

**AMENDMENT NO. 2 TO DEVELOPMENT AGREEMENT BY AND BETWEEN THE
COUNTY OF NEVADA AND YOUNG ENTERPRISES, L.P.**

THIS AMENDMENT 2 TO DEVELOPMENT AGREEMENT is made and entered into by and between the COUNTY OF NEVADA, a political subdivision of the State of California (“County”) and YOUNG ENTERPRISES, L.P., a California limited partnership (“Developer”). This Amendment is effective as of _____, _____, 2021, and amends that certain Development Agreement between the parties dated May 8, 2013 (“Agreement”).

WHEREAS, County and Developer approved certain entitlements and entered into an Agreement for a Planned Development, Continuing Care Retirement Community (PD-CCRC) to be located at the east terminus of Rincon Way in the unincorporated territory of the County of Nevada, commonly known as the “Rincon Del Rio” project (“Project”); and,

WHEREAS, on or about November 21, 2013, the Parties entered into Administrative Amendment No. 1 to reflect minor Administrative Amendment as provided in Paragraph 5.1(a) of the Agreement (the Development Agreement as amended on November 21, 2013 is referred to herein as the “Development Agreement”); and

WHEREAS, Developer has submitted an application for a Use Permit to amend the approved Comprehensive Master Plan to allow for a revision and relocation of some of the uses and to allow for individual fee title ownership of some of the residential (detached and attached) units. The application also seeks to revise the Tentative Final Map, to subdivide the subject parcels from four (4) existing to 323 parcels, along with larger common space and open space parcels (the proposed amendments to the Project approvals are referred to herein as “Project Amendments”); and

WHEREAS, due to non-activity of the approved entitlements by the Developer, the Parties agree to extend the term of the Agreement as outlined in Section 1.4(a) of the Development Agreement and shall commence upon the Effective Date of Amendment 2 of the Development Agreement and its enacting Ordinance (“Effective Date”) and,

WHEREAS, the Parties now desire to execute this Amendment 2 to document further proposed amendments to the Agreement as provided by 5.2(b):

Any request of Developer for an amendment or modification to a Project Approval or Subsequent Approval which is determined not to be a Minor Administrative Amendment as set forth above, shall be subject to review, consideration and action pursuant to the applicable substantive and procedural provisions of the County’s General Plan, zoning, subdivision, and other applicable land use ordinances and regulations in effect when such an amendment or modification requires is approved. Any such approved

amendment or modification shall be reflected in an amendment to this Agreement and/or its pertinent exhibits. Any request of Developer for an amendment or modification to a Project Approval or Subsequent Approval which is determined not to be a Minor Administrative Amendment or otherwise permitted by this Agreement, shall be considered a new discretionary action by County (“Discretionary Action”) and may be subject to further CEQA review. County shall not be precluded from considering and/or applying any County law or other rule, regulation, standard or policy which is in effect at the time such Discretionary Action is acted upon by County.

NOW THEREFORE, for good and valuable consideration, the Parties hereto agree as follows:

1. That Exhibit D to the Development Agreement will be replaced with the attached amended Exhibit D. Further, the second sentence and the third sentence of Recital Section D, Parties’ Intent, are hereby amended to read as follows:

“The proposed construction includes up to 345 detached and attached residential housing units of various sizes to serve a population not to exceed 415 residents, and would require up to 43 employee FTEs, as shown on the Site Plan attached hereto as Exhibit C and incorporated herein by this reference (“Site Plan”). Construction would occur by means of a phased development consisting of up to ten (10) phases of construction as shown and described in Exhibit D attached hereto and incorporated herein by this reference (the “Project”).

2. That Recital Section F, Project Approvals, shall remain as set forth in the Development Agreement with the following language added at the end of the paragraph:

Concurrent with the approval of this Amendment 2 to the Development Agreement, the County has prepared an Addendum to the Environmental Impact Report prepared for the original Project approvals. The Addendum was approved and adopted by the County on _____, 2021.

3. That Recital Section I, Planning Commission – Board of Supervisors Approval, shall remain as set forth in the Development Agreement with the following language added at the end of the paragraph:

On _____, 2021, the Nevada County Planning Commission, after giving notice provided by law held a public hearing to consider Developer’s application for the Project Amendments, including this Amendment 2 to the Development Agreement, and recommended that the Nevada County Board of Supervisors (“Board of Supervisors”) approve Developer’s application for the Project Amendments, including this Amendment 2 to the Development

Agreement. On _____, 2021, the Board of Supervisors, after giving notice as provided by law, held a public hearing to consider Developer's application for the Project Amendments and this Amendment 2 to the Development Agreement.

