWESTERLY AND NORTHEASTERLY LINE OF LOT 9 OF SAID SUBDIVISION OF THE FILLMORE TRACT AND THE SOUTHERLY THIRTY (30) FEET OF SAID CUNNINGHAM AVENUE; BETWEEN THE NORTHEASTERLY LINES OF LOTS 11 AND 38 OF SAID SUBDIVISION OF THE FILLMORE TRACT AND A POINT 210 FEET WESTERLY THEREFROM, AS DESCRIBED IN THE RESOLUTION AND ORDER PROCLAIMING THE ABANDONMENT OF A PORTION OF CUNNINGHAM AVENUE, RECORDED OCTOBER 4, 1962, IN BOOK [5743, PAGE 162](#).

PARCEL 6:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SAN JOSE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PORTION OF LOT 34 AS SHOWN ON THE MAP OF THE SUBDIVISION OF THE FILLMORE TRACT WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF SANTA CLARA COUNTY, CALIFORNIA, FEBRUARY 14, 1888 IN [BOOK C OF MAPS, AT PAGE 57](#) AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE, AT THE NORTHERLY COMMON CORNER FOR LOTS 34 AND 35 AS SAID AVENUE AND LOTS ARE SHOWN ON THE MAP ABOVE REFERRED TO; THENCE SOUTHWESTERLY ALONG THE SAID CENTER LINE OF CUNNINGHAM AVENUE 120.00 FEET; THENCE SOUTHEASTERLY AND PARALLEL WITH THE DIVIDING LINE BETWEEN SAID LOTS 34 AND 35, A DISTANCE OF 175 FEET; THENCE NORTHEASTERLY AND PARALLEL WITH THE CENTER LINE OF CUNNINGHAM AVENUE 120 FEET TO A POINT ON THE SAID DIVIDING LINE BETWEEN SAID LOTS 34 AND 35; THENCE NORTHWESTERLY ALONG SAID LAST NAMED LINE A DISTANCE OF 175 FEET TO THE POINT OF BEGINNING.

APN: 491-12-063

PARCEL 7:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE, DISTANT THEREON SOUTHWESTERLY 120 FEET FROM THE NORTHERLY COMMON CORNER FOR LOTS 34 AND 35, IN SAID CENTER LINE OF CUNNINGHAM AVENUE AS SHOWN ON THE RECORDED MAP HEREINAFTER REFERRED TO, WHICH POINT IS ALSO THE NORTHWESTERLY CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED BY DONALD F. GRAVES, ET UX, TO KENNETH R. TULLIS AND KATHRYN M. TULLIS, HIS WIFE, BY DEED DATED MARCH 30, 1951 AND RECORDED APRIL 18, 1951 IN [BOOK 2194 OF OFFICIAL RECORDS](#), PAGE 220, THENCE FROM SAID POINT OF BEGINNING ALONG SAID CENTER LINE SOUTH WESTERLY 112 FEET TO A POINT THEREON DISTANT 428 FEET NORTHEASTERLY FROM THE MOST WESTERLY CORNER OF LOT 33 AS SHOWN UPON SAID MAP HEREINAFTER REFERRED TO; WHICH POINT IS ALSO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED BY DONALD F. GRAVES AND VIRGINIA M. GRAVES, HIS WIFE, TO ANTHONY H. SILVA AND DOROTHEA M. SLIVE, HIS WIFE, BY DEED DATED FEBRUARY 16, 1951 AND RECORDED APRIL 18, 1951 IN [BOOK 2193 OF OFFICIAL RECORDS](#), PAGE 548; THENCE PARALLEL WITH THE NORTHEASTERLY LINE OF SAID LOT 33 AND ALONG THE NORTHEASTERLY LINE OF SAID PARCEL CONVEYED TO SILVA SOUTHEASTERLY 1320 FEET TO THE SOUTHEASTERLY LINE OF SAID LOT 34 AND THE SOUTHEASTERLY CORNER OF SAID PARCEL CONVEYED TO SILVA; THENCE ALONG SAID SOUTHEASTERLY LINE OF SAID LOT 34 NORTHEASTERLY 232 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 34; THENCE ALONG SAID NORTHEASTERLY LINE NORTHWESTERLY 946 FEET TO A POINT ON SAID NORTHEASTERLY LINE, SAID POINT BEING DISTANT SOUTHEASTERLY THEREON 374 FEET FROM THE MOST NORTHERLY CORNER OF SAID LOT, WHICH POINT IS ALSO THE SOUTHEASTERLY CORNER OF SAID PARCEL OF LAND CONVEYED TO TULLIS; THENCE SOUTHWESTERLY AND PARALLEL WITH SAID CENTER LINE OF CUNNINGHAM AVENUE AND ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL CONVEYED TO TULLIS, 120 FEET TO THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTHWESTERLY AND PARALLEL WITH THE DIVIDING LINE FOR LOTS 34 AND 35 AND ALONG THE SOUTHWESTERLY LINE OF SAID PARCEL CONVEYED TO TULLIS 374 FEET TO THE POINT OF BEGINNING AND BEING A PART OF LOT 34 AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON FEBRUARY 14, 1888, IN [BOOK C OF MAPS, PAGE 57](#).

PARCEL 8:

PORTION OF LOT 34 AS SHOWN ON THE MAP OF THE SUBDIVISION OF THE FILLMORE TRACT, WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, CALIFORNIA ON FEBRUARY 14, 1888 IN [BOOK C OF MAPS, PAGE 57](#) AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE AT THE NORTHERLY COMMON CORNER FOR LOTS 34 AND 35, AS SAID AVENUE AND LOTS ARE SHOWN ON THE MAP ABOVE REFERRED TO; THENCE SOUTHWESTERLY ALONG THE SAID CENTER LINE OF CUNNINGHAM AVENUE 120 FEET; THENCE SOUTHEASTERLY AND PARALLEL WITH THE DIVIDING LINE BETWEEN SAID LOTS 34 AND 35 FOR A DISTANCE OF 374 FEET; THENCE NORTHEASTERLY AND PARALLEL WITH THE CENTER LINE OF CUNNINGHAM AVENUE 120 FEET TO A POINT ON THE SAID DIVIDING LINE BETWEEN SAID LOTS 34 AND 35; THENCE NORTHWESTERLY ALONG SAID LAST NAMED DIVIDING LINE 374 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED FROM DAVID L. GALIOTTO AND MARILYNNE J. GALIOTTO AND A.D. GRACIANY AND ISABEL GRACIANY DATED DECEMBER 20, 1956 AND RECORDED DECEMBER 21, 1956 IN [BOOK 3692 OF OFFICIAL RECORDS, PAGE](#)

102; BEGINNING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE AT THE NORTHERLY COMMON CORNER FOR LOTS 34 AND 35; THENCE SOUTHWESTERLY ALONG THE SAID CENTER LINE OF CUNNINGHAM AVENUE 120 FEET; THENCE SOUTHEASTERLY AND PARALLEL WITH THE DIVIDING LINE BETWEEN LOTS 34 AND 35, A DISTANCE OF 175 FEET; THENCE NORTHEASTERLY AND PARALLEL WITH THE CENTER LINE OF CUNNINGHAM AVENUE 120 FEET TO A POINT ON THE SAID DIVIDING LINE BETWEEN SAID LOTS 34 AND 35; THENCE NORTHWESTERLY ALONG SAID LAST NAMED LINE, A DISTANCE OF 175 FEET TO THE TO THE POINT OF BEGINNING.

APN: 419-12-069 & 419-12-070

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2014-2015.
2. The property taxes for 2013-2014 taxes are assessed to Santa Clara County. NO TAXES DUE.
3. Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.
4. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.
5. The right of the public to travel over that portion of the premises hereinafter described lying within the bounds of Cunningham Avenue and Swift Lane
6. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: D. J. Kampfen
Purpose: Electric transmission line
Recording Date: April 30, 1919
Recording No: [Book 486 of Deeds, Page 251](#)
Affects: The Easterly boundary and the Northerly boundary of Parcel 4
7. Matters contained in that certain document

Entitled: Contract
Dated: August 22, 1935
Executed by: Clyde Silveria and Manuel C. Silva
Recording Date: November 5, 1935
Recording No: [Book 745, Page 515, Official Records](#)

Reference is hereby made to said document for full particulars.
8. The effect of the Record of Survey filed March 16, 1962, [Map Book 144, Page 23](#).
9. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Reserved by: County of Santa Clara
Purpose: Construct, maintain, operate, replace, renew, remove and enlarge lines of pipe, conduits and other convenient structures, equipment and fixtures for the operation of sanitary sewer lines, gas pipelines, and for all incidental purposes in connection therewith including, access

Recording Date: October 4, 1962
Recording No: 2271550, [Book 5743, Page 162, Official Records](#)
Affects: Parcel 5
10. Water rights, claims or title to water, whether or not disclosed by the public records.
11. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.

The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

12. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters which a correct survey would disclose and which are not shown by the public records.

In order to delete the survey exception shown above, a satisfactory survey of the subject Land, which complies with the minimum standards for land surveys made for title insurance purposes, is to be furnished to the Company.

The Company reserves the right to add additional items as disclosed by the survey, or make further requirements after review of the requested documentation.

13. Any easements not disclosed by the public records as to matters affecting title to real property, whether or not said easements are visible and apparent.

14. Unrecorded matters which may be disclosed by an Owner's Affidavit or Declaration. A form of the Owner's Affidavit/Declaration is attached to this Preliminary Report/Commitment. This Affidavit/Declaration is to be completed by the record owner of the land and submitted for review prior to the closing of this transaction. Your prompt attention to this requirement will help avoid delays in the closing of this transaction. Thank you.

The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit/Declaration.

15. The Company will require a certified copy of the Resolution of the Governing Board of the County of Santa Clara authorizing the transaction for which this Preliminary Report was ordered.

END OF ITEMS

NOTES

Note 1: The name(s) of the proposed insured(s) furnished with this application for title insurance is/are:

No names were furnished with the application. Please provide the name(s) of the buyers as soon as possible.

Note 2: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.

Note 3: Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.

Note 4: If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.

Note 5: Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirement cannot be met, please call the Company at the number provided in this report.

END OF NOTES

OWNER'S DECLARATION

The undersigned hereby declares as follows:

1. (Fill in the applicable paragraph and strike the other)
 - a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 997-23052236-ML3 for full legal description (the "Land").
 - b. Declarant is the _____ of _____ ("Owner"), which is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 997-23052236-ML3 for full legal description (the "Land").
2. (Fill in the applicable paragraph and strike the other)
 - a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.
 - b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless Fidelity National Title Insurance Company against any and all claims arising therefrom.
3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.
4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records.
5. The Land is currently in use as _____; _____ occupy/occupies the Land; and the following are all of the leases or other occupancy rights affecting the Land:

6. There are no other persons or entities that assert an ownership interest in the Land, nor are there unrecorded easements, claims of easement, or boundary disputes that affect the Land.
7. There are no outstanding options to purchase or rights of first refusal affecting the Land.

This declaration is made with the intention that Fidelity National Title Insurance Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Owner, by the undersigned Declarant, agrees to indemnify the Company against loss or damage (including attorneys fees, expenses, and costs) incurred by the Company as a result of any untrue statement made herein.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on ____ at _____.

Signature: _____

FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, “FNF”, “our” or “we”) respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the “Website”). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

Collection and Use of Information

The types of personal information FNF collects may include, among other things (collectively, “Personal Information”): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver’s license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, “Third Parties”) who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF’s, FNF’s affiliates and third parties’ products and services.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a “cookie” to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer’s hard drive and that can be re-sent to the serving website on

subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as “clear gifs”). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at <http://www.networkadvertising.org/>.
- You can opt-out via the Consumer Choice Page at www.aboutads.info.
- For those in the U.K., you can opt-out via the IAB UK’s industry opt-out at www.youronlinechoices.com.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your

prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information from Children

We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children – or others – in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices with Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization unless you affirmatively consent to such disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section “Additional Ways That Information Is Collected Through the Website,” subsection “Third Party Opt Out.”

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California’s “Shine the Light” law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2013 will receive information regarding 2012 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with “Request for California Privacy Information” in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the “Shine the Light” requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California’s Online Privacy Protection Act requires us to disclose how we respond to “do not track” requests and other similar mechanisms. Currently, our policy is that we do not recognize “do not track” requests from Internet browsers and similar devices.

Your Consent to This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: JANUARY 24, 2014

LAST UPDATED: JANUARY 24, 2014

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries (“FNF”) must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer’s right to be charged the field rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for each discount. These discounts only apply to transaction involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

FNF Underwritten Title Company

FNTC - Fidelity National Title Company
FNTCCA –Fidelity National Title Company of California

FNF Underwriter

FNTIC - Fidelity National Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (FNTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within 12 or 36 months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge.

FEE REDUCTION SETTLEMENT PROGRAM (FNTC, FNTCCA and FNTIC)

Eligible customers shall receive \$20.00 reduction in their title and/or escrow fees charged by the Company for each eligible transaction in accordance with the terms of the Final Judgments entered in *The People of the State of California et al. v. Fidelity National Title Insurance Company et al., Sacramento Superior Court Case No. 99AS02793, and related cases.*

DISASTER LOANS (FNTIC)

The charge for a lender’s Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church’s obligation the charge for an owner’s policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender’s policy shall be 40% to 50% of the appropriate title insurance rate, depending on the type of coverage selected.

Notice

You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between May 19,1995 and November 1, 2002. If you had more than one qualifying transaction, you may be entitled to multiple discounts.

If your previous transaction involved the same property that is the subject of your current transaction, you do not have to do anything; the Company will provide the discount, provided you are paying for escrow or title services in this transaction.

If your previous transaction involved property different from the property that is the subject of your current transaction, you must inform the Company of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount.

Unless you inform the Company of the prior transaction on property that is not the subject of this transaction, the Company has no obligation to conduct an investigation to determine if you qualify for a discount. If you provided the Company information concerning a prior transaction, the Company is required to determine if you qualify for a discount.

Effective through November 1, 2014

ATTACHMENT ONE (Revised 06-03-11)

**CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990**

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)

ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;

- c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
 6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.
 This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

		Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:		1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:		1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:		1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:		1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5000.00

**AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)**

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 - * land use
 - * improvements on the land
 - * land division
 - * environmental protection
 This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
 - * a notice of exercising the right appears in the public records
 - * on the Policy Date
 - * the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
 - * that are created, allowed, or agreed to by you
 - * that are known to you, but not to us, on the Policy Date – unless they appeared in the public records
 - * that result in no loss to you
 - * that first affect your title after the Policy Date – this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
 - * to any land outside the area specifically described and referred to in Item 3 of Schedule A
 - OR
 - * in streets, alleys, or waterways that touch your land
 This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

**2006 ALTA LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

2006 ALTA OWNER'S POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.

Insert map here

ATTACHMENT B.2



Fidelity National Title Company

PRELIMINARY REPORT

*In response to the application for a policy of title insurance referenced herein, **Fidelity National Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.*

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Fidelity National Title Insurance Company, a California Corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Countersigned by:

Authorized Signature



BY

President

ATTEST

Secretary

Authorized Signature



Fidelity National Title Company

1300 Dove Street, Suite 310, Newport Beach, CA 92660

Phone: (949) 622-5000 • Fax: (949) 477-6813

PRELIMINARY REPORT

Title Officer: Mitch LaRiva (MA)

Order No.: 997-23052234-ML3

TO:

SunPower Corporation
1414 Harbour Way
South Richmond, CA 94804

ATTN: **Dennis L. Harper**

YOUR REFERENCE: **South County Airport**

PROPERTY ADDRESS: APN: 825-11-022 and 825-10-075, Santa Clara, CA

EFFECTIVE DATE: August 28, 2014 at 7:30 a.m.

The form of policy or policies of title insurance contemplated by this report is:

ALTA Owner's

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

County of Santa Clara

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

See Exhibit A attached hereto and made a part hereof.

/hm 10/09/14

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN AN UNINCORPORATED AREA OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE, RECORD OF SURVEY FILED AUGUST 29, 1972, MAP [BOOK 307, PAGES 34 THROUGH 37](#), SANTA CLARA RECORDS.

APN's: 825-10-075 and 825-11-022

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2014-2015.
2. The 2013-2014 taxes are assessed to Santa Clara County. (No Taxes Due)
3. Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies
4. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.
5. Rights of the public to any portion of the Land lying within the area commonly known as
Murphy Avenue.
6. The effect of the future location of Murphy Avenue as shown on the Record of Survey filed August 29, 1972, Map [Book 307, Pages 34 through 37](#).
7. Water rights, claims or title to water, whether or not disclosed by the public records.
8. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.

The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

9. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters which a correct survey would disclose and which are not shown by the public records.

In order to delete the survey exception shown above, a satisfactory survey of the subject Land, which complies with the minimum standards for land surveys made for title insurance purposes, is to be furnished to the Company.

The Company reserves the right to add additional items as disclosed by the survey, or make further requirements after review of the requested documentation.

10. Any easements not disclosed by the public records as to matters affecting title to real property, whether or not said easements are visible and apparent.
11. Unrecorded matters which may be disclosed by an Owner's Affidavit or Declaration. A form of the Owner's Affidavit/Declaration is attached to this Preliminary Report/Commitment. This Affidavit/Declaration is to be completed by the record owner of the land and submitted for review prior to the closing of this transaction. Your prompt attention to this requirement will help avoid delays in the closing of this transaction. Thank you.

The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit/Declaration.

12. The Company will require a certified copy of the Resolution of the Governing Board of the County of Santa Clara authorizing the transaction for which this Preliminary Report was ordered.

END OF ITEMS

NOTES

Note 1: The name(s) of the proposed insured(s) furnished with this application for title insurance is/are:

No names were furnished with the application. Please provide the name(s) of the buyers as soon as possible.

Note 2: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.

Note 3: Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.

Note 4: If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.

Note 5: Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirement cannot be met, please call the Company at the number provided in this report.

END OF NOTES

OWNER'S DECLARATION

The undersigned hereby declares as follows:

1. (Fill in the applicable paragraph and strike the other)
 - a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 997-23052234-ML3 for full legal description (the "Land").
 - b. Declarant is the _____ of _____ ("Owner"), which is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 997-23052234-ML3 for full legal description (the "Land").
2. (Fill in the applicable paragraph and strike the other)
 - a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.
 - b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless Fidelity National Title Insurance Company against any and all claims arising therefrom.
3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.
4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records.
5. The Land is currently in use as _____; _____ occupy/occupies the Land; and the following are all of the leases or other occupancy rights affecting the Land:

6. There are no other persons or entities that assert an ownership interest in the Land, nor are there unrecorded easements, claims of easement, or boundary disputes that affect the Land.
7. There are no outstanding options to purchase or rights of first refusal affecting the Land.

This declaration is made with the intention that Fidelity National Title Insurance Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Owner, by the undersigned Declarant, agrees to indemnify the Company against loss or damage (including attorneys fees, expenses, and costs) incurred by the Company as a result of any untrue statement made herein.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on ____ at _____.

Signature: _____

FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, “FNF”, “our” or “we”) respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the “Website”). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

Collection and Use of Information

The types of personal information FNF collects may include, among other things (collectively, “Personal Information”): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver’s license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, “Third Parties”) who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF’s, FNF’s affiliates and third parties’ products and services.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a “cookie” to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer’s hard drive and that can be re-sent to the serving website on

subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as “clear gifs”). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at <http://www.networkadvertising.org/>.
- You can opt-out via the Consumer Choice Page at www.aboutads.info.
- For those in the U.K., you can opt-out via the IAB UK’s industry opt-out at www.youronlinechoices.com.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your

prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information from Children

We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children – or others – in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices with Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization unless you affirmatively consent to such disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section “Additional Ways That Information Is Collected Through the Website,” subsection “Third Party Opt Out.”

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California’s “Shine the Light” law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2013 will receive information regarding 2012 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with “Request for California Privacy Information” in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the “Shine the Light” requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California’s Online Privacy Protection Act requires us to disclose how we respond to “do not track” requests and other similar mechanisms. Currently, our policy is that we do not recognize “do not track” requests from Internet browsers and similar devices.

Your Consent to This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: JANUARY 24, 2014

LAST UPDATED: JANUARY 24, 2014

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries (“FNF”) must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer’s right to be charged the field rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for each discount. These discounts only apply to transaction involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

FNF Underwritten Title Company

FNTC - Fidelity National Title Company
FNTCCA –Fidelity National Title Company of California

FNF Underwriter

FNTIC - Fidelity National Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (FNTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within 12 or 36 months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge.

FEE REDUCTION SETTLEMENT PROGRAM (FNTC, FNTCCA and FNTIC)

Eligible customers shall receive \$20.00 reduction in their title and/or escrow fees charged by the Company for each eligible transaction in accordance with the terms of the Final Judgments entered in *The People of the State of California et al. v. Fidelity National Title Insurance Company et al., Sacramento Superior Court Case No. 99AS02793, and related cases.*

DISASTER LOANS (FNTIC)

The charge for a lender’s Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church’s obligation the charge for an owner’s policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender’s policy shall be 40% to 50% of the appropriate title insurance rate, depending on the type of coverage selected.

Notice

You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between May 19,1995 and November 1, 2002. If you had more than one qualifying transaction, you may be entitled to multiple discounts.

If your previous transaction involved the same property that is the subject of your current transaction, you do not have to do anything; the Company will provide the discount, provided you are paying for escrow or title services in this transaction.

If your previous transaction involved property different from the property that is the subject of your current transaction, you must inform the Company of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount.

Unless you inform the Company of the prior transaction on property that is not the subject of this transaction, the Company has no obligation to conduct an investigation to determine if you qualify for a discount. If you provided the Company information concerning a prior transaction, the Company is required to determine if you qualify for a discount.

Effective through November 1, 2014

ATTACHMENT ONE (Revised 06-03-11)

**CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990**

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)

ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;

- c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
 6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.
 This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

		Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:		1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:		1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:		1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:		1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5000.00

**AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)**

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:

- * land use
- * improvements on the land
- * land division
- * environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:

- * a notice of exercising the right appears in the public records
- * on the Policy Date
- * the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3. Title Risks:

- * that are created, allowed, or agreed to by you
- * that are known to you, but not to us, on the Policy Date – unless they appeared in the public records
- * that result in no loss to you
- * that first affect your title after the Policy Date – this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4. Failure to pay value for your title.

5. Lack of a right:

* to any land outside the area specifically described and referred to in Item 3 of Schedule A

OR

- * in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

**2006 ALTA LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

2006 ALTA OWNER'S POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

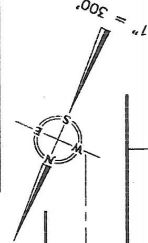
This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.



SOUTH VALLEY FREEWAY

R.C.S. 307. M. 34, 35, 36, 37
 9765 81

COUNTY OF SANTA CLARA

Z5

SUBJECT PROPERTY

P.T.N. P.C.L.I

E. SAN MARTIN AVE.

MURPHY AVE.

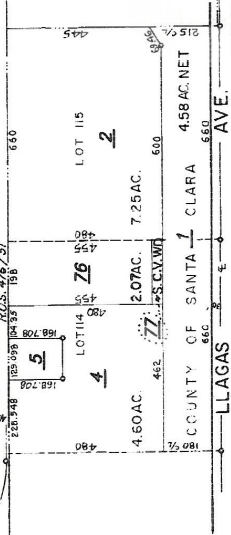
100 FT.

10.33 AC. GR.
 107.02 AC. NET

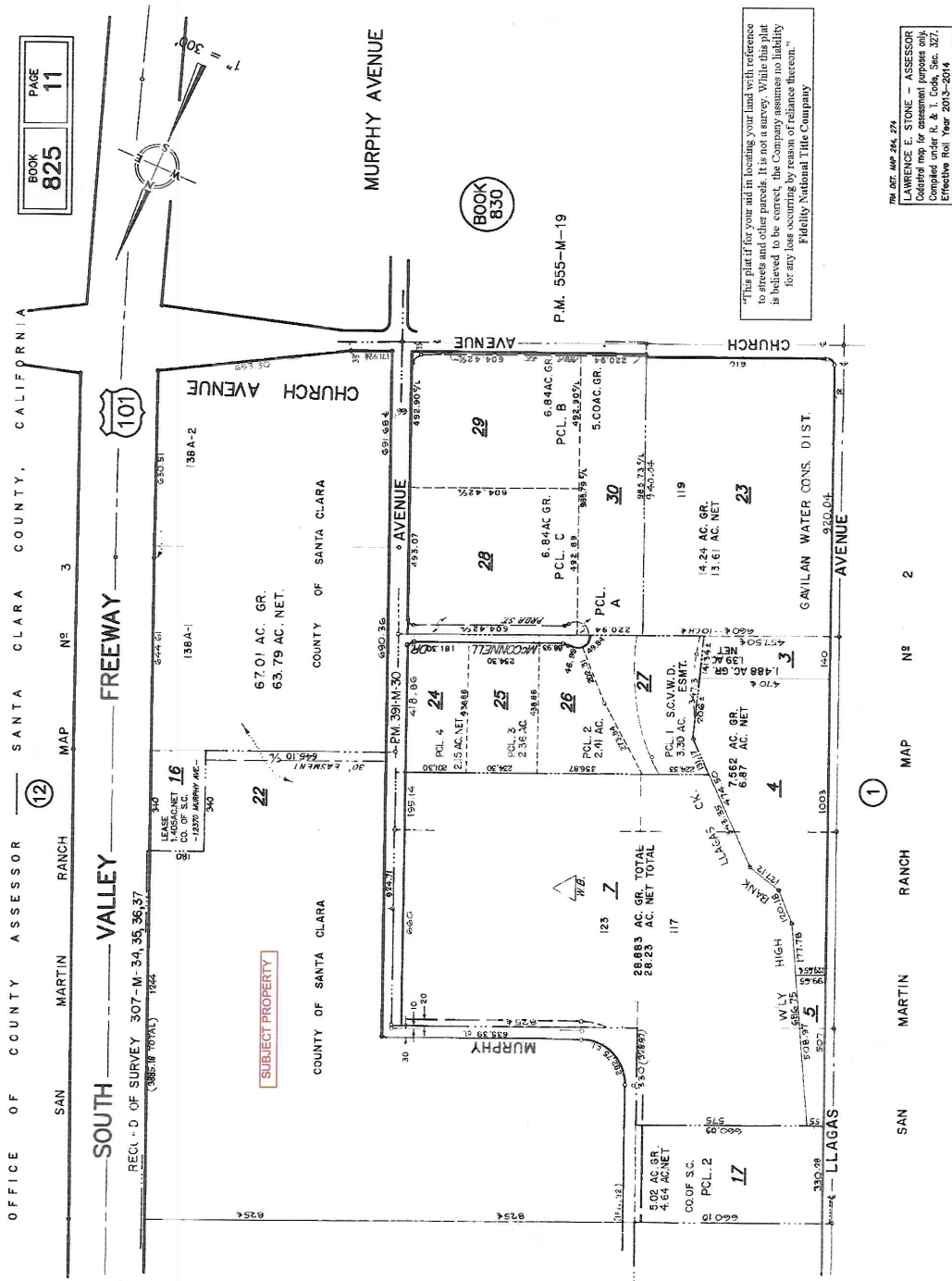
(37)

(11)

"This plat if for your aid in locating your land with reference to ranges and other parcels. It is not a survey. While this plat is believed to be correct, the Company assumes no liability for any errors or omissions that may be contained herein."
 Fidelity National Title Company



REV. LET. MAP 294, 297
 LAWRENCE E. STONE - ASSESSOR
 Certified map for general purposes by
 State of California, License No. 327,
 Effective Roll Year 2013-2014.



OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA — MAP NO. 3

SAN MARTIN RANCH MAP NO. 3

SOUTH VALLEY FREEWAY (101)

RECORD OF SURVEY 307-M-34, 35, 36, 37

LEASE TO CO. OF S.C. 1.405 AC. NET 7.620 AC. NET

16 67.01 AC. GR. 63.79 AC. NET.

22 SUBJECT PROPERTY

24 2.15 AC. NET 9.948 AC. GR.

25 2.36 AC. 5.818 AC. GR.

26 2.91 AC. 5.818 AC. GR.

27 3.30 AC. ESMT. 7.652 AC. GR. 6.887 AC. NET

28 6.84 AC. GR. 6.84 AC. GR.

29 6.84 AC. GR. 6.84 AC. GR.

30 5.00 AC. GR. 5.00 AC. GR.

17 5.02 AC. GR. 4.64 AC. NET

123 28.883 AC. GR. TOTAL 28.23 AC. NET TOTAL

117 7.652 AC. GR. 6.887 AC. NET

119 4.24 AC. GR. 13.61 AC. NET

23 13.61 AC. NET

3 1.48 AC. GR. 1.48 AC. GR.

4 7.652 AC. GR. 6.887 AC. NET

5 5.02 AC. GR. 4.64 AC. NET

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ATTACHMENT C



Valbridge
PROPERTY ADVISORS

Appraisal Report

Airport Land Rent
Portions of Reid Hillview and San Martin Airports
San Jose, Santa Clara County, California 95148

Report Date: June 15, 2016



FOR:

County of Santa Clara
Lin Ortega
2310 North 1st Street, Suite 200
San Jose CA 95131

**Valbridge Property Advisors |
Hulberg and Associates, Inc.**

55 South Market Street, Suite 1210
San Jose, CA 95113
408.279.1520 phone
408.279.3428 fax
valbridge.com

Valbridge File Number:
CA02-16-0262-000



55 South Market Street, Suite 1210
San Jose, CA 95113
408.279.1520 phone
408.279.3428 fax
valbridge.com

June 15, 2016

Yvonne J. Broszus, MAI
408.279.1520 x7135
ybroszus@valbridge.com

Lin Ortega
County of Santa Clara
2310 North 1st Street, Suite 200
San Jose, CA 95131

RE: Appraisal Report
Airport Land Rent
Portions of Reid Hillview and San Martin Airports
Santa Clara County, 95148

Dear Mr. Ortega:

In accordance with your request, we have performed an appraisal of the above referenced property. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal is not valid if separated from the appraisal report.

The subject property, as referenced above, represents two separate sites at Reid Hillview and San Martin Airports. The site at Reid Hillview Airport measures about 95,705 square feet, or 2.20 acres and is located on the west side of the airport, west of the runways. The site at San Martin Airport measures about 5.75 acres, or about 250,614 square feet and is located at the southernmost end of the airport.

Both sites are planned for a County-sponsored solar project that would include the placement of several solar arrays on the sites. The purpose of this appraisal is to estimate the market rent of the sites based on their highest and best use, and considering all the physically and legally possible uses.

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them.

The client in this assignment is Lin Ortega of the County of Santa Clara, and the intended user of this report is the County of Santa Clara and no others. The intended use is to evaluate a proposed Solar PV project. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions:

- None

Hypothetical Conditions:

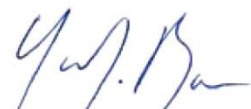
- None

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusions

Component	Reid Hillview	San Martin
Value Type	Market Rent	Market Rent
Property Rights Appraised	Fee Simple	Fee Simple
Effective Date of Value	May 27, 2016	June 11, 2016
Subject Land Area (acres)	2.20	5.75
Value Conclusion		
Annual Market Rent:	\$102,000	\$863
Annual Market Rent/Acre	\$46,426	\$150

Respectfully submitted,
Valbridge Property Advisors



Yvonne J. Broszus, MAI
Director
California Certified License #AG019587

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Summary of Salient Facts

Property Identification

Property Name	Reid Hillview Airport
Property Address	2500 Cunningham Avenue San Jose, Santa Clara County, California, 95148
Latitude & Longitude	37.332487, -121.822022
Tax Parcel Number	A portion of 491-13-001
Property Owner	County of Santa Clara

Site

Zoning	Industrial Park (IP)
FEMA Flood Map No.	06085C0254H
Flood Zone	D
Primary Land Area	2.197 acres

Valuation Opinions

Highest & Best Use - As Vacant	Low intensity industrial uses
Reasonable Exposure Time	6 months
Reasonable Marketing Time	6 months

Property Identification

Property Name	San Martin Airport
Property Address	13030 Murphy Avenue San Martin, Santa Clara County, California, 95046
Latitude & Longitude	37.071287, -121.591709
Tax Parcel Number	A portion of 825-11-022
Property Owner	County of Santa Clara

Site

Zoning	Rural Residential (RR-5Ac)
FEMA Flood Map No.	06085C0628H
Flood Zone	D
Primary Usable Land Area	5.750 acres

Valuation Opinions

Highest & Best Use - As Vacant	Agricultural
Reasonable Exposure Time	6 months
Reasonable Marketing Time	6 months

Value Conclusions

Component	Reid Hillview	San Martin
Value Type	Market Rent	Market Rent
Property Rights Appraised	Fee Simple	Fee Simple
Effective Date of Value	May 27, 2016	June 11, 2016
Subject Land Area (acres)	2.20	5.75
Value Conclusion		
Annual Market Rent:	\$102,000	\$863
Annual Market Rent/Acre	\$46,426	\$150

Our findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions:

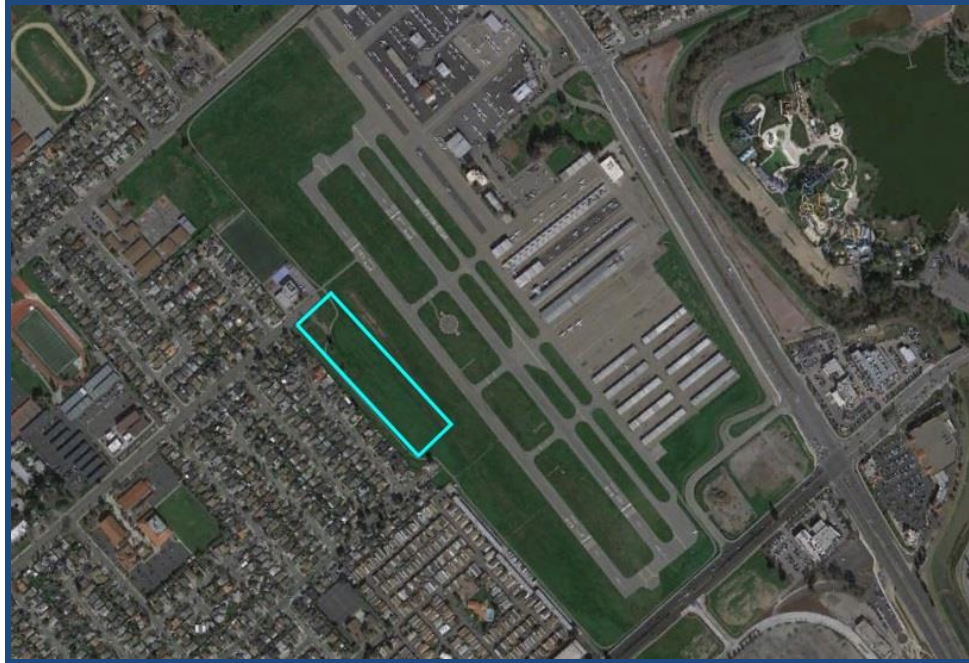
- None

Hypothetical Conditions:

- None

Aerial and Front Views – Reid Hillview

AERIAL VIEW



FRONT VIEW



Aerial and Front Views – San Martin

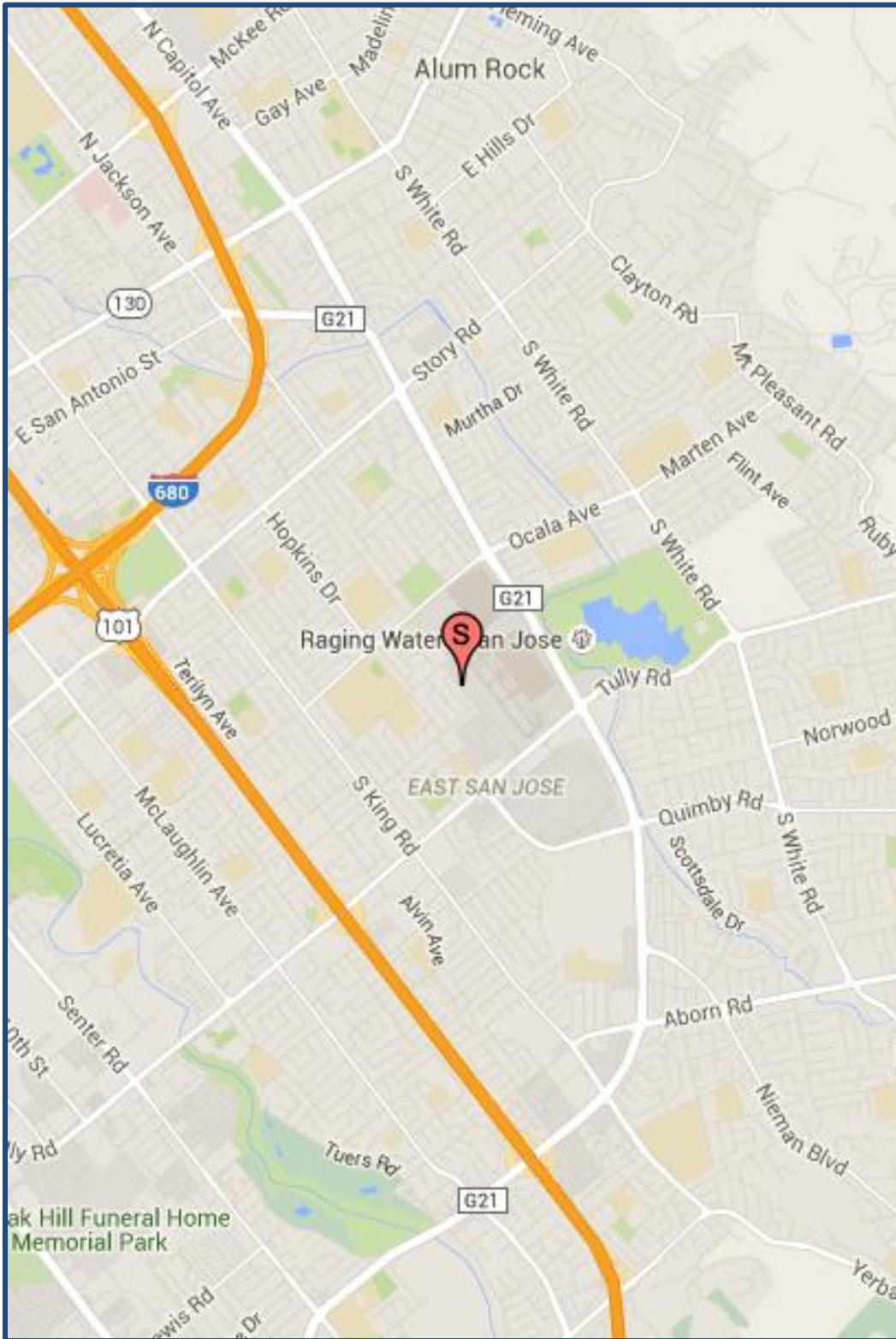
AERIAL VIEW



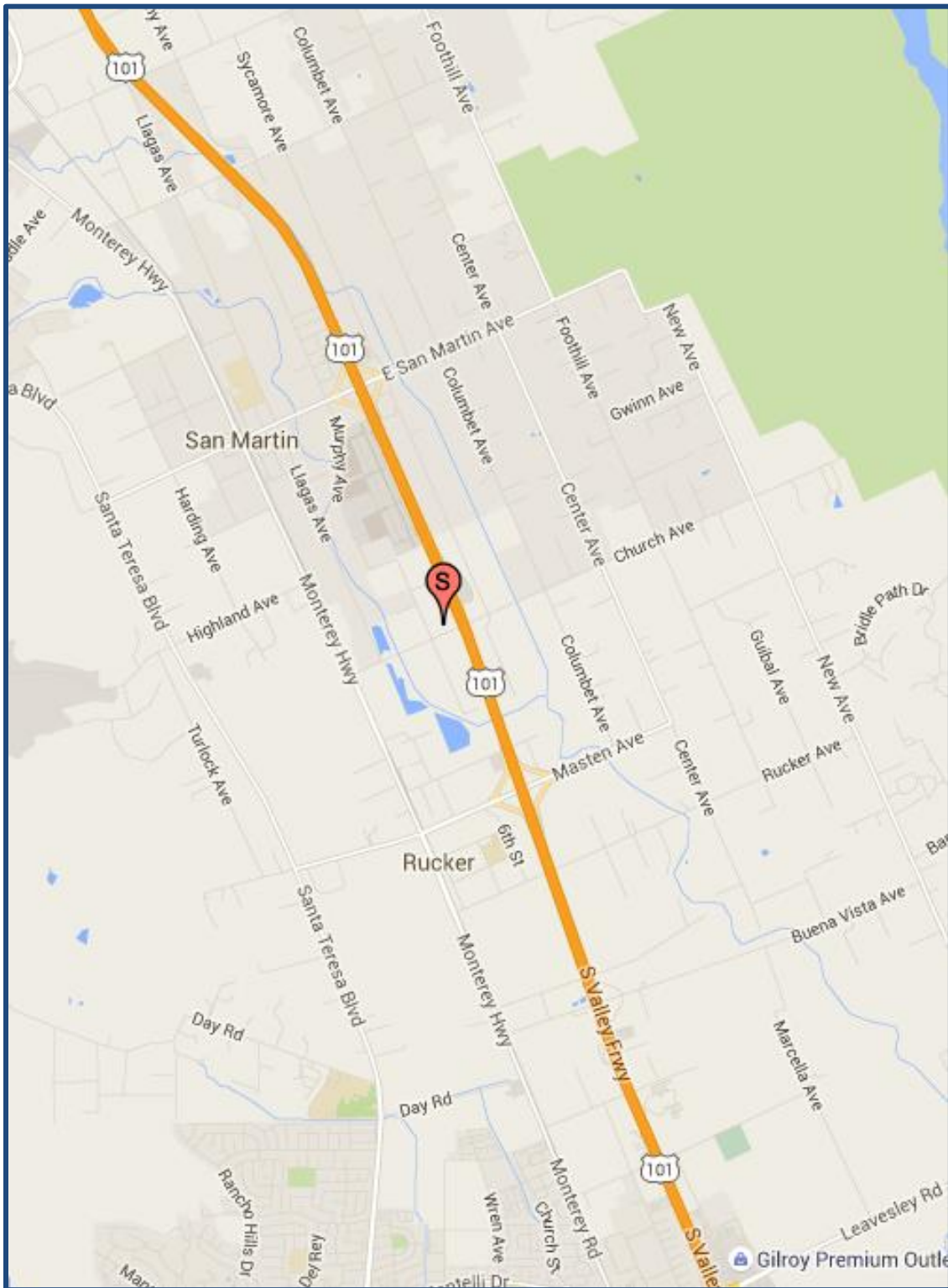
FRONT VIEW



Location Map – Reid Hillview Airport Property



Location Map – San Martin Airport Property



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is Lin Ortega of the County of Santa Clara, and the intended user of this report is the County of Santa Clara and no others.

Intended Use of the Appraisal

The intended use of this report is to evaluate a proposed Solar PV project.

Real Estate Identification

The subject property consists of two sites: one located at Reid Hillview Airport, and the other located at San Martin Airport. The Reid Hillview site measures about 2.2 acres and is located on the west side of the airport. The San Martin site measures about 5.75 acres and is located at the south end of the airport.

Legal Description

A legal description was not available. The site size and description is based upon site plans provided by the client.

Use of Real Estate as of the Effective Date of Value

As of the effective date of value, both subject sites were fallow land and were not being used, other than for open space as part of the airport properties.

Use of Real Estate as Reflected in this Appraisal

The subject site on Reid Hillview has the potential for low-intensity industrial uses, so this is the use reflected in this appraisal. The San Martin subject site has the potential for agricultural use, which is the use valued in this appraisal.

Ownership of the Property

According to information provided by the client, title to the subject property is vested in the County of Santa Clara.

History of the Property

Ownership of the subject property has not changed within the past three years.

Listings/Offers/Contracts

The subject is not currently listed for sale or under contract for sale. There have been no offers to purchase or lease the subject property. The subject sites are being considered for a County-sponsored solar project. No rent has been assigned for this use.

Type and Definition of Value

The appraisal problem (the term "Purpose of Appraisal" has been retired from appraisal terminology) is to develop an opinion of the market rent of the subject property. "Market rent," as used in this appraisal, is defined as "the most probable rent that a property should bring in a competitive and open

market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs)." (Source: *The Dictionary of Real Estate Appraisal*, Fifth Edition, pp 121-122)

While an existing lease is not in place for the subject, we have based on market rent estimate based on the highest and best use of the property and typical lease terms.

The value conclusions apply to the value of the subject sites under the market conditions presumed on the effective date(s) of value.

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value

Per the scope of our assignment we developed opinions of value for the subject property under the following scenarios of value:

Valuation Scenarios	Effective Date of Value
Reid Hillview Site, As Is, Market Rent	May 27, 2016
San Martin Site, As Is, Market Rent	June 11, 2016

We completed an appraisal inspection of the Reid Hillview property on May 27, 2016. An appraisal inspection of the San Martin site was completed on June 11, 2016.

Date of Report

The date of this report is June 15, 2016, which is the same as the date of the letter of transmittal.

List of Items Requested but Not Provided

- None

Assumptions and Conditions of the Appraisal

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions

- None

Hypothetical Conditions

- None

Scope of Work

The scope of work includes all steps taken in the development of the appraisal. These include 1) the extent to which the subject property is identified, 2) the extent to which the subject property is inspected, 3) the type and extent of data researched, 4) the type and extent of analysis applied, and 5) the type of appraisal report prepared. These items are discussed as follows:

Extent to Which the Property Was Identified

Legal Characteristics

The subject was legally identified via surveys provided by the client and included in this report.

Economic Characteristics

Economic characteristics of the subject properties were identified via market participant surveys, our company database, and third party sources, as well as a comparison to properties with similar locational and physical characteristics.

Physical Characteristics

The subject was physically identified via an appraisal inspection by Yvonne J. Broszus, MAI, that consisted of exterior observations.

Extent to Which the Property Was Inspected

We inspected the Reid Hillview property on May 27, 2016, and the San Martin property on June 11, 2016. We did not perform physical measurements of the sites.

Type and Extent of Data Researched

We researched and analyzed: 1) market area data, 2) property-specific market data, 3) zoning and land-use data, and 4) current data on comparable listings and rentals in the competitive market area. We also interviewed people familiar with the subject market/property types.

Personal Property/FF&E

All furniture, fixtures, and equipment (FF&E) or any other personal property has been excluded from our analysis. The opinion of market value developed herein is reflective of real estate only.

Type and Extent of Analysis Applied

There are no improvements on the subject sites that contribute to an overall value that exceeds the land value. We observed surrounding land use trends, demand for the subject properties, and relevant legal limitations in concluding a highest and best use. We then valued the subject sites based on the highest and best use conclusion, relying on the Sales Comparison Approach.

Appraisal Report Type

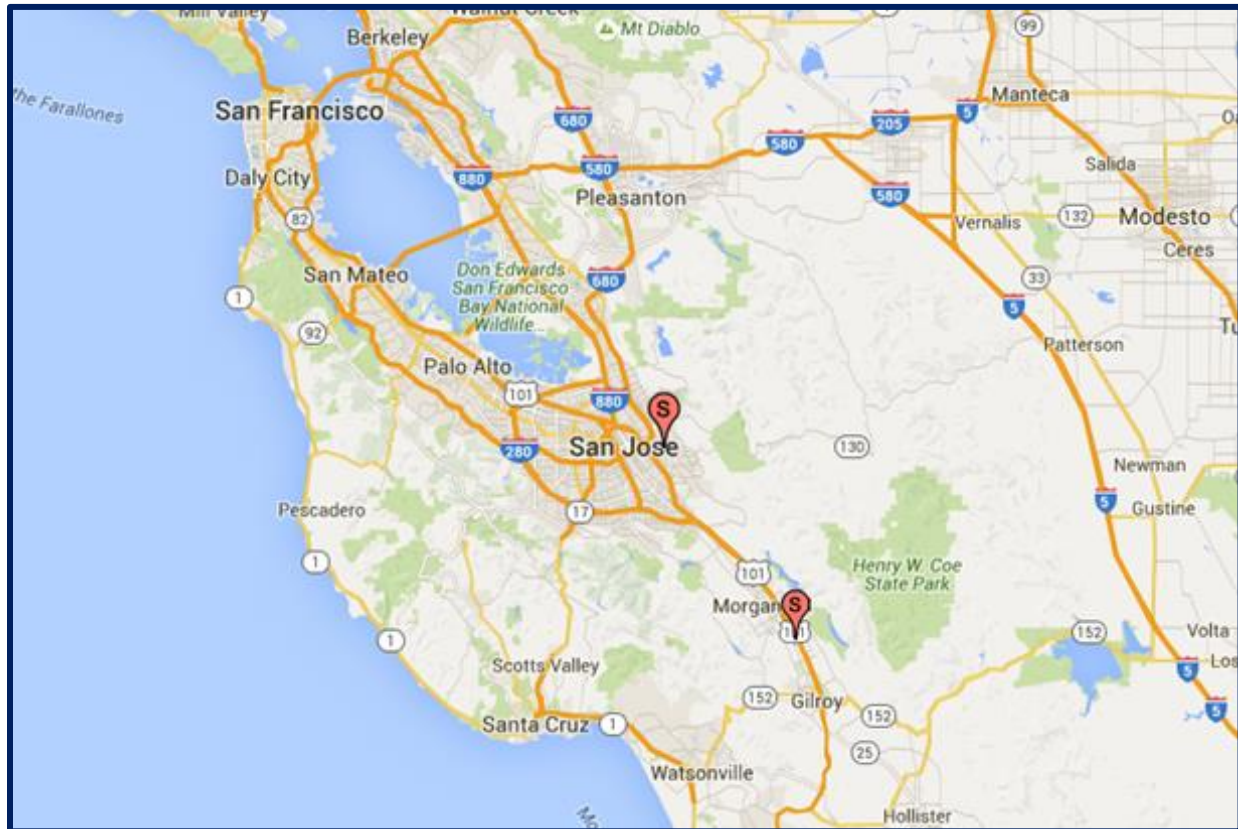
This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Appraisal Conformity

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them.

Regional and Market Area Analysis

REGIONAL MAP



Overview

The subject properties are located in the San Francisco Bay Region, an area which is comprised of the nine counties bordering the San Francisco Bay. According to the State of California Department of Finance, the area had a combined population of approximately 7.65 million as of January 1, 2016. The Department of Finance characterizes the San Francisco Bay Area by a moderate climate, diversified economy and one of the highest standards of living in the United States.

Population

Santa Clara County is the most populous of the nine counties comprising the San Francisco Bay Region, with an estimated 1,927,888 residents as of January 1, 2016 according to the State of California Department of Finance. San Jose is the largest city in the county and the third largest in California, surpassing San Francisco.

According to the Site to Do Business projections, presented on the following page, the county's population is expected to increase 1.2% between 2015 and 2020, while San Jose will increase approximately 1.1% over the same period.

Population

Area	2000	2010	Annual % Change 2000 - 10	Estimated 2015	Projected 2020	Annual % Change 2015 - 20
United States	281,421,906	308,745,538	1.0%	318,536,439	330,622,575	0.8%
California	33,871,648	37,253,956	1.0%	38,371,836	39,802,811	0.7%
Santa Clara County	1,682,585	1,781,642	0.6%	1,867,405	1,975,087	1.2%
San Jose	904,899	945,942	0.5%	986,443	1,040,824	1.1%

Source: Site-to-Do-Business (STDB Online)

Transportation

Excellent transportation routes and linkages to all major cities within the region and throughout the state are primary reasons for the advancement of business activity in the Bay Area, including Santa Clara County.



Air service in the area is provided by Norman Y. Mineta San Jose International Airport, which accommodated almost 9.8 million passengers in 2015. San Francisco and Oakland airports are also within an hour's drive from most portions of the county. Although air travel is down over the past two years, San Jose International Airport has embarked on a \$1.8 billion expansion that will eventually allow the airport to handle 17.3 million travelers a year.

In addition, the county is serviced by several smaller airports which handle mostly general aviation traffic. The subject properties are

located on two of these airports. More information is provided on these airports later in this report.

The area has a well-developed freeway system although traffic congestion is unquestionably one of the negative aspects. The county's transportation network includes a number of expressways, which provide streamlined access to most interior locations. Lawrence Expressway, San Tomas Expressway and Foothill Expressway run north-south, while Central Expressway and Montague Expressway run roughly east-west.

Employment

High-technology employment and a skilled workforce translate into relatively high-income levels, and Santa Clara County is one of the most affluent metropolitan regions in the nation. Silicon Valley's economy is stable, although its narrow range of driving industries has kept recent growth very slow.

Significant employment sectors within Santa Clara County include manufacturing; professional, scientific, and technical services; health care; retail; and educational services. Some of the largest

employers are associated with the computer industry such as Adobe, Apple, AMD, and Hewlett-Packard; hospitals such as the VA Medical Center, Kaiser Permanente, and the San Jose Medical Center; space and aerotech including NASA and Lockheed Martin; and educational facilities such as San Jose State University and Stanford University School of Medicine.

Employment by Industry - Santa Clara County

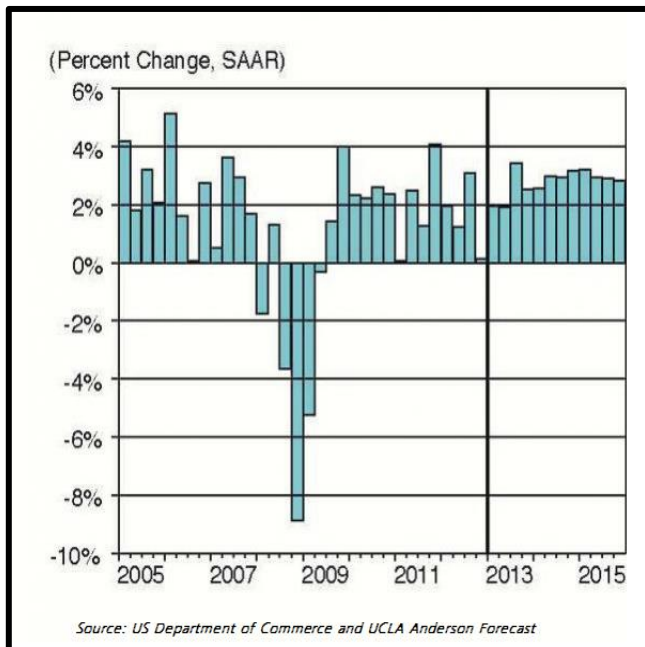
Industry	2009 - 2013 ACS Estimate	Percent of Employment
Agriculture, forestry, fishing and hunting	4,774	0.55%
Mining, quarrying, and oil and gas extraction	398	0.05%
Construction	44,191	5.11%
Manufacturing	165,093	19.08%
Wholesale trade	18,840	2.18%
Retail trade	85,385	9.87%
Transportation and warehousing	19,117	2.21%
Utilities	4,481	0.52%
Information	33,370	3.86%
Finance and insurance	24,108	2.79%
Real estate and rental and leasing	18,496	2.14%
Professional, scientific, and technical services	121,838	14.08%
Management of companies and enterprises	410	0.05%
Administrative and support and waste mgmt services	39,752	4.59%
Educational services	70,231	8.12%
Health care and social assistance	92,203	10.66%
Arts, entertainment, and recreation	14,852	1.72%
Accommodation and food services	48,668	5.62%
Other services, except public administration	37,684	4.35%
Public administration	21,436	2.48%
Total	865,327	100.00%

Source: Site-to-Do-Business (STDB Online)

Unemployment

While the unemployment rate was affected by the most recent recession, it has recovered significantly in recent years, particularly in the Bay Area. Santa Clara County's rate is currently less than the rates of the state and nation. The County unemployment rate was 3.6% as of April 2016 (most recent available). The State of California was at 5.2% while the Nation was at 4.7% for the same time period. This has been one of the lowest unemployment rate figures over the past several years since the Great Recession and reflects the steadily improving market conditions. San Jose's unemployment rate in April was 3.7%.

The unemployment forecast for California through 2016 remains positive. The most recent UCLA Anderson Forecast anticipates steady gains in employment right through 2017. Senior Economist Jerry Nickelsburg is quoted as saying "The increase in U.S. growth rates from construction, automobiles, and business investment, as well as higher consumer demand, will continue to fuel our local economy."



