

City of Woodland

REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: July 21, 2009

SUBJECT: Adopt a Resolution to Accept Public Improvements Subdivision 4793,
Beeghly Ranch Spring Lake Specific Plan Area

Report in Brief

On February 20, 2007, Council approved the final map for Subdivision No. 4793, Beeghly Ranch, which created 219 single-family lots in the Spring Lake Specific Plan (SLSP). The subdivider, Centex Homes, was required to enter into an improvement agreement and provide securities to ensure construction of necessary infrastructure to serve the subdivision. The in-tract improvements are complete and the developer has asked for acceptance of these improvements by Council. There are outstanding offsite infrastructure improvements required by the tentative map conditions of approval and development agreement that remain to be completed and are not being accepted at this time.

Staff recommends that City Council adopt Resolution No. _____ accepting those public improvements constructed for Subdivision 4793, Beeghly Ranch as shown on Sheets 1 through 28 of the plans entitled "Plans for the Improvement of Beeghly Ranch" and approved by the City Engineer June 28, 2006; and authorize a reduced warranty period of six months for the improvements.

Background

Beeghly Ranch is a subdivision of 219 single-family lots in the Spring Lake Specific Plan area. City Council approved a tentative map and development agreement for the Beeghly Ranch project on January 13, 2004. California Government Code (Subdivision Map Act) and City Municipal Code (Chapter 21) require the developer to enter into an agreement and provide securities ensuring construction of infrastructure required to serve the new lots at final map approval. The final map for the project, which created "for sale" lots, was approved by City Council on February 20, 2007. The City and the developer entered into an improvement agreement and the developer provided securities at that time for construction of the in-tract public improvements.

Centex Homes has completed the in-tract improvements to the satisfaction of the City Engineer, the Public Works and Community Development Departments; however, there is additional offsite

infrastructure required by the tentative map conditions of approval and development agreement, including construction of Parkland Drive and Marston Avenue, reconstruction of County Road 101 and County Road 25A and various landscaping improvements, which is not complete. The outstanding items are not included in this acceptance and this acceptance in no way relieves Centex Homes of the obligation to fulfill requirements of their development agreement and conditions of approval. In accordance with municipal code, and at the request of Centex Homes, the performance bond for the subdivision in-tract improvements was previously reduced by seventy percent to approximately \$2.1 million. No further reduction or release of this bond or the \$4.8 million bond provided by Centex Homes for “Package C1” will occur until the outstanding infrastructure items are resolved.

Typically, acceptance of improvements does not require a resolution; however, because there are outstanding items to be completed, the City Attorney recommended adopting a resolution to clarify which items are being accepted at this time.

Following Council acceptance, the City Clerk will file a Notice of Completion for the in-tract infrastructure and the warranty period will begin. The developer has provided a warranty security to correct any defects identified during the warranty timeframe. Staff recommends a reduced warranty period of six months for the improvements that are being accepted because they have been functionally complete and operational for over one year.

Discussion

Acceptance of improvements by Council is the standard practice prescribed by State law (Subdivision Map Act) and City municipal code (Chapter 21) for obtaining public infrastructure improvements associated with new subdivisions. The final map dedicated the streets and public utility easements to the City. The public improvements were designed to meet City Standard Specifications and the improvements were inspected during construction to ensure they are consistent with the improvement plans and City Standard Specifications. Government Code section 66499.7(a) (part of the Subdivision Map Act) allows the City to partially release Centex’s improvement security and partially accept the completion of the improvements to be constructed by Centex.

Development Services Engineering has coordinated final acceptance with Public Works, Community Development, Finance and Parks & Recreation departments and the City Attorney. Acceptance of these improvements will not compromise the City’s ability to resolve any outstanding issues regarding Centex Homes’ remaining Development Agreement obligations.

Fiscal Impact

There is no impact to the City budget to accept the improvements other than future operation and maintenance costs. All infrastructure improvements to serve the subdivision were paid for by the developer and other SLSP owners. In-tract infrastructure costs were paid solely by the developer, and the developer participates in all funding mechanisms for backbone infrastructure construction including the Community Facilities District 2004-1 and the Spring Lake Infrastructure Fee

program. The parcels are included in the Spring Lake Landscape & Lighting District for maintenance of landscaping, lighting and associated appurtenances and a community facilities district for operation and maintenance of the Community Senior Center & Sports Park. The SLSP Fiscal Impact Study (November 2002) analyzed overall impacts of the SLSP area and predicted a fiscal surplus at build-out.

