



COCHISE COUNTY

COMMUNITY DEVELOPMENT

"Public Programs...Personal Service"

TO: Board of Supervisors
Through: Michael Ortega, County Administrator

FROM: Beverly Wilson, Planning Director

SUBJECT: Docket S-05-01 Walnut Valley Ranch Subdivision, Substitute Assurance Agreement

DATE: August 12, 2013 for Board of Supervisors Meeting of August 27, 2013

REQUEST AND BACKGROUND

Pioneer Title Agency has submitted a Substitute Assurance Agreement for consideration and approval to guarantee that improvements to the Walnut Valley Ranch Subdivision will be completed prior to the sale of lots. The Subdivision was approved on June 6, 2006, and is located south of Highway 82 about 2-miles west of Highway 80, north of Tombstone. The 80.32-acre site is zoned RU-4 with 23-lots for single-family site-built residences were platted.

On February 17, 2010, a Trustee's Deed was recorded as the result of a foreclosure action. Subsequently, Pioneer Title Agency released the Assurance Agreement recorded on January 4, 2006. The agreement was between David B. McCartney, the original developer of the Walnut Valley Ranch Subdivision, and Cochise County. While Community Development was never notified of the foreclosure, Staff discovered this action in the summer of 2010 at which time the Cochise County Attorney's Office and Staff began immediate discussion with the new Owners to replace the Assurances, or pursue abandonment of the subdivision. Mr. Jim Beck of CSI Secured Loan Fund represented the new Owners, who are listed as follows (*and shown in Exhibit B, Attached*):

- G&E TD's, LLC, 34.42% Interest;
- Equity Trust Co. Custodian FBO Gregory Allen Barth IRA, 32.25% Interest;
- CSI Secured Loan Fund, LLC, 20.83% Interest;
- Harvey R and Joanne H Price Living Trust, 5.00% Interest; and
- NTC & Co., FBO Karen L. Gleich, 7.5% Interest.

Three conditions for plat approval were recorded with the original Assurance Agreement, and have been included with the new Assurance Agreement (see Exhibit C, attached.)

RECOMMENDED MOTION

Madame Chair, I move to approve the Walnut Valley Ranch Substitute Assurance Agreement and authorize the Chair to sign.