



Staff Report

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**File #:** 24-0592

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**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 08/21/2024

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

**FROM:** Planning and Development Department

**SUBJECT:**

RELEASE OF GRADING AND IMPROVEMENT SECURITIES POSTED BY TRI POINTE HOMES INC, A DELAWARE CORPORATION, FOR TRACT MAP 36355 LOCATED ON THE NORTH AND SOUTH SIDE OF FOOTHILL PARKWAY, EAST OF STATE STREET (APPLICANT: TRI POINTE HOMES INC)

**EXECUTIVE SUMMARY:**

This staff report asks the City Council to accept the public improvements and release the public improvement and grading securities posted by Tri Point Homes for Tract Map 36355. The developer has completed the precise grading, and the required public improvements associated with the residential development and is requesting the release of the posted securities.

**RECOMMENDED ACTION:**

**That the City Council:**

- a. Release the Grading and Erosion Control Securities posted for Tract Map 36355. (Bond No. PB03010401998)
- b. Accept the street improvements associated with Tract Map 36355.
- c. Retain twenty-five percent (25%) of the Faithful Performance Security for one year beyond the 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. (Bond No. PB03010402000, PB03010402001)
- d. Retain the Labor and Material Security for six months beyond the acceptance of the improvements and automatically release the security, unless claims are filed. (Bond No. PB03010402000, PB03010402001)

**BACKGROUND & HISTORY:**

Tract Map 36355 subdivided 21.70 acres for residential purposes, creating one 16.87-acre lot for residential condominiums and seven lettered lots for roadway, open space, and flood control purposes totaling 4.83 acres. At its meeting on January 20, 2016, the City Council approved the tract map, which facilitated the construction of 146 single-family residential units. The residential units and public improvements associated with the development are constructed and the developer has sold all the residential units to individual proprietors.

Tri Pointe Homes Inc. entered into Grading and Public Improvement Agreements with the City and posted bonds for the development of Tract Map 36355 on May 20, 2015.

**ANALYSIS:**

The project site was graded according to City standards and the approved grading plans. Therefore, it is appropriate for the City to release the grading and erosion control securities posted for the properties by the applicant. Additionally, the improvements secured by these agreements have been completed and inspected to ensure conformity with City specifications.

Twenty-five percent (25%) of the Faithful Performance Security for the public improvements will be retained for a period of one year to guarantee repair or replacement of any improvements that fail before the end of the one year. Any written claims against the performance security must be made before the one-year guarantee period, which is set to expire on August 21, 2025. City Staff will release the Faithful Performance Security one year after the City Council accepts the improvements, pursuant to California Government Code Section 66499.9(c).

It is necessary to retain the Labor and Material Security for a period of six months, in accordance with the State Subdivision Map Act.

The following is a summary of the securities:

	Faithful Performance		Labor & Materials	
	Security No.	Amount	Security No.	Amount
<b>Grading</b>				
Precise Grading	PB03010401998	\$187,400	N/A	N/A
<b>Public Improvement</b>				
Non-Master Plan - Water	PB03010402000	\$46,000	PB03010402000	\$23,000
Non-Master Plan - Onsite Sewer and Water	PB03010402001	\$1,731,000	PB03010402001	\$865,500

**FINANCIAL IMPACT:**

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

**ENVIRONMENTAL ANALYSIS:**

A Mitigated Negative Declaration was prepared according to the California Environmental Quality Act (CEQA), for Tract Map 36355 and adopted by City Council on April 16, 2014. The action to accept the public improvements and release improvement securities is exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines, which states that a project is exempt from CEQA if the activity is covered by the general rule 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 will not have a significant effect on the environment. Therefore, no environmental analysis is required.

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

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

**Attachments:**

1. Exhibit 1 - Location Map