

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.39
(ID # 22874)

MEETING DATE:
Tuesday, October 31, 2023

FROM : TLMA-TRANSPORTATION:

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/TRANSPORTATION:
Approval and execution of the Partial Assignment and Assumption of Improvement Credit Agreement between R-Hearthstone Lot Option Pool 02, L.P., Lennar Homes of California, LLC, and the County of Riverside associated with Unit Nos. 59 through 86 of Tract No. 32151. Not a project under CEQA per State CEQA Guidelines Section 15378. District 3. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute the Partial Assignment and Assumption of Improvement Credit Agreement between R-Hearthstone Lot Option Pool 02, L.P., Lennar Homes of California, LLC, and the County of Riverside associated with Unit Nos. 59 through 86 of Tract No. 32151; and
2. Authorize the Chairman of the Board of Supervisors to execute the same.

ACTION:Policy

Mark Lancaster

Mark Lancaster, Director of Transportation 9/7/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Gutierrez, seconded by Supervisor Spiegel and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington and Gutierrez
Nays: None
Absent: Perez
Date: October 31, 2023
xc: Trans.

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Developer funded 100%. No General Funds will be used on this project.			Budget Adjustment: No	
			For Fiscal Year: 23/24	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Lennar Homes of California, LLC (Assignee) acquired Unit Nos. 59 through 86 of Tract No. 32151 (Assigned Property) from R-Hearthstone Lot Option Pool 02, L.P. (Assignor). The Assigned Property consists of twenty-eight (28) multi-family residential units and is located within the boundaries of the Clinton Keith Road Community Facilities District No. 07-2 (Clinton Keith Road CFD), which is administered by the County of Riverside (County).

The Clinton Keith Road CFD is a funding mechanism that provides a means to finance, in part, the Clinton Keith Road Extension, a multi-phased, six-lane project from Antelope Road to State Route 79. Construction of the first phase, second phase, and the fourth phase of the Project from Interchange 215 to Leon Road are completed. The third and last phase of the Project from Leon Road to SR-79 is in construction.

On March 7, 2023 (Agenda Item 3-13 and Item 3-14), the County Board of Supervisor approved the Clinton Keith Road CFD Transportation Uniform Mitigation Fee (TUMF) Program Improvement Credit Agreement (TUMF Agreement) and Road and Bridge Benefit District (RBBB) Fee Program Improvement Credit Agreement (RBBB Agreement) between R-Hearthstone Lot Option Pool 02, L.P., and the County which made the developed lots of the Assigned Property within the Clinton Keith Road CFD eligible for fee credit against the applicable TUMF and RBBB fees.

R-Hearthstone Lot Option Pool 02, L.P., now desires to assign to Lennar Homes of California, LLC certain rights to TUMF and RBBB credits under the TUMF Agreement and RBBB Agreement relating to the Assigned Property. Each dwelling unit within the Assigned Property will be eligible to receive TUMF and RBBB credits in an amount set forth in this Partial Assignment and Assumption of Improvement Credit Agreement (Assignment Agreement).

Assignee desires to assume all of the Assignor's rights and obligations under the TUMF Agreement and RBBB Agreement relating to the Assigned Property.

The Assignment Agreement is not a "project" pursuant to Section 15378(b)(5) of the State CEQA Guidelines, which states that a "project" does not include "organizational or administrative activities of governments that will not result in direct or indirect physical changes

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in the environment." The Assignment Agreement merely transfers all rights and obligations from the Assignor to the Assignee and does not modify any of the terms of the TUMF Agreement and RBBB Agreement for the Assigned Property. This transfer of rights and obligations will not, in and of itself, result in a significant environmental effect and does not authorize to any extent whatsoever actual physical development. Any future development, if it occurs at all, will be the result of subsequent actions subject to further CEQA review. Therefore, the Assignment Agreement is not a project under CEQA.

Impact on Residents and Businesses

This Assignment Agreement represents a change in real property ownership and will have no impact on local residents and businesses.


Additional Fiscal Information

N/A

ATTACHMENTS:

Vicinity Map

Assignment Agreement



Jason Farin, Principal Management Analyst 10/23/2023



Aaron Gettis, Deputy County Counsel 10/5/2023

**PARTIAL ASSIGNMENT AND ASSUMPTION
OF IMPROVEMENT CREDIT AGREEMENT**

This Partial Assignment and Assumption of Improvement Credit Agreement (the "Assignment Agreement") is made as of October 31 23 by and between R-Hearthstone Lot Option Pool 02, L.P., ("Assignor"), Lennar Homes of California, LLC ("Assignee"), and the County of Riverside ("County").

