

RECORDING REQUESTED BY:
Town of Los Altos Hills
No fee for recording. (Gov Code. § 27383)

AND WHEN RECORDED, MAIL TO:
Los Altos Town Hall
Attn: City Clerk
26739 Fremont Road
Los Altos Hills, CA 94022

SPACE ABOVE FOR RECORDER'S USE ONLY

PRIVATE ROAD IMPROVEMENT REIMBURSEMENT AGREEMENT

This Private Road Reimbursement Agreement (“Agreement”) is entered into this ____ day of _____, _____, by and between the Town of Los Altos Hills, a municipal corporation of the State of California (“Town”), _____ (“Property Owner(s)”), and those users who have voluntarily agreed to contribute to the Private Road Improvement at a future date (“Participating Users”).

RECITALS:

A. Property Owner improved the condition of [Insert name of road and description of the beginning and end point of the roadway improvement] within the Town as more particularly shown on Exhibit A, attached hereto (“Private Road Improvement”).

B. Section _____ of the Town’s Municipal Code allows the Town to enter into a reimbursement agreement with a property owner so that the Property Owner may be reimbursed for the respective portion of the costs of the road improvement benefitting the Participating Users by the Participating Users as set forth in Exhibit B.

C. After due consideration of all relevant factors such as the location and nature of the Private Road Improvement, the City Engineer has found and determined, after proper application by Property Owner, that the Private Road Improvement meets

Town standards for a public road as set forth in Municipal Code Article 9-1.7 “Road Design Standards.”¹ The City Engineer will recommend that the City Council adopt a resolution accepting the Private Road Improvement into the Town street system.

D. The Private Road Improvement will benefit not only the Property Owner, but also those Participating Users.

E. The Town and Property Owner now desire to provide for reimbursement to Property Owner by each Participating User upon application for a site development permit to construct a main residence, a secondary dwelling, an addition to a structure of at least nine hundred (900) square feet of “habitable” floor area (including cumulative additions of nine hundred (900) or more square feet of habitable floor area), or a barn or stable of at least nine hundred (900) square feet in floor area. Participating User shall pay the pro-rata share of Roadway Improvement costs (“Roadway Reimbursement Amount”) as shown in Exhibit B, attached hereto. Roadway Reimbursement Amount shall be subject to annual adjustments by the Town as specified in the then current “Town of Los Altos Hills Policy, Procedures and Guidelines – Private Road Improvement Reimbursement Agreement” document, Exhibit C attached hereto, or its replacement document.” The Town and Property Owner acknowledge that the total amount that the Property Owner may be reimbursed for the Private Road Improvement is an amount totaling _____ (\$_____) plus annual adjustments as set forth in Exhibit B.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

¹ In the event the Town elects to pursue a new standard for “rural” roads, this section may need to be modified.

1. The Town will collect the Roadway Reimbursement Amount for each Participating User as indicated in Exhibit B upon application for a site development permit to construct a main residence, a secondary dwelling, an addition to a structure of at least nine hundred (900) square feet of “habitable” floor area (including cumulative additions of nine hundred (900) or more square feet of habitable floor area), or a barn or stable of at least nine hundred (900) square feet in floor area.

2. Upon collection of the Roadway Reimbursement Amount from a Participating User, the Town shall withhold an administrative fee of five percent (5%) from the Roadway Reimbursement Amount to pay the costs incurred by the Town in connection with the administration of this Agreement. (“Administrative Fee”).

3. Within sixty (60) days of the end of each year during which this Agreement is in effect, the Town shall pay to Property Owner any and all funds collected pursuant to Paragraph 1 above, less the Administrative Fee. The Town shall make the check payable to _____ and shall send such check to Property Owner at (Address) _____.

4. Property Owner agrees to indemnify and hold harmless the Town from any claims, costs or expenses incurred by the Town in connection with any claim by any person or entity with respect to this Agreement, the associated costs or the Roadway Reimbursement Amounts.

5. All regulations and applicable ordinances of the Town shall apply to this Agreement and to the performances hereunder.

6. If by decision of a court of competent jurisdiction or by California law it shall be declared or become unlawful or unconstitutional to require Participating Users to reimburse Property Owner for the Private Road Improvement, then (a) the Town’s obligations to collect and account for any further Roadway Reimbursement Amount(s) shall automatically terminate; and (b) Property Owners and their successors or assigns

shall indemnify and hold harmless the Town from any claims or liability to Participating Users for the legally required return of any Roadway Reimbursement Amount.

7. In the event of a dispute between any Participating User and the Town with respect to the payment of the Roadway Reimbursement Amount, the Town may, at its option, take any appropriate action against such Participating User to collect the Roadway Reimbursement Amount.

8. Property Owner and its agents shall hold harmless the Town for any failure by the Town to collect the Roadway Reimbursement Amount from any Participating User, and nothing in this Agreement shall be construed as imposing any obligation upon the General Fund of the Town and payments shall be made to Property Owner only to the extent funds are actually received and collected by the Town pursuant to this Agreement.

9. This Agreement, and the obligations of the Town hereunder, whether or not all of the Reimbursement Amount or any portion thereof has been collected and remitted to Property Owner or its agents hereunder, shall terminate on the twenty-fifth (25th) anniversary of the date of this Agreement.

10. Prior to execution of this Agreement by the Town, the Property Owner shall pay all legal fees and costs incurred by the Town in connection with preparing this Agreement.

11. This Agreement shall be binding upon the successors, heirs and assigns of the parties hereto, but Property Owner shall not assign any of its rights under this Agreement without the prior written consent of the Town, which consent shall not be unreasonably withheld.

12. The Exhibits attached hereto are hereby incorporated into this Agreement by this reference.

13. All negotiations and agreements previously made by the parties and their agents with respect to this transaction are merged into this Agreement which completely sets forth the obligations of the parties.

The parties hereto have executed this Agreement effective as of the date written above.

ATTEST:

TOWN OF LOS ALTOS HILLS

City Clerk

By: _____
Mayor

APPROVED AS TO FORM:

PROPERTY OWNER

City Attorney

Name

PARTICIPATING USERS

Name, Address, APN

Name, Address, APN

Name, Address, APN

Name, Address, APN

(All signatures shall be notarized)

Exhibit A

Engineering As-Built Plans for _____, prepared by (Engineering Firm Name).,
dated _____ consisting of _____ (____) sheets on file with the Engineering
Department of the Town of Los Altos Hills

Exhibit B

PARTICIPATING USERS

Address	APN#	Roadway Reimbursement Amount

*CCI% is Construction Cost Index adjustment from prior year which is applied to the base Roadway Reimbursement Amounts in the first year of the Agreement and to the cumulative CCI-adjusted prior year Roadway Reimbursement Amounts on June 30th annually thereafter. The CCI% shall be equal to the change in Engineering News Index for San Francisco Bay area for the 12 months prior to the adjustment date; 5% AF is Administrative Fee as set forth in Paragraph 2 of the Agreement.

Base CCI = _____