# SUBMITTAL TO THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: General Manager-Chief Engineer

SUBMITTAL DATE: September 15, 2015

SUBJECT: Approval of Assignment and Assumption of Cooperative Agreement for Murrieta Valley – Greyhawk Road Storm Drain Stage 2 (Tract No. 32078), Project No. 7-0-00232, District 1 [\$0]

# **RECOMMENDED MOTION:** That the Board of Supervisors:

- 1. Approve the Assignment and Assumption Agreement between the District, the City of Wildomar (City), Rancho Fortunado Inv., LLC (Assignor) and Richmond American Homes of Maryland, Inc. (Assignee); and
- 2. Authorize the Chairman to execute the Agreement documents on behalf of the District.

# **BACKGROUND:**

### **Summary**

The Assignment and Assumption Agreement (Agreement) transfers the rights and responsibilities as established by the original Cooperative Agreement executed on April 28, 2015 (Board Agenda Item No. 11.5) from the Assignor to the Assignee.

Continued on page 2

LMD:blm P8/172063 WARREN D. WILLIAMS
General Manager-Chief Engineer

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent □ Policy □
NET DISTRICT COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent 🗆 Policy 🗆
SOURCE OF FUND	Budget Adjust	Budget Adjustment: No			
				For Fiscal Year	:: N/A

		BY:	BY: Horn				
		MINUTES OF THE BOARD OF SUPERVISORS					
Positions Added	Change Order	Change Order					
A-30	4/5 Vote	4/5 Vote		<b>11-</b> 5			
		□ Prev. Agn. Ref.: 11.5 of 04/28/15   District: 1	Agenda Number:	11-2			

# SUBMITTAL TO THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Approval of Assignment and Assumption of Cooperative Agreement for Murrieta Valley – Greyhawk Road Storm Drain Stage 2 (Tract No. 32078), Project No. 7-0-00232, District 1

[\$0]

DATE: September 15, 2015

PAGE: Page 2 of 2

#### **BACKGROUND:**

# **Summary (continued)**

Once the Agreement is executed, the Assignee will assume responsibility for the construction of the flood control facilities, as originally required as a condition of development for Tract No. 32078. Upon completion of the facilities' construction, the District will assume ownership, operation and maintenance of the mainline storm drains, a lateral storm drain that is 24 inches in diameter and is located within District's right of way boundaries, channel embankment, and associated access road. City will assume ownership and maintenance of all storm drain laterals and connector pipes that are 36 inches or less in diameter and drainage facilities' associated appurtenances such as catch basins, inlets, etc., located within City's right of way boundaries.

County Counsel has approved the Agreement as to legal form and the City, Assignor and Assignee have executed the Agreement.

The Assignee is funding all construction and construction inspection costs.

### Impact on Residents and Businesses

Assignee's planned development will benefit from the storm drain facilities that are to be constructed by the Assignee.