The report's estimate for the state's 2015 total employment growth was 2.4%, and is 2.2% for 2016, and 1.5% for 2017. The unemployment rate will hover around 6.5% through 2015, and 5.5% in 2016 which is a slight decrease from Anderson's last forecast. In 2017 an unemployment rate of approximately 5.1% is forecast, essentially the same as their forecast for the nation.

Their report for the national economy says that the nation "looks like an island of stability in a very volatile world." They believe that the US will stay on track for 3% GDP growth through 2017 despite slow growth and currency devaluations throughout much of the rest of the developed world.

The health of the economy, and the real estate industry, is closely linked to the ability to procure financing. To encourage banks to continue lending, the Federal Reserve (the Fed) held the Federal Funds Rate at historically low levels, between 0% and 0.25% from December of 2008 through December 2015. In December 2012, the Fed announced explicit economic targets for the end of easing programs. Specifically, the Fed said it will hold the Federal Funds Rate at its current level until national unemployment drops below 6.5% or inflation exceeds 2.5% a year, in order to support continued progress toward maximum employment and price stability; previously, they had targeted mid-2015.

On December 16, 2015, the Federal Reserve raised the Federal Funds rate to 0.50%, stating that economic activity has been expanding at a moderate pace and recent labor market indicators, including ongoing job gains and declining unemployment, show further improvement in the economy.

The Federal Open Market Committee, including Chair Janet Yellen, released a statement that they expect that "... with gradual adjustments in the stance of monetary policy, economic activity will continue to expand at a moderate pace and labor market indicators will continue to strengthen ... Inflation is expected to rise to 2 percent over the medium term as the transitory effects of declines in energy and import prices dissipate and the labor market strengthens further."

While the economic climate for real estate has begun to recover, new concerns must be addressed in order for the current growth to be sustainable. The unemployment rate has decreased, and GDP growth is expected to continue over the next couple of years. However, the rate of GDP growth must continue to increase in order for a true economic recovery to materialize.

Median Household Income

In Santa Clara County, San Jose, the county seat, ranks first out of the entire nation in terms of median household income for major metropolitan areas. San Francisco, about 50 miles to the north of San Jose, also ranked as one of the wealthiest cities in the nation: it holds the number two spot with a median household income of about 9% less than San Jose.

Total median household income for the region is presented in the following table. Overall, the subject's MSA and county compare favorably to the state and the country.

Median Household Income

Area	Estimated 2015	Projected 2020	Annual % Change 2015 - 20
United States	\$53,217	\$60,683	2.8%
California	\$60,382	\$71,245	3.6%
Santa Clara County	\$95,787	\$105,655	2.1%
San Jose	\$86,753	\$98,656	2.7%

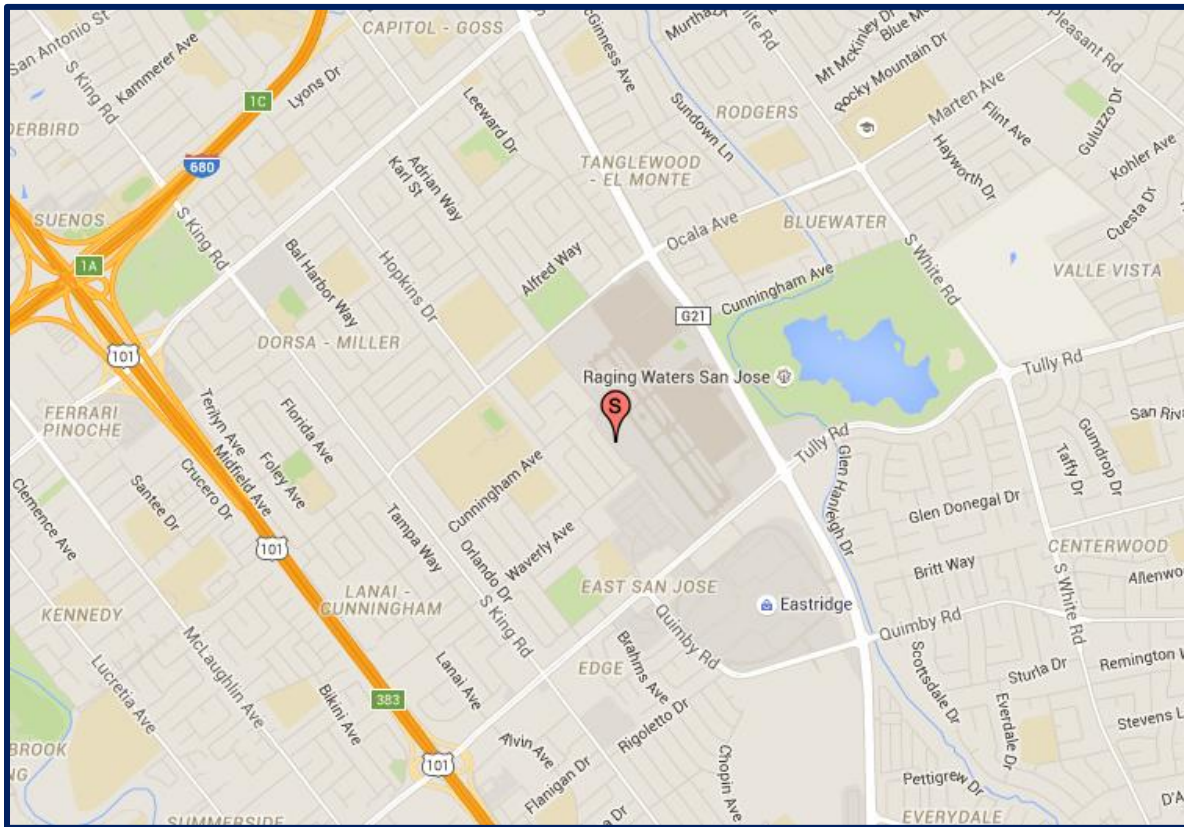
Source: Site-to-Do-Business (STDB Online)

Conclusions

The recent recession is quickly becoming a distant memory as the Bay Area and Santa Clara County are experiencing continued growth in their economies and steady declines in unemployment levels. Population levels are expected to continue to grow at a similar rate compared to the nation and median household incomes are expected to remain well above the state and national averages. Overall, Santa Clara County and the Bay Area will continue to be a desirable place to live and work.

San Jose City and Neighborhood Analysis

NEIGHBORHOOD MAP



One of the subject properties is located at Reid Hillview Airport, located in the City of San Jose. The other subject property is located on the San Martin Airport, in an unincorporated area of Santa Clara County. Each of these areas is discussed below.

City of San Jose

San Jose is the largest city in the county and is the County Seat. Historically, San Jose was a support city for the surrounding agricultural industry, acting as a cannery and distribution center. More recently, San Jose served as a bedroom community for Sunnyvale and Santa Clara (the original "Silicon Valley"), providing affordable housing for workers. Today, San Jose has come into its own right as an industrial and commercial center.

San Jose is located in the heart of "Silicon Valley," in the central portion of Santa Clara County. San Jose is bordered by the City of Santa Clara and the San Francisco Bay to the north, the City of Morgan Hill to the south, and the cities of Saratoga and Cupertino to the west.

San Jose is the largest city in Santa Clara County, both in terms of population and area. The Urban Service Area is approximately 87,000 acres, of which 20% is vacant or unused. About 40% of this vacant land is designated for residential development. These residential land reserves will enable San Jose to accommodate demands for new housing created by future economic development.

Newer industrial development in San Jose consists of administrative offices, research and development, and light manufacturing uses, replacing many of the heavier manufacturing uses that historically characterized the central city industrial areas. In fact, some of the older, heavy-industrial development is being rehabilitated and converted to new, high-technology uses. Most of San Jose's industrial development has a low-profile, landscaped industrial park character.

San Jose has excellent access to local transportation and is served by many regional transportation networks. Interstate 280 runs within the central region of the city in an east-west direction and provides access to the San Mateo peninsula and San Francisco to the northwest. Interstate 280 eventually turns into Interstate 680, where it crosses east of Highway 101. At this point it veers northeast toward the East Bay and Tri-Valley areas of Alameda County. Interstate 880 originates in the East Bay and slashes through San Jose where it changes into Highway 17 and continues onward toward the Pacific Ocean and Santa Cruz.

The Bayshore Freeway, Highway 101, traverses the city in a generally north-south direction and also links to the peninsula and San Francisco with San Jose. The Stevens Creek Freeway, Highway 85, runs along the western boundary of the city and links the two major east-west routes. Highway 85 was recently extended from Interstate 280 south to the southern portions of San Jose, Los Gatos, and Saratoga. This extension has dramatically improved access to these desirable residential areas with the northern employment centers in Mountain View. Similarly, Highway 237 runs in an east-west direction through the northern portion of San Jose connecting Mountain View to the west with the City of Milpitas to the east.

The San Jose downtown core has undergone major renovation and revitalization over the last 15 years. Improvements to the freeway system, as well as construction of the new light rail system, have significantly improved access to the downtown core from other areas of the city and county. Other major downtown public projects include the Children's Discovery Museum, the new San Jose Convention Center, as well as the San Jose Arena, home of the San Jose Sharks of the National Hockey League and also the San Jose Barracudas of the American Hockey League, who began to play in San Jose with the 2015-16 season.

Today, San Jose's revitalized Downtown Core has evolved into financial, office, cultural and entertainment centers. Outside the Downtown Core Area, commercial development exists in the form of neighborhood and community commercial centers, strip commercial developments along arterial streets, and regional shopping centers.

Neighborhood Location and Boundaries

The subject neighborhood is located in the East San Jose section of San Jose. The area is suburban in nature. The neighborhood is bounded by Story Road to the north, White Road to the east, Aborn Road to the south, and Highway 101 to the west.

Demographics

The following table depicts the area demographics in San Jose within a one-, three-, and five-mile radius from the subject.

Neighborhood Demographics

Radius	1 mile	3 miles	5 miles
Population Summary			
2000 Population	34,500	267,722	503,571
2010 Population	33,041	266,457	527,638
2015 Population	34,153	275,852	552,066
2020 Population Estimate	35,796	289,476	582,769
Annual % Change (2015 - 2020)	0.9%	1.0%	1.1%
Household Summary			
2000 Households	6,455	61,968	136,116
% Owner Occupied	69.0%	62.7%	59.8%
% Renter Occupied	30.5%	36.1%	38.3%
2010 Households	6,761	65,750	150,702
% Owner Occupied	58.8%	55.5%	54.0%
% Renter Occupied	38.0%	41.1%	41.5%
2015 Households	6,993	68,122	158,311
% Owner Occupied	56.5%	53.2%	51.9%
% Renter Occupied	40.1%	43.3%	43.9%
2020 Households Estimate	7,344	71,675	167,962
% Owner Occupied	56.2%	52.8%	51.4%
% Renter Occupied	40.2%	43.5%	44.3%
Annual % Change (2015 - 2020)	1.0%	1.0%	1.2%
Income Summary			
2015 Median Household Income	\$71,547	\$71,513	\$77,714
2020 Median Household Income Estimate	\$79,368	\$80,998	\$87,487
Annual % Change	2.1%	2.5%	2.4%
2015 Per Capita Income	\$16,755	\$22,091	\$28,286
2020 Per Capita Income Estimate	\$18,716	\$24,755	\$32,047
Annual % Change	2.2%	2.3%	2.5%

Source: Site-to-Do-Business (STDB Online)

Transportation Access

Within the immediate area of the subject property, transportation access helps define the character of its development. Major travel and commuter routes within the area of the subject property include Tully and Story Roads and Capitol Expressway, King Road and Highway 101. Access to the area is considered good.

Neighborhood Land Use

The subject neighborhood is located in an area with primarily residential and commercial land uses. An approximate breakdown of the development in the area is as follows:

LAND USES

Residential:	50%
Retail:	15%
Office:	5%
Industrial:	5%
Public:	10%
Recreational:	10%
Vacant:	5%

Several significant land uses are located in the immediate area. These include the Eastridge Shopping Center, located immediately south of Reid Hillview Airport, Lake Cunningham Regional Park (with Raging Waters Waterpark), located east of the subject, and of course, the subject airport. There are also several schools, as the area is primarily a residential area.

As noted previously, the subject site is located on the west side of the airport. This is opposite the runways from the FBO and other airport services. The uses surrounding the subject site include a residential neighborhood to the west and south, the Boys and Girls Club and airport property to the north, as well as the airport property (runways) to the east.

Nearby, a self-storage facility is located south of the subject site, and immediately west of the airport. The proximity of this facility to the airport runways is somewhat similar to the subject site, albeit the subject site is somewhat closer. A significant difference between the self-storage site and the subject site, however, is that the self-storage site has access from a Tully Road, a commercial thoroughfare, whereas the subject site would have access only from a residential street, as will be discussed later.

Reid Hillview Airport

Reid Hillview Airport is one of the significant land uses in the immediate area. The airport is located about five miles east of San Jose International Airport in an urban area surrounded by residential and commercial uses. The airport has two parallel runways measuring 3,100 and 3,099 feet in length. These runway lengths will only support small aircraft; they do not support corporate jets. Given the surrounding uses, it is unlikely that the runways will be extended to support larger aircraft.

The airport does not have a restaurant operator, or other food-service provider. This is uncommon as most other general aviation airports have some sort of food provider on-site. The lack of a food provider negatively affects the appeal of the airport for transient traffic, as many recreational pilots fly to airports for a meal. The subject has an area that was formerly improved for restaurant use, but this area has been gutted.

The proximity of the residential uses and the Eastridge Mall to the subject has been of public concern for many years. This resulted in a somewhat tumultuous time over the past three decades.

During this time, the County considered closing the airport several times. Several studies were conducted to explore the possibility. The legal options relating to a potential sale or lease of the airport, however, would be extremely complex and lengthy. Likely for this reason, there is no current or anticipated motivation to pursue this course of action.

Reid Hillview Airport is currently home to about 271 based aircraft, four Fixed Based Operators (FBOs), and a flight school. In addition, there are other general aviation tenants at the airport that lease land directly from the airport. There are no private corporate leaseholders of land at the airport, as the airport does not serve this market segment.

Total operations last year were 143,663, which represents an increase of about 31% from five years ago. This increase is greater than the increase in general aviation experienced at either Palo Alto or San Jose International Airport, at 7% and 10%, respectively. It also is greater than the overall market, which declined by 3.6% in the last year, as will be discussed later in the market overview section.

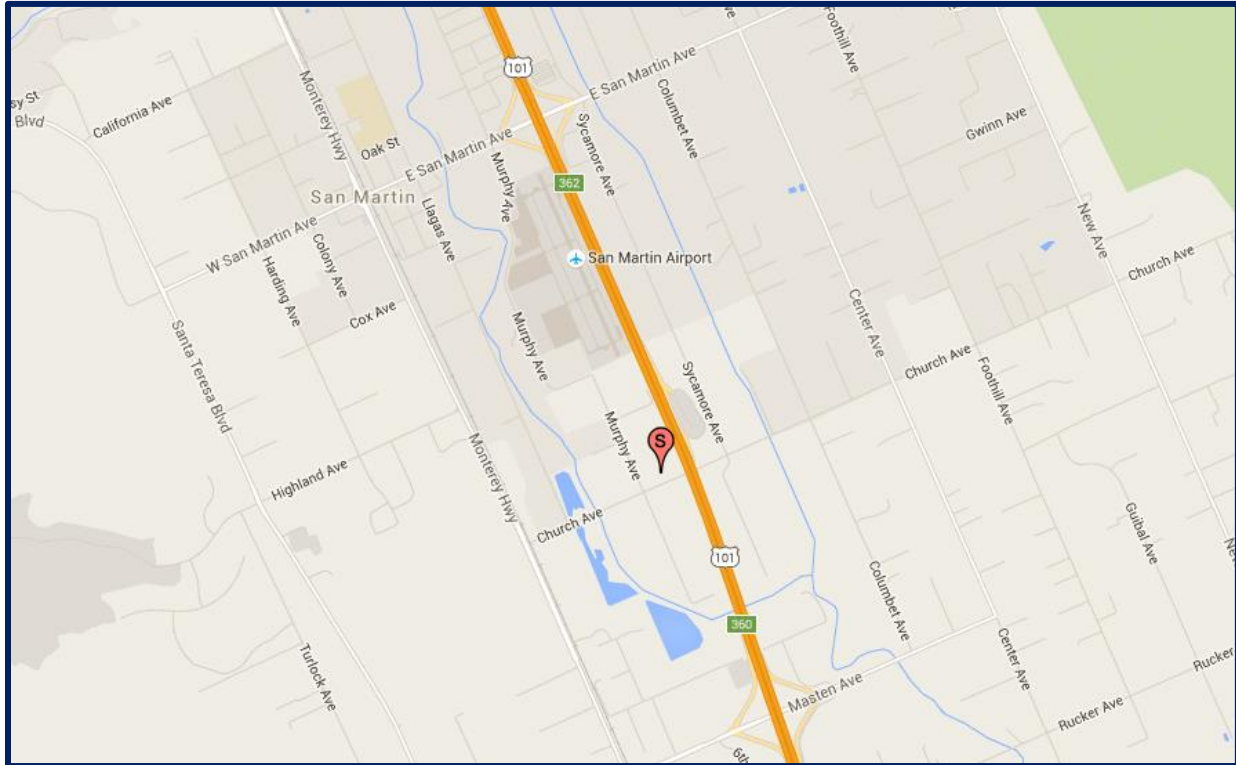
The increase in operations at Reid Hillview is likely the result of many factors. First, the Bay Area is experiencing a strong economy. Secondly, Reid Hillview may be taking overflow from nearby San Jose International for smaller airport.

Summary

In summary, the subject is located on Reid Hillview Airport, in East San Jose. The area is suburban in nature and is primarily a residential area. Residential uses border the subject site as well. Operations at the airport have increased over the past five years, but still remain lower than the levels experienced 10 years ago. The recent increase is likely due, at least in part, to the overall growth in the economy. In conclusion, the long-term prospective of the area, as well as the subject airport, appear good. The subject neighborhood is in the stable stage of its life cycle.

San Martin Area and Neighborhood Analysis

NEIGHBORHOOD MAP



San Martin is an unincorporated area located in the jurisdiction of Santa Clara County. It lies between Morgan Hill to the north, and Gilroy to the south. San Francisco is approximately 80 miles north of San Martin and Monterey is about 55 miles to the southwest. San Martin, along with neighboring Morgan Hill and Gilroy, is located in an area typically known as the "South Valley" area.

The City of Morgan Hill was incorporated in 1906, and is situated in southern Santa Clara County along Highway 101. Gilroy is located about 10 miles south of Morgan Hill, in the farthest southern portion of Santa Clara County. The economies of the South Valley Area have traditionally been based on agriculture, but industrial and residential expansions have been making inroads into agricultural land for the past six years. With the rapid growth of Silicon Valley in the northern portion of the county, the character of South County has changed. Demand for the less expensive and available commercial land and housing in the cities of Morgan Hill, Gilroy, and the unincorporated areas, such as San Martin where the subject is located, substantially increased during the past three years. These communities have become a popular alternative to the more expensive areas of Silicon Valley to the north.

The unincorporated area of San Martin is serviced by two major arterials: Highway 101, also known as the "South Valley Freeway," and the Monterey Highway, also known as Monterey Road, which was formerly old Highway 101. The South Valley Freeway was constructed around the cities of Morgan Hill and Gilroy, thereby reducing old Highway 101 to a "business" highway. There are two major

arterials leading from Highway 101 to Monterey Road in the unincorporated area of San Martin. San Martin Avenue is the first exit south of Morgan Hill. Masten Avenue is the following exit to the south. The San Martin area has slowly become the “estate home Mecca” of the South County due to the more relaxed building requirements of the county. Morgan Hill and Gilroy both have growth control measures in place that limit growth in all areas, including residential, due to sewer issues. Residential use in San Martin is supported by septic system, not sewer. Also, water to San Martin properties is provided by individual wells, rather than a city water system.

Most properties in San Martin are designated for either rural residential or agricultural uses. Small portions of the area, however, have a commercial/industrial overlay that permit a limited amount of commercial or industrial development. The subject airport and site are not located within these permit areas.

Neighborhood Location and Boundaries

The subject neighborhood is located in the central section of San Martin. The area is rural in nature. The neighborhood is bounded by Middle Avenue to the north, New Avenue to the east, Masten Avenue to the south, and Monterey Highway to the west.

Demographics

The following table depicts the area demographics in San Martin within a one-, three-, and five-mile radius from the subject.

Neighborhood Demographics

Radius	1 mile	3 miles	5 miles
Population Summary			
2000 Population	1,122	12,673	67,493
2010 Population	1,233	14,384	75,170
2015 Population	1,258	15,307	80,719
2020 Population Estimate	1,302	16,379	86,907
Annual % Change (2015 - 2020)	0.7%	1.4%	1.5%
Household Summary			
2000 Households	303	3,589	20,289
% Owner Occupied	73.7%	73.4%	64.3%
% Renter Occupied	21.3%	23.5%	33.2%
2010 Households	334	4,077	22,792
% Owner Occupied	65.0%	66.8%	60.4%
% Renter Occupied	27.8%	27.9%	34.9%
2015 Households	341	4,339	24,460
% Owner Occupied	62.7%	65.5%	58.7%
% Renter Occupied	30.0%	29.8%	37.3%
2020 Households Estimate	353	4,653	26,389
% Owner Occupied	62.2%	65.3%	58.1%
% Renter Occupied	30.4%	29.9%	37.7%
Annual % Change (2015 - 2020)	0.7%	1.4%	1.5%
Income Summary			
2015 Median Household Income	\$113,060	\$102,128	\$87,872
2020 Median Household Income Estimate	\$132,984	\$116,416	\$100,172
Annual % Change	3.3%	2.7%	2.7%
2015 Per Capita Income	\$45,055	\$39,625	\$35,377
2020 Per Capita Income Estimate	\$51,844	\$45,499	\$39,937
Annual % Change	2.8%	2.8%	2.5%

Source: Site-to-Do-Business (STDB Online)

Transportation Access

Major travel and commuter routes within the area of the subject property include East San Martin Avenue and Masten Avenue and Highway 101 and Monterey Highway. Access to the area is considered average.

Neighborhood Land Use

The subject neighborhood is located in an area with primarily residential and agricultural land uses. An approximate breakdown of the development in the area is as follows:

LAND USES

Agricultural:	40%
Residential:	30%
Retail:	5%
Industrial	5%
Public:	10%
Vacant:	10%

The San Martin Airport represents the single largest developed properties in the immediate area. Additional information on the airport is provided below.

The subject is located at the south end of the airport. The uses in this area include agricultural and residential uses to the west, a horse ranch located to the south, the freeway and a CHP facility located to the east (on the east side of Highway 101), and the airport located immediately to the north. There are some other uses nearby, such as a retirement home, a commercial nursery, and animal services. The character of the area, however, is agricultural and residential, with a low intensity of uses.

San Martin Airport

San Martin Airport is a non-towered airport in a rural area. The airport currently has one runway measuring about 3,100 feet in length. This runway length will only support small aircraft, not corporate jets. There are plans to extend the runway to 5,000 feet in length in the future; however, those plans are on hold until such time as the general aviation market volume in the area has reached a level that would justify the cost of the expansion. As of today, this is not expected for at least another five years, and could be much longer.

Total operations for 2015 were 33,538, which represents a decline of about 5.5 percent from the previous year. Reportedly overall operations at San Martin Airport have been relatively flat, and are not expected to increase dramatically in the near future.

The airport is improved with about 100 hangars and 90 tie-downs. There is one FBO operator that provides services at the airport. There are minimal services provided directly by the airport, which results in minimal transient, recreational traffic generated at the airport. Other users at the airport include Gavilan College, who is currently constructing a new building at the airport.

The airport is also improved with a couple of buildings used for animal services. One is the animal shelter, which is operated by the county. The other is an animal clinic (located immediately adjacent to the subject, directly on the corner of Church and Murphy Avenues). This clinic is operated by a non-profit. The airport collects no rent from this use, as the tenant provides county services that do not exist elsewhere.

Summary

In summary, one of the subject sites is located in San Martin, an unincorporated area of Santa Clara County. San Martin Airport is a rural area, comprised mostly with agricultural and low-intensity residential uses. These uses dominate the specific location of the subject site, as well. The county is cautious in allowing an intensification of uses in the unincorporated area. The subject area is not expected to be annexed into either Gilroy or Morgan Hill for the foreseeable future. Overall, therefore, the subject neighborhood is in a stable stage of its life cycle.

Market Analysis

Market Overview

The subject sites are located on airports. For this reason, a market overview is provided on the aviation market. However, each of the subject sites is not needed for aviation use and has a highest and best use for other alternative uses. This represents an industrial use for the Reid Hillview site, and an agricultural use for the San Martin site, as discussed later. Market overviews of the industrial and agricultural markets are thus also provided.

Aviation Market Overview

The aviation market is a limited, specialized market. It is segmented into two main categories: commercial and general aviation (GA). Commercial flights represent regularly scheduled flights made by major commercial air carriers. General aviation flights consist of mostly private flights that are not necessarily regularly scheduled. It includes all operations, except commercial air carrier traffic and military operations.

The general aviation market is further segmented into 1) Fixed Based Operators (FBOs) and 2) private or corporate owner-users. An FBO is a privately-owned entity that provides aviation support services to other businesses at an airport. These services typically include fueling services, but may also include aircraft storage, maintenance services, a flight school, etc. Most airports have only one or two FBOs operating at the airport, as the level of business typically does not warrant additional competition.

The table below shows the total aviation and general aviation operations in the United States from 2000 through 2015.

NATIONAL AIRPORT OPERATIONS IN TOWERED AIRPORTS

Year	Itinerant					Local			Total Operations	Total GA Operations	% Change GA
	Air Carrier	Air Taxi	General Aviation	Military	Total	Civil	Military	Total			
2000	15,130,733	10,819,571	22,269,071	1,422,028	49,641,403	16,621,631	1,419,080	18,040,711	67,682,114	38,890,702	-
2001	14,177,655	10,836,776	21,274,300	1,507,820	47,796,551	16,220,728	1,447,706	17,668,434	65,464,985	37,495,028	-3.59%
2002	13,309,745	11,160,855	21,386,443	1,554,228	47,411,271	16,063,361	1,520,585	17,583,946	64,995,217	37,449,804	-0.12%
2003	12,667,389	11,601,690	20,152,454	1,532,263	45,953,796	15,152,056	1,492,834	16,644,890	62,598,686	35,304,510	-5.73%
2004	13,140,372	12,395,387	19,726,898	1,471,943	46,734,600	14,849,783	1,457,885	16,307,668	63,042,268	34,576,681	-2.06%
2005	13,467,204	12,437,123	19,151,192	1,389,814	46,445,333	14,774,016	1,445,191	16,219,207	62,664,540	33,925,208	-1.88%
2006	13,356,029	11,848,397	18,811,006	1,360,726	45,376,158	14,479,620	1,419,181	15,898,801	61,274,959	33,290,626	-1.87%
2007	13,687,788	11,581,071	18,335,008	1,296,229	44,900,096	14,560,618	1,377,542	15,938,160	60,838,256	32,895,626	-1.19%
2008	13,544,809	10,604,907	17,013,618	1,275,590	42,438,924	13,589,686	1,228,865	14,818,551	57,257,475	30,603,304	-6.97%
2009	12,732,804	9,412,534	15,283,655	1,308,053	38,737,046	12,229,985	1,272,041	13,502,026	52,239,072	27,513,640	-10.10%
2010	12,722,700	9,436,641	14,846,037	1,319,936	38,325,314	11,629,445	1,323,870	12,953,315	51,278,629	26,475,482	-3.77%
2011	12,861,792	9,177,953	14,475,524	1,306,753	37,822,022	11,481,565	1,294,867	12,776,432	50,598,454	25,957,089	-1.96%
2012	12,818,415	8,903,614	14,398,052	1,320,069	37,440,150	11,556,479	1,267,679	12,824,158	50,264,308	25,954,531	-0.01%
2013	12,845,544	8,796,539	14,125,183	1,245,620	37,012,886	11,730,379	1,272,093	13,002,472	50,015,358	25,855,562	-0.38%
2014	13,170,730	8,309,287	13,942,764	1,287,421	36,710,202	11,679,412	1,235,488	12,914,900	49,625,102	25,622,176	-0.90%
2015	13,943,870	7,768,282	13,856,043	1,296,433	36,864,628	11,679,293	1,181,549	12,860,842	49,725,470	25,535,336	-0.34%

The data above shows that General Aviation operations are significantly lower than they were 10 years ago. However, over the past five years, the declines have been modest, albeit declines. Since 2010, there has been a 3.6 percent decline in general aviation operations nationally. However,

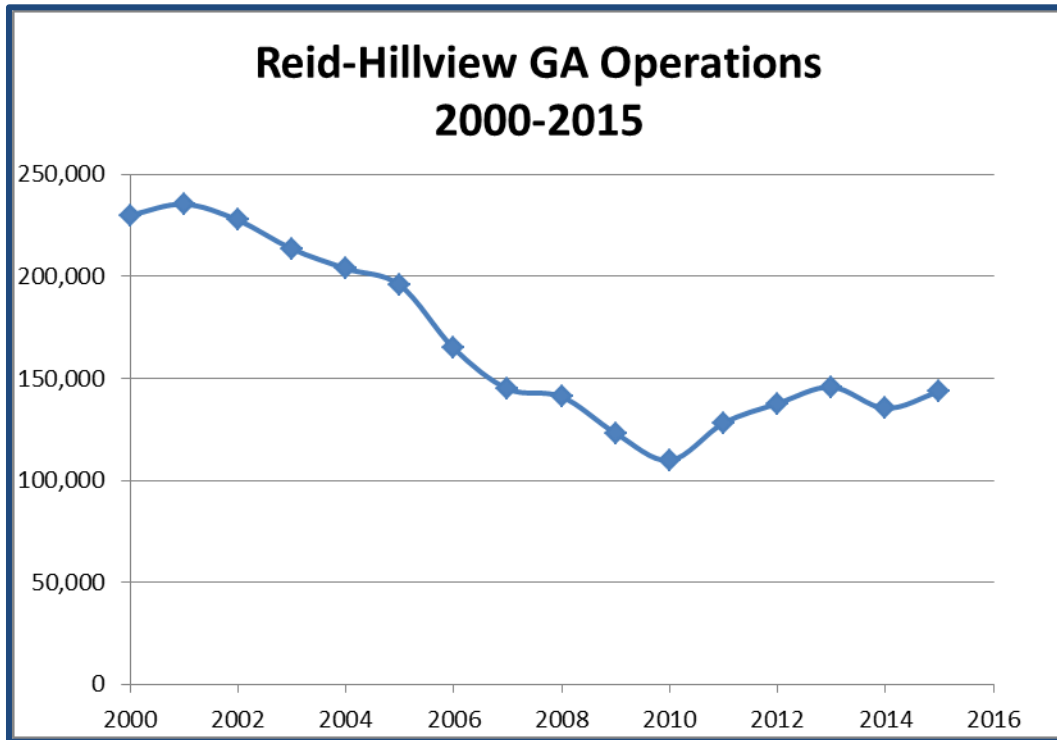
air carrier numbers have been rebounding over the last few years in defiance of the overall general trend. This is likely due to a rebound in our economy and the increase in spending on travel.

A report prepared by Kamala I. Shetty and R. John Hansman, titled "Current and Historical Trends in General Aviation in the United States," published by MIT International Center for Air Transportation (ICAT), in August 2012, indicated that there are different drivers at play in the general aviation market as compared to the commercial market. These factors include economics, the volatility of fuel prices, increased use of internet in business (hence, decreasing business travel), tax incentives for aircraft ownership, the costs of owning and operating personal aircraft, the total private pilot and GA aircraft populations, along with many others. These factors are likely to remain a dominant force in the industry in the future, as the report referenced previously indicates that 75% of airports with GA operations are expected to experience no growth from 2006 levels through 2025.

This is not the case at Reid Hillview, as operations have increased over the past five years, as shown in the chart below.

OPERATIONS AT REID HILLVIEW AIRPORT

Year	Operations	Percent Change
2000	229,943	-
2001	235,373	2.36%
2002	227,509	-3.34%
2003	213,518	-6.15%
2004	203,802	-4.55%
2005	195,715	-3.97%
2006	164,737	-15.83%
2007	144,865	-12.06%
2008	141,006	-2.66%
2009	123,093	-12.70%
2010	109,780	-10.82%
2011	128,097	16.69%
2012	137,646	7.45%
2013	145,743	5.88%
2014	135,326	-7.15%
2015	143,663	6.16%



The chart reflects a decrease of 52% from 2000 to 2010. Since 2010, however, Reid Hillview has seen an increase of 30%. This is a significant increase, especially relative to the overall downward general aviation trend seen nationwide.

In San Martin, there is no tower so the FAA does not keep operation statistics for this facility. The county maintains its own records, however, by reviewing radio calls at the airport and estimates that the total operations for 2014 were 35,522 and for 2015 were 33,538. This represents a decline of about 5.5%. Although statistics were not available for prior years, we expect that the general operations levels at this airport have declined over the past 10 years, consistent with the rest of the market.

Land rates at the county airports depend on land use. For FBOs at Santa Clara County airports, the land rate is \$0.21 per square foot per year. It will increase to \$0.217 per square foot per year in July 2016. This rate specifically reflects the FBO use of the property. Land rates for other uses, such as parking, are higher. For example, the land rate for a parking space is \$66.50 per month, or \$798 per year. Based on a typical area of 350 square feet per parking space, this rate equates to \$2.28 per square foot per year. Of course, the parking space rate reflects a much smaller area than the FBO leased areas, and it is improved with asphalt paving. The range of rates, however, demonstrates that rates differ substantially based on the types of uses permitted and the level of improvements.

Many airports, including the subject airports, have significant open land area that could potentially be used for additional or alternative uses. It can be difficult for airports to shift available and vacant land on the airport, however, to other non-airport uses. This is due to the high safety requirements in and around airports, as well as the various regulatory regulations and approvals that can be difficult

to obtain. The arduous task of approvals negatively impacts the income potential of airport properties relative to alternative, non-airport uses.

In summary, the general aviation market is a limited, specialized market that is influenced by the general economy as well as the aviation industry. Overall flight activity for both the air carrier market and the general aviation industry has trended downward substantially over the 10 years. While some airports have performed better than others, the overall trend in the industrial is relatively flat over the past 5 years. For our local markets, this is contrast to most other types of real estate. The local industrial land market is examined next.

Industrial Land Market Overview

The Santa Clara County real estate market, in general, is among the strongest markets in the United States. Market conditions for industrial land are also strong, mirroring the strength of the Silicon Valley industrial market and the overall economy. Strong demand for Class A warehouse facilities has spurred speculative development of sites which are well-suited for that use. That has put upward pressure on all types of industrial land uses.

That said, smaller, secondary locations that appeal primarily to small local users have yet to see much in the way of new construction. As the top-tier locations fill in or land becomes too expensive, activity typically turns to more affordable or less desirable locations.

Land values and rents vary based on utility, access and proximity to employment generators. Based on our discussions with various market participants, and coupled with the limited sale data in the marketplace, values for industrial land typically range from about \$20 to \$50 per square foot in the market area. Properties with limited marketability can sell or lease at substantial discounts relative to this range, from 20%-70%.

Rental rates for industrial land typically range from \$0.14 to \$0.25 per square foot per month. However, this reflects more than just the land, as most industrial sites have been previously improved and thus include small buildings and/or other site improvements such as paving, fencing and lighting. In raw land condition, and with limited marketability, we would expect the industrial land rent for airport property to fall below this range.

Agricultural Land Market Overview

Agricultural land values vary depending on location, size, agricultural uses and physical characteristics such as soil type, topography and water. Agricultural land values are so "location specific" that it is difficult to ascertain value increases or decreases within a fine timeline. That said, agricultural land rental rates have increased over the past few years as farmers from the central valley have moved into the local area due to the abundance of water here, relative to the central valley. This has put upward pressure on agricultural rents.

Historically, agriculture has been the major source of production in this area of Santa Clara County, although in recent decades, conversion to residential uses and supporting commercial uses has occurred on agricultural land throughout the county. There is significant pressure now, however, to preserve the existing stock of agricultural land, or to provide mitigation measures whenever conversion occurs.

Agricultural land in the area typically leases between \$100 and \$600 per acre per year. This is a wide range, with the main distinguishing factor being whether the site has water and can be irrigated. Most agricultural sites in the area are irrigated, and thus the lease rate for most agricultural properties ranges between \$400 and \$600 per acre per year. Sites that do not have a well and cannot be irrigated usually generate a rent between \$100 and \$200 per acre per year according to Ms. Page Welton, one of the most experienced agricultural brokers in the subject's market area.

Lease rates can also be influenced by the size of the site. For a farmer, it is most economical to farm a larger site given the economies of scale. Conversely, a small site lacks the economies and tends to be less valuable.

Conclusion of Market Overview

In summary, the subject sites are located on two general aviation airports in Santa Clara County. The general aviation market, in general, has experienced substantial declines over the past 10 years. Meanwhile, the industrial market in Santa Clara has experienced substantial growth due to the economy; the agricultural market has experienced growth due to local water conditions relative to other agricultural areas of the state. That said, both subject sites could experience difficulty leasing in the general, non-aviation market due to land use restrictions associated with their locations on airport property. This is considered in this appraisal report.

Reid Hillview Site: Site Description

The subject site is located on the west side of Runway 31L-13R between the runway and the airport boundary along Bayhaven Drive. The characteristics of the site are summarized as follows:

Site Characteristics

Location:	The west side of Runway 31L-13R between the runway and the airport boundary along Bayhaven Drive.
Gross Land Area:	2.20 Acres or 95,705 SF
Usable Land Area:	2.20 Acres or 95,705 SF
Usable Land %:	100.0%
Shape:	Generally Rectangular
Topography:	Level
Drainage:	Assumed adequate
Grade:	At street grade
Utilities:	Adequate
Off-Site Improvements:	Road access provided by Cunningham Avenue
Interior or Corner:	Interior
Signalized Intersection:	No
Excess Land:	None
Surplus Land:	None

Access

Street Access	Cunningham Avenue, a residential street
Water or Port Access:	No
Rail Access:	No

Flood Zone Data

Flood Map Panel/Number:	06085C0254H
Flood Map Date:	05-18-2009
Flood Zone:	D D, an area where there are possible but undetermined flood hazards. No analysis of flood hazards has been conducted. Mandatory flood insurance purchase requirements do not apply, but coverage is available.
Site Area in Flood:	0 s.f.

Other Site Conditions

Soil Type:	Those that appear suitable for development.
Environmental Issues:	No environmental issues were noted at the time of inspection or disclosed by involved parties that would impact value.
Easements/Encroachments:	None known.
Earthquake Zone:	While all of California is prone to earthquakes, the subject is not in an Alquist Priolo fault zone.

Adjacent Land Uses

North:	Boys and Girls Club and single-family residential.
South:	Single-family residential and Undeveloped airport property.
East:	Reid-Hillview runways
West:	Single-family residential

Site Ratings

Access:	Below Average
Visibility:	Below Average

Zoning Designation

Zoning Jurisdiction:	City of San Jose
Zoning Classification:	IP, Industrial Park
General Plan Designation:	Public/Quasi-Public
Permitted Uses:	A variety of industrial uses

Zoning Comments: The zoning code allows a variety of industrial uses, but mostly applies to R&D, manufacturing and warehouse uses. Any use without a permanent fully-enclosed building on-site is only allowed with a conditional use permit. Other potential uses for the property under the zoning, either outright permitted or with a conditional use permit, include some forms of neighborhood agriculture, seasonal sales, day care centers, post-secondary schools, religious assemblies, recycling uses, off-street parking, and renewable power systems.

The Public/Quasi-Public General Plan designation is more restrictive and reflects the actual airport use of the property. Other uses generally permitted with this land use designation include schools, colleges, corporation yards, homeless shelters, public utilities, libraries, and other governmental uses. Upon new development, the General Plan is the guiding development. This is especially true for the subject, given that the Land Use designation is not likely to change with the airport in place.

The subject is also governed by the Airport Land Use Plan (ALUP) specific to Reid Hillview. This plan indicates that the northerly portion of the subject is in the Inner Safety Zone, and the remainder of the subject is in the Sideline Safety Zone. Neither zone would permit residential use on the subject, given the subject's size. All non-residential uses in these zones should be activities that attract relatively few people. Uses specifically not permitted include educational facilities, day care facilities, and schools. Many of these uses are the uses specifically permitted under the zoning and general plan. The maximum population density is 60 people per acre for the Inner Safety Zone, and 150 people per acre for the Sideline Safety Zone.

In summary, the IP zoning of the subject permits a variety of industrial uses. However, the General Plan and ALUP are much more restrictive and would be the main guiding documents in evaluating potential legal uses for the property. Although the General Plan allows several assembly-type uses, these uses are not permitted in the ALUP. The most likely uses for the subject, therefore, include corporation yards, recycling uses, off-street parking, and renewable power systems. Any specific development would require the approval of the City of San Jose, and a review by the Airport Land Use Commission.

Analysis/Comments on Site

The subject represents a 2.2-acre portion of the Reid Hillview Airport. The site is located on the west side of the airport, on the opposite side of the runways from other FBO and airport services. The site is level and has a rectangular configuration. Access to the site would only be possible through Cunningham Avenue, which serves a residential neighborhood. This residential street access would likely restrict the potential uses of the subject to those that do not generate significant amounts of traffic. This is consistent with the population density restrictions imposed by the ALUP.

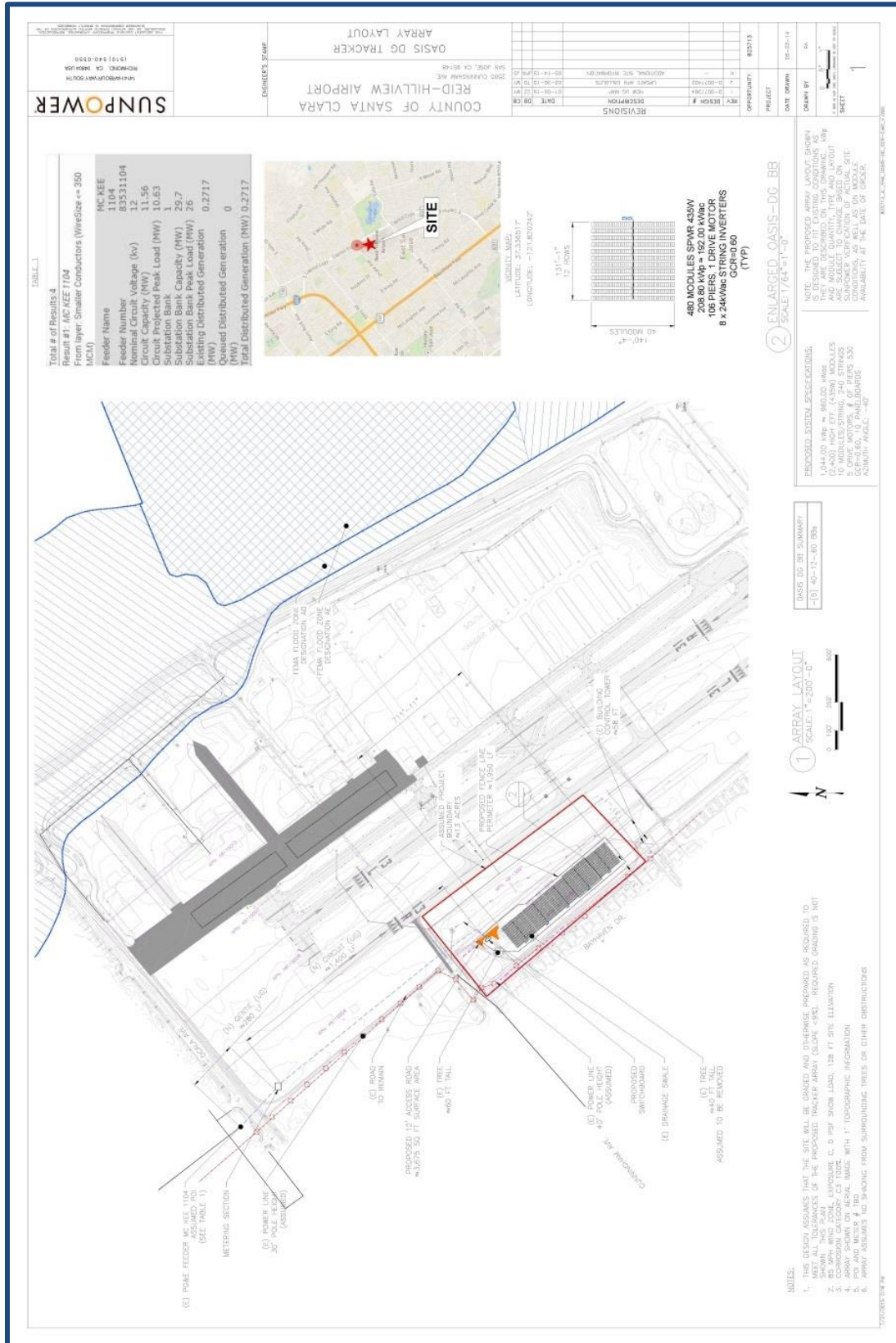
The subject site does not have actual street frontage on Cunningham Avenue. The site is setback from the street frontage, and separated from it, by an access road that runs along the perimeter of the airport along the west side. If the subject were leased, this access road must remain accessible. In addition, the subject site would need to be fenced off from the remainder of the airport for security purposes. Based on other security fences in the subject area, we would expect a 6-foot chain-link fence with 3-strand barbed wire. The security fence along the site perimeter, as well an extension to the street frontage, is later estimated to cost about \$79,900. The fence will require access gates for the perimeter road. These gates are estimated to cost about \$2,120. In total, about \$82,020 would be required to make the subject site market ready available for lease.

The zoning, general plan and ALUP designations for the site would severely restrict the potential uses of the property. The uses that would likely be permissible include industrial uses such as corporation yards, recycling uses, off-street parking, and renewable power systems. These all represent low-intensity industrial uses.

Given the subject's location, with access from a residential street, approvals for any of the above industrial uses could be a long and arduous process. A variety of governmental approvals must be obtained. This would reduce the number of potential users for the property and result in limiting the marketability of the property.

In summary, the subject represents a 2.2-acre portion of Reid Hillview airport. The site has potential to be leased for non-airport uses. Making the site market-ready for non-airport uses will cost about \$82,020. The zoning, general plan and ALUP land use designations for the property, as well as its residential access, will negatively impact the number of potential uses of the property. That said, the subject does have some lease potential as a low-intensity industrial site. Its limited marketability for this use as well as the cost to bring the property to market are considered in our market rent estimate.

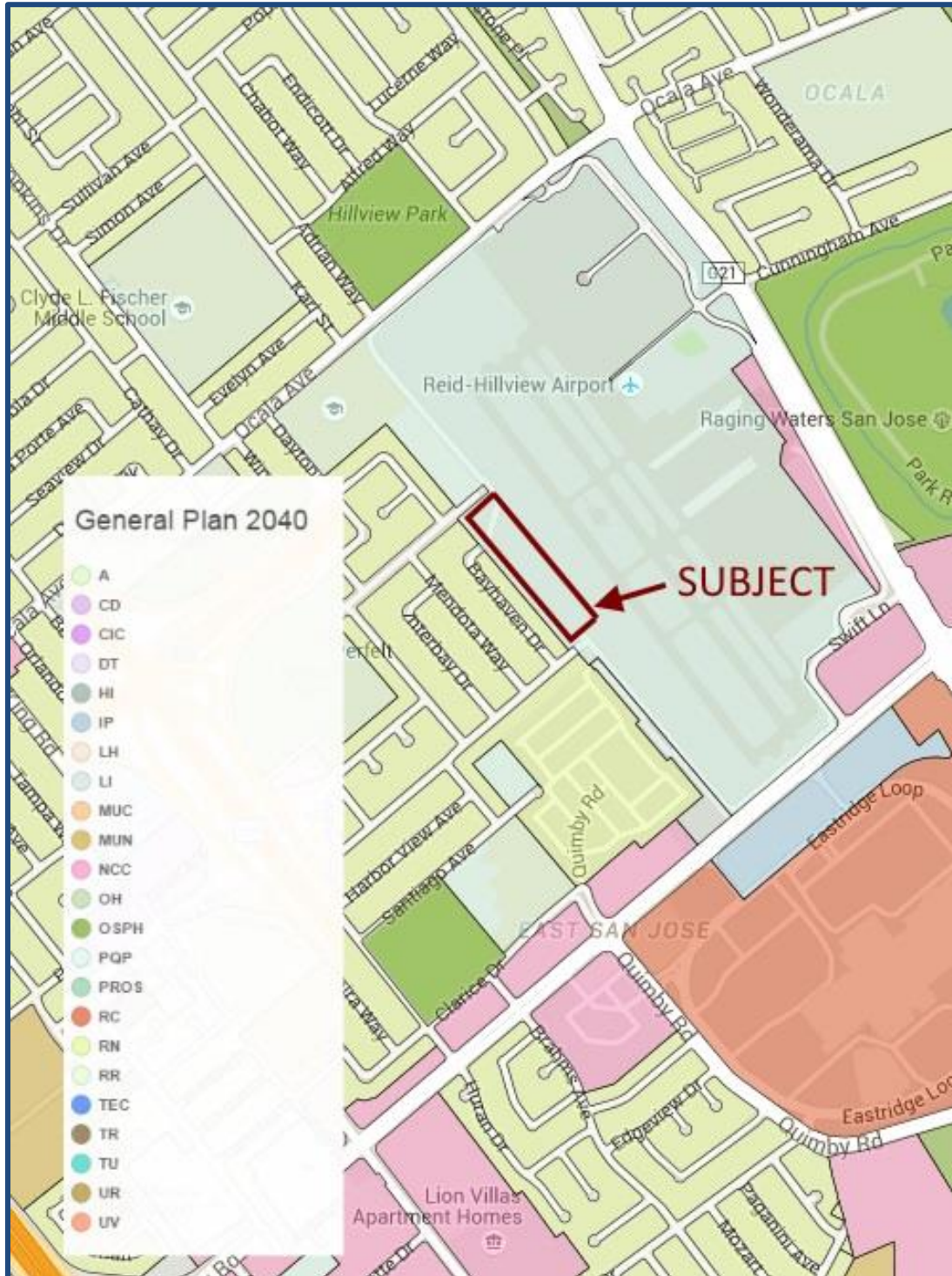
PROJECT BOUNDARY MAP



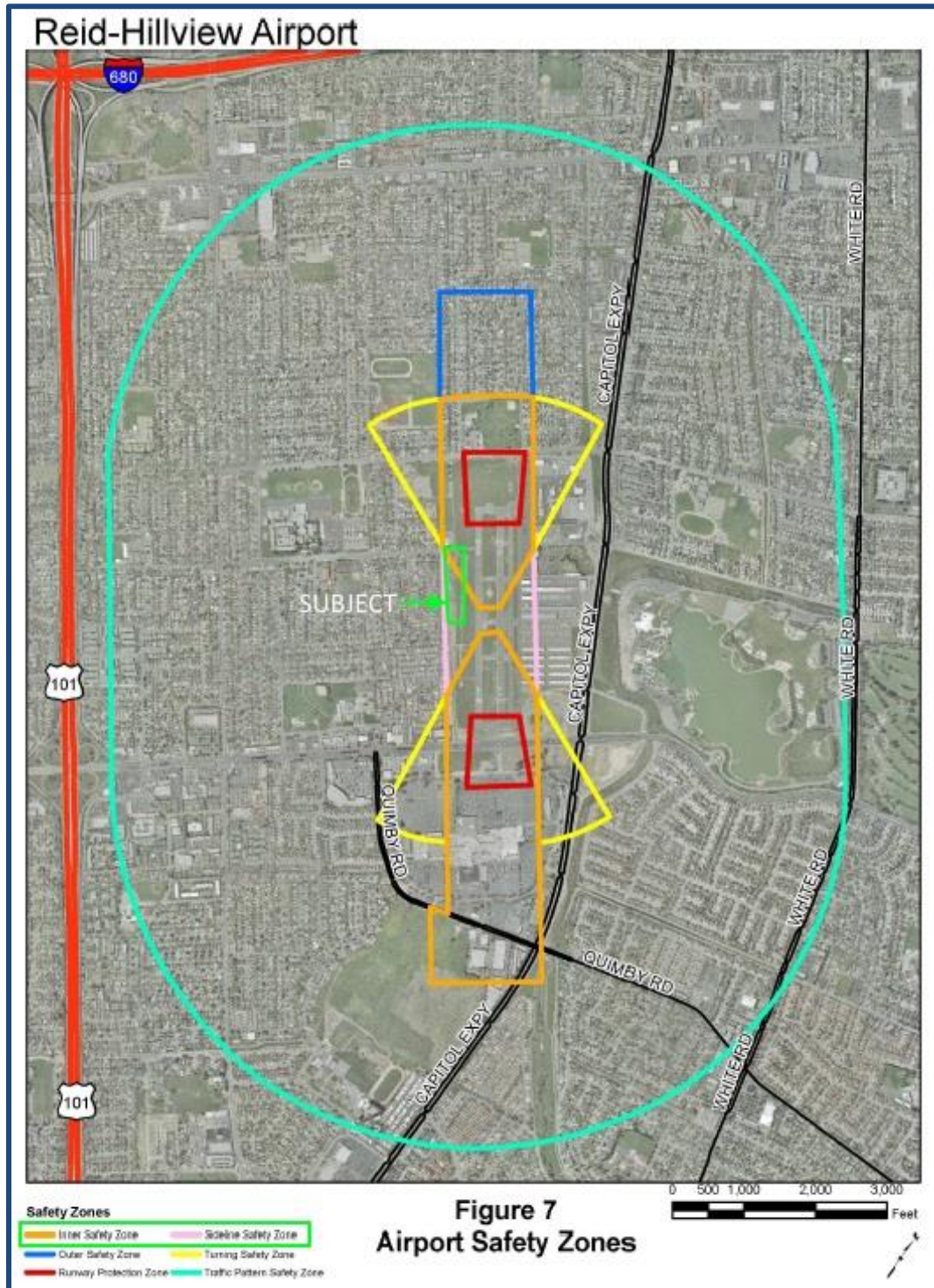
ZONING MAP



GENERAL PLAN MAP



AIRPORT SAFETY ZONE MAP



Reid Hillview Site: Subject Photos



Terminus of Cunningham Avenue, looking east toward airport.



Access driveway from Cunningham Avenue, looking south toward subject site.



Subject site looking in a southerly direction.



Subject site looking in a northerly direction.

Reid Hillview Site: Assessment and Tax Data

Assessment Methodology

The State of California has provided for a unified system to assess real estate for property taxes. Assessment Districts are established on a county basis to assess real estate within the county. The appraised property falls under the taxing jurisdiction of Santa Clara County and is subject to both general taxes and direct assessments.

Assessed Values and Property Taxes

The subject property is not currently subject to typical property taxation because it is under government ownership. If a property were leased by a property entity, however, the possessory interest held by the lessee would be assessed and taxed at rates similar to other properties in the area.

Reid Hillview Site: Highest and Best Use

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Analysis of Highest and Best Use As If Vacant

In determining the highest and best use of the property as if vacant, we consider four tests: 1) the legally permissible uses, 2) the physically possible uses, 3) the financially feasible uses, and 4) the use that maximizes the productivity of the site. Each of these tests is discussed below.

Legally Permissible

The subject site is zoned IP, Industrial Park which controls the general nature of permissible uses. However, the sites general plan designation is Public/Quasi Public, which does not conform to the zoning and further restricts the number of potential uses. Lastly, given the subject's location on the airport, the ALUP has additional restrictions on use. After a review of all these documents, the only uses that would be most probable legally permissible are low-intensity industrial uses that have a low-intensity population count. These uses could include corporation yards, recycling uses, off-street parking, and renewable power systems.

Physically Possible

The physical attributes allow for a number of potential uses. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences are described in the Site Description and have been considered. For example, the subject would obtain access from a residential street. This would like restrict the number of potential uses to those that do not generate significant amounts of traffic. This is consistent with the low-intensity, legally permissible uses. In addition, we considered that the subject currently represents a portion of the larger airport and that if the subject were made available to the market, for lease to a third party, then some improvements, such as fencing and gate, would be required. There are no other items of a physical nature that would materially limit appropriate and likely development.

Financially Feasible

The probable use of the site for low-intensity industrial use conforms to other similar land uses in the market area. A review of rental and occupancy rates, as well as a survey of the market, suggests that there is an undersupply of land. Yet, given the land use restrictions for the property and the limited number of lessees for these types of uses, the absorption time of the subject site for non-governmental uses could be long, up to 12 months. Yet, we expect that a lease for low-intensity industrial uses would be financially feasible.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for low-intensity industrial uses.

