



## **CITY OF MENIFEE**

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SUBJECT: Agreement and Bond Replacements for Scott Road Commerce Center II, Scott Road Property LLC

MEETING DATE: October 4, 2023

TO: Mayor and City Council

PREPARED BY: Chet Robinson, Senior Engineer

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Approve and authorize the City Manager to execute the replacement Public Improvement Agreements with Scott Road Property, LLC to guarantee the completion of required public improvements associated with the Scott Road Commerce Center II project, located east of Zeiders Road and south of Ciccotti Street; and
2. Authorize the City Engineer to release 100% of the original posted securities with Scott Road Partners, LLC.

### **DISCUSSION**

Scott Road Commerce Center II ("Project") is an industrial development comprised of three parcels of land with a total of 37.8 acres. The Project is located east of Zeiders Road and south of Ciccotti Street. On January 18, 2023, the City Council approved Public Improvement Agreements ("PIAs") for street, drainage and water systems with Scott Road Partners, LLC ("SRP III").to guarantee the construction of these public improvements as required by the Project's conditions of approval. Improvement securities were also posted for the Project at that time.

The Project has now been transferred to a new developer, Scott Road Property, LLC ("Developer"), who has requested approval of replacement PIAs for the required streets, drainage, and water system improvements within the public right-of-way. The replacement PIAs also require that improvement securities be posted to guarantee the completion of the required public improvements within 24 months from the City Council approval date of the agreement. Based on the ownership transfer of the Project, SRP III has also requested release of their originally posted securities currently held for street, drainage, and water system improvements.

Staff have reviewed both requests and determined that the replacement PIAs meet the requirements of the Project's conditions, confirmed that new improvement securities have been posted, and verified that the original securities held for the Project may be released. A summary of the replacement securities is provided in Table No. 1 below. A summary of the originally posted securities eligible for full release is provided in Table No. 2 below.

**Table No. 1 - Replacement Public Improvement Securities**

Improvement	Security	Faithful Performance	Labor & Materials
Streets and Drainage	9313214	\$ 228,500	\$ 114,250
Water System	9313214	\$ 71,000	\$ 35,500
<b>Total</b>		<b>\$ 299,500</b>	<b>\$ 149,750</b>

**Table No. 2 - Original Public Improvement Securities**

Improvement	Security	Faithful Performance	Labor & Materials
Streets and Drainage	CMS0348759	\$ 228,500	\$ 114,250
Water System	CMS0348759	\$ 71,000	\$ 35,500
<b>Total</b>		<b>\$ 299,500</b>	<b>\$ 149,750</b>

### **STRATEGIC PLAN OBJECTIVE**

Safe and Vibrant Community

### **FISCAL IMPACT**

There is no fiscal impact associated with the recommended action.

### **ATTACHMENTS**

1. Project Map
2. Replacement Public Improvement Agreement – Streets and Drainage
3. Replacement Public Improvement Agreement – Water System
4. Replacement Bonds
5. Original Public Improvement Agreement – Streets and Drainage
6. Original Public Improvement Agreement – Water System
7. Original Bonds