The Governmental Accounting Standards Board Statement 34 (GASB 34) requires state and local governments to include valuation and depreciation information on public infrastructure assets for accounting purposes and financial reports. The total cost of public infrastructure the City will acquire with the acceptance of the Beeghly Ranch subdivision is estimated to be seven million dollars (\$7,000,000).

Public Contact

Posting of the City Council agenda.

Recommendation for Action

Staff recommends that City Council adopt Resolution No. _____ accepting the public improvements constructed for Subdivision 4793, Beeghly Ranch as shown on Sheets 1 through 28 of the plans entitled “Plans for the Improvement of Beeghly Ranch” and approved by the City Engineer June 28, 2006; and authorize a reduced warranty period of six months for those improvements.

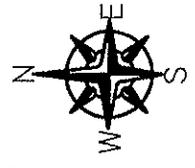
Prepared by: Liz Houck
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City Engineer

Reviewed by: Barry Munowitch, AICP
Assistant City Manager

Mark G. Deven
City Manager

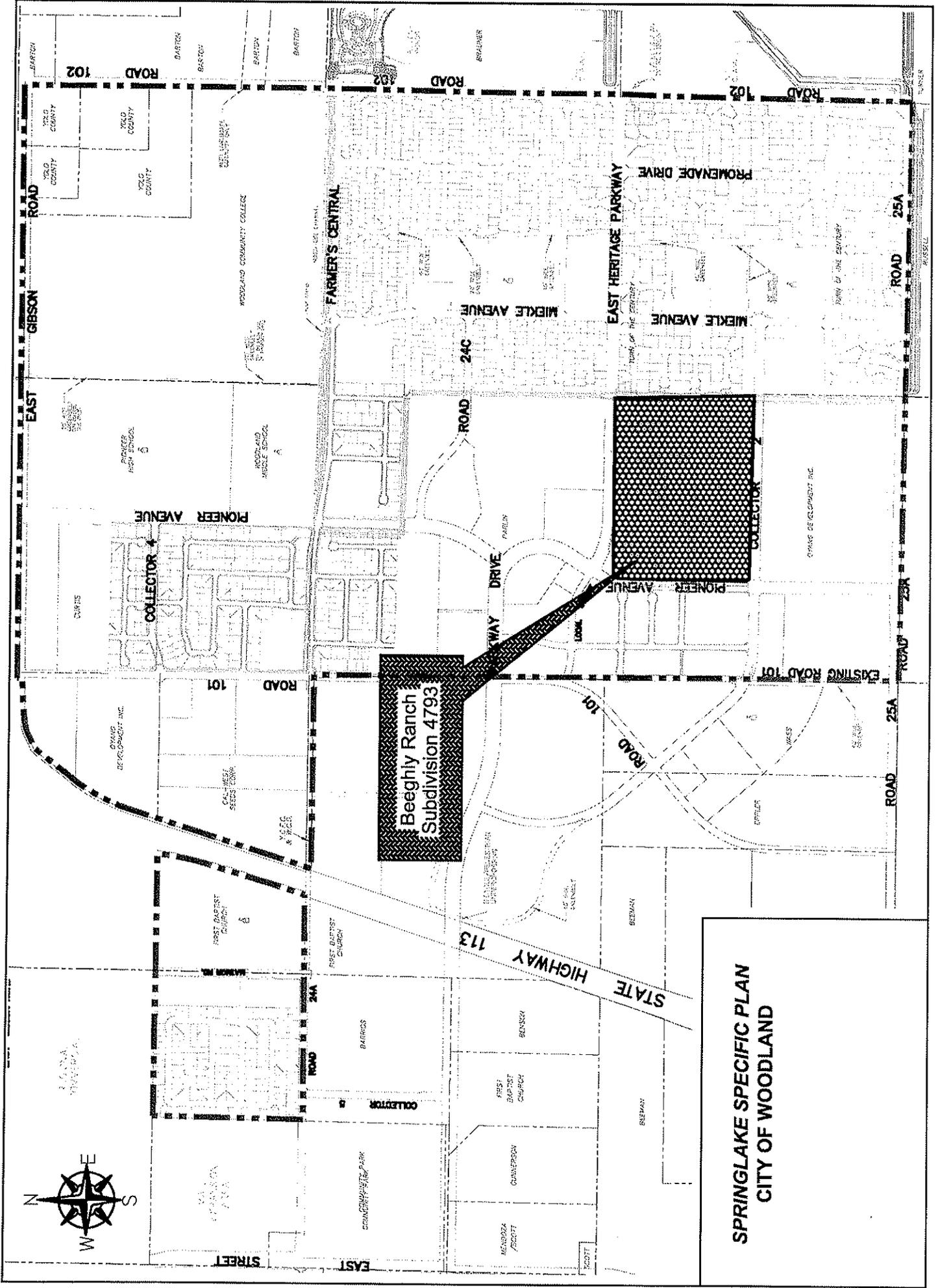
Attachments: Location Map and Resolution



