



CITY OF MENIFEE

SUBJECT: Tract Map, Agreements, and Bonds for Tract Map 38303, Menifee Valley, by Minor Ranch LLC

MEETING DATE: November 6, 2024

TO: Mayor and City Council

PREPARED BY: Chet Robinson, Principal Engineer

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Approve and authorize the filing of Tract Map 38303, Menifee Valley, by Minor Ranch LLC, located east of Menifee Road, west of Briggs Road, south of Highway 74, and north of Matthews Road; and
2. Approve and authorize the City Manager to execute a Subdivision Improvement Agreement to guarantee completion of required backbone public improvements associated with Tract Map 38303; and
3. Approve and authorize the City Manager to execute a Lien Agreement to provide a guarantee for the backbone public improvements for the frontage along Highway 74 and Briggs Road.

DISCUSSION

Tract Map 38303 (TM38303), also known as Menifee Valley ("Project"), is a proposed subdivision of 594.6 gross acres of land into 11 lots for industrial, commercial, and residential purposes. The Project is located east of Menifee Road, west of Briggs Road, south of Highway 74 and north of Matthews Road.

Minor Ranch LLC, a Delaware limited liability company, ("Developer") is now requesting approval and filing of TM38303 and approval of the associated Subdivision Improvement Agreement (SIA) as required by the Project's conditions of approval. The SIA requires that improvement securities are posted to guarantee the completion of the required onsite and offsite improvements. The SIA requires that backbone public improvements be completed within 24 months from the date of City Council approval.

The Developer has provided bonds as a security for the backbone public improvements that have plans with quantities for bonding. For public improvements on the Project frontage along Briggs Road and Highway 74, a lien agreement is being proposed as a guarantee for the public improvements. The Developer intends to replace the lien agreement with bonds once the Project plans have sufficient details to prepare bond forms.

Staff has reviewed the Developer's request and determined that the SIA, bonds and lien agreement meet the requirements of the Project's conditions of approval. A summary of the securities being posted to guarantee the required improvements are shown in the tables below.

TABLE 1 – MONUMENT BOND

Improvement	Security	Monument Bond
Monuments TM38303	30225078	\$ 43,200
Total		\$ 43,200

TABLE 2 – BACKBONE PUBLIC IMPROVEMENTS BONDS

Improvement	Security	Faithful Performance	Labor & Materials
Streets and Drainage Menifee Road	TCS0172691	\$ 1,726,000	\$ 863,000
Streets and Drainage Interior Backbone	TCS0172693	\$ 6,358,000	\$ 3,179,000
Drainage – Riverside County Flood Control	TCS0172690	\$ 10,599,000	\$ 5,299,500
Domestic Water System	BDTO500218024	\$ 1,299,000	\$ 649,500
Recycled Water System – Menifee Road & McLaughlin Road	TCS0172692	\$ 3,041,000	\$ 1,520,500
Recycled Water System – Malaga Road	BDTO500220024	\$ 880,000	\$ 440,000
Sewer System	BDTO500219024	\$ 542,000	\$ 271,000
Total		\$ 24,445,000	\$ 12,222,500

TABLE 3 – LIEN AGREEMENT FOR BACKBONE PUBLIC IMPROVEMENTS ON BRIGGS ROAD AND HWY 74

Improvement	Security	Lien Amount
Streets and Drainage – HWY 74	Lien Agreement	\$ 6,630,000
Streets and Drainage – Briggs Road	Lien Agreement	\$ 3,998,000
Total		\$ 10,628,000

The total securities required for all improvements have been provided by the Developer in the total amount of \$35,116,200.

STRATEGIC PLAN OBJECTIVE

Safe and Vibrant Community

FISCAL IMPACT

There is no fiscal impact associated with the recommended action. The Developer has paid all necessary fees associated with review of TM38303. The Developer would be required to annex into the City's Community Facilities District (CFD) for maintenance services as the Project parcels develop. Upon completion of the improvements, and subsequent acceptance by the City, ongoing maintenance costs for the improvements would be supported through future fiscal year property assessments levies via the future CFD annexation.

ATTACHMENTS

1. Project Map
2. Tract Map
3. Subdivision Improvement Agreement
4. Bond – Monuments
5. Bond – Streets/Drainage - Menifee Road
6. Bond – Streets/Drainage – Interior Streets
7. Bond – Drainage – Flood Control
8. Bond – Water
9. Bond – Recycled Water – Menifee Road/McLaughlin Road
10. Bond – Recycled Water – Malaga Road
11. Bond - Sewer
12. Lien Agreement