4. That Recital K, County Ordinance, shall remain as set forth in the Development Agreement with the following language added at the end of the paragraph:

On _____, 2021, the Board of Supervisors adopted Ordinance No. _____ approving this Amendment 2 to the Development Agreement and authorizing the Chair of the Board of Supervisors to execute Amendment 2 to the Development Agreement ("Second Ordinance"). The Second Ordinance becomes effective on _____, 2021 a copy of which is attached hereto as Exhibit 1.

5. That Section 1.4 Term (a) be amended to read as follows:

- (a) Effective Date. This Agreement shall become effective upon the execution of Amendment 2 to this Development Agreement and its enacting Ordinance ("Effective Date").

6. That Section 1.5 Project Approvals (a)(1) be added as follows:

- (a)(1) An Addendum to the certified Final Environmental Impact Report, State Clearinghouse No. 2011052030 (EIR10-001) and the associated mitigation measures are incorporated herein by reference.

7. That Section 1.5 Project Approvals (f)(1) be added as follows:

- (f)(1) Adoption of a Management Plan (MGT 20-0001) to address and manage the natural resource Ares on the Property including encroachments into Steep Slopes, Landmark Oak Groves, Landmark Oak Woodlands, and Watercourses.

8. That Section 1.5 Project Approvals (g)(1) be added as follows:

- (g)(1) A Petition for Exceptions (PFX19-0003), for the interior primary access roads, including that they shall be constructed to Local Class II Road Standards, with an exception of allowing of a reduction of the right-of-way width from 50 feet to 40 feet and a shoulder width from 4 feet to 2 feet when AC dike is used. The Petition also includes an exception from the Local Class II Road Standards on portions of Rincon Way to allow for a 30-foot primary access road with no vegetation maintenance easement on Rincon Way and for use of

Rodeo Flat Road as an emergency access route having grades in excess of 16-percent.

9. That Section 1.5 Project Approvals (h) be amended to read as follows:

- (h) A Tentative Final Subdivision Map (TFM19-0008) to subdivide the project site from the existing four (4) lots into 102 Single-Family Residential Parcels ranging in size from 4,699 square feet to 8,391 square feet. 221 Single Ownership Condominium parcels ranging in size from 1,300 square feet to 1,500 square feet. 23 common area parcels with letter lots A-D and F-X ranging in size from 11,807 square feet to 130.42 acres for parking, landscaping, open space, Memory Care and other common facilities as shown on the approved Tentative Final Map.

10. That Section 1.5 Project Approvals (i) be amended to read as follows:

- (i) A Use Permit (U19-0001) to establish a Comprehensive Master Plan (CMP) for the entire site to facilitate the development of the site as a 345-unit Continuing Care Retirement Community.

11. That the first sentence Section 2.1.2 is amended to read as follows:

Developer agrees and warrants that the Project will only be construed and operated as a CCRC, as defined by the Nevada County General Plan, and the County's Land Use and Development Code, and shall include the operation of facilities as described in Health & Safety Code Section 1770, et seq., as such laws may be amended from time to time (collectively "CCRC law"), including the definition of "elderly"

12. That Section 2.1.7 is replaced with the following:

Acquisition of Future Sewer Capacity: The Project will need to acquire future sewer capacity from the Nevada County Sanitation District No. 1, Lake of the Pines, Zone 2 Wastewater Treatment Facility through the purchase of EDUs as established in the Sanitation District Code. Once connected to the sewer each EDU would be charged an annual sewer service charge. An estimated 253.68 EDUs will need to be acquired for the capacity needs of the proposed project. The Developer shall prepare a Sewer Design Report detailing the development's proposed infrastructure needs, anticipated hydraulic loads, system sizing and criteria, and any data to provide actual flow information for comparable units that are already in existence in order to make the final determination as to the EDU allocation per dwelling unit/type.

The Lake of the Pines Wastewater Treatment Plant (WWTP) is currently near capacity (considering both existing and already approved projects), with a

calculated 68 EDU's available for new proposed projects, available on a first come, first serve basis. As such, the Project may pay for up to 68 EDU's in advance, based on availability of EDU's at the time of payment.

