

MEMORANDUM

Date: August 12, 2016
To: Board of Directors
From: Darlene J. Thiel Gillum, General Manager
Subject: Consider Approval of Reimbursement to M&R Investment One Corporation For Fourteen (14) Retreats West Lots

RECOMMENDED ACTION

Approve reimbursement to M&R Investment One Corporation for fourteen (14) Retreats West lots in the amount of \$32,018. Funding to come from Developer Deposit – Retreats.

BACKGROUND

In the early 1990s, developer SHF Acquisition Corporation constructed houses in a Rancho Murieta subdivision known as Unit 6 or the Fairways. As part of that subdivision, the developer paid for and installed certain water, sewer and storm drainage improvements. Some of the improvements were sized to benefit and serve lands other than the Unit 6 subdivision. Consequently, in 1995, the District entered into a Reimbursement Agreement with SHF concerning the reimbursement of a portion of the costs of the improvements from defined benefited properties. In September 2015, the Board authorized a one-year extension of the 1995 agreement. The agreement now expires on September 20, 2016.

M&R Investment One Company, Inc. claims it is the successor to SHF.

The Retreats West parcel, which was previously identified as the Hotel site in the Reimbursement Agreement, is identified as a benefitting property of the SHF improvements in the amount of \$50,305.78. Retreats West is approved for 22 lots which results in a reimbursement of \$2,287 per lot ($\$50,305.78 / 22 = \$2,286.63$). To date, 14 of the 22 lots have pulled water permits. As these permits were pulled prior to the expiration of the reimbursement agreement staff recommends approval.