

Contract No.: 2021056 A1
Approved: _____

***FIRST AMENDMENT
TO
SUBDIVISION IMPROVEMENT AGREEMENT
PARCEL MAP NO. 19756***

THIS FIRST AMENDMENT TO SUBDIVISION IMPROVEMENT AGREEMENT ("Amendment No. 1") is made and entered into this 5th day of November 2024 ("Effective Date"), by and between the CITY OF CHINO, a municipal corporation, organized and existing in the County of San Bernardino ("CITY"), and RICHLAND VENTURES, INC., a California corporation ("DEVELOPER"). CITY and DEVELOPER are hereinafter referred to individually as "Party" and hereinafter referred to collectively as the "Parties."

RECITALS

WHEREAS, the Parties entered into a Subdivision Improvement Agreement dated May 19, 2020 (the "Agreement") for Parcel Map No. 19756, as presented by DEVELOPER. This Agreement pertains to a 1.2 million-square-foot light industrial business center located on 72.77 acres within the Airport Related land-use designation of The Preserve Specific Plan area, generally situated in The Preserve on the east and west sides of Quality Way, between Kimball and Bickmore Avenues (the "Project"); and

WHEREAS, as part of the conditions of approval, DEVELOPER is required to design and construct public improvements, including but not limited to storm drain, street, water, and sewer improvements on Kimball and Bickmore Avenues and Quality Way; and

WHEREAS, the Parties wish to amend the Agreement to extend the warranty period for certain public improvements due to unforeseen issues that have arisen during the Project; and

WHEREAS, the warranty period for improvements on Quality Way and Bickmore Avenue, due to sinkholes located on these streets, will be extended to three years commencing from the final acceptance of the public improvements; and

WHEREAS, the warranty period for the storm drain pump located on Quality Way is hereby extended by an additional three years, in the event the pump requires replacement, starting from the final acceptance of the public improvements; and

WHEREAS, the existing warranty bond currently in effect for the Project shall remain unchanged until the one-year anniversary of the Project's final acceptance date. At that time, the CITY will process a bond reduction for the extended warranty items for the remaining two-year period.

TERMS

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties agree to amend the Agreement as follows:

1. CONTRACT CHANGES.

- (a) Section 4.1(b) of the Agreement is hereby amended and replaced in its entirety with:
 - i. Warranty Period for Street Improvements: The warranty period for the public improvements on Quality Way and Bickmore Avenue, specifically addressing issues related to sinkholes located on these streets, shall be extended to three years, commencing from the final acceptance of the public improvements.
 - ii. Warranty Period for Storm Drain Pump: The warranty period for the storm drain pump located on Quality Way is hereby extended by an additional three years, applicable in the event that the pump requires replacement, starting from the final acceptance of the public improvements.
 - iii. Security Instrument: The Subdivider shall provide a Security Instrument equal to 10% of the estimated construction cost set forth in Section 1.1, to be submitted prior to the City Council's acceptance of the Works of Improvement and the recordation of a Notice of Completion. The Security Instrument shall be in the amount of \$1,188,900.
 - iv. Warranty Bond Terms: The warranty bond will be in effect for one year from the date of final acceptance. The DEVELOPER will be notified of any required repairs or replacements within this one-year warranty period. If no repairs or replacements are necessary, the CITY will process a bond reduction for the extended warranty items, covering the remaining two-year period. The bond will remain in effect and will not be released prior to November 5, 2027.

2. WARRANTY RE ABSENCE OF DEFAULTS. DEVELOPER represents and warrants to CITY that, as of the Effective Date of this Amendment No. 1, CITY is not in default of any material term of the Agreement, and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement by the Successor Agency.

3. CONTINUING EFFECT OF AGREEMENT. Except as amended by this Amendment No. 1, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

4. COUNTERPARTS. This Amendment No. 1 may be executed in multiple identical counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

5. **AUTHORITY.** The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, CITY has caused this Amendment No. 1 to be executed in its behalf by its City Manager and duly attested by its City Clerk, and DEVELOPER has executed this Amendment No. 1, as of this day and year first above written.

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Fred Galante, City Attorney

Hye Jin lee, P.E.
Director of Public Works

RICHLAND VENTURES, INC:

Dated: _____

By: _____
(Signature)

Name: _____
(Please Print or Type Name)

CITY OF CHINO

Dated: _____

Dr. Linda Reich, City Manager

ATTEST:

Natalie Gonzaga, City Clerk