Under the current EDU Charge and after the existing 68 EDU's are either paid for and/or used, any additional EDU's from the Project will require the construction/installation of an additional two cassette pairs for two basins at the Lake of the Pines WWTP since the cost for said cassettes are not included in the current EDU charge. As such, the Project/Developer shall be required to pay the County actual cost determined as a result of a competitive bid (estimated at an amount of \$700,000) to be utilized for the purposes of expanding the capacity of the existing treatment plant's MBR and shall concurrently provide a Service Commitment Agreement as outlined and further discussed in the approved Development Agreement. This payment shall be made pursuant to the following terms and/or schedule:

- One year prior to the issuance of any building permit for any structure approved after available EDU's (currently 68) are connected in order to allow time for the work to occur.

Should the EDU Charge for the Lake of the Pines WWTP be revised to include the cost of additional cassettes in the MBR, the separate cost for the construction/installation of an additional two cassette pairs described above would not be required.

13. That Section 2.1.3 include a new sub-section (g) as follows:

- (g) Developer shall include in the CC&R's for the Project the following provision, and shall continue to retain up to 24 rental units until such time as the homeowners association is able to demonstrate to the County that the individual sale of the units will not result in the Project population exceeding 415: "The subdivider reserves the right to retain up to 24 condominium units as rentals not subject to the commencement of homeowners association regular assessments until the subdivider can document to the County that the individual sale of the condominium units will not result in a violation of the terms of the 2013 Settlement Agreement."

14. That Exhibit C – Site Plan and Exhibit D – Construction Phases described in Section 10.8. Entire Agreement, shall be replaced with amended Exhibit C and amended Exhibit D attached hereto.

15. That Exhibit G described in Section 7.5, Indemnification Agreement, shall be replaced with amended Exhibit G attached hereto.

16. That Section 10.4, Notices, Demands and Communications between the Parties, be amended to replace Lemmon – Land & Law, P.C. with the following:

The Law Office of Marsha A. Burch
131 S. Auburn Street
Grass Valley, CA 95945

17. That in all other respects the Development Agreement, and all terms and conditions as set forth therein, shall remain in full force and effect except as amended herein.

COUNTY OF NEVADA

YOUNG ENTERPRISES, L.P.

By: _____
Dan Miller, Chair
Nevada County Board of Supervisors

By: _____
Carol Young
Partner

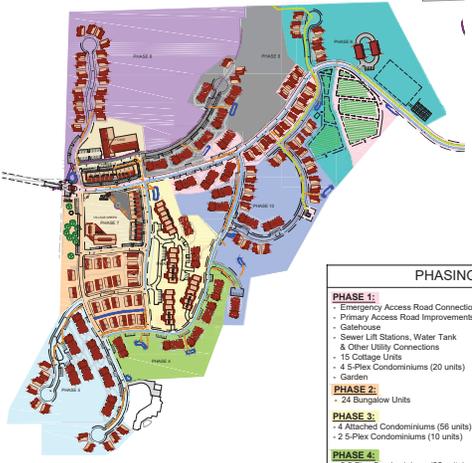
APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Katharine Elliott,
County Counsel

