



# Agenda Item

## City Council

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**Item #:** 5.2.

4/22/2025

**File #:** 25-0230

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**TO:** Honorable Mayor and Members of the City Council

**FROM:** Tom Kisela, City Manager

### 1. SUBJECT

Letter of Intent with Milan REI X, LLC and Landify ECT Corporation for a potential open space/park development.

### 2. SUMMARY

Milan REI X, LLC owns parcels that comprise the Sully Miller Pit and intends to work with the City of Orange to explore open space/public park options. Landify ECT Corporation employs a self-funded business approach that utilizes excavated inert soil from construction sites to develop open space/public parks. This letter of intent among all three entities details the roles and responsibilities each party will retain as the parcels are evaluated for open space/park development.

### 3. RECOMMENDED ACTION

Approve the letter of intent with Milan REI X, LLC and Landify ECT Corporation for potential open space/park development, and authorize the City Manager and City Clerk to execute on behalf of the City.

### 4. FISCAL IMPACT

None.

### 5. STRATEGIC PLAN GOALS

Goal 3: Enhance Public Communication Strategy and Quality of Life.

### 6. DISCUSSION AND BACKGROUND

Sully Miller Pit (Sully Miller) comprises over 100 acres on the City's east end. Generally located north of Santiago Canyon Road, east of Cannon Street, and south of the Santiago Creek, Sully Miller has a long-standing history in the community with many residents interested in retaining the site as open space.

Millan REI X, LLC (Milan) expressed interest in working with the City to identify open space/public park options. To that end, Milan suggested a letter of intent (LoI) with the City and Landify ECT Corporation (Landify).

Landify has worked with other municipalities throughout the State of California for open space/park development purposes. They offer a unique business model that utilizes excavated inert soil from construction sites that meet soil safety regulations. Landify charges tipping fees for excavation companies to dispose clean fill on Landify sites and uses those same soils to create open space/park

landforms. The tipping fees are reinvested into the open space/park development.

Should the City Council approve the Lol, all three parties will begin the process to determine open space/public park development feasibility on Sully Miller with the following provisions serving as the main tenets to the agreement:

- The City will not incur any expenses to develop the open space/park; therefore, if the open space/park development process proceeds, Landify will conduct the work absent any competitive bidding requirements.
- Should the City Council approve the Lol, all parties will determine if the open space/park development may proceed within six months.
- Landify and Milan will design the project with feedback from the City.
- Landify will take the lead to secure building permits and approvals from all other government agencies.
- The City will serve as lead agency to conduct any required reviews or permitting for the proposed open space/park project.
- Should the City Council approve the Lol, it will not in any way commit the City to approving any of the proposed open space/park project.

## **7. ATTACHMENTS**

- Letter of Intent