File #: 22-0680, **Version:** 1

Department of Transportation recommending the Board approve and authorize the Chair to sign Assignment, Assumption, & Consent Agreement 22-55017 between the County, Lennar Homes of California, Inc., and Lennar Homes of California, LLC due to a change in organizational structure.

FUNDING: Developer Funded.

DISCUSSION / BACKGROUND

In February 2022, the Department of Transportation (Transportation) was notified that the developer Lennar Homes of California, Inc. ("Assignor") changed its organizational structure and name to Lennar Homes of California, LLC ("Assignee"). After consultation with County Counsel, it was determined that an Assignment, Assumption, & Consent Agreement (AA&C Agreement) would be required to acknowledge and consent to the change in ownership, and to transfer the assumption of responsibility for the Assignor's ongoing projects to the new limited liability company.

Transportation and the Assignor have entered into Subdivision Improvement Agreements (SIAs), each titled Agreement To Make Subdivision Improvements For Class 1 Subdivisions Between County and Owner, for the following active projects:

Agreement 17-54724: Carson Creek Unit 2A, Phase 1, TM 06-1428R
Agreement 17-54790: Carson Creek Unit 2A, Phase 2, TM 06-1428R
Agreement 18-54825: Hawk View - Unit 1, TM 00-1371-R/TM 00-1371-E
Agreement 18-54829: Hawk View - Unit 2, TM 00-1371-R/TM 00-1371-E
Agreement 18-54889: Carson Creek Unit 2B - Phase 1, TM 06-1428-R
Agreement 18-54890: Carson Creek Unit 2B - Phase 2, TM 06-1428

Section 26 of each SIA reads as follows: "Neither this Agreement, nor any part thereof may be assigned by Owner without the express written approval of County." This proposed AA&C Agreement satisfies this requirement for each of the listed projects, by affirming the County's approval of the transfer from the Assignor to the Assignee. Subsequent amendments to each individual SIA will also include language acknowledging the Assignor's name change, and reiterating that the Assignee shall assume all duties, rights, and obligations under each agreement.

ALTERNATIVES

This AA&C Agreement is necessary for the Developer to continue construction of improvements under the SIAs listed above. If the AA&C Agreement is not approved, the Developer would be required to enter into new SIAs and provide new security under the name Lennar Homes of California, LLC for each project.

PRIOR BOARD ACTION

Agreement 17-54724: Carson Creek Unit 2A, Phase 1, TM 06-1428R

- Approved October 24, 2017 (Item 21, Legistar 15-0761)
- Amendment 1 approved September 26, 2020 (Item 10, Legistar 20-1079)
- Amendment 2 approved December 11, 2021, pursuant to Resolution 001-2021 (January 5, 2021,

Item 13, Legistar 20-1437)

Agreement 17-54790: Carson Creek Unit 2A, Phase 2, TM 06-1428R
- Approved March 6, 2018 (Item 25, Legistar 18-0287)
- Amendment 1 approved September 28, 2020 (Item 11, Legistar 20-1080)
- Amendment 2 approved January 7, 2021, pursuant to Resolution 001-2021 (January 5, 2021, Item 13, Legistar 20-1437)
- Amendment 3 approved February 25, 2022, pursuant to Resolution 001-2022 (January 4, 2022, Item 23, Legistar 21-1816)

Agreement 18-54825: Hawk View - Unit 1, TM 00-1371-R/TM 00-1371-E
- Approved October 9, 2018 (Item 27, Legistar 18-1513)
- Amendment 1 approved by Director of Transportation August 17, 2020, pursuant to authority delegated by Resolution 96-95
- Amendment 2 approved September 28, 2021, pursuant to Resolution 001-2021 (January 5, 2021, Item 13, Legistar 20-1437)

Agreement 18-54829: Hawk View - Unit 2, TM 00-1371-R/TM 00-1371-E
- Approved August 27, 2019 (Item 33, Legistar 19-1193)
- Amendment 1 approved by Director of Transportation August 13, 2021, pursuant to authority delegated by Resolution 96-95

Agreement 18-54889: Carson Creek Unit 2B - Phase 1, TM 06-1428-R
- Approved December 18, 2018 (Item 26, Legistar 18-1906)
- Amendment 1 approved by Director of Transportation September 3, 2020, pursuant to authority delegated by Resolution 96-95
- Amendment 2 approved December 6, 2021, pursuant to Resolution 001-2021 (January 5, 2021, Item 13, Legistar 20-1437)

Agreement 18-54890: Carson Creek Unit 2B - Phase 2, TM 06-1428
- Approved December 18, 2018 (Item 27, Legistar 18-1907)
- Amendment 1 approved by Director of Transportation September 3, 2020, pursuant to authority delegated by Resolution 96-95
- Amendment 2 approved December 6, 2021, pursuant to Resolution 001-2021 (January 5, 2021, Item 13, Legistar 20-1437)

OTHER DEPARTMENT / AGENCY INVOLVEMENT
County Counsel

CAO RECOMMENDATION / COMMENTS
Approve as recommended.

FINANCIAL IMPACT
The requested Board action has no associated fiscal impact or change to Net County Cost. The Developer will bear the cost of constructing the improvements required by the associated Subdivision Improvement Agreements.

CLERK OF THE BOARD FOLLOW UP ACTIONS

1) The Clerk of the Board will obtain the Chair's signature on one (1) original of the Agreement.

STRATEGIC PLAN COMPONENT
Infrastructure

CONTACT
Rafael Martinez, Director
Department of Transportation