



**COUNTY OF PLACER**  
**Community Development/ Resource Agency**

Michael J. Johnson, AICP  
Agency Director

**ENGINEERING &  
SURVEYING**

Wes Zicker, PE  
Director

**MEMORANDUM**

**TO:** Honorable Board of Supervisors  
**FROM:** Wes Zicker, Director of Engineering & Surveying  
**DATE:** May 26, 2009  
**SUBJECT:** Resort at Squaw Creek Phase 2  
SUB-260/CUP1444

**ACTION REQUESTED:**

Approve the attached Amendment To Subdivision Improvement Agreements for the Resort at Squaw Creek, Phase 2:

1. Authorize the Chairman to sign the Amendment to Subdivision Improvement Agreements (SIAs).
2. Instruct the Clerk of the Board to prepare the Amendment to Subdivision Improvement Agreements for recording.
3. Authorize the Director of the Engineering and Surveying Department to accept a Letter of Credit under the Amended SIAs in lieu of the bonds currently held by the County.

**BACKGROUND:**

Phase 2 of the Resort at Squaw Creek consists of three sub-phases, 2A, 2B, & 2C. The subdivider has recorded final maps on all three phases and provided security to the County for the respective improvements. The associated SIAs all have expiration dates of March 23, 2010. In the current economic climate, the Resort does not anticipate construction of any phase before late 2010 and the final phase may not be constructed until 2019. Given that extended time frame the Resort has requested that the SIAs be modified to reflect that schedule and to allow a reduction in security until such time as a building permit is requested for any phase.

Staff has worked with the subdivider and prepared the attached Amendment that modifies all three SIAs to accomplish the goal of allowing a reduced security until a building permit is requested. The amended agreement provides adequate assurances for the County to guarantee compliance with the conditions of approval for the project. In addition, the proposed amendment will reduce the security required by the County during the warranty period, one year after acceptance of the improvements, to cover only the public facilities constructed with each phase.

The subdivider has proposed substituting a Letter of Credit for the bonds currently held by the County as security for the project. A draft, in a form acceptable to County Counsel, has been received, however the final document may not be in hand at the time the Board takes action on this request. The

Director of the Engineering and Surveying Department, with assistance from County Counsel's office, will review any substitute security provided by the subdivider prior to releasing the current bonds.

**ENVIRONMENTAL CLEARANCE:**

An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA. The final EIR was certified by the Board of Supervisors on March 25, 1985. Mitigation measures have been addressed by the Conditions of approval for this subdivision.

**FISCAL IMPACT:**

None

Respectfully submitted,



\_\_\_\_\_  
WES ZICKER  
Director of Engineering & Surveying

Attached to this report for the Board's information/consideration are:

**ATTACHMENTS:**

- Exhibit 1: Amendment to Subdivision Agreements
- Exhibit 2: Location Map

Recording Requested by  
and Return to:

Placer County  
Community Development Resource Agency  
Engineering and Surveying Department  
3091 County Center Dr., Suite 120  
Auburn, California 95603

Subdivision Names: The Resort at Squaw Creek,  
Phases 2A, 2B and 2C  
Subdivision Nos.: SUB-260/CUP 1444; Tracts 957, 958,  
and 959  
Recorded at: Book BB of Maps, at Pages  
59, 60, and 61 Placer County Records.  
Subdivider: Squaw Creek Associates, LLC, a Delaware  
limited liability company  
Original Subdivision Improvement Agreements  
Recorded:  
Phase 2A -- Doc. 2007-0029623-00, ORPC, March  
23, 2007;  
Phase 2B -- Doc. 2007-0029626-00, ORPC, March  
23, 2007; and,  
Phase 2C -- Doc. 2007-0029629-00, ORPC, March  
23, 2007  
Effective Date: March 24, 2009

### **AMENDMENT TO SUBDIVISION IMPROVEMENT AGREEMENTS**

This Amendment to Subdivision Improvement Agreements ("Amendment") is entered into by and between the County of Placer, hereinafter called "County," and Squaw Creek Associates, LLC, a Delaware limited liability company, hereinafter called "Subdivider," on the \_\_\_ day of March, 2009.