Conclusion of Highest and Best Use As If Vacant

The conclusion of the highest and best use as if vacant is for low-intensity industrial uses.

Most Probable Lessee

As of the date of value, the most probable lessee, or tenant, of the subject property is a quasi-public industrial user.

Reid Hillview Site: Appraisal Methodology

To develop an opinion of Market Rent, we have utilized a Direct Comparison Approach. The direct comparison approach develops an indication of market rent by analyzing consummated leases, listings, or pending leases of properties similar to the subject, focusing on the difference between the subject and the comparables using all appropriate elements of comparison. This approach is based on principles of supply and demand, balance, externalities, and substitution.

Reid Hillview Site: Valuation of Market Rent

As noted above, the direct comparison approach is applied in the valuation of the subject's market rent. The first step in this process is to research and analysis comparable rental properties. In our search for comparable, we have focused on properties with a similar highest and best use as the subject.

The highest and best use of the subject was determined to be a low-intensity industrial use. Access to the subject property must be minimal, given that access is only available through a residential neighborhood. Furthermore, there are significant restrictions with regard to the types of industrial uses that would be permitted. This results in limited marketability of the subject. This is considered in our analysis.

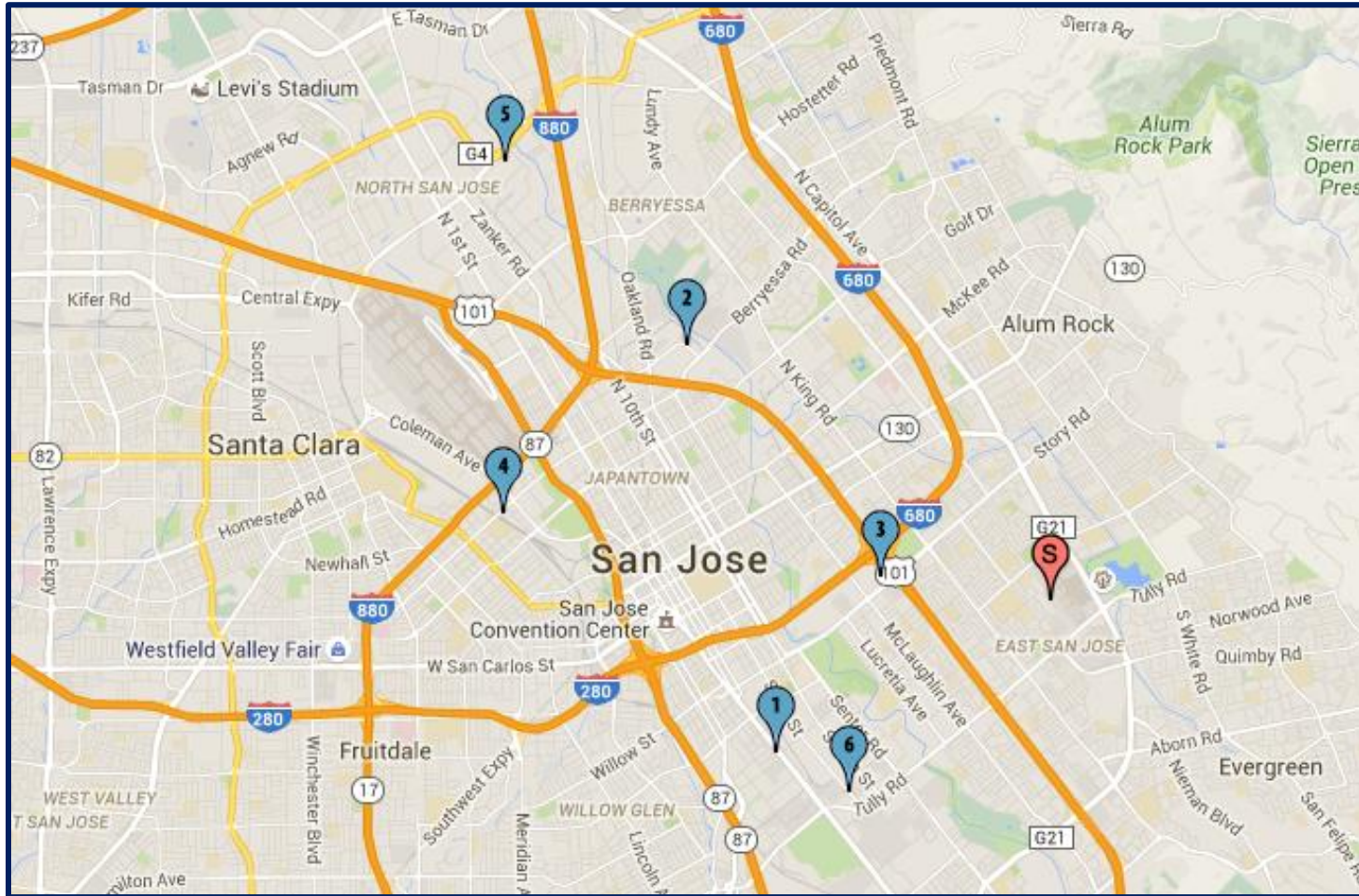
There are few leases of vacant industrial sites in the subject's area that represent raw land and have limited marketability potential. This is due to the fact that the area is well developed, demand is high for land, and most sites have previously been developed. The most comparables leases, therefore, represent minimally improved industrial sites that are leased in large part due to the excess land included with the property. The subject property is, therefore, compared to contractor yard properties, automotive yards, and other low-intensity uses. Adjustments are made for factors in which the subject differs from the comparables.

The most comparables leases are summarized in the table on the following page, followed by a map displaying the location of each comparable in relation to the subject. Summary sheets detailing each comparable are then included, followed by a map. Analysis of the comparables is provided after the individual summary sheets.

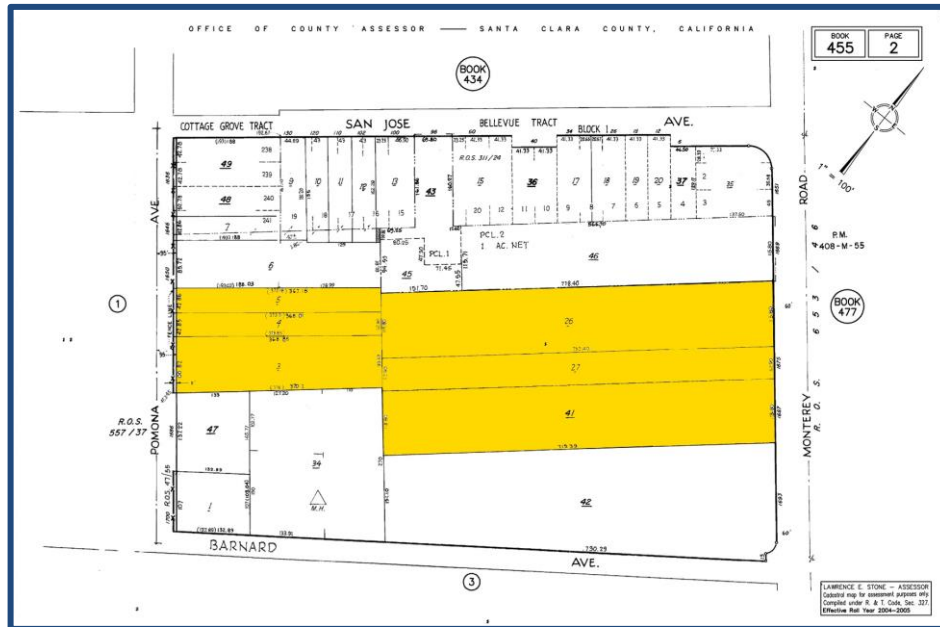
Rent Comparable Summary

Comp. No.	Date of Lease	Location		Leased Area (s.f.)	Land Use	Rental Rate / SF
1	May-15	1675 Monterey Road	San Jose, California	294,030	Auto Salvage Yard w/Bldg	\$0.14
2	January-16	1055 Commercial Street	San Jose, California	371,928	Auto Salvage Yard w/Bldg	\$0.18
3	June-15	1355 Felipe Avenue	San Jose, California	80,586	Storage Yard w/Bldg	\$0.25
4	March-16	878 Stockton Avenue	San Jose, California	10,000	Auto Storage w/Bldg	\$0.25
5	November-15	696 East Trimble Road	San Jose, California	178,845	Excess Parking	\$0.18
6	Listing	2195 South 7th Street	San Jose, California	17,800	Storage Yard	\$0.08

MAP OF COMPARABLE RENTALS



INDUSTRIAL RENT COMPARABLE 1



Property Identification

Property/Rent ID	115440/5277
Property Type	Salvage Yard
Property Name	Pick-n-Pull Land Lease
Address	1675 Monterey Road
City, State Zip	San Jose, California 95112
County	Santa Clara
Tax ID	455-02-026,455-02-027,455-02-041,455-02-005,455-02-004,455-02-003

Transaction Data

Lessee	Pick-n-Pull	Term (mos.)	60
Tenant SF	294,030	Lease Type	NNN
Lease Status	Executed		
Lease Signed	January 1, 2015	Rental Rates	
Commencement	May 1, 2015	Initial Rent/SF	\$0.14
Expiration	April 30, 2020		

Property Description

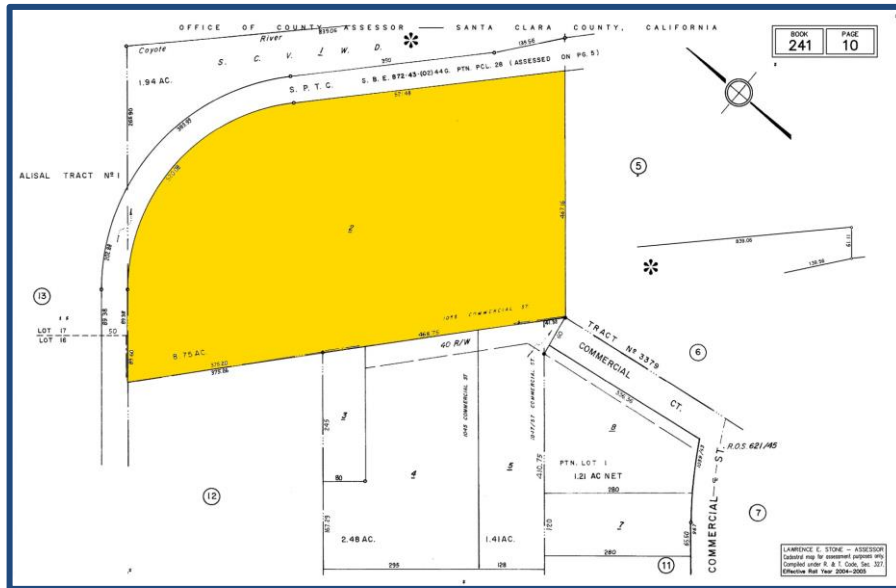
Gross Building SF	8,375	Usable Acres	6.75
Year Built	1952	Flr. Area Ratio (FAR)	0.03
Tenancy	Single-Tenant	Land to Bldg Ratio	35.11
Occupancy Type	Open Vehicle Storage	Corner/Interior	Through Lot
Gross Acres	6.75		

Remarks

This property consists of six adjacent parcels improved with a Pick-n-Pull located in San Jose. The site has an irregular shape and a through-lot configuration with approximately 290 feet of frontage along Monterey Road (with three curb cuts) and 190 feet of frontage along Pomona Avenue (with two curb cuts).

The underlying site measures 294,030 square feet or 6.75 acres. There is one small auto-dismantling building/facility on site which measures approximately 8,375 square feet and was constructed circa 1952. The property is zoned Heavy Industrial (HI).

INDUSTRIAL RENT COMPARABLE 2



Property Identification

Property/Rent ID	80197/5190
Property Type	Salvage Yard
Property Name	Land Lease
Address	1055 Commercial Street
City, State Zip	San Jose, California 95112
County	Santa Clara
Tax ID	241-10-002

Transaction Data

Lessor	Commercial Court Properties LLC	Term (mos.)	60
Lessee	Pick-n-Pull	Lease Type	NNN
Tenant SF	182,952	Rent Escalation	3% annual increases
Lease Status	Renewal		
Lease Signed	November 9, 2015		
Commencement	January 1, 2016		
Expiration	December 31, 2020		

Rental Rates

Initial Rent/SF	\$0.18
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Property Description

Gross Building SF	4,500	Usable Acres	8.54
Tenancy	Single-Tenant	Flr. Area Ratio (FAR)	0.01
Occupancy Type	Open Vehicle Storage	Land to Bldg Ratio	82.65
Building Quality	Average	Access	Average
Building Condition	Fair to Average	Visibility	Poor
Gross Acres	8.54	Corner/Interior	Flag Lot

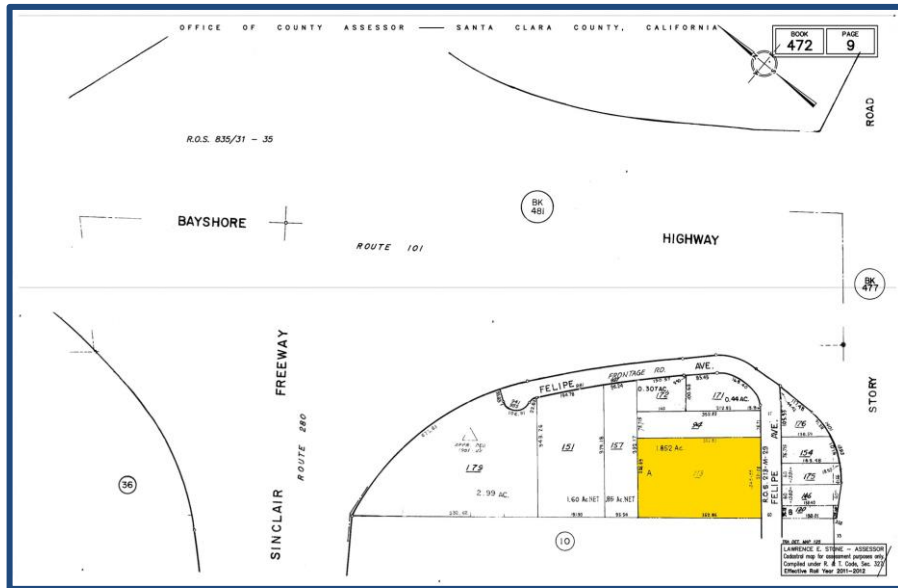
Remarks

This property consists of a single parcel improved with a metal service building and used for open vehicle storage located in San Jose. The site has a generally rectangular shape and a flag lot configuration at the terminus of the cul-de-sac on Commercial Court. The site abuts railroad tracks and Coyote Creek to the north and east.

The underlying site contains 371,928 gross square feet or 8.54 gross acres. The improvements measure approximately 4,500 square feet and are used for vehicle services and the day-to-day operations of the business. The property is zoned and has a General Plan land use designation of Heavy Industrial (HI).

Pick-n-Pull renewed their lease for a 4.2-acre site at this property in November 2015 for a term of five years. The lease will commence in January 2016. The initial monthly rental rate will be \$0.1755 NNN per square foot of land or \$7.14 NNN per square foot of rentable building area. The terms of the lease call for 3% annual increases.

INDUSTRIAL RENT COMPARABLE 3



Property Identification

Property/Rent ID	113551/4485
Property Type	Storage Yard
Property Name	Industrial Land Lease
Address	1355 Felipe Avenue
City, State Zip	San Jose, California 95122
County	Santa Clara
Tax ID	472-09-113

Transaction Data

Lessor	Charles Holland, Keith Thompson (et al)	Term (mos.)	36
Tenant SF	80,586	Lease Type	NNN
Lease Status	Executed	Rental Rates	
Commencement	June 3, 2015	Initial Rent/SF	\$2.39
Expiration	June 2, 2018		

Property Description

Gross Building SF	8,380	Office Ratio	47.7%
Year Built	1968	Gross Acres	1.85
Tenancy	Single-Tenant	Usable Acres	1.85
Occupancy Type	Retail and automotive services	Flr. Area Ratio (FAR)	0.10
Building Quality	Average	Land to Bldg Ratio	9.62
Building Condition	Average	Corner/Interior	Interior

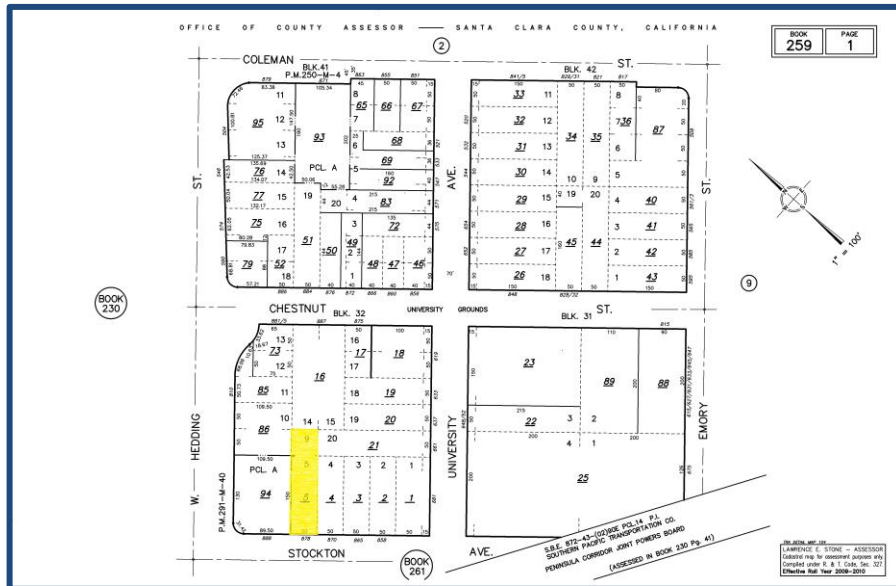
Remarks

This property consists of a single parcel improved with an industrial building located in San Jose. The site has a rectangular shape and an interior lot configuration with approximately 230 feet of frontage along Felipe Avenue and a depth of 350 feet. The site is situated near the southwest corner of the interchange between Highway 101 and Interstate 680 and has good freeway access and some visibility. The property has an existing drainage system.

The underlying site contains 80,586 gross square feet or 1.85 gross acres. The improvements contain 8,380 square feet and were constructed circa 1968. The building was built-out as 4,000 square feet of office and the remainder of warehouse. The building features four grade-level loading doors. The floor area ratio is 10%. The property is zoned Industrial Park (IP), and the General Plan land use designation is Combined Industrial/ Commercial (CIC).

This property is leased to an industrial tenant at a rental rate of \$20,000 per month which is or \$2.39 per square foot of rentable building area or \$0.25 per square foot of land area, on a monthly NNN basis.

LAND RENT COMPARABLE 4



Property Identification

Property/Rent ID	115606/6049
Property Type	Industrial
Property Name	Industrial Land Lease
Address	878 Stockton Avenue
City, State Zip	San Jose, California 95110
County	Santa Clara
Tax ID	259-01-005

Transaction Data

Lessor	Francisco Rodriquez	Lease Type	Industrial Gross
Lessee	Leon Auto Center	Renewal Options	Unknown
Tenant SF	10,000		
Lease Signed	March 1, 2016		
Commencement	March 1, 2016		
Expiration	February 28, 2017		
Term (mos.)	12		

Rental Rates

Initial Rent/SF	\$0.25
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Property Description

Gross Building SF	1,000	Flr. Area Ratio (FAR)	0.10
Rail Access	No	Access	Average
Water/Port Access	No	Visibility	Average
Gross Acres	0.23	Corner/Interior	Interior
Usable Acres	0.23		

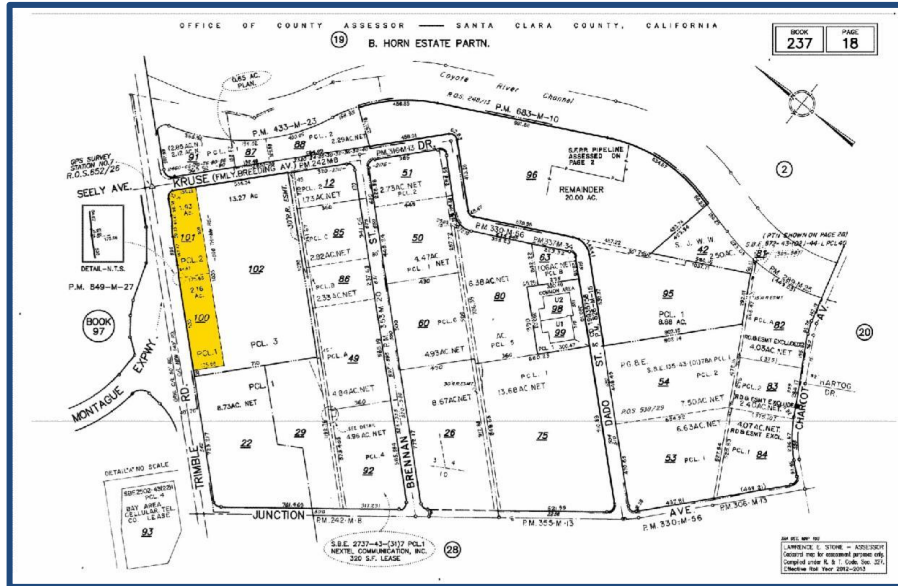
Remarks

The property consists of a single parcel improved with an office building located in San Jose. The site has rectangular shape and an interior lot configuration just east of the intersection with W. Hedding Street. The property has 50 feet frontage and depth of 150 feet. According to 2014 MPSI estimates, vehicle traffic counts per day near the property were 13,214 along W. Hedding Street.

The underlying site measures 10,000 square feet or 0.23 acres. The improvements consist of 600 square feet, were constructed in 1905 and renovated in 1930. The floor-area ratio is at 10%. The property includes a non-conforming residential unit above the office. The property is zoned Light Industrial and has a Light Industrial General Plan designation.

This is a month-to-month lease to Leon Auto Center. The monthly rental income is \$2,500 which is \$0.25 per square foot of land on an industrial gross basis.

LAND RENT COMPARABLE 5



Property Identification

Property/Rent ID	117844/6336
Property Type	Industrial
Property Name	Land Lease
Address	696 East Trimble Road
City, State Zip	San Jose, California 95131
County	Santa Clara
Tax ID	237-18-100, 237-18-101

Transaction Data

Lessor	FedEx	Renewal Options	Unknown
Lessee	Barry Swenson Builder	Rent Escalation	2.5% annual increases
Tenant SF	178,845		
Lease Signed	November 1, 2015	Rental Rates	
Commencement	November 1, 2015	Initial Rent/SF	\$0.18
Expiration	October 31, 2025		
Term (mos.)	120		

Property Description

Gross Acres	4.11	Visibility	Average
Usable Acres	4.11	Corner/Interior	Corner
Access	Average		

Remarks

This is a strip of land consisting of two parcels in front of an existing FedEx building. It is partially asphalt-paved and partially landscaped. The land is suitable for 20,000-60,000 square feet of new construction. The lessee, Fed Ex, leases an adjacent property for warehouse purposes.

This lease was signed at \$7,945 per acre with 2.5% annual increases.

Market Rent Analysis

All of the rent comparables have been analyzed, and adjustments were made for differences in the various elements of comparison, including lease structure, market conditions, location, size and other relevant factors.

Expense Structure

The market rent estimate is based on a “triple net (NNN)” expense structure, where all operating expenses are the responsibility of the tenant. This is typical of most land industrial land lease structures.

Most of the comparables are written on a NNN basis, requiring no adjustment in this category. Comparables 4 and 6 included expense terms in which the property owner paid some of the expenses. We have adjusted these comparables downward for the expenses, reflecting a “NNN” rate for the subject.

Rental Concessions

No adjustments are warranted for atypical rental concessions.

Tenant Improvement Allowances

The rent comparables do not include any leases with over-base-level tenant improvement allowances. Therefore, no tenant improvement allowance adjustments were required.

Conditions of Lease

No atypical conditions of lease and no adjustments are warranted for the comparables. We note that Comparable 6 is a listing. We have made an adjustment to this comparable for this factor in the Market Conditions section, discussed next.

Market Conditions Adjustment

Market conditions change over time as a result of inflation, deflation, fluctuations in supply and demand and other factors. Changing market conditions creates the need for adjustments to rent comparables that represent transactions during periods of dissimilar market conditions.

Market conditions for industrial uses, in general, have been improving over the past several years. This reflects general improvement in the economy. However, the market improvements in the secondary land market have not reflected the same types of appreciation as those in the Class A market. Nevertheless, an upward adjustment is made to each comparable based on a rate of 3% per year. A downward adjustment was made to Comparable 6, however, given that this lease was a listing and not an actual signed lease.

Location

The subject is located on Reid Hillview with access provided via a residential street. Industrial uses tend to prefer locations that are consistent with the type of use planned. All of the comparables have superior locations relative to their access and adjacent uses, as well to their general regional location. A downward adjustment was warranted to each comparable for the subject’s location.

Land Size/Area

The subject measures about 2.2 acres, which is a desirable land size for industrial lease purposes. Comparables 1 and 2 are much larger, requiring upward adjustment in comparison to the subject.

Comparables 4 and 6 are much smaller, requiring a downward adjustment. No adjustments were required for Comparables 3 and 5, as these were similar enough to the subject's size to not warrant an adjustment to the unit rent.

Configuration

The subject has a near-rectangular configuration that would be suitable for a variety of industrial land uses. Most of the comparables also had regular configurations. Comparable 6, however, had a very long and narrow configuration that significantly impacts the site's marketability and use. A significant upward adjustment is warranted to this comparable for the subject's superior configuration.

Site Improvements

The subject property reflects raw land in a natural state. Most of the comparable leases represent properties with some level of improvements. Many had buildings that represent 10% of the site area. Most also included paving, which is highly desirable for land use.

Considering each comparable's level of improvements, an upward adjustment was necessary to Comparables 1 through 5. Comparable 6 is minimally improved with gravel. This is relatively similar to the subject's level of improvements and required no adjustment.

Lease Term

The subject has no specific lease term with which to compare. We note that typical lease terms range from month-to-month to 10 years. Most industrial land leases, however, have terms ranging between three to five years, as seen by Comparables 1, 2 and 3. It does not appear that the length of the lease term impacts the rate, so no adjustments for lease term were made to the comparables.

Summary of Market Rent

The rent comparables selected from the available market data present an unadjusted range of \$0.08 to \$0.25 per square foot of land area. The rates at the high end of the range are smaller sites with a high level of improvements. The rate at the lower end of the range reflects a site that has essentially no improvements and is a property with limited marketability due to its irregular configuration.

The subject is would also have limited marketability, not due to its configuration, but due to its land use restrictions and lack of improvements. These factors are considered in the valuation.

After adjusting each of the comparables, they indicate a potential range of market rent ranging between \$0.07 and \$0.15 per square foot. After eliminating both the high and the low end of the range, most of the comparables indicate a tighter range of rent, ranging from \$0.09 and \$0.12 per square foot of land area, per month, as seen by the Adjustment Grid located on the following page.

Rent Comparable Adjustment Grid -Reid Hillview Site

		Rental 1	Rental 2	Rental 3	Rental 4	Rental 5	Rental 6
Comparable ID		5277	5190	4485	6049	6336	6338
Date of Value & Survey/Lease	May 27, 2016	May-15	January-16	June-15	March-16	November-15	Listing
Land Area	95,705	294,030	371,928	80,586	10,000	178,845	17,800
Annual Rental Rate		\$0.14	\$0.18	\$0.25	\$0.25	\$0.18	\$0.08
Transactional Adjustments							
Expense Structure	<i>Triple Net</i>	<i>NNN</i>	<i>NNN</i>	<i>NNN</i>	<i>Industrial Gross</i>	<i>NNN</i>	<i>Full Service</i>
	<i>Annual Expenses (PSF)</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>
Adjustment		\$0.00	\$0.00	\$0.00	-\$0.03	\$0.00	-\$0.01
Rent Concessions							
Adjustment							
Tenant Imp. Allowance - Over Base Amount							
Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Lease Structure Adjustment		\$0.00	\$0.00	\$0.00	-\$0.03	\$0.00	-\$0.01
Effective Rental Rate		\$0.14	\$0.18	\$0.25	\$0.22	\$0.18	\$0.07
Conditions of Lease							
Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Rental Rate		\$0.14	\$0.18	\$0.25	\$0.22	\$0.18	\$0.07
Market Conditions Adjustments							
Elapsed Time from Date of Value		<i>1.07 years</i>	<i>0.40 years</i>	<i>0.99 years</i>	<i>0.24 years</i>	<i>0.57 years</i>	<i>Listed</i>
Market Trend Through	May-16	3.2%	1.2%	3.0%	0.7%	1.7%	-5.0%
Adjusted Rental Rate		\$0.15	\$0.18	\$0.26	\$0.22	\$0.19	\$0.07
Property Adjustments							
Location	<i>2500 Cunningham</i>	<i>1675 Monterey</i>	<i>1055 Commercial</i>	<i>1355 Felipe</i>	<i>878 Stockton</i>	<i>696 E. Trimble</i>	<i>2195 S. 7th</i>
Adjustment		-20.0%	-20.0%	-15.0%	-15.0%	-20.0%	-10.0%
Land Size/Area	<i>95,705</i>	<i>294,030</i>	<i>371,928</i>	<i>80,586</i>	<i>10,000</i>	<i>178,845</i>	<i>17,800</i>
Adjustment		5.0%	5.0%	-	-10.0%	-	-10.0%
Configuration	<i>Rectangular</i>	<i>Regular</i>	<i>Regular</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Narrow</i>
Adjustment		-	-	-	-	-	20.0%
Site Improvements	<i>Raw Land</i>	<i>Bldg+Paving</i>	<i>Bldg+Paving</i>	<i>Bldg+Paving</i>	<i>Bldg+Paving</i>	<i>Landscaping+Paving</i>	<i>Gravel</i>
Adjustment		-25.0%	-25.0%	-25.0%	-25.0%	-15.0%	-
Lease Term	<i>Typical</i>	<i>5.0 years</i>	<i>5.0 years</i>	<i>3.0 years</i>	<i>MTM</i>	<i>10.0 years</i>	<i>N/A</i>
Adjustment		-	-	-	-	-	-
Net Physical Adjustment		-40.0%	-40.0%	-40.0%	-50.0%	-35.0%	0.0%
Adjusted Annual Rental Rate		\$0.09	\$0.11	\$0.15	\$0.11	\$0.12	\$0.07

Conclusion

From the market data available, the six most comparable land sales were selected and adjusted based on pertinent elements of comparison. The adjustments were discussed earlier and are presented in the preceding adjustment grid. The following table summarizes the unadjusted and adjusted sale prices:

Rent Comparable Statistics

Metric	Unadjusted	Adjusted
Minimum Rental Rate	\$0.08	\$0.07
Maximum Rental Rate	\$0.25	\$0.15
Median Rental Rate	\$0.18	\$0.11
Mean Rental Rate	\$0.18	\$0.11

Considering the subject's specific location and marketability challenges, we conclude to a rate near the low-to-midpoint of the range, at \$0.10 per square foot per month. This indicates a market rent of \$9,570 per month for the subject, if it were available and ready for market.

Preliminary Market Rent, As if Ready and Available for Market

Based on the preceding analysis, the preliminary monthly market rent for the subject, as if ready and available for market, is summarized as follows:

Land Rent Indication				
Reasonable Adjusted Range				
	95,704	s.f. x	\$0.09 /s.f. /month	\$8,613
	95,704	s.f. x	\$0.12 /s.f. /month	\$11,484
Preliminary Rent Conclusion:				
	95,704	s.f. x	\$0.10 /s.f. /month	\$9,570

As Is Market Rent Value

The subject represents a portion of the Reid Hillview Airport. It is not ready and available for market, as it has not been secured as a separate site from the airport. To provide the necessary security measures, the site would need to be fenced as a separate site from the rest of the airport. Two gates would likely need to be installed as well, so as to provide access on the perimeter road for airport personnel.

The costs of the fencing and gates are based on our review of costs supplied by Marshall & Swift, a national cost index, as well as our experience with actual costs. The costs for the fencing and gates are summarized below.

Adjustment for Fencing Costs			
Fencing:	2,350 l.f. x	\$34 /l.f. =	\$79,900
Gates	\$1,060 each x	2 each =	\$2,120
Total Cost of Fencing and Gates:			\$82,020

Next, these costs are amortized over a typical holding period, with the amortized cost offset against the preliminary market rent estimate. The amortization period for any tenant improvement usually reflects the typical length of the lease term, which would be three to five years, in this case. However, since these improvements are likely to have a longer life beyond the typical lease term, we have amortized the costs over a 10-year holding period. The discount rate is 10%, reflecting the high depreciation rate of site improvements.

The adjustment to the preliminary market rent, after amortizing the fencing and gate costs, equates to \$1,084 per month, as noted below. Deducting this from the preliminary rent conclusion results in an "as is" market rent estimate of \$8,486 per month, or \$102,000 (rounded) per year.

Land Rent Conclusion

Preliminary Rent Conclusion:			
95,704	s.f. x	\$0.10 /s.f. /month	\$9,570
Adjustment for Fencing Costs			
Total Cost of \$82,020, amortized at 10% over 10 years			-\$1,084
Indicated Market Rent per Month:			\$8,486
Indicated Market Rent per Year:			\$101,837
Rounded to:			\$102,000

Our market rent estimate is based on a typical lease term of 3 to 5 years, with annual increases of 2.5%. This is consistent with the leases surveyed earlier for this report.

San Martin Site: Site Description

The subject site is located at the southernmost end of San Martin Airport. This is near the northeast quadrant of Murphy and Church Avenues. The characteristics of the site are summarized as follows:

Site Characteristics

Location: The northeast quadrant of Murphy Avenue and Church Avenue

Gross Land Area: 5.75 Acres

Usable Land Area: 5.75 Acres

Usable Land %: 100%

Shape: Irregular

Topography: Level

Drainage: Assumed adequate

Grade: At street grade

Utilities: All typical for area, except no septic system in place

Off-Site Improvements: The subject is located in a rural area and thus is unimproved with curbs, gutter and sidewalks.

Interior or Corner: Corner

Signalized Intersection: No

Excess Land: None

Surplus Land: None

Street Frontage / Access

Street frontage: Murphy and Church Avenues

Access: Access to be provided from Church Avenue, but could potentially also be provided by Murphy Avenue.

Flood Zone Data

Flood Map Panel/Number: 06085C0628H

Flood Map Date: 05-18-2009

Flood Zone: D, an area where there are possible but undetermined flood hazards. No analysis of flood hazards has been conducted. Mandatory flood insurance purchase requirements do not apply, but coverage is available.

Site Area in Flood: 0 s.f.

Other Site Conditions

Soil Type:	Mostly Class I when irrigated and Class III when not
Environmental Issues:	No environmental issues were noted at the time of inspection or disclosed by involved parties that would impact value.
Easements/Encroachments:	None known
Earthquake Zone:	While all of California is prone to earthquakes, the subject is not in an Alquist Priolo fault zone.

Adjacent Land Uses

North:	San Martin Airport
South:	Lone Oak Ranch (a horse boarding facility)
East:	101 Freeway and CHP Inspection facility on east side of freeway
West:	Animal clinic, agricultural land and residential uses

Site Ratings

Access:	Average
Visibility:	Good

Zoning Designation

Zoning Jurisdiction:	County of Santa Clara
Zoning Classification:	RR-5Ac, Rural Residential
General Plan Designation:	Transportation Facilities
Permitted Uses:	Residential, agricultural and open space

Zoning Comments: The subject's Rural Residential zoning is intended to permit rural residential development in certain areas of the county designated by the general plan. The primary permitted uses include residential, agricultural and open space. Commercial, industrial and institutional uses may be established only where they are sized to be local-serving in nature. However, the subject is not located within the Commercial or Industrial Use Permit areas of San Martin, so such uses are not likely to be permitted.

The General Plan designation for the site is Transportation Facilities, reflecting the airport use of the land. Other uses typically found in this designation include bus facilities and storage yards for road maintenance equipment and supplies. The general plan indicates that any new public transportation facilities must be compatible with the land uses in the areas in which they are located, and they are subject to the same requirements for

minimizing visual and aesthetic impacts as those required of private development. The uses surrounding the subject include open space (for the airport), a horse ranch, agricultural and residential uses.

The subject is also governed by the Airport Land Use Plan (ALUP) for San Martin Airport. In this plan, the property is currently located in the Outer Safety Zone. In rural areas, this zone permits residential use, with two acres or more per dwelling unit. Prohibited non-residential uses include schools, large day care centers, meeting halls, etc. None of these uses are permitted under the General Plan or zoning, so this does not represent an additional limitation for the subject.

The ALUP designation may change in the future, as there are plans to extend the runway when demand warrants the extension. If and when the runway is expanded, the subject will be located in the Runway Protection Zone. Land uses in this zone include agricultural activities, roads, open low-landscaped areas. No obstacles are permitted; this includes trees and telephone poles. 100% of the area must remain open. The runway expansion is not likely to occur for at least five years, and likely longer. That said, given the future plan, it is unlikely that any permanent structures would be permitted in this subject area. We recognize that there are some buildings located on the airport, and located near the subject in the same zone, that have previously been built. However, it is our understanding that both these developments (animal shelter and animal clinic) were constructed prior to the planned runway extension, and that the buildings/development would not have been permitted today, with the current plan.

Considering the subject zoning, General Plan, and ALUP designations, most uses would be prohibited. We note that the subject was previously used for agricultural purposes. This use is permitted by the zoning and is compatible with the adjacent uses. At this time, this is the only likely alternative use of the subject, other than for open space as part of the airport.

Analysis/Comments on Site

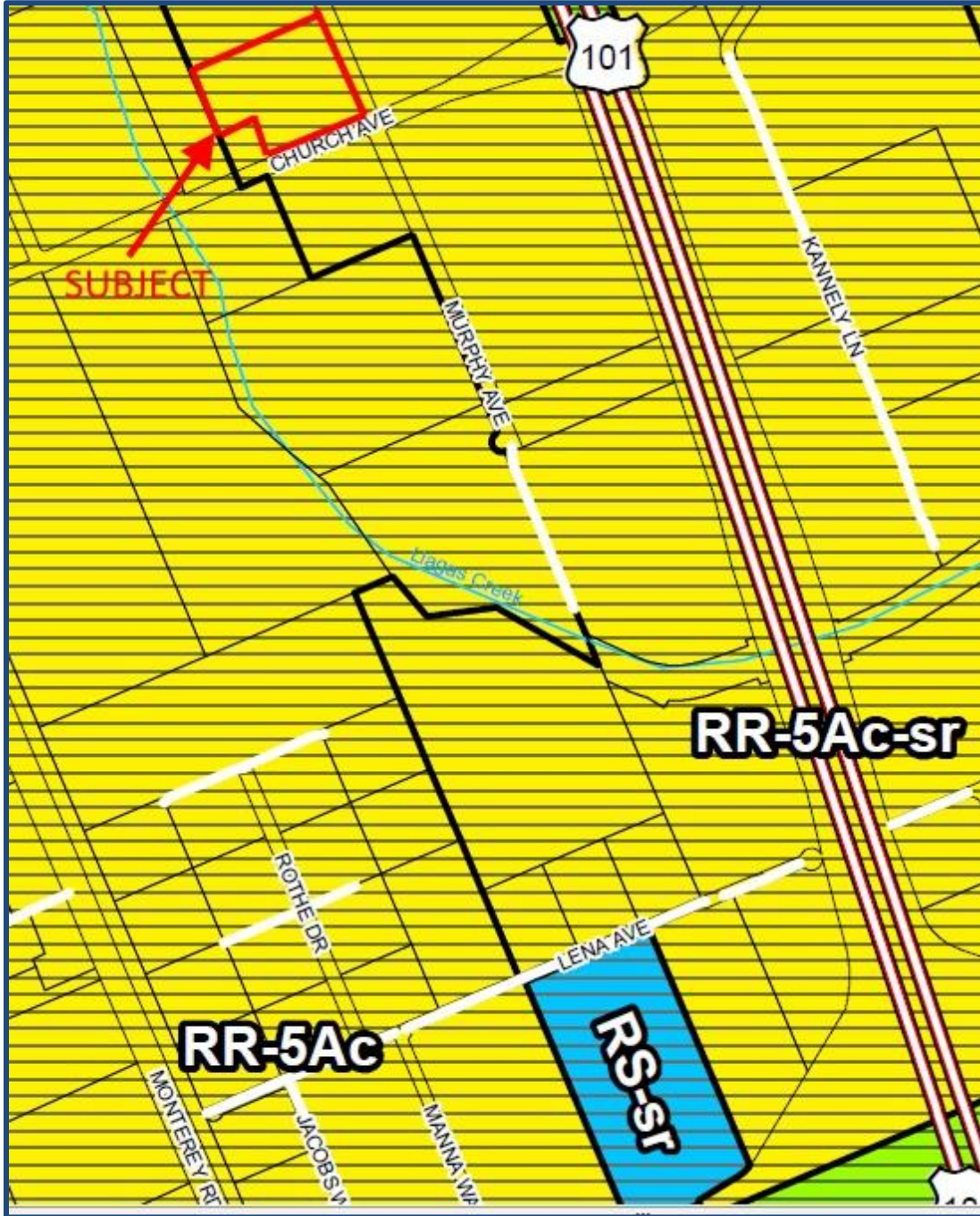
The subject site is located on the San Martin Airport, at the most southerly end of the airport, near the corner of Church and Murphy Avenues. This is a rural area. The site is level and at grade with the adjacent streets. Services in the area reflect the rural nature of the area. As such, water is obtained by wells, and sewer is provided by septic systems. The subject is improved with a well, but lacks a septic

system. Gas and electric service are available in the adjacent streets. The subject's well is in disrepair. The cost to repair it is estimated between \$10,000 and \$20,000. This would represent a significant cost for a user planning irrigated crops.

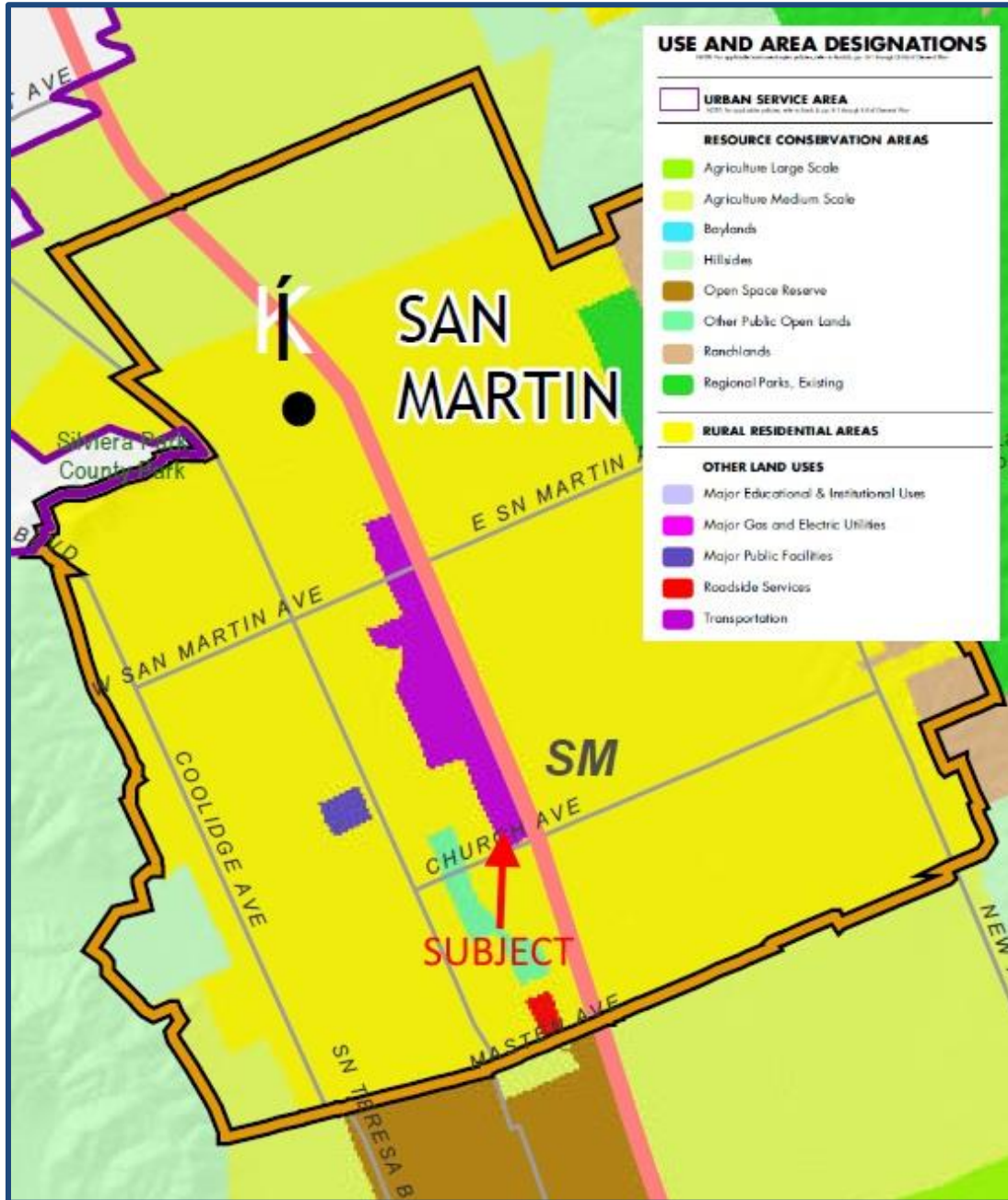
The subject site is a portion of the Airport property, but is not located within the fenced, secure area. As such, any use of the subject would not require separate fencing. This is especially true if the site were used for agricultural purposes.

The subject zoning, general plan and ALUP designations significantly restrict the potential uses of the property. Considering the use guidelines of all these documents, the most likely use for the subject is an agricultural use. The property has previously been used for agricultural purposes, and is well suited for that use.

ZONING MAP



GENERAL PLAN MAP



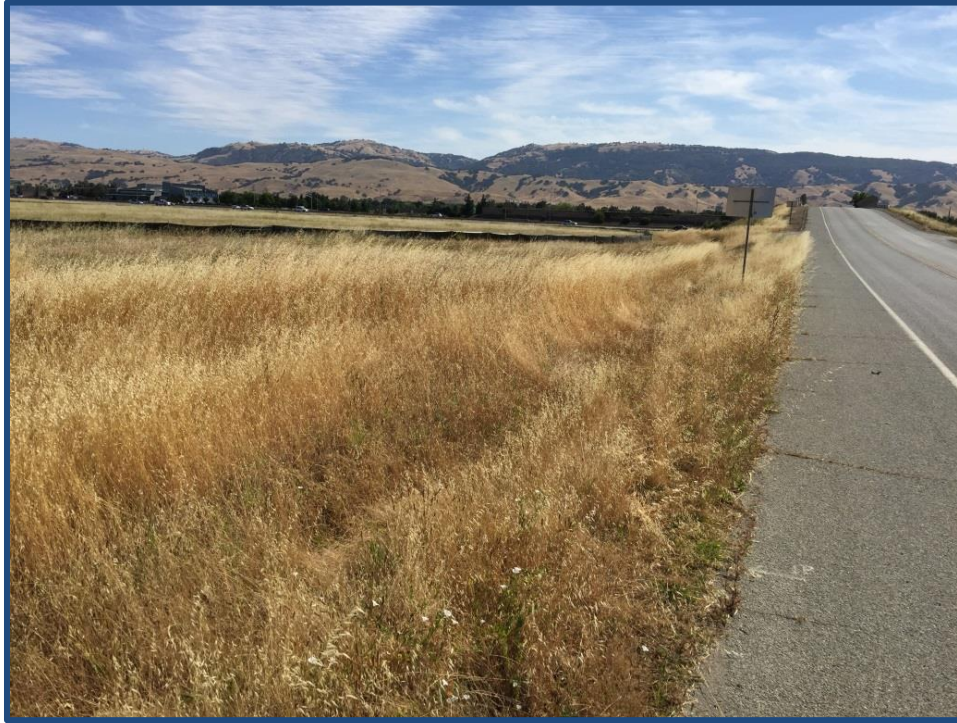
San Martin Site: Subject Photos



Murphy Avenue looking in a northerly direction.



Intersection of Murphy and Church, looking in a westerly direction.



Church Avenue looking in an easterly direction.



Subject property looking in a northeasterly direction.

San Martin Site: Highest and Best Use

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Analysis of Highest and Best Use As If Vacant

In determining the highest and best use of the property as if vacant, we examine the potential for: 1) near term development, 2) a subdivision of the site, 3) an assemblage of the site with other land, or 4) holding the land as an investment.

Legally Permissible

The subject site is zoned RR-5Ac, Rural Residential which controls the general nature of permissible uses but is appropriate for the location and physical elements of the subject property, providing for a consistency of use with the general neighborhood. The general plan designation of Transportation Facilities is inconsistent with the zoning, and reflects the planned future airport use of the property. The ALUP also restricts the allowable uses of the subject. Given all the current and future restrictions of use for the subject, the only legally permissible use of the subject site is for agricultural purposes.

Physically Possible

The physical attributes allow for a number of potential uses. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences are described in the Site Description and have been considered. There are no items of a physical nature that would materially limit appropriate and likely development.

Financially Feasible

The probable use of the site for agricultural uses conforms to the pattern of land use in the market area. A review of rental and occupancy rates suggests that there is sufficient demand for this use. Therefore, near-term leasing of the subject for this use is financially feasible. Additional information on whether it is financially feasible to repair the well is provided below and on the next page.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. When considering the maximally productive use of the subject, we considered whether it would be maximally productive to repair the existing irrigation well for irrigated crop use, or to lease the land "as is" without the well, for lower-level of agricultural production, such as hay.

The estimate cost to repair the well was between \$10,000 and \$20,000. The annual rental potential for an irrigated crop is \$400 to \$600 per acre per year. Alternatively, non-irrigated fields lease for rates between \$100 and \$200 per acre per year. The cost to repair the well can be amortized over a 10-year period (considering the future runway expansion and possible elimination of future use of the property beyond this time period). As seen on the following page, the amortized annual cost of the well is \$2,441. This is in excess of the annual income potential for irrigated crops. It is not

financially feasible, nor maximally productive, therefore, to repair the well. The maximally productive use of the subject is for passive farming, such as for hay farming.

Highest and Best Use Analysis - Value of Well Repair

Income Potential, if Well was Repaired	
5.75 acres x \$400 /acre/year	\$ 2,300
Adjustment for Well Repair	
Total Cost of \$15,000, amortized at 10% over 10 years:	-\$2,441
Indicated Rent Potential per Year:	-\$141

We note that if the cost of the well repair were only \$10,000, then the amortized cost of such repair over a 10-year period would be \$1,627, resulting in a residual income potential of \$673 per year (see below). This would make the cost of the repair both financially feasible and maximally productive. However, given that the cost of the repair is unknown, and that a lessee would not assume that the repair would be at the low end of the range, we have concluded that the well repair is not financially feasible or maximally productive.

Highest and Best Use Analysis - If Well Repair = \$10,000

Income Potential, if Well was Repaired	
5.75 acres x \$400 /acre/year	\$ 2,300
Adjustment for Well Repair	
Total Cost of \$10,000, amortized at 10% over 10 years:	-\$1,627
Indicated Rent Potential per Year:	\$673

Conclusion of Highest and Best Use As If Vacant

The conclusion of the highest and best use as if vacant is for passive agricultural use, for non-irrigated crops.

Most Probable Lessee

As of the date of value, the most probable lessee of the subject property is a local farmer.

San Martin Site: Appraisal Methodology

To develop an opinion of Market Rent, we have utilized a Direct Comparison Approach. The direct comparison approach develops an indication of market rent by analyzing consummated leases, listings, or pending leases of properties similar to the subject, focusing on the difference between the subject and the comparables using all appropriate elements of comparison. This approach is based on principles of supply and demand, balance, externalities, and substitution.

San Martin Site: Valuation of Market Rent

As noted above, the direct comparison approach is applied in the valuation of the subject's market rent. The first step in this process is to research and analyze comparable rental properties. In our search for comparables, we have focused on properties with a similar highest and best use as the subject.

The highest and best use of the subject was determined to be for passive agricultural use, for non-irrigated crops. Most agricultural leases in the area are for irrigated crops, in which the land has an operating well. Several recent leases for sites located near the subject are summarized on the following page, followed by a location map.

As seen from the table, irrigated sites near the subject typically lease for rates between \$350 and \$470 per acre per year.

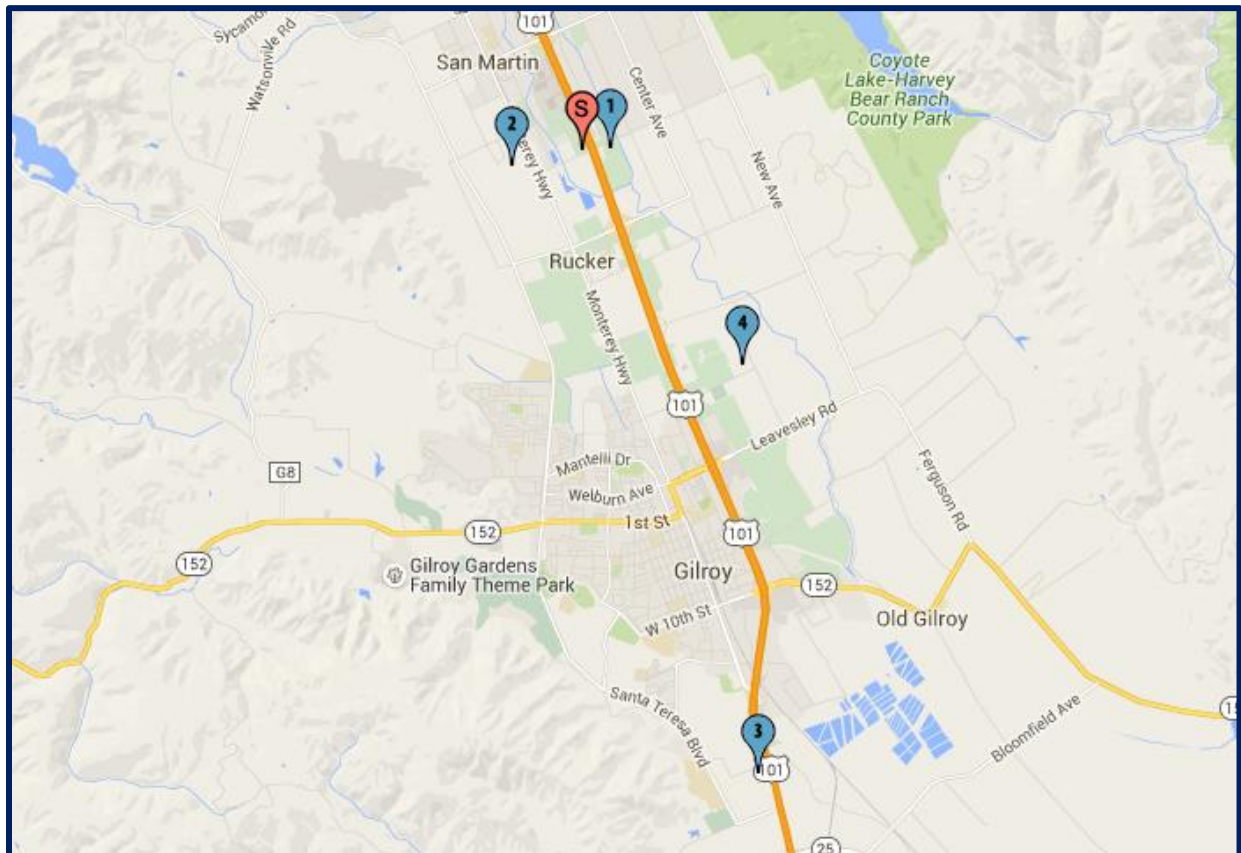
The subject, however, represents a non-irrigated field. We were unable to find any leases for non-irrigated sites, but it is only logical that those sites would lease for substantially less than irrigated sites. As part of our research, therefore, we also interviewed several knowledgeable agricultural brokers in the market, such as Page Welton and Dan Kroner.

According to these brokers, non-irrigated sites typically lease at rates between \$100 and \$200 per acre per year. This is a minimal amount, but reflective of the crop potential for this type of field, which would likely be hay.

