



City of Huntington Beach

File #: 20-1678

MEETING DATE: 6/15/2020

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Tom Herbel, PE, Acting Director of Public Works

Subject:

Accept Park Improvements and accept a Guarantee and Warranty Bond for the LeBard Redevelopment Project (Tract 17801) at 20461 Cramer Lane

Statement of Issue:

HB Homes Management, LLC, the Developer of the LeBard Redevelopment Project (Tract 17801), has completed the required park improvements, as approved by City Council on February 4, 2019. They are now requesting the City's acceptance of said improvements with their submittal of a Guarantee and Warranty Bond.

Financial Impact:

Not applicable.

Recommended Action:

- A) Accept park improvements for the LeBard Redevelopment Project (Tract 17801), and instruct the City Clerk to record the Acceptance of Public Park Improvements (Tract 17801) form (Attachment #2) with the Orange County Recorder; and,
- B) Accept Guarantee and Warranty Bond No. 36K012699 (Attachment #3); the security furnished for guarantee and warranty of park improvements, and instruct the City Clerk to file the bond with the City Treasurer; and,
- C) Instruct the City Clerk to notify the developer, HB Homes Management, LLC, of this action, and the City Treasurer to notify the Surety, the Ohio Casualty Insurance Company, of this action.

Alternative Action(s):

Deny the recommended actions, and direct staff accordingly. Denying the recommended actions may violate the Subdivision Map Act whereby:

1. Section 66499.9 of the State of California Government Code, requires the guarantee and

warranty of the work for a period of one year following completion and acceptance of the improvement(s), against any defective work, labor and materials furnished. Denying the acceptance of the Guarantee and Warranty Bond may place undue burden and costs upon the City for correcting any defective work, labor and material provided by the subdivider.

Analysis:

On February 4, 2019, the City Council approved and executed an Easement, Construction and Maintenance Agreement Regarding Tract Map No. 17801 (Attachment #4), wherein the developer agreed to the construction of park improvements (Recreational Property Improvements and LeBard Park Improvements) that will serve the LeBard Redevelopment Project (Tract 17801) at 20461 Cramer Lane. This agreement requires said park improvements be constructed, accepted by the City, and secured by a one-year guarantee and warranty bond prior to issuance of the first grading permit for the project-related residential subdivision.

The Developer and the School District agreed as a Condition of Approval requiring that the project's Homeowner's Association (HOA) execute an Agreement with the City to assign the HOA responsibility for: (1) construction of certain park improvements; and, (2) continuing maintenance/liability of certain landscaping/park improvements related to water quality and drainage features associated with the project.

Staff has determined that the required park improvements, including but not limited to, a new restroom/concession building, a new parking lot, ADA accessible walkways, landscape and irrigation improvements, and a new water quality swale, have been constructed in substantial compliance with the approved plans and specifications. As such, staff is recommending acceptance of these improvements.

A Guarantee and Warranty Bond is also being submitted for City Council acceptance, as a surety against all defects in workmanship and materials for a one-year period beginning on the date of the City's acceptance.

Project Data:

- Developer: HB Homes Management, LLC, 9140 Trask Avenue, Suite 202, Garden Grove, CA 92844
- Engineer: Thanh Nguyen, HD Engineering, Inc., 9392 Meridian Lane, Garden Grove, CA 92841
- Surety: The Ohio Casualty Insurance Company, 2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833-3505

Public Works Commission Action:

Not required for this action.

Environmental Status:

The recommended actions are ministerial acts, and are exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines, California Administrative Code, Title 14, Chapter 3, Section 15268(b).

Strategic Plan Goal:

Enhance and maintain infrastructure

Attachment(s):

1. Location Map
2. Acceptance of Public Park Improvements (Tract 17801)
3. Guarantee and Warranty Bond No.36K012699
4. Executed Easement, Construction and Maintenance Agreement Regarding Tract Map No. 17801