

Council Meeting Agenda

July 25, 2012

CITY COUNCIL CHAMBERS

3:30 p.m. Closed Session; 4:30 p.m. Regular Session
201 N. Broadway, Escondido, CA 92025

MAYOR	Sam Abed
DEPUTY MAYOR	Marie Waldron
COUNCIL MEMBERS	Olga Diaz Ed Gallo Michael Morasco
CITY MANAGER	Clay Phillips
CITY CLERK	Diane Halverson
CITY ATTORNEY	Jeffrey Epp
DIRECTOR OF COMMUNITY DEVELOPMENT	Barbara Redlitz
DIRECTOR OF ENGINEERING SERVICES	Ed Domingue

ELECTRONIC MEDIA:

Electronic media which members of the public wish to be used during any public comment period should be submitted to the City Clerk's Office at least 24 hours prior to the Council meeting at which it is to be shown.

The electronic media will be subject to a virus scan and must be compatible with the City's existing system. The media must be labeled with the name of the speaker, the comment period during which the media is to be played and contact information for the person presenting the media.

The time necessary to present any electronic media is considered part of the maximum time limit provided to speakers. City staff will queue the electronic information when the public member is called upon to speak. Materials shown to the Council during the meeting are part of the public record and may be retained by the Clerk.

The City of Escondido is not responsible for the content of any material presented, and the presentation and content of electronic media shall be subject to the same responsibilities regarding decorum and presentation as are applicable to live presentations.



Council Meeting Agenda

**July 25, 2012
3:30 p.m. Meeting**

**Escondido City Council
Community Development Commission**

CALL TO ORDER

ROLL CALL: Diaz, Gallo, Morasco, Waldron, Abed

ORAL COMMUNICATIONS

The public may address the Council on any item that is not on the agenda and that is within the subject matter jurisdiction of the legislative body. State law prohibits the Council from discussing or taking action on such items, but the matter may be referred to the City Manager/staff or scheduled on a subsequent agenda. (Please refer to the back page of the agenda for instructions.) Speakers are limited to only one opportunity to address the Council under Oral Communications.

CLOSED SESSION: (COUNCIL/CDC/RRB)

- I. CONFERENCE WITH LABOR NEGOTIATOR (Government Code §54957.6)**
- a.** Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Escondido City Employee Association: Administrative/Clerical/
Engineering (ACE) Bargaining Unit
 - b.** Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Escondido City Employee Association: Supervisory (SUP)
Bargaining Unit
 - c.** Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: POA/Non-Sworn Police Bargaining Unit
- II. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**
- a.** Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9(b): **Two Cases**

ADJOURNMENT



Council Meeting Agenda

**July 25, 2012
4:30 p.m. Meeting**

**Escondido City Council
Mobilehome Rent Review Board
Community Development Commission**

CALL TO ORDER

MOMENT OF REFLECTION:

City Council agendas allow an opportunity for a moment of silence and reflection at the beginning of the evening meeting. The City does not participate in the selection of speakers for this portion of the agenda, and does not endorse or sanction any remarks made by individuals during this time. If you wish to be recognized during this portion of the agenda, please notify the City Clerk in advance.

FLAG SALUTE

ROLL CALL: Diaz, Gallo, Morasco, Waldron, Abed

PRESENTATIONS: San Diego Housing Federation Ruby Awards

PROCLAMATIONS: Hometown Heroes Banners
Sunrise Rotary Club
Escondido Girls Softball 14U Extreme Team

ORAL COMMUNICATIONS

The public may address the Council on any item that is not on the agenda and that is within the subject matter jurisdiction of the legislative body. State law prohibits the Council from discussing or taking action on such items, but the matter may be referred to the City Manager/staff or scheduled on a subsequent agenda. Speakers are limited to only one opportunity to address the Council under Oral Communications. (Please refer to the back page of the agenda for instructions.) *NOTE: Depending on the number of requests, comments may be reduced to less than 3 minutes per speaker and limited to a total of 15 minutes. Any remaining speakers will be heard during Oral Communications at the end of the meeting.*

CONSENT CALENDAR

Items on the Consent Calendar are not discussed individually and are approved in a single motion. However, Council members always have the option to have an item considered separately, either on their own request or at the request of staff or a member of the public.

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/CDC/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/CDC)**
3. **APPROVAL OF MINUTES: Regular Meeting of June 13, 2012
Regular Meeting of June 20, 2012**

4. **ESCONDIDO CHARITABLE FOUNDATION AND BUDGET ADJUSTMENT** – Request Council approve a budget adjustment to receive and expend a grant award of \$10,000 from the Matt McLaughlin Endowment Fund via the Escondido Charitable Foundation.

Staff Recommendation: Approval (**Community Services: Jerry Van Leeuwen**)

5. **CAL FIRE URBAN FORESTRY INVENTORY GRANT AND BUDGET ADJUSTMENT** – Request Council approve a budget adjustment in the amount of \$200,000 to receive and expend grant funds.

Staff Recommendation: Approval (**Community Services: Jerry Van Leeuwen**)

6. **SETTING SPECIAL TAX LEVY FOR COMMUNITY FACILITIES DISTRICT NO. 2000-01 (HIDDEN TRAILS)** – Request Council approve setting the Special Tax Levy for the Community Facilities District No. 2000-01 (Hidden Trails) for Fiscal Year 2012/13.

Staff Recommendation: Approval (**Finance: Gilbert Rojas**)

RESOLUTION NO. 2012-110

7. **SETTING SPECIAL TAX LEVY FOR COMMUNITY FACILITIES DISTRICT NO. 2006-01 (EUREKA RANCH)** – Request Council approve setting the Special Tax Levy for the Community Facilities District No. 2006-01 (Eureka Ranch) for Fiscal Year 2012/13.

Staff Recommendation: Approval (**Finance: Gilbert Rojas**)

RESOLUTION NO. 2012-111

8. **NOTICE OF COMPLETION FOR DALEY RANCH ACCESS ROAD REHABILITATION PROJECT** – Request Council approve and accept the Daley Ranch Access Road Rehabilitation Project and associated public improvements as complete; and authorize staff to file a Notice of Completion for the project.

Staff Recommendation: Approval (**Engineering: Ed Domingue**)

9. **AWARD PURCHASE OF FUEL** – Request Council approve the purchase of fuel from The SOCO Group Inc. for the City of Escondido's fleet through a cooperative purchase agreement with the City of San Diego, pursuant to Escondido Municipal Code section 10-90.

Staff Recommendation: Approval (**Fleet Services: Richard O'Donnell and Joseph Goulart**)

CONSENT CALENDAR CONTINUED

- 10. POLICE OFFICERS' ASSOCIATION NON-SWORN BARGAINING UNIT CONTRACT** – Request Council approve a successor Police Officers' Association Non-Sworn Bargaining Unit contract.

Staff Recommendation: Approval (**Human Resources: Sheryl Bennett**)

- a. RESOLUTION NO. 2012-125
- b. RESOLUTION NO. 2012-128

CONSENT - RESOLUTIONS AND ORDINANCES (COUNCIL/CDC/RRB)

The following Resolutions and Ordinances were heard and acted upon by the City Council/CDC/RRB at a previous City Council/Community Development Commission/Mobilehome Rent Review meeting. (The title of Ordinances listed on the Consent Calendar are deemed to have been read and further reading waived.)

PUBLIC HEARINGS

- 11. COST REPORT FOR 2012 WEED ABATEMENT PROGRAM** – Request Council approve the 2012 Weed Abatement Report.

Staff Recommendation: Approval (**Fire: Michael Lowry**)

RESOLUTION NO. 2012-101

- 12. SHORT-FORM RENT INCREASE APPLICATION FOR CAREFREE RANCH MOBILEHOME PARK** – Request Council consider the short-form rent increase application submitted by Carefree Ranch Mobilehome Park and if approved, grant an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or 2.031% (an average of \$9.28), for the period of December 31, 2010 to December 31, 2011.

Staff Recommendation: Approval (**Community Services/ Housing: Jerry Van Leeuwen**)

RESOLUTION RRB NO. 2012-07

CURRENT BUSINESS

- 13. UPDATE ON THE DISSOLUTION OF REDEVELOPMENT AGENCY** – Request Council approve returning funds and real property to reverse a previous \$20,000,000 repayment of City Loan and ratify the demand payment made to the County of San Diego for \$10,145,052; and approve the modified fund balance policy.

Staff Recommendation: Approval (**Finance: Gilbert Rojas**)

- a. RESOLUTION NO. 2012-132
- b. RESOLUTION NO. 2012-133

CURRENT BUSINESS CONTINUED

- 14. AMENDMENT TO CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) CONTRACT TO PROVIDE SECTION 20475 (DIFFERENT LEVEL OF BENEFITS), SECTION 21362 (2% AT AGE 50) AND SECTION 20037 (THREE-YEAR FINAL COMPENSATION) FOR LOCAL POLICE SAFETY EMPLOYEES** – Request Council approve amending the CalPERS contract to provide a second-tier level of benefits for employees hired after the adoption of the 2% at 50 retirement benefit calculation and a three-year final compensation calculation for local Police Safety employees.