# **SUPPLEMENTAL:**

# **Additional Fiscal Information**

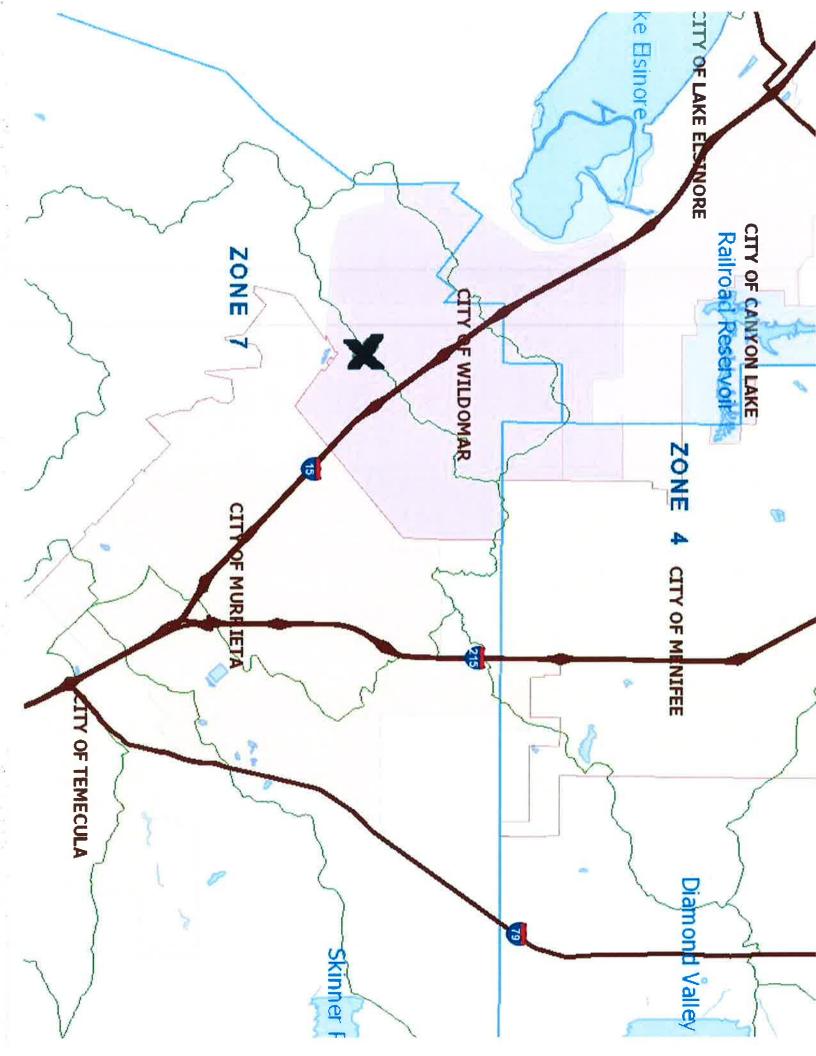
Assignee is funding all construction and construction inspection costs. Future operation and maintenance costs for the mainline storm drains, a certain 24-inch lateral, channel embankment and associated access road will accrue to District.

However, Assignor has made a one-time payment to the District's Zone 7 Maintenance Trust Fund, which defrays District's estimated future operation and maintenance costs for these drainage facilities for a period of ten (10) years.

#### **Attachments:**

- 1. Vicinity Map
- 2. Assignment and Assumption Agreement

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**ASSIGNMENT AND ASSUMPTION AGREEMENT** 

Murrieta Valley – Greyhawk Road Storm Drain Stage 2
Project No. 7-0-00232
Tract No. 32078

This ASSIGNMENT AND ASSUMPTION AGREEMENT, hereinafter called "ASSIGNMENT", is made by and between the (i) RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, hereinafter called "DISTRICT"; (ii) CITY OF WILDOMAR, hereinafter called "CITY", (iii) RANCHO FORTUNADO INV., LLC, a Delaware limited liability company, hereinafter called "ASSIGNOR", and (iv) RICHMOND AMERICAN HOMES OF MARYLAND, INC., a Maryland corporation, hereinafter called "ASSIGNEE".

# **RECITALS**

- A. DISTRICT, CITY and ASSIGNOR have previously entered into that certain Agreement which was executed on April 28, 2015, and recorded as Document No. 2015 0260187 in the Official Records of the County of Riverside and is hereinafter called "AGREEMENT", setting forth the parties' respective rights and obligations concerning ASSIGNOR'S proposed design and construction of certain flood control and drainage facilities required as a condition of approval for Tract No. 32078 located in the County of Riverside, State of California (hereinafter, the "PROPERTY"); and
- B. Subsequent to the execution of said AGREEMENT, ASSIGNEE has acquired fee title to the PROPERTY; and
- C. A true copy of AGREEMENT has been provided to ASSIGNEE and said AGREEMENT describes the terms and conditions by which those certain flood control and drainage improvements that are required in connection with the development of Tract No. 32078 are to be designed and constructed by ASSIGNOR and inspected and accepted for operation and maintenance by DISTRICT and CITY; and

D. AGREEMENT stipulates that ASSIGNOR may assign its rights and responsibilities as set forth therein subject to the written consent of the parties thereto; and

- E. The totality of ASSIGNOR'S rights, title, interests, benefits and privileges pursuant to AGREEMENT are hereinafter collectively called "ASSIGNOR RIGHTS", and the totality of ASSIGNOR'S obligations pursuant to AGREEMENT are hereinafter collectively called "ASSIGNOR OBLIGATIONS"; and
- F. ASSIGNOR RIGHTS and ASSIGNOR OBLIGATIONS are hereinafter together called "RIGHTS AND OBLIGATIONS"; and
- G. ASSIGNOR, ASSIGNEE, CITY and DISTRICT intend that, by execution of this ASSIGNMENT, ASSIGNEE will assume all ASSIGNOR RIGHTS AND OBLIGATIONS.