### **RECITALS**

1. Subdivider has received approval from County of certain tentative subdivision maps commonly known as the Resort at Squaw Creek Phase 2 (the "Subdivision").
2. Subdivider filed for record on March 6, 2007, three final subdivision maps (the "Maps") for the Subdivisions in substantial conformity with the approved tentative map, which were all approved by County and recorded on March 23, 2007, at Book BB

of Maps, Page 59 (Phase 2A), Book BB of Maps, Page 60 (Phase 2B), and Book BB of Maps, Page 61 (Phase 2C) in the Official Records of Placer County. Copies of the Maps are on file with the Placer County Community Development Resource Agency and by this reference incorporated herein.

3. County approved the Maps, subject to the execution of those certain Subdivision Improvement Agreements recorded in Placer County Official Records sequentially as Document Nos. 2007-0029623-00 (the "Phase 2A SIA"), 2007-0029626-00 (the "Phase 2B SIA"), and 2007-0029629-00 (the "Phase 2C SIA"), all recorded March 23, 2007 (hereafter collectively, the "SIAs").

4. Subdivider has informed the County that Subdivider's intended phasing plan for construction of the Subdivisions consists of constructing Phase 2A first, Phase 2B second, and Phase 2C third.

5. County and Subdivider wish to memorialize their voluntary agreement to amend security amounts and address other matters associated with the improvements covered by the SIAs, and wish to execute an amendment to all three SIAs for that purpose.

6. The authority for the SIAs and this Amendment is forth in the Subdivision Map Act ("the Map Act") (Cal. Government Code section 66410 et seq.)

NOW, THEREFORE, the parties hereto agree as follows:

### AGREEMENT

1. The last sentence of Paragraph 6 of each of the three SIAs (reading, "Such work shall be completed within [thirty-six (36) months for Phase 2A, eighty-four (84) months for Phase 2B, and one hundred and twenty (120) months for Phase 2C] of the date of this Agreement") is hereby deleted. The following language is hereby added to Paragraph 6 of each of the SIAs as follows:

For the Phase 2A SIA: "Such work shall be completed by November 6, 2013 (the "Completion Date"). The parties agree that the Completion Date may be extended by the mutual written consent of the parties."

For the Phase 2B SIA: "Such work shall be completed by November 6, 2016 (the "Completion Date"). The parties agree that the Completion Date may be extended by the mutual written consent of the parties."

For the Phase 2C SIA: "Such work shall be completed by November 6, 2019 (the "Completion Date"). The parties agree that the Completion Date may be extended by the mutual written consent of the parties."

2. Paragraph 13 of Document No. 2007-0029623-00 (the Phase 2A SIA) is hereby amended and restated in its entirety as follows:

"13. **Security.** Subdivider shall furnish to County security to ensure the faithful performance of all duties and obligations of Subdivider herein contained in accordance with Government Code Section 66499. Such improvement security shall be in a form acceptable to the County Counsel. If bonds are submitted, Subdivider must provide documentation, in a form acceptable to the County Counsel, that the surety is duly admitted surety authorized to conduct business in the State of California. Such security shall be in the following amounts for the following purposes:

A. **Faithful Performance:** Fifty percent (50%) of the approved engineer's estimate for the Phase 2A improvements, which equals Four Hundred Forty-Five Thousand Five Hundred and Eighteen Dollars (\$445,518.00), securing performance of this Agreement. Before issuance of a building permit for Phase 2A, Subdivider shall increase the security to one hundred percent (100%) of a then current approved engineer's estimate for the Phase 2A improvements securing performance of this Agreement.