Staff Recommendation: Approval (**Human Resources: Sheryl Bennett**)

- a. RESOLUTION NO. 2012-131
- b. ORDINANCE NO. 2012-16 (Introduction and First Reading)

- 15. EXTENSION OF TIME FOR CONDITIONAL USE PERMIT (PHG 12-0015) AND PLOT PLAN TO MODIFY THE TALK OF THE TOWN CARWASH/RESTAURANT PROJECT (ADM 12-0007)** – Request Council approve the requested one-year extension of time for the Talk of the Town Conditional Use Permit (2004-66-CUP) and deny without prejudice the proposed modification to add a second driveway to the previously approved Talk of the Town project.

Staff Recommendation: Approve the one-year extension of time for the approved CUP and deny without prejudice the proposed modification to add a second driveway (**Community Development/Planning: Barbara Redlitz**)

RESOLUTION NO. 2012-98

- 16. IMPLEMENTATION OF THE RECENTLY ADOPTED GENERAL PLAN (PHG 09-0020)** – Request Council review the Implementation Matrix that contains actions associated with building out the City's recently adopted General Plan.

Staff Recommendation: Provide direction (**Community Development/Planning: Barbara Redlitz**)

- 17. ECONOMIC DEVELOPMENT MASTER PLAN AND COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY** – Request Council approve the Economic Development Master Plan and Comprehensive Economic Development Strategy (CEDS).

Staff Recommendation: Approval (**City Manager's Office: Joyce Masterson**)

- 18. DESIGNATION OF VOTING DELEGATE – LEAGUE OF CALIFORNIA CITIES CONFERENCE** – Request Council designate a voting delegate, and up to two alternates, to represent the City of Escondido at the business meeting to be held during the League of California Cities Annual Conference September 5-7, 2012 in San Diego.

Staff Recommendation: None (**City Clerk's Office: Diane Halverson**)

CURRENT BUSINESS CONTINUED

19. **COMMUNITY SERVICES COMMISSION ORDINANCE** – Request Council approve amending the Escondido Municipal Code Article 2, Chapter 18, Sections 18-15 through 18-18, 18-29, 18-45 and Article 37, Chapter 33, Section 33-732(e)5 to add a youth representative and change the name from Community and Older Adult Services Commission to Community Services Commission.

Staff Recommendation: None **(City Clerk's Office: Diane Halverson)**

ORDINANCE NO. 2012-15 (Introduction and First Reading)

20. **APPOINTMENT TO THE PUBLIC ART COMMISSION** – Request Council ratify the Mayor's recommendation to fill an unscheduled vacancy on the Public Art Commission; term to expire March 31, 2014.

Staff Recommendation: None **(City Clerk's Office: Diane Halverson)**

FUTURE AGENDA

21. **FUTURE AGENDA ITEMS** - The purpose of this item is to identify issues presently known to staff or which members of the Council wish to place on an upcoming City Council agenda. Council comment on these future agenda items is limited by California Government Code Section 54954.2 to clarifying questions, brief announcements, or requests for factual information in connection with an item when it is discussed.

Staff Recommendation: None **(City Clerk's Office: Diane Halverson)**

ORAL COMMUNICATIONS

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COUNCIL MEMBERS' COMMITTEE REPORTS/COMMENTS/BRIEFING

ADJOURNMENT

UPCOMING MEETING SCHEDULE				
Date	Day	Time	Meeting Type	Location
August 1	Wednesday	3:30 & 4:30pm	Council Meeting	Council Chambers
August 8	Wednesday	3:30 & 4:30pm	Council Meeting	Council Chambers
August 15	Wednesday	3:30 & 4:30pm	Council Meeting	Council Chambers
August 22	Wednesday	3:30 & 4:30pm	Council Meeting	Council Chambers

TO ADDRESS THE COUNCIL

The public may address the City Council on any agenda item. Please complete a Speaker's form and give it to the City Clerk. Comments are generally limited to 3 minutes.

If you wish to speak concerning an item *not* on the agenda, you may do so under "Oral Communications." Please complete a Speaker's form as noted above.

Handouts for the City Council should be given to the City Clerk. To address the Council, use the podium in the center of the Chambers, STATE YOUR NAME FOR THE RECORD and speak directly into the microphone.

AGENDA, STAFF REPORTS AND BACK-UP MATERIALS ARE AVAILABLE:

- Online at <http://www.ci.escondido.ca.us/government/agendas/PublishedMeetings.htm>
- In the City Clerk's Office at City Hall
- In the Library (239 S. Kalmia) during regular business hours and
- Placed in the Council Chambers (See: City Clerk/Minutes Clerk) immediately before and during the Council meeting.

AVAILABILITY OF SUPPLEMENTAL MATERIALS AFTER AGENDA POSTING: Any supplemental writings or documents provided to the City Council regarding any item on this agenda will be made available for public inspection in the City Clerk's Office located at 201 N. Broadway during normal business hours, or in the Council Chambers while the meeting is in session.

LIVE BROADCAST

Council meetings are broadcast live on Cox Cable Channel 19 and U-verse Channel 99 – Escondido Gov TV. They can also be viewed the following Sunday and Monday evenings at 6:00 p.m. on those same channels. The Council meetings are also available live via the Internet by accessing the City's website at www.escondido.org, and selecting: City Council/broadcasts of City Council Meetings/live video streaming.

Please turn off all cellular phones and pagers while the meeting is in session.

**The City Council is scheduled to meet the first four Wednesdays
of the month at 3:30 in Closed Session and 4:30 in Open Session.**

(Verify schedule with City Clerk's Office)

**Members of the Council also sit as the Escondido Joint Powers Financing Authority
and the Mobilehome Rent Review Board.**

**CITY HALL HOURS OF OPERATION
Monday-Thursday 7:30 a.m. to 5:30 p.m.**



If you need special assistance to participate in this meeting, please contact our ADA Coordinator at 839-4641. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility.

Listening devices are available for the hearing impaired – please see the City Clerk.

CITY OF ESCONDIDO
June 13, 2012
3:30 p.m. Meeting Minutes

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 3:30 p.m. on Wednesday, June 13, 2012 in the Council Chambers at City Hall with Mayor Abed presiding.

ATTENDANCE

The following members were present: Councilmember Olga Diaz, Councilmember Ed Gallo, Councilmember Michael Morasco, Deputy Mayor Marie Waldron, and Mayor Sam Abed. Quorum present.

ORAL COMMUNICATIONS

CLOSED SESSION: (COUNCIL/CDC/RRB)

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Diaz to recess to Closed Session. Motion carried unanimously.

I. CONFERENCE WITH LABOR NEGOTIATOR (Government Code §54957.6)

- a. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Police Officers' Association/Sworn
- b. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Escondido City Employee Association: Administrative/Clerical/
Engineering (ACE) Bargaining Unit
- c. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Escondido City Employee Association: Supervisory (SUP)
Bargaining Unit
- d. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: POA/ Non-Sworn Police Bargaining Unit

ADJOURNMENT

Mayor Abed adjourned the meeting at 4:15 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY OF ESCONDIDO
June 13, 2012
4:30 p.m. Meeting Minutes

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 4:30 p.m. on Wednesday, June 13, 2012 in the Council Chambers at City Hall with Mayor Abed presiding.

MOMENT OF REFLECTION

FLAG SALUTE

Mayor Abed led the flag salute.

ATTENDANCE

The following members were present: Councilmember Olga Diaz, Councilmember Ed Gallo, Councilmember Michael Morasco, Deputy Mayor Marie Waldron, and Mayor Sam Abed. Quorum present.

Also present were: Clay Phillips, City Manager; Jennifer McCain, Assistant City Attorney; Barbara Redlitz, Community Development Director; Ed Domingue, Engineering Services Director; Diane Halverson, City Clerk; and Liane Uhl, Minutes Clerk.

PROCLAMATIONS

Mayor Abed introduced Jack Hall who accepted a proclamation for the Senior Service Council Escondido 40 Year Anniversary on June 26, 2012.

Mayor Abed introduced Joanna Axelrod, Youth Service Librarian, who presented a video and accepted a proclamation for the Summer Reading Program from June 13-August 4, 2012.

Mayor Abed introduced Officer Al Owens and Dave Luevanos who accepted a Certificate of Recognition for the Escondido Impact Soccer Club.

Mayor Abed introduced Scott Gary (accepted by Andy Thweatt), Chris Reynolds, and Donna Aeling who accepted a Certificate of Recognition for the Grace Lutheran Church volunteer efforts.

PRESENTATION:

Linda Bailey, North County Economic Development Council, gave a presentation on Prosperity on Purpose.

ORAL COMMUNICATIONS

Benjamin Cueva, Escondido, thanked Council for directing staff to find another place for the utilities maintenance facility and invited the Council to a Festival at the Caballo Trail on June 23, 2012 from 1:00-4:00 p.m.

