



Tom DuBois
City Manager
City of Sutter Creek
18 Main Street
Sutter Creek, CA 95685

March 4, 2025

John Gedney
Executive Director, ACTC
117 Valley View Way
Sutter Creek, CA 95685

Dear John:

As you know, neither of us were in our current positions when the SR 104- Prospect Drive/Bowers Drive Realignment was constructed. I have been attempting to reconstruct what occurred and who is legally liable for past expenses, if anyone.

I have talked to the Sutter Creek City Attorney, former City Manager Sean Rabe and past City Council members. Construction appears to have occurred after it was known that the Gold Rush Developers were not proceeding with the project. If that is true, it raises the question why was the project prioritized and funded at that time, with no developer involvement? I've been told that it was done primarily to benefit Martell by aligning with Prospect Court. This is all second-hand information, so please correct me if you have a better source.

The City cannot locate any legal agreement or contract that confirms that the City of Sutter Creek owes the funds. When the question was asked at the Feb 18th RTMF Meeting whether the \$1,482, 127 was owed by the City, the response was that it is not owed by the City but was a pass through to the previous developer (which was Gold Rush Golf LLC). That developer went bankrupt and no longer exists. No lien was put against the property which was then sold to the current development group.

There was a development agreement with conditions of approval with Gold Rush Golf LLC, but that development agreement expired in 2019. Attachment J, Conditions of Approval had section 1.37, last paragraph, which said the developer would reimburse ACTC if funds were expended.

One would expect that when ACTC spent funds in advance of the project, with the expectation that Gold Rush Golf LLC or another developer would repay them, that contracts and documentation would be put in place at that time. Those contracts would specify in greater detail

than the paragraph in the conditions of approval the project details, timing and repayment schedule with that developer before construction commenced. That does not appear to have occurred.

The new development group, Sutter Creek Land Advisors, has submitted an application for a 150-home subdivision, in accordance with the specific plan. This smaller scale project is more in line with development rates in 2025 than the Gold Rush Golf LLC's first phase which proposed 500 homes, a golf course, a hotel and commercial buildings in its first phase. Sutter Creek Land Advisors are not asking for any zoning exceptions and have agreed to comply with the City's Specific plan in future phases, including road improvements.

In regards to construction from many years ago, they maintain they are not responsible for the old debt, with no lien on the property when they purchased it. I am attaching a letter from them that outline their position. However, in the interest of advancing the project and putting this historic issue behind them, they are proposing to partially repay the fees overtime as the project is developed. The 150 homes are on smaller, 7000 sq ft lots with the expectation this housing will be more affordable market rate housing. Given the smaller project scope, economic analysis suggests its impractical to expect large upfront payments.

I'd ask the board to consider their offer for the following reasons:

- Establishing the legal basis to collect the debt appears murky and potentially not legally defensible
- No one wants to get into a legal battle in any case
- The roadway has depreciated over the years, and collecting more than 2/3 the amount is a good outcome
- If the project is successful and moves on to additional phases, the City and County will benefit from additional roadway improvements

This is an unusual situation for all parties involved. I am hopeful that this issue can be resolved between ACTC and Sutter Creek Land Advisors. The City of Sutter Creek has not yet deemed the application complete; this is one of a few remaining open issues.

Apologies my schedule does not allow me to attend the meeting on March 6th.

Best,



Tom DuBois
City Manager
City of Sutter Creek

CC: ACTC Board
Attachments: 1

Beau Blixseth
Sutter Creek Land Advisors
72380 Tanglewood Lane
Rancho Mirage, CA 92270

March 3, 2025

Tom Dubois
City Manager
City of Sutter Creek
18 Main Street
Sutter Creek, CA 95685

Dear Tom,

I hope this letter finds you well. I am writing to address the matter of the Bowers Road extension in relation to the Amador County Transportation Commission (ACTC) and the development of Sutter Creek Ranch.

The developer of Sutter Creek Ranch maintains that they bear no financial obligation for the Bowers Road extension, as the improvements were completed years prior to their ownership of the property. However, in the spirit of collaboration and to facilitate progress, the developer is willing to contribute to ACTC as a good-faith effort to support local infrastructure. Specifically, the developer agrees to pay a fee of \$1,000 per lot at the time of issuance of individual building permits.

This arrangement represents a significant financial commitment over the course of the project, ensuring that ACTC will recover up to \$1,000,000—funds that may not have otherwise been realized absent the approval and progression of this development. Given the circumstances, we believe this is a reasonable and equitable solution that benefits all parties involved.

We appreciate your time and consideration of this proposal. The developer looks forward to working cooperatively with ACTC and local stakeholders to ensure a successful project that supports both community growth and responsible development. Please do not hesitate to reach out if further discussion is needed.

Sincerely,



Beau Blixseth