



Agenda Report

File #: 19-0185

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 3/6/2019

TO: Honorable Mayor and City Council Members

FROM: Public Works Department

SUBJECT:

City Council consideration of Grading and Improvement Agreements and Security Substitution for Lots 15 and 36-45, Tract Map 37030 - The New Home Company Southern California LLC, a California Limited Liability Company.

RECOMMENDED ACTION:

That the City Council:

1. Authorize the Mayor to execute Grading and Improvement Agreements between the City and The New Home Company Southern California LLC, a California Limited Liability Company.
2. Authorize the Mayor to accept the replacement securities for grading and public improvements from the new developer of Lots 15, and 36-45 of Tract Map 37030, The New Home Company Southern California LLC.
3. Release the existing securities to the 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, Arantine Hills Holdings, LP entered into Public Improvement Agreements with the City and posted bonds for the development of Tract Map 37030. On February 21, 2018, Arantine

Hills Holdings, LP also entered into a Grading Agreement with the City and posted bonds and a cash deposit for the erosion control and precise grading operations associated with the model home complex. The new developer, The New Home Company Southern California LLC., has purchased Lots 15 and 36-45 for the construction of 88 paired units in clusters of eight, including 4 model home units, and has requested to replace the grading and improvement securities associated with these lots. Lot 14 will be purchased at a future date for the construction of the final 8 units as this lot currently contains the welcome center for the Bedford model home complex. The New Home Company will enter into new Grading and Improvement Agreements to replace the agreements entered into by the previous owner and has posted replacement securities, as listed below, to guarantee the precise grading and construction of the required public improvements.

In compliance with Grading Ordinance No. 2568, the developer will also enter into a Grading Agreement with the City and post sufficient securities to guarantee the erosion control and precise grading operations associated with the development of the 92-production paired units. The precise grading design conforms to the Grading Ordinance and is consistent with sound engineering standards and practices. The elevation design minimizes significant height and slope differentials from surrounding properties, while maintaining the City's obligation to protect the health and safety of citizens and property.

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

Existing Securities - PLE170022	Security	Security No.	Faithful Performance	Security No.	Labor & Materials
	Horvath Street Improvement Bond (Lot Q)	PB02497500650	\$457,600	PB02497500650	\$228,700
	Horvath Street Landscaping Bond (Lot Q)	PB02497500651	\$23,800	PB02497500651	\$11,600
	8 Units Cluster Alley Improvement Bond (Lots 40-41)	PB02497500661	\$203,600	PB02497500661	\$101,800
	8 Units Cluster Alley Improvement Bond (Lots 38-39 & 42-43)	PB02497500662	\$407,000	PB02497500662	\$203,500
	8 Units Cluster Alley Improvement Bond (Lots 36, 37, 44, 45)	PB02497500663	\$406,000	PB02497500663	\$203,000
	8 Unit Cluster Model Alley Improvement Bond (Lot 15)	PB02497500664	\$99,800	PB02497500664	\$49,900
Existing Securities - PGR170016	Bedford (8 Pack) Models Portion of Lot 15, DWG#17-021P, Grading Erosion Control	PB02497500746 Cash Deposit	\$ 25,200 \$2,500	N/A	N/A

Replacement Securities – PLE170022	Security	Security No.	Faithful Performance	Security No.	Labor & Materials
	Horvath Street Improvement Bond (Lot Q)	PB02497500923	\$457,600	PB02497500923	\$228,700
	Horvath Street Landscaping Bond (Lot Q)	PB02497500924	\$23,800	PB02497500924	\$11,600
	8 Units Cluster Alley Improvement Bond (Lots 40-41)	PB02497500925	\$203,600	PB02497500925	\$101,800
	8 Units Cluster Alley Improvement Bond (Lots 38-39 & 42-43)	PB02497500926	\$407,000	PB02497500926	\$203,500
	8 Units Cluster Alley Improvement Bond (Lots 36, 37, 44, 45)	PB02497500927	\$406,000	PB02497500927	\$203,000
	8 Unit Cluster Model Alley Improvement Bond (Lot 15)	PB02497500928	\$99,800	PB02497500928	\$49,900
Replacement Securities- PGR170016	Bedford (8 Pack) Models Portion of Lot 15, DWG#17-021P, Grading Erosion Control	PB02497500930 Cash Bond	\$ 25,200 \$2,500	N/A	N/A

Grading securities have been posted as detailed below:

PWGR2018-0026	Security No.	Faithful Performance
Bedford (Eight-Pack Production) Lots 14, 36-45, and Portion of Lot 15, DWG#18-031P, Grading Erosion Control	PB02497500929 Cash Bond	\$268,100.00 \$25,100.00

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 (PGR170016)	Application Fee	\$1,818.00
Eight-Pack Model Precise Grading (PGR170016)	Plan Check Fee	\$8,860.00
Eight-Pack Model Precise Grading Delta-1 Revision (PWPR2018-0023)	Plan Check Fee	\$2,730.00
Eight Pack Model Precise Grading (PWGP-00059)	Permit Fee	\$680.00
Eight-Pack Production Precise Grading (PWGR2018-0026)	Plan Check Fee	\$9,630.00
Eight-Pack Production Precise Grading (PWGP18-00060)	Permit Fee	\$3,217.00
Eight-Pack Private Storm Drain (PWEC18-00128)	Permit Fee	\$22,961.21
Eight-Pack Public Water, Sewer, and Reclaimed Water Phase 1B (PWEC18-00129)	Permit Fee	\$41,130.27
Eight-Pack Street Improvements Phase 1B (PWEC18-00130)	Permit Fee	\$24,456.70

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., ASSISTANT PUBLIC WORKS DIRECTOR

REVIEWED BY: NELSON D. NELSON, P.E., PUBLIC WORKS DIRECTOR

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

SUBMITTED BY: MICHELE NISSEN, ACTING CITY MANAGER

Attachments:

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

Owner: The New Home Company
85 Enterprise, Suite 450
Aliso Viejo, CA 92656
Attn: Holly Slevcove
(949) 382-2814

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