

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

**ENGINEERING &  
SURVEYING**

Michael J. Johnson, AICP  
Agency Director

Wes Zicker, PE  
Director

**MEMORANDUM**

**TO:** Honorable Board of Supervisors  
**FROM:** Wes Zicker, Director of Engineering & Surveying *WZ*  
**DATE:** August 23, 2011  
**SUBJECT:** Martis Camp Unit No. 7A and Unit No. 9A & 9B  
SUB-424/CUP3008

**ACTION REQUESTED:**

Approve the attached Second Amendment to the Subdivision Improvement Agreements (SIAs) for Martis Camp Unit No. 7A and Unit No. 9A & 9B:

1. Authorize the Chairman to sign the Second Amendment to the SIAs.
2. Instruct the Clerk of the Board to prepare the Second Amendment to the SIAs for recording.

**BACKGROUND:**

Martis Camp, originally called Siller Ranch, was approved to create 726 residential units. The developer has opted to limit development to 653 residential lots utilizing multiple phased final maps. The subdivider has recorded a final map for Unit No. 7A and for Units No. 9A & 9B (combined as one map and SIA) and provided security to the County for the respective improvements. As a business decision, DMB Highlands, LLC, the developer of the project, decided to delay construction of the Unit 7A improvements and pursue completion of the Unit 9A and 9B improvements. To accommodate this change, on November 17, 2009 your Board approved an Amendment to the SIAs for both subdivisions. That Amendment contains requirements for a specific amount of security to be held for a specific term.

The improvements for Unit 9A and 9B have been completed and security reduced in accordance with established County procedure. Unit 7A is currently under construction and is more than 50% complete. The developer has provided the appropriate security and complied with all other provisions of these SIAs and now desires to have the amount of security for Unit 7A reduced based upon work completed while maintaining the minimum level required by Subdivision Map Act Section 66499.3. The proposed Second Amendment reduces the amount of security for Unit 7A accordingly while maintaining the minimum level required by State Law.

Staff has reviewed current Subdivision Map Act limits on the "lien period", the time for a contractor or subcontractor to file a claim against the project. The proposed Second Amendment contains modifications for both SIAs to parallel lien period timelines and authorizes the Director of CDRA to reduce/release the Labor & Materials security accordingly.

The proposed Second Amendment also reduces the security required by the County during the warranty period, one year after acceptance of the improvements, to cover only the publicly-maintained facilities.

Staff believes that these revisions are reasonable. If approved by your Board in this instance, staff intends to incorporate the revisions to the lien and warranty periods into future SIAs.

**ENVIRONMENTAL CLEARANCE:**

A Final EIR for Siller Ranch has been found adequate to satisfy the requirements of CEQA for this project. The Final EIR was certified by the Planning Commission on June 24, 2004. Mitigation measures have been addressed by the Conditions of Approval for this subdivision.

**FISCAL IMPACT:**

None

**ATTACHMENTS:**

- Exhibit 1: Second 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: Martis Camp Unit No. 7A  
and Martis Camp Unit No. 9A & 9B.  
Subdivision Nos.: SUB-424/CUP 3008; Tracts 988 and 990.  
Recorded at: Book CC of Maps, at Pages  
004, and 005 Placer County Official Records.  
Subdivider: DMB Highlands Group, LLC  
Original Subdivision Improvement Agreements  
Recorded:  
Unit No. 7A--Doc. 2008-0088111-00, ORPC,  
November 12, 2008;  
Unit No. 9A and 9B--Doc. 2008-0088115-00,  
ORPC, November 12, 2008  
Amendment to Subdivision Improvement Agreements  
Recorded: Nov. 24, 2009 as Doc. 2009-0101167, ORPC  
Effective Date: \_\_\_\_\_

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

This Second Amendment to Subdivision Improvement Agreements ("Second Amendment") is entered into by and between the County of Placer, hereinafter called "County," and DMB/Highlands Group, LLC, hereinafter called "Subdivider," on the \_\_\_\_ day of \_\_\_\_\_, 2011.

### **RECITALS**

1. Subdivider has received approval from County of a tentative subdivision map commonly known as Martis Camp (aka Siller Ranch) (the "Subdivision").
2. Subdivider obtained Board approval for two final subdivision maps (the "Maps") for the Subdivision in substantial conformity with the approved tentative map on November 4, 2008, which were both recorded on November 12, 2008, in Book CC of Maps, at Page 004 (Unit No. 7A), Book CC of Maps, at Page 005 (Unit No. 9A and 9B) 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. 2008-0088111-00 (the "Unit No. 7A SIA") and 2008-0088115-00 (the "Unit 9A and 9B SIA"), all recorded November 12, 2008 (hereafter collectively, the "SIAs").

4. Subdivider informed the County that Subdivider's intended phasing plan for construction of the Subdivision consists of completing Unit No. 9A and 9B first and Unit No. 7A second.

5. County agreed with Subdivider's intended phasing plan and the parties executed an Amendment to Subdivision Improvement Agreement recorded as Doc. 2009-0101167 (the "Amendment") to modify certain requirements of the SIAs.