Charles Jungk, San Diego Energy District Foundation, invited Council to an event to promote community choice aggregation on June 21, 2012 at 8:00 a.m. in Point Loma.

Mike Davis, San Diego Energy District Foundation, distributed information and urged Council to attend the San Diego Energy District Foundation sponsored conference held on June 21, 2012.

Robroy Fawcett, Escondido, distributed information, asked if the graffiti rewards program was still in effect and requested that the program be reinstated if not.

Kimber Allison, Escondido, presented slides and urged Council to attend a people's town hall meeting in the Mitchell room on June 19, 2012 from 6:30 – 8:30 pm.

CONSENT CALENDAR

Mayor Abed removed item 17, Councilmember Diaz removed items 6, 7 and 16, Councilmember Waldron removed item 9, Councilmember Gallo removed item 12 and Councilmember Morasco removed item 11 from the Consent Calendar for discussion.

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Diaz that the following Consent Calendar items be approved with the exception of items 6, 7, 9, 11, 12, 16 and 17. Motion carried unanimously.

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/CDC/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/CDC)**
3. **APPROVAL OF MINUTES: Regular Meeting of May 9, 2012**
4. **NOTICE OF COMPLETION FOR THE CROSSING – 715 MISSION GROVE PLACE –**
Request Council approve and accept the public improvements and authorize staff to file a Notice of Completion for The Crossings – 715 Mission Grove Place. (File No. CDC 660-A)

Staff Recommendation: Approval (**Engineering: Ed Domingue**)

5. **NOTICE OF COMPLETION FOR TRACT 947 –** Request Council approve and accept the public improvements and authorize staff to file a Notice of Completion for Tract 947. (File No. 0800-10 Tract 947)

Staff Recommendation: Approval (**Engineering: Ed Domingue**)

6. **AWARD OF CONSULTING AGREEMENT– REAL ESTATE BROKERAGE SERVICES –**
Request Council authorize the Real Property Manager and City Clerk to execute, on behalf of the City, a Consulting Agreement with Cassidy Turley BRE Commercial for real estate brokerage services. (File No. 0600-10 [A-3051])

Staff Recommendation: Approval (**Engineering: Ed Domingue**)

RESOLUTION NO. 2012-83

Councilmember Diaz asked why we were changing real estate agents.

Debra Lundy, Real Property Manager, answered the city was required to go out to bid for real estate agents every two years.

MOTION: Moved by Councilmember Diaz and seconded by Councilmember Waldron to authorize the Real Property Manager and City Clerk to execute, on behalf of the City, a Consulting Agreement with Cassidy Turley BRE Commercial for real estate brokerage services and adopt Resolution No. 2012-83. Ayes: Abed, Diaz and Waldron. Noes: Gallo and Morasco. Absent: None. Motion carried.

- 7. AMEND THE CITY'S SCHEDULE OF STOP INTERSECTIONS AND YIELD INTERSECTIONS**
– Request Council approve amending the City's Schedule of Stop Intersections to add fifty-five (55) new Stop signs and the Schedule of Yield Intersections to add one (1) new Yield sign. (File No. 0150-50)

Staff Recommendation: Approval (**Engineering: Ed Domingue**)

RESOLUTION NO. 2012-85

Councilmember Diaz asked how Juniper Street in the old Escondido neighborhood would be handled.

Beth Kassebaum, Engineering Department, answered the city had worked with the neighborhood groups and took their recommendations to the Transportation Commission for their review and approval.

Carol Rea, Escondido, indicated there was a significant problem with Juniper Street and requested that area be considered for stop signs.

John Koster, Escondido, stated that speeding cars have hit and killed animals on Juniper Street and voiced concern for the safety of pedestrians and children. He urged Council to install stop signs on the street.

Lucy Berk, Escondido, expressed concern with the frequency of accidents on Juniper Street and requested that stop signs be installed.

Lisa PrazEAU, Escondido, voiced concern with the amount of new downtown housing proposed in the General Plan.

Carolyn Bonk, Escondido, read a letter from a citizen of Escondido that was badly injured in an accident on Juniper Street and requested a stop sign at Juniper and Ninth Streets.

Connie Sue Dickinson, Escondido, requested stop signs on Juniper Street.

Ken Jackson, Escondido, expressed concern with the safety of pedestrians and children on Juniper Street and urged Council to install stop signs.

Justin Lewis, Escondido, indicated the speeding traffic on Juniper Street was a concern to the residents.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Morasco to approve amending the City's Schedule of Stop Intersections to add fifty-five (55) new Stop signs and the Schedule of Yield Intersections to add one (1) new Yield sign, evaluate placing a stop sign at Juniper and Ninth Streets and adopt Resolution No. 2012-85. Motion carried unanimously.

8. **SENIOR NUTRITION SERVICES CONTRACT WITH THE COUNTY OF SAN DIEGO –** Request Council authorize the Director of Community Services to enter into an agreement with the County of San Diego to provide senior nutrition services at the Escondido Senior Center. (File No. 0600-10 Misc.)

Staff Recommendation: Approval (**Community Services: Jerry Van Leeuwen**)

RESOLUTION NO. 2012-94

9. **BUDGET ADJUSTMENT TO TRANSFER FUNDS TO THE BUILDING MAINTENANCE OPERATING BUDGET FOR UNANTICIPATED UTILITIES AND REPAIRS TO CITY FACILITIES –** Request Council approve a budget adjustment to transfer funds from the Building Maintenance Reserve to the Building Maintenance Operating Budget in the amount of \$150,000. (File No. 0430-80)

Staff Recommendation: Approval (**Community Services: Jerry Van Leeuwen**)

Councilmember Waldron asked for clarification of the proposed repairs.

Jerry Van Leeuwen, Community Services Director, and Ira Morgan, Building Maintenance Supervisor, listed the repairs that had been made to city property due to vandalism and public accidents.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Diaz to approve a budget adjustment to transfer funds from the Building Maintenance Reserve to the Building Maintenance Operating Budget in the amount of \$150,000. Motion carried unanimously.

10. **CONTRACT AWARD FOR HAULING AND BENEFICIAL REUSE OF HARRF BIOSOLIDS –** Request Council authorize the execution of a Public Services Agreement with Tule Ranch/Western Express Transporters, the lowest responsive and responsible bidder, for hauling and beneficial reuse of biosolids from the Hale Avenue Resource Recovery Facility (HARRF). (File No. 0600-10 [A-3050])

Staff Recommendation: Approval (**Utilities: Christopher McKinney**)

RESOLUTION NO. 2012-81

11. **AWARD BID FOR TWO 2012 DUMP TRUCKS –** Request Council approve the bid award for two dump trucks to Dion International Trucks LLC in the amount of \$254,433. (File No. 0470-35)

Staff Recommendation: Approval (**Finance: Gilbert Rojas**)

RESOLUTION NO. 2012-89

Councilmember Morasco asked if these were the only bids received for the trucks.

Joe Goulart, Fleet Services, answered that was correct.

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Waldron to Council approve the bid award for two dump trucks to Dion International Trucks LLC in the amount of \$254,433 and adopt Resolution No. 2012-89. Motion carried unanimously.

- 12. FINANCIAL REPORT FOR THE QUARTER ENDED MARCH 31, 2012 AND BUDGET ADJUSTMENT** – Request Council receive and file the third quarter financial report and approve a budget adjustment to increase General Fund revenue estimates by \$920,505 to reach budgeted revenue of \$73 million. (File No. 0430-30)

Staff Recommendation: Receive and File (**Finance: Gilbert Rojas**)

Councilmember Gallo asked for clarification of revenues and expenditures for the recreation fund.

Joan Ryan, Finance Manager, explained the differences and stated the franchise fee had been taken out of the recreation fund.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Morasco to receive and file the third quarter financial report and approve a budget adjustment to increase General Fund revenue estimates by \$920,505 to reach budgeted revenue of \$73 million. Motion carried unanimously.

