



Agenda Report

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File #: 19-0946

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**AGENDA REPORT  
REQUEST FOR CITY COUNCIL ACTION**

DATE: 11/06/2019

TO: Honorable Mayor and City Council Members

FROM: Public Works Department

**SUBJECT:**

City Council consideration of Improvement Agreements and Security Substitution for Lots I, J, K, and L Tract Map 37030 - Richmond American Homes of Maryland, Inc.

**RECOMMENDED ACTION:**

That the City Council:

1. Authorize the Mayor to execute Improvement Agreements between the City and Richmond American Homes of Maryland, Inc.
2. Authorize the Mayor to accept the replacement securities for public improvements from the new developer of Lots I, J, K, and L of Tract Map 37030, Richmond American Homes of Maryland, Inc.
3. Release the existing securities for Lots I, J, K, and L to the master developer of Tract Map 37030, Arantine Hills Holdings LP.

**ANALYSIS:**

Tract Map 37030 is a subdivision of approximately 54 acres into 45 lots for condominium purposes and is the first phase of development in the Arantine Hills Specific Plan, approved by the City Council on October 4, 2017. The project is located south of Eagle Glen Parkway and west of Interstate 15, as shown on Exhibit "A." The map facilitates 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, trail areas, and an active park and recreational facility.

On October 18, 2017, the master developer, Arantine Hills Holdings LP entered into Public Improvement Agreements with the City and posted bonds for the development of Tract Map 37030. The developer and merchant builder of the 50 x 100 home product, Richmond American Homes of

Maryland, Inc., has since purchased Lots 5 through 9, 16, and I, J, K, and L for the construction of 59 detached single-family units, including 3 model home units. At this time, the developer has requested to replace the improvement securities associated with lots I, J, K, and L. Richmond American Homes of Maryland, Inc., will enter into new Improvement Agreements to replace the agreements entered into by the master developer and has posted replacement securities, as listed below, to guarantee the construction of the required public improvements.

The following is a summary of the existing and replacement securities:

Existing Securities - PLE170022	Security	Security No.	Faithful Performance	Security No.	Labor & Materials
	Lumia, Berris, Limetta, Palmer Parkway Landscape Bond (Lots I and J)	PB02497500641	\$40,800	PB02497500641	\$20,400
	Citrango, Seville, Nova Parkway Landscape Bond (Lots K and L)	PB02497500643	\$35,600	PB02497500643	\$17,800
	Citrango, Seville, Nova Street Improvement Bond (Lots K and L)	PB02497500642	\$744,000	PB02497500642	\$372,000
	Lumia, Berris Limetta, Palmer Street Improvement Bond (Lots I and J)	PB02497500640	\$787,400	PB02497500640	\$393,700
	Berris Storm Drain Bond (Lot J)	PB02497500633	\$328,400	PB02497500633	\$164,200

Replacement Securities - PLE170022	Security	Security No.	Faithful Performance	Security No.	Labor & Materials
	Lumia, Berris, Limetta, Palmer Parkway Landscape Bond (Lots I and J)	SUR0052769	\$40,800	SUR0052769	\$20,400
	Citrango, Seville, Nova Parkway Landscape Bond (Lots K and L)	SUR0052768	\$35,600	SUR0052768	\$17,800
	Citrango, Seville, Nova Street Improvement Bond (Lots K and L)	SUR0052767	\$744,000	SUR0052767	\$372,000
	Lumia, Berris Limetta, Palmer Street Improvement Bond (Lots I and J)	SUR0052766	\$787,400	SUR0052766	\$393,700
	Berris Storm Drain Bond (Lot J)	SUR0052765	\$328,400	SUR0052765	\$164,200

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**COMMITTEE ACTION:**

Not applicable.

**STRATEGIC PLAN:**

Not applicable.

**FISCAL IMPACT:**

All applicable fees have been paid by the developer for this phase of the project as follows:

	Fee Type	Amount
Bond Substitution (PLE170022)	Application Fee	\$1,818.00

**ENVIRONMENTAL ANALYSIS:**

Per Section 15378 of the State Guidelines for implementing the California Environmental Quality Act (CEQA), the subject action herein merely approves and substitutes agreements that provide security to guarantee completion of improvements, an action which does not constitute a project pursuant to CEQA, and therefore is exempt from further environmental analysis. Furthermore, the action is an implementation step and within the scope of prior CEQA documentation that pertained programmatically to the overall Arantine Hills project, including an Environmental Impact Report that was certified pursuant to CEQA Sections 15162 and 15163 of the State Guidelines for Implementing CEQA in 2012 and the Supplemental Environmental Impact Report adopted in 2016. Therefore, no further environmental analysis is required.

**PREPARED BY:** MICHELE HINDERSINN, P.E., SENIOR CIVIL ENGINEER

**REVIEWED BY:** TOM KOPER, P.E., ACTING PUBLIC WORKS DIRECTOR

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

**REVIEWED BY:** MICHELE NISSEN, ASSISTANT CITY MANAGER

**SUBMITTED BY:** MITCHELL LANSDALL, INTERIM CITY MANAGER

**Attachments:**

1. Exhibit "A" - Location Map
2. Agreements

Owner: Richmond American Homes  
391 N Main St., Suite 205  
Corona, CA 92880  
Attn: Edgar Gomez  
(714) 613-3073

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Engineer: Hunsaker & Associates  
2900 Adams Street  
Suite A-15  
Riverside, CA 92504