Rent Comparable Summary

#	Location	Acreage	Rent/Acre		Comments
			Per Year	Lease Dates	
1	Church at Kannelly Avenue San Martin	33.5	\$425	2016	Close to subject. About 50% of property is in Flood Zone A. Gross lease.
2	12185 Monterey Highway San Martin	72.0	\$350	Jan-16	Close to subject. Well onsite shared for irrigation and with residential tenants.
3	5015 Monterey Road Gilroy	17.2	\$400	Current	Class I soil, good water. Renewed annually. Gross lease.
4	1075 Las Animas Avenue Gilroy	25.6	\$470	Current	Month-to-month gross lease. Approximately 30% Class I and 70% Class II soil being used for row crops.

MAP OF RENT COMPARABLES



Conclusion of Fair Market Rent

The subject lacks a working well, and the cost to repair the existing well is prohibitively high. Without a well, the rental potential of the subject is reduced to a minimal amount of between \$100 and \$200 per acre per year. Considering the subject's small size, as well as the ease of access, we conclude to a rate near the mid-point of this range. We conclude a rate of \$150 per acre per year. This results in a total annual rent of \$863 for the subject, as summarized below.

Market Rent Conclusion

<hr/>			
5.75	acres x	\$150 /acre/year	\$ 863
<hr/>			

Agricultural leases typically have a term of one year, and may be renewed year-after-year by the same tenant. The leases are essentially re-set to market level, then, every year.

Conclusion of Market Rent Estimates

Summary of Value Conclusion

The indicated values from the approaches used and our concluded market values for the subject property are summarized in the following table.

Value Conclusions		
Component	Reid Hillview	San Martin
Value Type	Market Rent	Market Rent
Property Rights Appraised	Fee Simple	Fee Simple
Effective Date of Value	May 27, 2016	June 11, 2016
Subject Land Area (acres)	2.20	5.75
Value Conclusion		
Annual Market Rent:	\$102,000	\$863
Annual Market Rent/Acre	\$46,426	\$150

To reach a final opinion of value, we considered the reliability and relevance of each value indication based upon the quality of the data and applicability of the assumptions underlying each approach. Given the availability and reliability of data within the Sales Comparison Approach, we gave this approach primary weight in arriving at our final value conclusions. Furthermore, special purpose properties such as the subject property are typically purchased by Industrial users, who primarily rely upon the methods employed by the Sales Comparison Approach.

Exposure Time and Marketing Periods

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of 12 months are considered reasonable and appropriate for the subject property.

General Assumptions and Limiting Conditions

This appraisal is subject to the following limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Hulberg and Associates, Inc. will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Hulberg and Associates, Inc. is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.

10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Hulberg and Associates, Inc. and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Hulberg and Associates, Inc.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.
24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.

25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.
26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.
29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
35. You and Valbridge Property Advisors | Hulberg and Associates, Inc. both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Hulberg and Associates, Inc. and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Hulberg and Associates, Inc. or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Hulberg and Associates, Inc. for this assignment, and under no circumstances shall any claim for consequential damages be made.
36. Valbridge Property Advisors | Hulberg and Associates, Inc. shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Hulberg and Associates, Inc. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Hulberg and Associates, Inc. and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Hulberg and Associates, Inc. harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Hulberg and Associates, Inc. in such action, regardless of its outcome.

37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Hulberg and Associates, Inc. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.
39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – Yvonne J. Broszus, MAI

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned has not performed services regarding the properties that are the subjects of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Yvonne J. Broszus, MAI has personally inspected the subject properties.
10. No one provided significant real property appraisal assistance to the person signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.



Yvonne J. Broszus, MAI
Director

California Certified License #AG019587

Addenda

Glossary

Qualifications

- Yvonne J. Broszus, , MAI - Director

Information on Valbridge Property Advisors

Office Locations

Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 6th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but which are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service (DCR = NOI/Im), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

- 1) In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.
- 2) In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time;
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

- 1) The date on which the appraisal or review opinion applies. (SVP)
- 2) In a lease document, the date upon which the lease goes into effect. (Dictionary)

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause*, *expense recovery clause* or *stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

Exposure Time

- 1) The time a property remains on the market.
- 2) The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. (Dictionary)

Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*. (Dictionary)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*. (Dictionary)

Gross Building Area (GBA)

- 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of

the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.

- 2) Gross leasable area plus all common areas.
- 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

Gross Retail Sellout

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called the *aggregate of the retail values*, *aggregate retail selling price* or *sum of the retail values*. (Dictionary)

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

- 1) The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
- 2) The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
- 3) [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

Hypothetical Condition

- 1) A condition that is presumed to be true when it is known to be false. (SVP – Standards of Valuation Practice, effective January 1, 2015)
- 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.) (Dictionary)

Industrial Gross Lease

A type of modified gross lease of an industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real property taxes, as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

Insurable Value

A type of value for insurance purposes. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees). (Dictionary)

Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment

criteria that are not necessarily typical of the market. (Dictionary)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

Market Value

The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Dictionary)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions"

address the determination of reasonable exposure and marketing time.) (Dictionary)

Master Lease

A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease*, *net net lease*, *partial net lease*, or *semi-gross lease*. (Dictionary)

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., $OER = 1 - NIR$ (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common, easement, or life interest. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Future Value Upon Completion

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value –as completed- reflects the property's market value as of the time that development is expected to be complete. (Dictionary)

Prospective Future Value Upon Stabilization

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report ...The prospective market value – as stabilized – reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (Dictionary)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of

the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease, net net net lease, or fully net lease*. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)

Qualifications

Qualifications of Yvonne J. Broszus, MAI Director

Valbridge Property Advisors | Hulberg & Associates, Inc.



Independent Valuations for a Variable World

State Certifications

Certified General
State of California

Education

Bachelor of Science,
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Contact Details

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Membership/Affiliations

Member: Appraisal Institute MAI Designation
Chairman: AI Fall Conference Committee (2006)
AI Spring Litigation Conference (2017)
Committee Member:
AI Spring Litigation Conference (2014-current)
AI Silicon Valley Subchapter (2006-07)
AI Fall Conference (2004, 2005)

Appraisal Institute & Related Courses

Continuing education courses taken through the Appraisal Institute and other real estate organizations.

Experience

Director
Valbridge Property Advisors | Hulberg & Associates, Inc. (2013-Present)

Vice President
Hulberg & Associates, Inc. (1988-2013)

Appraisal/valuation and consulting assignments include: retail buildings (community, specialty, neighborhood and strip), office buildings (professional and medical/dental), vacant land, agricultural land, warehouses, manufacturing, mini-warehouse, light industrial, research and development, apartments, single-family, condominiums, subdivisions, mobile home parks, auto dealerships, service stations, worship facilities, truck stops, food processing and cold storage facilities, fixed base operators at airports and other types of special purpose properties.

Ms. Broszus has provided valuation services in a wide variety of complex civil litigation cases including real estate. These matters have included condemnation issues, contract disputes, bankruptcy/creditors matters, and environmental lawsuits, among other issues. She also specializes in property tax appeals, having helped clients recover millions of dollars in property tax refunds.

Qualified as an expert witness, Ms. Broszus has testified in state and federal courts, as well as in major arbitrations and at Assessment Appeal Board hearings. She is a highly experienced forensic appraiser.

Company Information on Valbridge Property Advisors

Valbridge is one of the Top 3 national commercial real estate valuation and advisory services firms based on:

- Total number of MAIs (188 on staff)
- Total number of office locations (68 across the U.S.)
- Total number of staff (650+ strong)

Valbridge covers the U.S. from coast to coast.

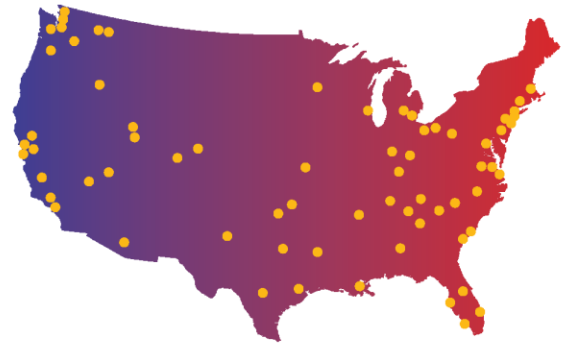
Valbridge services all property types, including special-purpose properties.

Valbridge provides independent valuation services. We are not owned by a brokerage firm or investment company.

Every Valbridge office is led by a senior managing director who holds the MAI designation of the Appraisal Institute.

Valbridge is owned by our local office leaders.

Valbridge welcomes single-property assignments as well as portfolio, multi-market and other bulk-property engagements.





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ATTACHMENT D

ARP SOP No. 5.00

Effective Date: October 1, 2014

APPENDIX A. DOCUMENTED CATEX

Airport sponsors should use this form for projects eligible for a categorical exclusion (CATEX) that have greater potential for extraordinary circumstances or that otherwise require additional documentation, as described in the Environmental Orders (FAA Order 1050.1E and FAA Order 5050.4B).

To request a CATEX determination from the FAA, the sponsor should review potentially affected environmental resources, review the requirements of the applicable special purpose laws, and consult with the FAA Environmental Protection Specialist about the type of information needed. Complete this form and send it with any supporting environmental resource documentation to the appropriate FAA Airports Division/District Office. The form and supporting documentation should be provided in accordance with the provisions of FAA Order 5050.4B, paragraph 302b, to allow sufficient time for review. The CATEX cannot be approved until all information/documentation is received and all requirements have been fulfilled.

It is ultimately the sponsor's responsibility to ensure that all of the information necessary for the FAA to make an environmental determination is accurate and complete.

Name of Airport, LOC ID, and Location

Reid-Hillview Airport (RHV), San Jose, California

Project Title

Reid-Hillview Airport Ground-Mount Solar Photovoltaic Project

Provide a brief, but complete description of the proposed project, including all project components, justification, estimated start date, and duration of the project. Include connected actions necessary to implement the proposed project (including but not limited to moving NAVAIDs, changing flight procedures, and designating or developing haul routes, new material or expanded material sources, staging or disposal areas). Attach a sketch or plan of the proposed project. Photos can also be helpful.

The project consists of construction and operation of a 1,044 kilowatt, ground-mounted, single-axis, tracking solar photovoltaic (PV) system on the west side of RHV. The total system, including arrays, switching gear, driveway access, and AC interconnection, would be approximately 2.5 acres in area. The arrays will be anchored using galvanized pile driven piers and interconnected to the local utility's

feeder approximately 1,400 feet to the northwest of the system. Interconnection to the electricity grid would generally be through underground conduits or above ground pole mounted wiring. A 12-foot-wide road measuring approximately 300 feet in length will provide access from the north end of the site. The development footprint, access roads, and equipment pads, measures approximately 3.2 acres. Exhibit A shows the project location and installation details.

Provide a brief, but complete, description of the proposed project area. Include any unique or natural features within or surrounding the airport property.

RHV is located in an urbanized area of the City of San Jose. The immediate visual setting is characterized by the forms of low- and medium-density residential structures to the north, northeast and west of RHV. A small, city-owned, neighborhood park, Hillview Park, is located directly across Ocala Avenue to the northwest of the airport. The structures and landscape of Raging Waters (commercial outdoor recreational facility) and Lake Cunningham Park are visible across Capital Expressway to the east of the airport. Eastridge Mall is situated immediately south of the airport, across Tully Road. There are no unique or natural features within or surrounding the airport property.

Identify the appropriate CATEX paragraph(s) from Order 1050.1E (paragraph 307-312) or 5050.4B (tables 6-1 and 6-2) that apply to the project. Describe if the project differs in any way from the specific language of the CATEX or examples given as described in the Order.

The following Categorical Exclusions listed in Order 1050.1F apply to the proposed project:

5-6.1b "Release of an airport sponsor from Federal obligations incurred when the sponsor accepted: (1) an Airport Improvement Grant; or (2) Federal surplus property for airport purposes. (NOTE: FAA consent to long-term leases (i.e., those exceeding 20 years) converting airport-dedicated property to non-aeronautical, revenue-producing purposes (e.g., convenience concessions such as food or personal services) has the same effect as a release and is part of this CATEX provided that the proposed and reasonably foreseeable uses of the property do

not trigger extraordinary circumstances as described in Paragraph 5-2, Extraordinary Circumstances).”

5-6.3i “Approval of an Airport Layout Plan (ALP), Federal financial assistance for, or FAA projects for: the installation of solar or wind-powered energy equipment, provided the installation does not involve more than three total acres of land (including the land needed for easements and rights-of-way associated with building and installing the equipment, and any trenching and cabling that would connect the installed solar or wind equipment to other parts of the airport or an existing electrical grid) and would not have the potential to cause significant impacts on bird or bat populations. Construction contracts or leases for this equipment must include requirements to control dust, sedimentation, storm water, and accidental spills.”

The circumstances one must consider when documenting a CATEX are listed below along with each of the impact categories related to the circumstance. Use FAA Environmental Orders 1050.1E, 5050.4B, and the Desk Reference for Airports Actions, as well as other guidance documents to assist you in determining what information needs to be provided about these resource topics to address potential impacts. Indicate whether or not there would be any effects under the particular resource topic and, **if needed**, cite available references to support these conclusions. Additional analyses and inventories can be attached or cited as needed.

304a. National Historic Preservation Act (NHPA) resources

Projects that have the potential to cause effects on historic properties require a Section 106 finding in order to meet the requirements of the NHPA regardless of the type of NEPA document being completed. Check with your local Airports Division/District Office to determine if a Section 106 finding is required. Consultation with the State Historic Preservation Officer/Tribal Historic Preservation Officer (SHPO/THPO) may be required, and should be conducted through the FAA.

	YES	NO
Are there historic/cultural resources listed (or eligible for listing) on the National Register of Historic Places located in the Area of Potential Effect? If yes, provide a record of the historic and/or cultural resources located therein.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
There are no resources listed (or eligible for listing) on the National Register of Historic Places located at RHV. [Source: RHV Master Plan EIR, 2012]		

	YES	NO
Does the project have the potential to cause effects? If yes, describe the nature and extent of the effects. Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the project area previously undisturbed? If yes, provide more information. Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will the project impact tribal land or land of interest to tribes? If yes, describe the nature and extent of the effects and provide information on the tribe affected. Consultation with their THPO may be required. Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304b. Department of Transportation Act Section 4(f) and 6(f) resources

	YES	NO
Are there any properties protected under Section 4(f) (as defined by FAA Order 1050.1E) in or near the project area? This includes publicly owned parks, recreation areas, and wildlife or waterfowl refuges of national, state or local significance or land from a historic site of national, state or local significance. There are no Section 4(f) lands in or near the project area.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will project construction or operation directly or constructively “use” any Section 4(f) resource? If yes, describe the nature and extent of the use and/or impacts, and why there are no prudent and feasible alternatives. See Desk Reference Chapter 7. There are no Section 4(f) lands in or near the project area.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will the project affect any recreational or park land purchased with Section 6(f) Land and Water Conservation Funds? If so, please explain, if there will be impacts to those properties. There are no Section 6(f) lands in or near the project area.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304c. Natural, Ecological, or Scenic Resources

This section covers a broad range of categories from farmlands to endangered species to coastal resources to wild and scenic rivers. Items to consider include:

Coastal Resources	YES	NO
<p>Will the project occur in or impact a coastal zone as defined by the State’s Coastal Zone Management Plan (CZMP)? If yes, discuss the project’s consistency with the State’s CZMP. Attach the consistency determination if applicable.</p> <p>RHV is not located within or near a Coastal Zone.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project occur in or impact the Coastal Barrier Resource System as defined by the US Fish and Wildlife Service?</p> <p>RHV is not located within or near the USFWS’ Coastal Barrier Resource System.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Ecological Resources	YES	NO
<p>Are there any federal or state listed endangered, threatened, or candidate species or designated critical habitat in or near the project area? This includes species protected by individual statute, such as the Bald Eagle.</p> <p>The project site contains ruderal grassland consisting of largely non-native grasses and forbs typical of urban areas, such as wild oat and riggut brome. The grassland area is currently maintained by periodic mowing and other site maintenance activities.</p> <p>No federal or state-listed or candidate endangered/threatened species are present at RHV. However, the project is located within the Burrowing Owl Survey and Fee Zone, as designated in the Santa Clara Valley Habitat Plan (VHP). The Burrowing Owl is a California Species of Special Concern. The California Department of Fish and Wildlife adopted the VHP in 2013 to provide take coverage for species in the permit area that are covered by the plan, including the Burrowing Owl. Biological surveys undertaken at RHV determined that the area designated for the PV facility contains potential Burrowing Owl foraging habitat but not nesting habitat. Under the Habitat Plan, the County is subject to a \$227,000 burrowing owl fee to cover the impact of the project to this potential foraging habitat.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Ecological Resources	YES	NO
<p>Does the project affect or have the potential to affect, directly or indirectly, any federal or state-listed, threatened, endangered or candidate species, or designated habitat? If yes, consultation between the FAA and the US Fish & Wildlife Service, National Marine Fisheries Service, and/or the appropriate state agency will be necessary. Provide a description of the impacts and how impacts will be avoided, minimized, or mitigated.</p> <p>As described above, no federal or state-listed or candidate threatened or endangered species are present at RHV. Therefore, the project would not affect such species.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to take birds protected by the Migratory Bird Treaty Act? Describe steps to avoid, minimize or mitigation impacts (such as timing windows determined in consultation with the USFWS).</p> <p>There are no trees on the project site and, therefore, construction activities will not have the potential to disturb nesting birds protected by the MBTA.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project area contain resources protected by the Fish and Wildlife Coordination Act? If yes, describe any impacts and steps taken to avoid, minimize or mitigate impacts.</p> <p>No resources protected by the Fish & Wildlife Coordination Act are present in the project area.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to impact fish habitat protected under the Magnuson-Stevens Act? If yes, after notifying the FAA and the airport sponsor will take the necessary consultation action. Actions may include preparing an Essential Fish Habitat assessment and consultation with the National Marine Fisheries Service. Describe any adverse impacts, and any conservation measures needed to avoid such impacts.</p> <p>The project site is not located within or adjacent to a waterway.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Farmland	YES	NO
<p>Is there prime, unique, state or locally important farmland in/near the project area? Describe any significant impacts from the project.</p> <p>There are no farmlands on or adjacent to RHV. Therefore, the project will not convert any farmland to non-agricultural uses.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Farmland	YES	NO
Does the project include the acquisition and conversion of farmland? If farmland will be converted, describe coordination with the US Natural Resources Conservation and attach the completed Form AD-1006.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No farmland is present at RHV or in the vicinity.		

Floodplains	YES	NO
Will the project be located in, encroach upon or otherwise impact a floodplain? If yes, describe impacts and any agency coordination or public review completed including coordination with the local floodplain administrator. Attach the FEMA map if applicable and any documentation.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
According to FEMA mapping, the project site is not located within any 100-Year Floodplain.		

Wetlands and Other Waters of the U.S.	YES	NO
Are there any wetlands or other waters of the U.S. in or near the project area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Based on biological surveys, there are no wetlands anywhere on RHV.		
Has wetland delineation been completed within the proposed project area? If yes, please provide U.S. Army Corps of Engineers (USACE) correspondence and jurisdictional determination.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
None of the unpaved areas at RHV have vegetative or hydrologic conditions that would indicate a potential wetland. Therefore, no delineation was warranted.		
If a delineation was not completed, was a field check done to confirm the presence/absence of wetlands or other waters of the U.S.? If no to both, please explain what methods were used to determine the presence/absence of wetlands.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Yes, the entire airport was surveyed by qualified biologists to determine if wetland indicators (e.g., soil, plants, hydrology) were present.		
If yes, will the project result in impacts, directly or indirectly (including tree clearing)? Describe any steps taken to avoid, minimize or mitigate the impact.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
As noted above, no wetlands are present and therefore no avoidance, minimization, or mitigation measures are needed.		

Wetlands and Other Waters of the U.S.	YES	NO
<p>Is a USACE Clean Water Act Section 404 permit required? If yes, does the project fall within the parameters of a general permit? If so, which general permit?</p> <p>No components of the project are located within or adjacent to areas that are under the jurisdiction of the USACE. Therefore, no Section 404 permit will be required.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Wild and Scenic Rivers	YES	NO
<p>Is there a river on the Nationwide Rivers Inventory, a designated river in the National System, or river under State jurisdiction (including study or eligible segments) near the project?</p> <p>No rivers on the National Rivers Inventory or rivers designated as Wild & Scenic are located in the region.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project directly or indirectly affect the river or an area within ¼ mile of its ordinary high water mark?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304d. Disruption of an Established Community

	YES	NO
<p>Will the project disrupt a community, planned development or be inconsistent with plans or goals of the community?</p> <p>The project is located entirely within the boundaries of RHV and would not be inconsistent with community plans or goals.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Are residents or businesses being relocated as part of the project?</p> <p>The project site is within the boundaries of RHV and the project will not require any relocations.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Environmental Justice	YES	NO
<p>Are there minority and/or low-income populations in/near the project area?</p> <p>The residential area that borders the west side of RHV, which is adjacent to the project site, has a population that is 70% Hispanic. [Source: U.S. Census Bureau]</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Environmental Justice	YES	NO
<p>Will the project cause any disproportionately high and adverse impacts to minority and/or low-income populations? Attach census data if warranted.</p> <p>The project would not result in impacts, disproportionate or otherwise, to the adjacent neighborhood. Operation of the PV system will not create emissions, traffic, or noise impacts. The solar panels will be located a minimum of 30 feet from the closest residences and will be screened from the residences by a solid fence.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304e. Surface Transportation

	YES	NO
<p>Will the project cause a significant increase in surface traffic congestion or cause a degradation of level of service provided?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project require a permanent road relocation or closure? If yes, describe the nature and extent of the relocation or closure and indicate if coordination with the agency responsible for the road and emergency services has occurred.</p> <p>Construction and operation of the solar array will not require any temporary or permanent roadway closures.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304f. Noise

	YES	NO
<p>Will the project result in an increase in aircraft operations, nighttime operations, or change aircraft fleet mix?</p> <p>The project will not result in any temporary or permanent increase in aircraft operations at any time of the day and will have no effect on aircraft fleet mix.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project cause a change in airfield configuration, runway use, or flight patterns - either during construction or after the project is implemented?</p> <p>The project will not change the taxiway or runway configuration at RHV. Aircraft operations and flight patterns will not be affected during construction.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
<p>Does the forecast exceed 90,000 annual propeller operations, 700 annual jet operations or 10 daily helicopter operations or a combination of the above? If yes, a noise analysis may be required if the project would result in a change in operations.</p> <p>The project will have no impact on existing or projected flight operations of any type.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Has a noise analysis been conducted, including but not limited to generated noise contours, a specific point analysis, area equivalent method analysis, or other screening method? If yes, provide that documentation.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Could the project have a significant impact (DNL 1.5 dB or greater increase) on noise levels over noise sensitive areas within the 65+ DNL noise contour?</p> <p>No changes in noise levels will result as the project will not change aircraft operations or flight patterns. The operation of the solar panels will not generate noise that will be audible off the site.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304g. Air Quality

	YES	NO
<p>Is the project located in a Clean Air Act non-attainment or maintenance area?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>If yes, is it listed as exempt, presumed to conform, or will emissions (including construction emissions) from the project be below <i>de minimis</i> levels? (Provide the paragraph citation for the exemption or presumed to conform list below, if applicable.) Is the project accounted for in the State Implementation Plan or specifically exempted? Attach documentation. If exempt or “presumed to conform”, skip the next two questions.</p> <p>Operation of the proposed solar PV array will not generate any emissions and the project will result in an overall reduction in emissions because the solar power will reduce the need for power to be generated by the burning of fossil fuels.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Does the project have the potential to increase landside or airside capacity, including an increase of surface vehicles?</p> <p>The project is limited to the operation of a solar PV system, which, other than an occasional maintenance vehicle, will not have any effect on landside traffic volumes. There will be no increase in airside capacity or volumes.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
<p>Could the project impact air quality or violate local, State, Tribal or Federal air quality standards under the Clean Air Act Amendment of 1990?</p> <p>Due to the nature of the proposed improvements, there will be no effect on air quality.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the airport have 180,000 general aviation and air taxi operations or 1.3 million enplanements annually? If yes, an air quality analysis may be required if the project would result in a change in operations.</p> <p>Total annual operations at RHV were 144,000 in 2015.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304h. Water Quality

Airport projects may cause water quality impacts due to their proximity to waterways. Airport related water quality impacts can occur from both point and non-point (stormwater runoff) sources.

	YES	NO
<p>Are there water resources within or near the project area? These include groundwater, surface water (lakes, rivers, etc.), sole source aquifers, and public water supply. If yes, provide a description of the resource, including the location (distance from project site, etc.).</p> <p>There are no water resources on or adjacent to the project site.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project impact any of the identified water resources? Describe any steps that will be taken to protect water resources during and after construction.</p> <p>During construction, the contractor will implement standard best management practices (BMPs) that are designed to prevent sediments and pollutants from entering the storm drainage system.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project increase the amount or rate of stormwater runoff? Describe any steps that will be taken to ensure it will not impact water quality.</p> <p>The site will remain pervious with the exception of the metal piers supporting the solar panels and several concrete pads for the accompanying electrical equipment. Any increase in stormwater runoff will be negligible. Due to the small increase in impervious surfaces, post-construction stormwater treatment is not required under the current NPDES permit.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
Does the project have the potential to violate federal, state, tribal or local water quality standards established under the Clean Water and Safe Drinking Water Acts? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are any permits required? If yes, list the appropriate permits. Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304i. Highly Controversial on Environmental Grounds

	YES	NO
Is the project highly controversial? The term “highly controversial” means a substantial dispute exists as to the size, nature, or effect of a proposed federal action. The effects of an action are considered highly controversial when reasonable disagreement exists over the project’s risks of causing environmental harm. Mere opposition to a project is not sufficient to be considered highly controversial on environmental grounds. Opposition on environmental grounds by a federal, state, or local government agency or by a tribe or a substantial number of the persons affected by the action should be considered in determining whether or not reasonable disagreement exists regarding the effects of a proposed action. Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304j. Inconsistent with Federal, State, Tribal or Local Law

	YES	NO
Will the project be inconsistent with plans, goals, policy, zoning, or local controls that have been adopted for the area in which the airport is located? The project will support the sustainability and greenhouse gas reduction strategies that have been adopted. The project will not be inconsistent with any applicable policies or plans.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the project incompatible with surrounding land uses? The residential uses that are adjacent to the project will not be impacted by the operation of the solar PV system. Operation of the PV system will not create emissions, traffic, or noise impacts. The solar panels will be located a minimum of 30 feet from the closest residences and will be screened from the residences by a solid fence.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**304k. Lighting, Visual, Hazardous Materials, Construction Impacts, Etc.
Light Emissions and Visual Effects**

Airport related lighting facilities and activities could affect surrounding light-sensitive areas such as homes, parks, recreation areas, etc. Visual affects deal broadly with the extent to which airport development contrasts with the existing environment/setting.

	YES	NO
Will the proposed project produce light emission impacts? No lighting would be installed at the PV solar array. The panels will be coated to minimize any potential glare.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will there be visual or aesthetic impacts as a result of the proposed project and/or have there been concerns expressed about visual/aesthetic impacts? The solar panels will be located a minimum of 30 feet from the closest residences and will be screened from the residences by a solid fence.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Hazardous Materials

Federal, State, and local laws regulate hazardous materials use, storage, transport or disposal. Disrupting sites containing hazardous materials or contaminants may cause significant impacts to soil, surface water, groundwater, air quality, humans, wildlife, and the organisms using these resources. This category also includes solid waste and hazardous substances.

	YES	NO
Does the project involve or affect hazardous materials? The project is limited to the construction and operation of a solar PV system. Hazardous materials will not be used, stored or generated.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will construction take place in an area that contains or previously contained hazardous materials? There is no known or suspected contamination at – or adjacent to – the project site.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If the project involves land acquisition, is there a potential for this land to contain hazardous materials or contaminants? The project does not involve land acquisition.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
Will the proposed project produce hazardous and/or solid waste either during construction or after? If yes, how will the additional waste be handled? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Construction

Construction may cause various environmental effects including, but not limited to, increases in dust, aircraft and heavy equipment emissions, stormwater runoff, spill/leaking petroleum, and noise.

	YES	NO
Will the project result in construction impacts, such as reducing local air quality, increase erosion, pollutant runoff, or noise, or disrupt local traffic patterns? If yes, describe measures to avoid and minimize construction impacts. The contractor will employ standard BMPs during construction to prevent degradation of water quality as well as to limit dust and other fugitive emissions. Traffic detours will not be required. To reduce short-term noise impacts, construction will be limited to the hours of 7 am – 8 pm, Monday – Friday, and 9 am – 6 pm on Saturday.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Will the project create short term impacts? See previous question for limitations on hours of construction.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Will the project result in long term/permanent impacts? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Energy Supply and Natural Resources	YES	NO
Will the project change energy requirements or use consumable natural resources? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will the project change aircraft/vehicle traffic patterns that could alter fuel usage? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Public Involvement

Through public participation, federal agencies disclose information about a proposed project and expected environmental effects. Many of the special purpose laws (National Historic Preservation Act, Clean Water Act, etc.) require public notice and the opportunity for public involvement.

	YES	NO
Was there any public notification or involvement? If yes, provide documentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
A public information meeting for the project was held on February 24, 2015, with noticing provided to nearby property owners. A notice of the availability of the project’s CEQA document was published on February 27, 2015. A public hearing on the project was held by the Santa Clara County Board of Supervisors on March 24, 2015. The project was approved by the Board of Supervisors at its public meeting of April 7, 2015.		

Indirect/Secondary/Induced Impacts

Indirect/Secondary/Induced Impacts are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable. They may include growth inducing effects and other effects related to induced changes in the pattern of land use, population density or growth rate, and related effects on air and water and other natural systems, including ecosystems.

	YES	NO
Will the project result in indirect/secondary/induced impacts?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The project is limited to construction and operation of a solar renewable energy system that will not result in secondary or induced impacts.		
When considered with other past, present, and reasonably foreseeable future projects, on or off airport property and regardless of funding source, would the proposed project result in a significant cumulative impact?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The impacts of the project will be negligible and will not materially contribute to any cumulative impacts.		

Permits

List any permits required for the proposed project that have not been previously discussed. Provide details on the status of permits.

None needed.

Environmental Commitments

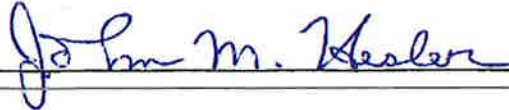
List all measures and commitments made to avoid, minimize, mitigate, and compensate for impacts on the environment, which are needed for this project to qualify for a CATEX.

Standard BMPs will be implemented by the contractor during construction to prevent degradation of water quality as well as to limit dust and other fugitive air pollutant emissions.

If human remains are found during construction there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the coroner of the County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American the coroner shall contact the Native American Heritage Commission (NAHC) within 24 hours. The NAHC shall identify the person or persons it believes to be the most likely descendent from the deceased Native American. The most likely descendent may then make recommendations to the County for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The County shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the NAHC is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the County rejects the recommendation of the descendent, and the mediation by the NAHC fails to provide measures acceptable to the County.

Preparer Information**Point of Contact:** John Hesler, Sr. Environmental Specialist, David J. Powers & Associates**Address:** 1871 The Alameda, Suite 200**City:** San Jose**State:** CA**ZIP code:** 95126**Phone Number:** 408-454-3424**Email Address:** jhesler@davidjpowers.com

Signature: _____



Date: _____

9-19-2016

Airport Sponsor Information and Certification

(may not be delegated to consultant)

Provide contact information for the designated sponsor point of contact and any other individuals requiring notification of the FAA decision.

Point of Contact: Michael Murdter, Director, Santa Clara Co. Roads & Airports Department**Address:** 101 Skyport Drive**City:** San Jose**State:** CA**ZIP code:** 95110**Phone Number:** 408-573-2438**Email Address:** michael.murdter@rda.sccgov.org**Additional Name(s):** [Click here to enter text.](#)**Additional Email Address(es):** [Click here to enter text.](#)

I certify that the information I have provided above is, to the best of my knowledge, correct. I also recognize and agree that no construction activity, including but not limited to site preparation, demolition, or land disturbance, shall proceed for the above proposed project(s) until FAA issues a final environmental decision for the proposed project(s) and until compliance with all other applicable FAA approval actions (e.g., ALP approval, airspace approval, grant approval) has occurred.

Signature: _____



Date: _____

10/4/16

FAA Decision

Having reviewed the above information, certified by the responsible airport official, it is the FAA's decision that the proposed project (s) or development warrants environmental processing as indicated below.

- No further NEPA review required. Project is categorically excluded per (cite applicable 1050.1E CATEX that applies)

- An Environmental Assessment (EA) is required.

- An Environmental Impact Statement (EIS) is required.

- The following additional documentation is necessary for FAA to perform a complete environmental evaluation of the proposed project.
Click here to enter text if necessary

Name: _____ Title: _____
Responsible FAA Official

Signature: _____ Date: _____

EXHIBIT

A



REID-HILLVIEW AIRPORT

ATTACHMENT E

ARP SOP No. 5.00

Effective Date: October 1, 2014

APPENDIX A. DOCUMENTED CATEX

Airport sponsors should use this form for projects eligible for a categorical exclusion (CATEX) that have greater potential for extraordinary circumstances or that otherwise require additional documentation, as described in the Environmental Orders (FAA Order 1050.1E and FAA Order 5050.4B).

To request a CATEX determination from the FAA, the sponsor should review potentially affected environmental resources, review the requirements of the applicable special purpose laws, and consult with the FAA Environmental Protection Specialist about the type of information needed. Complete this form and send it with any supporting environmental resource documentation to the appropriate FAA Airports Division/District Office. The form and supporting documentation should be provided in accordance with the provisions of FAA Order 5050.4B, paragraph 302b, to allow sufficient time for review. The CATEX cannot be approved until all information/documentation is received and all requirements have been fulfilled.

It is ultimately the sponsor's responsibility to ensure that all of the information necessary for the FAA to make an environmental determination is accurate and complete.

Name of Airport, LOC ID, and Location

San Martin Airport (E16), Santa Clara County, California

Project Title

San Martin Airport Ground-Mount Solar Photovoltaic Project

Provide a brief, but complete description of the proposed project, including all project components, justification, estimated start date, and duration of the project. Include connected actions necessary to implement the proposed project (including but not limited to moving NAVAIDs, changing flight procedures, and designating or developing haul routes, new material or expanded material sources, staging or disposal areas). Attach a sketch or plan of the proposed project. Photos can also be helpful.

The project consists of construction and operation of a 1,357 kilowatt, ground-mounted, single axis tracking solar photovoltaic (PV) system at the southern boundary of the County of Santa Clara's San Martin Airport (E16). The development footprint, including perimeter fencing, access roads, and equipment pads, measures approximately six acres. Of that acreage, the system, including

arrays, switching equipment, access driveway, and AC connection, would cover approximately two acres of ground. The arrays would be anchored using galvanized pile driven piers and interconnected with the local utility's feeder via an 840-foot, underground or overhead AC wiring. Consistent with the County's Zoning Ordinance, the PV arrays and related above-ground structures would be set back a minimum of 30 feet from any property line. The site would be protected by a fence measuring 1,700 feet long and six feet high, with a single barbed wire at seven feet. A gate would be located at the site's west side, connecting to Murphy Avenue, to provide entry for construction, and for operations and maintenance activities post-construction. A 12-foot-wide, base rock access road would be constructed from Murphy Avenue to the west of the project site. Exhibit A shows the project map location and project details.

Provide a brief, but complete, description of the proposed project area. Include any unique or natural features within or surrounding the airport property.

E16 is located in a primarily agricultural area in an unincorporated part of southern Santa Clara County. The PV site is bounded by the main airport facility to the north, U.S. 101 to the east, agricultural properties to the south, and a spay-and-neuter animal clinic (on airport property) to the west. The site is not in the vicinity of any recreational facilities, and there are no unique or natural features within or surrounding the property.

Identify the appropriate CATEX paragraph(s) from Order 1050.1E (paragraph 307-312) or 5050.4B (tables 6-1 and 6-2) that apply to the project. Describe if the project differs in any way from the specific language of the CATEX or examples given as described in the Order.

The following Categorical Exclusions listed in Order 1050.1F apply to the proposed project:

5-6.1b "Release of an airport sponsor from Federal obligations incurred when the sponsor accepted: (1) an Airport Improvement Grant; or (2) Federal surplus property for airport purposes. (NOTE: FAA consent to long-term leases (i.e., those exceeding 20 years) converting airport-dedicated property to non-aeronautical,

revenue-producing purposes (e.g., convenience concessions such as food or personal services) has the same effect as a release and is part of this CATEX provided that the proposed and reasonably foreseeable uses of the property do not trigger extraordinary circumstances as described in Paragraph 5-2, Extraordinary Circumstances).”

5-6.3i “Approval of an Airport Layout Plan (ALP), Federal financial assistance for, or FAA projects for: the installation of solar or wind-powered energy equipment, provided the installation does not involve more than three total acres of land (including the land needed for easements and rights-of-way associated with building and installing the equipment, and any trenching and cabling that would connect the installed solar or wind equipment to other parts of the airport or an existing electrical grid) and would not have the potential to cause significant impacts on bird or bat populations. Construction contracts or leases for this equipment must include requirements to control dust, sedimentation, storm water, and accidental spills.”

The circumstances one must consider when documenting a CATEX are listed below along with each of the impact categories related to the circumstance. Use FAA Environmental Orders 1050.1E, 5050.4B, and the Desk Reference for Airports Actions, as well as other guidance documents to assist you in determining what information needs to be provided about these resource topics to address potential impacts. Indicate whether or not there would be any effects under the particular resource topic and, **if needed**, cite available references to support these conclusions. Additional analyses and inventories can be attached or cited as needed.

304a. National Historic Preservation Act (NHPA) resources

Projects that have the potential to cause effects on historic properties require a Section 106 finding in order to meet the requirements of the NHPA regardless of the type of NEPA document being completed. Check with your local Airports Division/District Office to determine if a Section 106 finding is required. Consultation with the State Historic Preservation Officer/Tribal Historic Preservation Officer (SHPO/THPO) may be required, and should be conducted through the FAA.

	YES	NO
<p>Are there historic/cultural resources listed (or eligible for listing) on the National Register of Historic Places located in the Area of Potential Effect? If yes, provide a record of the historic and/or cultural resources located therein.</p> <p>There are no resources listed (or eligible for listing) on the National Register of Historic Places located at E16. [Sources: E16 Master Plan (2006) and Ground Mount Solar PV Project Initial Study (2015)]</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to cause effects? If yes, describe the nature and extent of the effects.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Is the project area previously undisturbed? If yes, provide more information.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project impact tribal land or land of interest to tribes? If yes, describe the nature and extent of the effects and provide information on the tribe affected. Consultation with their THPO may be required.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304b. Department of Transportation Act Section 4(f) and 6(f) resources

	YES	NO
<p>Are there any properties protected under Section 4(f) (as defined by FAA Order 1050.1E) in or near the project area? This includes publicly owned parks, recreation areas, and wildlife or waterfowl refuges of national, state or local significance or land from a historic site of national, state or local significance.</p> <p>There are no Section 4(f) lands in or near the project area.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will project construction or operation directly or constructively “use” any Section 4(f) resource? If yes, describe the nature and extent of the use and/or impacts, and why there are no prudent and feasible alternatives. See Desk Reference Chapter 7.</p> <p>There are no Section 4(f) lands in or near the project area.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project affect any recreational or park land purchased with Section 6(f) Land and Water Conservation Funds? If so, please explain, if there will be impacts to those properties.</p> <p>There are no Section 6(f) lands in or near the project area.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304c. Natural, Ecological, or Scenic Resources

This section covers a broad range of categories from farmlands to endangered species to coastal resources to wild and scenic rivers. Items to consider include:

Coastal Resources	YES	NO
<p>Will the project occur in or impact a coastal zone as defined by the State’s Coastal Zone Management Plan (CZMP)? If yes, discuss the project’s consistency with the State’s CZMP. Attach the consistency determination if applicable.</p> <p>E16 is not located within or near a Coastal Zone.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project occur in or impact the Coastal Barrier Resource System as defined by the US Fish and Wildlife Service?</p> <p>E16 is not located within or near the USFWS’ Coastal Barrier Resource System.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Ecological Resources	YES	NO
<p>Are there any federal or state listed endangered, threatened, or candidate species or designated critical habitat in or near the project area? This includes species protected by individual statute, such as the Bald Eagle.</p> <p>The project site contains ruderal grassland consisting of largely non-native grasses and forbs typical of former agricultural areas, such as wild oat and ripgut brome. The area is currently maintained by periodic mowing and other site maintenance activities.</p> <p>No federal or state-listed or candidate endangered/threatened species are present at E16.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project affect or have the potential to affect, directly or indirectly, any federal or state-listed, threatened, endangered or candidate species, or designated habitat? If yes, consultation between the FAA and the US Fish & Wildlife Service, National Marine Fisheries Service, and/or the appropriate state agency will be necessary. Provide a description of the impacts and how impacts will be avoided, minimized, or mitigated.</p> <p>As described above, no federal or state-listed or candidate threatened or endangered species are present at E16. Therefore, the project would not affect such species.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Ecological Resources	YES	NO
<p>Does the project have the potential to take birds protected by the Migratory Bird Treaty Act? Describe steps to avoid, minimize or mitigation impacts (such as timing windows determined in consultation with the USFWS).</p> <p>There are no trees on the project site and, therefore, construction activities will not have the potential to disturb nesting birds protected by the MBTA.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project area contain resources protected by the Fish and Wildlife Coordination Act? If yes, describe any impacts and steps taken to avoid, minimize or mitigate impacts.</p> <p>No resources protected by the Fish & Wildlife Coordination Act are present in the project area.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to impact fish habitat protected under the Magnuson-Stevens Act? If yes, after notifying the FAA and the airport sponsor will take the necessary consultation action. Actions may include preparing an Essential Fish Habitat assessment and consultation with the National Marine Fisheries Service. Describe any adverse impacts, and any conservation measures needed to avoid such impacts.</p> <p>The project site is not located within or adjacent to a waterway.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Farmland	YES	NO
<p>Is there prime, unique, state or locally important farmland in/near the project area? Describe any significant impacts from the project.</p> <p>The project site contains Prime Farmland. However, based on an analysis using the California Department of Conservation’s Land Evaluation and Site Assessment (LESA) model, the site scores “not significant.” The LESA Model evaluates measures of soil resource quality, a given project’s size, water resource availability, surrounding agricultural lands, and surrounding protected resource lands. For a given project, the factors are rated, weighted, and combined, resulting in a single numeric score. The project score becomes the basis for making a determination of a project’s potential significance.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Farmland	YES	NO
Does the project include the acquisition and conversion of farmland? If farmland will be converted, describe coordination with the US Natural Resources Conservation and attach the completed Form AD-1006.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The site was previously converted from agricultural use when it was acquired as part of the airport.		

Floodplains	YES	NO
Will the project be located in, encroach upon or otherwise impact a floodplain? If yes, describe impacts and any agency coordination or public review completed including coordination with the local floodplain administrator. Attach the FEMA map if applicable and any documentation.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
According to FEMA mapping, the project site is not located within any 100-Year Floodplain.		

Wetlands and Other Waters of the U.S.	YES	NO
Are there any wetlands or other waters of the U.S. in or near the project area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Based on biological surveys, there are no wetlands anywhere on E16.		
Has wetland delineation been completed within the proposed project area? If yes, please provide U.S. Army Corps of Engineers (USACE) correspondence and jurisdictional determination.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
None of the unpaved areas at E16 have vegetative or hydrologic conditions that would indicate a potential wetland. Therefore, no delineation was warranted.		
If a delineation was not completed, was a field check done to confirm the presence/absence of wetlands or other waters of the U.S.? If no to both, please explain what methods were used to determine the presence/absence of wetlands.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Yes, the entire airport was surveyed by qualified biologists to determine if wetland indicators (e.g., soil, plants, hydrology) were present.		

Wetlands and Other Waters of the U.S.	YES	NO
<p>If yes, will the project result in impacts, directly or indirectly (including tree clearing)? Describe any steps taken to avoid, minimize or mitigate the impact.</p> <p>As noted above, no wetlands are present and therefore no avoidance, minimization, or mitigation measures are needed.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Is a USACE Clean Water Act Section 404 permit required? If yes, does the project fall within the parameters of a general permit? If so, which general permit?</p> <p>No components of the project are located within or adjacent to areas that are under the jurisdiction of the USACE. Therefore, no Section 404 permit will be required.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Wild and Scenic Rivers	YES	NO
<p>Is there a river on the Nationwide Rivers Inventory, a designated river in the National System, or river under State jurisdiction (including study or eligible segments) near the project?</p> <p>No rivers on the National Rivers Inventory or rivers designated as Wild & Scenic are located in the region.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project directly or indirectly affect the river or an area within ¼ mile of its ordinary high water mark?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304d. Disruption of an Established Community

	YES	NO
<p>Will the project disrupt a community, planned development or be inconsistent with plans or goals of the community?</p> <p>The project is located entirely within the boundaries of E16 and would not be inconsistent with community plans or goals.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Are residents or businesses being relocated as part of the project?</p> <p>The project site is within the boundaries of E16 and the project will not require any relocations.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Environmental Justice	YES	NO
Are there minority and/or low-income populations in/near the project area? The project site is located in a rural, agricultural area. There are no neighborhoods and/or business districts in the project vicinity.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will the project cause any disproportionately high and adverse impacts to minority and/or low-income populations? Attach census data if warranted. The project would not result in impacts, disproportionate or otherwise because it is located in a rural area surrounded by agricultural uses and a freeway. Operation of the PV system will not create emissions, traffic, or noise impacts. The solar panels will not block any scenic views or vistas.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304e. Surface Transportation

	YES	NO
Will the project cause a significant increase in surface traffic congestion or cause a degradation of level of service provided?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will the project require a permanent road relocation or closure? If yes, describe the nature and extent of the relocation or closure and indicate if coordination with the agency responsible for the road and emergency services has occurred. Construction and operation of the solar array will not require any temporary or permanent roadway closures.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304f. Noise

	YES	NO
Will the project result in an increase in aircraft operations, nighttime operations, or change aircraft fleet mix? The project will not result in any temporary or permanent increase in aircraft operations at any time of the day and will have no effect on aircraft fleet mix.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
<p>Will the project cause a change in airfield configuration, runway use, or flight patterns - either during construction or after the project is implemented?</p> <p>The project will not change the taxiway or runway configuration at E16. Aircraft operations and flight patterns will not be affected during construction.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the forecast exceed 90,000 annual propeller operations, 700 annual jet operations or 10 daily helicopter operations or a combination of the above? If yes, a noise analysis may be required if the project would result in a change in operations.</p> <p>The project will have no impact on existing or projected flight operations of any type.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Has a noise analysis been conducted, including but not limited to generated noise contours, a specific point analysis, area equivalent method analysis, or other screening method? If yes, provide that documentation.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Could the project have a significant impact (DNL 1.5 dB or greater increase) on noise levels over noise sensitive areas within the 65+ DNL noise contour?</p> <p>No changes in noise levels will result as the project will not change aircraft operations or flight patterns. The operation of the solar panels will not generate noise that will be audible off the site.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304g. Air Quality

	YES	NO
<p>Is the project located in a Clean Air Act non-attainment or maintenance area?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>If yes, is it listed as exempt, presumed to conform, or will emissions (including construction emissions) from the project be below <i>de minimis</i> levels? (Provide the paragraph citation for the exemption or presumed to conform list below, if applicable.) Is the project accounted for in the State Implementation Plan or specifically exempted? Attach documentation. If exempt or “presumed to conform”, skip the next two questions.</p> <p>Operation of the proposed solar PV array will not generate any emissions and the project will result in an overall reduction in emissions because the solar power will reduce the need for power to be generated by the burning of fossil fuels.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	YES	NO
<p>Does the project have the potential to increase landside or airside capacity, including an increase of surface vehicles?</p> <p>The project is limited to the operation of a solar PV system, which, other than an occasional maintenance vehicle, will not have any effect on landside traffic volumes. There will be no increase in airside capacity or volumes.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Could the project impact air quality or violate local, State, Tribal or Federal air quality standards under the Clean Air Act Amendment of 1990?</p> <p>Due to the nature of the proposed improvements, there will be no effect on air quality.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the airport have 180,000 general aviation and air taxi operations or 1.3 million enplanements annually? If yes, an air quality analysis may be required if the project would result in a change in operations.</p> <p>Total annual operations at E16 were approximately 32,000 in 2015.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304h. Water Quality

Airport projects may cause water quality impacts due to their proximity to waterways. Airport related water quality impacts can occur from both point and non-point (stormwater runoff) sources.

	YES	NO
<p>Are there water resources within or near the project area? These include groundwater, surface water (lakes, rivers, etc.), sole source aquifers, and public water supply. If yes, provide a description of the resource, including the location (distance from project site, etc.).</p> <p>There are no water resources on or adjacent to the project site.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project impact any of the identified water resources? Describe any steps that will be taken to protect water resources during and after construction.</p> <p>During construction, the contractor will implement standard best management practices (BMPs) that are designed to prevent sediments and pollutants from entering the storm drainage system.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
<p>Will the project increase the amount or rate of stormwater runoff? Describe any steps that will be taken to ensure it will not impact water quality.</p> <p>The site will remain pervious with the exception of the metal piers supporting the solar panels and several concrete pads for the accompanying electrical equipment. Any increase in stormwater runoff will be negligible. Due to the small increase in impervious surfaces, post-construction stormwater treatment is not required under the current NPDES permit.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to violate federal, state, tribal or local water quality standards established under the Clean Water and Safe Drinking Water Acts?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Are any permits required? If yes, list the appropriate permits.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304i. Highly Controversial on Environmental Grounds

	YES	NO
<p>Is the project highly controversial? The term “highly controversial” means a substantial dispute exists as to the size, nature, or effect of a proposed federal action. The effects of an action are considered highly controversial when reasonable disagreement exists over the project’s risks of causing environmental harm. Mere opposition to a project is not sufficient to be considered highly controversial on environmental grounds. Opposition on environmental grounds by a federal, state, or local government agency or by a tribe or a substantial number of the persons affected by the action should be considered in determining whether or not reasonable disagreement exists regarding the effects of a proposed action.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304j. Inconsistent with Federal, State, Tribal or Local Law

	YES	NO
<p>Will the project be inconsistent with plans, goals, policy, zoning, or local controls that have been adopted for the area in which the airport is located?</p> <p>The project will support the sustainability and greenhouse gas reduction strategies that have been adopted. The project will not be inconsistent with any applicable policies or plans.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
<p>Is the project incompatible with surrounding land uses?</p> <p>The agricultural uses and the animal clinic that are adjacent to the project will not be impacted by the operation of the solar PV system. Operation of the PV system will not create emissions, traffic, or noise impacts. The solar panels will not block any scenic views or vistas.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**304k. Lighting, Visual, Hazardous Materials, Construction Impacts, Etc.
Light Emissions and Visual Effects**

Airport related lighting facilities and activities could affect surrounding light-sensitive areas such as homes, parks, recreation areas, etc. Visual affects deal broadly with the extent to which airport development contrasts with the existing environment/setting.

	YES	NO
<p>Will the proposed project produce light emission impacts?</p> <p>No lighting would be installed at the PV solar array. The panels will be coated to minimize any potential glare.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will there be visual or aesthetic impacts as a result of the proposed project and/or have there been concerns expressed about visual/aesthetic impacts?</p> <p>The project would not change the rural character of the area. The solar panels will not block any scenic views or vistas.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Hazardous Materials

Federal, State, and local laws regulate hazardous materials use, storage, transport or disposal. Disrupting sites containing hazardous materials or contaminants may cause significant impacts to soil, surface water, groundwater, air quality, humans, wildlife, and the organisms using these resources. This category also includes solid waste and hazardous substances.

	YES	NO
<p>Does the project involve or affect hazardous materials?</p> <p>The project is limited to the construction and operation of a solar PV system. Hazardous materials will not be used, stored or generated.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
<p>Will construction take place in an area that contains or previously contained hazardous materials?</p> <p>There is no known or suspected contamination at – or adjacent to – the project site.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>If the project involves land acquisition, is there a potential for this land to contain hazardous materials or contaminants?</p> <p>The project does not involve land acquisition.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the proposed project produce hazardous and/or solid waste either during construction or after? If yes, how will the additional waste be handled?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Construction

Construction may cause various environmental effects including, but not limited to, increases in dust, aircraft and heavy equipment emissions, stormwater runoff, spill/leaking petroleum, and noise.

	YES	NO
<p>Will the project result in construction impacts, such as reducing local air quality, increase erosion, pollutant runoff, or noise, or disrupt local traffic patterns? If yes, describe measures to avoid and minimize construction impacts.</p> <p>The contractor will employ standard BMPs during construction to prevent degradation of water quality as well as to limit dust and other fugitive emissions. Traffic detours will not be required. To reduce short-term noise impacts, construction will be limited to the hours of 7 am – 8 pm, Monday – Friday, and 9 am – 6 pm on Saturday.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Will the project create short term impacts?</p> <p>See previous question for limitations on hours of construction.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Will the project result in long term/permanent impacts?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Energy Supply and Natural Resources	YES	NO
Will the project change energy requirements or use consumable natural resources? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will the project change aircraft/vehicle traffic patterns that could alter fuel usage? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Public Involvement

Through public participation, federal agencies disclose information about a proposed project and expected environmental effects. Many of the special purpose laws (National Historic Preservation Act, Clean Water Act, etc.) require public notice and the opportunity for public involvement.

	YES	NO
Was there any public notification or involvement? If yes, provide documentation. A public information meeting for the project was held on February 24, 2015, with noticing provided to nearby property owners. A notice of the availability of the project’s CEQA document was published on February 27, 2015. A public hearing on the project was held by the Santa Clara County Board of Supervisors on March 24, 2015. The project was approved by the Board of Supervisors at its public meeting of April 7, 2015.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Indirect/Secondary/Induced Impacts

Indirect/Secondary/Induced Impacts are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable. They may include growth inducing effects and other effects related to induced changes in the pattern of land use, population density or growth rate, and related effects on air and water and other natural systems, including ecosystems.

	YES	NO
<p>Will the project result in indirect/secondary/induced impacts?</p> <p>The project is limited to construction and operation of a solar renewable energy system that will not result in secondary or induced impacts.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>When considered with other past, present, and reasonably foreseeable future projects, on or off airport property and regardless of funding source, would the proposed project result in a significant cumulative impact?</p> <p>The impacts of the project will be negligible and will not materially contribute to any cumulative impacts.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Permits

List any permits required for the proposed project that have not been previously discussed. Provide details on the status of permits.

None needed.

Environmental Commitments

List all measures and commitments made to avoid, minimize, mitigate, and compensate for impacts on the environment, which are needed for this project to qualify for a CATEX.

Standard BMPs will be implemented by the contractor during construction to prevent degradation of water quality as well as to limit dust and other fugitive air pollutant emissions.

If human remains are found during construction there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the coroner of the County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American the coroner shall contact the Native American Heritage Commission (NAHC) within 24 hours. The NAHC shall identify the person or persons it believes to be the most likely descendent from the

deceased Native American. The most likely descendent may then make recommendations to the County for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The County shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the NAHC is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the County rejects the recommendation of the descendent, and the mediation by the NAHC fails to provide measures acceptable to the County.

Preparer Information

Point of Contact: John Hesler, Sr. Environmental Specialist, David J. Powers & Associates

Address: 1871 The Alameda, Suite 200

City: San Jose

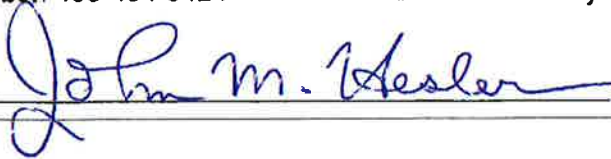
State: CA

ZIP code: 95126

Phone Number: 408-454-3424

Email Address: jhesler@davidjpowers.com

Signature: _____



Date: _____

9-19-2016

Airport Sponsor Information and Certification

(may not be delegated to consultant)

Provide contact information for the designated sponsor point of contact and any other individuals requiring notification of the FAA decision.

Point of Contact: Michael Murdter, Director, Santa Clara Co. Roads & Airports Department

Address: 101 Skyport Drive

City: San Jose

State: CA

ZIP code: 95110

Phone Number: 408-573-2438

Email Address: michael.murdter@rda.sccgov.org

Additional Name(s): [Click here to enter text](#)

Additional Email Address(es): [Click here to enter text](#)

I certify that the information I have provided above is, to the best of my knowledge, correct. I also recognize and agree that no construction activity, including but not limited to site preparation, demolition, or land disturbance, shall proceed for the above proposed project(s) until FAA issues a final environmental decision for the proposed project(s) and until compliance with all other applicable FAA approval actions (e.g., ALP approval, airspace approval, grant approval) has occurred.