- 13. FISCAL YEAR 2009 PROJECT SAFE NEIGHBORHOOD GUN VIOLENCE SUPPRESSION GRANT MODIFICATION AND BUDGET ADJUSTMENT** – Request Council authorize the Escondido Police Department to accept additional grant funds in the amount of \$1,978 from the San Diego Association of Governments (SANDAG) for Project Safe Neighborhood overtime; and approve a budget adjustment needed to spend additional grant funds. (File No. 0480-70)

Staff Recommendation: Approval (**Police: Jim Maher**)

- 14. FISCAL YEAR 2008 CALIFORNIA OFFICE OF TRAFFIC SAFETY AVOID DRIVING UNDER THE INFLUENCE (DUI) CAMPAIGN GRANT MODIFICATION AND BUDGET ADJUSTMENT** – Request Council authorize the Escondido Police Department to accept additional grant funds of \$15,844 from the San Diego Sheriff's Department for overtime expenses related to the California Office of Traffic Safety "Avoid DUI Campaign" Grant Programs; and approve a budget adjustment to spend grant funds. (File No. 0480-70)

Staff Recommendation: Approval (**Police: Jim Maher**)

- 15. FISCAL YEAR 2009 STATE HOMELAND SECURITY GRANT PROGRAM (SHSGP) MODIFICATION AND BUDGET ADJUSTMENT** – Request Council authorize the Escondido Police Department to accept an additional \$66,410 in funding from the Department of Homeland Security (DHS) for the FY 2009 State Homeland Security Grant Program (SHSGP); authorize the Chief of Police to submit grant documents on behalf of the City; and authorize staff to establish a budget adjustment to spend the grant funds. (File No. 0480-70)

Staff Recommendation: Approval (**Police: Jim Maher**)

- 16. JUVENILE CURFEW ORDINANCE** – Request Council approve amending juvenile curfew hours from 10:00 p.m. to 5:00 a.m. to be consistent with the City of San Diego, surrounding jurisdictions and unincorporated areas of San Diego County. (File No. 0680-10)

Staff Recommendation: Approval (**Police: Jim Maher**)

ORDINANCE NO. 2012-14 Introduction and First Reading

Councilmember Diaz asked Police Chief Maher to explain why curfew was important.

Police Chief Jim Maher stated they were moving the curfew back from 11:00 p.m. to 10:00 p.m. due to county requirements and indicated that many kids that are out after curfew are often victims of crime.

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Diaz to approve amending juvenile curfew hours from 10:00 p.m. to 5:00 a.m. to be consistent with the City of San Diego, surrounding jurisdictions and unincorporated areas of San Diego County and introduce Ordinance No. 2012-14. Ayes: Diaz, Gallo and Morasco. Noes: Abed and Waldron. Absent: None. Motion carried.

17. CHARTER CITY PROPOSAL – Request Council approve form of a proposed City charter for submission to the voters of Escondido on November 6, 2012. (File No. 0650-20)

Staff Recommendation: Approval (**City Attorney's Office: Jennifer McCain**)

RESOLUTION NO. 2012-99R

Jennifer McCain, Assistant City Attorney, gave the staff report.

Jose Ramirez, Escondido, asked how the Council had determined a charter would be beneficial for the city and stated he opposed the proposed charter.

Kurt Nunez, Escondido, voiced concern that the city would not pay prevailing wage on projects and stated he did not support a city charter.

Kimber Allison, Escondido, indicated she was opposed to the proposed city charter.

Lisa Prazeau, Escondido, presented a slide, indicated the community did not want a city charter and stated she was opposed to it.

Delores McQuiston, Escondido, expressed concern with previous development fee waivers and stated she did not support the proposed city charter.

Chris Nava, Escondido, indicated the city charter may fail to pass in the November election.

Robroy Fawcett, Escondido, distributed information and suggested timelines for the Council to consider a voting district map.

Roy Garrett, Escondido, stated there were voting options for the Council and suggested the city charter and district voting be two options on the ballot.

June Genis, Californians for Electoral Reform, indicated she represented an organization that could help the city with voting options for the charter.

Catherine West, Escondido, stated she was in favor of the city charter being placed on the November ballot.

Ivan Briggs, Santa Clarita, stated he opposed the proposed city charter.

Carmen Miranda, Escondido, distributed information and indicated she did not support the proposed city charter.

Nova Morgan, Escondido, stated she was not in favor of the proposed city charter.

Ken Hugins, Escondido, indicated he was in support of the proposed reform for the City Treasurer position.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Morasco to approve form of a proposed City charter for submission to the voters of Escondido on November 6, 2012 and adopt Resolution No. 2012-99R. Ayes: Abed, Gallo, Morasco, and Waldron. Noes: Diaz. Absent: None. Motion carried.

CONSENT - RESOLUTIONS AND ORDINANCES (COUNCIL/CDC/RRB)

The following Resolutions and Ordinances were heard and acted upon by the City Council/CDC/RRB at a previous City Council/Community Development Commission/Mobilehome Rent Review meeting. (The title of Ordinances listed on the Consent Calendar are deemed to have been read and further reading waived.)

PUBLIC HEARINGS

- 18. ADOPTION OF THE FISCAL YEAR 2012/13 AND 2013/14 TWO-YEAR OPERATING BUDGET** – Request Council approve the FY 2012/13 Annual Operating Budget; approve the Appropriations Limit (GANN Limit) for FY 2012/13; and approve the modified fund balance policy. (File No. 0430-30)

Staff Recommendation: Approval (**Finance: Gilbert Rojas**)

- a. **RESOLUTION NO. 2012-79**
- b. **RESOLUTION NO. 2012-80**
- c. **RESOLUTION NO. 2012-88R**

Gil Rojas, Finance Director, gave the staff report and presented a series of slides.

Mayor Abed opened the public hearing and asked if anyone would like to speak on this issue in any way.

Chester Mordacini, Teamsters 911 Representative, asked Council to reinstate step increases and remove the furloughs.

Mayor Abed asked if anyone else wanted to speak on this issue in any way. No one asked to be heard. Therefore, he closed the public hearing.

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Waldron to approve the FY 2012/13 Annual Operating Budget; approve the Appropriations Limit (GANN Limit) for FY 2012/13; approve the modified fund balance policy and adopt Resolution No. 2012-79, Resolution No. 2012-80 and Resolution No. 2012-88R. Ayes: Abed, Gallo, Morasco and Waldron. Noes: Diaz. Absent: None. Motion carried.

- 19. SECOND AMENDMENT TO THE DEVELOPMENT AGREEMENT FOR TRACT 932 – HIDDEN VALLEY RANCH (PHG 09-0037)** – Second Amendment of the Development Agreement between the City of Escondido and Hall Land Co., Inc., for the 179 lot, Tract 932 residential development to grant a five year term extension beyond the current August 4, 2012 expiration date. The modifications will extend the completion date of public improvements and adjust fee credits in exchange for an Irrevocable Offer of Dedication on property and associated access rights to enable City construction of a new water tank. (File No. 0800-10 Tract 932)

Staff Recommendation: Approval (**Community Development/Planning: Barbara Redlitz**)

ORDINANCE NO. 2012-13 Introduction and First Reading

Bill Martin, Planning Department, gave the staff report and presented a series of slides.

Mayor Abed opened the public hearing and asked if anyone would like to speak on this issue in any way.

David Ferguson, Attorney, listed the benefits to the city the development would create and urged Council to approve the project.

John Lloyd, Escondido, stated he did not support a housing development in that area.

Bettina Wheeler, Escondido, voiced opposition to the proposed development.

John Chaconas, Escondido, expressed concern with traffic issues in the area and asked Council not to approve the project.

Desiree Gustafson, Escondido, indicated she did not support the project due to traffic and safety issues.

Kimberly Wilson-Chaconas, Escondido, stated there were many traffic and wildlife habitat issues and she did not support a housing development in the area.

Delphina Lloyd, Escondido, voiced concern with the proposed location of the water tank and indicated she did not want a development in that area.

Mayor Abed asked if anyone else wanted to speak on this issue in any way. No one asked to be heard. Therefore, he closed the public hearing.

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Gallo to approve a Second Amendment of the Development Agreement between the City of Escondido and Hall Land Co., Inc., for the 179 lot, Tract 932 residential development to grant a five year term extension beyond the current August 4, 2012 expiration date and introduce Ordinance No. 2012-13. The modifications will extend the completion date of public improvements and adjust fee credits in exchange for an Irrevocable Offer of Dedication on property and associated access rights to enable City construction of a new water tank. Ayes: Abed, Gallo, Morasco and Waldron. Noes: Diaz. Absent: None. Motion carried.

20. REVISED ZONING CODE AMENDMENT TO ADD CARGO CONTAINER RESTRICTIONS TO THE ZONING CODE (AZ 11-0001) – Request Council approve an amendment to the Escondido Zoning Code establishing restrictions, standards and permit requirements for the use of cargo containers in residential, commercial and industrial zones. (File No. 0810-20)

Staff Recommendation: Approval (**Community Development/Planning: Barbara Redlitz**)

ORDINANCE NO. 2012-07 R Introduction and First Reading

Barbara Redlitz, Community Development Director, gave the staff report and presented a series of slides.

Mayor Abed opened the public hearing and asked if anyone would like to speak on this issue in any way.

George Landt, San Diego, requested Council allow the containers in the commercial areas.

Mayor Abed asked if anyone else wanted to speak on this issue in any way. No one asked to be heard. Therefore, he closed the public hearing.

MOTION: Moved by Councilmember Waldron and seconded by Councilmember Morasco to approve an amendment to the Escondido Zoning Code establishing restrictions, standards and permit requirements for the use of cargo containers in residential, commercial and industrial zones and introduce Ordinance No. 2012-07R. Motion carried unanimously.