B. **Labor and Materials:** Fifty percent (50%) of the approved engineer's estimate for the Phase 2A improvements, which equals Four Hundred Forty-Five Thousand Five Hundred and Eighteen Dollars (\$445,518.00), securing payment to the contractor of improvements, to his subcontractors, and to persons furnishing labor, materials, or equipment to them. Before issuance of a building permit for Phase 2A, Subdivider shall increase the security to one hundred percent (100%) of a then current approved engineer's estimate for the Phase 2A improvements, securing payment to the contractor of improvements, to his subcontractors, and to persons furnishing labor, materials, or equipment to them.

3. Paragraph 13 of Document No. 2007-0029626-00 (the Phase 2B SIA) is hereby amended and restated in its entirety as follows:

"13. **Security.** Subdivider shall not be required to submit security for the Phase 2B improvements until County's acceptance of the Phase 2A improvements. As a condition precedent to County's acceptance of the Phase 2A improvements and prior to the County's release of the Phase 2A security under Paragraph 16, Subdivider shall furnish to County security to ensure the faithful performance of all duties and obligations of Subdivider herein contained in accordance with Government Code Section 66499. Such improvement security shall be in a form acceptable to the County Counsel. If bonds are submitted, Subdivider must provide documentation, in a form acceptable to the County Counsel, that the surety is duly admitted surety authorized to conduct business in the State of California. Such security shall be in the following amounts for the following purposes:

A. **Faithful Performance:** Fifty percent (50%) of the approved engineer's estimate for the Phase 2B improvements, which equals Three Hundred Forty-Four Thousand Five Hundred Ninety-Six Dollars (\$344,596.00), securing performance of this Agreement. Before issuance of a building permit for Phase 2B, Subdivider shall increase the security to one hundred percent (100%) of a then current approved engineer's estimate for the Phase 2B improvements.

B. **Labor and Materials:** Fifty percent (50%) of the approved engineer's estimate for the Phase 2B improvements, which equals Three Hundred Forty-Four Thousand Five Hundred Ninety-Six Dollars (\$344,596.00), securing payment to the contractor of improvements, to his subcontractors, and to persons furnishing labor, materials, or equipment to them. Before issuance of a building permit for Phase 2B, Subdivider shall increase the security to one hundred percent (100%) of a then current approved engineer's estimate for the Phase 2B improvements, securing payment to the contractor of improvements, to his subcontractors, and to persons furnishing labor, materials, or equipment to them.

4. Paragraph 13 of Document No. 2007-0029629-00 (the Phase 2C SIA) is hereby amended and restated in its entirety as follows:

"13. **Security.** Subdivider shall not be required to submit security for the Phase 2C improvements until County's acceptance of the Phase 2B improvements. As a condition precedent to County's acceptance of the Phase 2B improvements and prior to the County's release of the Phase 2B security under Paragraph 16, Subdivider shall furnish to County security to ensure the faithful performance of all duties and obligations of Subdivider herein contained in accordance with Government Code Section 66499. Such improvement security shall be in a form acceptable to the County Counsel. If bonds are submitted, Subdivider must provide documentation, in a form acceptable to the County Counsel, that the surety is duly admitted surety authorized to conduct business in the State of California. Such security shall be in the following amounts for the following purposes:

A. **Faithful Performance:** Fifty percent (50%) of the approved engineer's estimate for the Phase 2C improvements, which equals Forty Two Thousand Six Hundred Ninety-Nine Dollars (\$42,699.00), securing performance of this Agreement. Before issuance of a building permit for Phase 2C, Subdivider shall increase the security to one hundred percent (100%) of a then current approved engineer's estimate for the Phase 2C improvements, securing performance of this Agreement.

B. **Labor and Materials:** Fifty percent (50%) of the approved engineer's estimate for the Phase 2C improvements, which equals Forty Two Thousand Six Hundred Ninety-Nine Dollars (\$42,699.00), securing payment to the contractor of improvements, to his subcontractors, and to persons furnishing labor, materials, or equipment to them. Before issuance of a building permit for Phase 2C, Subdivider shall increase the security to one hundred percent (100%) of a then current approved engineer's estimate for the Phase 2C improvements, securing payment to the contractor

of improvements, to his subcontractors, and to persons furnishing labor, materials, or equipment to them.

