



CITY OF CALISTOGA

STAFF REPORT

TO: Honorable Mayor and City Council
FROM: Derek Rayner, Acting Public Works Director/City Engineer
DATE: September 17, 2019
SUBJECT: Consideration of a Resolution Approving a One-Year Extension of the Subdivision Improvement Agreement with No Reduction in Securities Between Silver Rose Property Owner, L.P. and the City of Calistoga.

Approved by

Michael Kirn, City Manager

DESCRIPTION:

Consideration of a Resolution Approving a One-Year Extension of the Subdivision Improvement Agreement with No Reduction in Securities Between Silver Rose Property Owner, L.P. and the City of Calistoga.

RECOMMENDATION:

Adopt the Resolution.

BACKGROUND:

On September 27, 2016 the City of Calistoga entered into a Subdivision Improvement Agreement (“agreement”) with the Silver Rose Property Owner, L.P (“owner”). The purpose of the agreement is to guarantee satisfactory completion and performance by the developer, within three years, of both on and off-site improvements (e.g. roads, utilities, grading, drainage, erosion stabilization, private roads and utilities, etc.).

On August 23, 2019, the owner requested a one-year extension (Attachment 2). Compelling reasons given by the owner include labor shortages associated with the 2017 Napa/Sonoma wildfires and heavy rainfall this past winter. The owner anticipates completion of the improvements covered by the agreement in mid-2020.

A one-year extension is allowed by the City Municipal Code Section: 16.18.080C. If the City Council approves the one-year extension, this resolution will be recorded providing

constructive notice that the Subdivision Improvement Agreement has been formally extended for a 12-month period.

As part of the original agreement the owner had to post performance and payments bonds in the amount of approximately \$3 million dollars to ensure the improvements are built correctly. In addition, the owner had to post cash security for proper monumentation of the property corners and a warranty bond for the off-site/public improvements. Staff is recommending that there be no reduction in any of the securities to ensure satisfactory completion of the public and private improvements.

The construction work is regularly inspected by an outside consultant working for the City. When the construction work is complete the City will be notified that a final walk through acceptance inspection be conducted. Upon verification that all improvements have been constructed in conformance with the approved plans and any approved amendments, staff will bring final acceptance of public work to City Council for formal acceptance and acknowledgement that the terms of the agreement have been fulfilled.

FINANCIAL IMPACT:

The approval of the extension has no direct fiscal impact since all costs associated with the project inspection and administration are paid by the developer.

CEQA REVIEW:

This activity is not subject to the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3).

CONSISTENCY WITH CITY COUNCIL GOALS AND OBJECTIVES:

This agreement is consistent with City Council Goal No. 1 – Maintain and enhance the economic vitality of the community and the financial stability of the City.

ATTACHMENTS:

1. Resolution
2. Extension request from Developer's authorized agent

RESOLUTION 2019 -XXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA,
COUNTY OF NAPA, STATE OF CALIFORNIA, APPROVING A ONE-YEAR
EXTENSION OF THE SUBDIVISION IMPROVEMENT AGREEMENT BETWEEN
SILVER ROSE PROPERTY OWNER, L.P. AND THE CITY OF CALISTOGA**

WHEREAS, on September 27, 2016, the City of Calistoga entered into a Subdivision Improvement Agreement (“Agreement”) with the Silver Rose Property Owner, L.P. to guarantee satisfactory completion of both on and off-site improvements (e.g. roads, utilities, grading, drainage, stabilization, private roads and utilities, etc.) and to ensure developer completes all improvements as specified in the conditions of approval within three-years; and

WHEREAS, on August 23, 2019, the owners authorized representative requested a one-year extension pursuant to Calistoga Municipal Code Section 16.18.080.C citing compelling reasons including continued labor shortages associated with the 2017 Napa/Sonoma wildfires and heavy rainfall this past winter; and

WHEREAS, the Agreement requires the owner to post securities that included performance, labor and material bonds, and warranty bonds to ensure satisfactory completion of, and to warrantee, on-site private improvements, off-site public improvements, and monumentation of property corners; and

WHEREAS, the extension of the Agreement is not intended to reduce the bond securities already required by the Agreement; and

WHEREAS, the status of improvements has been periodically inspected and found to be in conformance with the approved plans and any approved amendments and to date are satisfactory to City Engineer.