- 21. AMENDMENT TO THE MUNICIPAL AND ZONING CODES REGARDING DEFERRAL OF DEVELOPMENT FEES (AZ 12-0003)** – Request Council approve amendments to Escondido Municipal Code Chapter 6, Articles 17, 18A-D, and 21, and Zoning Code Chapter 33, Article 37 revising development fee procedures to allow deferred payment of certain development fees as an economic development incentive, pursuant to the adopted Council Action Plan. (File No. 0810-20)

Staff Recommendation: Approval (**Community Development/Planning: Barbara Redlitz**)

- a. **ORDINANCE NO. 2012-12 Introduction and First Reading**
- b. **RESOLUTION NO. 2012-102**
- c. **RESOLUTION NO. 2012-103**

Barbara Redlitz, Community Development Director, gave the staff report and presented a series of slides.

Mayor Abed opened the public hearing and asked if anyone would like to speak on this issue in any way. No one asked to be heard. Therefore, he closed the public hearing.

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Waldron to approve amendments to Escondido Municipal Code Chapter 6, Articles 17, 18A-D, and 21, and Zoning Code Chapter 33, Article 37 revising development fee procedures to allow deferred payment of certain development fees as an economic development incentive, pursuant to the adopted Council Action Plan, introduce Ordinance No. 2012-12, adopt Resolution No. 2012-102, and Resolution 2012-103. Ayes: Abed, Gallo, Morasco and Waldron. Noes: Diaz. Absent: None. Motion carried.

FUTURE AGENDA

- 22. FUTURE AGENDA ITEMS** - The purpose of this item is to identify issues presently known to staff or which members of the Council wish to place on an upcoming City Council agenda. Council comment on these future agenda items is limited by California Government Code Section 54954.2 to clarifying questions, brief announcements, or requests for factual information in connection with an item when it is discussed.

Staff Recommendation: None (**City Clerk's Office: Diane Halverson**)

ORAL COMMUNICATIONS

Kimber Allison, Escondido, stated she did not agree with the City's classification of groups allowed to use the Council Chambers for meetings.

COUNCIL MEMBERS' COMMITTEE REPORTS/COMMENTS/BRIEFING

Councilmember Gallo indicated he had forwarded a list of stores that gave senior discounts to the Park Avenue Community Center, attended a Board of Indian Affairs meeting and noted the passing of Dick Beals, who was a voice-over actor in commercials.

Councilmember Morasco stated he participated in a bicycle race fund raising event for challenged athletes.

Councilmember Waldron indicated she viewed the San Vicente Dam raised.

Councilmember Diaz congratulated Councilmember Waldron on her primary election victory.

Mayor Abed stated the North County Mayors were working to get more funding from SANDAG for improvements on Highway 78 and Escondido was named among the Strong Cities, Strong State campaign by the California League of Cities.

ADJOURNMENT

Mayor Abed adjourned the meeting at 11:15 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY OF ESCONDIDO
June 20, 2012
3:30 p.m. Meeting Minutes

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 3:30 p.m. on Wednesday, June 20, 2012 in the Council Chambers at City Hall with Mayor Abed presiding.

ATTENDANCE

The following members were present: Councilmember Olga Diaz, Councilmember Ed Gallo, Councilmember Michael Morasco, Deputy Mayor Marie Waldron, and Mayor Sam Abed. Quorum present.

ORAL COMMUNICATIONS

CLOSED SESSION: (COUNCIL/CDC/RRB)

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Morasco to recess to Closed Session. Motion carried unanimously.

I. CONFERENCE WITH LABOR NEGOTIATOR (Government Code §54957.6)

- a. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Police Officers' Association/Sworn
- b. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Escondido City Employee Association: Administrative/Clerical/
Engineering (ACE) Bargaining Unit
- c. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Escondido City Employee Association: Supervisory (SUP)
Bargaining Unit
- d. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: POA/Non-Sworn Police Bargaining Unit
- e. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Teamsters/Maintenance and Operations
- f. Agency negotiator: Sheryl Bennett, Clay Phillips
Employee organization: Escondido's Firefighters' Association

II. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code §54956.8)

- a. Property: 509 W. Second (Old Lopez Market)
- Agency Negotiators: Debra Lundy, Real Property Manager
- Negotiating parties: Robert Dziubla/Kenworth Capital
Alain Perez
- Under negotiation: Price and terms

ADJOURNMENT

Mayor Abed adjourned the meeting at 4:32 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY OF ESCONDIDO
June 20, 2012
4:30 p.m. Meeting Minutes

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 4:35 p.m. on Wednesday, June 20, 2012 in the Council Chambers at City Hall with Mayor Abed presiding.

MOMENT OF REFLECTION

FLAG SALUTE

Mayor Abed led the flag salute.

ATTENDANCE

The following members were present: Councilmember Olga Diaz, Councilmember Ed Gallo, Councilmember Michael Morasco, Deputy Mayor Marie Waldron, and Mayor Sam Abed.

Also present were: Clay Phillips, City Manager; Jennifer McCain, Assistant City Attorney; Barbara Redlitz, Community Development Director; Ed Domingue, Engineering Services Director; Diane Halverson, City Clerk; and Liane Uhl, Minutes Clerk.

PRESENTATIONS

Mayor Abed introduced Harvey Mitchell who accepted a Certificate of Recognition for serving as the CEO of the Chamber of Commerce for ten years.

PROCLAMATIONS

Mayor Abed introduced Fred McDavitt, who accepted a proclamation for the Escondido Amateur Radio Society (EARS) Field Day Weekend at Dixon Lake from 11:00 a.m. June 23, 2012 – 11:00 a.m. June 24, 2012.

Hydronics Corporation presented the City with a plaque recognizing the use of Smart Water System technologies.

ORAL COMMUNICATIONS

Catherine West, Escondido, requested the Council overturn the curfew ordinance that was recently approved.

Kimber Allison, Escondido, stated the people's town hall meeting was a success.

CONSENT CALENDAR

Mayor Abed removed item 7 from the Consent Calendar for discussion.

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Diaz that the following Consent Calendar items be approved with the exception of item 7. Motion carried unanimously.

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/CDC/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/CDC)**
3. **APPROVAL OF MINUTES: None Scheduled**

4. **CHEMICAL BID AWARD FOR THE WATER TREATMENT PLANT AND THE HALE AVENUE RESOURCE RECOVERY FACILITY** – Request Council approve the purchase of twelve (12) chemicals to the lowest responsible bidders on the basis of their respective bids. (File No. 0470-35)

Staff Recommendation: Approval (**Finance: Gilbert Rojas**)

RESOLUTION NO. 2012-91

5. **AWARD RIGHT-OF-WAY LANDSCAPING SERVICES CONTRACT** – Request Council authorize the Mayor and City Clerk to execute, on behalf of the City, a Public Service Agreement for Right-of-Way Landscaping Services to Executive Landscape Inc. in the amount of \$208, 800. (File No. 0600-10 [A-3052])

Staff Recommendation: Approval (**Finance: Gilbert Rojas**)

RESOLUTION NO. 2012-90

6. **AWARD OF BID FOR LEGAL ADVERTISING FISCAL YEAR 2012-13** – Request Council authorize the City Clerk to execute a legal advertising contract with the North County Times for the Fiscal Year 2012-13. (File No. 0600-10 [A-3048])

Staff Recommendation: Approval (**City Clerk's Office: Diane Halverson**)

RESOLUTION NO. 2012-104

7. **GENERAL MUNICIPAL ELECTION – NOVEMBER 6, 2012** – Request Council approve calling a General Municipal Election on November 6, 2012 for the purpose of electing two (2) members of the City Council and one (1) City Treasurer; and for submitting to the voters two questions: 1) whether or not to amend the General Plan and 2) whether or not to adopt the proposed City Charter, and; authorize impartial analysis, arguments and rebuttals; and request the San Diego County Registrar of Voters to consolidate Escondido's election with the Statewide General Election. (File No. 0650-40)

Staff Recommendation: Approval (**City Clerk's Office: Diane Halverson**)

- a. **RESOLUTION NO. 2012-95**
- b. **RESOLUTION NO. 2012-96**
- c. **RESOLUTION NO. 2012-97**

Patricia Borchmann, Escondido, requested the ballot language include choices for the population and density portion of the general plan.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Morasco to approve calling a General Municipal Election on November 6, 2012 for the purpose of electing two (2) members of the City Council and one (1) City Treasurer; and for submitting to the voters two questions: 1) whether or not to amend the General Plan and 2) whether or not to adopt the proposed City Charter, authorize impartial analysis, arguments and rebuttals; and request the San Diego County Registrar of Voters to consolidate Escondido's election with the Statewide General Election and adopt Resolution No. 2012-95, Resolution No. 2012-96 and Resolution No. 2012-97. Motion carried unanimously.