By: _____
Marsha A. Burch
Attorney for Developer

OVERALL SITE PLAN RINCON DEL RIO SENIOR LIVING JANUARY, 2021

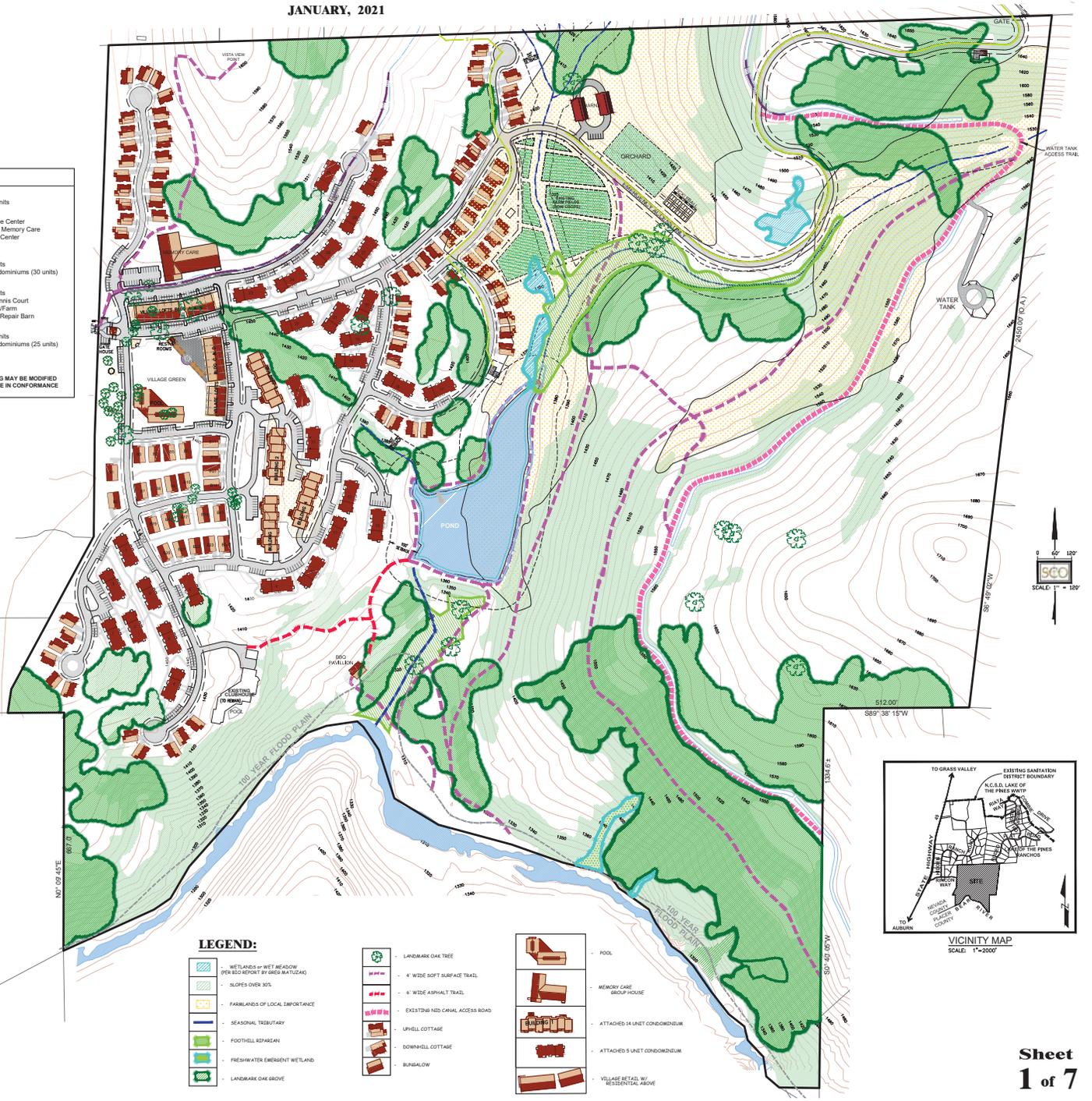


PHASING EXHIBIT
SCALE: 1" = 250'

PHASING & UNIT COUNT

- | | |
|--|---|
| <p>PHASE 1:</p> <ul style="list-style-type: none"> - Emergency Access Road Connection - Primary Access Road Improvements - Gatehouse - Sewer Lift Stations, Water Tank & Other Utility Connections - 15 Cottage Units - 4 5-Plex Condominiums (20 units) - Garden <p>PHASE 2:</p> <ul style="list-style-type: none"> - 24 Bungalow Units <p>PHASE 3:</p> <ul style="list-style-type: none"> - 4 Attached Condominiums (56 units) - 2 5-Plex Condominiums (10 units) <p>PHASE 4:</p> <ul style="list-style-type: none"> - 5 5-Plex Condominiums (25 units) <p>PHASE 5:</p> <ul style="list-style-type: none"> - 11 Cottage Units - 7 5-Plex Condominiums (35 units) | <p>PHASE 6:</p> <ul style="list-style-type: none"> - 21 Cottage Units <p>PHASE 7:</p> <ul style="list-style-type: none"> - Village Service Center - Group House Memory Care - Pool/Fitness Center <p>PHASE 8:</p> <ul style="list-style-type: none"> - 3 Cottage Units - 6 5-Plex Condominiums (30 units) <p>PHASE 9:</p> <ul style="list-style-type: none"> - 7 Cottage Units - Pickleball/Tennis Court - Row Gardens/Farm - Auto/Tractor Repair Barn <p>PHASE 10:</p> <ul style="list-style-type: none"> - 21 Cottage Units - 5 5-Plex Condominiums (25 units) |
|--|---|

PHASING NOTE:
1. THIS IS A PHASED PROJECT. THE ORDER OF PHASING MAY BE MODIFIED AND/OR COMBINED WITH OTHER PHASES, BUT SHALL BE IN CONFORMANCE WITH THE DEVELOPMENT AGREEMENT.

