

Brawley City Council & Successor Agency to Brawley Community Redevelopment Agency

ADDENDUM TO

Regular Meeting Agenda
January 07, 2025, at 5:30 PM
City Council Chambers
383 Main Street
Brawley, California 92227

This meeting will be broadcast live at:

https://brawley-ca.granicus.com/ViewPublisher.php?view_id=1

Gil Rebollar, Mayor JJ Galvan, Mayor Pro-Tempore Timothy E. Kelley, Council Member John Grass, Council Member Perry J. Monita, Council Member Ana Gutierrez, City Clerk
William Smerdon, Acting City Treasurer
William S. Smerdon, City Attorney
Jimmy Duran, City Manager/
Executive Director

The agenda for the January 7, 2025, regular City Council meeting is hereby amended to include item 4f and read as follows:

4. CONSENT AGENDA

f. Review and ratify Latigo Ranch – Partial Acceptance Memorandum. Presented by William Smerdon, City Attorney.

(2 Attachments)

The following correction to the City Council agenda was made after publishing and posting but less than 72 hours before the meeting. Ana Gutierrez, City Clerk

City of Brawley

City Council January 7, 2025 Agenda Item No. 4f

OF BRAINIES OF ORATEO TO

STAFF REPORT

To: City Council

From: William Smerdon, City Attorney
Prepared by: William Smerdon, City Attorney

Subject: Review and ratify Latigo Ranch – Partial Acceptance Memorandum

RECOMMENDATION:

Review and ratify Latigo Ranch – Partial Acceptance Memorandum.

BACKGROUND INFORMATION:

Latigo Ranch was a failed subdivision that has been a serious problem for the City for many years. The subdivision was originally entitled in 2005-2006. The original developer did not complete the development due to a serious down turn in the economy. It was very difficult to get a new developer interested in the project due to the necessity of undergrounding a portion of the IID's Best Canal as a condition of completion of the development.

The City has long desired that this development be completed because one of the conditions of approval was completing the section of Wildcat Road that is east of Highway 86.

Brawley Investment Ventures, LLC, ("BIV") a company owned by Marty Coyne purchased the subdivision and entered into a development agreement with the City to complete the development. BIV was able to obtain funding from the IID to complete the necessary undergrounding of the Best Canal, which allowed the project to move forward.

The subdivision conditions have been renegotiated by BIV and the City due to various unanticipated circumstances that have occurred during the construction. At this point, all of the offsite improvements that BIV is required to construct have been completed except from the retention basin lift station. Construction on that improvement is underway.

BIV has requested that the City accept the completed improvements. At the December 17, 2024 Council meeting the City Council voted to accept the completed improvements and directed the City Attorney to draft the attached Partial Acceptance Memorandum. The terms contained in the memorandum have been accepted by BIV. The memorandum is placed on Council's consent agenda for ratification.

FISCAL IMPACT:

There will certainly be a financial impact going forward. Upon acceptance of the offsite improvements, the maintenance of the same shall become the responsibility of the City. With that said, the

development increases the tax base, and a special assessment district exists covering the subdivision to offset those costs.

ALTERNATIVES:

None.

ATTACHMENTS:

Latigo Ranch - Partial Acceptance Memorandum

REPORT COORDINATED WITH (other than person preparing the staff report):

The Memorandum was reviewed by the City Manager, Public Works Director and was prepared by the City Attorney.

REPORT APPROVAL(S):

<u>Staff, Title or Consultant, Agency</u> Jimmy Duran, Interim City Manager <u>Status – Date of Status</u> Approved – 1/2/2025

LATIGO RANCH – PARTIAL ACCEPTANCE MEMORANDUM

The City of Brawley, ("City") and Brawley Investment Ventures, LLC, ("Developer"), entered into a development agreement that specified the City's development requirements for the subdivision commonly know as Latigo Ranch. The development agreement has been modified from time to time due to various unexpected events that have arisen during the course of completing the development.

The Developer has completed all of its units. Additional units are being constructed by a third party that is not a party to the development agreement between the City and Developer.