8. **FINAL ASSESSMENT ENGINEER'S REPORT FOR ZONES 1-37 OF THE CITY OF ESCONDIDO LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT FOR FISCAL YEAR 2012/2013** – Request Council approve the Assessment Engineer's Report for Zones 1-37 of the City of Escondido Landscape Maintenance District (LMD) and authorize the annual levy and collection of assessments in Zones 1-37 of the LMD for Fiscal Year 2012/2013. (File No. 0685-10)

Staff Recommendation: Approval (**Engineering: Ed Domingue**)

RESOLUTION NO. 2012-72

9. **NOTICE OF COMPLETION FOR ASH STREET PEDESTRIAN BIKE PATH PROJECT** – Request Council approve and accept the public improvements and authorize staff to file a Notice of Completion for the Ash Street Pedestrian Bike Path Project. (File No. 0600-10 [A-3019])

Staff Recommendation: Approval (**Engineering: Ed Domingue**)

CONSENT - RESOLUTIONS AND ORDINANCES (COUNCIL/CDC/RRB)

The following Resolutions and Ordinances were heard and acted upon by the City Council/CDC/RRB at a previous City Council/Community Development Commission/Mobilehome Rent Review meeting. (The title of Ordinances listed on the Consent Calendar are deemed to have been read and further reading waived.)

10. **JUVENILE CURFEW ORDINANCE** – Approved on June 13, 2012, with a vote of 3/2, Abed and Waldron voting no. (File No. 0680-10)

ORDINANCE NO. 2012-14 Adoption and Second Reading

11. **SECOND AMENDMENT TO THE DEVELOPMENT AGREEMENT FOR TRACT 932- HIDDEN VALLEY RANCH (PHG 09-0037)** – Approved on June 13, 2012, with a vote of 4/1, Diaz Voting no. (File No. 0800-10 Tract 932)

ORDINANCE NO. 2012-13 Adoption and Second Reading

12. **REVISED ZONING CODE AMENDMENT TO ADD CARGO CONTAINER RESTRICTIONS TO THE ZONING CODE (AZ 11-0001)** – Approved on June 13, 2012, with a vote of 5/0. (File No. 0810-20)

ORDINANCE NO. 2022-07 (R) Adoption and Second Reading

13. **AMENDMENT TO THE MUNICIPAL AND ZONING CODES REGARDING DEFERRAL OF DEVELOPMENT FEES (AZ 12-0003)** – Approved on June 13, 2012, with a vote of 4/1, Diaz Voting no. (File No. 0810-20)

ORDINANCE NO. 2012-12 Adoption and Second Reading

PUBLIC HEARINGS

14. **FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM; THE FISCAL YEAR 2012/13 CIP BUDGET; AND TRANSNET FIVE-YEAR LOCAL STREET IMPROVEMENT PROGRAM** – Request Council adopt Fiscal Years 2012/13 – 2016/17 Five-year Capital Improvement Program (CIP) and the Fiscal Year 2012/13 Project CIP Budgets; and approve the Transnet Five-Year Local Street Improvement Program of Projects for Fiscal Years 2012/13 – 2016/17. (File No. 0430-30)

Staff Recommendation: Approval (**Finance: Gilbert Rojas and Engineering: Ed Domingue**)

- a. **RESOLUTION NO. 2012-86**
- b. **RESOLUTION NO. 2012-87**

Michelle LaFever, Finance Department, and Rob Zaino, Engineering Services Deputy Director, gave the staff report and presented a series of slides.

Mayor Abed opened the public hearing and asked if anyone would like to speak on this issue in any way. No one asked to be heard. Therefore, he closed the public hearing.

MOTION: Moved by Councilmember Morasco and seconded by Councilmember Diaz to adopt Fiscal Years 2012/13 – 2016/17 Five-year Capital Improvement Program (CIP), the Fiscal Year 2012/13 Project CIP Budgets; approve the Transnet Five-Year Local Street Improvement Program of Projects for Fiscal Years 2012/13 – 2016/17 and adopt Resolution No. 2012-86 and Resolution No. 2012-87. Motion carried unanimously.

FUTURE AGENDA

15. **FUTURE AGENDA ITEMS** - The purpose of this item is to identify issues presently known to staff or which members of the Council wish to place on an upcoming City Council agenda. Council comment on these future agenda items is limited by California Government Code Section 54954.2 to clarifying questions, brief announcements, or requests for factual information in connection with an item when it is discussed.

Staff Recommendation: None (**City Clerk's Office: Diane Halverson**)

ORAL COMMUNICATIONS

Gene Buehl, Escondido, distributed and read a letter asking the Council not to approve the general plan at this time.

COUNCIL MEMBERS' COMMITTEE REPORTS/COMMENTS/BRIEFING

Councilmember Gallo stated there was crisis intervention organization available through the Police Department.

Councilmember Morasco indicated there were banners for our local hero's displayed on Grand Avenue and Valley Parkway and a Fiesta would be held on Saturday at 1:00 p.m. at Caballo Park.

Councilmember Waldron stated the Escondido American Little League won the Mid-City Championship.

Mayor Abed indicated he had received compliments for city employees: Lena in the Utilities Department and Police Officer Shaver. He thanked Bud Olivera in the Engineering Department and George Weir for their assistance in completing the Daley Ranch road project; thanked the Sunrise Rotary for supplying Christmas decorations for Grand Avenue and thanked George Weir for his efforts to remove graffiti at Daley Ranch.

ADJOURNMENT

Mayor Abed adjourned the meeting at 6:50 p.m.

MAYOR

CITY CLERK

MINUTES CLERK



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 4
Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council
FROM: Jerry H. Van Leeuwen, Director of Community Services
SUBJECT: Escondido Charitable Foundation Grant Award

RECOMMENDATION:

Approve budget adjustment to receive and expend a grant award of \$10,000 from the Matt McLaughlin Endowment Fund via the Escondido Charitable Foundation.

FISCAL ANALYSIS:

The grant will allow for the development of a community wide collaborative of youth serving organizations to promote participation in existing programs by local youth and families.

PREVIOUS ACTION:

None

BACKGROUND:

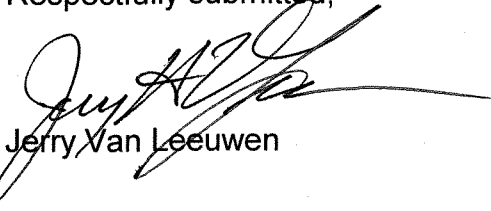
Several months ago the Escondido Charitable Foundation contacted the City of Escondido Recreation Division and invited them to submit a proposal for a grant. This was not an open competition but an invitation to a select few youth serving organizations in Escondido. The grant had a maximum amount of \$15,000. A concept was prepared and submitted entitled *Escondido Rocks!* The proposal is based on a similar, although much larger, program in Boston, Massachusetts. Staff was recently notified that the grant had been approved by the Escondido Charitable Foundation for \$10,000.

The intent of the proposal is to convene a collaboration of youth serving organizations, including public, not for profit and private entities. The collaboration will in turn develop strategies to encourage local youth and families to participate in existing programs that engage youth in positive activities. The belief is that the existing programs are not at full capacity and a community wide initiative will benefit both the participants and the providers of the programs. The exact strategies will be developed by the collaborative, but it is anticipated that social media and other promotions activities will be the bulk of the effort. One overall community goal suggested by recreation staff is "School Plus One", an encouragement for youth to attend school and also participate in one other positive activity.

The type of activity, whether it is drama, athletics, arts, religious based groups, Boy Scouts, the YMCA or community service is not proscribed, just that families and youth choose something. Research shows that youth who are actively engaged in social activities beyond regular school attendance are more likely to succeed in school and less likely to engage in unwanted activities.

The request is for Council to approve a budget adjustment and establish a project budget for the receipt and expenditure of the funds. The grant is to be completed by June 30, 2013. It is hoped the activities will continue based on financial participation by the participating groups. In the case of the Recreation Division, subsequent funding would come from our current budget line item for program promotions.

Respectfully submitted,



Jerry Van Leeuwen

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 5

Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council
FROM: Jerry H. Van Leeuwen, Director of Community Services
SUBJECT: CAL FIRE Urban Forestry Inventory Grant: Budget Adjustment

RECOMMENDATION:

Approve a budget adjustment of \$200,000.00 to receive and expend grant funds.

FISCAL ANALYSIS:

The requested grant will provide \$200,000.00 to conduct an inventory of City trees. An additional amount of \$67,000 is required as an in-kind match. The match funding has been identified within the existing City budget allocated to the maintenance division.

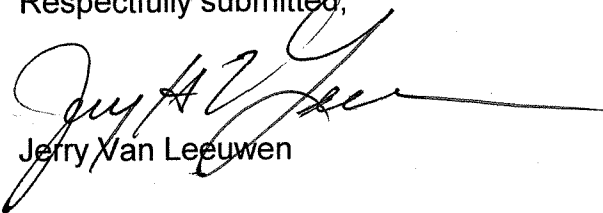
PREVIOUS ACTION:

Council approved submittal of the grant on February 15, 2012.

BACKGROUND:

The Cal Fire Urban Forestry Grant will provide funds to inventory, assess and prioritize the maintenance of approximately 54,000 trees in the City. Data collected will be available to SDG&E, Cal Fire and others. Based on the data collected, City staff and others will be able to develop and implement strategies in accordance with the Federal Government Guideline for Forestry to mitigate the risk of fire, disease and damage associated with City trees. The grant also will help the City put a value on our Urban Forest and will facilitate reimbursement from FEMA or others when trees are damaged or destroyed. The grant will be implemented in FY 12 -13 through a contract for service.