5. Paragraph 23 of each SIA is hereby amended and restated in its entirety as follows:

**23. Other Provisions**

A. After acceptance of the improvements for each phase, the security for that phase shall be released and/or reduced under Paragraph 16 of each SIA. The Subdivider shall maintain security in the following amounts (i) **Faithful Performance**: twenty-five percent (25%) of the approved engineer's estimate covering the accepted public improvements for twelve (12) months from County's acceptance of the improvements to secure the faithful performance of the warranty obligations set forth in Paragraph 10 of each SIA, and (ii) **Labor and Materials**: fifty percent (50%) of the approved engineer's estimate for all accepted improvements for six (6) months from County's acceptance of the improvements as security to protect the County from liens that may be asserted against the improvements. After expiration of each timeframe set forth above, the security covered by that timeframe shall be fully released or reduced to an amount equivalent to any claims.

B. Subdivider agrees and acknowledges that no building permits will be issued for any Phase until one hundred percent (100%) of an approved and then current engineer's estimate has been delivered to and accepted by County each as security for (i) Faithful Performance and (ii) Labor and Materials. For purposes of this Amendment, a "then current" approved engineer's estimate shall mean an engineer's estimate for an approved and valid set of improvement plans containing a ten percent (10%) contingency. If the improvement plans expire by their own terms, then Subdivider shall be required to renew County's approval for the improvement plans and obtain a then current approved engineer's estimate for the estimated costs of the improvements in the renewed improvement plans.

C. Subdivider agrees and acknowledges that County is entering into this Agreement in material reliance on Subdivider's phasing plan as described in this Agreement and that any change in the phasing order described in Recital 4 of the Amendment will require the written approval of the County and an amendment to this Agreement. Provided, however, that Phase 2B and Phase 2C may, in Subdivider's discretion, be developed concurrently so long as Subdivider submits the security required for both phases under the Amendment. Subdivider further agrees and acknowledges that building permits requested after March 7, 2010 will be issued in a particular Phase only after improvement plans for that Phase have been approved by the County. No building permits will issued for any Phase in which improvement plans have expired unless and until Subdivider has resubmitted the improvement plans and obtained approval of the same from the County.

6. Subdivider consents to the recordation of this Amendment in the Official Records of Placer County. Any amendment hereto shall be in writing and recorded in the Official Records of Placer County.

7. To the extent this Amendment is in conflict with the provisions of the SIAs, this Amendment shall control. In all other respects, the SIAs remain in full force and effect and are incorporated herein by reference as if fully set forth herein. Subdivider further agrees and acknowledges that nothing in this Amendment affects the Subdivisions' entitlements and that any changes to the Subdivisions may require additional review and approval pursuant to the County's land use process.

WHEREFORE, the parties hereto have executed this Amendment on the day and in the year first above written.

Dated:

COUNTY OF PLACER

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Dated:

SUBDIVIDER

Squaw Creek Associates, I.L.C.,  
a Delaware limited liability company,

By: Destination Tahoe Investors, LLC,  
a Delaware limited liability company,  
its Administrative Member

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

APPROVED AS TO FORM

PLACER COUNTY COUNSEL'S OFFICE

By \_\_\_\_\_  
COUNTY COUNSEL

State of California )  
County of Placer )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me  
\_\_\_\_\_  
NOTARY PUBLIC,

(Notary Name and Title)

personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I  
certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

My Commission Expires: \_\_\_\_\_

WITNESS my hand and official seal (SEAL)

\_\_\_\_\_  
Notary Public in and for said county and state

State of California )  
County of Placer )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me  
\_\_\_\_\_  
NOTARY PUBLIC,

(Notary Name and Title)

