



STAFF REPORT

CITY of YORBA LINDA

PUBLIC WORKS DEPARTMENT

DATE: JANUARY 17, 2023

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JAMIE LAI, P.E. PUBLIC WORKS DIRECTOR / CITY ENGINEER
PREPARED BY: REGINA HU, P.E. PRINCIPAL CIVIL ENGINEER

SUBJECT: REDUCTION OF ADDITIONAL SURETY BONDS, TRACT 18020 – LOMA VISTA/ MELIA HOMES, LENNAR

RECOMMENDATION

It is recommended that the City Council authorize the City Clerk to:

1. Release 75 percent of the On-site Private Improvement bond.

BACKGROUND

Developer: Lennar Homes

Number of Parcels: 192 units (two and three-story townhome/condominium)

Acreage: 12.45 Acres

Zoning: PD (Planned Development)

Location: Southeast corner of Bastanchury Road and Plumosa Drive

Tract 18020 is a three-lot multi-family residential condominium community that is located on the southeast corner of Bastanchury Road and Plumosa Drive, APN 343-111-01 & 343-111-02 (see Attachment 1 – Vicinity Map). The developer posted bonds as required by Municipal Code Section 17.16.040 and the Subdivision Map Act to ensure completion of improvements. The bonds provide the security instrument to ensure the improvements meet the satisfaction of the City Engineer and conform with the Subdivision Improvement Agreement, the accepted plans, and Project Resolution No. 5174.

DISCUSSION

Public Works performed final inspections and has determined that the on-site work has been completed in accordance with the accepted plans and conditions of approval. Table 1 below summarizes the requested release amount of the sureties.

Table 1: Surety Release Summary

Bond	NO.	Surety Amount	Release Amount
Onsite Private Improvement	024072932	\$1,952,000	\$1,464,000

Table 2 below summarizes remaining sureties on Tract 18020. Although construction work was complete, Lennar Homes was coordinating with Yorba Linda Water District (YLWD) to obtain two Declaration of Restrictive Covenants. Two condenser units are located within the District's fire hydrant easements. Despite continuing efforts by developer (Lennar Homes) to coordinate the Restrictive Covenants between YLWD and the Home Owner's Association (HOA), there is pending litigation between the HOA and developer. Lennar Homes has offered to relocate YLWD fire hydrant facilities, but the offer has not been accepted by YLWD at this time. The District believes the Restrictive Covenant with the HOA is the easiest, most cost-effective route to resolve the issue. The City is withholding the following surety bonds until resolution and approval of said Restrictive Covenants or fire hydrant relocations occur. The remaining surety bond amounts sufficiently cover costs (i.e. preparation and execution of the Restrictive Covenants, fire hydrant design and relocation, pavement and site restoration) to resolve the disputed matter between the HOA and Lennar.

Table 2: Remaining Surety Summary

Bond	NO.	Surety Amount	Remaining Amount
Onsite Private Improvement	024072932	\$1,952,000	\$488,000
Water Improvements	30013985	\$68,404	\$68,404
Sewer Improvements	30013986	\$43,925	\$43,925

FISCAL IMPACT

There is no direct fiscal impact from releasing the developer-provided sureties as listed above.

ALTERNATIVES

Do not release the project sureties. This alternative is not recommended as the majority of

work performed was found to be in substantial compliance with the terms of the subdivision improvement agreement, conditions of approval, and the accepted improvement plans.

ATTACHMENTS

1. Attachment 1 – Vicinity Map
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