

**EXHIBIT I**

**Subdivision Procedures**

**1. Introduction**

These Subdivision Procedures are adopted pursuant to the Subdivision Map Act of California, Title 7, Division 2 of the Government Code, commencing with Section 66410 (hereinafter referred to as "SMA") and supplement the supplement and amend in part the Napa County Subdivision Code (Napa County Municipal Code Title 17-Subdivisions) as it relates to the Property. Due to the complex nature of the Project and its proposed phased build-out over a period of years under the Agreement, the Parties wish to provide procedures for security and processing of Phased Final Maps and approval of Individual Maps and related final maps during the term of the Agreement that diverge in certain respects from the Local Agency Subdivision Codes or regulations, but remain consistent with the SMA. Except to the extent provided in the Agreement, Development Plan, or in this **Exhibit I**, all other provisions of the County Subdivision Code and Regulations shall apply to the Project, and upon annexation, all other provisions of the City of Napa's Subdivision Code and Regulations shall apply except to the extent inconsistent herewith. Capitalized terms not otherwise defined in this **Exhibit I** shall have the meanings ascribed to them in the Agreement and its Exhibits.

**2. Security**

2.1 The SMA sets forth requirements for improvement security in connection with the performance of a subdivider's acts and obligations under the SMA, and further provides that the local agency may specify the types and amounts of security required as provided in the SMA. As a condition to the approval of any subdivision improvement agreement approved concurrently with any final or parcel map, Landowner shall provide performance and payment security in accordance with the Local Agency's Subdivision Code or such other form as may be reasonably acceptable to Local Agency (any of the foregoing, the "**Security**") provided that:

**2.2 Performance Security.** For any subdivision improvement agreements for Phased Final Maps (defined below), or other subsequent final maps associated with Individual Maps, performance Security in a form reasonably acceptable to Local Agency to secure performance of obligations under an improvement agreement or permit shall be provided in accordance with Local Agency's Subdivision Code based upon the total estimated cost of the construction and installation of the Project Infrastructure improvements under the applicable improvement agreement.

**2.3 Payment Security.** For any subdivision improvement agreements for Phased Final Maps or other subsequent final maps associated with Individual Maps, payment Security in a form reasonably acceptable to Local Agency to secure payment to the contractor, to its subcontractors, and to persons furnishing labor, materials or equipment to them for construction or installation of Project Infrastructure improvements under an improvement agreement shall be provided in accordance with Local Agency's Subdivision Code, provided, however, that notwithstanding anything to the contrary in County Code Section 17.38.030.C.2, in all cases, the amount required shall be based upon an amount equal to fifty percent (50%) of the total

estimated cost of the construction and installation of Project Infrastructure improvements under the applicable improvement agreement.

## **2.4 Reduction and Release of Security.**

2.4.1 Upon request by subdivider, Security shall be released or partially released or reduced upon completion of a portion or component of Project Infrastructure in an amount reflecting the cost of such completed portion or component of the work (but not below the greater of (i) the amount required to guaranty completion of the remaining portions of Project Infrastructure, or (ii) ten percent (10%) of the original amount of such Security provided, or upon ‘final completion’, Security shall be reduced to ten percent (10%) of the original Security amount (or lesser amount if so provided in Local Agency Code). The determination of partial or final completion shall be made by the Director of Planning, Building and Environmental Services Department (or upon annexation the City Community Development Director) (the “**Director**”) or the designee of the Director through approval of a notice of completion or, in the case of a partial release, upon notice of partial completion of the Director. The Director’s determination for either a full or partial release shall not be subject to approval by the Board of Supervisors, City Council or any other Local Agency governing body or Commission. In making a determination to release or partially release Security, the provisions of Local Agency Subdivision Code will apply, and acceptance of the Project Infrastructure by the Board or City Council shall not be required for any such release or completion determination for Project Infrastructure that will not be dedicated and accepted for operation and maintenance by the Local Agency.