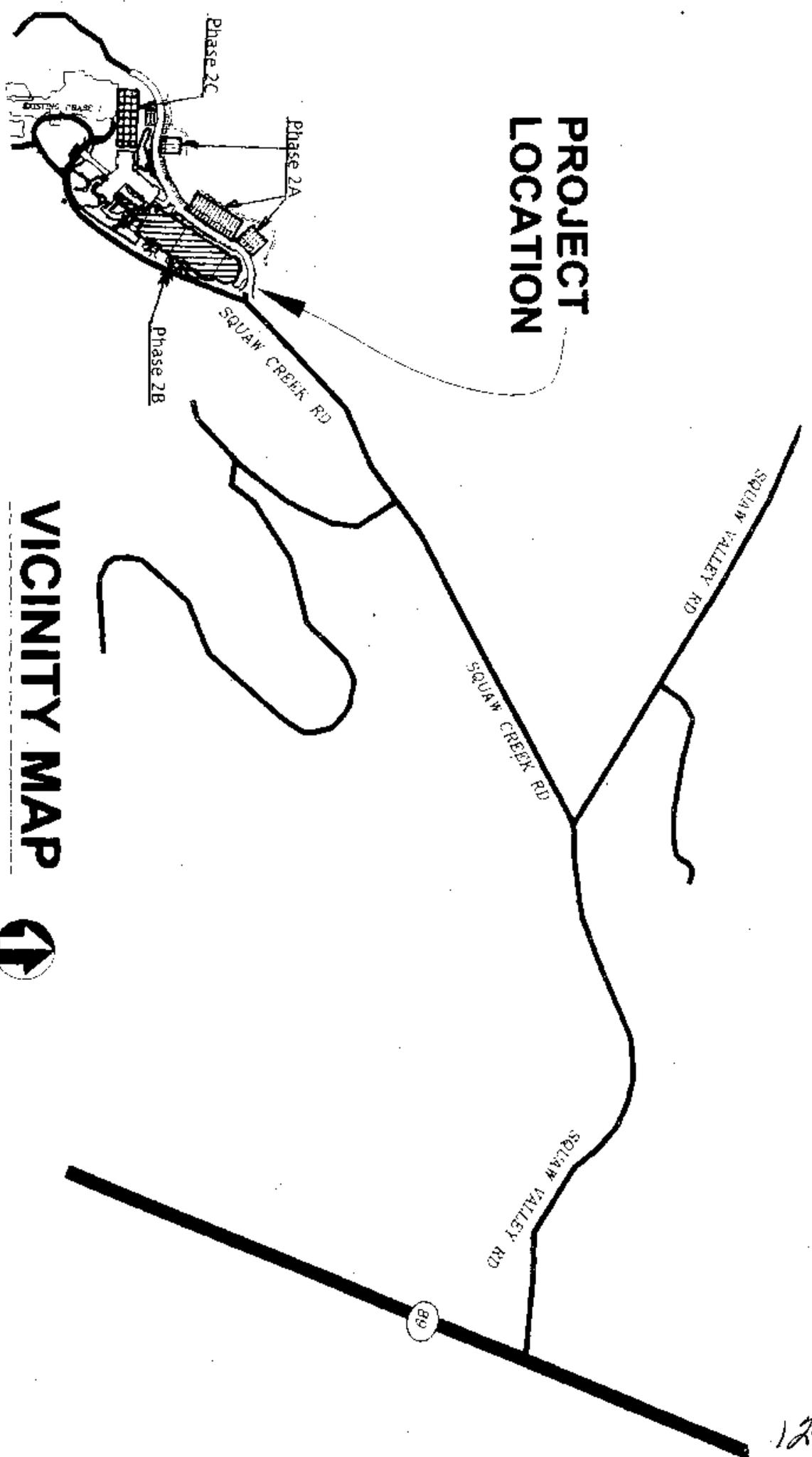
personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I  
certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

My Commission Expires: \_\_\_\_\_

WITNESS my hand and official seal (SEAL)

\_\_\_\_\_  
Notary Public in and for said county and state

# PROJECT LOCATION



## VICINITY MAP

NTS