The Developer has completed all offsite and onsite infrastructure and related improvements required in the development agreement as it was amended with the exception of the retention basin storm drain lift station. To that end, the Developer requested that the City accept all of the completed infrastructure and the subdivision improvements except for retention storm drain lift station. The City reviewed the project and a number of open items were identified.

They are as follows:

1. Completion of Legion Road paving and associated improvements – Status Resolved

In the original development agreement, the Developer was responsible for completing Legion Road from Western Avenue to Branding Iron Ave. Due to circumstances beyond the Developer's control, the City Council and the Developer negotiated a change to the original agreement. The Developer completed a portion of Wildcat Road sufficient to allow it to open. In exchange the City Council agreed to relieve the developer of the responsibility of any paving work and associated improvements on or related to Legion Road. Developer has no further responsibility with respect to any improvements to Legion Road. In the event that any property directly south of Latigo Ranch is developed in the future, the City will require the completion of Legion as a condition of that future development.

2. Warranty Expiration – Status Resolved

The Developer presented a document entitled Latigo Ranch Summary of Inspections, (a copy is attached as Exhibit 1) and requested that acceptance of these completed improvements be back dated to the date that they passed inspection for warranty purposes. The City Council agrees and accepts that request.

3. Fair Share Costs - Status Resolved

There was a discussion between the Developer and staff regarding credits claimed by the Developer against fair share amounts for the Wildcat Median. The City Council considered the Developer's claimed credits and directed staff to accept the Developer's claimed credits.

4. Water Meter Rental Relief – Status Resolved.

The Developer requested relief for daily charges being levied for water meter rental. Staff agreed. City Council agreed to waive the daily rental charge.

5. Fire Hydrants and Water Pressure – Status Resolved.

A number of fire hydrants that were previously installed had been stolen. As a result, the City had not been able to conduct a proper fire flow water pressure test. The development agreement called for the Developer to close the water loop at Legion Road. The Developer contended that the loop was sufficiently closed and the water pressure was within the City standards. The matter was resolved by the Developer replacing the stolen hydrants. Thereafter the City was able to test the pressure and determined that the pressure met the City's requirements. Therefore, the City shall accept the hydrants inclusive of the improvements as set forth in Section 2 above,

Lot 28 Dedication – Status Resolved

The public right of way Dedication providing residents safe access to the park has been completed and accepted by City Council.

7. Retention Basin Strom Drain Lift Station Completion – Status Pending

The Developer remains responsible for the Retention Basin Storm Drain Lift Station and the City will not accept the same until such time as the Imperial Irrigation District issues an Encroachment Permit. That process is underway.

The Developer has completed all other required infrastructure and improvements related to the Retention Basin including landscaping, irrigation and public access to use as a recreation field. The City will immediately accept and take responsibility for maintaining the above inspected and approved infrastructure and improvements, as noted in Exhibit 1.

Further, the water meter servicing the park and retention basin shall immediately be transferred from Developer to City,

8. Developer Reimbursement for Impact Fees – Status Process Ongoing

The Developer sold certain finished parcels to third parties. Pursuant to the development agreement the City collects impact fees from these third parties

related to park improvements and transportation improvements previously completed and paid for by Developer and therefore reimburses the amounts collected from these third parties to the Developer at no cost to the City. That process is ongoing and will continue to be monitored by the City. The process will be completed upon the issuance of the final Certificate of Occupancy for the subdivision estimated to be early to mid 2025.

Based on the foregoing the City is prepared to accept all of the improvements identified on Exhibit 1, including but not limited to the fire hydrants, except for the Retention Basin Drain Lift Station, provided Developer acknowledges their agreement with the foregoing.

By: Ralph Cordova Jr., Counsel Brawley Investment Ventures, LLC	By: William Smerdon, City Attorney City of Brawley
Approved as to Form:	
Dated:	Dated:
By: Martin D. Coyne, Sole Member Brawley Investment Ventures, LLC	
Brawley Investment Ventures, LLC	
Dated:	
Agreed:	