**Beeghly Ranch
Subdivision 4793**

**Beeghly Ranch
Subdivision 4793**

**SPRINGLAKE SPECIFIC PLAN
CITY OF WOODLAND**



RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND
PARTIALLY ACCEPTING SUBDIVISION IMPROVEMENTS
CONSTRUCTED BY CENTEX HOMES**

WHEREAS, on February 20, 2007, the City Council approved the final map for Subdivision No. 4793 (Beeghly Ranch), which created 219 single-family lots in the Spring Lake Specific Plan (“Map”); and

WHEREAS, the conditions of approval for the Map required the subdivider, Centex Homes, to enter into a subdivision improvement agreement calling for the construction of infrastructure necessary to serve the development permitted by the Map (collectively, the “Improvements”), and furnish a bond or other security to ensure the timely completion of the Improvements; and

WHEREAS, Centex Homes has partially completed the Improvements, but several of the Improvements remain incomplete; and

WHEREAS, Centex Homes has previously furnished a bond, identified as Bond No. 6388779 and issued by Safeco Insurance Company of America as surety (“Original Bond”), securing the completion of the Improvements; and

WHEREAS, Centex Homes subsequently provided an additional bond (“Supplemental Bond”) to secure the completion of certain improvements; and

WHEREAS, the City has previously released approximately 70% of the Original Bond, but has retained the full amount of the Supplemental Bond; and

WHEREAS, the Subdivision Map Act and the Woodland Municipal Code require the City to accept subdivision improvements which have been completed, and Government Code section 66499.7 allows the City to partially accept subdivision improvements; and

WHEREAS, Centex Homes has requested that the City accept those Improvements that have been completed;

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council hereby accepts those Improvements on Sheets 1 through 28 of the plans entitled “Plans for the Improvement of Beeghly Ranch” and approved by the City Engineer June 28, 2006, which are listed in Exhibit A of this resolution.

SECTION 2. The City Council hereby authorizes a warranty period of six months for the accepted Improvements. Those portions of the Original Bond securing the completion of the accepted Improvements shall be retained for the duration of this six-month warranty period, provided that to the extent the Original Bond is securing the completion of Improvements which are not yet complete, the Original Bond may be retained for longer than the six-month warranty period.

SECTION 3. Through adoption of this resolution, the City of Woodland does not release any portion of the Supplemental Bond, nor any portion of the remainder of the Original Bond still held by the City.

SECTION 4. Through adoption of this resolution, the City of Woodland does not waive any of its rights, or obligations of Centex Homes or any other entity, under the conditions of approval for the Map, any associated development agreement, reimbursement agreement, participation agreement, or under any other document, ordinance or applicable law.

SECTION 5. The adoption of this resolution shall not be deemed to cure any breach by Centex Homes or any other entity of its obligations under the Map or any other document, ordinance, or applicable law.

PASSED AND ADOPTED this 21st of July, 2009, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marlin "Skip" Davies, Mayor

ATTEST:

Sue Vannucci, City Clerk

APPROVED AS TO FORM:

Andrew J. Morris, City Attorney

EXHIBIT "A"

IMPROVEMENTS ACCEPTED AS COMPLETE

Public infrastructure improvements shown on Sheets 1 through 28 of the plans entitled "Plans for the Improvement of Beeghly Ranch" approved by the City Engineer June 28, 2006.