NOW, THEREFORE BE IT RESOLVED that the Agreement is hereby extend for a period of 12-months to September 27, 2020 and the Public Works Department is authorized to record appropriate documents with the Napa County Recorder’s Office to provide constructive notice of said extension of the original Agreement.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calistoga at a regular meeting held this **17th day of September 2019**, by the following vote:

**AYES:
NOES:
ABSTAIN:
ABSENT:**

CHRIS CANNING, Mayor

ATTEST:

IRENE CAMACHO-WERBY, City Clerk

Silver Rose Property Owner LP
 1334-B Lincoln Avenue
 Calistoga, CA 94515
 (707) 709-2180

August 23, 2019

Mr. Michael Kirn
 City Manager
 City of Calistoga
 1232 Washington St.
 Calistoga, CA 94515

RE: Subdivision Improvement Agreement between
 Silver Rose Property Owner, LP and
 The City of Calistoga dated Sept. 7, 2016

Dear Mr. Kirn:

The referenced Subdivision Improvement Agreement, covering both public and private improvements at the Silver Rose Subdivision, stipulates that the work will be completed within 36 months of recording our Final Subdivision Map. The Final Map was recorded September 27, 2016, so this 36-month period expires on September 27, 2019. As we have not yet completed the work covered under this Agreement, we hereby request a one-year extension of the term. The project schedule has been seriously impacted by the labor shortages resulting from the 2017 Napa/Sonoma wildfires. Another factor contributing to schedule delays was the exceedingly heavy rainfall received by the region this past winter. We currently estimate resort completion in mid-2020.

Below is the status of the various improvements covered by the Agreement:

PUBLIC (OFF-SITE) IMPROVEMENTS

Demolition

- Electrical overhead and pole removal – complete
- Asphalt grind – 0% complete

Hardscape improvements

- 3” AC / 7” AB (pavement section) – complete
- 2” AC overlay – 0% complete
- Striping/pavement markings/signage – 0% complete

Erosion control and traffic control

- Erosion control – approx. 75% complete
- Traffic control – approx. 75% complete

Utilities Improvements

- Street light with box – complete
- 12” HDPE storm drain line – complete
- 15” HDPE storm drain line – complete
- 36” RCP storm drain line – complete
- 42” RCP storm drain line – complete
- Storm drain catch basin – complete
- Storm drain manhole – complete
- 8” HDPE sanitary sewer line – complete
- Sanitary sewer manhole – complete

- 6” DIP domestic water service lateral – complete
- 10” DIP domestic water service lateral – complete
- Fire hydrant, including lateral connection to main – complete
- Joint trench - complete

PRIVATE (ON-SITE) IMPROVEMENTS

Fine grading – 40% complete

Hardscape improvements – approx. 50% complete

- Flush curb – partially complete
- 3” AC / 7” AB (pavement section) – partially complete

Erosion control

All best management practices have been adhered to throughout the construction phase pursuant to our Storm Water Pollution Prevention Plan (“SWPPP”). Hydro-seeding and stabilization will be implemented post-construction in accordance with Bay Area Storm Water Management Agencies Association (“BASMAA”) protocols.

Utilities and Landscape Improvements

- 6” HDPE storm drain – complete
- 8” HDPE storm drain – complete
- 12” HDPE storm drain – complete
- 24” HDPE storm drain – complete
- 30” RCP storm drain – complete
- 36” RCP storm drain – complete
- 42” RCP storm drain – complete
- Storm drain catch basin 2’x2’ – complete
- Storm drain catch basin 3’x3’ – complete
- Storm drain catch basin 5’x5’ – complete
- Storm drain structure – 5’x7’ – complete
- Storm drain bubble-up structure 2’x2’ – complete
- Storm drain detention basin – complete
- Storm drain manhole – complete
- 4” HDPE sanitary sewer lateral – complete
- 6” HDPE sanitary sewer lateral – complete
- 8” HDPE sanitary sewer lateral – complete
- Sanitary sewer manhole – complete
- Sanitary sewer manhole with flow meter – complete
- 10” DIP domestic water – complete
- Domestic water lateral – complete
- Fire hydrant assembly, including lateral connection to main – complete
- Joint trench, including allowance for transformers and junction boxes – complete

Attached hereto is the latest set of aerial photos that were taken on August 18, 2019. We appreciate your consideration of this extension request, and stand ready to answer your questions or provide any additional information needed. Thank you.

Sincerely,



David Oliver
VP of Development

Cc: Derek Rayner
Melissa Vasquez