



CITY OF MENIFEE

SUBJECT: Agreement with Pulte Home Company and Western Riverside Council of Governments for Transportation Uniform Mitigation Fee Program for Tract Map No. 36658, Cimarron Ridge

MEETING DATE: October 4, 2023

TO: Mayor and City Council

PREPARED BY: Haile Ford, Senior Engineer

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Approve and authorize the City Manager to execute an Improvement and Credit Agreement with Pulte Home Company and Western Riverside Council of Governments for Transportation Uniform Mitigation Fee (TUMF) Program for Cimarron Ridge Tract Map No. 36658, located south of McLaughlin Road and west of Byers Road.

DISCUSSION

The Cimarron Ridge project ("Project"), Tract Map No. 36658, is a subdivision of 240.3 gross acres into 756 single-family residential lots and is generally located south of McLaughlin Road and west of Byers Road as shown in the attached Project Map. The Project was originally approved as Tentative Tract Map No. 36658 on October 21, 2015, and is currently under construction.

The Project has a total of seven map phases including Tract Map (TM) 36658-1, -2, -3, -4, -5, -6 and -F. As of the date of this report, three map phases have received final approval by the City Council. TM 36658-1 was approved on November 16, 2022, and recorded on December 23, 2022, as Instrument No. 2022-0512361. TM 36658-2 was approved on May 17, 2023, and recorded on June 27, 2023, as Instrument No. 2023-0183741. TM 36658-3 was approved on July 19, 2023, and is currently with the title company for recordation.

The Transportation Uniform Mitigation Fee (TUMF) Ordinance, which is administered by Western Riverside Council of Governments (WRCOG), requires the developer/owner of a project to pay certain "fair share" costs to construct certain roads that are identified within the TUMF roadway network as regionally beneficial. This fair-share cost, which is in addition to the actual costs to bid

and construct such roads, is assessed to mitigate project-generated traffic impacts on those roads. This Project is subject to an overall TUMF contribution (TUMF Obligation) of \$7,638,624.

Pulte Home Company (“Developer”) is the owner of the Project and, as such, was conditioned by the City to re-align and construct a segment of Goetz Road associated with the Project. The segment of Goetz Road to be realigned by the Developer is eligible to receive TUMF credits as the developer would be constructing this portion. The attached TUMF Credit Estimate establishes that the Developer is eligible to receive up to \$1,208,943 in TUMF credits for this work. These credits would be applied against the Developer’s overall TUMF Obligation for the Project. In order to receive TUMF credits for Goetz, the Developer must enter into a three-party Improvement and Credit Agreement (“Agreement”) with the City and WRCOG.

The Developer has administered a public bid process to secure a contractor to construct the portion of Goetz Road to be re-aligned and has awarded a construction contract to Marathon General, Inc., as the lowest responsive, responsible bidder. The Developer is now requesting to enter into the Agreement to receive TUMF credits associated with the construction of the Goetz Road realignment. Following application of the full TUMF credits to the overall TUMF Obligation, the Developer’s remaining net TUMF Obligation for the Project would be \$6,429,681.

STRATEGIC PLAN OBJECTIVE

Connectivity and Mobility

FISCAL IMPACT

There is no fiscal impact to the City associated with the recommended action.

ATTACHMENTS

1. Project Map
2. Improvement and Credit Agreement
3. TUMF Credit Estimate
4. Pulte Home – Public Bid Spreadsheet