



CITY COUNCIL STAFF REPORT

ITEM NO. 6.2

DATE: May 11, 2026

TO: Honorable Mayor and City Council

FROM: Brent Smith, Community Development Director

SUBJECT: Resolution accepting public improvements constructed by Shea Homes, Inc., pursuant to the Subdivision Improvement Agreement for Phase 1 of Final Tract Map 8613 (Shea Portola Townhomes), located at the northeast corner of Collier Canyon Road and Portola Avenue, for permanent maintenance and authorizing release of security and accepting offers of dedication of Public Utility Easement, Sanitary Sewer Easement, and Emergency Vehicle Access Easement.

RECOMMENDED ACTION

Staff recommends the City Council adopt a resolution:

1. Accepting Phase 1 of Final Tract Map 8613 public improvements for permanent maintenance;
2. Accepting, on behalf of the public, all real property offered for dedication within Phase 1 of Final Tract Map 8613, including Public Utility Easement, Sanitary Sewer Easement, and Emergency Vehicle Access Easement; and
3. Authorizing release of security provided for construction of the public improvements.

DECISION TYPE

Administrative

SUMMARY

On November 13, 2023, Phase 1 of Final Tract Map 8613 was approved by the City Council with a Subdivision Improvement Agreement and security for the construction of public infrastructure to serve the Shea Portola Townhomes residential project. Attachment 1 shows the location of the project. The public and private improvements for the project include public sewer, water, Class IV bike lane, a new traffic signal at the site entrance of Sedona Common and Portola Avenue, private streets, sidewalks, storm drain, open space, a bio-retention basin, and lighting. The developer, Shea Homes, Inc., has completed the public improvements of Phase 1 of Final Tract Map 8613 to the satisfaction of the City Engineer. The City Council can now accept Phase 1 of Final Tract Map 8613 public improvements for permanent maintenance, accept previously rejected offers of dedication, and release security.

DISCUSSION

The Shea Portola project consists of two separate phases, the Townhomes as Phase 1 and the Apartments as Phase 2. Phase 1 of Final Tract Map 8613 consists of 89 Townhome residential units, which are located at the northeast corner of Collier Canyon Road and Portola Avenue as shown in the Vicinity Map (Attachment 1). On November 13, 2023, Phase 1 of Final Tract Map 8613 was approved by City Council with a Subdivision Improvement Agreement and security for public improvements. At that meeting, Council also rejected the offers of dedication for the following streets and easements made on Phase 1 of Final Tract Map 8613:

- Public Utility Easement,
- Sanitary Sewer Easement, and
- Emergency Vehicle Access Easement

On March 10, 2025, the First Amendment to the Subdivision Improvement Agreement for Tract 8613 was approved by Council to increase the reimbursement for traffic improvements, extend the time of completion, and reduce the bond for onsite and offsite bond amounts.

An offer of dedication is a formal act by a property owner to voluntarily donate land or property rights to a public entity for a specific public use, such as a street or utility easement. This offer is usually an initial step, and the public entity must accept the dedication for it to become legally binding. When Phase 1 of Final Tract Map 8613 was approved on November 13, 2023, the City Council rejected the offers of dedication made on the map but retained the right to accept the dedications at a later date when the improvements were complete.

Shea Homes, Inc., (Developer) is responsible for funding and constructing public and private improvements required for this development. The project includes the following public improvements: sewer, water, Class IV bike lane with landscaped planter islands, bus turnout, additional on-street parking along the west side of Collier Canyon Road, and a new traffic signal at the project entrance of Portola Avenue and Sedona Common. The private infrastructure improvements include private streets, sidewalks, storm drains, open space, a bio-retention basin, and lighting.

The Developer has fulfilled all of the obligations as described in the Conditions of Approval and Subdivision Improvement Agreement for Phase 1 of Final Tract Map 8613 to the satisfaction of the City Engineer. The Subdivision Improvement Agreement required traffic improvements at the intersection of Portola Avenue and Sedona Common. These requirements are met with Portola Avenue and Sedona Common Traffic Signal Improvements, CIP Project No. TC202326, which includes the traffic signal, modifications to the south leg of the Sedona Common and Portola Avenue intersection, modifications to the Portola Right of Way on the south side of Portola Avenue, and modifications to the existing median. The Developer completed all of the required work for Project TC202326.

The City Council can now accept Phase 1 of Final Tract Map 8613 for permanent maintenance, accept offers of dedication that were previously rejected, and release the security that was provided as surety for these public improvements as specified in the Subdivision Improvement Agreement.

FISCAL AND ADMINISTRATIVE IMPACTS

The estimated annual cost for maintenance of public infrastructure, including water, sewer, curb and gutter, bus turn out, traffic signal and striping is \$16,000. This cost is funded by enterprise funds and gas

tax funds. In addition, the Developer has annexed into the Isabel Neighborhood Specific Plan Communities Facilities District (CFD No. 2023-1). As part of the Communities Facilities District, homeowners within this tract will be assessed annually to provide a portion of funds to maintain public amenities within the boundaries of the Isabel Neighborhood Specific Plan.

COMMUNITY PILLAR

2: Economy That Prospers

GOAL

4: Implement the Isabel Neighborhood Specific Plan

ATTACHMENTS

- 1. Vicinity Map
- 2. Resolution

Prepared by: Leo Sum
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Approved by:



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Fiscal Review by:



Tina Olson
Administrative Services Director