## **3. Subdivision Procedures Supersede Inconsistent Code Provisions**

**3.1 Security.** These Subdivision Procedures supersede any inconsistent provisions of the Local Agency’s Subdivision Code, or any other provisions of Local Agency Codes regarding Subdivision security.

**3.2 Application of Maps and Improvement Agreements After Annexation.** The Term of the Master Map and any subsequent Individual Maps is provided in Section 7.5 of the Agreement, which supersedes any inconsistent provisions of the either Local Agency’s Subdivision Code, including, without limitation Section 17.04.060 and Chapter 17.18 of the County’s Subdivision Code, and any inconsistent provisions of the City’ Subdivision Code, including, without limitation, Chapter 16.20 of the City’s Subdivision Code, with respect to annexed portions of the Property. It is the intent of the Parties (including City to the extent it elects to annex the Property) that the Master Map and subsequent Individual Maps shall continue to be effective after annexation of the Property (or portion thereof) for the term described in Section 7.5 of the Agreement, and that: (i) development of the Project proceed consistent with the Project Approvals; (ii) City would be responsible for processing Phased Final Maps, Individual Maps and their associated final maps, and all improvement agreements for annexed Property in accordance with this Agreement and the Project Approvals, including the Master Map and any previously approved Individual Maps; and (iii) City would be substituted as a Party to any outstanding Improvement Agreements and as beneficiary under any Security bonds or other forms of security, without any other modification of the terms and conditions thereof.

**3.3 Development Consistent with Development Plan.** As provided in the Agreement, and notwithstanding any contrary provisions of either Local Agency's Subdivision Code, with respect to application of Local Agency rules, regulations or standards, development of the Project and Project Infrastructure shall be governed by the Development Plan, Design Guidelines and other Project Approvals (including the Master Map), except as may be provided therein, including, without limitation, with respect to provision of water service facilities consistent with City Standards. No waivers, variances, exceptions or other or additional approvals or authorizations under Local Agency Codes shall be required for application of such Project Approval standards in lieu of any contrary Local Agency standards.

**3.4 City Codes.** Upon annexation of the Property or portion thereof by the City, the following additional provisions shall apply as to such annexed Property:

3.4.1 Notwithstanding the provisions of Section 16.04.160 of the City Subdivision Code, upon annexation of any of the Property, the conditions of approval for Subsequent Approvals, including, without limitation, Individual Maps, shall be limited those specifically set forth in the approving resolution or ordinance and all contrary or inconsistent provisions of Section 16.04.160 shall not apply to the Project or Property

3.4.2 Based on the Master Map, Development Plan and other Project Approvals, it has been determined that application of Section 16.12.010(C) of the City Subdivision Code regarding preparation and review of a conceptual map is not necessary and therefore shall not apply to any annexed Property, including any Individual Maps.

**4. Subdivision Review**

Local Agency shall use reasonable efforts to expeditiously and with due diligence process the review of each Phased Final Map, Individual Map, other final maps and Project Infrastructure improvement plan submissions, construction inspections and partial and final completion determinations. The Local Agency shall also use reasonable efforts to cause the timely performance by each department or agency within its jurisdiction of the acts required of it to permit development to proceed as contemplated by the Agreement, including the review of construction, completion determinations and for releases of Security for Project Infrastructure, or portions or components thereof.

**5. Preliminary Compliance Review; Phased Final Maps**

As contemplated by the Master Map, Landowner will file multiple phased Final Maps for the Project (each, a "**Phased Final Map**"). The following provisions provide for a new Preliminary Compliance Review Approval that is to occur prior to the Local Agency's approval of any Phased Final Map. These provisions shall supplement the information required under County Subdivision Code Section 17.20.030 and 17.20.040 and, if annexed by City, shall constitute an additional submittal requirement under the City's Subdivision Code as to each first Phased Final Map submitted for any portion of the Property under the Master Map. No residential or commercial building permit for development on the land use blocks described on the Master Map (but specifically excluding Project Infrastructure that may be separately permitted through a grading, excavation or street improvement permit or other appropriate

permit or agreement), shall be issued on any portion of the Property that is included under the Master Map until a Phased Final Map for the applicable portion of the Property has been recorded. Subsequent Individual Maps and associated final maps filed for the Property shall be processed in accordance with the Local Agency's Subdivision Code as modified by these Subdivision Procedures.