6. Subdivider has requested a reduction to the term and amount of security required by the SIAs as a result of the Amendment.

7. 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 a second amendment to both SIAs for that purpose.

8. 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. Paragraph 13 of Document No. 2008-0088111-00 (the Unit No. 7A SIA) is hereby amended and restated in its entirety as follows:

13. **Security.** Subdivider shall continue to maintain security sufficient to ensure the faithful performance of all duties and obligations of Subdivider herein contained in accordance with Government Code Section 66499. The parties agree that, based upon County verification that at least fifty percent (50%) of the improvements have been completed as of August 1, 2010, the required security shall be reduced from an amount equivalent to one hundred percent (100%) of the estimated cost to complete the Improvements required under the SIA (\$1,183,254.60 for both Faithful Performance and Labor & Materials) to an amount equivalent to fifty percent (50%) of the estimated cost to complete the Improvements being an amount of five hundred ninety one thousand six hundred twenty seven dollars and no cents (\$591,627.00) as described below.

A. **Faithful Performance:** Fifty percent (50%) of the approved engineer's estimate for the Unit No. 7A improvements described in paragraph 6, which equals Five Hundred Ninety One Thousand Six Hundred Twenty Seven and no cents (\$591,627.00).

B. **Labor and Materials:** Fifty percent (50%) of the approved engineer's estimate for the Unit no. 7A improvements described in paragraph 6, which equals Five Hundred Ninety One Thousand Six Hundred Twenty Seven and no cents (\$591,627.00), securing payment to the contractor of improvements, to his subcontractors, and to persons furnishing labor, materials, or equipment to them

2. Paragraph 16 of each SIA is hereby amended and restated in its entirety as follows:

"16. **Release of Remaining Security.** At the conclusion of the construction of the improvements, and upon written acceptance of them by the Board of Supervisors and approval of a Notice of Completion, the Director of the Community Development Resource Agency shall authorize the reduction of the Faithful Performance security to an amount equivalent to twenty five percent (25%) of the of the estimated cost to complete the publically maintained Improvements, not including those improvements to be dedicated to a public services agency holding separate security. This amount shall be retained for the warranty period described in paragraph 13. Due to the reduction of the Labor and Materials security described in paragraph 13, no further reduction of this amount of security shall take place prior to satisfactory completion of the lien period. Upon satisfactory completion of the lien and warranty periods the Director of the Community Development Resource Agency shall authorize the release of the remaining security provided pursuant to Paragraph 13 as provided by Government Code Section 66499.7."

3. Paragraph 23 of each SIA as altered by the Amendment is eliminated in its entirety.

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

5. To the extent this Second 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: \_\_\_\_\_

Dated: B-9-11

SUBDIVIDER

By: DMB/Highlands Group, LLC, an Arizona Limited Liability Company,

By: Highlands Investment Group, XV, LTD, a Colorado Limited Partnership it's Managing Member,

By: Martis Creek Corporation, a Colorado Corporation, its General Partner,

By:   
\_\_\_\_\_  
Ronald J. Parr, its Executive Vice-President

APPROVED AS TO FORM

PLACER COUNTY COUNSEL'S OFFICE

Dated: 8/10/11

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

State of California )  
County of Placer )

On this 9 day of August, 2011, before me  
Nicole Hagmaier NOTARY PUBLIC,

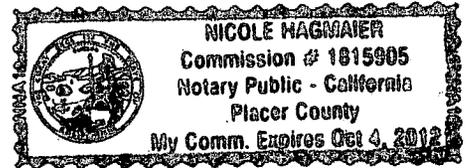
(Notary Name and Title)

personally appeared Ronald Parr,  
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: Oct 4, 2012.

WITNESS my hand and official seal

(SEAL)



Nicole Hagmaier  
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: \_\_\_\_\_

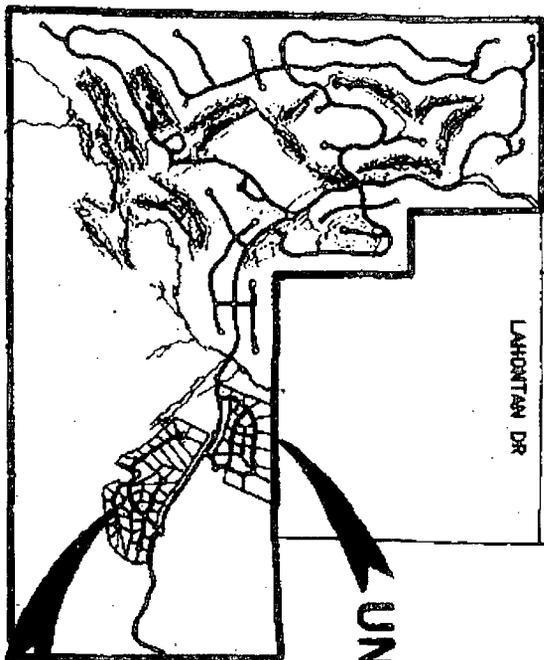
WITNESS my hand and official seal

(SEAL)

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

# MARTIS CAMP VICINITY MAP

NTS



UNIT 9A &  
9B SITE

UNIT 7A SITE