Respectfully submitted,



Jerry Van Leeuwen

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 6
Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council
FROM: Gilbert Rojas, Director of Finance
SUBJECT: Setting Special Tax Levy for Community Facilities District No. 2000-01 (Hidden Trails)

RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 2012-110, setting the Special Tax Levy for Community Facilities District No. 2000-01 (Hidden Trails) for Fiscal Year 2012/13.

FISCAL ANALYSIS:

A special tax is levied annually on land within Community Facilities District No. 2000-01 (Hidden Trails) and collected through the County of San Diego Assessors Office. The proceeds from the special tax are used to meet debt service obligations from the issuance of bonds for the District.

PREVIOUS ACTION:

The City Council approved the establishment of Community Facilities District No. 2000-01 (Hidden Trails) on September 20, 2000, and has adopted annually a resolution setting the annual Special Tax Levy. Prior year's Resolution No. 2011-95R was adopted on July 13, 2011.

BACKGROUND:

At the request of the property owner/developer and pursuant to the City's Statement of Goals and Policies Regarding the Establishment of the Community Facilities, the Community Facilities District No. 2000-01 (Hidden Trails) was formed for the purpose of acquiring certain backbone facilities including street, water and sewer facilities which were constructed with the Hidden Trails development. According to the Special Tax Report for Community Facilities District No. 2000-01 (Hidden Trails), a special tax shall be levied annually on land within the District and collected in the same manner and at the same time as ordinary ad valorem property taxes. The City is responsible for determining the Special Tax Liability for each parcel within the District each fiscal year and due to the County of San Diego in August of every year.

A Maximum Special Tax Rate was established for developed residential property and undeveloped property. Attached is the amount of the Maximum Special Tax and Proposed Actual Special Tax for Fiscal Year 2012/13.

A comparative analysis of the annual Special Tax Levy Calculation for fiscal year 2012/13 is also attached. As noted in the analysis, the total Special Tax Levy requirement increased by \$28,325 or 14.24%. Primary causes of the levy increase for the 2012/13 fiscal year are:

- (1) Available cash resources for the 2012/13 levy calculation are \$29,675 less than prior year. \$23,375 of that reduction is due to the exhaustion of the use of the excess acquisition and construction funds, which were transferred subsequent to project completion and used as additional cash resources over a five year period beginning in 2007/08.
- (2) Debt Service Requirements for the 2012/13 levy calculation, which consist of required Principal and Interest payments for the period from September 2012 through September 2013, increased by a total of \$4,293.
- (3) Estimated Administrative Expenses 2012/13 levy calculation have been reduced by \$5,006 based on analysis of actual prior year incurred expenses.

Respectfully submitted,


Gilbert Rojas
Director of Finance

City of Escondido Hidden Trails CFD 2000-1
Analysis of Special Tax Levy Requirement
Fiscal Year 2012/13

	Prior Tax Year Tax Year 2011-12	Current Tax Year Tax Year 2012-13	\$ change from prior year (Dec)	% change from prior year
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Calculation of Annual Special Tax Levy :

Annual Resource Requirements:

Debt Service on Bond Issue :				
Interest Due:	09/01			
Principal Due:	09/01	78,785.00		
Interest Due:	03/01	70,000.00		
Interest Due:	09/01	76,825.00		
Principal Due:	09/01	76,825.00		
Principal Due:	09/01	75,000.00		
Total Principal and Interest Due for Annual Levy:		\$377,435.00	\$4,292.50	1.15%

Additions to (Withdrawals from) required Reserve
Reserve Requirement at year end:
less: Current Reserve Fund account balance:

	(81.00)	(718.54)	(\$637.54)	0.00%
Estimated Annual Administrative Expense	31,535.00	26,529.00	(\$5,006.00)	-15.87%
Total Estimated Annual Requirements:	\$404,596.50	\$403,245.46	(\$1,351.04)	-0.33%

Available Resources:
Estimated available Cash Account balances at start
of tax year:

	(205,694.67)	(176,019.00)	(29,675.67)	-14.43%
Annual Special Tax Levy Requirement:	\$ 198,901.83	\$ 227,226.46	\$ 28,324.63	14.24%

Proposed Levy as allocated among applicable parcels:

	\$198,901.12	\$227,224.06	\$ 28,322.94	14.24%
Average Levy per Dwelling Unit	\$685.87	\$783.53	\$ 97.67	14.24%

RESOLUTION NO. 2012-110

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
ACTING AS LEGISLATIVE BODY OF
COMMUNITY FACILITIES DISTRICT NO.
2000-01 (HIDDEN TRAILS), PROVIDING FOR
THE LEVY OF AN ANNUAL SPECIAL TAX
FOR SUCH COMMUNITY FACILITIES
DISTRICT FOR FISCAL YEAR 2012-13

WHEREAS, the City Council of the City of Escondido, California (the "Legislative Body"), has initiated proceedings, held a public hearing, conducted an election, and received a favorable vote from the qualified electors to authorize the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"). This Community Facilities District is designated as Community Facilities District No. 2000-01 (Hidden Trails) (the "District"); and

WHEREAS, this Legislative Body, by the adoption of the Ordinance No. 2000-30 (the "Ordinance") pursuant to Section 53340 of the Government Code of the State of California, has authorized the levy of Special Taxes (as such term is defined in the Ordinance) within the District to finance authorized facilities; and

WHEREAS, Government Code Section 53340 provides that this legislative body may provide, by resolution, for the levy of the Special Taxes in the current tax year at the same rates or at a lower rate than the rate provided for in the Ordinance, if such resolution is adopted and a certified list of all parcels subject to the Special Tax levy including the amount of the Special Tax to be levied on each parcel for the current tax

year (the "Certified Parcel List") is timely filed by the clerk or other official designated by this legislative body with the Auditor of the County of San Diego (the "County Auditor") on or before August 10th of the applicable tax year.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, acting as the legislative body of Community Facilities District No. 2000-01 (Hidden Trails), as follows:

1. That the above recitations are true.
2. That this legislative body hereby authorizes and provides for the levy of the Special Tax within the District on those Taxable Properties (as such term is defined in the Ordinance) within the District for Fiscal Year 2012-13 so long as the rates of such Special Tax are the same rates or lower rates than the rates provided for in the Ordinance. The Proposed Special Tax Rates for the District for Fiscal Year 2012-13 are contained on Exhibit "A" attached to this Resolution and incorporated by this reference.
3. That the Director of Finance is hereby designated and directed to prepare and submit a Certified Parcel List to the County Auditor on or before August 10th, or such later date to which the County Auditor may agree, setting forth the amount of the Special Tax to be levied on each Taxable Property within the District calculated pursuant to the Ordinance and subject to the limitations set forth in Section 2 above.
4. That the Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said Special Tax.

5. Any Special Taxes that may not be collected on the County tax roll shall be collected through a direct billing procedure by the Treasurer of the City of Escondido, acting for and on behalf of the District.

6. That the County Auditor is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked "public improvements, special tax" or by any other suitable designation, the installment of the Special Tax.

7. That the County Auditor shall then, at the close of the tax collection period, promptly render to the District a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

**City of Escondido Community
Facilities District 2000-01 (Hidden
Trails)**

Special Tax Rates for Fiscal Year 2012/13

Land Use Categories	Description	Assigned Special Tax	Proposed Actual Special Tax*
Category 1	Residential Property	\$0.39 per sq. ft.	\$0.29221 per sq. ft.
Category 2	Other Property	\$2,861 per net acre	\$2,143.65 per net acre
Category 3	Undeveloped Property	\$3,290 per net acre	\$0.00 per net acre

* Special Tax rates shown above have been rounded to decimals shown, actual tax rates are not rounded.



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 7

Date: July 25, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Gilbert Rojas, Director of Finance

SUBJECT: Setting Special Tax Levy for Community Facilities District No. 2006-01 (Eureka Ranch)

RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 2012-111, setting the Special Tax Levy for Community Facilities District No. 2006-01 (Eureka Ranch) for Fiscal Year 2012/13.

FISCAL ANALYSIS:

A special tax is levied annually on land within Community Facilities District No. 2006-01 (Eureka Ranch) and collected through the County of San Diego Assessors Office. The proceeds from the special tax are used to meet debt service obligations from the issuance of bonds for the District.

PREVIOUS ACTION:

The City Council approved the establishment of Community Facilities District No. 2006-01 (Eureka Ranch) on September 27, 2006, and has adopted annually a resolution setting the annual Special Tax Levy. Prior year's Resolution No. 2011-94 was adopted on July 13, 2011.