Signature: _____



Date: _____

10/4/16

FAA Decision

Having reviewed the above information, certified by the responsible airport official, it is the FAA's decision that the proposed project (s) or development warrants environmental processing as indicated below.

- No further NEPA review required. Project is categorically excluded per (cite applicable 1050.1E CATEX that applies)
- An Environmental Assessment (EA) is required.
- An Environmental Impact Statement (EIS) is required.
- The following additional documentation is necessary for FAA to perform a complete environmental evaluation of the proposed project.
Click here to enter text if necessary

Name: _____ Title: _____
Responsible FAA Official

Signature: _____ Date: _____

EXHIBIT

A



SAN MARTIN AIRPORT



U.S. Department of Transportation

ATTACHMENT F

Federal Aviation Administration

May 27, 2015

TO:
SunPower Corporation, Systems
Attn: William Ray Yeager
1414 Harbour Way South
Richmond, CA 94804
weager@sunpower.com

RE: (See attached Table 1 for referenced case(s))
FINAL DETERMINATION

Table 1 - Letter Referenced Case(s)

ASN	Prior ASN	Location	Latitude (NAD83)	Longitude (NAD83)	AGL (Feet)	AMSL (Feet)
2015-AWP-231-NRA		SAN JOSE, CA	37-19-58.97N	121-49-19.47W	8	132

Description: Low-profile, ground mounted, sun tracking solar photovoltaic array to be installed adjacent to runway in field on southwest side of Reid-Hillview airport. Electrical infrastructure will be underground and will connect to existing underground PG&E circuit. Array will be surrounded by fence and will include no additional lighting beyond what may be required by established marking and lighting standards.

We do not object to the construction described in this proposal provided:

You comply with the requirements set forth in FAA Advisory Circular 150/5370-2, "Operational Safety on Airports During Construction."

This determination does not constitute FAA approval or disapproval of the physical development involved in the proposal. It is a determination with respect to the safe and efficient use of navigable airspace by aircraft and with respect to the safety of persons and property on the ground.

In making this determination, the FAA has considered matters such as the effects the proposal would have on existing or planned traffic patterns of neighboring airports, the effects it would have on the existing airspace structure and projected programs of the FAA, the effects it would have on the safety of persons and property on the ground, and the effects that existing or proposed manmade objects (on file with the FAA), and known natural objects within the affected area would have on the airport proposal.

When your Airport Layout Plan is updated, please include this new development. In the meantime, we will show this feature on your current ALP approved on September 11, 2008.

This determination expires on November 27, 2016 unless:

(a) extended, revised or terminated by the issuing office.

(b) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for the completion of construction, or the date the FCC denies the application.

NOTE: Request for extension of the effective period of this determination must be obtained at least 15 days prior to expiration date specified in this letter.

If you have any questions concerning this determination contact Abel Tapia (650) 827-7621
Abel.Tapia@faa.gov.

Abel Tapia
DivUser



U.S. Department of Transportation

Federal Aviation Administration

July 01, 2015

San Francisco Airports District Office
1000 Marina Boulevard, Suite 220
Brisbane, CA 94005-1835

TO:
SunPower Corporation, Systems
Attn: William Ray Yeager
1414 Harbour Way South
Richmond, CA 94804
weager@sunpower.com

RE: (See attached Table 1 for referenced case(s))
FINAL DETERMINATION

Table 1 - Letter Referenced Case(s)

ASN	Prior ASN	Location	Latitude (NAD83)	Longitude (NAD83)	AGL (Feet)	AMSL (Feet)
2015-AWP-939-NRA	2015-AWP-230-NRA	SAN MARTIN, CA	37-04-18.24N	121-35-31.16W	8	272

Description: Submitting new application with revised glare study. Previous study incorrectly represented flight paths. _____ Project Description: Low-profile, ground mounted, sun tracking solar photovoltaic array to be installed about 1/2 mile beyond end of runway in a field along Church Avenue, between CA Route 101 and Murphy Avenue. Electrical infrastructure will be underground and will connect to existing underground PG&E circuit. Array will be surrounded by fence and will include no additional lighting beyond what may be required by established marking and lighting standards.

We do not object to the construction described in this proposal provided:

You comply with the requirements set forth in FAA Advisory Circular 150/5370-2, "Operational Safety on Airports During Construction."

This determination does not constitute FAA approval or disapproval of the physical development involved in the proposal. It is a determination with respect to the safe and efficient use of navigable airspace by aircraft and with respect to the safety of persons and property on the ground.

In making this determination, the FAA has considered matters such as the effects the proposal would have on existing or planned traffic patterns of neighboring airports, the effects it would have on the existing airspace structure and projected programs of the FAA, the effects it would have on the safety of persons and property on the ground, and the effects that existing or proposed manmade objects (on file with the FAA), and known natural objects within the affected area would have on the airport proposal.

When your Airport Layout Plan is updated, please include this new development. In the meantime, we will show this feature on your current ALP approved on 11/19/2009.

This determination expires on January 1, 2017 unless:

(a) extended, revised or terminated by the issuing office.

(b) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for the completion of construction, or the date the FCC denies the application.

NOTE: Request for extension of the effective period of this determination must be obtained at least 15 days prior to expiration date specified in this letter.

If you have any questions concerning this determination contact Abel Tapia (650) 827-7621
Abel.Tapia@faa.gov.

Abel Tapia
DivUser

ATTACHMENT M.1

Internal Revenue Service

Tax Exempt & Government Entities Division
Tax Exempt Bonds, Compliance & Program Management
SE:T:GE:TEB:CPM
1122 Town & Country Commons
St. Louis, MO 63017

Department of the Treasury

Date: April 27, 2015

Sylvia Gallegos
Deputy County Executive
County of Santa Clara
2310 North First Street Suite 200
San Jose, CA 95131

Person to Contact:
Steve Haycock

Employee Identification Number:
1002978092

Contact Telephone Number:
801 799-6889

RE: Allocation of New Clean Renewable Energy Bonds Issuance Authority for County of Santa Clara – San Martin Airport Site

Dear Ms. Gallegos:

This letter is in response to your application for an allocation of authority to issue \$3,615,893 in New Clean Renewable Energy Bonds (New CREBs) under section 54C(a) of the Internal Revenue Code (the "Code").

Pursuant to section 54C(a) of the Code and Notice 2015-12, we allocate authority to County of Santa Clara (the "Issuer") to issue up to \$3,615,893 of New CREBs for the project described in the application, subject to the limitations and requirements set forth in such Notice.

Any New CREBs issued pursuant to this allocation must be issued on or before 180 days from the date of this letter and designated by the Issuer as New CREBs for purposes of section 54C(a). The IRS does not expect to grant extensions to the expiration date of this allocation. If you are unable to issue the proposed bonds within the 180-day period from the date of this allocation letter, this allocation will be forfeited. Please note that New CREBs must satisfy all requirements under the Code applicable to qualified tax credit bonds, including without limitation sections 54A(d)(2)-(6), and 54C(a), the regulations issued thereunder, and Notice 2015-12.

This letter confirms an allocation of authority to issue New CREBs to finance the project described in the application. This letter is not a ruling or determination by the IRS as to whether the proposed bonds will satisfy applicable federal tax requirements.

This letter is directed only to the entity named above. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

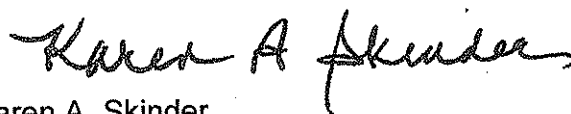
The allocation contained in this letter is based upon information and representations submitted by the applicant for the New CREB allocation and accompanied by a penalty of perjury statement executed by an appropriate party. While the IRS has not verified

any of the material submitted in support of the application for an allocation, it is subject to verification on examination.

A copy of this letter must be attached to any Form 8038-TC, *Information Return for Credit Bonds and Specified Tax Credit Bonds*, filed for New CREBs issued pursuant to this allocation. Notice 2015-12 provides guidance on information filing requirements applicable to New CREBs. In addition, no later than 15 days after the date that New CREBs are issued pursuant to this allocation, a Notice of Issuance, as described in section 8.b. of Notice 2015-12, must be sent to: Internal Revenue Service, SE:T:GE:TEB:CPM, Attention: Kenneth Stengel, 1122 Town & Country Commons, Chesterfield, MO 63017. If the Issuer determines they will not issue the proposed bonds, written confirmation that the allocation was forfeited must be sent to us at the same address.

We appreciate your submission of the application and your patience during the allocation process. If you have any questions with respect to this allocation, please contact Steve Haycock at the number listed above (not a toll-free call).

Sincerely,

A handwritten signature in black ink that reads "Karen A. Skinder". The signature is written in a cursive, flowing style.

Karen A. Skinder
Manager, Tax Exempt Bonds
Compliance & Program Management

ATTACHMENT M.2

Internal Revenue Service
Tax Exempt & Government Entities Division
Tax Exempt Bonds, Compliance & Program Management
SE:T:GE:TEB:CPM
1122 Town & Country Commons
St. Louis, MO 63017

Department of the Treasury

Date: April 27, 2015

Person to Contact:
Steve Haycock

Sylvia Gallegos
Deputy County Executive
County of Santa Clara
2310 North First Street Suite 200
San Jose, CA 95131

Employee Identification Number:
1002978092

Contact Telephone Number:
801 799-6889

RE: Allocation of New Clean Renewable Energy Bonds Issuance Authority for County of Santa Clara – Reid Hillview Site

Dear Ms. Gallegos:

This letter is in response to your application for an allocation of authority to issue \$3,017,549 in New Clean Renewable Energy Bonds (New CREBs) under section 54C(a) of the Internal Revenue Code (the "Code").

Pursuant to section 54C(a) of the Code and Notice 2015-12, we allocate authority to County of Santa Clara (the "Issuer") to issue up to \$3,017,549 of New CREBs for the project described in the application, subject to the limitations and requirements set forth in such Notice.

Any New CREBs issued pursuant to this allocation must be issued on or before 180 days from the date of this letter and designated by the Issuer as New CREBs for purposes of section 54C(a). The IRS does not expect to grant extensions to the expiration date of this allocation. If you are unable to issue the proposed bonds within the 180-day period from the date of this allocation letter, this allocation will be forfeited. Please note that New CREBs must satisfy all requirements under the Code applicable to qualified tax credit bonds, including without limitation sections 54A(d)(2)-(6), and 54C(a), the regulations issued thereunder, and Notice 2015-12.

This letter confirms an allocation of authority to issue New CREBs to finance the project described in the application. This letter is not a ruling or determination by the IRS as to whether the proposed bonds will satisfy applicable federal tax requirements.

This letter is directed only to the entity named above. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

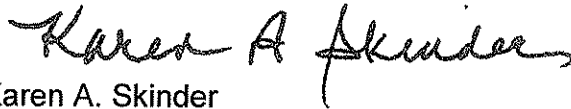
The allocation contained in this letter is based upon information and representations submitted by the applicant for the New CREB allocation and accompanied by a penalty of perjury statement executed by an appropriate party. While the IRS has not verified

any of the material submitted in support of the application for an allocation, it is subject to verification on examination.

A copy of this letter must be attached to any Form 8038-TC, *Information Return for Credit Bonds and Specified Tax Credit Bonds*, filed for New CREBs issued pursuant to this allocation. Notice 2015-12 provides guidance on information filing requirements applicable to New CREBs. In addition, no later than 15 days after the date that New CREBs are issued pursuant to this allocation, a Notice of Issuance, as described in section 8.b. of Notice 2015-12, must be sent to: Internal Revenue Service, SE:T:GE:TEB:CPM, Attention: Kenneth Stengel, 1122 Town & Country Commons, Chesterfield, MO 63017. If the Issuer determines they will not issue the proposed bonds, written confirmation that the allocation was forfeited must be sent to us at the same address.

We appreciate your submission of the application and your patience during the allocation process. If you have any questions with respect to this allocation, please contact Steve Haycock at the number listed above (not a toll-free call).

Sincerely,

A handwritten signature in black ink that reads "Karen A. Skinder". The signature is written in a cursive style with a long, sweeping tail on the letter "s".

Karen A. Skinder
Manager, Tax Exempt Bonds
Compliance & Program Management

ATTACHMENT M.3

TAXABLE NCREB EQUIPMENT LEASE/PURCHASE AGREEMENT (DIRECT SUBSIDY)

This Taxable NCREB Lease/Purchase Agreement (Direct Subsidy) dated as of October 22, 2015 (the “*Agreement*”), entered into by and between Banc of America Leasing & Capital, LLC, a Delaware limited liability company (“*Lessor*”), and County of Santa Clara, California, a county duly organized and existing under the laws of the State of California (“*Lessee*”),

WITNESSETH:

WHEREAS, Lessee desires to lease and acquire from Lessor certain Renewable Energy Equipment (as such term is defined herein), subject to the terms and conditions hereof; and

WHEREAS, Lessee is authorized under the constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

“*Acquisition Amount*” means \$32,999,851. The Acquisition Amount is the amount represented by Lessee to be sufficient, together with other funds of Lessee (if any) that are legally available for the purpose, to acquire and install the Renewable Energy Equipment.

Costs incurred in connection with the execution and delivery of the Agreement, including counsel fees, fees and expenses of the Escrow Agent and similar costs, fees and expenses, are not included in the Acquisition Amount and are being paid by Lessee from its own funds.

“*Acquisition Period*” means the period ending five (5) business days prior to April 20, 2017, unless such period is extended by Lessor in its sole discretion by notice from Lessor to Lessee (and agreed to by Lessee).

“*Agreement*” means this Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy), including the exhibits hereto, together with any amendments and modifications to the Agreement pursuant to Section 13.04.

“*Available Project Proceeds*” means (a) the Acquisition Amount, *plus* (b) investment earnings thereon.

“Code” means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code herein shall be deemed to include the United States Treasury Regulations and Internal Revenue Service Notices dealing with Sections 54A, 54C and 6431 of the Code, including Internal Revenue Service Notice 2010-35.

“Commencement Date” means the date from which the interest component of the rent is calculated hereunder, which shall be the date on which the Acquisition Amount is deposited with the Escrow Agent.

“Contract Rate” means the rate identified as such in the Payment Schedule.

“Equipment Costs” means the total cost of the Renewable Energy Equipment, including related costs such as freight, installation and taxes and other capitalizable costs incurred in connection with the acquisition, installation and/or financing of the Renewable Energy Equipment.

“Equipment Schedule” means the equipment schedule attached hereto as Exhibit A and made a part hereof.

“Escrow Account” means the fund established and held by the Escrow Agent pursuant to the Escrow Agreement.

“Escrow Agent” means the Escrow Agent identified in the Escrow Agreement, and its successors and assigns.

“Escrow Agreement” means the Escrow and Account Control Agreement in form and substance acceptable to and executed by Lessee, Lessor and the Escrow Agent, pursuant to which an Escrow Account is established and administered.

“Event of Default” means an Event of Default described in Section 12.01.

“Expenditure Period” means the “expenditure period” defined in Section 54A(d)(2)(B)(ii) of the Code and consists of the period beginning on the Commencement Date and ending on the later of the date 3 years after the Commencement Date or such later date, if any, as permitted by the Secretary of the Treasury in response to a request to extend the Expenditure Period.

“Extended Lease Term” means a period (and any successive period) during which the original Lease Term is extended pursuant to Section 3.03 and is equal in duration to any period during which Lessee does not pay Rental Payments (in whole or in part) when scheduled as a result of the occurrence of an event that results in abatement of Lessee’s obligation to make Rental Payments in accordance with the Payment Schedule.

“*Lease Term*” shall begin on the Commencement Date and end on October 1, 2030, subject to extension as provided in Section 3.03; *provided* that in no event shall the term of the Lease exceed the maximum term established by the Secretary of the Treasury that is applicable to the Agreement.

“*Lessee*” means the entity referred to as Lessee in the first paragraph of this Agreement.

“*Lessor*” means (a) the entity referred to as Lessor in the first paragraph of this Agreement or (b) any assignee or transferee of any right, title or interest of Lessor in and to this Agreement pursuant to Section 11.01 hereof, including the right, title and interest of Lessor in and to the Renewable Energy Equipment, the Rental Payments and other amounts due hereunder and the Escrow Account but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform hereunder.

“*Material Adverse Change*” means any change in Lessee’s creditworthiness that could have a material adverse effect on Lessee’s ability to perform its obligations under this Agreement.

“*Payment Schedule*” means the Rental Payments Schedule attached hereto as Exhibit B and made a part hereof.

“*Permitted Encumbrances*” means, as of any time, with respect to the real estate in, on or to which any Renewable Energy Equipment is acquired and installed: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent; (b) this Agreement; (c) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (d) any easements, rights of way, mineral rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which will not materially impair the use of such real estate for its intended purposes; and (e) any other lien, security interest, mortgage, deed of trust, pledge, hypothecation, assignment or other security or preferential arrangement of any kind or nature whatsoever of which the prior written consent of Lessor has been obtained.

“*Principal Component*” means the aggregate principal amount of the Rental Payments equal to \$32,999,851 on the Commencement Date.

“*Prepayment Price*” means the amount that Lessee shall pay to Lessor to prepay the obligations hereunder as provided in the Payment Schedule.

“*Qualified New Clean Renewable Energy Project*” means capital expenditures incurred by Lessee within the meaning of Section 54C(d)(1) of the Code for any qualified renewable energy facility determined under Section 45(d) of the Code (without regard to paragraphs (8) and (10) thereof and any placed in service date), including (among others) solar energy facilities.

“*Renewable Energy Equipment*” means the property listed in the Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article V. Whenever reference is made in this Agreement to Renewable Energy Equipment, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

“*Rental Payments*” means the basic rental payments payable by Lessee hereunder pursuant to Section 4.01, consisting of a principal component and an interest component, sufficient to repay the Principal Component and interest thereon at the Contract Rate, on the dates and in the amounts set forth in Exhibit B hereto.

“*State*” means the State of California.

“*Vendor*” means the manufacturer, installer or supplier of the Renewable Energy Equipment or any other person as well as the agents or dealers of the manufacturer, installer or supplier with whom Lessee arranged Lessee’s acquisition, installation, maintenance and/or servicing of the Renewable Energy Equipment.

“*Vendor Agreement*” means any contract entered into by Lessee and any Vendor for the acquisition, installation, maintenance and/or servicing of the Renewable Energy Equipment.

ARTICLE II

Section 2.01. Representations and Covenants of Lessee. Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(a) Lessee is a county duly organized and existing under the constitution and laws of the State, with full power and authority to enter into this Agreement and the Escrow Agreement and the transactions contemplated hereby and thereby and to perform all of its obligations hereunder and thereunder.

(b) Lessee has duly authorized the execution and delivery of this Agreement and the Escrow Agreement by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement and the Escrow Agreement.

(c) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof.

(d) Lessee will do or cause to be done all things within its power to preserve and keep in full force and effect its existence as a county duly organized and existing under the constitution and laws of the State.

(e) Lessee has complied with Section 4217.13 of the Government Code of the State and other applicable law pertaining to the authorization of this Agreement and the acquisition by Lessee of the Renewable Energy Equipment.

(f) During the Lease Term, the Renewable Energy Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Extended Lease Terms) scheduled to be paid hereunder.

(g) Lessee has kept, and throughout the Lease Term shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within 270 days of its fiscal year end (and Lessee's obligation to so deliver such annual audited financial statements to Lessor may be met by filing the same on EMMA), (ii) such other financial statements and information as Lessor may reasonably request, and (iii) upon Lessor's request, its annual budget for any prior or current fiscal year or the following fiscal year when approved. The financial statements described in subsection (g) shall be accompanied by an opinion of Lessee's auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(h) Lessee has an immediate need for the Renewable Energy Equipment and expects to make immediate use of the Renewable Energy Equipment. Lessee's need for the Renewable Energy Equipment is not temporary and Lessee does not expect the need for any item of the Renewable Energy Equipment to diminish during the Lease Term.

(i) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or impairs its ability to perform its obligations under this Agreement or the Escrow Agreement. Lessee will, at its expense, do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's first priority security interest in the Renewable Energy Equipment, the Escrow Account and Lessor's rights and benefits under this Agreement and the Escrow Agreement.

(j) Lessee is the fee owner of the real estate where the Renewable Energy Equipment is or will be located and has good and marketable title thereto, subject to Permitted Encumbrances. There exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such real estate other than Permitted Encumbrances.

(k) To the knowledge of the Lessee, no lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time and under which there is or has been outstanding, owing or committed an aggregate amount in excess of \$1,000,000.00 has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal year. To Lessee's knowledge no event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

(l) Lessee has received allocation of a portion of the national clean renewable energy bond limitation in the aggregate amount of \$32,999,851 and documentation with respect to such allocation has been provided for inclusion in the transcript for this Agreement. Lessee represents that the Renewable Energy Equipment qualifies as a Qualified New Clean Renewable Energy Project.

(m) Other than Lessee, there are no "Capital Partners" as defined in Section 13.41 of that certain Vendor Agreement which is the Master Purchasing and Services Agreement between Lessee and SunPower Corporation Systems, effective April 7, 2015.

(n) All of the Renewable Energy Equipment will be located at the sites, and only on the sites, set forth in Exhibit A hereto, and the legal descriptions, APN numbers and addresses set forth therein relating to such sites are accurate.

(o) Lessee shall deliver to Lessor such information as Lessor shall request regarding the Master Purchasing and Services Agreement, effective April 7, 2015 (the "MPSA"), between Lessee and SunPower Corporation Systems ("SunPower"), including any information provided by SunPower to Lessee thereunder.

(p) Lessee has funds on hand to pay the difference between each "EPC Price" as set forth in Exhibit 22 to the MPSA and each "Purchase Price" as defined in the MPSA and set forth in Exhibit 22.

(q) All financial statements and other information delivered to Lessor are correct as of the date thereof. Since the date of execution of the Purchase Contract between Banc of America Leasing & Capital, LLC and Lessee on October 20, 2015, no material adverse change has occurred in the Lessee's financial condition that would adversely effect the Lessee's ability to perform its obligations hereunder.

ARTICLE III

Section 3.01. Lease of Renewable Energy Equipment. Subject to the terms of this Agreement, Lessor agrees to provide the Acquisition Amount to acquire and install the Renewable Energy Equipment. Lessor hereby demises, leases, transfers and lets to Lessee, and Lessee hereby acquires, rents and leases from Lessor, the Renewable Energy Equipment for the Lease Term.

Section 3.02. Continuation of Lease Term. Lessee intends and has agreed, subject to Section 3.03, to pay the Rental Payments under this Agreement during the periods in which it has beneficial use and enjoyment of the Renewable Energy Equipment. Lessee anticipates, and Lessee shall use its best efforts to ensure, that installation of the Renewable Energy Equipment will be completed in whole no later than November 20, 2016. Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Lease Term can be obtained from legally available funds of Lessee.

Section 3.03. Abatement. (a) During any period in which, by reason of material damage or destruction or taking under the power of eminent domain (or sale to any entity threatening the use of such power) or material title defect with respect to any Renewable Energy Equipment or delay in substantial completion of installation of the Renewable Energy Equipment, there is substantial interference with the beneficial use and enjoyment by Lessee of such Equipment, the Rental Payments due under this Agreement shall be abated in the same proportion (including in whole) that the portion of such Equipment that is unavailable for Lessee's beneficial use and enjoyment bears to all of the Renewable Energy Equipment. Lessee shall immediately notify Lessor upon the occurrence of any event causing substantial interference with Lessee's beneficial use and enjoyment of any Renewable Energy Equipment, and the portion of the Renewable Energy Equipment that is unavailable.

(b) The amount of Rental Payments abated under this Agreement shall be such that the remaining Rental Payment obligation for each rental period represents fair consideration for the beneficial use and enjoyment of the portions of the Equipment that are not affected by such interference.

Such abatement shall commence on the date that Lessee's beneficial use and enjoyment of the affected Equipment is restricted because of such interference and end on the earliest date on which the beneficial use and enjoyment thereof are restored to Lessee. The date on which Lessee either (x) replaces the affected Equipment, (y) uses the proceeds of insurance or condemnation award to pay the applicable Prepayment Price therefor or (z) uses legally available funds as provided herein to pay the applicable Prepayment Price therefor if no insurance proceeds or condemnation award are available for purposes of the foregoing clause (y) is referred to in this Section 3.03 as an "*Abatement End Date.*" With respect to (y) and (z) above, Lessee is not required to prepay Rental Payments in excess of Net Proceeds as further provided herein and, to the extent of such insufficiency of Net Proceeds to make such prepayment, abatement of Rental Payments shall continue in the manner provided herein. The term of this Agreement shall automatically be extended for an Extended Lease Term as a result of the occurrence of an event that results in abatement of Lessee's obligation to make Rental Payments in accordance with the Payment Schedule as provided in this Section 3.03.

(c) The terms and conditions during any Extended Lease Term under this Agreement shall be the same as the terms and conditions during the original Lease Term, except that the annual amount payable by Lessee shall reflect the reduced proportional amount of rent for the Renewable Energy Equipment, if any, remaining hereunder. Within such reduced annual amount (or if all Renewable Energy Equipment has been replaced, within the maximum annual amount (\$3,494,197.77)), (i) the then unpaid aggregate principal component under this

Agreement shall be amortized at the applicable Contract Rate on a level debt service basis over a period equal to the duration of the then remainder of such original Lease Term and such Extended Lease Term and with Rental Payments payable on each Rental Payment Date provided in the Payment Schedule; (ii) Lessor shall prepare, and Lessor and Lessee shall execute and deliver, a revised Payment Schedule based on the factors described in the preceding clause (i); (iii) if the Extended Lease Term does not end on an applicable Rental Payment Date, the final date for payment of Rental Payments shall be the last business day of the Extended Lease Term under this Agreement; and (iv) the Extended Lease Term shall not exceed five (5) years past the last originally scheduled Rental Payment date. Lessor shall establish the Extended Lease Term, calculate the interest components and revised amortization of the then unpaid aggregate principal component hereunder and prepare the revised Payment Schedule, all as provided in the first sentence of this subsection (c), within thirty days after an Abatement End Date (as described in subsection (b) above). Once Lessor has prepared such revised Payment Schedule, Lessor shall promptly deliver such revised Payment Schedule to Lessee for execution and delivery by Lessee and return to Lessor; *provided* that the revised Payment Schedule prepared in accordance with this subsection (c) shall become immediately effective for the period from and after such Abatement End Date, subject to Lessee's concurrence.

(d) Notwithstanding any such interference with Lessee's beneficial use and enjoyment of a portion of the Equipment, this Agreement shall continue in full force and effect with respect to any remaining Equipment hereunder. Lessee hereby waives the benefits of California Civil Code Sections 1932(1), 1932(2) and 1933(4) and any and all other rights to terminate this Agreement by virtue of any interference with the use and possession of the Equipment hereunder.

Section 3.04. Conditions to Lessor's Performance.

(a) The performance by Lessor of any of its obligations under this Agreement and the Escrow Agreement shall be subject to: (i) no Material Adverse Change in the financial condition of Lessee since the date of this Agreement, and (ii) no Event of Default having occurred and continuing.

(b) Upon satisfaction of the conditions precedent set forth in that certain Purchase Contract dated October 20, 2015 between Lessor and Lessee relating to this Agreement, Lessor hereby agrees to deposit the Acquisition Amount with the Escrow Agent for deposit into the Escrow Account as provided in the Escrow Agreement.

ARTICLE IV

Section 4.01. Rental Payments. Subject to Section 3.03, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the dates and in such amounts as provided in the Payment Schedule. Interest on the Acquisition Amount shall begin to accrue as of the Commencement Date. Lessor will provide invoices to Lessee prior to each due date of the amount of Rental Payment coming due. If any Rental Payment or other amount payable hereunder is not paid within 10 days of its due date, Lessee shall pay an

administrative late charge of 5% of the amount not timely paid or the maximum amount permitted by law, whichever is less.

To the extent that Lessee is not obligated pursuant to Section 3.03 to pay Rental Payments that are scheduled to be paid pursuant to the Payment Schedule because less than all of the Renewable Energy Equipment is substantially available for Lessee's use and enjoyment, Lessee agrees to pay to Lessor the amount by which such Rental Payments would be reduced as provided in Section 3.03 solely from moneys appropriated by Lessee's governing body at its discretion, and not at its obligation, for such purpose. The failure or unwillingness (for whatever reason) of Lessee's governing body to appropriate moneys to pay Rental Payments that would otherwise be so reduced pursuant to Section 3.03 shall not constitute a default on the part of Lessee or change Lessee's obligation to pay the balance of Rental Payments in accordance with this Section 4.01.

Section 4.02. Interest and Principal Components. A component of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal as more fully detailed on the Payment Schedule. The interest components of the Rental Payments shall be paid by the Lessee as and constitute interest paid on the principal components of the Rental Payments to be paid by the Lessee hereunder, computed at the Contract Rate on the basis of a 360-day year composed of twelve 30-day months.

Section 4.03. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments shall constitute a current expense of Lessee payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of Lessee. This Agreement shall not create an immediate indebtedness for any aggregate payments which may become due hereunder.

Fair Rental Value. Payments of Rental Payments for each rental period during the term of this Agreement shall constitute the total rental for said rental payment period and shall be paid by Lessee for and in consideration of the right of use and occupancy of, and continued quiet beneficial use and enjoyment of, the Renewable Energy Equipment during each such period for which said rental is to be paid. The parties hereto have agreed and determined that such total rental payable for each rental payment period does not exceed the fair rental value of the Renewable Energy Equipment for each such period. In making such determination, consideration has been given to the value of the Renewable Energy Equipment, costs of acquisition, design, construction and financing of the Renewable Energy Equipment, the uses and purposes which may be served by the Renewable Energy Equipment and the benefits therefrom which will accrue to the Lessee and the general public.

Section 4.04. Rental Payments to be Unconditional. Except as provided in Section 3.03, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in this Agreement shall be absolute and unconditional in all

events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Renewable Energy Equipment, any defects, malfunctions, breakdowns or infirmities in the Renewable Energy Equipment, disputes with the Vendor of any Renewable Energy Equipment or Lessor, failure of the Vendor under any Vendor Agreement to perform any of its obligations thereunder for whatever reason, including bankruptcy, insolvency, reorganization or any similar event with respect to the Vendor under any Vendor Agreement, the failure or inability (for whatever reason) of Lessee to receive (or delay in receipt of) all or any portion of the direct cash subsidy payment with respect to the Agreement or any accident, condemnation or unforeseen circumstances.

Section 4.05. Reserved.

Section 4.06. Payment of Equipment Costs from Escrow Account; Mandatory Prepayment from Unspent Escrow Account Moneys. (a) Amounts on deposit in the Escrow Account may be expended for the payment of Equipment Costs for the Qualified New Clean Renewable Energy Project in accordance with the Escrow Agreement to and including the earlier of (i) the expiration of the Acquisition Period, (ii) the date on which Lessee executes an Acceptance Certificate (in the form attached hereto as Exhibit E) and all payments to SunPower as Vendor have been made or (iii) the 90th day following the later of October 22, 2018 or, if the Lessee has obtained an extension of the expenditure period from the Secretary of the Treasury, the end of such extended period. All amounts remaining on deposit in the Escrow Account as of the earlier of such dates shall be applied by the Escrow Agent as provided in the Escrow Agreement to prepay the principal component of Rental Payments in whole or in part in inverse order of Rental Payment dates. The prepayment price with respect to any such prepayment shall be equal to (i) before October 22, 2025, 102% of the principal portion of the Rental Payments to be prepaid plus accrued interest on such prepaid principal portion to the prepayment date, and (ii) on and after October 22, 2025, 101% of the principal portion of the Rental Payments to be prepaid plus accrued interest on such prepaid principal portion to the prepayment date; *provided* that notwithstanding anything in this Section to the contrary such excess proceeds shall be applied to prepay, without premium, an amount not to exceed 5% of the original Principal Component.

(b) In connection with any prepayment pursuant to subsection (a) of this Section 4.06, Lessee shall pay, subject to appropriation, the prepayment premium (if any) and interest portion of Rental Payments accrued to the prepayment date on such principal portion to be prepaid from funds legally available to Lessee for that purpose, but not from Available Project Proceeds.

(c) Lessee will give Lessor notice of any such prepayment in accordance with this Section 4.06 not less than 30 days in advance of the prepayment date.

Section 4.07. Covenant to Budget and Appropriate. Subject to Section 3.03, Lessee hereby covenants to take such action as is necessary under the laws applicable to Lessee to budget for and include and maintain funds sufficient and available to discharge its obligation to meet all Rental Payments in each of its fiscal years during the Lease Term.

The covenants on the part of Lessee herein contained shall be deemed to be and shall be construed to be ministerial duties imposed by law and it shall be the duty of each and every public official of Lessee to take such action and do such things as are required by law in the performance of the official duty of such officials to enable Lessee to carry out and perform the covenants and agreements in this Agreement agreed to be carried out and performed by Lessee.

Section 4.08. Substitution of Equipment under Certain Circumstances. In the event of damage to or destruction of all or a portion of the Renewable Energy Equipment due to earthquake or other uninsured casualty for which the proceeds of rental interruption insurance are not available, Lessee shall, to the extent permitted by law, promptly after the occurrence of such event, subject to the Lessee's compliance with requirements under then applicable State of California law and subject to action by its governing body, use its best efforts to substitute and add as Renewable Energy Equipment under this Agreement other real or personal property of Lessee that is unimpaired and unencumbered, the fair rental value of which shall be at least equal to the Rental Payments due during each fiscal year for the remainder of the term of this Agreement.

ARTICLE V

Section 5.01. Delivery, Installation and Acceptance of Renewable Energy Equipment. (a) Lessee shall order the Renewable Energy Equipment, cause the Renewable Energy Equipment to be delivered and installed at the location specified in the Equipment Schedule and pay any and all Equipment Costs and other delivery and installation costs in connection therewith. When the Renewable Energy Equipment has been delivered and installed, Lessee shall promptly accept such Equipment and evidence said acceptance by executing and delivering to Lessor an Acceptance Certificate in the form attached hereto as Exhibit E.

(b) Lessee shall deliver to Lessor original invoices (and proof of payment of such invoices) and bills of sale (if title to such Renewable Energy Equipment has passed to Lessee) relating to each item of Renewable Energy Equipment accepted by Lessee.

Section 5.02. Quiet Enjoyment of Renewable Energy Equipment. So long as Lessee is not in default hereunder, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Renewable Energy Equipment during the Lease Term.

Section 5.03. Location; Inspection. Once installed, no item of the Renewable Energy Equipment will be moved or relocated from the location specified for it in the Equipment Schedule without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property where the Renewable Energy Equipment is located for the purpose of inspecting the Renewable Energy Equipment.

Section 5.04. Use and Maintenance of the Equipment. Lessee will not install, use, operate or maintain the Equipment (or cause the Renewable Energy Equipment to be installed, used, operated or maintained) improperly, carelessly, in violation of any applicable law or in a

manner contrary to that contemplated hereby. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Renewable Energy Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body, including, without limitation, all anti-money laundering laws and regulations; *provided* that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Renewable Energy Equipment or its interest or rights hereunder.

Except with respect to Renewable Energy Equipment for which Rental Payments have been abated pursuant to Section 3.03, and during the period of such abatement, Lessee agrees that it will (a) maintain, preserve and keep the Renewable Energy Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer; and (b) replace or rebuild any component of the Renewable Energy Equipment that becomes permanently unfit for normal use or inoperable during the Lease Term (herein, the “*Inoperable Component*”) in order to keep the Renewable Energy Equipment as a whole in good repair and working order during the Lease Term. Lessee shall promptly notify Lessor in writing when any major component of the Renewable Energy Equipment is reasonably expected within forty-five (45) days to become an Inoperable Component. Lessee shall promptly replace or rebuild the Inoperable Component with the same major component of comparable or improved make and model and that has at least equivalent value, utility and remaining useful life and is in as good operating condition as the Inoperable Component it is replacing. Lessor shall have no responsibility to maintain, repair, replace, rebuild or make improvements or additions to the Renewable Energy Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to re-certify the Renewable Energy Equipment as eligible for manufacturer’s maintenance upon the return of the Renewable Energy Equipment to Lessor as provided for herein.

Lessee shall not alter any item of Renewable Energy Equipment or install any accessory, apparatus, equipment or device on an item of Renewable Energy Equipment if that would impair any applicable warranty, the originally intended function or the value of that Renewable Energy Equipment. All repairs, permanent replacements, rebuilds, parts, accessories, equipment, apparatus and devices incorporated into, furnished, affixed to or installed on any Renewable Energy Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

ARTICLE VI

Section 6.01. Title to the Renewable Energy Equipment. During the Lease Term, and so long as Lessee is not in default under Article XII hereof, all right, title and interest in and to each item of the Renewable Energy Equipment shall be vested in Lessee immediately upon its acceptance of each item of Renewable Energy Equipment, subject to the terms and conditions of this Agreement. Lessee shall at all times protect and defend, at its own cost and expense, its title in and to the Renewable Energy Equipment from and against all claims, liens and legal processes of its creditors, and keep all Renewable Energy Equipment free and clear of all such claims, liens and processes. Upon payment of all amounts due and owing under this Agreement in accordance

with Section 10.01 (including upon payment of all Rental Payments and other amounts payable under this Agreement), Lessor shall release its security interest in and to the Renewable Energy Equipment under the Agreement, as is and where is, without warranty of any kind other than as to the absence of liens created by or through Lessor, and shall execute and deliver to Lessee such documents as Lessee may reasonably request to evidence the release of Lessor's security interest in the Renewable Energy Equipment subject to this Agreement.

Section 6.02. Security Interest. As additional security for the payment and performance of all of Lessee's obligations hereunder, Lessee hereby pledges and grants to Lessor a first priority security interest constituting a first lien on (a) the Renewable Energy Equipment, (b) moneys and investments held from time to time in the Escrow Account and (c) any and all proceeds of any of the foregoing. Lessee authorizes Lessor to file (and Lessee agrees to execute, if applicable) such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Renewable Energy Equipment, the Escrow Account and the proceeds thereof, including such financing statements with respect to personal property and fixtures under Article 9 of the California Commercial Code and treating such Article 9 as applicable to entities such as Lessee.

Section 6.03. Personal Property, No Encumbrances. Lessee agrees that the Renewable Energy Equipment is deemed to be and will remain personal property, and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Renewable Energy Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever except for Permitted Encumbrances on any of the real estate where the Renewable Energy Equipment is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; *provided*, that if Lessor or its assigns is furnished with a waiver of interest in the Renewable Energy Equipment acceptable to Lessor or its assigns in its discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not be unreasonably withheld.

ARTICLE VII

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Renewable Energy Equipment free of all levies, liens, and encumbrances except those created by this Agreement. The parties to this Agreement contemplate that the Renewable Energy Equipment will be used for a governmental or proprietary purpose of Lessee and that the Renewable Energy Equipment will therefore be exempt from all property taxes. If the use, possession or acquisition of any Renewable Energy Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Renewable Energy Equipment. Lessee shall pay such taxes or charges as the same may become due; *provided* that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee

shall be obligated to pay only such installments as accrue during the Lease Term. During the Lease Term, Lessor will not claim ownership of the Renewable Energy Equipment for the purposes of any tax credits, benefits or deductions with respect to the Renewable Energy Equipment.

Section 7.02. Insurance. Lessee shall, during the Lease Term (except as specifically provided in the next paragraph), maintain or cause to be maintained (a) casualty insurance naming Lessor and its assigns as loss payee as their interests appear and insuring the Renewable Energy Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, but will only include earthquake coverage if such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the Lessee, whose determination is final and conclusive, in an amount at least equal to the greater of (i) the then applicable Prepayment Price of the Renewable Energy Equipment (exclusive of premium, to the extent such insurance cannot be obtained in an amount that includes said premium) or (ii) the replacement cost of the Renewable Energy Equipment; (b) liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability with limits of at least \$1,000,000 per occurrence/\$3,000,000 in the aggregate for bodily injury and property damage coverage, and excess liability umbrella coverage of at least \$5,000,000 (c) worker's compensation coverage as required by the laws of the State and (d) rental interruption insurance naming Lessor as loss payee, as their interests may appear, with coverage equal to the maximum total Rental Payments payable by Lessee under the Lease for any consecutive 24-month period and insuring against abatement of Rental Payments payable by Lessee resulting from Lessee's loss of beneficial use or enjoyment of the Renewable Energy Equipment or any substantial portion thereof and caused by any and all other insured perils; *provided that*, Lessee may self-insure against the risks described in clauses (a) and/or (b). In the event Lessee self-insures as provided in this Section, Lessee shall provide to Lessor a self-insurance letter in substantially the form attached hereto as Exhibit F. Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout the Lease Term. Lessee shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation or modification.

Evidence of casualty insurance as provided in clause (a) of the preceding paragraph shall be provided to Lessor at or prior to the earlier of (i) commencement of any construction work at any site described in Exhibit A hereto and (ii) the time that Lessee submits a Disbursement Request for reimbursement of any progress payment relating to construction work.

Evidence of rental interruption insurance as described in clause (d) of the preceding paragraph shall be provided to Lessor at or prior to the time that Lessee submits a Disbursement Request for reimbursement of the final payment that Lessee has paid to SunPower with respect to the Actual Commercial Operation Date for the first Eligible Renewable Generating Facility in accordance with Section 5.1(a) of the MPSA.

Section 7.03. Risk of Loss. If, by reason of material damage or destruction or taking under the power of eminent domain (or sale to any entity threatening the use of such power) or material title defect with respect to any Renewable Energy Equipment or delay in substantial

completion of installation of the Renewable Energy Equipment, there is substantial interference with the beneficial use and enjoyment by Lessee of such Equipment not covered by insurance, the Lessor assumes risk of nonpayment of Rental Payments due to abatement thereof as provided in Section 3.03.

Whether or not covered by insurance or self-insurance, Lessee hereby assumes any other risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Renewable Energy Equipment from any cause whatsoever, and no such loss of or damage to or liability arising from the Renewable Energy Equipment shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under this Agreement. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest extent permitted by applicable law, but only from legally available funds) for any and all liabilities, losses, costs, claims, taxes or damages suffered or incurred by Lessor, and all expenses incurred in connection therewith (including, without limitation, counsel fees and expenses, and penalties connected therewith imposed on interest received) arising out of or as a result of (a) the ordering, acquisition, ownership use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item of the Renewable Energy Equipment, and (b) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Renewable Energy Equipment resulting in damage to property or injury to or death to any person.

Section 7.04. Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties. Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction and installation of the Renewable Energy Equipment, a payment bond and performance bond (“*Surety Bond*”) executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of “A-” or better, and otherwise satisfactory to Lessee and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Renewable Energy Equipment and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from the Surety Bonds shall solely be used for the purposes provided in the Vendor Agreement between Vendor and Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Renewable Energy Equipment or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to the Renewable Energy Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in material default pursuant to the Vendor Agreement terms. Lessee shall advise Lessor of the steps it intends to take in connection with any such material default.

Section 7.05. Advances. In the event Lessee shall fail to keep the Renewable Energy Equipment in good repair and working order or shall fail to maintain any insurance required by Section 7.02 hereof, Lessor may, but shall be under no obligation to, maintain and repair the

Renewable Energy Equipment or obtain and maintain any such insurance coverages, as the case may be, and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the Lease Term, and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date advanced until paid at a rate equal to the Contract Rate plus 5% per annum or the maximum amount permitted by law, whichever is less.

ARTICLE VIII

Section 8.01. Damage, Destruction and Condemnation. If, prior to the termination of the Lease Term, (a) the Renewable Energy Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Renewable Energy Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, then either (i) Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Renewable Energy Equipment or such part thereof and any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or (ii) Lessee shall apply the Net Proceeds to exercise its option to prepay the obligations hereunder in accordance with Section 10.01(b).

If Lessee elects to replace any item of the Renewable Energy Equipment (the “*Replaced Equipment*”) pursuant to this Section, the replacement equipment (the “*Replacement Equipment*”) shall be new or of a quality, type, utility and condition at least as good as the Replaced Equipment, shall be of equal or greater value than the Replaced Equipment and shall provide at least the same level of energy and/or operational savings expected in the aggregate from the Replaced Equipment prior to such casualty, destruction or condemnation to the extent possible from Net Proceeds. Lessee shall grant to Lessor a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each item of Replacement Equipment is free and clear of all claims, liens, security interests and encumbrances, excepting only those liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor’s security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute “Renewable Energy Equipment” for purposes of this Agreement. Lessee shall complete the documentation of Replacement Equipment on or before the next Rental Payment date after the occurrence of a casualty event, or as soon as reasonably practicable thereafter, or exercise its option to prepay, to the extent possible from Net Proceeds, the obligations hereunder with respect to the damaged equipment in accordance with Section 10.01(b).

For purposes of this Article, the term “*Net Proceeds*” shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys’ fees, incurred in the collection thereof.

Section 8.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement to the extent of Net Proceeds and, at its option, pay any costs thereof in excess of the amount of the Net Proceeds (but solely from funds appropriated at the option of the Lessee), or (b) pay or cause to be paid to Lessor the amount of the then applicable Prepayment Price to the extent of Net Proceeds and, at its option, pay any amount in excess of the amount of the Net Proceeds (but solely from funds appropriated at the option of the Lessee) for the affected Renewable Energy Equipment, and, upon such payment, Lessor's security interest in the applicable Renewable Energy Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing such Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor.

ARTICLE IX

Section 9.01. Disclaimer of Warranties. Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Renewable Energy Equipment, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee's acquisition of the Renewable Energy Equipment shall be on an "as is" basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Renewable Energy Equipment or the existence, furnishing, functioning or Lessee's use of any item, product or service provided for in this Agreement.

Section 9.02. Vendor's Agreements; Warranties. Lessee covenants that it shall not in any material respect amend, modify, rescind or alter any Vendor Agreement without the prior written consent of Lessor. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default under this Agreement, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Renewable Energy Equipment that Lessor may have against Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the applicable Vendors of the Renewable Energy Equipment, and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor hereunder, including the right to receive full and timely Rental Payments. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to the Equipment.

ARTICLE X

Section 10.01. Prepayment Option. Lessee shall have the option to prepay or satisfy all or a portion, as applicable, of its obligations hereunder at the following times and upon the following terms:

(a) From and after the date specified in the Payment Schedule (the “*Prepayment Option Commencement Date*”), in whole or in part, on any business day, upon not less than 30 days’ prior written notice, upon payment to Lessor of the sum of (i) any Rental Payment then due, plus (ii) the then applicable Prepayment Price (which, in the event such prepayment occurs on a date other than a Rental Payment date or is a partial prepayment, equals the principal components to be prepaid plus applicable premium, being (A) before October 22, 2025, 2% of such principal components, and (B) on and after October 22, 2025, 1% of such principal components, plus in each case accrued interest to such prepayment date, as set forth in Exhibit B) plus (iii) all other amounts then owing hereunder;

provided that in case of partial prepayment, (i) the principal component of Rental Payments to be prepaid shall be not less than \$1,000,000, (ii) the Prepayment Price shall equal the principal component to be prepaid plus premium described in the preceding paragraph; and (iii) such prepayment shall be applied to the principal component of Rental Payments in inverse order of Rental Payment dates or, at Lessee’s option, prepayments shall be applied pro rata to Rental Payments; or

(b) In the event of substantial damage to or destruction or condemnation of all or a portion of the Renewable Energy Equipment, on the day specified in Lessee’s notice to Lessor of its exercise of the prepayment option (which shall be the earlier of the next Rental Payment date or 60 days after the casualty event) upon payment to Lessor of the sum of (i) any Rental Payment then due, plus (ii) the then applicable Prepayment Price (which, in the event such prepayment occurs on a date other than a Rental Payment date or is a partial prepayment, equals the principal components to be prepaid plus applicable premium, being (A) before October 22, 2025, 2% of such principal components, and (B) on and after October 22, 2025, 1% of such principal components, plus in each case accrued interest to such prepayment date, as set forth in Exhibit B) plus (iii) all other amounts then owing hereunder;

provided, however, that if Lessee is making such prepayment with respect to less than all of the Renewable Energy Equipment, then (A) Lessor shall provide to Lessee the pro rata amount (calculated based on the original cost of the Renewable Energy Equipment) of the principal components to be paid by Lessee with respect to such damaged or destroyed Renewable Energy Equipment together with a revised Payment Schedule under which prepayments shall be applied pro rata to Rental Payments, and (B) the Prepayment Price shall equal the principal components to be prepaid plus premium described in the preceding paragraph; or

(c) In the event that a Change in Law (as hereafter defined) occurs, on the day specified in Lessee's notice to Lessor of its exercise of the prepayment option provided under this subsection (c), Lessee shall have the option to prepay all, but not less than all, of the Lessee's obligations hereunder from and after any Change in Law upon payment in full to Lessor of the sum of (i) any Rental Payment then due plus (ii) an amount equal to the then remaining outstanding Principal Component (or, in the event such prepayment occurs on a date other than a Rental Payment date, the sum of the outstanding amount of the Principal Component plus accrued interest to such prepayment date) plus (iii) all other amounts then owing hereunder. "*Change in Law*" means legislation hereafter enacted by the Congress of the United States of America or a ruling, regulation or statement hereafter issued by the Treasury Department or the Internal Revenue Service, the effect of which (A) repeals, revokes or materially reduces Lessee's applicable cash subsidy payments from the United States Treasury under Section 54A or 6431 of the Code (as currently in effect) with respect to this Agreement or (B) imposes one or more new substantive conditions on the receipt by Lessee of such applicable cash subsidy payments under such Sections (as currently in effect) and such conditions are unacceptable to Lessee; *provided* that notwithstanding anything herein to the contrary the current sequestration program under applicable federal law (or extension thereof) shall not constitute a Change in Law.

After payment of the applicable Prepayment Price and all other amounts owing hereunder, or upon the expiration of the Lease Term, upon payment in full of all Rental Payments then due and all other amounts then owing hereunder, Lessor's security interests in and to such Renewable Energy Equipment will be terminated and Lessee will own the applicable Renewable Energy Equipment free and clear of Lessor's security interest in the Renewable Energy Equipment.

ARTICLE XI

Section 11.01. Assignment by Lessor. (a) Lessor's right, title and interest in and to this Agreement, the Rental Payments and any other amounts payable by Lessee hereunder, the Escrow Agreement, its security interest in the Renewable Energy Equipment, the Escrow Account and all proceeds therefrom (collectively referred to herein as the "*Assigned Property*"), or any interest in or portion of any of the Assigned Property, may be assigned and reassigned to one or more assignees or sub-assignees by Lessor, without the necessity of obtaining the consent of Lessee, but no such assignment, transfer or conveyance shall be effective as against Lessee unless and until Lessor has delivered to Lessee written notice thereof that discloses the name and address of the assignee and Lease Servicer, if any (as hereafter provided); *provided*, that any such assignment, transfer or conveyance (i) shall be made only to investors each of whom Lessor reasonably believes is a "*qualified institutional buyer*" as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended, and is purchasing the Agreement (or any interest therein) for its own account with no present intention to resell or distribute the Agreement (or interest therein), subject to each investor's right at any time to dispose of the Agreement or interest therein as it determines to be in its best interests and that any subsequent resale shall be made only in accordance with the Agreement and applicable securities laws, (ii) shall not result in more than 35 owners of Lessor's rights and interests under the Agreement and

(iii) shall not result in the creation of any interest in the Agreement with a component of Rental Payments that is less than \$1,000,000. Notices of assignment provided pursuant to this Section 11.01(a) shall contain a confirmation of compliance with the transfer requirements imposed by this Section 11.01(a).

Nothing herein shall limit the right of Lessor or its assignees to sell or assign participation interests in the Assigned Property to one or more entities listed in the foregoing clause (i) and subject to the conditions provided in the foregoing clauses (ii) and (iii), provided that any participation, custodial or similar agreement under which multiple ownership interests in the Assigned Property are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the "*Lease Servicer*") to act on their behalf with respect to the rights and interests of Lessor under the Assigned Property, including with respect to the exercise of rights and remedies of Lessor on behalf of such owners upon the occurrence of an Event of Default under this Agreement, and the name, address and W-9 with respect to such assignees shall be provided to Lessee by Lease Servicer. If an entity other than Banc of America Public Capital Corp or one of its affiliates is to be designated as Lease Servicer, such designation of such other entity may be made only with the prior consent of Lessee, which consent shall not be unreasonably withheld or delayed.

Lessor acknowledges that the Agreement has not been, and will not be, registered under the Securities Act of 1933, as amended, or any state securities laws and that Lessee has not prepared, and will not prepare, any offering or disclosure materials or document for use in connection with any assignment under this Section. Any assignment under this Section shall be subject to the condition that Lessee shall incur no costs nor be required to provide or execute any documents (except as expressly provided in subsection (c) of this Section) or participate in any manner in connection with such assignment, and Lessor and any such assignee shall be solely responsible for compliance with all securities and other laws in connection with such assignment.

(b) During the Lease Term, Lessee shall keep, or cause to be kept, a complete and accurate record of all notices of assignment that it receives pursuant to this Section. Lessee shall retain all such notices as a register of all assignees and Lease Servicer and shall make all payments to the assignee or Lease Servicer, as the case may be, designated in such register. Lessee shall not have the right to and shall not assert against any assignee or Lease Servicer any claim, counterclaim or other right Lessee may have against Lessor or the Vendor.

(c) If Lessor notifies Lessee of its intent to assign the Assigned Property, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment substantially in the form of Exhibit G attached hereto within 30 days after its receipt of such request.

Section 11.02. Assignment and Subleasing by Lessee. **None of Lessee's right, title, and interest in, to and under this Agreement or any portion of the Renewable Energy Equipment or the Escrow Agreement or the Escrow Account may be assigned, encumbered or subleased by Lessee for any reason, and any purported assignment, encumbrance or sublease without Lessor's prior written consent shall be null and void.**

ARTICLE XII

Section 12.01. Events of Default Defined. Any of the following events shall constitute an “Event of Default” under this Agreement:

(a) Failure by Lessee to (i) pay any Rental Payment or other payment required to be paid under this Agreement within 10 days after the date when due as specified herein or (ii) maintain insurance as required herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement contained in this Agreement on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance shall prove to have been false, misleading, or breached in any material respect on the date when made;

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee is an obligor, if such default (i) arises under any other agreement for borrowing money, lease financing of property or provision of credit provided by Banc of America Leasing & Capital, LLC or an affiliate thereof, or (ii) arises under any obligation under which there is outstanding, owing or committed an aggregate amount in excess of \$1,000,000.00;

(e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors or (iv) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization, moratorium or insolvency proceeding; or

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for the Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 60 consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may without terminating this Agreement, take whatever action at law or in equity may appear necessary or desirable to collect each Rental Payment payable by Lessee and other amounts payable by Lessee hereunder as they become due and payable;

(b) With or without terminating the Lease Term, Lessor may enter the premises where the Renewable Energy Equipment is located and retake possession of such Equipment or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee and other amounts hereunder or the Renewable Energy Equipment that are payable by Lessee to the end of the Lease Term, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies hereunder, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), ; *provided*, that in no event shall Lessee be liable in any fiscal year for any amount in excess of the Rental Payments shown for such year in the Payment Schedule as abated to the extent that there is any substantial interference with the beneficial use and enjoyment by Lessee of such Renewable Energy Equipment as provided in Section 3.03;

(c) Lessor may terminate the Escrow Agreement and apply any proceeds in the Escrow Account to the Rental Payments due hereunder;

(d) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement or the Escrow Agreement or as a secured party in any or all of the Renewable Energy Equipment or the Escrow Account; and

(e) By action pursuant to the California Code of Civil Procedure, or as otherwise provided by law, obtain the issuance of a writ of mandamus enforcing, for each fiscal year *seriatim* during the entire balance of the remaining Lease Term, subject to Section 3.03, the duty of Lessee to appropriate and take all other administrative steps necessary for the payment of Rental Payments and other amounts due hereunder.

Section 12.03. No Remedy Exclusive; No Acceleration. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law or in equity; *provided* that Lessor shall have no right to accelerate any Rental Payment or otherwise declare any Rental Payment or other amount payable not then in default to be immediately due and payable. No delay or omission to exercise any right or power accruing upon any default

shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice other than such notice as may be required in this Article.