RECITALS

Assignor is a "Developer" under the certain agreements titled "County of Riverside, Community Facilities District No. 07-2 (Clinton Keith Road CFD) Improvement Credit Agreement, Transportation Uniform Mitigation Fee Program" (Contract No. 22-11-008) (the "TUMF Agreement") and "County of Riverside, Community Facilities District No. 07-2 (Clinton Keith Road CFD) Improvement Credit Agreement, Road and Bridge Benefit District Fee Program" (Contract No. 22-11-009) (the "RBBB Agreement") with respect to that certain real property described on Exhibit A attached hereto, which includes Unit Nos. 59 through 86 of Tract No. 32151 (the "Assigned Property"). Any capitalized term used but not otherwise defined herein shall have the meaning ascribed thereto in the TUMF Agreement and RBBB Agreement.

Assignor and Assignee are parties to that Real Estate Purchase and Sale Contract (the "Contract") dated as of May 25, 2021, respecting the sale of the Assigned Property. The ownership of said Assigned Property of Tract 32151 was transferred to Assignee by Assignor via Grant Deeds dated May 24, 2023 (DOC#2023-0147902), and June 20, 2023 (DOC#2023-0176448).

A. Assignor desires to assign to Assignee all of Assignor's rights under the TUMF Agreement and RBBB Agreement relating to the Assigned Property, and Assignee desires to assume all of Assignor's obligations thereunder relating to the Assigned Property, all on the terms and conditions set forth below.

B. County is an express intended beneficiary of the rights, duties, and obligations undertaken by Assignor and Assignee.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignor hereby assigns to Assignee all of Assignor's rights, title, interest, and obligations in and under the TUMF Agreement and RBBB Agreement to the extent relating to the Assigned Property, including, without limitation, the TUMF Credit for twenty-eight (28) multi-family residential units of up to ninety six percent (96%) of the TUMF fee in effect at issuance of a certificate of occupancy and the one hundred percent (100%) RBBB Credits applied against RBBB fees for twenty-eight (28) multi-family residential units. The remaining four percent (4%) of the TUMF fee (the "Program Administration Fee") shall be paid by Assignee at the time of issuance of a certificate of occupancy.

CFD 07-2 (Clinton Keith Rd CFD)
Assignment Agreement
R-Hearthstone Lot Option Pool 02, L.P. & Lennar Homes of California, LLC
Tract No. 32151 Unit Nos. 59-86

OCT 31 2023 3.39

2. Assignee hereby accepts this Assignment Agreement and agrees to be bound by all applicable provisions of the TUMF Agreement and RBBB Agreement with respect to the Assigned Property.

3. Assignor hereby covenants that it will, at any time and from time to time upon written request therefor, but at no out-of-pocket cost to Assignor, execute and deliver to Assignee, its nominees, successor and/or permitted assigns, any new or confirmatory instructions and do and perform any other acts which Assignee, its nominees, successors and/or assigns, may reasonably request in order to fully transfer and assign the rights of Assignor in and under the TUMF Agreement and the TUMF Credit Amount, and the RBBB Agreement and RBBB Credit Amount with respect to the Assigned Property.

4. This Assignment Agreement shall be binding upon and inure to the benefit of the successors and assignees of all respective parties hereto. All rights, title, and interest to all benefits accruing under this Assignment Agreement shall only be assigned to a subsequent assignee pursuant to the execution of an assignment and assumption agreement among the subsequent assignor, the subsequent assignee, the County, in a form acceptable to the County, whereby the parties consent to such assignment and the subsequent assignee expressly agrees to assume all duties, liabilities, obligations or responsibilities under the TUMF Agreement and RBBB Agreement and to be bound thereby.

5. This Assignment Agreement shall be governed by and construed in accordance with the laws of the State of California.

6. This Assignment Agreement may be executed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.


[Signatures on following page]

IN WITNESS WHEREOF, Assignor, Assignee, and the County have executed and delivered this Assignment Agreement as of the day and year first above written.

ASSIGNOR:

R-Hearthstone Lot Option Pool 02, L.P., a Delaware limited partnership


By: R-Hearthstone PBLOVJ GP, LLC, a Delaware limited liability company, its General Partner

By: 

Steven C. Porath
Authorized Person

ASSIGNEE:

Lennar Homes of California, LLC, a California limited liability company

By: 

Geoffrey Smith
Vice President

[Signatures continued on next page]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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.

State of California }
County of Los Angeles }

On August 30, 2023 before me, Karen S. Hornback, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Steven C. Porath
Name(s) of Signer(s)

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 *Karen S. Hornback*
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian of Conservator

Other: _____

Signer is Representing: _____

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian of Conservator

Other: _____

Signer is Representing: _____

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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.

State of California }
County of Riverside }

On August 22, 2023 before me, Nicole M. Gastelum, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Geoffrey Smith
Name(s) of Signer(s)

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.



