



## **CITY OF MENIFEE**

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**SUBJECT:** Covenant for the Deferral of Conditions of Approval Associated with Tentative Parcel Map 33739, and filing of Parcel Map 33739 for Financing Purposes, Cantalena, by EPC Holdings, LLC

**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

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### **RECOMMENDED ACTION**

1. Approve and authorize the City Manager to execute a Declaration of Covenants to defer conditions of approval as established for Tentative Parcel Map No. 33739, Cantalena, by EPC Holdings 781, LLC, located south of Garbani Road and west of Haleblian Road; and
2. Authorize the City Clerk to record the Declaration of Covenants with the Riverside County Clerk Recorder's Office; and
3. Approve and authorize the filing of Parcel Map No. 33739 for financing purposes.

### **DISCUSSION**

On June 26, 2009, the County of Riverside approved Tentative Parcel Map No. 33739 ("TPM 33739"), also known as Cantalena ("Project"), located south of Garbani Road and west of Haleblian Road. TPM 33739 is the proposed subdivision of 158.71 gross acres into six parcels. The Project's Conditions of Approval (COAs) were also established at the time of approval and require that the developer of the land construct public improvements or provide securities for the future construction of public improvements on the land.

EPC Holdings 781, LLC, Inc., a Washington Limited Liability Company ("Developer"), is the current Project owner, however the Developer is not a builder. The COAs for the project require that backbone facilities be constructed prior to mapping. Given this requirement and the fact that the Developer is not a builder, the Developer approached the City with a request to approve a project map for financing purposes only and at the same time bind the COAs to the land so that

the responsibility for construction of public improvements/securities could be transferred to a future developer/builder.

TPM 33739 is currently set to expire December 26, 2023, has been extended 11 times since approval and is not legally eligible to be extended any further. A history of the map’s previous extension activity is provided in Table 1 below.

**Table 1 – Parcel Map 37739 Extension History**

Description of Extension	Extension Date
Mandatory additional 1-year extension provided by SB1185	June 26, 2010
Mandatory additional 2-year extension provided by AB333	June 26, 2012
Mandatory additional 2-year extension provided by AB208	June 26, 2014
Mandatory additional 2-year extension provided by AB116	June 26, 2016
1 <sup>st</sup> 1-year time extension requested	June 26, 2017
2 <sup>nd</sup> 1-year time extension requested	June 26, 2018
3 <sup>rd</sup> 1-year time extension requested	June 26, 2019
4 <sup>th</sup> 1-year time extension requested	June 26, 2020
5 <sup>th</sup> 1-year time extension requested	June 26, 2021
Mandatory 18-month extension AB1561	December 26, 2022
6 <sup>th</sup> 1-year time extension requested	December 26, 2023

In an effort to ensure the Project moves forward, and to avoid expiration of TPM 33739, the Developer has requested that the City consider approval and recordation of Parcel Map 33739 (“PM 33739”) for financing purposes along with a Covenant for the deferral of COAs established for TPM 33739 (“Covenant”). Should the map expire, the Project would have to begin the processes required for entitlement again. This would add additional costs to the Project and delay the Project by several months, at best.

The Covenant defers the COAs associated with the previous map until such time as the Project’s first tract map is approved and individual residential lots are established within the Project. If approved, the Covenant would apply to any parcel resulting from the recordation of PM33739 and be bound to the land, transferring with the land should ownership of any parcel change. Approval of PM33739 would divide the Project into six parcels that may be sold for future development, however the Covenant on the parcels would not permit development of any parcel(s) until the COAs are met, and necessary facilities are constructed. This would prevent “land-locked” Parcels from being sold.

Staff has reviewed the Developer’s request and determined that the Covenant and proposed PM 33739 for financing purposes meet the requirements of the Project’s COAs.

**STRATEGIC PLAN OBJECTIVE**

Safe and Vibrant Community

**FISCAL IMPACT**

There is no fiscal impact associated with the recommended action. All legal review and recordation costs associated with this item will be offset by Developer fees and deposits previously collected for the Project.

**ATTACHMENTS**

1. Project Map
2. Parcel Map 33739
3. Covenant