NOW, THEREFORE, the parties hereto do hereby mutually agree as follows:

- 1. The above Recitals are true and correct.
- 2. By execution of this ASSIGNMENT, ASSIGNOR hereby assigns all of their RIGHTS AND OBLIGATIONS to ASSIGNEE.
- 3. For the benefit of CITY and DISTRICT, ASSIGNEE hereby ratifies and agrees to be bound by the assignment of RIGHTS AND OBLIGATIONS set forth in Paragraph 2 above.
- 4. ASSIGNEE agrees to complete construction of PROJECT as detailed in AGREEMENT within twelve (12) consecutive months after execution of this Agreement and within ninety (90) consecutive calendar days after commencing work on PROJECT.
- 5. In regard to the assignment of RIGHTS AND OBLIGATIONS set forth herein, CITY and DISTRICT hereby consent to and hereby agree to be bound by (i) the assignment of RIGHTS AND OBLIGATIONS in favor of ASSIGNEE, and (ii) the assumption by ASSIGNEE of said RIGHTS AND OBLIGATIONS. In further clarification of the intent of the parties, ASSIGNEE and ASSIGNOR specifically agree with DISTRICT that access and/or grant of real

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property interests required by DISTRICT pursuant to AGREEMENT, if any, shall be satisfied by ASSIGNEE, and in regard to all financial obligations, DISTRICT shall invoice ASSIGNEE for all charges incurred pursuant to AGREEMENT.

- The assignment and assumption of RIGHTS AND OBLIGATIONS pursuant to 6. this ASSIGNMENT shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, heirs and legatees of the respective parties hereto.
- This ASSIGNMENT shall be governed by, interpreted under and construed in 7. accordance with the laws of the State of California.
- Any and all notices sent or required to be sent to ASSIGNOR or ASSIGNEE 8. arising from either this ASSIGNMENT, or the obligations contained in AGREEMENT will be mailed by first class mail, postage prepaid, to the following addresses:

RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT 1995 Market Street Riverside, CA 92501 Attn: Administrative Services Section

RANCHO FORTUNADO INV., LLC c/o Richmond American Homes of Maryland, Inc. 5171 California Street, Suite 120 Irvine, CA 92617 Attn: Sondra Harris

CITY OF WILDOMAR 23873 Clinton Keith Road Wildomar, CA 92595 Attn: Public Works Director

RICHMOND AMERICAN HOMES OF MARYLAND, INC. 5171 California Street, Suite 120 Irvine, CA 92617 Attn: Sondra Harris

- Any action at law or in equity brought by any of the parties hereto for the purpose 9. of enforcing a right or rights provided for by this ASSIGNMENT shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other county.
- The individuals executing this ASSIGNMENT on behalf of ASSIGNOR and 10. ASSIGNEE hereby certify that they have the authority within their respective companies to enter

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into and execute this ASSIGNMENT, and have been authorized to do so by any and all boards of directors, legal counsel and/or any other board, committee or other entity within their respective companies which have the authority to authorize or deny entering into this ASSIGNMENT.

11. This ASSIGNMENT may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

- 4 -

Dated as of July 16, 2015 **ASSIGNOR** RANCHO FORTUNADO INV, LLC a Delaware limited liability company By: RICHMOND AMERICAN HOMES OF MARYLAND, INC. a Maryland corporation Its sole member Ву Authorized Person (ATTACH NOTARY ACKNOWLEDGEMENT WITH CAPACITY STATEMENT) Assignment & Assumption Agreement Tract No. 32078 LMD:blm 8/10/15 

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA) SS

#### COUNTY OF **ORANGE**

On September 1, 2015, before me, Rhonda Harper, a Notary Public, personally appeared Sondra Harris, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that

the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

My Commission Expires: May 30, 2016

Commission # 1976900 Notary Public - California Orange County

RHONDA HARPER

My Comm. Expires May 30, 2016

This area for official notarial seal.

# **ASSIGNEE**

RICHMOND AMERICAN HOMES OF MARYLAND, INC.
a Maryland Corporation

SONDRA HARRIS Vice President

(ATTACH NOTARY WITH CAPACITY STATEMENT)

Assignment & Assumption Agreement Tract No. 32078 LMD:blm

8/10/15

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