



CITY OF MENIFEE

SUBJECT: Lien Agreement for Replacement of Subdivision Improvement Securities for Tract Map 31456, The Enclave, RCFC Investments, Inc.

MEETING DATE: December 6, 2023

TO: Mayor and City Council

PREPARED BY: Steve Strapac, Acting Assistant City Engineer

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Rebekah Kramer, Acting City Manager

RECOMMENDED ACTION

1. Approve and authorize the City Manager to execute a Lien Agreement to replace existing securities to guarantee the completion of required public improvements associated with Tract Map 31456, The Enclave, located west of Valley Boulevard, west of "Atria" Meniffee Valley Senior Living; and
2. Authorize the City Clerk to record the Lien Agreement with the Riverside County Clerk Recorder's Office; and
3. Authorize the Public Works Director to fully release improvement securities previously provided for Tract Map 31456 upon recordation of the Lien Agreement.

DISCUSSION

Tract Map 31456 (TM31456), also known as The Enclave ("Project"), is a subdivision of 161.21 gross acres of land into 192 total lots, of which 179 lots are for single family residential use. The subdivision is located on the west side of Valley Boulevard, north and south of Cherry Hills Boulevard, and adjacent to the "Atria" Senior Living Center. TM31456 was approved by the City Council on June 15, 2022.

RCFC Investments, LLC, a California limited liability company ("Developer") previously executed Public Improvement Agreements ("PIAs") as required by the Project's conditions of approval and posted improvement securities in the form of improvement bonds to guarantee the completion of the required improvements. The Developer does not intend to build in the foreseeable future and would like to avoid paying the ongoing bond premiums associated with the estimated \$9 million

of future improvements. The developer has requested to replace the bonded securities with the attached Lien Agreement on the subject property.

Staff has reviewed the Developer's request and determined that a lien agreement as substitution for surety bonds meets the requirements of the Project's conditions, and adequately protects the City's interests. If approved, the Lien Agreement would be executed and, upon recordation, the existing bonded securities would be released in full.

STRATEGIC PLAN OBJECTIVE

Safe and Vibrant Community

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

ATTACHMENTS

1. Tract Map 31456
2. Lien Agreement
3. Subdivision Improvement Agreement
4. TM 31456 Faithful Performance Bond
5. TM 31456 Material and Labor Bond