ARTICLE XIII

Section 13.01. Notices. All notices, certificates or other communications under this Agreement shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee.

Section 13.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.04. Amendments, Changes and Modifications. This Agreement may only be amended by Lessor and Lessee in writing.

Section 13.05. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.06. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

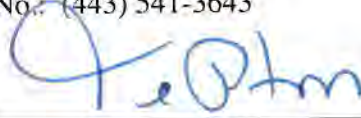
Section 13.07. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

[Remainder of Page Intentionally Left Blank]

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:
Banc of America Leasing & Capital, LLC
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3643

By: 
Terri J. Preston
Vice President

LESSEE:
County of Santa Clara, California
Controller-Treasurer Department
70 W. Hedding Street, East Wing, 2nd Floor
San Jose, CA 95110
Attention: Paul McDonough
Fax No.: (408) 289-8629

By: _____
Name: _____
Title: _____

Counterpart No. 1 of 3 manually executed and serially numbered counterparts. To the extent that this Agreement constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:
Banc of America Leasing & Capital, LLC
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
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Attention: Contract Administration
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County of Santa Clara, California
Controller-Treasurer Department
70 W. Hedding Street, East Wing, 2nd Floor
San Jose, CA 95110
Attention: Paul McDonough
Fax No.: (408) 289-8629

By: _____

Terri J. Preston
Vice President

By:  _____

Name: Emily Harrison
Title: Director of Finance

Counterpart No. 1 of 3 manually executed and serially numbered counterparts. To the extent that this Agreement constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

LIST OF EXHIBITS

Exhibit A	—	Equipment Schedule
Exhibit B	—	Rental Payments Schedule
Exhibit C-1	—	Reserved
Exhibit C-2	—	Reserved
Exhibit D	—	Form of Opinion of Counsel Form
Exhibit E	—	Form of Acceptance Certificate
Exhibit F	—	Form of Self-Insurance Certificate
Exhibit G	—	Form of Notice and Acknowledgement of Assignment
Exhibit H	—	Reserved

EXHIBIT A

EQUIPMENT SCHEDULE

Renewable Energy Equipment Location and Description (Scope of Work): The Renewable Energy Equipment includes the Renewable Energy Generating Facilities under the Master Purchasing and Services Agreement between Lessee and SunPower, as further described therein, each Renewable Energy Generating Facility consisting generally of PV panels, inverters, interconnection electrical switchgear, electrical auxiliary electrical switchgear, weather stations, data acquisition systems, combiner boxes, direct current wiring, alternating current wiring, electrical conduits, electrical meters, communications equipment and wiring connections, PV panel rack systems, foundation and system anchors, fencing and security equipment, mounting hardware and structural components, auxiliary hardware, and related equipment.

The following sets forth the locations (including legal descriptions) of the Renewable Energy Equipment:

**Guadalupe Parkway¹
783 Amanda Drive, San Jose, CA 95136**

Specifications:

System Type*	Ground Fixed Tilt
System Output DC rating:*	2070.6 kWdc
Estimated Year 1 Production:	3,421,712 kWh
Module:	SPR-E20-435-COM
Inverter:	SMA 24000TL-US
Foundation Type:	Driven

LEGAL DESCRIPTION

PARCEL ONE:

ALL OF LOTS 5 AND 6, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "MAP OF J.D. ROBERTS SUBDIVISION NO.2", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON OCTOBER 1, 1904, IN BOOK F-2 OF MAPS, AT PAGE 33.

EXCEPTING THEREFROM, PARCELS A & B AS GRANTED BY STEVE J. TALLEA, A MARRIED MAN, DEALING WITH HIS SEPARATE PROPERTY, TO THE COUNTY OF SANTA CLARA, BY DEED DATED NOVEMBER 15, 1963, AND RECORDED DECEMBER 19, 1963, IN BOOK 6316, PAGE 355, OFFICIAL RECORDS, SANTA CLARA COUNTY RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED JULY 30, 2009, DOCUMENT NO. 20372179.

PARCEL TWO:

ALL OF LOTS 7 AND 8, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF J.D. ROBERTS SUBDIVISION NO.2", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON OCTOBER 1, 1904 IN BOOK F-2 OF MAPS, AT PAGE 33.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED JULY 30, 2009, DOCUMENT NO. 20372177.

PARCEL THREE:

ALL OF LOT 9, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "MAP OF J.D. ROBERTS SUBDIVISION NO.2", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON OCTOBER 1, 1904 IN BOOK F-2 OF MAPS, AT PAGE 33.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED JULY 30, 2009, DOCUMENT NO. 20372176.

APN: 459-28-005

PARCEL FOUR:

PORTION OF LOTS 3 AND 7, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF PART OF LOT 2 OF THE ROBERTS PARTITION," WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON DECEMBER 29, 1915, IN BOOK 0 OF MAPS, AT PAGE 89, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF NARVAIS ROAD, AS RE-LOCATED, (ALSO CALLED THE NARVAEZ ROAD) SAID CENTER LINE ALSO BEING THE NORTHEASTERLY LINE OF THAT CERTAIN 7.00 ACRE TRACT OF LAND DESCRIBED IN THE DEED FROM WILLIAM E. RAWLINGS, ET AL, TO JOHN A. RAWLINGS, DATED OCTOBER 28, 1941 AND RECORDED NOVEMBER 3, 1941, IN BOOK 1064 OFFICIAL RECORDS, PAGE 428, SANTA CLARA COUNTY RECORDS, DISTANT THEREON SOUTH 23° 38' EAST 210.44 FEET FROM AN IRON PIPE SET 1.00 FOOT BELOW THE SURFACE OF THE GROUND AT THE NORTHERNMOST CORNER OF SAID 7.00 ACRE TRACT; RUNNING THENCE FROM SAID POINT OF BEGINNING, SOUTH 23° 38' EAST ALONG THE SAID CENTER LINE OF NARVAIS ROAD, AS RE-LOCATED, AND ALONG THE SAID NORTHEASTERLY LINE OF THE 7.00 ACRE TRACT AND ITS PROLONGATION SOUTHERLY 194.69 FEET TO AN IRON PIPE SET 1.00 FOOT BELOW THE SURFACE OF THE GROUND AT THE EASTERNMOST CORNER OF THAT CERTAIN 3.619 ACRE TRACT OF LAND DESCRIBED IN THE DEED FROM WILLIAM E. RAWLINGS, ET AL, TO GEORGIA E. JAMISON RAYMOND, DATED OCTOBER 28, 1941 AND RECORDED NOVEMBER 3, 1941, IN BOOK 1064 OFFICIAL RECORDS, PAGE 429, SANTA CLARA COUNTY RECORDS; RUNNING THENCE SOUTH 55° 27' WEST AND ALONG THE SOUTHEASTERLY LINE OF SAID 3.619 ACRE TRACT, 490.36 FEET TO AN IRON PIPE SET 1.00 FOOT BELOW THE SURFACE OF THE GROUND; THENCE LEAVING SAID LAST NAMED LINE AND RUNNING AT RIGHT ANGLES THEREFROM, NORTH 34° 33' WEST 433.06 FEET TO AN IRON PIPE SET FLUSH IN THE NORTHWESTERLY LINE OF SAID 7.00 ACRE TRACT; RUNNING THENCE NORTH 59° 00' EAST AND ALONG SAID LAST NAMED LINE, FOR A DISTANCE OF 359.49 FEET; THENCE LEAVING THE SAID NORTHWESTERLY LINE OF THE 7.00 ACRE TRACT AND RUNNING SOUTH 23° 38' EAST AND PARALLEL WITH THE SAID CENTER LINE OF NARVAIS ROAD, 210.44 FEET; RUNNING THENCE NORTH 59° 00' EAST AND PARALLEL WITH THE SAID NORTHWESTERLY LINE OF THE 7.00 ACRE TRACT, 208.71 FEET TO THE POINT OF BEGINNING, AND BEING A PORTION OF THE NARVAEZ RANCHO.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED JULY 30, 2009, DOCUMENT NO. 20372176.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED JULY 30, 2009, DOCUMENT NO. 20372180.

PARCEL FIVE:

ALL OF PARCEL A AS SHOWN ON THAT CERTAIN RECORD OF SURVEY FILED FOR RECORD IN BOOK 258 OF MAPS AT PAGE 28, SANTA CLARA COUNTY RECORDS.

PARCEL SIX:

ALL OF THAT CERTAIN PROPERTY SITUATED IN THE CITY OF SAN JOSE, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, AND BEING A PORTION OF THAT CERTAIN 10.00 FOOT WIDE STRIP OF LAND SHOWN AND DESCRIBED AS ROBERTS LANE ON THAT CERTAIN MAP ENTITLED "MAP OF J.D. ROBERTS SUBDIVISION NO.2", WHICH MAP WAS FILED IN THE BOOK F-2 OF MAPS, PAGE 33, RECORDS OF SANTA CLARA COUNTY, CALIFORNIA PURSUANT TO RESOLUTION NO. 73686 FOR THE VACATION OF ROBERTS LANE, RECORDED MARCH 27, 2007, DOCUMENT NO. 19358799, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 9, SAID CORNER BEING THE INTERSECTION OF THE CENTERLINE OF NARVAEZ ROAD AND THE NORTHERLY LINE OF ROBERTS LANE AS SAID LOT 9, ROAD AND LANE ARE SHOWN ON THE SAID MAP; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 9 SOUTH 59° 26' 54" WEST 579.72 FEET TO THE MOST NORTHERLY POINT OF THAT CERTAIN TRACT NO. 4701, SAID POINT ALSO BEING IN THE CENTERLINE OF SEABURY DRIVE AS SAID POINT AND DRIVE ARE SHOWN ON THE MAP OF THE SAID TRACT NO. 4701 FILED IN THE BOOK 261 OF MAPS, PAGES 7-8, RECORDS OF SANTA CLARA COUNTY, CALIFORNIA; THENCE LEAVING SAID CENTERLINE OF SEABURY DRIVE ALONG THE GENERALLY NORTHEASTERLY LINE OF SAID TRACT NO. 4701 THE FOLLOWING TWO DESCRIBED COURSES: 1) SOUTH 1 R 59' 28" EAST 10.25 FEET (SOUTH 18° 24' 10" EAST 1 0.27 FEET PER SAID MAP OF TRACT NO. 4701); 2) NORTH 59° 26' 54" EAST 12.46 FEET (NORTH 59° 00' 45" EAST 12.61 FEET PER SAID MAP OF TRACT NO. 4701) TO THE NORTHERLY LINE OF LOT 7 AS SAID LOT 7 IS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SUBDIVISION OF PART OF LOT 2 OF THE ROBERTS PARTITION", WHICH MAP WAS FILED IN BOOK 0 OF MAPS, PAGE 89, RECORDS OF SANTA CLARA COUNTY, CALIFORNIA; THENCE LEAVING SAID GENERALLY NORTHEASTERLY LINE OF TRACT NO. 4701 ALONG SAID NORTHERLY LINE OF SAID LOT 7 NORTH 59° 26' 54" EAST 567.27 FEET TO SAID CENTERLINE OF NARVAEZ ROAD; THENCE LEAVING SAID NORTHERLY LINE OF LOT 7 NORTHERLY ALONG SAID CENTERLINE OF NARVAEZ ROAD NORTH 1 R 59' 32" WEST 10.25 FEET TO THE POINT OF BEGINNING.

APN: 459-28-004

Malech Road²
9501 Malech Drive, San Jose, CA 95138

Specifications:

System Type*	Ground Fixed Tilt
System Output DC rating:*	3,854.1 kWdc
Estimated Year 1 Production:	6,444,163 kWh
Module:	SPR-E20-435-COM
Inverter:	SMA 24000TL-US
Foundation Type:	CIDH

LEGAL DESCRIPTION

PARCEL ONE OF RECORD OF SURVEY FILED FEBRUARY 17, 1972, MAP BOOK 296, PAGES 35 THROUGH 38, SANTA CLARA COUNTY RECORDS.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED AUGUST 15, 1972, DOCUMENT NO. 4324684, OFFICIAL RECORDS

APN: 729-57-002

**Hellyer County Park³⁴
Coyote Creek Trail, San Jose, CA 95111**

Specifications:

System Type*	Ground Fixed Tilt
System Output DC rating:*	2,740.5 kWdc
Estimated Year 1 Production:	4,609,799 kWh
Module:	SPR-E20-435-COM
Inverter:	SMA 24000TL-US
Foundation Type:	Ballasted

LEGAL DESCRIPTION

PARCEL ONE:

BEGINNING AT AN IRON PIPE SET ONE FOOT BELOW THE SURFACE OF THE GROUND IN THE SOUTHERLY LINE OF LOT 12 OF THE SYLVAN DALE RANCH, DISTANT THEREON SOUTH 86° 45' EAST 314.68 FEET FROM AN IRON PIPE SET ONE FOOT BELOW THE SURFACE OF THE GROUND AT THE SOUTHERLY COMMON CORNER FOR LOTS 11 AND 12 OF SAID SYLVAN DALE RANCH, AS SAID LOTS ARE SHOWN UPON THE MAP HEREINAFTER REFERRED TO; THENCE LEAVING SAID SOUTHERLY LINE OF LOT 12 AND RUNNING ALONG THE GENERAL CENTER LINE BETWEEN TWO ROWS OF FRUIT TREES NORTH 5° 24' WEST 822.75 FEET TO AN IRON PIPE SET ONE FOOT BELOW THE SURFACE OF THE GROUND IN THE NORTHERLY LINE OF SAID LOT 12; THENCE ALONG SAID NORTHERLY LINE OF LOTS 12, SOUTH 81° 24' EAST 548.54 FEET TO THE POINT OF INTERSECTION OF SAID LINE OF LOT 12 WITH THE SOUTHWESTERLY LINE OF THE 10.95 ACRE TRACT DESIGNATED "PARCEL NO. 1" IN THE QUITCLAIM DEED FROM FIELDING D. LUNDY ET AL, TO ALBERT G. RAISCH ET AL, DATED AUGUST 29, 1950 AND RECORDED AUGUST 31, 1950 IN BOOK 2045 OF OFFICIAL RECORDS, PAGE 532, SANTA CLARA COUNTY RECORDS; THENCE ALONG SAID LAST MENTIONED LINE SOUTH 69° 04' EAST 369.03 FEET TO THE EASTERLY LINE OF SAID LOT 12; THENCE ALONG SAID EASTERLY LINE OF LOT 12, SOUTH 3° 47' EAST TO A SOUTHWESTERLY CORNER OF THE SAID 10.95 ACRE TRACT; THENCE LEAVING SAID LOT LINE AND RUNNING ALONG THE WESTERLY LINE OF THE PARCEL OF LAND DESIGNATED "PARCEL NO. 2" IN SAID DEED, SOUTH 1° 36' 30" EAST TO THE INTERSECTION OF SAID LAST MENTIONED LINE WITH THE EASTERLY LINE OF SAID LOT 12; THENCE ALONG SAID EASTERLY LINE OF LOT 12, SOUTH 15° 25' 30" WEST TO A PIPE AT THE SOUTHEASTERLY CORNER OF SAID LOT 12; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 12, NORTH 86° 45' WEST 698.42 FEET TO THE POINT OF BEGINNING AND BEING A PORTION OF LOT 12 AS SHOWN UPON THE MAP OF

THE SUBDIVISION OF THE SYLVAN DALE RANCH IN PUEBLO TRACT NO. 1, WHICH SAID MAP IS OF RECORD IN BOOK "C" OF MAPS, PAGE 13, SANTA CLARA COUNTY RECORDS.

EXCEPTING THEREFROM THE INTEREST GRANTED FOR ROAD PURPOSES IN THE DEED FROM CARL ROGERS ET AL, TO COUNTY OF SANTA CLARA DATED APRIL 7, 1941, RECORDED APRIL 17, 1941 IN BOOK 1031 OF OFFICIAL RECORDS, PAGE 425, SANTA CLARA COUNTY RECORDS.

ALSO EXCEPTING THEREFROM ANY PORTION THEREOF AS LIES WITHIN THE BOUNDS OF LAND SO CONVEYED IN THAT CERTAIN QUITCLAIM DEED FROM FIELDING D. LUNDY ET AL, TO ALBERT G. RAISCH ET AL, DATED AUGUST 29, 1950, RECORDED AUGUST 31, 1950 IN BOOK 2045 OF OFFICIAL RECORDS, PAGE 532, SANTA CLARA COUNTY RECORDS.

APN: 494-66-004

San Martin Airport⁵⁶

13030 Murphy Avenue, San Martin, CA 95046

Specifications:

System Type*	Ground tracker
System Output DC rating:*	1,357.2 kWdc
Estimated Year 1 Production:	2,827,478 kWh
Module:	SPR-E20-435-COM
Inverter:	SMA 24000TL-US
Foundation Type:	Driven

LEGAL DESCRIPTION

PARCEL ONE, RECORD OF SURVEY FILED AUGUST 29, 1972, MAP BOOK 307, PAGES 34 THROUGH 37, SANTA CLARA RECORDS.

APN: 825-11-022

Holden Ranch⁷
19050 Malaguerra Avenue, Morgan Hill, CA 95037

Specifications:

System Type*	Parking Fixed Tilt
System Output DC rating:*	443.7 kWdc
Estimated Year 1 Production:	778,056 kWh
Module:	SPR-E20-435-COM
Inverter:	SMA 24000TL-US
Foundation Type:	Driven

LEGAL DESCRIPTION

PARCEL ONE:

ALL OF LOTS 6, 7 AND 8 AND A PORTION OF LOTS 4, 5, 9, 13 AND 14, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE J. M. MCELHANY'S SUBDIVISION", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON JULY 22, 1895 IN BOOK H OF MAPS AT PAGE 129 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF LOT 9 AS SAID LOT IS SHOWN UPON THE MAP ABOVE REFERRED TO, DISTANT THEREON NORTH 68° 24' WEST, 253.85 FEET FROM A 2" X 3" STAKE AT THE EASTERNMOST CORNER THEREOF; SAID POINT OF BEGINNING ALSO BEING THE NORTHEASTERLY CORNER OF THAT CERTAIN 14.00 ACRE TRACT OF LAND DESCRIBED AS PARCEL TWO IN THE DEED FROM MANUEL ALVES TO JOE RENELLA ET UX, DATED MARCH 11, 1946, RECORDED MARCH 13, 1946 IN BOOK 1331, OFFICIAL RECORDS, PAGE 477, SANTA CLARA COUNTY RECORDS; RUNNING THENCE SOUTH 68° 24' EAST ALONG THE NORTHEASTERLY LINE OF LOTS 9, 8, 7, 6 AND 5 OF SAID "J. M. MCELHANY'S SUBDIVISION", 1483.85 FEET TO A POINT DISTANT THEREON NORTH 68° 24' EAST, 383.48 FEET FROM A 2" X 3" STAKE AT THE NORTHERLY COMMON CORNER FOR SAID LOTS 6 AND 7 RUNNING THENCE SOUTH 25° 28' WEST, 323.96 FEET TO AN IRON PIPE; THENCE SOUTH 48° 08' EAST, 85.50 FEET TO AN IRON PIPE; THENCE SOUTH 41° 99' 50" WEST 846 23 FEET TO AN IRON SET IN A ROADWAY ON THE EASTERLY BANK OF COYOTE CREEK; THENCE ALONG SAID ROADWAY NORTH 87° 47' 30" WEST, 166.60 FEET TO AN IRON PIPE ON THE WESTERLY BANK OF SAID COYOTE CREEK; THENCE NORTH 55° 06' WEST, 156.55 FEET TO AN IRON PIPE; THENCE NORTH 27° EAST, 82.00 FEET TO AN IRON PIPE; THENCE DOWN THE CHANNEL OF SAID COYOTE CREEK, NORTH 53° 26' 30" WEST, 173.72 FEET; THENCE NORTH 62° 57' WEST, 429.00 FEET; THENCE NORTH 40° 11' WEST, 461.34 FEET AND NORTH 26° 37' WEST, 20.97 FEET TO THE INTERSECTION THEREOF WITH THE SOUTHEASTERLY LINE OF THE SAID 14.80 ACRE TRACT; RUNNING THENCE NORTH 26° 56' EAST ALONG THE SAID LAST NAMED LINE, 768.84 FEET TO THE POINT OF BEGINNING.

PARCEL TWO:

ALL OF LOTS 1 AND 2 AND A PORTION OF LOTS 3, 4, 5, 6, 13, 14, 15 AND 16, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "MAP OF THE J. M. MCELHANY'S SUBDIVISION", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON JULY 22, 1895 IN BOOK H OF MAPS AT PAGE 129 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE EASTERNMOST CORNER OF LOT 1, AS SAID LOT IS SHOWN ON THE MAP ABOVE REFERRED TO; RUNNING THENCE NORTH 68° 23' WEST AND ALONG THE NORTHEASTERLY LINE OF LOTS 1, 2 AND 3 OF SAID "J. M. MCELHANY'S SUBDIVISION", 1114.41 FEET TO A STAKE MARKED "W.1"; SAID STAKE BEING DISTANT SOUTH 68° 23' EAST, 32.01 FEET FROM THE EASTERNMOST CORNER OF LOT 4, AS SAID LOT IS SHOWN ON THE MAP ABOVE REFERRED TO; RUNNING THENCE SOUTH 21° 37' WEST, 157.94 FEET TO A STAKE MARKED "W.4" ; RUNNING THENCE NORTH 68° 23' WEST, 275.88 FEET TO A STAKE MARKED "W.3"; RUNNING THENCE NORTH 21° 37' EAST, 157.94 FEET TO A STAKE MARKED "W.2" ON THE NORTHEASTERLY LINE OF SAID LOT 4; SAID STAKE BEING DISTANT NORTH 68° 23' WEST, 243.87 FEET FROM THE EASTERNMOST CORNER OF SAID LOT 4; RUNNING THENCE NORTH 68° 23' WEST AND ALONG THE NORTHEASTERLY LINE OF LOTS 4 AND 5 OF SAID SUBDIVISION FOR A DISTANCE OF 140.95 FEET TO THE EASTERNMOST CORNER OF THAT CERTAIN 34.715 ACRE TRACT OF LAND DESCRIBED IN THE DEED FROM DAVID C. HALL JR. ET AL TO COUNTY OF SANTA CLARA, A BODY POLITIC, DATED AUGUST 1, 1951, RECORDED OCTOBER 11, 1951 IN BOOK 2299, OFFICIAL RECORDS, PAGE 80, SANTA CLARA COUNTY RECORDS; RUNNING THENCE ALONG THE GENERAL EASTERLY LINE OF SAID 34.715 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES: SOUTH 25° 28' WEST 323.96 FEET TO AN IRON PIPE; THENCE SOUTH 48° 08' EAST 85.50 FEET TO AN IRON PIPE; THENCE SOUTH 41° 59' 50" WEST 846.23 FEET TO AN IRON PIPE; AND NORTH 87° 47' 30" WEST 166.60 FEET TO AN IRON PIPE SET ON THE SOUTHERLY LINE OF THAT CERTAIN 89.00 ACRE TRACT OF LAND DESCRIBED IN THE DEED FROM ARTHUR M. JORGENSEN ET AL, TO MINNIE K. JORGENSEN, DATED NOVEMBER 20, 1951, RECORDED JULY 2, 1952 IN BOOK 2445, OFFICIAL RECORDS, PAGE 576, SANTA CLARA COUNTY RECORDS; RUNNING THENCE EASTERLY AND ALONG THE SOUTHERLY LINE OF THE SAID 89.00 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES: SOUTH 55° 06' EAST 40.70 FEET; THENCE SOUTH 26° 58' WEST 15.00 FEET; THENCE SOUTH 55° 06' EAST 200.00 FEET; THENCE NORTH 26° 58' EAST 82.00 FEET; THENCE SOUTH 55° 06' EAST 548.50 FEET; THENCE NORTH 26° 58' EAST 100.00 FEET TO THE SOUTHERLY LINE OF SAID LOT 3 HEREINABOVE REFERRED TO ; RUNNING THENCE ALONG THE SOUTHERLY LINE OF LOTS 3, 2 AND 1, WITH THE FOLLOWING COURSES AND DISTANCES: SOUTH 89° 39' EAST 208.56 FEET; SOUTH 81° 27' EAST 192.70 FEET; NORTH 78° 30' EAST 155 .10 FEET; NORTH 81° 00' EAST 247.60 FEET; NORTH 61° 00' EAST 301.62 FEET; NORTH 61° 45' EAST 297.00 FEET; NORTH 41° 45' EAST 302.94 FEET AND NORTH 47° 00' EAST 46.20 FEET TO THE POINT OF BEGINNING.

PARCEL THREE:

COMMENCING AT THE NORTHEAST CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED FROM ANGELO CATALFAMO ET UX, TO CANDILORO CATALFAMO DATED JUNE 14, 1940, RECORDED JUNE 21, 1940 IN BOOK 957, OFFICIAL RECORDS, PAGE 548, SANTA CLARA COUNTY RECORDS; THENCE ALONG THE NORTHEASTERLY LINE THEREOF, NORTH 55° 06' WEST, 548.50 FEET, MORE OR LESS, TO A POINT ON A SOUTHEASTERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED FROM WALTER R. JORGENSEN TO THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DATED DECEMBER 11, 1958, RECORDED MARCH 16, 1959 IN BOOK 4354, OFFICIAL RECORDS, PAGE 423; THENCE ALONG SAID LAST NAMED LINE NORTH 26° 28' EAST, TO AN ANGLE POINT THEREIN AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE FROM SAID TRUE POINT OF BEGINNING, ALONG A SOUTHWESTERLY LINE OF SAID LAND SO DEEDED TO THE COUNTY OF SANTA CLARA, SOUTH 55° 06' EAST, 548.50 FEET; THENCE ALONG A SOUTHEASTERLY LINE OF SAID LAST NAMED PARCEL, NORTH 26° 58' EAST TO A POINT ON A LINE DRAWN PARALLEL WITH AND DISTANT 10.00 FEET, NORTHEASTERLY AT A RIGHT ANGLE FROM SAID LAST NAMED SOUTHWESTERLY LINE; THENCE ALONG SAID PARALLEL LINE, NORTH 55° 06' WEST, 548.50 FEET; THENCE SOUTH 26° 58' WEST TO THE TRUE POINT OF BEGINNING.

PARCEL FOUR:

PORTION OF LOT 9, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "MAP OF J. M. MCELHANY'S SUBDIVISION", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JULY 22, 1895 IN BOOK H OF MAPS, PAGE 129, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 9, AS SAID LOT IS SHOWN UPON THE MAP ABOVE REFERRED TO; THENCE FROM SAID POINT OF BEGINNING, SOUTH 68° 23' EAST AND ALONG THE NORTHEASTERLY LINE OF SAID LOT 9 FOR A DISTANCE OF 3.50 CHAINS TO THE EASTERNMOST CORNER OF THAT CERTAIN 14.80 ACRE TRACT OF LAND DESCRIBED AS PARCEL TWO IN THE DEED FROM MANUEL ALVES TO JOE RENELLA ET UX, DATED MARCH 11, 1946, RECORDED MARCH 13 , 1946 IN BOOK 1331, OFFICIAL RECORDS, PAGE 477, SANTA CLARA COUNTY RECORDS; THENCE SOUTH 26° 58' WEST AND ALONG THE EASTERLY LINE OF SAID 14.80 ACRE TRACT, 12 CHAINS TO THE CENTER LINE OF COYOTE CREEK IN THE SOUTHWESTERLY LINE OF SAID LOT 9 ; THENCE NORTHWESTERLY AND ALONG SAID LAST MENTIONED LINE TO THE WESTERNMOST CORNER THEREOF; THENCE NORTH 26° 58 ' EAST AND ALONG THE WESTERLY LINE OF SAID LOT 9, FOR A DISTANCE OF 8.75 CHAINS TO THE POINT OF BEGINNING.

APN: 728-35-001

Reid-Hillview Airport^{8 9}

2500 Cunningham Avenue, San Jose, CA 95148

Specifications:

System Type*	Ground Tracker
System Output DC rating:*	1,044 kWdc
Estimated Year 1 Production:	2,109,317 kWh
Module:	SPR-E20-435-COM
Inverter:	SMA 24000TL-US
Foundation Type:	Driven

LEGAL DESCRIPTION

PARCEL 1:

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALL OF LOTS 37 AND 38 AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT",

WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON FEBRUARY 14, 1888 IN BOOK C OF MAPS, AT PAGE 57.

SAVING AND EXCEPTING FROM SAID LOT 38 THE PORTION THEREOF CONVEYED BY MANUEL C. SILVA AND MARY SILVA, HIS WIFE, TO CHARLES SILVA, BY DEED DATED JANUARY 10, 1924, RECORDED JANUARY 29, 1924 IN BOOK 63 OF OFFICIAL RECORDS, PAGE 503, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE, AT THE COMMON CORNER FOR LOTS 11, 12, 38 AND 39 OF THE FILLMORE TRACT HEREINABOVE MENTIONED; AND RUNNING THENCE ALONG THE CENTER LINE OF CUNNINGHAM AVENUE IN A SOUTHWESTERLY DIRECTION 210 FEET TO A POINT; THENCE AT RIGHT ANGLES SOUTHEASTERLY 240 FEET TO A POINT; THENCE AT RIGHT ANGLES NORTHEASTERLY 210 FEET TO A POINT; THENCE AT RIGHT ANGLES NORTHWESTERLY 240 FEET TO THE POINT OF COMMENCEMENT.

PARCEL 2:

ALL THAT CERTAIN PARCEL OF LAND SITUATE PARTLY IN THE CITY OF SAN JOSE AND PARTLY IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PORTION OF LOT 66, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON FEBRUARY 14, 1888 IN BOOK C OF MAPS, PAGE 57, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 3/4" PIPE SET IN THE SOUTHEASTERLY BOUNDARY LINE OF THE FILLMORE TRACT, AS SAID TRACT IS SHOWN UPON THE MAP ABOVE REFERRED TO; AND DISTANT ALONG SAID SOUTHEASTERLY BOUNDARY SOUTH 59° 00' WEST 1146.42 FEET FROM A 3/4 INCH IRON PIPE SET AT THE MOST EASTERLY CORNER OF LOT 69 OF THE FILLMORE TRACT, SAID POINT OF BEGINNING BEING ALSO A COMMON CORNER OF LOTS 65 AND 66 OF THE FILLMORE TRACT AND FROM WHICH POINT OF BEGINNING A 3/4" PIPE BEARS NORTH 40° 09' WEST, 30.00 FEET AND RUNNING THENCE ALONG THE DIVIDING LINE BETWEEN SAID LOTS 65 AND 66, NORTH 40° 09' WEST, 1432.86 FEET TO A 4' X 4' STAKE AT THE COMMON CORNER OF LOTS 65, 66, 35 AND 36 OF SAID FILLMORE TRACT; THENCE ALONG THE DIVIDING LINE BETWEEN LOTS 36 AND 66 OF SAID FILLMORE TRACT, NORTH 49° 51' EAST 152.00 FEET TO A 3/4" PIPE; THENCE SOUTH 40° 09' EAST 1433.26 FEET TO A 3/4" PIPE SET IN THE SOUTHEASTERLY LINE OF SAID FILLMORE TRACT AND FROM WHICH POINT A 3/4" PIPE BEARS NORTH 40° 09' WEST 30.00 FEET; THENCE ALONG THE SOUTHEASTERLY LINE OF THE FILLMORE TRACT, SOUTH 50° 00' WEST 152.00 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

ALL THAT CERTAIN PARCEL OF LAND SITUATE PARTLY IN THE CITY OF SAN JOSE AND PARTLY IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALL OF LOTS 35, 36 AND 65, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON FEBRUARY 14, 1888 IN BOOK C OF MAPS, AT PAGE 57.

APN: 491-13-001

PARCEL 4:

ALL THAT CERTAIN REAL PARCEL OF LAND SITUATE IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

LOT 8 AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT", WHICH SAID MAP WAS RECORDED FEBRUARY 14, 1888 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, IN VOLUME "C" OF MAPS, PAGE 57.

APN: 491-15-009

PARCEL 5:

ALL THAT PORTION OF CUNNINGHAM AVENUE LYING BETWEEN THE NORTHWESTERLY LINES OF LOTS 8 AND 35 AND THE NORTHEASTERLY LINES OF LOTS 11 AND 38 OF THE SUBDIVISION OF THE FILLMORE TRACT AS SHOWN IN BOOK "C" OF MAPS, PAGE 57, OF THE OFFICIAL RECORDS OF THE COUNTY OF SANTA CLARA, CALIFORNIA.

EXCEPTING THEREFROM THE NORTHERLY THIRTY (30) FEET OF SAID CUNNINGHAM AVENUE LYING BETWEEN NORTHWESTERLY AND NORTHEASTERLY LINE OF LOT 9 OF SAID SUBDIVISION OF THE FILLMORE TRACT AND THE SOUTHERLY THIRTY (30) FEET OF SAID CUNNINGHAM AVENUE; BETWEEN THE NORTHEASTERLY LINES OF LOTS 11 AND 38 OF SAID

SUBDIVISION OF THE FILLMORE TRACT AND A POINT 210 FEET WESTERLY THEREFROM, AS DESCRIBED IN THE RESOLUTION AND ORDER PROCLAIMING THE ABANDONMENT OF A PORTION OF CUNNINGHAM AVENUE, RECORDED OCTOBER 4, 1962, IN BOOK 5743, PAGE 162.

PARCEL 6:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SAN JOSE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PORTION OF LOT 34 AS SHOWN ON THE HAP OF THE SUBDIVISION OF THE FILLMORE TRACT WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF SANTA CLARA COUNTY, CALIFORNIA, FEBRUARY 14, 1888 IN BOOK C OF MAPS, AT PAGE 57 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE, AT THE NORTHERLY COMMON CORNER FOR LOTS 34 AND 35 AS SAID AVENUE AND LOTS ARE SHOWN ON THE MAP ABOVE REFERRED TO; THENCE SOUTHWESTERLY ALONG THE SAID CENTER LINE OF CUNNINGHAM AVENUE 120.00 FEET; THENCE SOUTHEASTERLY AND PARALLEL WITH THE DIVIDING LINE BETWEEN SAID LOTS 34 AND 35, A DISTANCE OF 175 FEET; THENCE NORTHEASTERLY AND PARALLEL WITH THE CENTER LINE OF CUNNINGHAM AVENUE 120 FEET TO A POINT ON THE SAID DIVIDING LINE BETWEEN SAID LOTS 34 AND 35; THENCE NORTHWESTERLY ALONG SAID LAST NAMED LINE A DISTANCE OF 175 FEET TO THE POINT OF BEGINNING.

APN: 491-12-063

PARCEL 7:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE, DISTANT THEREON SOUTHWESTERLY 120 FEET FROM THE NORTHERLY COMMON CORNER FOR LOTS 34 AND 35, IN SAID CENTER LINE OF CUNNINGHAM AVENUE AS SHOWN ON THE RECORDED MAP HEREINAFTER REFERRED TO, WHICH POINT IS ALSO THE NORTHWESTERLY CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED BY DONALD F. GRAVES, ET UX, TO KENNETH R. TULLIS AND KATHRYN M. TULLIS, HIS WIFE, BY DEED DATED MARCH 30, 1951 AND RECORDED APRIL 18, 1951 IN BOOK 2194 OF OFFICIAL RECORDS, PAGE 220, THENCE FROM SAID POINT OF BEGINNING ALONG SAID CENTER LINE SOUTH WESTERLY 112 FEET TO A POINT THEREON DISTANT 428 FEET NORTHEASTERLY FROM THE MOST WESTERLY CORNER OF LOT 33 AS SHOWN UPON SAID HAP HEREINAFTER REFERRED TO; WHICH POINT IS ALSO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED BY DONALD F. GRAVES AND VIRGINIA M. GRAVES, HIS WIFE, TO ANTHONY H. SILVA AND DOROTHEY M. SLIVE, HIS WIFE, BY DEED DATED FEBRUARY 16, 1951 AND RECORDED APRIL 18, 1951 IN BOOK 2193 OF OFFICIAL RECORDS, PAGE 548; THENCE PARALLEL WITH THE NORTHEASTERLY LINE OF SAID LOT 33 AND ALONG THE NORTHEASTERLY LINE OF SAID PARCEL CONVEYED TO SILVA SOUTHEASTERLY 1320 FEET TO THE SOUTHEASTERLY LINE OF SAID LOT 34 AND THE SOUTHEASTERLY CORNER OF SAID PARCEL CONVEYED TO SILVA; THENCE ALONG SAID SOUTHEASTERLY LINE OF SAID LOT 34 NORTHEASTERLY 232 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 34; THENCE ALONG SAID NORTHEASTERLY LINE NORTHWESTERLY 946 FEET TO A POINT ON SAID NORTHEASTERLY LINE, SAID POINT BEING DISTANT SOUTHEASTERLY THEREON 374 FEET FROM THE MOST NORTHERLY CORNER OF

SAID LOT, WHICH POINT IS ALSO THE SOUTHEASTERLY CORNER OF SAID PARCEL OF LAND CONVEYED TO TULLIS; THENCE SOUTHWESTERLY AND PARALLEL WITH SAID CENTER LINE OF CUNNINGHAM AVENUE AND ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL CONVEYED TO TULLIS, 120 FEET TO THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTHWESTERLY AND PARALLEL WITH THE DIVIDING LINE FOR LOTS 34 AND 35 AND ALONG THE SOUTHWESTERLY LINE OF SAID PARCEL CONVEYED TO TULLIS 374 FEET TO THE POINT OF BEGINNING AND BEING A PART OF LOT 34 AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE SUBDIVISION OF THE FILLMORE TRACT", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON FEBRUARY 14, 1888, IN BOOK C OF MAPS, PAGE 57.

PARCEL 8:

PORTION OF LOT 34 AS SHOWN ON THE MAP OF THE SUBDIVISION OF THE FILLMORE TRACT, WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, CALIFORNIA ON FEBRUARY 14, 1888 IN BOOK C OF MAPS, PAGE 57 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE AT THE NORTHERLY COMMON CORNER FOR LOTS 34 AND 35, AS SAID AVENUE AND LOTS ARE SHOWN ON THE MAP ABOVE REFERRED TO; THENCE SOUTHWESTERLY ALONG THE SAID CENTER LINE OF CUNNINGHAM AVENUE 120 FEET; THENCE SOUTHEASTERLY AND PARALLEL WITH THE DIVIDING LINE BETWEEN SAID LOTS 34 AND 35 FOR A DISTANCE OF 374 FEET; THENCE NORTHEASTERLY AND PARALLEL WITH THE CENTER LINE OF CUNNINGHAM AVENUE 120 FEET TO A POINT ON THE SAID DIVIDING LINE BETWEEN SAID LOTS 34 AND 35; THENCE NORTHWESTERLY ALONG SAID LAST NAMED DIVIDING LINE 374 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED FROM DAVID L. GALIOTTO AND MARILYNNE J. GALIOTTO AND A.D. GRACIANY AND ISABEL GRACIANY DATED DECEMBER 20, 1956 AND RECORDED DECEMBER 21, 1956 IN BOOK 3692 OF OFFICIAL RECORDS, PAGE 102; BEGINNING AT A POINT IN THE CENTER LINE OF CUNNINGHAM AVENUE AT THE NORTHERLY COMMON CORNER FOR LOTS 34 AND 35; THENCE SOUTHWESTERLY ALONG THE SAID CENTER LINE OF CUNNINGHAM AVENUE 120 FEET; THENCE SOUTHEASTERLY AND PARALLEL WITH THE DIVIDING LINE BETWEEN LOTS 34 AND 35, A DISTANCE OF 175 FEET; THENCE NORTHEASTERLY AND PARALLEL WITH THE CENTER LINE OF CUNNINGHAM AVENUE 120 FEET TO A POINT ON THE SAID DIVIDING LINE BETWEEN SAID LOTS 34 AND 35; THENCE NORTHWESTERLY ALONG SAID LAST NAMED LINE, A DISTANCE OF 175 FEET TO THE TO THE POINT OF BEGINNING.

APN: 491-12-069 & 491-12-070

EXHIBIT B

RENTAL PAYMENT SCHEDULE

RENTAL PAYMENT DATE	RENTAL PAYMENT AMOUNT	INTEREST PORTION	PRINCIPAL PORTION	OUTSTANDING BALANCE	PREPAYMENT PRICE* <small>(including prepayment premium, if applicable)</small>
10/22/15				\$32,999,851.00	\$33,659,848.02
10/1/16	\$1,202,597.07	\$1,202,597.07		32,999,851.00	33,659,848.02
4/1/17	638,547.12	638,547.12		32,999,851.00	33,659,848.02
10/1/17	2,899,398.12	638,547.12	\$2,260,851.00	30,739,000.00	31,353,780.00
4/1/18	594,799.65	594,799.65		30,739,000.00	31,353,780.00
10/1/18	2,869,799.65	594,799.65	2,275,000.00	28,464,000.00	29,033,280.00
4/1/19	550,778.40	550,778.40		28,464,000.00	29,033,280.00
10/1/19	2,840,778.40	550,778.40	2,290,000.00	26,174,000.00	26,697,480.00
4/1/20	506,466.90	506,466.90		26,174,000.00	26,697,480.00
10/1/20	2,811,466.90	506,466.90	2,305,000.00	23,869,000.00	24,346,380.00
4/1/21	461,865.15	461,865.15		23,869,000.00	24,346,380.00
10/1/21	2,780,865.15	461,865.15	2,319,000.00	21,550,000.00	21,981,000.00
4/1/22	416,992.50	416,992.50		21,550,000.00	21,981,000.00
10/1/22	2,750,992.50	416,992.50	2,334,000.00	19,216,000.00	19,600,320.00
4/1/23	371,829.60	371,829.60		19,216,000.00	19,600,320.00
10/1/23	2,720,829.60	371,829.60	2,349,000.00	16,867,000.00	17,204,340.00
4/1/24	326,376.45	326,376.45		16,867,000.00	17,204,340.00
10/1/24	2,690,376.45	326,376.45	2,364,000.00	14,503,000.00	14,793,060.00
4/1/25	280,633.05	280,633.05		14,503,000.00	14,793,060.00
10/1/25	2,659,633.05	280,633.05	2,379,000.00	12,124,000.00	12,366,480.00
4/1/26	234,599.40	234,599.40		12,124,000.00	12,245,240.00
10/1/26	2,628,599.40	234,599.40	2,394,000.00	9,730,000.00	9,827,300.00
4/1/27	188,275.50	188,275.50		9,730,000.00	9,827,300.00
10/1/27	2,597,275.50	188,275.50	2,409,000.00	7,321,000.00	7,394,210.00
4/1/28	141,661.35	141,661.35		7,321,000.00	7,394,210.00
10/1/28	2,566,661.35	141,661.35	2,425,000.00	4,896,000.00	4,944,960.00
4/1/29	94,737.60	94,737.60		4,896,000.00	4,944,960.00
10/1/29	2,534,737.60	94,737.60	2,440,000.00	2,456,000.00	2,480,560.00
4/1/30	47,523.60	47,523.60		2,456,000.00	2,480,560.00
10/1/30	2,503,523.60	47,523.60	2,456,000.00		
	\$43,912,620.61	\$10,912,769.61	\$32,999,851.00		

* The Prepayment Price, in case of prepayment on a date other than a Rental Payment date or prepayment in part, shall be equal to (i) before October 22, 2025, 102% of the principal components of the Rental Payments to be prepaid plus accrued interest on such prepaid principal components to the prepayment date, and (ii) on and after October 22, 2025, 101% of the principal components of the Rental Payments to be prepaid plus accrued interest on such prepaid principal components to the prepayment date.

Contract Rate. The Contract Rate is 3.87% per annum.

Prepayment Option Commencement Date. For purposes of Section 10.01 of the Agreement, the Prepayment Option Commencement Date is October 22, 2015.

[Signature Page to Rental Payment Schedule Follows]

LESSOR:
Banc of America Leasing & Capital, LLC

By: 

Terri J. Preston
Vice President

LESSEE:
County of Santa Clara, California

By: _____

Name: _____

Title: _____

LESSOR:
Banc of America Leasing & Capital, LLC

By: _____

Terri J. Preston
Vice President

LESSEE:
County of Santa Clara, California

By:  _____

Name: Emily Harrison

Title: Director of Finance

EXHIBIT C-1 AND C-2

[RESERVED]

EXHIBIT D

FORM OF OPINION OF COUNSEL TO LESSEE
(to be typed on letterhead of counsel)

October 22, 2015

Banc of America Leasing & Capital, LLC
11333 McCormick Road
Mail Code: MD5-032-07-05
Hunt Valley, MD 21031
Attn: Contract Administration

Re: Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy)
dated as of October 22, 2015, between
Banc of America Leasing & Capital, LLC, as Lessor, and
County of Santa Clara, California, as Lessee

Ladies and Gentlemen:

As legal counsel to the County of Santa Clara, California ("*Lessee*"), I have examined (a) an executed counterpart of that certain offer letter dated October 20, 2015 from Banc of America Leasing & Capital, LLC and accepted by Lessee on October 20, 2015 (the "*Purchase Contract*"), (b) an executed counterpart of that certain Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy), dated as of October 22, 2015 (the "*Agreement*"), and Exhibits thereto, between Banc of America Leasing & Capital, LLC ("*Lessor*") and Lessee, which, among other things, provides for the lease of certain property (the "*Renewable Energy Equipment*"), (c) an executed counterpart of that certain Escrow and Account Control Agreement dated as of October 22, 2015 (the "*Escrow Agreement*") among Lessor, Lessee, and Bank of America, National Association, as Escrow Agent, (d) a certified copy of the ordinances or resolutions of Lessee with respect to the transaction contemplated by the Purchase Contract, the Agreement, the Escrow Agreement and documents related thereto and (e) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Purchase Contract, the Agreement, the Escrow Agreement and the documents relating thereto are referred to collectively as the "Transaction Documents."

Based on the foregoing, I am of the following opinions:

1. Lessee is a charter law county duly organized and existing under the laws of the State of California.

2. Lessee has the requisite power and authority to lease and acquire the Renewable Energy Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The Transaction Documents have been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Transaction Documents are legal, valid and binding obligations of Lessee enforceable in accordance with their respective terms.

4. The Purchase Contract created on its date of acceptance, execution and delivery by Lessee a binding, written contract under applicable California law (assuming due authorization, execution and delivery thereof by Banc of America Leasing & Capital, LLC).

5. The authorization, approval, execution and delivery of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws.

6. There is no proceeding pending or, to the best of my knowledge, threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Renewable Energy Equipment, the Escrow Account or other collateral thereunder.

All capitalized terms herein shall have the same meanings as in the Transaction Documents unless otherwise provided herein. Lessor and its successors and assigns are entitled to rely on this opinion.

I express no opinion as to any matter other than as expressly set forth above. Without limiting the generality of the foregoing, I specifically express no opinion as to the status of the Agreement or the interest thereon under any federal securities laws or any state securities or "Blue Sky" law or any federal, state or local tax law. Further, I express no opinion on the laws of any jurisdiction other than the State of California and the United States of America.

This opinion is delivered to the Lessee and the Lessor, and is solely for the benefit of the Lessee and the Lessor and its successors and assigns and is not to be used, circulated, quoted or otherwise referred to or relied upon by any other person or for any other purpose, except that Orrick, Herrington & Sutcliffe LLP, special counsel to the Lessee, may also rely on this opinion and may include it in the transcript of proceedings relating to the Bonds.

Sincerely,

EXHIBIT E

FORM OF ACCEPTANCE CERTIFICATE

Banc of America Leasing & Capital, LLC
11333 McCormick Road
Mail Code: MD5-032-07-05
Hunt Valley, MD 21031
Attn: Contract Administration

Re: Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy)
between Banc of America Leasing & Capital, LLC, as Lessor, and
County of Santa Clara, California, as Lessee

Ladies and Gentlemen:

In accordance with the Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy) (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Renewable Energy Equipment (as such term is defined in the Agreement) has been delivered, installed and accepted on the date hereof.
2. Lessee has conducted such inspection and/or testing of the Renewable Energy Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Renewable Energy Equipment for all purposes.
3. Lessee is currently maintaining the insurance coverage required by Section 7.02 of the Agreement.
4. Lessee hereby reaffirms that the representations, warranties and covenants contained in the Agreement are true and correct as of the date hereof.
5. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.
6. No Material Adverse Change has occurred since the date of the execution and delivery of the Agreement.

Date: _____

LESSEE: COUNTY OF SANTA CLARA,
CALIFORNIA

By: _____
Name: _____
Title: _____

EXHIBIT F

FORM OF SELF-INSURANCE CERTIFICATE

Banc of America Leasing & Capital, LLC
11333 McCormick Road
Mail Code: MD5-032-07-05
Hunt Valley, MD 21031
Attn: Contract Administration

Re: Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy),
dated as of October 22, 2015 (the "Agreement")
between Banc of America Leasing & Capital, LLC, as Lessor,
and County of Santa Clara, California, as Lessee

In connection with the above-referenced Agreement, County of Santa Clara, California (the "Lessee"), the Lessee warrants and represents to Banc of America Leasing & Capital, LLC the following information. The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Agreement.

1. The Lessee is self-insured for damage or destruction to the Renewable Energy Equipment. The dollar amount limit for property damage to the Renewable Energy Equipment under such self-insurance program is \$_____. [The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for property damage to the Renewable Energy Equipment which policy has a dollar limit for property damage to the Renewable Energy Equipment under such policy of \$_____.]

2. The Lessee is self-insured for liability for injury or death of any person or damage or loss of property arising out of or relating to the condition or operation of the Renewable Energy Equipment. The dollar limit for such liability claims under the Lessee's self-insurance program is \$_____. [The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for liability which policy has a dollar limit for liabilities for injury and death to persons as well as damage or loss of property arising out of or relating to the condition or operation of the Renewable Energy Equipment in the amount of \$_____.

[3]. The Lessee maintains a self-insurance fund. Monies in the self-insurance fund [are/are not] subject to annual appropriation. The total amount maintained in the self-insurance fund to cover Lessee's self-insurance liabilities is \$_____. [Amounts paid from the Lessee's self-insurance fund are subject to a dollar per claim of \$_____.]

[3]. The Lessee does not maintain a self-insurance fund. The Lessee obtains funds to pay claims for which it has self-insured from the following sources: _____
_____. Amounts payable for claims from the such sources are limited as follows: _____

4. Attached hereto are copies of certificates of insurance with respect to policies maintained by Lessee.

LESSEE:
County of Santa Clara, California

By: _____

Name: _____

Title: _____

EXHIBIT G

FORM OF NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

DATED _____

BANC OF AMERICA LEASING & CAPITAL, LLC (“*Assignor*”) hereby gives notice that it has assigned and sold to _____ (“*Assignee*”) all of Assignor’s right, title and interest in, to and under the Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy) dated as of October 22, 2015 (the “*Agreement*”), between Assignor and _____ (“*Lessee*”), together with all exhibits, schedules, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith, the Rental Payments and other amounts due under the Agreement, all of Assignor’s right, title and interest in the Renewable Energy Equipment (as defined in the Agreement), and all of Assignor’s right, title and interest in, to and under the Escrow and Account Control Agreement dated as of October 22, 2015 (the “*Escrow Agreement*”) by and among Lessee, Assignor and _____, as Escrow Agent, together with the Escrow Account related thereto (collectively, the “*Assigned Property*”).

1. In accordance with the terms of the Agreement, Lessee hereby acknowledges the effect of the assignment of the Assigned Property and absolutely and unconditionally agrees to deliver to Assignee all Rental Payments and other amounts coming due under the Agreement in accordance with the terms thereof on and after the date of this Acknowledgment.

2. Lessee hereby agrees that: (i) Assignee shall have all the rights of Lessor under the Agreement and all related documents, including, but not limited to, the rights to issue or receive all notices and reports, to give all consents or agreements to modifications thereto, to receive title to the Renewable Energy Equipment in accordance with the terms of the Agreement, to declare a default and to exercise all remedies thereunder; and (ii) except as provided in Section 3.03 of the Agreement, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in the Agreement shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense. As stated in Section 4.03 of the Agreement the obligation of the Lessee to pay Rental Payments under the Agreement shall constitute a current expense of the Lessee and shall not in any way be construed to be a debt of the Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the Lessee, nor shall anything contained in the Agreement constitute a pledge of the general tax revenues, funds or moneys of Lessee.

3. Lessee agrees that, as of the date of this Notice and Acknowledgment of Assignment (this "Acknowledgement"), the following information about the Agreement is true, accurate and complete:

Number of Rental Payments Remaining – _____
Amount of Each Rental Payment – \$_____

Total Amount of Rents Remaining – \$_____

Frequency of Rental Payments – _____

Next Rental Payment Due – _____

Funds Remaining in Escrow Account – \$_____

4. The Agreement remains in full force and effect, has not been amended and no Event of Default (or event which with the passage of time or the giving of notice or both would constitute a default) has occurred thereunder.

5. Assignor hereby acknowledges the transfer restrictions imposed by Section 11.01 of the Agreement and confirms that the assignment to Assignee has been made in accordance with the provisions of that Section.

6. Any inquiries of Lessee related to the Agreement and any requests for disbursements from the Escrow Account, if applicable, and all Rental Payments and other amounts coming due pursuant to the Agreement on and after the date of this Acknowledgment should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

ACKNOWLEDGED AND AGREED:

LESSEE: COUNTY OF SANTA CLARA, CALIFORNIA

By: _____
Name: _____
Title: _____

ASSIGNOR: BANC OF AMERICA LEASING & CAPITAL, LLC

By: _____
Name: _____
Title: _____

ATTACHMENT M.4

October 20, 2015

County of Santa Clara, California
San Jose, California

Re: Purchase Contract for Taxable NCREB
Equipment Lease/Purchase Agreement (Direct Subsidy)
of County of Santa Clara, California, as Lessee

Ladies and Gentlemen:

Banc of America Leasing & Capital, LLC (the "*Purchaser*") hereby offers to purchase from County of Santa Clara, California (the "*Lessee*") the above referenced Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy), dated October 22, 2015 (the "*Agreement*"), to be entered into between the Lessee and Banc of America Leasing & Capital, LLC, as lessor (in such capacity, the "*Lessor*"), in substantially the form heretofore agreed upon. This offer is made subject to the Lessee's acceptance hereof on or before 11:59 p.m., Pacific time, on the date hereof, at which time this offer expires if not accepted. Upon the Lessee's acceptance of this offer, a contract will be formed and be binding upon the Lessee and the Purchaser. On the terms and conditions set forth below, the Purchaser hereby agrees to purchase from the Lessee, and the Lessee hereby agrees to sell and deliver to the Purchaser, the Agreement:

Description and Amount: \$32,999,851 Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy), dated October 22, 2015

Purchase Price: \$32,999,851, which equals 100% of the aggregate principal component of Rental Payments under the Agreement (there being no accrued interest)

Interest Rate: 3.87% per annum (computed on a 360 day year of twelve 30-day months) commencing to accrue on the Closing Date (described below); the interest component of Rental Payments will be subject to federal income taxation

Purpose of Agreement: Financing for the acquisition and installation of six photovoltaic systems (the "*Renewable Energy Equipment*"), that constitute "*qualified renewable energy facilities*" within the meaning of Section 54C of the Internal Revenue Code of 1986, as amended (the "*Code*").

Acquisition Period:	The “ <i>Acquisition Period</i> ” for acquisition and installation of the Renewable Energy Equipment is from the Closing Date to the fifth business day prior to April 20, 2017, unless extended by Lessor as provided in the Agreement.
Delivery of Original Agreement:	The Agreement may be executed and delivered in multiple counterparts provided that the original (so identified) counterpart is delivered to the Purchaser at closing.
Source of Payment and Security:	<p>Rental Payments under the Agreement are payable from the Lessee’s general fund or other funds that are legally available for that purpose as provided in the Agreement. The Lessee’s obligations to make Rental Payments and to perform its other obligations under the Agreement are not affected by the failure or inability (for whatever reason) of the Lessee to receive (or delay in receipt of) all or any portion of the direct cash subsidy payments with respect to the Agreement (as described under “US Treasury Direct Cash Subsidy Payments” below).</p> <p>The Lessee’s obligations under the Agreement shall be secured by the grant of a first (and exclusive) priority security interest in the Renewable Energy Equipment, except as otherwise provided in the Agreement.</p> <p>The Lessee’s obligations under the Agreement shall also be secured by a pledge and grant of a lien on and security interest in the Escrow Account in which the proceeds of sale of the Agreement are deposited and held until applied for the purposes described above, including money and securities held therein and any investment earnings thereon, as provided in the Escrow and Account Control Agreement (the “<i>Escrow Agreement</i>”) to be entered into among the Lessee, the Lessor and the Escrow Agent therein identified.</p>
US Treasury Direct Cash Subsidy Payments:	Pursuant to the Agreement, the Lessee will designate the Agreement as a “ <i>new clean renewable energy bond</i> ” within the meaning of Section 54C(a) of the Code. The Lessee will irrevocably elect under the Agreement to receive a direct cash subsidy payment (the “ <i>Direct Subsidy</i> ”) from the United States Department of the Treasury with respect to the Agreement and acknowledge that, as a consequence of such election, the Lessor (including its successors and assigns) will not be entitled to a tax credit as a result of ownership of the Agreement.