**5.1 Preliminary Compliance Review.** In addition to all other Local Agency requirements applicable to the acceptance of a complete application and timely filing of a final map, the first Phased Final Map to be filed on each portion of the Property shall not be approved or forwarded to the Local Agency's legislative body for consideration until Local Agency has issued a Preliminary Compliance Review Approval (defined below) in accordance with this Section 5.1.1.

5.1.1 Submittals. In connection with each Phased Final Map, Landowner shall submit to the Director for the Director's review and acceptance, solely for purposes of demonstrating conformance with the Agreement and other Project Approvals (the "**Preliminary Compliance Review Approval**"), a Preliminary Compliance Review submittal that contains the information set forth in this Section 5.1.1. If Landowner seeks preliminary approval of a Phased Final Map in accordance with Section 17.20.030 of the County Subdivision Code, then the information required thereunder shall include the submittals required for the Preliminary Compliance Review Approval.

(i) Governing Documents. A general description of the Governing Documents (as more particularly described in Section 16.3 of the Agreement), that are proposed to be recorded against the property shown on such Phased Final Map.

(ii) Affordable Housing Information. Housing information as necessary for Local Agency to determine compliance with the Affordable Housing Plan and track compliance with the requirements of the Affordable Housing Plan, as follows:

- A. If the property that is the subject of the Phased Final Map includes an Affordable Housing Parcel, Landowner shall submit the following information:
- (1) The location and acreage of the Affordable Housing Parcel within the property that is the subject of the Phased Final Map;
  - (2) The name of the Qualified Housing Developer anticipated to develop the Affordable Housing Parcel, if any;
  - (3) If known, the number of Low Income Homes and Very Low Income Homes anticipated to be developed by the Qualified Housing Developer on the Affordable Housing Parcel;

- (4) If Landowner proposes a change to the Approved Sites identified in the Affordable Housing Plan (Parcel 17 (Phase Two), Parcel 19 (Phase Three) and Parcel 4 (Phase Four) that was not previously approved by Local Agency, Landowner shall submit the information required under Section 3.3 (Site Selection Process) of the Affordable Housing Plan necessary for Local Agency to evaluate the substitute Approved Site;
- (5) If the property that is the subject of the Phased Final Map includes any property within Phase 3 or Phase 4 of the Project (as shown on the Phasing Plan), evidence that Landowner has satisfied all affordable housing pre-requisites to the applicable Phase as identified in the Phasing Plan;

- B. As of the date of the application submittal, the cumulative number of Residential Units (including the number of Inclusionary Units) that have been issued building permits, or if construction is complete, actually developed, within the Project;
- C. If the property that is the subject of the Phased Final Map includes any property within Phase 3 or Phase 4 of the Project, evidence that no fewer than 6% of all Residential Units have been issued building permits, or if construction is complete, actually developed, are, to date, Inclusionary Units within all prior Phases;
- D. The anticipated location of each Residential Project within the property that is the subject of the applicable Phased Final Map, and for each Market Rate Project, the number of residential units, and the proposed number and location of Inclusionary Units.

(iii) Phasing Plan Prerequisites. For any Phased Final Map that includes property in Phase 2, 3 or 4 of the Project, evidence that Landowner is meeting or has met all necessary prerequisites to the proposed Phased Final Map development as provided in Exhibit D (Phasing Plan).

(iv) Open Space. A description of all proposed Open Space that Landowner must construct in connection with the applicable Phased Final Map in accordance with schedule for construction of Open Space set forth in Section 3 of the Phasing Plan and all other Project Approvals.