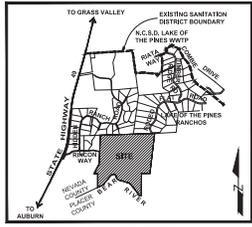


Rincon del Rio Proposed Project Revisions

Building Type	No. of Buildings	No. of Units	Unit Size	Approximate Building Size (sq ft)	Parking
Residential Independent Living					
Cottages	79	79	1785-2600 sq ft	Varies	78 Resident 78 Guest
Bungalows	24	24	1750	Varies	24 Resident 24 Guest
5 Unit Condo	29	145			150 Resident 94 Guest
14 unit Condos	4	56	1300	28,000	56 Resident 24 Guest
Subtotals	135	303			528
Residential Nursing Care					
Group House Memory Care	1	22	88 Beds	46,000*	44
Subtotals	1	22			44
Village Center					
Support Retail	4			30,000	100
Residential Loft Condominiums		20	1,500		20 Resident 7 Guest
Subtotals	4	20			127
Common Area Support Services					
Clubhouse	1			14,000	8
Pool					
Building Classroom/Cafeteria	1			10,000	18
Community Barn	2			2,800	6
Gatehouse	1			935	
Subtotals	5				32
Totals	145	345			731

LEGEND:

- | | | | |
|--|---|--|-------------------------------------|
| | WETLANDS w/ WET MEADOW (POE REQUIRED BY SCS MATHEW) | | LANDMARK OAK TREE |
| | SLOPES OVER 30% | | 4' WIDE SOFT SURFACE TRAIL |
| | FARMLANDS OF LOCAL IMPORTANCE | | 6' WIDE ASPHALT TRAIL |
| | SEASONAL TRIBUTARY | | EXISTING ROAD CANAL ACCESS ROAD |
| | FOOTFILL SEPARATION | | UPHILL COTTAGE |
| | FRESHWATER EMERGENT WETLAND | | DOWNHILL COTTAGE |
| | LANDMARK OAK GROVE | | BUNGALOW |
| | | | POOL |
| | | | MEMORY CARE BUILDING |
| | | | ATTACHED 14 UNIT CONDOMINIUM |
| | | | ATTACHED 5 UNIT CONDOMINIUM |
| | | | VILLAGE RETAIL w/ RESIDENTIAL ABOVE |



VICINITY MAP
SCALE: 1" = 2000'



PROJECT INFORMATION:
OWNER / APPLICANT:
YOUNG ENTERPRISES, L.P.
P.O. BOX 8028
AUBURN, CA 95602
CONTACT PERSON: CAROL YOUNG
(530) 288-1041

PLANNING & ENGINEERING:
SCO PLANNING & ENGINEERING, INC.
140 UNION DRIVE, SUITE 240
GRASS VALLEY, CA 95941
(530) 272-5841
CONTACT PERSON: MARTIN WOOD, P.L.S. OR DALE ORRINGTON, A.L.P.