The Lessee will be solely responsible to calculate the amount of the Direct Subsidy, apply for the Direct Subsidy and comply with applicable provisions of the Code during the term of the Agreement to obtain payment of the Direct Subsidy from the United States Department of the Treasury. The amount of the Direct Subsidy will be based on the credit rate published by the Secretary of the Treasury on the date hereof upon acceptance of this offer by an authorized officer of the Lessee. Such credit rate on the date hereof is 4.62%.

Rental Payments:

Rental Payments under the Agreement, consisting of a principal component and an interest component, will be payable on the dates and in the amounts set forth on *Exhibit A* hereto.

Agreement Term:

From the Closing Date to October 1, 2030, subject to extension as provided in the Agreement, except that in no event will the term of the Agreement exceed the maximum term established by the Secretary of the Treasury that is applicable to the Agreement being October 20, 2040.

Mandatory, Optional and Extraordinary Prepayment Provisions:

Rental Payments under the Agreement will not be subject to optional or extraordinary prepayment by the Lessee prior to the final Rental Payment due date, except in the following circumstances:

- *Mandatory Excess Proceeds Prepayment.* To the extent that less than 100% of the available project proceeds are expended for qualified purposes by the earlier of (i) the expiration of the Acquisition Period, (ii) the date on which the Lessee executes an Acceptance Certificate for the Renewable Energy Equipment pursuant to the Agreement and all payments to SunPower as Vendor have been made or (iii) the 90th day following the later of October 22, 2018 or, if the Lessee has obtained an extension of the expenditure period from the Secretary of the Treasury, the end of such extended period, all amounts then remaining in the Escrow Account will be applied to prepay Rental Payments in whole, or in part in inverse order of such Rental Payments. The prepayment price with respect to any such prepayment shall be equal to (i) before October 22, 2025, 102% of the principal portion to be prepaid plus accrued interest on such prepaid principal portion to the prepayment date, and (ii) on and after October 22, 2025, 101% of the

principal portion to be prepaid plus accrued interest on such prepaid principal portion to the prepayment date; *provided* that notwithstanding the foregoing such excess proceeds shall be applied to prepay, without premium, an amount not to exceed 5% of the original principal component of Rental Payments. In connection with any such prepayment, the Lessee shall pay the prepayment premium (if any) and the interest accrued to the prepayment date on the prepaid principal portion from funds legally available to the Lessee for that purpose, but not from available project proceeds.

- *Optional Prepayment.* The Lessee shall have the option to prepay all or a portion of the principal component of Rental Payments (in case of a portion, the principal component of Rental Payments to be prepaid being not less than \$1,000,000) on any business day, upon not less than 30 days' prior written notice, upon payment to Lessor of the sum of (i) any Rental Payment then due, plus (ii) the then applicable Prepayment Price as set forth in *Exhibit A* hereto (or, in the event such prepayment occurs on a date other than a Rental Payment date or is a partial prepayment, the principal components to be prepaid plus applicable premium as set forth in *Exhibit A* hereto plus accrued interest to such prepayment date) plus (iii) all other amounts then owing under the Agreement; and as further provided in the Agreement.
- *Extraordinary Optional Prepayment Upon Damage, Destruction or Condemnation.* The Lessee shall have the option to prepay all or a portion of the principal component of the Rental Payments in the event of substantial damage to or destruction or condemnation of substantially all or a portion of the Renewable Energy Equipment, on the day specified in the Lessee's notice to the Lessor of its exercise of the purchase option (which shall be the earlier of the next Rental Payment due date or 60 days after the casualty event) upon payment to Lessor of the sum of (i) any Rental Payment then due, plus (ii) the then applicable Prepayment Price as set forth in *Exhibit A* hereto (or, in the event such prepayment occurs on a date other than a Rental Payment date or is a partial prepayment, the principal components to be prepaid plus applicable

premium as set forth in *Exhibit A* hereto plus accrued interest to such prepayment date) plus (iii) all other amounts then owing under the Agreement; and as further provided in the Agreement.

- *Extraordinary Optional Prepayment Upon Change in Law.* The Lessee shall have the option to prepay all, but not less than all, of the principal component of the Rental Payments from and after any Change in Law (as hereafter defined), on the day specified in the Lessee's notice to the Lessor of its exercise of the prepayment option upon payment in full to the Lessor of the sum of (i) any Rental Payment then due plus (ii) an amount equal to the then remaining outstanding Principal Component (or, in the event such prepayment occurs on a date other than a Rental Payment date, the sum of the outstanding amount of the Principal Component plus accrued interest to such prepayment date) plus (iii) all other amounts then owing under the Agreement. "*Change in Law*" means legislation hereafter enacted by the Congress of the United States of America or a ruling, regulation or statement hereafter issued by the Treasury Department or the Internal Revenue Service, the effect of which (i) repeals, revokes or materially reduces the Lessee's applicable cash subsidy payments from the United States Treasury under Section 54A or 6431 of the Code (as currently in effect) or (ii) imposes one or more new substantive conditions on the receipt by the Lessee of such applicable cash subsidy payments under such Sections (as currently in effect) and such conditions are unacceptable to the Lessee; *provided* that notwithstanding anything herein to the contrary the current sequestration program under applicable federal law (or extension thereof) shall not constitute a Change in Law.

Davis-Bacon Act Compliance: The Lessee shall comply with the requirements of the Davis-Bacon Act in connection with the acquisition and installation of the Renewable Energy Equipment.

**Annual Financial Statements
& Reporting:**

Until all amounts owed to the Lessor under the Agreement are paid in full, the Lessee shall deliver to the Lessor its annual audited financial statements, budget and other financial information as provided in the Agreement, and such delivery of such annual audited financial statements may be made by filing the same on EMMA.

Documentation:

The Agreement and the Escrow Agreement shall be executed and delivered by the Lessee and the Lessor in substantially the forms agreed upon by the Lessee and the Lessor prior to the date hereof. All other documentation relating to the transaction provided in the Agreement shall be prepared by Purchaser Counsel and shall be in form and content acceptable to the Purchaser and the Lessee.

Investment Letter:

The Purchaser will sign an investment letter on the Closing Date to the effect that it (a) is an "accredited investor" or a "qualified institutional buyer" within the meaning of applicable federal securities laws; (b) has conducted its own investigation of the financial condition of the Lessee, the purpose for which the Agreement is being entered into and of the security for payment of the Rental Payments under the Agreement and has obtained such information regarding the Agreement and the Lessee and its operations, financial condition and financial prospects as the Purchaser deems necessary to make an informed investment decision with respect to its purchase of the Agreement; (c) is purchasing the Agreement for its own account and without a present intention to sell any portion thereof to any other person, *provided* that the Purchaser retains the right at any time to dispose of the Agreement or any interest therein as it may determine to be in its best interests and that any subsequent resale shall be made only in accordance with the Agreement and applicable securities laws; and (d) acknowledges and agrees that the obligation of the Lessee to pay Rental Payments under the Agreement shall constitute a current expense of the Lessee and shall not in any way be construed to be a debt of the Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the Lessee, nor shall anything contained in the Agreement constitute a pledge of the full faith and credit or taxing power of the Lessee.

Closing Date: On October 22, 2015 (the "*Closing Date*"), unless the Lessee and the Purchaser agree to a different date.

Closing Conditions: The following are conditions precedent to the Purchaser's obligations under this contract:

At or prior to the Closing Date, the Lessee will deliver to the Purchaser the following:

- the Agreement and the Escrow Agreement executed by the respective parties thereto;
- a certified copy of a resolution adopted by the governing board of the Lessee authorizing the execution and delivery of the Agreement and the Escrow Agreement and an incumbency and authorization certificate of the Lessee in form and content acceptable to the Purchaser;
- an opinion of counsel to the Lessee in substantially the form attached to the Agreement and otherwise in form and content acceptable to the Purchaser, and an opinion of Orrick, Herrington & Sutcliffe LLP with respect to certain matters regarding the Agreement, in form and content acceptable to the Purchaser;
- an Incumbency and Authorization Certificate executed by an authorized designee of Lessee, completed to the satisfaction of Purchaser;
- evidence of insurance as required by Section 7.02 of the Agreement;
- financing statements under Article 9 of the California Commercial Code with respect to the Renewable Energy Equipment, sufficient to perfect security interests in personal property and fixtures and treating such Article 9 as effective with respect to governmental transfers;

- a copy of a fully completed and executed Form 8038-TC with respect to the Agreement in accordance with Section 4.05(g) of the Agreement;
- a waiver or waivers of interest in the Renewable Energy Equipment, satisfactory to Lessor, from any mortgagee or any other party having an interest in the real estate on which the Renewable Energy Equipment will be located and/or landlord of the real estate on which the Renewable Energy Equipment will be located;
- a certificate from an authorized officer of the Lessee to the effect that (a) all financial statements and other information delivered to the Purchaser are correct as of the date thereof; and (b) from the date hereof to the Closing Date, no material adverse change has occurred in the Lessee's financial condition that would adversely effect the Lessee's ability to perform its obligations under the Agreement; and
- a certified copy of any Surety Bond satisfying the conditions set forth in Section 7.04 of the Agreement, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date, provided, however, that no "Disbursement Request" pursuant to the Escrow Agreement shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in Section 7.04 of the Agreement have been delivered to Lessor; and
- such other items reasonably required by Lessor.

From the date hereof to the Closing Date, there shall not have occurred any (i) material adverse change in the Lessee's financial condition that would have an adverse effect on the Lessee's ability to perform its obligations under the Agreement, (ii) court decision, proposed law or rule that would have the effect of changing the federal income tax treatment of the Agreement or the contemplated transaction, (iii) international or national crisis or banking moratorium materially affecting, in the reasonable opinion of the Purchaser, the market value of the Agreement or (iv) new restrictions on the extension of credit by banks or other lending institutions by any federal or state agency.

The Lessee shall have executed a tax certificate with respect to the Agreement and the Direct Subsidy to the extent required by the Lessee and based upon advice provided by counsel acceptable to the Lessee.

Fees and Expenses:

The Lessee shall be responsible to pay fees and expenses related to this transaction, including the CDIAC fee and fees and expenses of counsel to the Lessee and Purchaser's Counsel (the fees and expenses of Purchaser's Counsel not to exceed \$12,000) and of the Escrow Agent. Such fees and expenses will be paid by the Lessee from its own funds.

Continuing Disclosure:

It is understood that, with respect to the Agreement, the Lessee will not be required to comply with any continuing disclosure requirements of SEC Rule 15c2-12(b).

Purchaser Contact:

Terri Preston
Banc of America Leasing & Capital, LLC
11333 McCormick Road
Mail Code: MD5-032-07-05
Hunt Valley, MD 21031
Telephone: 443-541-3642
Fax: 804-553-8124

Purchaser Counsel:

Christi Jacobsen
Chapman and Cutler LLP
111 West Monroe Street, 13th Floor
Chicago, Illinois 60603
Telephone: (801) 536-1409 or (312) 845-3709
Fax: (312) 516-1493

Integration Clause:

This offer, when accepted, will with the Agreement (when executed) constitute the complete and entire contract between the Lessee and the Purchaser, and all prior communications and correspondence (including the Proposal Letter previously submitted to the Lessee) between the Lessee and the Purchaser with respect to the subject matter of the contract, whether written or oral, are superseded by the contract.

Governing Law:

This offer and the acceptance hereof, the contract formed hereby and the transactions completed hereunder will be governed by California law.

If the Lessee is in agreement with the terms and conditions contained herein, please sign in the space provided below indicating the Lessee's acceptance of this offer and return an executed copy of the contract via fax or e-mail to the Purchaser. If you should have any questions, please contact the undersigned.

Sincerely,

BANC OF AMERICA LEASING & CAPITAL, LLC

By: _____



Terri J. Preston
Vice President

AGREED AND ACCEPTED ON THE DATE FIRST
ABOVE WRITTEN:

COUNTY OF SANTA CLARA, CALIFORNIA

By: _____

Name: _____

Title: _____

If the Lessee is in agreement with the terms and conditions contained herein, please sign in the space provided below indicating the Lessee's acceptance of this offer and return an executed copy of the contract via fax or e-mail to the Purchaser. If you should have any questions, please contact the undersigned.

Sincerely,

BANC OF AMERICA LEASING & CAPITAL, LLC

By: _____
Terri J. Preston
Vice President

AGREED AND ACCEPTED ON THE DATE FIRST
ABOVE WRITTEN:

COUNTY OF SANTA CLARA, CALIFORNIA

By:  _____
Name: Emily Harrison
Title: Director of Finance

EXHIBIT A
RENTAL PAYMENTS SCHEDULE

RENTAL PAYMENT DATE	RENTAL PAYMENT AMOUNT	INTEREST PORTION	PRINCIPAL PORTION	OUTSTANDING BALANCE	PREPAYMENT PRICE* <small>(including prepayment premium, if applicable)</small>
10/22/15				\$32,999,851.00	\$33,659,848.02
10/1/16	\$1,202,597.07	\$1,202,597.07		32,999,851.00	33,659,848.02
4/1/17	638,547.12	638,547.12		32,999,851.00	33,659,848.02
10/1/17	2,899,398.12	638,547.12	\$2,260,851.00	30,739,000.00	31,353,780.00
4/1/18	594,799.65	594,799.65		30,739,000.00	31,353,780.00
10/1/18	2,869,799.65	594,799.65	2,275,000.00	28,464,000.00	29,033,280.00
4/1/19	550,778.40	550,778.40		28,464,000.00	29,033,280.00
10/1/19	2,840,778.40	550,778.40	2,290,000.00	26,174,000.00	26,697,480.00
4/1/20	506,466.90	506,466.90		26,174,000.00	26,697,480.00
10/1/20	2,811,466.90	506,466.90	2,305,000.00	23,869,000.00	24,346,380.00
4/1/21	461,865.15	461,865.15		23,869,000.00	24,346,380.00
10/1/21	2,780,865.15	461,865.15	2,319,000.00	21,550,000.00	21,981,000.00
4/1/22	416,992.50	416,992.50		21,550,000.00	21,981,000.00
10/1/22	2,750,992.50	416,992.50	2,334,000.00	19,216,000.00	19,600,320.00
4/1/23	371,829.60	371,829.60		19,216,000.00	19,600,320.00
10/1/23	2,720,829.60	371,829.60	2,349,000.00	16,867,000.00	17,204,340.00
4/1/24	326,376.45	326,376.45		16,867,000.00	17,204,340.00
10/1/24	2,690,376.45	326,376.45	2,364,000.00	14,503,000.00	14,793,060.00
4/1/25	280,633.05	280,633.05		14,503,000.00	14,793,060.00
10/1/25	2,659,633.05	280,633.05	2,379,000.00	12,124,000.00	12,366,480.00
4/1/26	234,599.40	234,599.40		12,124,000.00	12,245,240.00
10/1/26	2,628,599.40	234,599.40	2,394,000.00	9,730,000.00	9,827,300.00
4/1/27	188,275.50	188,275.50		9,730,000.00	9,827,300.00
10/1/27	2,597,275.50	188,275.50	2,409,000.00	7,321,000.00	7,394,210.00
4/1/28	141,661.35	141,661.35		7,321,000.00	7,394,210.00
10/1/28	2,566,661.35	141,661.35	2,425,000.00	4,896,000.00	4,944,960.00
4/1/29	94,737.60	94,737.60		4,896,000.00	4,944,960.00
10/1/29	2,534,737.60	94,737.60	2,440,000.00	2,456,000.00	2,480,560.00
4/1/30	47,523.60	47,523.60		2,456,000.00	2,480,560.00
10/1/30	2,503,523.60	47,523.60	2,456,000.00		
	\$43,912,620.61	\$10,912,769.61	\$32,999,851.00		

* The Prepayment Price with respect to any prepayment in whole or the prepayment price with respect to prepayment in part shall be equal to (i) before October 22, 2025, 102% of the principal components of the Rental Payments to be prepaid plus accrued interest on such prepaid principal components to the prepayment date, and (ii) on and after October 22, 2025, 101% of the principal components of the Rental Payments to be prepaid plus accrued interest on such prepaid principal components to the prepayment date.

ATTACHMENT M.5

ESCROW AND ACCOUNT CONTROL AGREEMENT

This Escrow and Account Control Agreement (this "*Agreement*"), dated as of October 22, 2015 by and among Banc of America Leasing & Capital, LLC, a Delaware limited liability company (together with its successors and assigns, hereinafter referred to as "*Lessor*"), County of Santa Clara, California, a political subdivision of the State of California (hereinafter referred to as "*Lessee*") and Bank of America, National Association, a national banking association organized under the laws of the United States of America, as escrow agent ("*Escrow Agent*").

Reference is made to that certain Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy) dated as of October 22, 2015 between Lessor and Lessee (hereinafter referred to as the "*Lease*"), covering the acquisition and lease of certain Renewable Energy Equipment described therein (the "*Renewable Energy Equipment*"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Lease. It is a requirement of the Lease that the Acquisition Amount (\$32,999,851) be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Renewable Energy Equipment.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. *Creation of Escrow Account.*

(a) There is hereby created an escrow fund to be known as the "County of Santa Clara, California Escrow Account" (the "*Escrow Account*") to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) Lessee may, from time to time, provide written instructions for Escrow Agent to use any available cash in the Escrow Account to purchase any money market fund or liquid deposit investment vehicle that Escrow Agent from time to time makes available to the parties hereto. Such written instructions shall be provided via delivery to Escrow Agent of a signed and completed Escrow Account Investment Selection Form (such form available from Escrow Agent upon request). All funds invested by Escrow Agent at the direction of Lessee in such short-term investments shall be deemed to be part of the Escrow Account and subject to all the terms and conditions of this Agreement. If any cash is received for the Escrow Account after the cut-off time for the designated short-term investment vehicle, the Escrow Agent shall hold such cash uninvested until the next Business Day. In the absence of written instructions designating a short-term investment for cash, cash in the Escrow Account shall remain uninvested. Escrow Agent shall have no obligation to pay interest on cash in respect of any period during which it remains uninvested. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with

federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, neither the Escrow Agent nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Account, and Lessee, to the extent permitted by law, agrees to and does hereby release the Escrow Agent and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Escrow Account shall become part of the Escrow Account, and gains and losses on the investment of the moneys on deposit in the Escrow Account shall be borne by the Escrow Account. The Escrow Agent shall have no discretion whatsoever with respect to the management, disposition or investment of the Escrow Account. The Escrow Agent shall not be responsible for any market decline in the value of the Escrow Account and has no obligation to notify Lessor and Lessee of any such decline or take any action with respect to the Escrow Account, except upon specific written instructions stated herein. For purposes of this agreement, “*Qualified Investments*” means any investments which meet the requirements of California Government Code Sections 53601 *et seq.*

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall deposit into the Escrow Account any funds needed to complete the acquisition of the Renewable Energy Equipment. Any moneys remaining in the Escrow Account on or after the earlier of the dates specified in Section 4 hereof shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account or (ii) written notice given by Lessor of the occurrence of an Event of Default under the Lease.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. Notwithstanding and without limiting the generality of the foregoing, concurrent with the execution of this Agreement, Lessee and Lessor, respectively, shall deliver to the Escrow Agent an authorized signers form in the form of *Exhibit A-1* (Lessee) and *Exhibit A-2* (Lessor) attached hereto. Notwithstanding the foregoing sentence, the Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the parties or by a person or persons authorized by the parties. The Escrow Agent specifically allows for receiving direction by written or

electronic transmission from an authorized representative with the following caveat, Lessee, to the extent permitted by law, and Lessor agree to indemnify and hold harmless the Escrow Agent against any and all claims, losses, damages, liabilities, judgments, costs and expenses (including reasonable attorneys' fees) (collectively, "Losses") incurred or sustained by the Escrow Agent as a result of or in connection with the Escrow Agent's reliance upon and compliance with instructions or directions given by written or electronic transmission given by each, respectively, *provided, however*, that such Losses have not arisen from the gross negligence or willful misconduct of the Escrow Agent, it being understood that forbearance on the part of the Escrow Agent to verify or confirm that the person giving the instructions or directions, is, in fact, an authorized person shall not be deemed to constitute gross negligence or willful misconduct.

In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee, to the extent permitted by law, agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this agreement; and in connection therewith, does to the extent permitted by law indemnify the Escrow Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement. The Escrow Agent shall be reimbursed by Lessee for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection for actions taken in good faith and in reliance on the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its gross negligence or willful misconduct.

(i) Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Lease, or in connection with any dispute between Lessor and Lessee concerning the Escrow Account.

(j) The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the "*Effective Date*"), which shall be a date not less than 60 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Escrow Account.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement.

2. *Acquisition of Property.*

(a) *Acquisition Contracts.* Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Renewable Energy Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Renewable Energy Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Renewable Energy Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to monitor or enforce Lessee's compliance with the foregoing covenant.

(b) *Authorized Escrow Account Disbursements.* It is agreed as between Lessee and Lessor that Disbursements from the Escrow Account shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Renewable Energy Equipment.

(c) *Requisition Procedure.* No disbursement from the Escrow Account shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due and the manner of disbursement (check or wire). The Escrow Agent is

authorized to obtain and rely on confirmation of such Disbursement Request and payment instructions by telephone call-back to the person or persons designated for verifying such requests on *Exhibit A-2* (such person verifying the request shall be different than the person initiating the request). The Lessor and Lessee hereby confirm that any call-back performed by Escrow Agent to verify a disbursement instruction before release, shall be made to Lessor only and Escrow Agent shall have no obligation to call-back Lessee.

Each such requisition shall be signed by an authorized representative of Lessee (an "*Authorized Representative*") and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule 1 certifying that:

(i) an obligation in the stated amount has been incurred by Lessee, and that the same is a proper charge against the Escrow Account for costs relating to the Renewable Energy Equipment identified in the Lease, and has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof); (ii) the Authorized Representative has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made; (iii) such requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date of such certificate, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee); (iv) the Renewable Energy Equipment is insured in accordance with the Lease; (v) no Event of Default (nor any event which, with notice or lapse of time or both, would become an Event of Default) has occurred and is continuing; (vi) such disbursement shall occur during the Acquisition Period; (vii) the representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof; and (viii) no Material Adverse Change has occurred since the date of the execution and delivery of the Lease.

2. Delivery to Lessor invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement), information regarding progress payments or otherwise as set forth in Schedule 1 hereto and bills of sale (if title to such Renewable Energy Equipment has passed to Lessee) therefor and any additional documentation reasonably requested by Lessor; and

3. The disbursement shall occur during the Acquisition Period.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule 1 and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied. If all such requirements and conditions are satisfied, Lessor shall approve the requisition within five (5) business days after submission to it by Lessee for approval.

3. *Deposit to Escrow Account.* Upon satisfaction of the conditions specified in Section 3.04 of the Lease, Lessor will cause the Acquisition Amount to be deposited into the Escrow Account. Lessee agrees to pay any costs with respect to the Renewable Energy Equipment in excess of amounts available therefor in the Escrow Account.

4. *Excessive Escrow Account.* Upon receipt of written instructions from Lessor including a representation that one of the following conditions has been satisfied (upon which representation Escrow Agent shall conclusively rely), any funds remaining in the Escrow Account on or after the earlier of (a) the expiration of the Acquisition Period and (b) the date on which Lessee executes an Acceptance Certificate and all payments to SunPower as Vendor have been made and (c) the 90th day following the later of October 22, 2018 or, if the Lessee has obtained an extension of the expenditure period from the Secretary of the Treasury, the end of such extended period, or upon a termination of the Escrow Account as otherwise provided herein, shall be distributed by the Escrow Agent to the Lessor in order for the Lessor to apply such funds to amounts owed by Lessee under the Lease in accordance with Section 4.06 of the Lease.

5. *Security Interest.* The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account and all proceeds thereof, and all investments made with any amounts in the Escrow Account. If the Escrow Account, or any part thereof, is converted to investments as set forth in this agreement, such investments shall be made in the name of Escrow Agent and the Escrow Agent hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

6. *Control of Escrow Account.* In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Escrow Account, (iii) all of Lessee's rights in respect of the Escrow Account, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the "*Collateral*"), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the state of California ("*Commercial Code*") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Provided that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (a) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (b) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may affect sales, trades, transfers and exchanges of Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

ATTACHMENT A

COUNTY OF SANTA CLARA MEMORANDUM OF UNDERSTANDING FOR USE OF ROADS AND AIRPORTS PROPERTIES AMONG AND BETWEEN ROADS/AIRPORTS AND FAF

This is a Memorandum of Understanding (“MOU”) between the Facilities and Fleet Department (“FAF”) and the Roads and Airports Department (“Roads/Airports”) of the County of Santa Clara for the use of Roads/Airports properties serving a Roads (or where applicable, Airports) and other public purposes.

1. PURPOSE

- a. FAF manages the County’s various general fund property holdings, and is responsible for development and implementation of the County’s alternative energy projects on County property.
- b. Roads/Airports manages the County’s roads and airports holdings for applicable roads or airports purposes, including those depicted on **Exhibit A** (the “Properties”).
- c. Roads/Airports incurs annual costs in securing and maintaining the Properties.
- d. Through the provision of federal funding (New CREBs), FAF has partnered with a solar PV system provider to install renewable generating facilities on County property and will serve the primary purpose of fulfilling County, state and federal clean renewable energy and sustainability goals (including climate change). This PV system will generate renewable electricity at lower cost to the County over time than through the traditional method of energy delivery.
- e. FAF has identified the Properties as Project Sites potentially suitable for installation and operation of a solar PV systems and, if used for this purpose, net energy savings are expected to be generated for the benefit of the County over a 25 year period. Such net energy savings would be received from PG&E in the form of net energy bill credits (the “Energy Bill Credits”).
- f. Roads/Airports desires to benefit from the use of the Properties as an alternative energy site which would serve a roads or airports purpose (as applicable) if Roads/Airports were to receive 100% of the actual net savings resulting from the Energy Bill Credits attributable to the use of the Properties.

2. THE PROPERTIES (Reid Hillview & South County Airports, and Guadalupe Freeway at Capital Expressway)

FAF (and each of the County's successors, contractors, tenants and assigns) will use the Properties as alternative energy sites (e.g. Solar PV System sites), subject to the following conditions:

- a. Roads/Airports will continue, and shall be responsible and liable for, ongoing Roads/Airports duties and costs related to Roads/Airports activities, including all responsibility for compliance with applicable Roads/Airports regulatory agency permits. To this end, Roads/Airports will be provided with uninterrupted access to the Properties prior to, during, and after installation of any fencing installed in or around the alternative energy systems. FAF will ensure that Roads/Airports is supplied with keys, combinations or any other necessary mechanism for uninterrupted access to the Properties. No changes to access will be made without obtaining written approval from Roads/Airports.
- b. FAF will have exclusive use of the Properties within the fenced boundaries for the sole purpose of constructing, installing, managing, operating and using a solar or other alternative energy project ("alternative energy system", "Facility", "Eligible Renewable Generating Facility", as used interchangeably) on these Properties, including a right of ingress and egress, and the ability to install any and all necessary connections and utilities for this use. Roads/Airports will retain a right of access to the site as landowner and agency responsible for compliance with Roads/Airports applicable regulatory requirements. The alternative energy systems will be fenced off by FAF or its agents. All FAF responsibilities shall be within the fenced off areas of the site; however, Roads/Airports shall retain responsibility within the fenced area for those duties outlined in Section 2.a. above.
- c. FAF will be solely responsible for all costs, expenses and liabilities associated with its use and installation of the alternative energy system, including system operations, phone use, utilities, IT infrastructure and network connectivity, environmental mitigation, contamination, CEQA, emergency response, fire/life/safety/hazardous materials compliance, compliance with applicable laws and site security (excepting those obligations of Roads/Airports as stated herein). FAF shall be responsible for obtaining necessary approvals and meeting all conditions of the Federal Aviation Administration (FAA), Caltrans, and other regulatory, code compliance or permitting agencies having jurisdiction over the Properties.
- d. The parties acknowledge and understand that the Planning Department developed an Initial Study and Mitigated Negative Declaration for the Project and that both

the Project and the IS/MND have been finalized and approved by the Board of Supervisors on March 24, 2015.

- e. FAF or its contractors shall be responsible for any replacement or damage that occurs to the Properties, including fencing and utilities infrastructure, that results, directly or indirectly, from any or all activities of FAF or its contractors related to the Sunpower project prior to, during, or following the installation of the Eligible Renewable Generating Facilities at the Properties.
- f. Prior to, during, and following construction of the Facility, and for the life of the Project, FAF will establish a staff contact and provide a phone contact to address any/all public inquiries, complaints related to the Sunpower project. Roads/Airports staff will refer all inquiries to this source. This contact information will be prominently posted on the project sites.
- g. Roads/Airports commits use of these Properties for a period of 25 years. At the end of this commitment, Roads/Airports retains the right to use the Properties for a public purpose consistent with Roads/Airports governing charters. Within 180 days from the 25th year, FAF will be obligated to remove all Solar PV System infrastructure and restore the Properties to the baseline condition of March 25, 2015, reasonable wear and tear excepted. Upon mutual agreement, Roads/Airports and FAF may elect to extend the use of this site for the Solar PV System project.
- h. Prior to the start date of any construction, Roads/Airports reserves the right, but not the obligation, to review all construction plans prior to construction within the review time periods allotted to FAF under the Master Purchasing and Services Agreement, provided that Roads/Airports shall not unreasonably delay its review and completes all such reviews within ten days of receipt of such documentation from FAF.
- i. FAF will be responsible for ensuring compliance with all applicable ordinances and agreements, including but not limited to the IPM Ordinance and Cal-Fire (CDF) Memorandum of Agreement (Santa Clara County Parks and Recreation Department and Airport Department Fire Prevention Operational Procedures).
- j. All trash and debris shall be contained in appropriate receptacles at all times and disposed of in accordance with applicable laws.
- k. FAF shall ensure that all uses and all employees, contractors, state agencies, federal agencies and other users of the Properties comply fully with all County and other applicable laws, rules, regulations, policies and procedures at all times (excepting those obligations of Roads/Airports as stated herein above).

3. FINANCIAL PROVISIONS.

Roads/Airports will receive an annual credit in the amount equal to 100 percent of the Actual Net Savings resulting from the use of the Energy Bill Credits generated by the Eligible Renewable Generating Facility. The Actual Net Savings shall be calculated on an annual basis by applying the appropriate formula shown in Section 3.1. FAF will calculate the actual amount to be credited to Roads/Airports which shall be subject to Roads/Airports review and approval. The credit will be transferred to Roads/Airports in the form of revenue. FAF and Roads/Airports shall jointly establish a transparent documentation process prior to transferring the annual net savings credit amount to Roads/Airports. FAF will provide relevant documentation supporting the calculation of the transfer amount. Roads/Airports and FAF will meet and confer to establish a standard format for this documentation so that annual comparisons provide consistent savings/revenue data.

3.1 NET SAVINGS CALCULATION FORMULA

Actual Net Savings Calculation formula:

Actual Net Savings = PG&E Bill Credits – Bond Debt Repayment Charges – PG&E Charges – Lost NEM Credits – Unapplied PG&E Bill Credits – Operations & Maintenance Charges – Performance Guarantee Charges – Major Maintenance Charges – Regulatory and Environmental Charges – Insurance Charges – Program Administration Costs.

PG&E Charges shall include, but not necessarily be limited to, Special Facilities charges, RES-BCT charges, Stand-by charges, Power Charge Indifference Adjustment (PCIA) charges and Cost of Ownership charges. Roads/Airports acknowledges that PG&E may impose additional applicable charges as may be approved by the California Public Utilities Commission from time to time.

4. TERM

This MOU shall be effective for so long as the Properties are used by FAF for an alternative energy system, for a minimum of 25 years from the date of system operation.

5. AMENDMENT

Any amendment to the terms and conditions of this MOU shall be effective only upon mutual agreement in writing signed by all parties to this MOU. Any provision of the MOU which conflicts with new or revised financial conditions or requirements, or state or federal laws, shall be deemed to be amended consistent with those laws and requirements.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding effective ("Effective Date") as of the last date signed below by all parties:




Sylvia Gallegos, Deputy County Executive
Office of the County Executive

8-24-2016
Date Signed



Michael Murdter, Director
Director of Roads and Airports Department

8/24/16
Date Signed



Jeffrey Draper, Director
Facilities and Fleet Department

8/22/2016
Date Signed

EXHIBIT A – PROPERTIES & SITE DESCRIPTIONS

Site Name: Guadalupe Parkway

Site Address: 783 Amanda Drive, San Jose, CA 95136

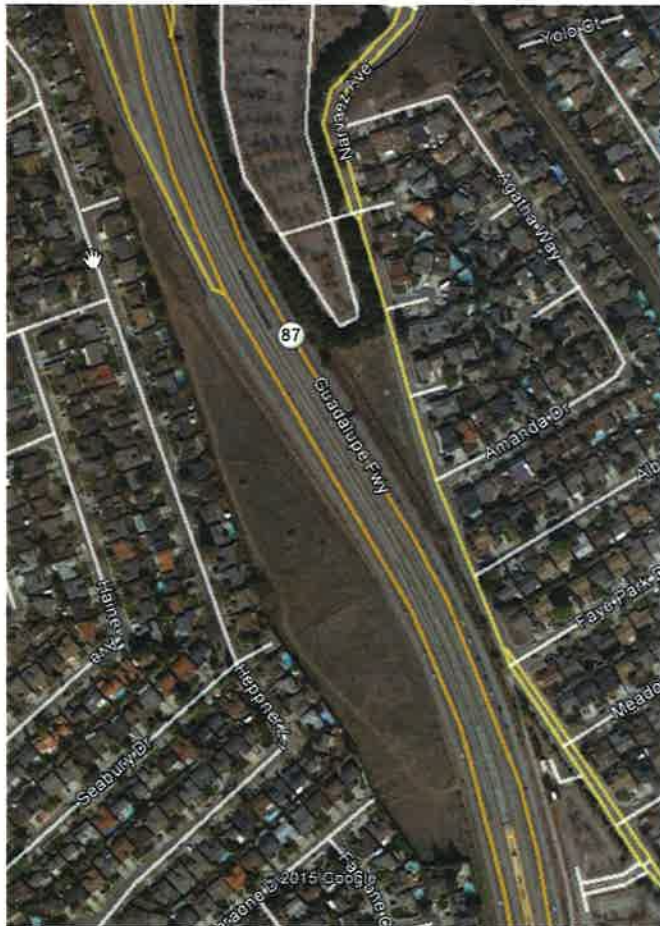
Parcel Number(s): 459-28-005, 459-28-004, 462-14-019

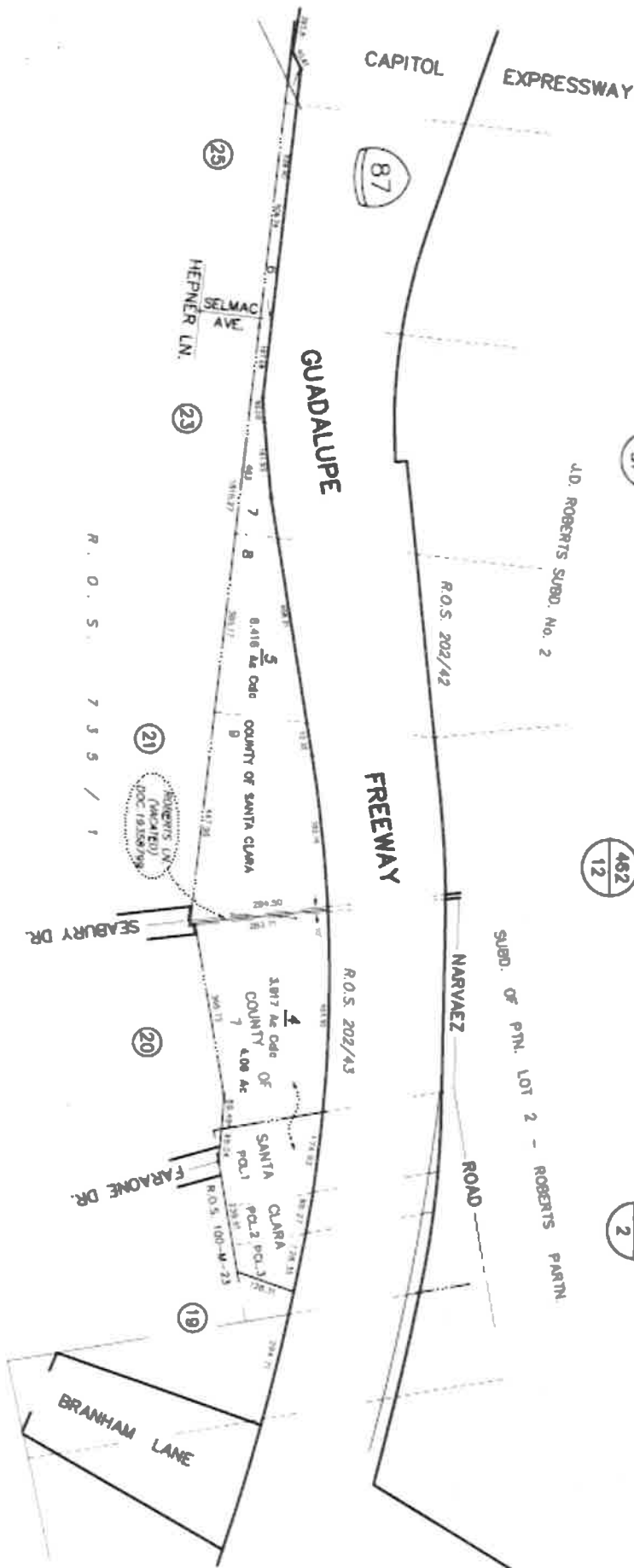
Description of Site and Surrounding Area:

This site is a vacant lot located along the Guadalupe/87 Freeway in the south-west quadrant of the intersection of the Guadalupe/87 Freeway and Capital Expressway in the southern part of the city of San Jose. The site is owned and maintained by the Santa Clara County Department of Roads and Airports. Currently there is limited access to the site from Capitol Expressway and restricted access from the Guadalupe/87 Freeway.

Site Exposure: C

Satellite Picture of Property:





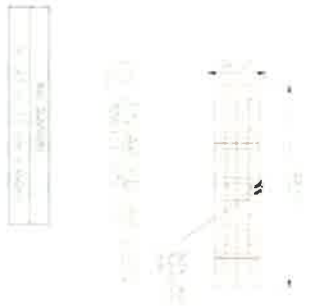
Ex A - 2

UNLESS OTHERWISE SPECIFIED
All dimensions are in feet and inches
unless otherwise noted. See also
Section 54110, Public Resources Code
and Section 54110, Public Resources Code

Project: 121-960663 Latitude: 37.27304
 Total # of Panels: 1
 Result at: EVERGREEN 2105
 From: 1yrn Larger Conductors (OverSize = 350 MCM)
 Feeder Name: EVERGREEN 2105
 Feeder Number: R2012105
 Nominal Circuit Voltage (kV): 21
 Circuit Capacity (MW): 20.69
 Circuit Projected Weak Load (MW): 15.44
 Substation Name: 42
 Substation Bank Capacity (MW): 42
 Distribution Bank Name: 42.1
 Distribution Bank Capacity (MW): 42.1
 Grounding Distribution (MW): 11.75
 Total Distributed Generation (MW): 9.1175



1. This document is the property of SunPower Corporation. It is to be used only for the project and site identified herein. It is not to be distributed, copied, or otherwise used for any other project or site without the written consent of SunPower Corporation.



2. This document is the property of SunPower Corporation. It is to be used only for the project and site identified herein. It is not to be distributed, copied, or otherwise used for any other project or site without the written consent of SunPower Corporation.

COUNTY OF SANTA CLARA
GUADALUPE PARKWAY

GROUND-FIX TILT
ARRAY LAYOUT

SUNPOWER

1000 AVENUE OF THE SUN
 SUNNYVALE, CA 94089-1000
 (415) 962-2000

REV	DESCRIPTION	DATE	BY	CHK
1	ISSUED FOR PERMIT	08/11/11
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Site Name: **San Martin Airport***

**Note: San Martin Airport is the official name for South County Airport, but the former is not yet recognized by the FAA so this should be clarified in the CEQA application.*

Site Address: 13030 Murphy Avenue, San Martin, CA 95046

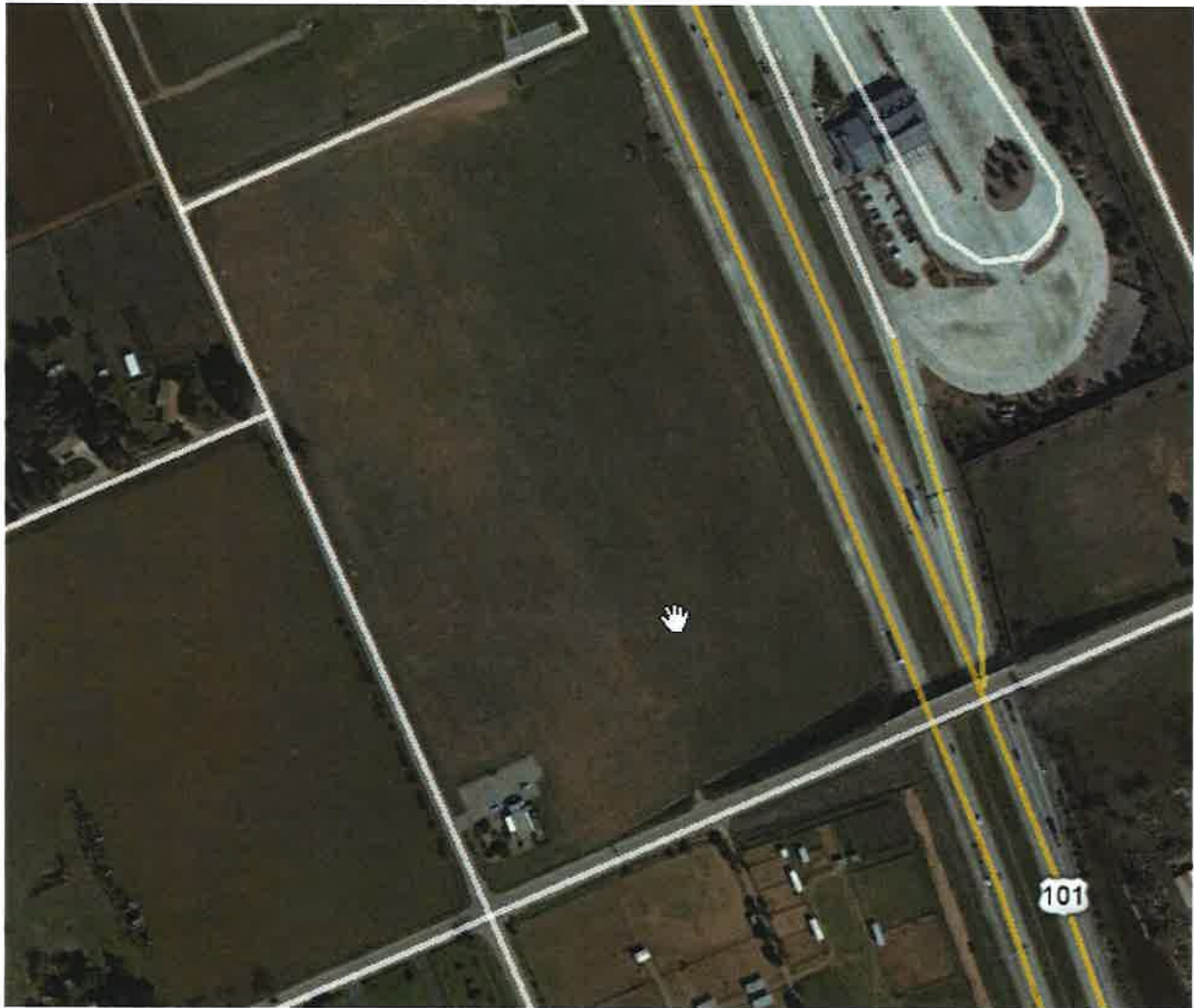
Parcel Numbers: 825-11-022

Description of Site and Surrounding Area:

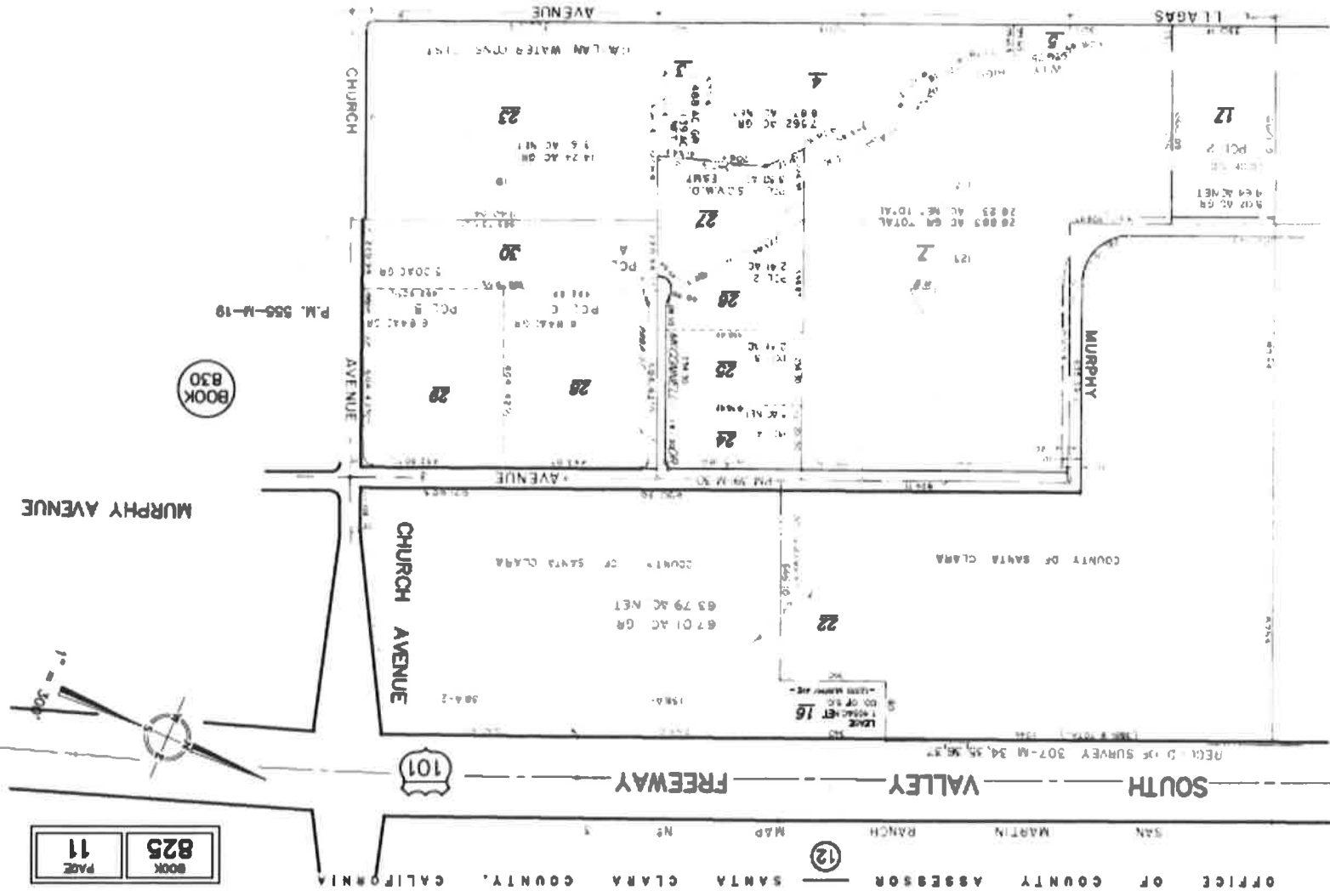
This is vacant land property owned by the Santa Clara County Department of Roads and Airports. The property is located north-west of the intersection of Highway 101 and Church Avenue, accessible from Murphy Avenue, and located in the community of San Martin.

Site Exposure: C

Satellite Picture of Property:



OFFICE OF COUNTY ASSESSOR
 SANTA CLARA COUNTY, CALIFORNIA
 MAP No. 12
 SAN MARTIN RANCH
 MAP No. 2



BOOK 825
 PAGE 11

BOOK 830

P.M. 555-M-19

MURPHY AVENUE

101

SOUTH VALLEY FREEWAY

CHURCH AVENUE

MURPHY

COUNTY OF SANTA CLARA

COUNTY OF SANTA CLARA

OFFICE OF COUNTY ASSESSOR
 SANTA CLARA COUNTY, CALIFORNIA
 MAP No. 12
 SAN MARTIN RANCH
 MAP No. 2

BOOK 825
 PAGE 11

BOOK 830

P.M. 555-M-19

MURPHY AVENUE

101

SOUTH VALLEY FREEWAY

CHURCH AVENUE

MURPHY

COUNTY OF SANTA CLARA

COUNTY OF SANTA CLARA

OFFICE OF COUNTY ASSESSOR
 SANTA CLARA COUNTY, CALIFORNIA
 MAP No. 12
 SAN MARTIN RANCH
 MAP No. 2

BX A-5

Site Name: Reid-Hillview Airport

Site Address: 2500 Cunningham Avenue, San Jose, CA 95148

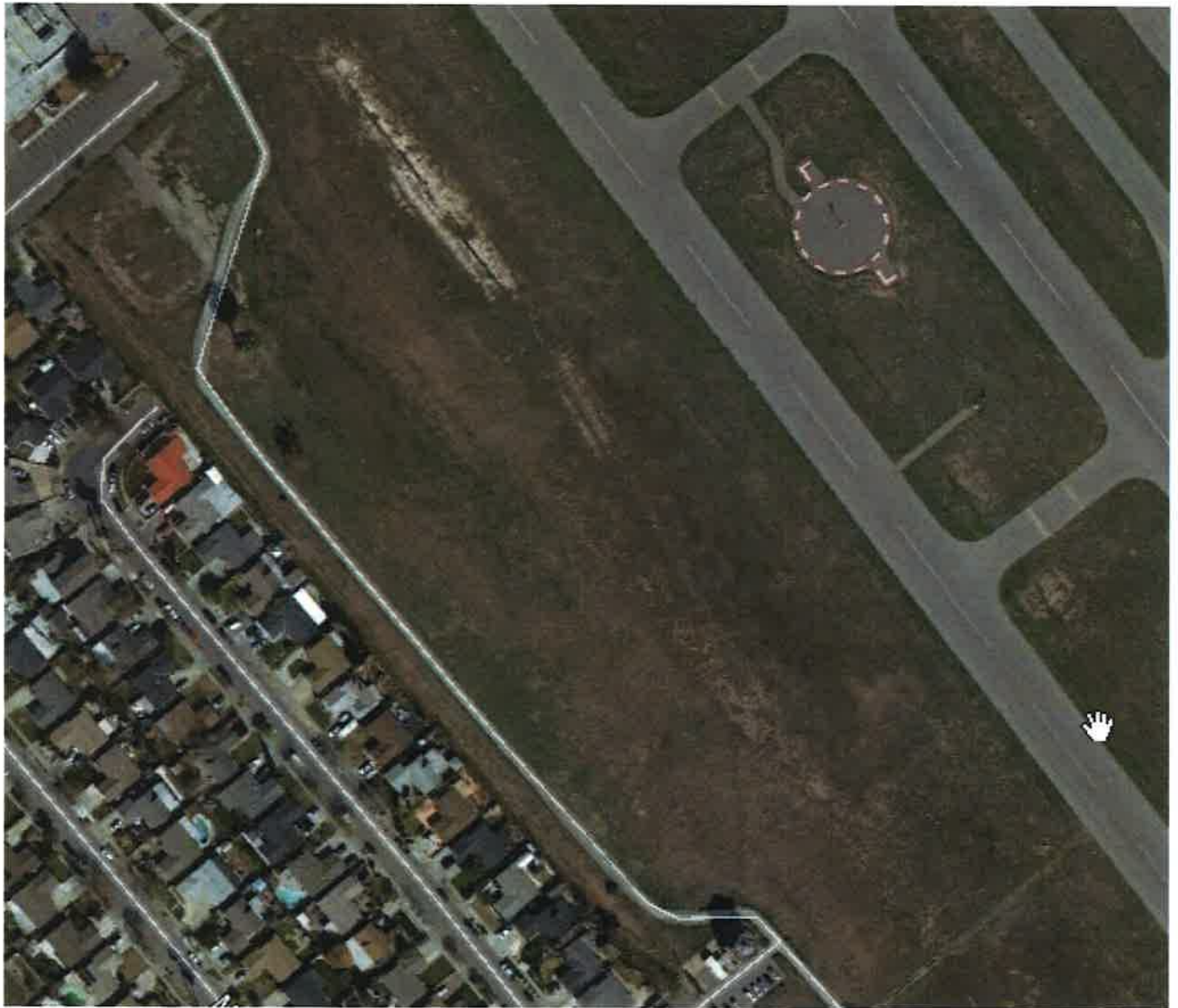
Parcel Numbers: 491-13-001, 491-12-070, 491-12-069, 491-15-009, 491-12-063

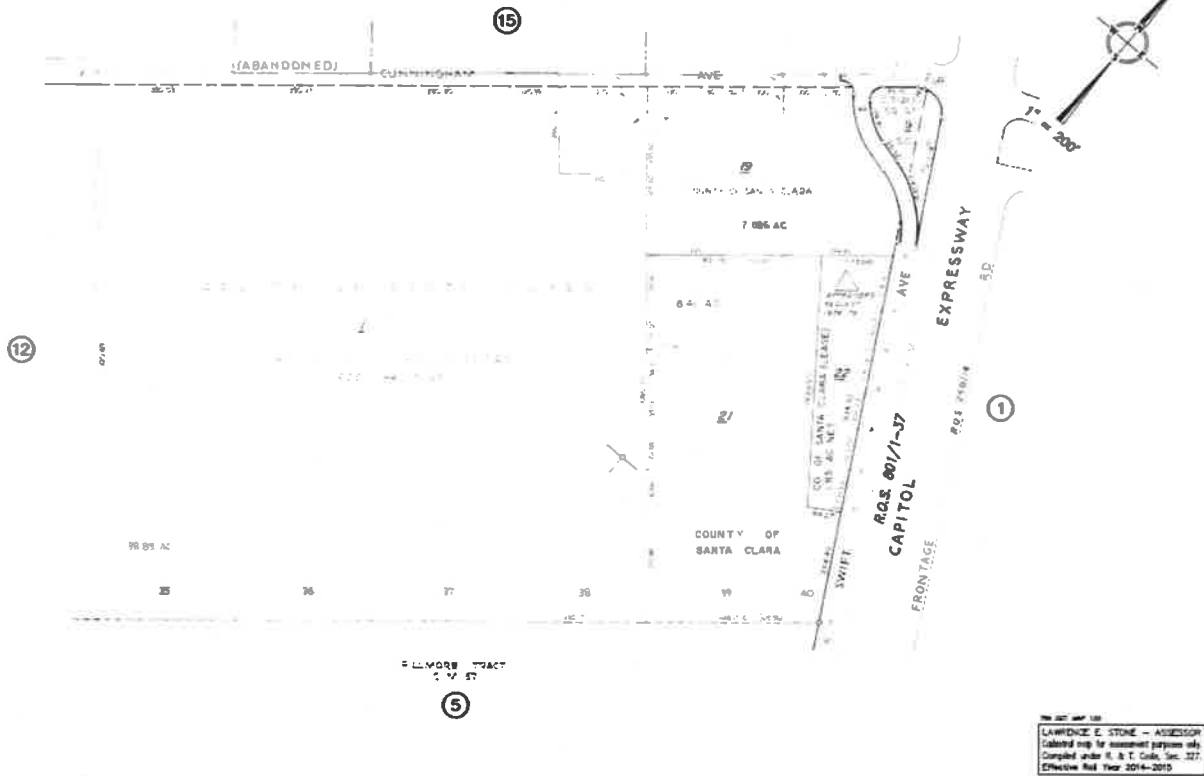
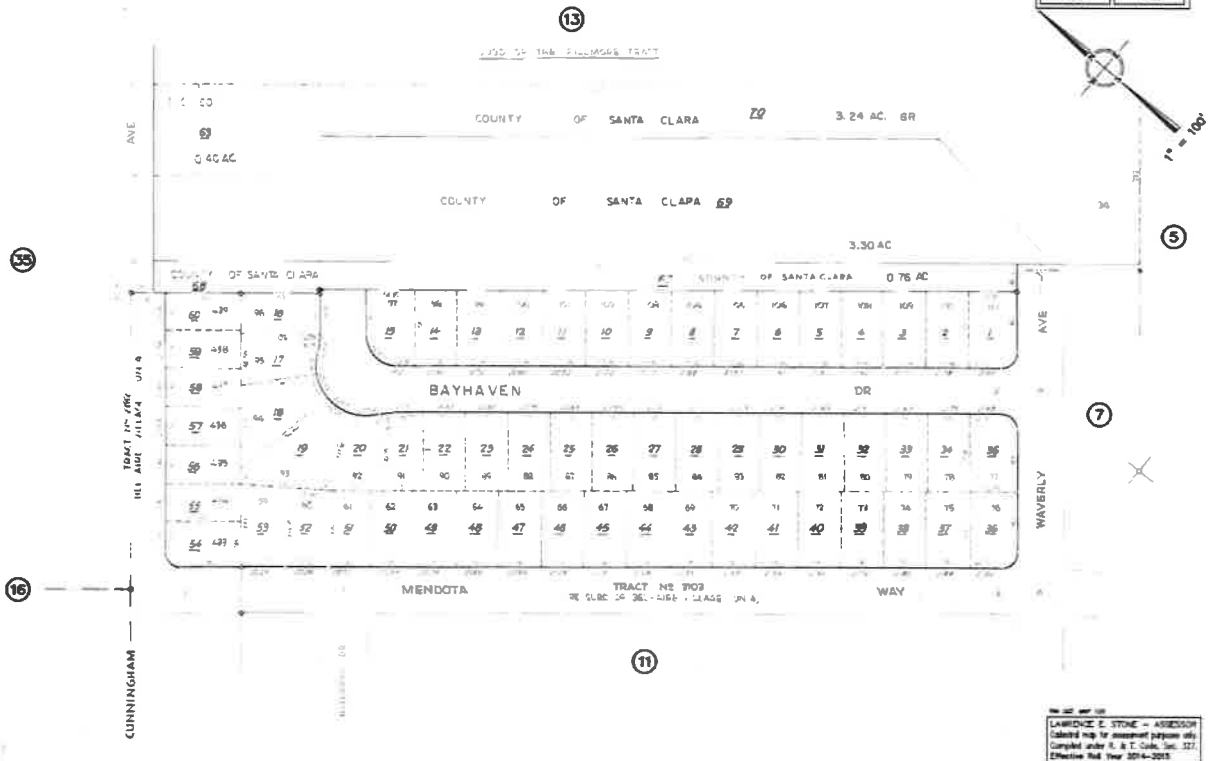
Description of Site and Surrounding Area:

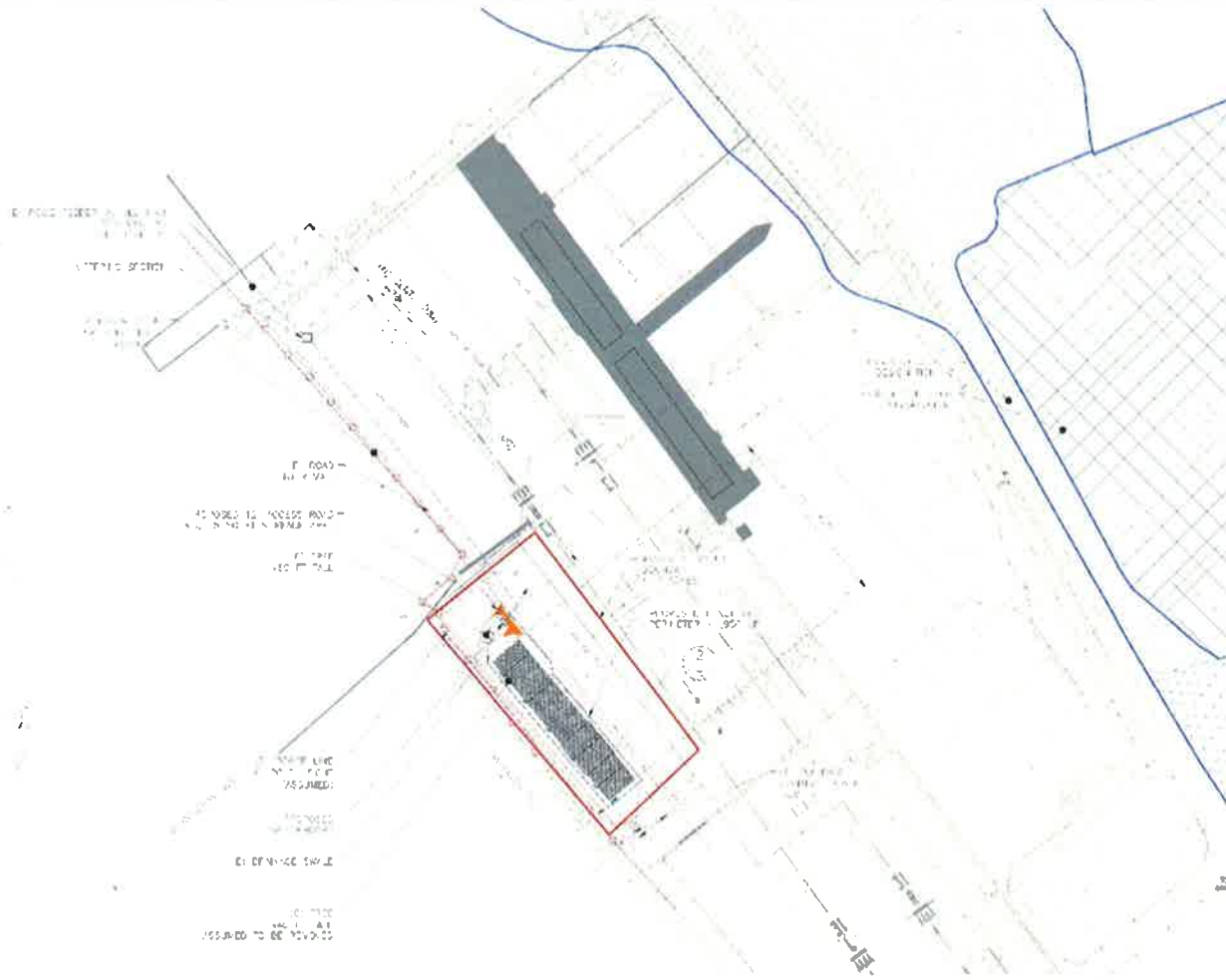
This site is located on the southwest side of Reid-Hillview Airport near Cunningham Avenue. The project site is surrounded by the Reid Hillview Airport landing strip to the east and north-east, vacant land to the north-west, single family homes to the west and south-west, and Tully Rd to the south and south-east. Any construction or site improvements on this land require Federal Aviation Administration review and approval.

