



Staff Report

---

**File #:** 23-0261

---

**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 04/05/2023

**TO:** Honorable Mayor and City Council Members

**FROM:** Planning and Development Department

**SUBJECT:**

RELEASE OF THE IMPROVEMENT SECURITY POSTED BY ARANTINE HILLS HOLDINGS, LP FOR TRACT MAP 37030 LOCATED SOUTH OF EAGLE GLEN PARKWAY AND WEST OF INTERSTATE 15. (APPLICANT: ARANTINE HILLS HOLDINGS, LP)

**EXECUTIVE SUMMARY:**

This staff report asks the City Council to accept the public improvements and release the appropriate public improvement securities associated with certain lots in Tract Map 37030. Arantine Hills Holdings, the master developer of the Arantine Hills development, also known as Bedford Communities, has completed the required street improvements and is requesting the release of the posted securities.

**RECOMMENDED ACTION:**

**That the City Council:**

- a. Accept the public improvements associated with Lots H, L and N of Tract Map 37030.
- b. Retain the Faithful Performance Security that was reduced by the City Council on May 6, 2020, for one-year from the date of acceptance of the improvements as security for repair and replacement of any improvements that fail to meet City standards at the end of the one-year period. (PB02497500613, PB02497500614, and PB02497500618)
- c. Retain twenty-five percent (25%) of the original Faithful Performance Security that was reduced by the City Council on May 19, 2021, for one year from the date of acceptance of improvements as security for repair and replacement of any improvements that fail to meet City standards at the end of the one-year period. (PB02497500615, PB02497500616, and PB02497500617)

- d. Retain the Labor and Material Security that was reduced by the City Council on May 6, 2020, for six months from the acceptance of improvements date and automatically release the security, unless any claims are filed. (PB02497500613, PB02497500614 and PB02497500618)
- e. Retain the original Labor and Material Security that was reduced by the City Council on May 19, 2021, for six months from the acceptance of improvements date and automatically release the security, unless any claims are filed. (PB02497500615, PB02497500616 and PB02497500617)

**BACKGROUND & HISTORY:**

Tract Map 37030 subdivided approximately 54 acres into 45 lots for condominium purposes which was the first phase of development in Bedford Communities. The project was approved by the City Council on October 4, 2017, and is located south of Eagle Glen Parkway and west of Interstate 15. The map accommodated the construction of 393 residential units comprised of 100 single-family detached condominiums, 96 detached units in clusters of six, 96 paired units in clusters of eight, 101 townhomes, open space areas, trails, an active park, and a recreational facility.

On October 18, 2017, Arantine Hills Holdings, LP, entered into Public Improvement Agreements with the City and posted Faithful Performance and Labor and Material bonds to guarantee the construction of the backbone street improvements associated with Lots H, L and N of Tract Map 37030.

On May 6, 2020, the City Council approved the reduction of both the Faithful Performance and the Labor and Material Securities by seventy-five percent (75%) for Palmer Drive, Cameron Way, and Orange Fisher Drive. At the time, the master developer constructed the improvements secured by these securities.

On May 19, 2021, the City Council approved the reduction of both the Faithful Performance and the Labor and Material Securities by twenty-five percent (25%) for Nova Way and a portion of Adishian Way that is secured by bond PB02497500617. The action also reduced both the Faithful Performance and Labor and Material Securities by fifty percent (50%) for the portion of Adishian Way that was secured by bond PB02497500616. At that time, the master developer constructed the improvements secured by these securities.

**ANALYSIS:**

All improvements to the streets referenced in the posted securities have been constructed in accordance with City standards and staff is recommending that the City Council accept the improvements.

The City will retain the Faithful Performance securities and Labor and Material securities that were reduced on May 6, 2020, for one year and for six months unless any claims are filed, respectively.

The following is a summary of the securities that were reduced on May 6, 2020, and will be retained by the City:

| Security                    | Security No.  | Faithful Performance | Security No.  | Labor & Materials |
|-----------------------------|---------------|----------------------|---------------|-------------------|
| Palmer Drive (Lot N)        | PB02497500613 | \$170,900            | PB02497500613 | \$85,500          |
| Orange Fisher Drive (Lot H) | PB02497500618 | \$180,700            | PB02497500618 | \$90,400          |
| PB02497500618               | PB02497500618 | PB02497500618        | PB02497500618 | PB02497500618     |
| \$180,700                   | \$180,700     | \$180,700            | \$180,700     | \$180,700         |
| PB02497500618               | PB02497500618 | PB02497500618        | PB02497500618 | PB02497500618     |
| \$90,400                    | \$90,400      | \$90,400             | \$90,400      | \$90,400          |
| Cameron Way (Lot L)         | PB02497500614 | \$121,000            | PB02497500614 | \$60,500          |

The Faithful Performance and Labor and Material Securities that were reduced on May 19, 2021 will be further reduced to twenty-five percent (25%) of the original Faithful Performance Securities and held for one year and the Labor and Securities will be held for 6 months unless any claims are filed.

The following is a summary of the reduced securities that will be retained by the City:

| Security             | Security No.  | Faithful Performance |  | Security No.  | Labor & Materials |
|----------------------|---------------|----------------------|--|---------------|-------------------|
| Nova (Lots L)        | PB02497500615 | \$113,600            |  | PB02497500615 | \$170,400         |
| Adishain Way (Lot H) | PB02497500616 | \$112,350            |  | PB02497500616 | \$112,350         |
| Adishain Way (Lot H) | PB02497500617 | \$174,150            |  | PB02497500617 | \$261,000         |

**FINANCIAL IMPACT:**

All applicable fees have been paid by the developer. It is the City’s responsibility to provide maintenance of the public improvements beginning one year after the date of acceptance.

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action is to release securities posted for a previously approved project. There is no possibility that this action will have a significant effect on the environment. Therefore, no environmental analysis is required.

---

**File #:** 23-0261

---

**PREPARED BY:** JESSICA KANG, ASSOCIATE ENGINEER

**REVIEWED BY:** JOANNE COLETTA, PLANNING AND DEVELOPMENT DIRECTOR

**Attachments:**

1. Exhibit 1 - Location map