(v) Conceptual Description of Project Infrastructure. A conceptual level description of all Project Infrastructure that Landowner proposes to construct in connection with the applicable Phased Final Map. Such conceptual plan Project Infrastructure shall be consistent with the Phasing Plan and Project Approvals, and shall include, without limitation, all streets, (and improvements therein and thereon), bikeways, curbs, gutters, sidewalks, street lights and other streetscape improvements, joint utility trench, utility corridors and related facilities, flood control improvements, storm water, wastewater, potable and other water facilities and conceptual erosion and sediment control plan, including any interim facilities and control measures, reasonably necessary to provide necessary access and utilities service for development on the subject property or as otherwise required to be constructed in connection with the subject property under the Project Approvals, including, without limitation, the Development Plan and Phasing Plan.

(vi) Other Information. Such other information or materials that may reasonably be required to demonstrate the scope and nature of the map and proposed improvement plan submittals will be in compliance with the Phasing Plan, Affordable Housing Plan and other Project Approvals.

5.1.2 Preliminary Compliance Review Approval. The Director (or in the case of submittal to the City after annexation, the City's Community Development Director) shall within twenty (20) days from the time the materials referenced in subsection 5.1.1 are submitted by Landowner, review the preliminary review submittal and advise the applicant in writing that the submittal is complete or whether and what specific additional materials or information are required. Upon determination that the submittal is complete, the Director will complete the review and provide a Preliminary Compliance Review Approval of the material presented, or return it to Landowner with instructions as to why it cannot be accepted as demonstrating compliance with the Agreement and Project Approvals, within thirty (30) days of the submittal. If the Local Agency rejects a Preliminary Compliance Review submittal in whole or in part, the reasons for such rejection shall be provided to the applicant. Any revisions or resubmittals shall be reviewed as expeditiously as possible within the time-frames provided above. The Director's review shall be solely for conformity with this Exhibit, the applicable standards under the Development Plans, and for conformity with the Project Approvals, including, without limitation, the Phasing Plan, Affordable Housing Plan and MMRP. The Preliminary Compliance Review application shall not be rejected, or changes required from or conditions imposed that are inconsistent with the Project Approvals and any Subsequent Approvals previously granted.

5.1.3 Action on Final Map. Without limiting the right of Landowner to seek preliminary approval of a final map under County Subdivision Code Section 17.20.030, Landowner shall submit the Preliminary Compliance Review Approval as part of the information required for planning department approval of any Phased Final Map as required under the Local Agency Subdivision Code. All information submitted by Landowner with its Phased Final Map application, including approved Governing Documents and improvement drawings, shall be consistent with those approved by Local Agency under the Preliminary Compliance Review Approval. In acting on any Phased Final Map, Local Agency shall not disapprove, or require changes or conditions that are inconsistent with the Project Approvals and any Subsequent Approvals previously granted.

The processing, review and approval of subdivision maps may occur concurrently with or independently of a building development project design or building permit review; provided, however, that the Director shall have issued the Preliminary Compliance Review Approval and the associated Phased Final Map shall have recorded prior to issuance of a building project's building permit and commencement of building project construction.

**6. Separate Improvement Plans**

Landowner may submit grading, excavation or street improvement permit or other appropriate permit applications for improvements separate from or in advance of a subdivision map and subdivision improvement agreement, which may include extensions of public rights of way or utilities, in advance of programmed development, to provide off-site Project Infrastructure, for temporary roads or utility connections, or other Project Infrastructure improvements that are consistent with the Project Approvals, including the Development Plan. Local Agency shall review and consider for approval such applications and improvement plans for consistency with the Project Approvals. The Director, in its reasonable discretion, may require an improvement agreement or other appropriate authorization in connection therewith.

If determined necessary or desirable by Director in his or her reasonable discretion, Landowner shall provide security for improvement agreements or other grading, excavation or street improvement permit or other appropriate permits separate from subdivision improvement agreements, provided, however, that such security shall be required only to the extent that cumulative amounts of outstanding security are reasonably determined by the Director to be insufficient (in time or amount) to guaranty performance or payment for covered Project Infrastructure, or to the extent that funds for construction of public improvements are reasonably determined by the Director to be insufficient (in time or amount) to pay the expected costs of such construction.