



Legislation Text

File #: 16-545, **Version:** 1

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SUBJECT: Release of Lien and Agreement for Alternate Security for Deferred Work on Sandpiper Avenue

REPORT IN BRIEF

This is a request to release a lien on the property located at the southeast corner of Mercy Avenue and Mansionette Drive and enter into an agreement to accept \$168,000 in a cash deposit as security for deferred work on Sandpiper Avenue.

RECOMMENDATION

City Council - Adopt a motion approving the agreement and instructions for release of security lien and establishment and maintenance of alternate security and authorizing the City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve the action as recommended by staff, or;
2. Request modification or amendment to the documents and provide direction to City staff regarding the same, or;
3. Decline to authorize action as recommended, or;
4. Continue to a future City Council meeting (time and date to be specified in motion).

AUTHORITY

Chapter 24 of Title 18, Subdivisions, of the Merced Municipal Code (MMC) deals with final maps. Section 18.24.120 gives Council authority to approve the final map and associated agreements.

DISCUSSION

On December 17, 2001, the City Council entered into a Subdivision Agreement with Spalding G. and Della Wathen for the installation of improvements within Mansionette Estates Unit 2 (ME-2) (see location map at Attachment 1). A portion of the improvements that were to be installed under this agreement was the installation of Sandpiper Avenue along the frontage of Mansionette Estates Unit 1 and Unit 2 (Attachment 2). The cost of this work was estimated to be \$168,000.

As security for the improvements required with ME-2, a lien was placed on real property owned by the Wathens. As shown by the map at Attachment 3, the property recently approved for Mansionette Estates Unit 5 (ME-5) has a lien placed on it by the City as security for the remaining improvements which consist of the installation of Sandpiper Avenue along the frontage of ME-1 and ME-2 (Attachment 2).

In order for the lots to be sold for ME-5, the lien on this property must be released. Therefore, staff has worked with the owner to accept cash security in the amount of \$168,000 to be held until the portion of Sandpiper Avenue fronting ME-1 and ME-2 has been installed. If approved by Council, the lien on the property would be released and the security amount would be held on deposit by the City until such time as the required work is complete.

The development at the southwest corner of Mercy Avenue and Mansionette Drive would be responsible for the construction of Sandpiper Avenue along its property frontage. The property at the northeast corner of G Street and Yosemite Avenue would be responsible for the portion of Sandpiper along its property frontage. The map at Attachment 4 shows who is responsible for the construction of Sandpiper Avenue.

Staff recommends Council approve the agreement at Attachment 5 and authorize the City Manager to execute the agreement and Lien Release.

IMPACT ON CITY RESOURCES

There would be no impact on City resources with the approval of this agreement. The agreement includes a 2% administrative fee for holding the deposit and processing the necessary paperwork.

ATTACHMENTS

1. Location Map - Mansionette Estates
2. Portion of Sandpiper required to be constructed by ME-2
3. Property with Lien
4. Sandpiper Avenue
5. Agreement and Lien Release