



## Legislation Details (With Text)

<b>File #:</b>	23-312	<b>Version:</b>	1	
<b>Type:</b>	Consent Calendar	<b>Status:</b>	Passed	
<b>File created:</b>	3/27/2023	<b>In control:</b>	City Council/Public Financing Authority	
<b>On agenda:</b>	5/2/2023	<b>Final action:</b>	5/2/2023	
<b>Title:</b>	Approve the Execution of a Subdivision Agreement with Huntington Gateway Industrial III, LLC and Accept Securities for the Huntington Gateway Phase III Industrial Project.			
<b>Attachments:</b>	1. Att #1 Subdivision Agreement, 2. Att #2 Faithful Performance Bond No. 1001047762, 3. Att #3 Labor and Material Bond No. 1001047762, 4. Att #4 Monument Bond No. 1001047763, 5. Att #5 Location Map, 6. Att #6 Draft Parcel Map No. 2022-107, 7. Att #7 PowerPoint Presentation			
Date	Ver.	Action By	Action	Result
5/2/2023	1	City Council/Public Financing Authority	approved	Pass

## REQUEST FOR CITY COUNCIL ACTION

**SUBMITTED TO:** Honorable Mayor and City Council Members

**SUBMITTED BY:** Al Zelinka, City Manager

**VIA:** Chau Vu, Acting Director of Public Works

**PREPARED BY:** Steve Bogart, Senior Civil Engineer

### Subject:

**Approve the Execution of a Subdivision Agreement with Huntington Gateway Industrial III, LLC and Accept Securities for the Huntington Gateway Phase III Industrial Project.**

### Statement of Issue:

A Subdivision Agreement between the City and Huntington Gateway Industrial III, LLC (owner/developer) and the related securities are presented for City Council approval, execution and acceptance for the Huntington Gateway Phase III industrial project located at former Boeing property at the east side of Bolsa Chica Street, north of Skylab Road and south of Rancho Road. This Agreement would ensure the eventual completion of the project's public improvements and satisfy the project's Conditions of Approval.

### Financial Impact:

No funding is required for this action.

### Recommended Action:

A) Approve and authorize the Mayor and City Clerk to execute and record the Subdivision Agreement by and between the City of Huntington Beach and Huntington Gateway Industrial III, LLC to construct public improvements for the Huntington Gateway Phase III industrial project (Attachment 1); and,

B) Accept the Faithful Performance Bond No. 1001047762 (Attachment 2), Labor and Material Bond No. 1001047762 (Attachment 3) and Monument Bond No. 1001047763 (Attachment 4), the securities furnished for installation of the required public improvements; and,

C) Instruct the City Clerk to file the bonds with the City Treasurer.

**Alternative Action(s):**

Do not authorize execution of the Subdivision Agreement between the City of Huntington Beach and Huntington Gateway Industrial III, LLC for the Huntington Gateway Phase III industrial project, with findings for denial, and direct staff accordingly. Without this Agreement, the developer would be unable to satisfy the project's Conditions of Approval.

**Analysis:**

On September 16, 2022, the Director of Community Development conditionally approved Site Plan Review No. 2022-002 and Tentative Parcel Map No. 2022-003, authorizing the construction of the Huntington Gateway Business Park Phase III project, which consists of three new industrial buildings totaling approximately 333,360 sq.ft. and two new commercial buildings totaling approximately 9,235 sq.ft. (with drive-thru service) located at the east side of Bolsa Chica Street, north of Skylab Road and south of Rancho Road. See Attachment 5 for a location map. This project also involves the subdivision of an existing 19.53 acre property into five new parcels for the development of three industrial buildings on three parcels, two commercial buildings on one parcel, and a new public right-of-way (Skybolt Lane). A draft of the project's final parcel map is attached for reference (Attachment 6).

Pursuant to the project's Condition of Approval No. 4, since the Final Parcel Map is proposed to be recorded before the required public improvements are planned to be completed, a Subdivision Agreement and accompanying bonds are being submitted to ensure the Developer's construction obligations in accordance with the State's Subdivision Map Act. The obligations include the construction of the following public improvements: new curb, gutter and sidewalk along its perimeter; new public street (Skybolt Lane); and new public utilities including water and sewer facilities.

The attached Faithful Performance Bond, Labor and Material Bond, and Monument Bond are being provided as securities for the installation of the required public improvements. The required bond amounts are:

Faithful Performance	\$4,732,100
Labor and Materials	\$2,366,050
Monument	\$5,000

**Project data**

Developer: Sares Regis Group, Attn: Asset Manager  
3501 Jamboree Road, Suite 3000, Newport Beach, CA 92660

Engineer: Michael Baker International, 5 Hutton Centre Drive, Suite 500, Santa Ana, CA 92707

Surety: U.S. Specialty Insurance Company, 330 N Brand Boulevard, Suite 700,  
Glendale, CA 91203 (Amanda Garcia 213-337-4615)

Location: 14600 Bolsa Chica Street (east side of Bolsa Chica Street, north of Skylab Road and south of Rancho Road)

Zone: McDonnell Centre Specific Plan (SP11)

No. of Acres: 19.53 acres

No. of Lots: 4 numbered and 1 public right-of-way

**Public Works Commission Action:** Not applicable for this request.

**Environmental Status:**

The recommended actions are categorically exempt from the California Environmental Quality Act, pursuant to City Council Resolution No. 4501.

**Strategic Plan Goal:**

Economic Development & Housing

**Attachment(s):**

1. Subdivision Agreement by and between the City of Huntington Beach and Huntington Gateway Industrial III, LLC
2. Faithful Performance Bond No. 1001047762
3. Labor and Material Bond No. 1001047762
4. Monument Bond No. 1001047763
5. Location Map
6. Draft Parcel Map No. 2022-107
7. Presentation