Site Exposure: C

Satellite Picture of Property:







NOTES

1. THIS DESIGN ASSUMES THE SITE IS A FLAT GRADE AND DISTANCES ARE MEASURED TO THE CENTER OF THE BUILDING.
2. THE DESIGN ASSUMES THE SITE IS A FLAT GRADE AND DISTANCES ARE MEASURED TO THE CENTER OF THE BUILDING.
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6. THE DESIGN ASSUMES THE SITE IS A FLAT GRADE AND DISTANCES ARE MEASURED TO THE CENTER OF THE BUILDING.

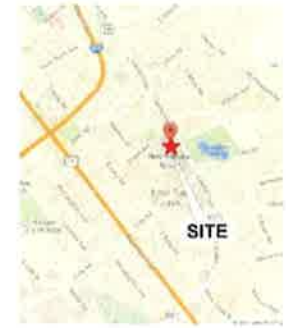


SCALE: AS SHOWN

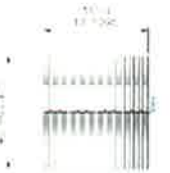
PROJECT: SUNPOWER
 10000 S. ...
 10000 S. ...
 10000 S. ...
 10000 S. ...

Total # of Results: 4
 Result #1: MC KEE 1104
 From layer: Smaller Conductors (WireSize <= 350 AWG)

Feeder Name	MC KEE
Feeder Number	83531104
Nominal Circuit Voltage (kv)	12
Circuit Capacity (MW)	11.56
Circuit Projected Peak Load (MW)	10.63
Substation Bank	1
Substation Bank Capacity (MW)	29.7
Substation Bank Peak Load (MW)	26
Existing Distributed Generation (MW)	0.2717
Queued Distributed Generation (MW)	0
Total Distributed Generation (MW)	0.2717



10000 S. ...
 10000 S. ...



480 MODULES 60W 450W
 208.00 kWp = 192.00 kWac
 108 PERS. 1 DRIVE MOTOR
 8 x 24kWac STRING INVERTERS
 GCR=0.80
 (TYP)



COUNTY OF SANTA CLARA
 SAN JOSE AIRPORT
 OASIS OF PACIFIC
 ARRAY LAYOUT

PROJECT	SUNPOWER
CLIENT	...
DATE	...
SCALE	...
DESIGNER	...
CHECKER	...
DATE	...

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

7. *Information Required Under USA PATRIOT Act.* The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

8. *Miscellaneous.* Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This agreement may not be amended except in writing signed by all parties hereto. This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail *provided* that any formal notice be attached to an email message in PDF format and *provided further* that any notice or other communication sent to an e-mail address shall be deemed received upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt.

If to Lessor:	Banc of America Leasing & Capital, LLC 11333 McCormick Road Mail Code: MD5-032-07-05 Hunt Valley, MD 21031 Attn: Contract Administration Fax: (443) 541-3643
---------------	---

If to Lessee: County of Santa Clara, California
70 West Hedding Street
East Wing, Second Floor
San Jose, California 95110
Attn: Director of Finance
Fax: (408) 289-8629

If to Escrow Agent Bank of America, National Association
Global Custody and Agency Services
135 South LaSalle Street
IL4-135-18-51
Chicago, Illinois 60603
Attention: Alice M. Wolan
Telephone: (312) 992-9782
Fax: (312) 453-4443
Email address: alice.m.wolan@baml.com

9. Lessee and Lessor understand and agree that they are required to provide the Escrow Agent with a properly completed and signed Tax Certification (as defined below) and that the Escrow Agent may not perform its duties hereunder without having been provided with such Tax Certification. As used herein "*Tax Certification*" shall mean an IRS form W-9 or W-8 as described above. The Escrow Agent will comply with any U.S. tax withholding or backup withholding and reporting requirements that are required by law. With respect to earnings allocable to a foreign person, the Escrow Agent will withhold U.S. tax as required by law and report such earnings and taxes withheld, if any, for the benefit of such foreign person on IRS Form 1042-S (or any other required form), unless such earnings and withheld taxes are exempt from reporting under Treasury Regulation Section 1.1461-1I(2)(ii) or under other applicable law. With respect to earnings allocable to a United States person, the Escrow Agent will report such income, if required, on IRS Form 1099 or any other form required by law. The IRS Forms 1099 and/or 1042-S shall show the Escrow Agent as payor and Lessee as payee.

Lessee and Lessor agree that they are not relieved of their respective obligations, if any, to prepare and file information reports under Code Section 6041, and the Treasury regulations thereunder, with respect to amounts of imputed interest income, as determined pursuant to Code Sections 483 or 1272. The Escrow Agent shall not be responsible for determining or reporting such imputed interest.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the parties hereto consent to jurisdiction in the State of California and venue in any state or Federal court located in the County of Santa Clara, California.

11. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding. Any bank or corporation into which the Lessor

may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

12. This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

13. No party hereto shall assign its rights hereunder until its assignee has submitted to the Escrow Agent (i) Patriot Act disclosure materials and the Escrow Agent has determined that on the basis of such materials it may accept such assignee as a customer and (ii) assignee has delivered an IRS Form W-8 or W-9, as appropriate, to the Escrow Agent which the Escrow Agent has determined to have been properly signed and completed.

14. Escrow Agent will treat information related to this Agreement as confidential but, unless prohibited by law, Lessee and Lessor authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates and other representatives and advisors of Escrow Agent and third parties selected by any of them, wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Escrow Agent and any such subsidiary, officer, affiliate or third party may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessor will treat information related to this Agreement as confidential but, unless prohibited by law, Escrow Agent and Lessee authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates, other representatives and advisors of Lessor and debt and equity sources and third parties selected by any of them, and to their prospective assignees wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Lessor and any such subsidiary, officer, affiliate, debt and equity source or third party or prospective assignee may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessee will treat the terms of this Agreement as confidential except on a "need to know" basis to persons within or outside Lessee's organization (including affiliates of such party), such as attorneys, accountants, bankers, financial advisors, auditors and other consultants of such party and its affiliates, except as required by any law, court, regulator or legal process and except pursuant to the express prior written consent of the other parties, which consent shall not be unreasonably withheld.

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[SIGNATURE PAGE FOLLOWS]

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

BANC OF AMERICA LEASING & CAPITAL, LLC,
as Lessor

By: 
Terri J. Preston
Vice President

COUNTY OF SANTA CLARA, CALIFORNIA,
as Lessee

By: _____
Name: _____
Title: _____

BANK OF AMERICA, NATIONAL ASSOCIATION,
as Escrow Agent

By: _____
Name: _____
Title: _____

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

BANC OF AMERICA LEASING & CAPITAL, LLC,
as Lessor

COUNTY OF SANTA CLARA, CALIFORNIA,
as Lessee

By: _____

Terri J. Preston
Vice President

By:  _____

Name: Emily Harrison

Title: Director of Finance

BANK OF AMERICA, NATIONAL ASSOCIATION,
as Escrow Agent

By: _____

Name: _____

Title: _____

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

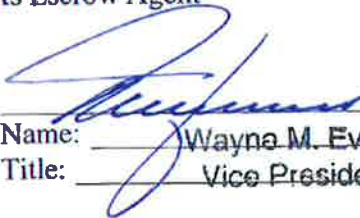
BANC OF AMERICA LEASING & CAPITAL,
LLC
as Lessor

COUNTY OF SANTA CLARA, CALIFORNIA
as Lessee

By: _____
Terri J. Preston
Authorized Agent

By: _____
Name: _____
Title: _____

BANK OF AMERICA, NATIONAL ASSOCIATION
As Escrow Agent

By:  _____
Name: Wayne M. Evans
Title: Vice President

**SCHEDULE 1
TO THE ESCROW AND ACCOUNT CONTROL AGREEMENT**

FORM OF DISBURSEMENT REQUEST

Re: Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy)
dated as of October 22, 2015 by and between
Banc of America Leasing & Capital, LLC, as Lessor and
County of Santa Clara, California, as Lessee (the "*Lease*")
(Capitalized terms not otherwise defined herein shall
have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow and Account Control Agreement, dated as of October 22, 2015 (the "*Escrow Account and Account Control Agreement*") by and among Banc of America Leasing & Capital, LLC ("*Lessor*"), County of Santa Clara, California ("*Lessee*") and Bank of America, National Association, (the "*Escrow Agent*"), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow Account and Account Control Agreement for the following purposes:

DISBURSEMENT AMOUNTS:

PAYEE'S NAME AND ADDRESS (IF DISBURSEMENT VIA WIRE, MUST INCLUDE WIRE TRANSFER INSTRUCTIONS)	INVOICE NUMBER	DOLLAR AMOUNT	PURPOSE

(i) (a) Each obligation specified in the table herein titled as "Disbursement Amounts" has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for costs relating to the Renewable Energy Equipment identified in the Lease, and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof).

(ii) Either (a) each item of Renewable Energy Equipment relating to an obligation specified in the table herein titled as "Disbursement Amounts" has been delivered, installed and accepted by Lessee or (b) the Disbursement Amount will be used to reimburse Lessee for a required progress payment (each a "*progress payment*") in for work actually completed and accepted by Lessee pursuant to and in accordance with the requirements of Exhibit 14 to that certain Master Purchasing and Services Agreement, effective April 7, 2015 (including the Exhibits thereto, the "*MPSA*"), between Lessee and SunPower Corporation Systems

("SunPower"), particularly as described in "b. PROGRESS PAYMENTS" of such Exhibit 14, or (c) retainages or withheld payments as described in paragraph (iv) below. Attached hereto is the original invoice with respect to such obligation (and proofs of payment of such invoices, if Lessee seeks reimbursement).

In the case of item (b) of this paragraph (ii):

(I) Attached hereto are copies of all information provided by SunPower to Lessee in connection with such progress payment as required by "2. PAYMENT PROCEDURES" under such Exhibit 14 to the MPSA (provided Lessee is not required to submit herewith information provided by SunPower pursuant to items 1, 2, 4 or 5 of item i. under "e. ADMINISTRATIVE SUBMITTALS COINCIDING WITH APPLICATIONS FOR PAYMENT" unless requested by Lessor); and

(II) Lessee certifies that the progress payment for which disbursement is requested hereby complies with the requirements of the MPSA, does not include any amount required or authorized to be retained or withheld as provided in the MPSA, does not represent any amount other than progress payments as provided in Exhibit 14 to the MPSA. Lessee also certifies that it has conducted such inspection and testing of the portion of the work it deems necessary and appropriate and has accepted such work for purposes of the MPSA, that the MPSA is in full force and effect and that Lessee has not delivered or received any preliminary or final stop notice under the MPSA or other notice to terminate the MPSA or SunPower's performance of the work under any of the terms thereof; and

(III) If the disbursement requested is for reimbursement of payment of (i) the "commissioning" progress payment or any progress payment thereafter as set forth on Exhibit 22 to the MPSA, the Renewable Energy Equipment has been delivered, installed or (ii) the last progress payment, all Purchase Prices (except for Retainages and any Withheld Payments as defined and described below) have been paid.

(iii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages or other withheld amounts which Lessee is, at the date hereof, entitled to retain, except to the extent such amounts represent a reimbursement to Lessee, and in connection with reimbursement to Lessee for payment of any retained amounts as described in "c. RETENTION" of Exhibit 14 to the MPSA ("*Retainages*") or other withheld amounts as described in "e. PAYMENTS WITHHELD" in such Exhibit 14 ("*Withheld Payments*"), Lessee hereby certifies that:

(I) With respect to Retainages, the disbursement hereby requested is for reimbursement to Lessee for the balance of all Purchase Prices (as defined in the MPSA) less any Withheld Payments relating to such Purchase Prices (which equal \$_____); and

(II) With respect to Withheld Payments, the disbursement hereby requested is for reimbursement to Lessee for payment of such Withheld Payments, the claim or dispute or other basis for withholding the amount hereby requested for disbursement has been resolved to the satisfaction of Lessee, SunPower and any other party involved, such satisfaction being evidenced in writing delivered herewith; and

(III) Lessee certifies that the payment for which reimbursement is hereby requested complies with the requirements of the MPSA, except as provided in (I) above the full Purchase Prices have been paid to SunPower, the MPSA is in full force and effect and Lessee has not delivered or received any preliminary or final stop notice under the MPSA or other notice to terminate the MPSA or SunPower's performance of the work under any of the terms thereof, and all Renewable Energy Equipment has been delivered, installed and accepted by Lessee.

(v) The Renewable Energy Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof.

(vii) The disbursement shall occur during the Acquisition Period.

(viii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(ix) No Material Adverse Change has occurred since the date of the execution and delivery of the Lease.

Dated: _____

COUNTY OF SANTA CLARA, CALIFORNIA

By: _____

Name: _____

Title: _____

Disbursement of funds from the Escrow Account in accordance with the foregoing Disbursement Request hereby is authorized

BANC OF AMERICA LEASING & CAPITAL, LLC
as Lessor under the Lease

By: _____

Name: _____

Title: _____

EXHIBIT A-1

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting Clerk of the Board of Supervisors of the County of Santa Clara, California ("*Lessee*") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "*Officials*") in the capacity set forth opposite their respective names below and that the facsimile signatures are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Taxable NCREB Equipment Lease/Purchase Agreement (Direct Subsidy) dated as of October 22, 2015 by and between Lessee and Banc of America Leasing & Capital, LLC ("*Lessor*"), the Escrow and Account Control Agreement dated as of October 22, 2015 among Lessor, Lessee and Bank of America, National Association, as Escrow Agent, and all documents related thereto and delivered in connection therewith (collectively, the "*Agreements*"), and the Agreements each are the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium or creditor's rights generally, to the application of equitable remedies, to the exercise of judicial discretion and to the limitations on remedies against counties in the State of California.

NAME OF OFFICIAL	TITLE	SIGNATURE
_____	_____	_____
_____	_____	_____

Dated: October 22, 2015

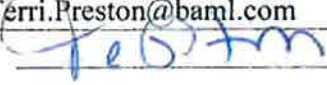
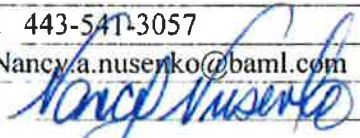
By: _____
Name: _____
Title: _____

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)

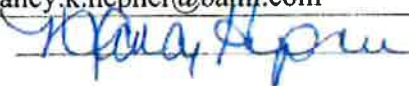
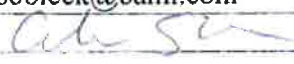
EXHIBIT A-2

Escrow and Account Control Agreement dated as of October 22, 2015
by and among Banc of America Leasing & Capital, LLC, Lessor,
County of Santa Clara, California, as Lessee and
Bank of America, National Association, Escrow Agent

CERTIFICATE OF AUTHORIZED REPRESENTATIVES – LESSOR

Name: Terri Preston	Name: Nancy Nusenko
Title: Vice President	Title: Senior Operations Consultant
Phone: 443-541-3642	Phone: 443-541-3646
Facsimile: 443-541-3057	Facsimile: 443-541-3057
E-mail: Terri.Preston@baml.com	E-mail: Nancy.a.nusenko@baml.com
Signature: 	Signature: 


Fund Transfer / Disbursement Authority Level:	Fund Transfer / Disbursement Authority Level:
<input checked="" type="checkbox"/> Initiate	<input checked="" type="checkbox"/> Initiate
<input type="checkbox"/> Verify transactions initiated by others	<input type="checkbox"/> Verify transactions initiated by others

Name: Nancy Hepner	Name: Arlene Sobieck
Title: Senior Operations Consultant	Title: Senior Operations Consultant
Phone: 443-541-3645	Phone: 443-541-3643
Facsimile: 804-553-2407	Facsimile: 443-541-3057
E-mail: nancy.k.hepner@baml.com	E-mail: Arlene.sobieck@baml.com
Signature: 	Signature: 

Fund Transfer / Disbursement Authority Level:	Fund Transfer / Disbursement Authority Level:
<input checked="" type="checkbox"/> Initiate	<input checked="" type="checkbox"/> Initiate
<input type="checkbox"/> Verify transactions initiated by others	<input type="checkbox"/> Verify transactions initiated by others

The Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the person or persons identified above including without limitation, to initiate and verify funds transfers as indicated.

BANC OF AMERICA LEASING & CAPITAL, LLC

By: 
Terri J. Preston
Vice President

Date: October 22, 2015

Reid Hillview		Does Not Apply to PPA Option											Actual Net Savings	NPV of Net Actual Savings			
		YEAR	Solar Energy Generated (kWh)	Avoided Utility Rate (\$/kWh)	Bill Credits	Debt Service	Bill Credits MINUS Debt Service	Total PCIA Charge	Cost of Ownership (COO)	RES-BCT Annual Fee	O&M Expenses	Performance Guarantee Payment (80%, 1 year true up)			Major Maintenance	Lost NEM Credits	Standby Charges
System Type	Ground Tracker	1	2,109,316	\$0.1594	\$336,225	(\$255,356)	\$80,869	(\$48,936)	(\$5,117)	(\$2,360)	(\$17,226)	(\$903)	(\$2,670)	(\$4,390)	(\$5,262)	(\$5,995)	(\$5,820)
Size of all RESBCT Systems in Project (kWdc)	11,100	2	2,104,043	\$0.1642	\$345,446	(\$228,287)	\$117,158	(\$48,814)	(\$5,117)	(\$360)	(\$17,743)	(\$930)	(\$2,670)	(\$4,437)	(\$5,367)	\$31,721	\$29,900
System Size (kWdc)	1,044	3	2,098,783	\$0.1691	\$354,920	(\$227,623)	\$127,297	(\$48,692)	(\$5,117)	(\$360)	(\$18,275)	(\$958)	(\$2,670)	(\$4,485)	(\$5,474)	\$41,266	\$37,764
		4	2,093,536	\$0.1742	\$364,653	(\$227,623)	\$137,031	(\$48,570)	(\$5,117)	(\$360)	(\$18,823)	(\$986)	(\$2,670)	(\$4,533)	(\$5,584)	\$50,387	\$44,768
Year 1 Generation	2,109,316	5	2,088,302	\$0.1794	\$374,654	(\$227,623)	\$147,031	(\$48,449)	(\$5,117)	(\$360)	(\$19,388)	(\$1,016)	(\$2,670)	(\$4,582)	(\$5,695)	\$59,754	\$51,545
Output Annual Degradation	0.25%	6	2,083,081	\$0.1848	\$384,929	(\$227,623)	\$157,306	(\$48,327)	(\$5,117)	(\$360)	(\$19,970)	(\$1,046)	(\$2,670)	(\$4,631)	(\$5,809)	\$69,375	\$58,101
		7	2,077,873	\$0.1903	\$395,486	(\$228,319)	\$167,167	(\$48,207)	(\$5,117)	(\$360)	(\$20,569)	(\$1,078)	(\$2,670)	(\$4,680)	(\$5,926)	\$78,561	\$63,877
Avoided Utility Rate	\$0.1594	8	2,072,679	\$0.1960	\$406,332	(\$227,616)	\$178,715	(\$48,086)	(\$5,117)	(\$360)	(\$21,186)	(\$1,110)	(\$2,670)	(\$4,730)	(\$6,044)	\$89,412	\$70,582
A6 Annual Escalation Rate	3.0%	9	2,067,497	\$0.2019	\$417,476	(\$228,325)	\$189,150	(\$47,966)	(\$5,117)	(\$360)	(\$21,821)	(\$1,143)	(\$2,670)	(\$4,781)	(\$6,165)	\$99,126	\$75,972
		10	2,062,328	\$0.2080	\$428,925	(\$228,325)	\$200,600	(\$47,846)	(\$5,117)	(\$360)	(\$22,476)	(\$1,178)	(\$2,670)	(\$4,832)	(\$6,288)	\$109,832	\$81,725
O&M in Year 1	\$17,226	11	2,057,172	\$0.2142	\$440,688	(\$228,325)	\$212,363	(\$47,726)	(\$5,117)	(\$360)	(\$23,150)	(\$1,213)	(\$2,670)	(\$4,884)	(\$6,414)	\$120,828	\$87,289
O&M Annual Escalation	3%	12	2,052,029	\$0.2206	\$452,774	(\$228,325)	\$224,449	(\$47,607)	(\$5,117)	(\$360)	(\$23,845)	(\$1,250)	(\$2,670)	(\$4,936)	(\$6,542)	\$132,121	\$92,667
Annual Major Maintenance Costs per MW	\$2,558	13	2,046,899	\$0.2273	\$465,191	(\$227,590)	\$237,601	(\$47,488)	(\$5,117)	(\$360)	(\$24,560)	(\$1,287)	(\$2,670)	(\$4,989)	(\$6,673)	\$144,456	\$98,368
Interconnection Costs	\$92,702	14	2,041,782	\$0.2341	\$477,949	(\$227,590)	\$250,359	(\$47,369)	(\$5,117)	(\$360)	(\$25,297)	(\$1,326)	(\$2,670)	(\$5,043)	(\$6,807)	\$156,371	\$103,379
		15	2,036,678	\$0.2411	\$491,057	(\$228,339)	\$262,718	(\$47,251)	(\$5,117)	(\$360)	(\$26,056)	(\$1,365)	(\$2,670)	(\$5,097)	(\$6,943)	\$167,859	\$107,743
Performance Guarantee in Yr 1	\$903	16	2,031,586	\$0.2483	\$504,524	\$0	\$504,524	(\$47,133)	(\$5,117)	(\$360)	(\$26,838)	(\$1,406)	(\$2,670)	(\$5,151)	(\$7,082)	\$408,767	\$254,730
Performance Guarantee Annual Escalation	3%	17	2,026,507	\$0.2558	\$518,361	\$0	\$518,361	(\$47,015)	(\$5,117)	(\$360)	(\$27,643)	(\$1,449)	(\$2,670)	(\$5,206)	(\$7,223)	\$421,678	\$255,122
		18	2,021,441	\$0.2635	\$532,577	\$0	\$532,577	(\$46,897)	(\$5,117)	(\$360)	(\$28,472)	(\$1,492)	(\$2,670)	(\$5,262)	(\$7,368)	\$434,938	\$255,480
PCIA Charge	\$0.0232	19	2,016,387	\$0.2714	\$547,183	\$0	\$547,183	(\$46,780)	(\$5,117)	(\$360)	(\$29,326)	(\$1,537)	(\$2,670)	(\$5,319)	(\$7,515)	\$448,559	\$255,807
PG&E RES-BCT Annual Fee	\$360	20	2,011,346	\$0.2795	\$562,189	\$0	\$562,189	(\$46,663)	(\$5,117)	(\$360)	(\$30,206)	(\$1,583)	(\$2,670)	(\$5,376)	(\$7,665)	\$462,549	\$256,102
Year 1 RESBCT Entry Fee	\$2,000	21	2,006,318	\$0.2879	\$577,607	\$0	\$577,607	\$0	(\$5,117)	(\$360)	(\$31,112)	(\$1,630)	(\$2,670)	(\$5,433)	(\$7,819)	\$523,466	\$281,389
		22	2,001,302	\$0.2965	\$593,448	\$0	\$593,448	\$0	(\$5,117)	(\$360)	(\$32,045)	(\$1,679)	(\$2,670)	(\$5,491)	(\$7,975)	\$538,110	\$280,835
Customer Discount Rate	3%	23	1,996,299	\$0.3054	\$609,723	\$0	\$609,723	\$0	(\$5,117)	(\$360)	(\$33,007)	(\$1,730)	(\$2,670)	(\$5,550)	(\$8,135)	\$553,155	\$280,279
		24	1,991,308	\$0.3146	\$626,445	\$0	\$626,445	\$0	(\$5,117)	(\$360)	(\$33,997)	(\$1,782)	(\$2,670)	(\$5,610)	(\$8,297)	\$568,612	\$279,720
		25	1,986,330	\$0.3240	\$643,625	\$0	\$643,625	\$0	(\$5,117)	(\$360)	(\$35,017)	(\$1,835)	(\$2,670)	(\$5,670)	(\$8,463)	\$584,493	\$279,157
		TOTAL	51,180,822		\$11,852,386	(\$3,446,890)	\$8,405,496	(\$955,823)	(\$127,929)	(\$11,000)	(\$628,047)	(\$32,911)	(\$66,751)	(\$125,098)	(\$168,536)	\$6,289,401	\$3,676,480

San Martin		Does Not Apply to PPA Option											Actual Net Savings	NPV of Net Actual Savings			
		YEAR	Solar Energy Generated (kWh)	Avoided Utility Rate (\$/kWh)	Bill Credits	Debt Service	Bill Credits MINUS Debt Service	Total PCIA Charge	Cost of Ownership (COO)	RES-BCT Annual Fee	O&M Expenses	Performance Guarantee Payment (80%, 1 year true up)			Major Maintenance	Lost NEM Credits	Standby Charges
System Type	Ground Tracker	1	2,827,478	\$0.1594	\$450,700	(\$335,436)	\$115,264	(\$65,597)	(\$9,197)	(\$2,360)	(\$22,394)	(\$193)	(\$3,471)	(\$5,708)	(\$6,840)	(\$496)	(\$482)
Size of all RESBCT Systems in Project (kWdc)	11,100	2	2,820,409	\$0.1642	\$463,060	(\$273,495)	\$189,565	(\$65,433)	(\$9,197)	(\$360)	(\$23,066)	(\$199)	(\$3,471)	(\$5,769)	(\$6,977)	\$75,094	\$70,783
System Size (kWdc)	1,357	3	2,813,358	\$0.1691	\$475,760	(\$272,830)	\$202,930	(\$65,270)	(\$9,197)	(\$360)	(\$23,758)	(\$205)	(\$3,471)	(\$5,830)	(\$7,117)	\$87,723	\$80,279
		4	2,806,325	\$0.1742	\$488,808	(\$272,824)	\$215,984	(\$65,107)	(\$9,197)	(\$360)	(\$24,470)	(\$211)	(\$3,471)	(\$5,893)	(\$7,259)	\$100,016	\$88,863
Year 1 Generation	2,827,478	5	2,799,309	\$0.1794	\$502,213	(\$272,824)	\$229,389	(\$64,944)	(\$9,197)	(\$360)	(\$25,204)	(\$217)	(\$3,471)	(\$5,956)	(\$7,404)	\$112,635	\$97,160
Output Annual Degradation	0.25%	6	2,792,311	\$0.1848	\$515,986	(\$272,895)	\$243,091	(\$64,782)	(\$9,197)	(\$360)	(\$25,961)	(\$224)	(\$3,471)	(\$6,020)	(\$7,552)	\$125,525	\$105,125
		7	2,785,330	\$0.1903	\$530,137	(\$272,823)	\$257,314	(\$64,620)	(\$9,197)	(\$360)	(\$26,739)	(\$231)	(\$3,471)	(\$6,084)	(\$7,703)	\$138,909	\$112,945
Avoided Utility Rate	\$0.1594	8	2,778,367	\$0.1960	\$544,676	(\$273,526)	\$271,151	(\$64,458)	(\$9,197)	(\$360)	(\$27,542)	(\$238)	(\$3,471)	(\$6,149)	(\$7,857)	\$151,879	\$119,894
A6 Annual Escalation Rate	3.0%	9	2,771,421	\$0.2019	\$559,614	(\$273,346)	\$286,268	(\$64,297)	(\$9,197)	(\$360)	(\$28,368)	(\$245)	(\$3,471)	(\$6,215)	(\$8,014)	\$166,101	\$127,303
		10	2,764,492	\$0.2080	\$574,961	(\$272,812)	\$302,149	(\$64,136)	(\$9,197)	(\$360)	(\$29,219)	(\$252)	(\$3,471)	(\$6,282)	(\$8,175)	\$181,058	\$134,724
O&M in Year 1	\$22,394	11	2,757,581	\$0.2142	\$590,730	(\$273,534)	\$317,196	(\$63,976)	(\$9,197)	(\$360)	(\$30,095)	(\$260)	(\$3,471)	(\$6,349)	(\$8,338)	\$195,150	\$140,980
O&M Annual Escalation	3%	12	2,750,687	\$0.2206	\$606,931	(\$273,534)	\$333,397	(\$63,816)	(\$9,197)	(\$360)	(\$30,998)	(\$267)	(\$3,471)	(\$6,417)	(\$8,505)	\$210,365	\$147,546
Annual Major Maintenance Costs per MW	\$2,558	13	2,743,810	\$0.2273	\$623,576	(\$273,534)	\$350,042	(\$63,656)	(\$9,197)	(\$360)	(\$31,928)	(\$275)	(\$3,471)	(\$6,486)	(\$8,675)	\$225,993	\$153,890
Interconnection Costs	\$166,611	14	2,736,951	\$0.2341	\$640,677	(\$272,792)	\$367,885	(\$63,497)	(\$9,197)	(\$360)	(\$32,886)	(\$284)	(\$3,471)	(\$6,555)	(\$8,849)	\$242,786	\$160,510
		15	2,730,108	\$0.2411	\$658,248	(\$273,541)	\$384,707	(\$63,339)	(\$9,197)	(\$360)	(\$33,873)	(\$292)	(\$3,471)	(\$6,626)	(\$9,026)	\$258,524	\$165,937
Performance Guarantee in Yr 1	\$193	16	2,723,283	\$0.2483	\$676,300	\$0	\$676,300	(\$63,180)	(\$9,197)	(\$360)	(\$34,889)	(\$301)	(\$3,471)	(\$6,697)	(\$9,206)	\$548,999	\$342,118
Performance Guarantee Annual Escalation	3%	17	2,716,475	\$0.2558	\$694,848	\$0	\$694,848	(\$63,022)	(\$9,197)	(\$360)	(\$35,935)	(\$310)	(\$3,471)	(\$6,768)	(\$9,390)	\$566,393	\$342,677
		18	2,709,684	\$0.2635	\$713,904	\$0	\$713,904	(\$62,865)	(\$9,197)	(\$360)	(\$37,014)	(\$319)	(\$3,471)	(\$6,841)	(\$9,578)	\$584,260	\$343,191
PCIA Charge	\$0.0232	19	2,702,910	\$0.2714	\$733,483	\$0	\$733,483	(\$62,708)	(\$9,197)	(\$360)	(\$38,124)	(\$329)	(\$3,471)	(\$6,914)	(\$9,770)	\$602,611	\$343,660
PG&E RES-BCT Annual Fee	\$360	20	2,696,152	\$0.2795	\$753,598	\$0	\$753,598	(\$62,551)	(\$9,197)	(\$360)	(\$39,268)	(\$339)	(\$3,471)	(\$6,988)	(\$9,965)	\$621,460	\$344,087
Year 1 RESBCT Entry Fee	\$2,000	21	2,689,412	\$0.2879	\$774,266	\$0	\$774,266	\$0	(\$9,197)	(\$360)	(\$40,446)	(\$349)	(\$3,471)	(\$7,063)	(\$10,164)	\$703,216	\$378,013
		22	2,682,688	\$0.2965	\$795,500	\$0	\$795,500	\$0	(\$9,197)	(\$360)	(\$41,659)	(\$359)	(\$3,471)	(\$7,139)	(\$10,368)	\$722,947	\$377,301
Customer Discount Rate	3%	23	2,675,982	\$0.3054	\$817,317	\$0	\$817,317	\$0	(\$9,197)	(\$360)	(\$42,909)	(\$370)	(\$3,471)	(\$7,215)	(\$10,575)	\$743,220	\$376,583
		24	2,669,292	\$0.3146	\$839,732	\$0	\$839,732	\$0	(\$9,197)	(\$360)	(\$44,196)	(\$381)	(\$3,471)	(\$7,292)	(\$10,786)	\$764,047	\$375,861
		25	2,662,618	\$0.3240	\$862,761	\$0	\$862,761	\$0	(\$9,197)	(\$360)	(\$45,522)	(\$393)	(\$3,471)	(\$7,371)	(\$11,002)	\$785,446	\$375,133
		TOTAL	68,606,433		\$15,887,786	(\$4,159,745)	\$11,728,040	(\$1,281,253)	(\$229,923)	(\$11,000)	(\$816,461)	(\$7,043)	(\$86,776)	(\$162,628)	(\$219,096)	\$8,913,859	\$5,304,083

ATTACHMENT M.8

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County of Santa Clara Taxable NCREB (10-20-2015) 15 year Term

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SOURCES AND USES OF FUNDS

County of Santa Clara Taxable NCREB (10-20-2015)
15 year TermDated Date 10/22/2015
Delivery Date 10/22/2015

Sources:

Bond Proceeds:	
Par Amount	32,999,851.00
Other Sources of Funds:	
County Contribution for Costs of Issuance	209,500.00
	<hr/>
	33,209,351.00
	<hr/> <hr/>

Uses:

Project Fund Deposits:	
Guadalupe Site	6,047,204.00
Hellyer Landfill Site	8,047,452.00
Holden Rance Site	1,178,689.00
Malech Road Site	11,093,064.00
Reid Hillview Site	3,017,549.00
San Martin Airport Site	<u>3,615,893.00</u>
	32,999,851.00
Delivery Date Expenses:	
Cost of Issuance	209,500.00
	<hr/>
	33,209,351.00
	<hr/> <hr/>

BOND SUMMARY STATISTICS

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Dated Date	10/22/2015
Delivery Date	10/22/2015
Last Maturity	10/01/2030
Arbitrage Yield	0.635899%
True Interest Cost (TIC)	3.865713%
Net Interest Cost (NIC)	3.870000%
All-In TIC	0.713107%
Average Coupon	3.870000%
Average Life (years)	8.545
Duration of Issue (years)	7.139
Par Amount	32,999,851.00
Bond Proceeds	32,999,851.00
Total Interest	10,912,769.61
Net Interest	10,912,769.61
Bond Years from Dated Date	281,983,710.69
Bond Years from Delivery Date	281,983,710.69
Total Debt Service	43,912,620.61
Maximum Annual Debt Service	3,494,197.77
Average Annual Debt Service	2,938,937.24
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	32,999,851.00	100.000	3.870%	8.545
	32,999,851.00			8.545

	TIC	All-In TIC	Arbitrage Yield
Par Value	32,999,851.00	32,999,851.00	32,999,851.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-209,500.00	
- Other Amounts			
Target Value	32,999,851.00	32,790,351.00	32,999,851.00
Target Date	10/22/2015	10/22/2015	10/22/2015
Yield	3.865713%	0.713107%	0.635899%

BOND PRICING

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	10/01/2017	2,260,851	3.870%	3.870%	100.000
	10/01/2018	2,275,000	3.870%	3.870%	100.000
	10/01/2019	2,290,000	3.870%	3.870%	100.000
	10/01/2020	2,305,000	3.870%	3.870%	100.000
	10/01/2021	2,319,000	3.870%	3.870%	100.000
	10/01/2022	2,334,000	3.870%	3.870%	100.000
	10/01/2023	2,349,000	3.870%	3.870%	100.000
	10/01/2024	2,364,000	3.870%	3.870%	100.000
	10/01/2025	2,379,000	3.870%	3.870%	100.000
	10/01/2026	2,394,000	3.870%	3.870%	100.000
	10/01/2027	2,409,000	3.870%	3.870%	100.000
	10/01/2028	2,425,000	3.870%	3.870%	100.000
	10/01/2029	2,440,000	3.870%	3.870%	100.000
	10/01/2030	2,456,000	3.870%	3.870%	100.000
		32,999,851			

Dated Date	10/22/2015	
Delivery Date	10/22/2015	
First Coupon	10/01/2016	
Par Amount	32,999,851.00	
Original Issue Discount		
Production	32,999,851.00	100.000000%
Underwriter's Discount		
Purchase Price	32,999,851.00	100.000000%
Accrued Interest		
Net Proceeds	32,999,851.00	

BOND DEBT SERVICE

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Dated Date 10/22/2015
Delivery Date 10/22/2015

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
10/22/2015						32,999,851	32,999,851
10/01/2016			1,202,597.07	1,202,597.07		32,999,851	32,999,851
04/01/2017			638,547.12	638,547.12		32,999,851	32,999,851
06/30/2017					1,841,144.19	32,999,851	32,999,851
10/01/2017	2,260,851	3.870%	638,547.12	2,899,398.12		30,739,000	30,739,000
04/01/2018			594,799.65	594,799.65		30,739,000	30,739,000
06/30/2018					3,494,197.77	30,739,000	30,739,000
10/01/2018	2,275,000	3.870%	594,799.65	2,869,799.65		28,464,000	28,464,000
04/01/2019			550,778.40	550,778.40		28,464,000	28,464,000
06/30/2019					3,420,578.05	28,464,000	28,464,000
10/01/2019	2,290,000	3.870%	550,778.40	2,840,778.40		26,174,000	26,174,000
04/01/2020			506,466.90	506,466.90		26,174,000	26,174,000
06/30/2020					3,347,245.30	26,174,000	26,174,000
10/01/2020	2,305,000	3.870%	506,466.90	2,811,466.90		23,869,000	23,869,000
04/01/2021			461,865.15	461,865.15		23,869,000	23,869,000
06/30/2021					3,273,332.05	23,869,000	23,869,000
10/01/2021	2,319,000	3.870%	461,865.15	2,780,865.15		21,550,000	21,550,000
04/01/2022			416,992.50	416,992.50		21,550,000	21,550,000
06/30/2022					3,197,857.65	21,550,000	21,550,000
10/01/2022	2,334,000	3.870%	416,992.50	2,750,992.50		19,216,000	19,216,000
04/01/2023			371,829.60	371,829.60		19,216,000	19,216,000
06/30/2023					3,122,822.10	19,216,000	19,216,000
10/01/2023	2,349,000	3.870%	371,829.60	2,720,829.60		16,867,000	16,867,000
04/01/2024			326,376.45	326,376.45		16,867,000	16,867,000
06/30/2024					3,047,206.05	16,867,000	16,867,000
10/01/2024	2,364,000	3.870%	326,376.45	2,690,376.45		14,503,000	14,503,000
04/01/2025			280,633.05	280,633.05		14,503,000	14,503,000
06/30/2025					2,971,009.50	14,503,000	14,503,000
10/01/2025	2,379,000	3.870%	280,633.05	2,659,633.05		12,124,000	12,124,000
04/01/2026			234,599.40	234,599.40		12,124,000	12,124,000
06/30/2026					2,894,232.45	12,124,000	12,124,000
10/01/2026	2,394,000	3.870%	234,599.40	2,628,599.40		9,730,000	9,730,000
04/01/2027			188,275.50	188,275.50		9,730,000	9,730,000
06/30/2027					2,816,874.90	9,730,000	9,730,000
10/01/2027	2,409,000	3.870%	188,275.50	2,597,275.50		7,321,000	7,321,000
04/01/2028			141,661.35	141,661.35		7,321,000	7,321,000
06/30/2028					2,738,936.85	7,321,000	7,321,000
10/01/2028	2,425,000	3.870%	141,661.35	2,566,661.35		4,896,000	4,896,000
04/01/2029			94,737.60	94,737.60		4,896,000	4,896,000
06/30/2029					2,661,398.95	4,896,000	4,896,000
10/01/2029	2,440,000	3.870%	94,737.60	2,534,737.60		2,456,000	2,456,000
04/01/2030			47,523.60	47,523.60		2,456,000	2,456,000
06/30/2030					2,582,261.20	2,456,000	2,456,000
10/01/2030	2,456,000	3.870%	47,523.60	2,503,523.60			
06/30/2031					2,503,523.60		
	32,999,851		10,912,769.61	43,912,620.61	43,912,620.61		

NET DEBT SERVICE

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Date	Principal	Coupon	Interest	Total Debt Service	Federal Direct Pay Subsidy	Net Debt Service	Annual Net D/S
10/01/2016			1,202,597.07	1,202,597.07	-1,004,960.96	197,636.11	
04/01/2017			638,547.12	638,547.12	-533,607.59	104,939.53	
06/30/2017							302,575.64
10/01/2017	2,260,851	3.870%	638,547.12	2,899,398.12	-533,607.59	2,365,790.53	
04/01/2018			594,799.65	594,799.65	-497,049.63	97,750.02	
06/30/2018							2,463,540.55
10/01/2018	2,275,000	3.870%	594,799.65	2,869,799.65	-497,049.63	2,372,750.02	
04/01/2019			550,778.40	550,778.40	-460,262.88	90,515.52	
06/30/2019							2,463,265.54
10/01/2019	2,290,000	3.870%	550,778.40	2,840,778.40	-460,262.88	2,380,515.52	
04/01/2020			506,466.90	506,466.90	-423,233.58	83,233.32	
06/30/2020							2,463,748.84
10/01/2020	2,305,000	3.870%	506,466.90	2,811,466.90	-423,233.58	2,388,233.32	
04/01/2021			461,865.15	461,865.15	-385,961.73	75,903.42	
06/30/2021							2,464,136.74
10/01/2021	2,319,000	3.870%	461,865.15	2,780,865.15	-385,961.73	2,394,903.42	
04/01/2022			416,992.50	416,992.50	-348,463.50	68,529.00	
06/30/2022							2,463,432.42
10/01/2022	2,334,000	3.870%	416,992.50	2,750,992.50	-348,463.50	2,402,529.00	
04/01/2023			371,829.60	371,829.60	-310,722.72	61,106.88	
06/30/2023							2,463,635.88
10/01/2023	2,349,000	3.870%	371,829.60	2,720,829.60	-310,722.72	2,410,106.88	
04/01/2024			326,376.45	326,376.45	-272,739.39	53,637.06	
06/30/2024							2,463,743.94
10/01/2024	2,364,000	3.870%	326,376.45	2,690,376.45	-272,739.39	2,417,637.06	
04/01/2025			280,633.05	280,633.05	-234,513.51	46,119.54	
06/30/2025							2,463,756.60
10/01/2025	2,379,000	3.870%	280,633.05	2,659,633.05	-234,513.51	2,425,119.54	
04/01/2026			234,599.40	234,599.40	-196,045.08	38,554.32	
06/30/2026							2,463,673.86
10/01/2026	2,394,000	3.870%	234,599.40	2,628,599.40	-196,045.08	2,432,554.32	
04/01/2027			188,275.50	188,275.50	-157,334.10	30,941.40	
06/30/2027							2,463,495.72
10/01/2027	2,409,000	3.870%	188,275.50	2,597,275.50	-157,334.10	2,439,941.40	
04/01/2028			141,661.35	141,661.35	-118,380.57	23,280.78	
06/30/2028							2,463,222.18
10/01/2028	2,425,000	3.870%	141,661.35	2,566,661.35	-118,380.57	2,448,280.78	
04/01/2029			94,737.60	94,737.60	-79,168.32	15,569.28	

NET DEBT SERVICE

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Date	Principal	Coupon	Interest	Total Debt Service	Federal Direct Pay Subsidy	Net Debt Service	Annual Net D/S
06/30/2029							2,463,850.06
10/01/2029	2,440,000	3.870%	94,737.60	2,534,737.60	-79,168.32	2,455,569.28	
04/01/2030			47,523.60	47,523.60	-39,713.52	7,810.08	
06/30/2030							2,463,379.36
10/01/2030	2,456,000	3.870%	47,523.60	2,503,523.60	-39,713.52	2,463,810.08	
06/30/2031							2,463,810.08
	32,999,851		10,912,769.61	43,912,620.61	-9,119,353.20	34,793,267.41	34,793,267.41

FORM 8038 STATISTICS

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Dated Date 10/22/2015
Delivery Date 10/22/2015

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	10/01/2017	2,260,851.00	3.870%	100.000	2,260,851.00	2,260,851.00
	10/01/2018	2,275,000.00	3.870%	100.000	2,275,000.00	2,275,000.00
	10/01/2019	2,290,000.00	3.870%	100.000	2,290,000.00	2,290,000.00
	10/01/2020	2,305,000.00	3.870%	100.000	2,305,000.00	2,305,000.00
	10/01/2021	2,319,000.00	3.870%	100.000	2,319,000.00	2,319,000.00
	10/01/2022	2,334,000.00	3.870%	100.000	2,334,000.00	2,334,000.00
	10/01/2023	2,349,000.00	3.870%	100.000	2,349,000.00	2,349,000.00
	10/01/2024	2,364,000.00	3.870%	100.000	2,364,000.00	2,364,000.00
	10/01/2025	2,379,000.00	3.870%	100.000	2,379,000.00	2,379,000.00
	10/01/2026	2,394,000.00	3.870%	100.000	2,394,000.00	2,394,000.00
	10/01/2027	2,409,000.00	3.870%	100.000	2,409,000.00	2,409,000.00
	10/01/2028	2,425,000.00	3.870%	100.000	2,425,000.00	2,425,000.00
	10/01/2029	2,440,000.00	3.870%	100.000	2,440,000.00	2,440,000.00
	10/01/2030	2,456,000.00	3.870%	100.000	2,456,000.00	2,456,000.00
		32,999,851.00			32,999,851.00	32,999,851.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	10/01/2030	3.870%	2,456,000.00	2,456,000.00		
Entire Issue			32,999,851.00	32,999,851.00	8.5450	0.6359%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	209,500.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

PROOF OF ARBITRAGE YIELD

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Date	Debt Service	Expenses	Total	Present Value to 10/22/2015 @ 0.6358987478%
10/01/2016	1,202,597.07	-1,004,960.96	197,636.11	196,458.06
04/01/2017	638,547.12	-533,607.59	104,939.53	103,983.40
10/01/2017	2,899,398.12	-533,607.59	2,365,790.53	2,336,805.40
04/01/2018	594,799.65	-497,049.63	97,750.02	96,246.39
10/01/2018	2,869,799.65	-497,049.63	2,372,750.02	2,328,846.97
04/01/2019	550,778.40	-460,262.88	90,515.52	88,559.14
10/01/2019	2,840,778.40	-460,262.88	2,380,515.52	2,321,681.77
04/01/2020	506,466.90	-423,233.58	83,233.32	80,918.95
10/01/2020	2,811,466.90	-423,233.58	2,388,233.32	2,314,467.76
04/01/2021	461,865.15	-385,961.73	75,903.42	73,325.85
10/01/2021	2,780,865.15	-385,961.73	2,394,903.42	2,306,243.15
04/01/2022	416,992.50	-348,463.50	68,529.00	65,782.87
10/01/2022	2,750,992.50	-348,463.50	2,402,529.00	2,298,944.23
04/01/2023	371,829.60	-310,722.72	61,106.88	58,286.94
10/01/2023	2,720,829.60	-310,722.72	2,410,106.88	2,291,599.97
04/01/2024	326,376.45	-272,739.39	53,637.06	50,838.04
10/01/2024	2,690,376.45	-272,739.39	2,417,637.06	2,284,211.52
04/01/2025	280,633.05	-234,513.51	46,119.54	43,436.17
10/01/2025	2,659,633.05	-234,513.51	2,425,119.54	2,276,780.02
04/01/2026	234,599.40	-196,045.08	38,554.32	36,081.31
10/01/2026	2,628,599.40	-196,045.08	2,432,554.32	2,269,306.60
04/01/2027	188,275.50	-157,334.10	30,941.40	28,773.45
10/01/2027	2,597,275.50	-157,334.10	2,439,941.40	2,261,792.36
04/01/2028	141,661.35	-118,380.57	23,280.78	21,512.57
10/01/2028	2,566,661.35	-118,380.57	2,448,280.78	2,255,159.52
04/01/2029	94,737.60	-79,168.32	15,569.28	14,295.72
10/01/2029	2,534,737.60	-79,168.32	2,455,569.28	2,247,558.19
04/01/2030	47,523.60	-39,713.52	7,810.08	7,125.83
10/01/2030	2,503,523.60	-39,713.52	2,463,810.08	2,240,828.86
	43,912,620.61	-9,119,353.20	34,793,267.41	32,999,851.00

Proceeds Summary

Delivery date	10/22/2015
Par Value	32,999,851.00
Target for yield calculation	32,999,851.00

COST OF ISSUANCE

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Cost of Issuance	\$/1000	Amount
Orrick Herrington & Sutcliffe (BC)	2.87880	95,000.00
KNN Public Finance (FA)	2.87880	95,000.00
KNN Public Finance Expenses	0.07576	2,500.00
Chapman and Cutler (Bank Counsel)	0.36364	12,000.00
CDIAC Fee	0.15152	5,000.00
	6.34851	209,500.00

FORMULA VERIFICATION

County of Santa Clara Taxable NCREB (10-20-2015)
15 year Term

Component	Formula	Vector
SUB	- 70% of Bond Interest at 4.62%	V1

Date	V1
10/01/2016	-1,004,960.96
04/01/2017	-533,607.59
10/01/2017	-533,607.59
04/01/2018	-497,049.63
10/01/2018	-497,049.63
04/01/2019	-460,262.88
10/01/2019	-460,262.88
04/01/2020	-423,233.58
10/01/2020	-423,233.58
04/01/2021	-385,961.73
10/01/2021	-385,961.73
04/01/2022	-348,463.50
10/01/2022	-348,463.50
04/01/2023	-310,722.72
10/01/2023	-310,722.72
04/01/2024	-272,739.39
10/01/2024	-272,739.39
04/01/2025	-234,513.51
10/01/2025	-234,513.51
04/01/2026	-196,045.08
10/01/2026	-196,045.08
04/01/2027	-157,334.10
10/01/2027	-157,334.10
04/01/2028	-118,380.57
10/01/2028	-118,380.57
04/01/2029	-79,168.32
10/01/2029	-79,168.32
04/01/2030	-39,713.52
10/01/2030	-39,713.52
	-9,119,353.21