Place Notary Seal and/or Stamp Above

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 Nicole Gastelum
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Assignment Agreement, TransContract # 23-07-002

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

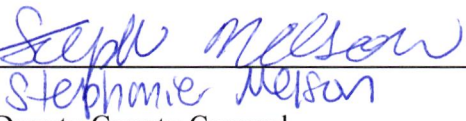
Signer's Name: _____ Signer's Name: _____
 Corporate Officer – Title(s): _____ Corporate Officer – Title(s): _____
 Partner – Limited General Partner – Limited General
 Individual Attorney in Fact Individual Attorney in Fact
 Trustee Guardian or Conservator Trustee Guardian or Conservator
 Other: _____ Other: _____
Signer is Representing: _____ Signer is Representing: _____

COUNTY OF RIVERSIDE:

By: 

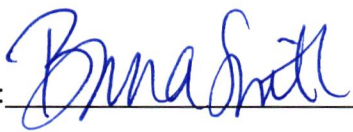
KEVIN JEFFRIES
Chairman, County Board of Supervisors

APPROVED AS TO FORM:
County Counsel

By: 

Stephanie Nelson
Deputy County Counsel

ATTEST:
Kimberly Rector
Clerk of the Board

By: 

Deputy

EXHIBIT A

DESCRIPTION OF ASSIGNED PROPERTY

CONDOMINIUM UNITS 59 THROUGH 70, INCLUSIVE, OF MODULE 6 OF LOT 1 OF TRACT NO. 32151, IN THE UNINCORPORATED AREA OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 486, PAGES 93 THROUGH 102, INCLUSIVE, OF MAPS, AND THE COMMON AREA AND ASSOCIATION PROPERTY OF SAID MODULE 6, ALL AS SHOWN AND DESCRIBED ON THAT CERTAIN "CONDOMINIUM PLAN, LOT 1, TRACT NO. 32151," RECORDED ON NOVEMBER 30, 2022, AS INSTRUMENT NO. 2022-0486804, OF OFFICIAL RECORDS, ALL IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, AS SAME MAY BE AMENDED FROM TIME TO TIME.

PARCEL 1:

CONDOMINIUM UNITS 71 THROUGH 78, INCLUSIVE, OF MODULE 7 OF LOT 1 OF TRACT NO. 32151, IN THE UNINCORPORATED AREA OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 486, PAGES 93 THROUGH 102, INCLUSIVE, OF MAPS, AND THE COMMON AREA AND ASSOCIATION PROPERTY OF SAID MODULE 7, ALL AS SHOWN AND DESCRIBED ON THAT CERTAIN "CONDOMINIUM PLAN, LOT 1, TRACT NO. 32151," RECORDED ON NOVEMBER 30, 2022, AS INSTRUMENT NO. 2022-0486804, OF OFFICIAL RECORDS, ALL IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, AS SAME MAY BE AMENDED FROM TIME TO TIME.

PARCEL 2:

CONDOMINIUM UNITS 79 THROUGH 86, INCLUSIVE, OF MODULE 8 OF LOT 1 OF TRACT NO. 32151, IN THE UNINCORPORATED AREA OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 486, PAGES 93 THROUGH 102, INCLUSIVE, OF MAPS, AND THE COMMON AREA AND ASSOCIATION PROPERTY OF SAID MODULE 8, ALL AS SHOWN AND DESCRIBED ON THAT CERTAIN "CONDOMINIUM PLAN, LOT 1, TRACT NO. 32151," RECORDED ON NOVEMBER 30, 2022, AS INSTRUMENT NO. 2022-0486804, OF OFFICIAL RECORDS, ALL IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, AS SAME MAY BE AMENDED FROM TIME TO TIME.

PARCEL 3:

MODULE "B" OF LOT 1 OF TRACT NO. 32151, IN THE UNINCORPORATED AREA OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 486, PAGES 93 THROUGH 102, INCLUSIVE, OF MAPS, AS SHOWN AND DESCRIBED ON THAT CERTAIN "CONDOMINIUM PLAN, LOT 1, TRACT NO. 32151," RECORDED ON NOVEMBER 30, 2022, AS INSTRUMENT NO 2022-0486804, OF OFFICIAL RECORDS, ALL

CFD 07-2 (Clinton Keith Rd CFD)
Assignment Agreement
R-Hearthstone Lot Option Pool 02, L.P. & Lennar Homes of California, LLC
Tract No. 32151 Unit Nos. 59-86

Trans Contract No. 23-07-002

IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA,
AS SAME MAY BE AMENDED FROM TIME.

CFD 07-2 (Clinton Keith Rd CFD)
Assignment Agreement
R-Hearthstone Lot Option Pool 02, L.P. & Lennar Homes of California, LLC
Tract No. 32151 Unit Nos. 59-86

EXHIBIT A

Vicinity Map

Tract No. 32151

Unit Nos. 59-86

0 335 670 1,340 Feet

1 inch = 667 feet
Orthophotos Flown 2016
Printed by CSegarra on 8/8/2023

The County of Riverside assumes no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates, modifications and may not be complete or appropriate for all purposes. County GIS and other sources should be queried for the most current information. Do not copy or resell this map.