ASSESSOR'S PARCELS:
057-240-017-000; 057-240-018-000;
057-240-019-000; 057-130-013-000

LAND AREA:
258 AC

ZONING / GENERAL PLAN:
CNC

FIRE PROTECTION:
HOOGS FIRE PROTECTION DISTRICT

WATER:
NUNDA IRRIGATION DISTRICT

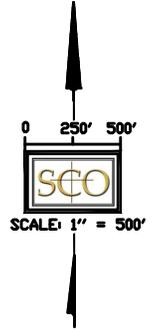
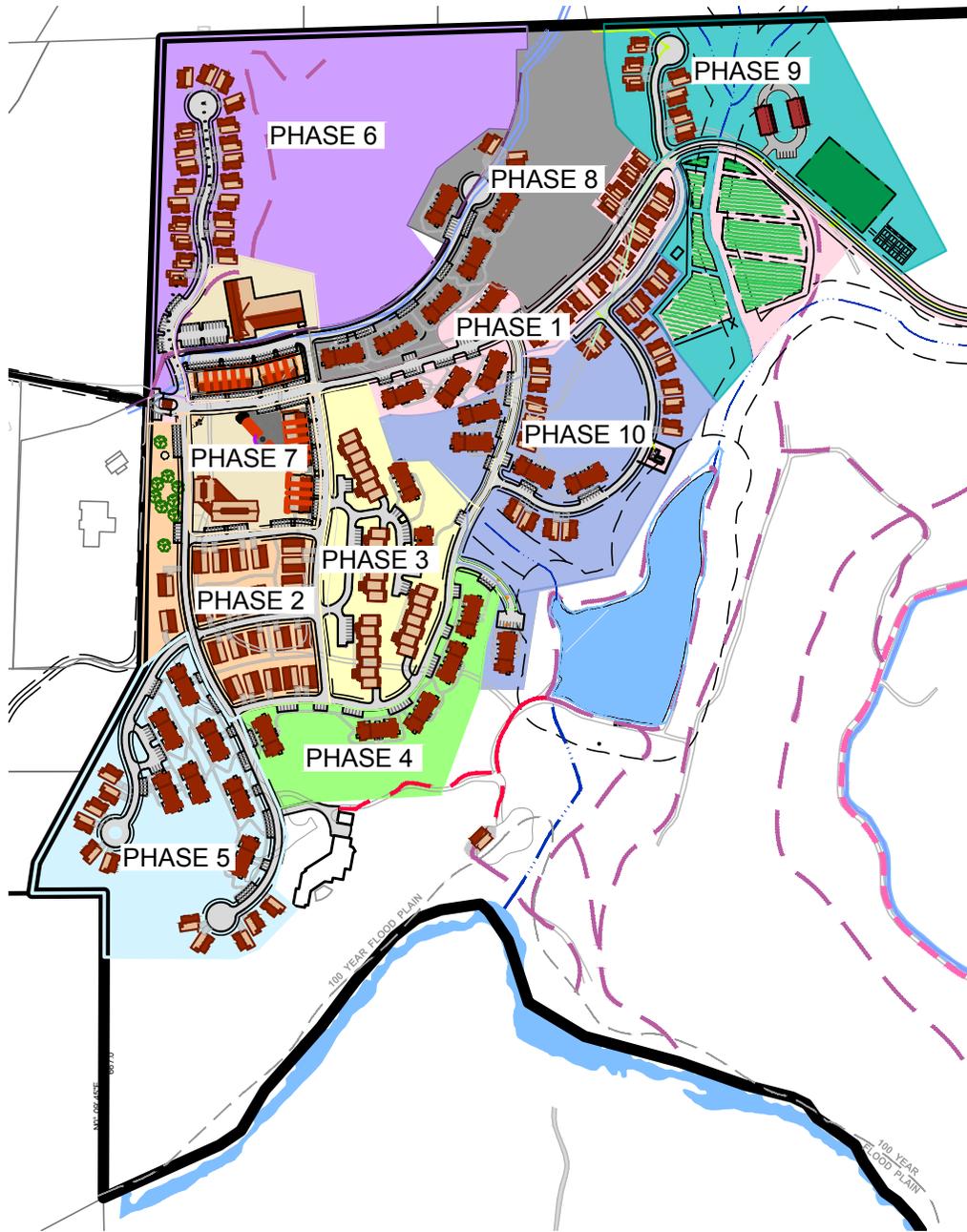
ELECTRICAL & GAS UTILITIES:
PACIFIC GAS & ELECTRIC

TELEPHONE:
AT&T

SEWAGE DISPOSAL:
LAKE OF THE PINES TREATMENT PLANT

S:\Info Programs\2020\1400 Union Drive\20201003-5849\21-01-01.dwg, 1/10/21 2:07:17 PM

EXHIBIT "D" RINCON DEL RIO SENIOR LIVING



PHASING EXHIBIT

SCALE: 1" = 500'

SCO PLANNING, ENGINEERING & SURVEYING
140 LITTON DRIVE, SUITE 240
GRASS VALLEY, CA 95945
T 530.272.5841 / F 530.272.5880
www.scopeinc.net

EXHIBIT "D"

RINCON DEL RIO SENIOR LIVING

PHASING & UNIT COUNT

PHASE 1:

- Emergency Access Road Connection
- Primary Access Road Improvements
- Gatehouse
- Sewer Lift Stations, Water Tank & Other Utility Connections
- 15 Cottage Units
- 4 5-Plex Condominiums (20 units)
- Garden

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- 24 Bungalow Units

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