



Agenda Report

Agenda of: August 13, 2025

Department: Administration / Legal

Subject: Discussion and appropriate action on a resolution amending the Development Agreement for the City of Castroville Public Improvement District (The Heights of Castroville).

Recommended Motion:

I move to Approve a resolution amending the Development Agreement for the City of Castroville Public Improvement District (The Heights of Castroville).

Background:

On March 28, 2023, the City of Castroville entered into a Development Agreement with NP Homes LLC (“Developer”) in connection with the creation of the City of Castroville Public Improvement District (The Heights of Castroville). This Development Agreement outlined the terms and conditions for the development of a high-quality, master-planned residential community and included provisions regarding Public Improvement District (PID) financing.

The Developer has requested an amendment to the Development Agreement to modify the aggregate principal amount of PID Bonds that may be issued for the development of the District.

The First Amendment to Development Agreement provides that:

- The aggregate principal amount of all PID Bonds shall not exceed \$6,000,000.
- All other provisions of the original Development Agreement remain in full force and effect.

This amendment has been reviewed by City staff and legal counsel and is attached to the proposed resolution as Exhibit A.

Attachments:

- Board Action
- Resolution – Approving First Amendment to Development Agreement (The Heights of Castroville)
- Exhibit A – First Amendment to Development Agreement (The Heights of Castroville)

