



Staff Report

TO: City Council
FROM: Jennifer Ustation, Finance Director
DATE: January 21, 2025
SUBJECT: Approve Payment to Tri Pointe Homes in the Amount of \$451,436.30 for Cherry Avenue Street Improvements

Description Approve payment to Tri Pointe Homes for Cherry Avenue Street Improvements in the amount of \$451,436.30 as per Cooperative Agreement Between City of Beaumont and Pardee Homes (Tri Pointe Homes).

Background and Analysis:

On August 15, 2017, the City Council approved a cooperative agreement between the City of Beaumont and Pardee Homes (Tri Pointe Homes) for the Cherry Avenue Street Improvement Project. At such time, the City agreed to the estimated shared cost of the improvements, not to exceed \$500,000. The reimbursement to Pardee Homes was to be provided as credits to future development funds, once the project was completed and accepted.

On February 4, 2020, the City Council accepted the Cherry Avenue Street Improvement Project. The improvements included a new section of asphalt and aggregate base, curb and gutter, sidewalk, driveway approaches, drainage structures, and signing and striping.

Tri Pointe Homes and the City of Beaumont entered into a Settlement Agreement February 2017 which provided that Tri Pointe Homes would make advanced development impact fee payments to the City between 2017 and 2021. City staff have worked with Tri Pointe Homes to reconcile the advanced payments and development impact fees that were applied to those payments. During the reconciliation process, it was noted that credit had not been given to Tri Pointe Homes for the acceptance of the Cherry Avenue Street Improvement Project requiring the City to refund Tri Pointe Homes for the credit of the accepted improvements.

Fiscal Impact:

There is no impact to the General Fund. The payment to Tri Pointe Homes will be in the amount of \$388,251.30 from the Road and Bridge Development Impact Fee Fund and \$63,185.00 from the Sewer Development Impact Fee Fund.

The estimated cost to prepare this report is \$150.

Recommended Action:

Approve payment to Tri Pointe Homes in the amount of \$451,436.30

Attachments:

- A. Cooperative Agreement Between City of Beaumont and Pardee Homes for Cherry Avenue Street Improvements Project