BACKGROUND:

At the request of the property owner/developer and pursuant to the City's Statement of Goals and Policies Regarding the Establishment of the Community Facilities Districts, the Community Facilities District No. 2006-01 (Eureka Ranch) was formed to provide street, storm drain and sewer improvements as well as utility undergrounding within the Eureka Ranch development and East Valley Parkway area. According to the Special Tax Report for the Community Facilities District No. 2006-01 (Eureka Ranch), a special tax shall be levied annually on land within the District and collected in the same manner and at the same time as ordinary ad valorem property taxes. The City is responsible for determining the Special Tax Liability for each parcel within the District each fiscal year and due to the County of San Diego in August of every year.

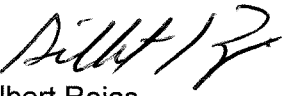
Special Tax Levy for Community Facilities District 2006-01 (Eureka Ranch)
July 25, 2012
Page 2

A Maximum Special Tax Rate was established for developed residential property and undeveloped property. Attached is the amount of the Maximum Special Tax and Proposed Actual Special Tax for Fiscal Year 2012/13.

A comparative analysis of the annual Special Tax Levy Calculation for fiscal year 2012/13 is also attached. As noted in the analysis, the total Special Tax Levy requirement increased by \$19,932 or 1.66%. Primary causes of the levy increase for the 2012/13 fiscal year are:

- (1) Available cash resources for the 2012/13 levy calculation are \$15,245 less than the prior year, primarily due to the reduction from the prior year in levied assessment and collection for current fiscal year 2011/12.
- (2) Debt Service Requirements for the 2012/13 levy calculation, which consist of required Principal and Interest payments for the period from September 2012 through September 2013, increased by a total of \$6,476.
- (3) Estimated Delinquency Contingency for the 2012/13 levy calculation has been reduced by \$1,789 based on the actual delinquency rate of 1.5% for fiscal year 2011/12.

Respectfully submitted,


Gilbert Rojas
Director of Finance

City of Escondido Eureka Ranch CFD 2006-1
 Analysis of Special Tax Levy Requirement
 Fiscal Year 2012/13

	Prior Tax Year Tax Year 2011-12	Current Tax Year Tax Year 2012-13	\$ change from prior year Inc. (Dec)	% change from prior year
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Calculation of Annual Special Tax Levy :

Annual Resource Requirements:

Debt Service on Bond Issue :				
Interest Due: 09/01	436,308.75	428,805.00		
Principal Due: 09/01	345,000.00	360,000.00		
Interest Due: 03/01	428,805.00	420,795.00		
Interest Due: 09/01	428,805.00	420,795.00		
Principal Due: 09/01	360,000.00	375,000.00		
Total Principal and Interest Due for Annual Levy:	\$1,998,918.75	\$2,005,395.00	\$6,476.25	0.32%

Additions to (Withdrawals from) required Reserve Fund account:

Reserve Requirement at year end:	1,218,820.00	1,218,820.00		0.00%
less: Current Reserve Fund account balance:	(1,220,084.82)	(1,218,820.00)		
Transfers to Acquisition and Construction Fund*	1,264.82			
Reserve Requirement/(Surplus):	0.00	0.00	0.00	0.00%

Estimated Annual Administrative Expense

Estimated Annual Administrative Expense	44,163.23	44,163.23	0.00	0.00%
Contingency for Delinquency	20,023.03	18,233.11	(1,789.92)	-8.94%
Total Estimated Annual Requirements:	\$2,063,105.01	\$2,067,791.34	\$4,686.33	0.23%

Available Resources:

Estimated available Cash Account balances at start of tax year:

Estimated available Cash Account balances at start of tax year:	(865,256.62)	(850,011.34)	(15,245.28)	-1.76%
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Annual Special Tax Levy Requirement:

Annual Special Tax Levy Requirement:	\$1,197,848.39	\$1,217,780.00	\$19,931.61	1.66%
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Proposed Levy as allocated among applicable parcels:

Proposed Levy as allocated among applicable parcels:	\$1,197,847.44	\$1,217,779.12	\$19,931.68	1.66%
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Average Levy per Dwelling Unit

Average Levy per Dwelling Unit	\$3,543.93	\$3,602.90	\$ 58.97	1.66%
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*Excess account balance from interest and dividend earnings are required to be transferred to the Acquisition and Construction Fund until the District Improvement project is complete (OS D-14)

RESOLUTION NO. 2012-111

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, ACTING AS LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2006-01 (EUREKA RANCH), PROVIDING FOR THE LEVY OF AN ANNUAL SPECIAL TAX FOR SUCH COMMUNITY FACILITIES DISTRICT FOR FISCAL YEAR 2012-13

WHEREAS, the City Council of the City of Escondido, California (the "Legislative Body"), has initiated proceedings, held a public hearing, conducted an election, and received a favorable vote from the qualified electors to authorize the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"). This Community Facilities District is designated as Community Facilities District No. 2006-01 (Eureka Ranch) (the "District"); and

WHEREAS, this Legislative Body, by the adoption of the Ordinance No. 2006-32 (the "Ordinance") pursuant to Section 53340 of the Government Code of the State of California, has authorized the levy of Special Taxes (as such term is defined in the Ordinance) within the District to finance authorized facilities; and

WHEREAS, Government Code Section 53340 provides that this legislative body may provide, by resolution, for the levy of the Special Taxes in the current tax year at the same rates or at a lower rate than the rate provided for in the Ordinance, if such resolution is adopted and a certified list of all parcels subject to the Special Tax levy including the amount of the Special Tax to be levied on each parcel for the current tax

year (the "Certified Parcel List") is timely filed by the clerk or other official designated by this legislative body with the Auditor of the County of San Diego (the "County Auditor") on or before August 10th of the applicable tax year.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, acting as the legislative body of Community Facilities District No. 2006-01 (Eureka Ranch), as follows:

1. That the above recitations are true.
2. That this legislative body hereby authorizes and provides for the levy of the Special Tax within the District on those Taxable Properties (as such term is defined in the Ordinance) within the District for Fiscal Year 2012-13 so long as the rates of such Special Tax are the same rates or lower rates than the rates provided for in the Ordinance. The Proposed Special Tax Rates for the District for Fiscal Year 2012-13 are contained on Exhibit "A" attached to this Resolution and incorporated by this reference.
3. That the Director of Finance is hereby designated and directed to prepare and submit a Certified Parcel List to the County Auditor on or before August 10th, or such later date to which the County Auditor may agree, setting forth the amount of the Special Tax to be levied on each Taxable Property within the District calculated pursuant to the Ordinance and subject to the limitations set forth in Section 2 above.
4. That the Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said Special Tax. Any Special Taxes that may not be collected on the

County tax roll shall be collected through a direct billing procedure by the Treasurer of the City of Escondido, acting for and on behalf of the District.

5. That the County Auditor is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked "public improvements, special tax" or by any other suitable designation, the installment of the Special Tax.

6. That the County Auditor shall then, at the close of the tax collection period, promptly render to the District a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

**City of Escondido
 Community Facilities District No. 2006-01
 (Eureka Ranch)**

Special Tax Rates for Fiscal Year 2012/13

Tax Class	Building Square Footage ("BSF")	Assigned Special Tax	Proposed Actual Special Tax *
Residential Property:			
Tax Class 1	> 3,600	\$1.214 per BSF	\$1.0662 per BSF
Tax Class 2	3,251 – 3,600	\$1.275 per BSF	\$1.1198 per BSF
Tax Class 3	2,851 – 3,250	\$1.350 per BSF	\$1.1856 per BSF
Tax Class 4	2,551 – 2,850	\$1.407 per BSF	\$1.2357 per BSF
Tax Class 5	≤ 2,550	\$1.526 per BSF	\$1.3402 per BSF
Non-Residential Property:			
Tax Class 6	NA	\$20,750.00 per Acre	\$18,223.56 per Acre
Undeveloped Property	NA	\$20,750.00 per Acre	\$0.00 per Acre

* Special Tax Rates shown above have been rounded to decimals shown, actual tax rates are not rounded.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 8
Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council
FROM: Edward N. Domingue, Director of Engineering Services
Bud Oliveira, Special Projects Manager
SUBJECT: Notice of Completion for Daley Ranch Access Road Rehabilitation Project

RECOMMENDATION:

It is requested that Council approve and accept the Daley Ranch Access Road Rehabilitation Project associated public improvements and authorize staff to file a Notice of Completion for the project.

FISCAL ANALYSIS:

Funding for the on-going renovation for the historic ranch house, construction of rest room facilities, and the rehabilitation of the existing access road has been established in the Capital Improvement Program (CIP) budget using funding in General Fund revenue generated from the sale of Daley Ranch Conservation Bank credits.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

The Daley Ranch Access Road Rehabilitation Project is consistent with the City Council Action Plan's Image and Appearance priority.

PREVIOUS ACTION:

On April 18, 2012, Council approved Resolution No. 2012-33 authorizing the Mayor and the City Clerk to execute an agreement with Asphalt & Concrete Enterprises, Inc. in the amount of \$165,868.00 for the Daley Ranch Access Road Rehabilitation Project.

BACKGROUND:

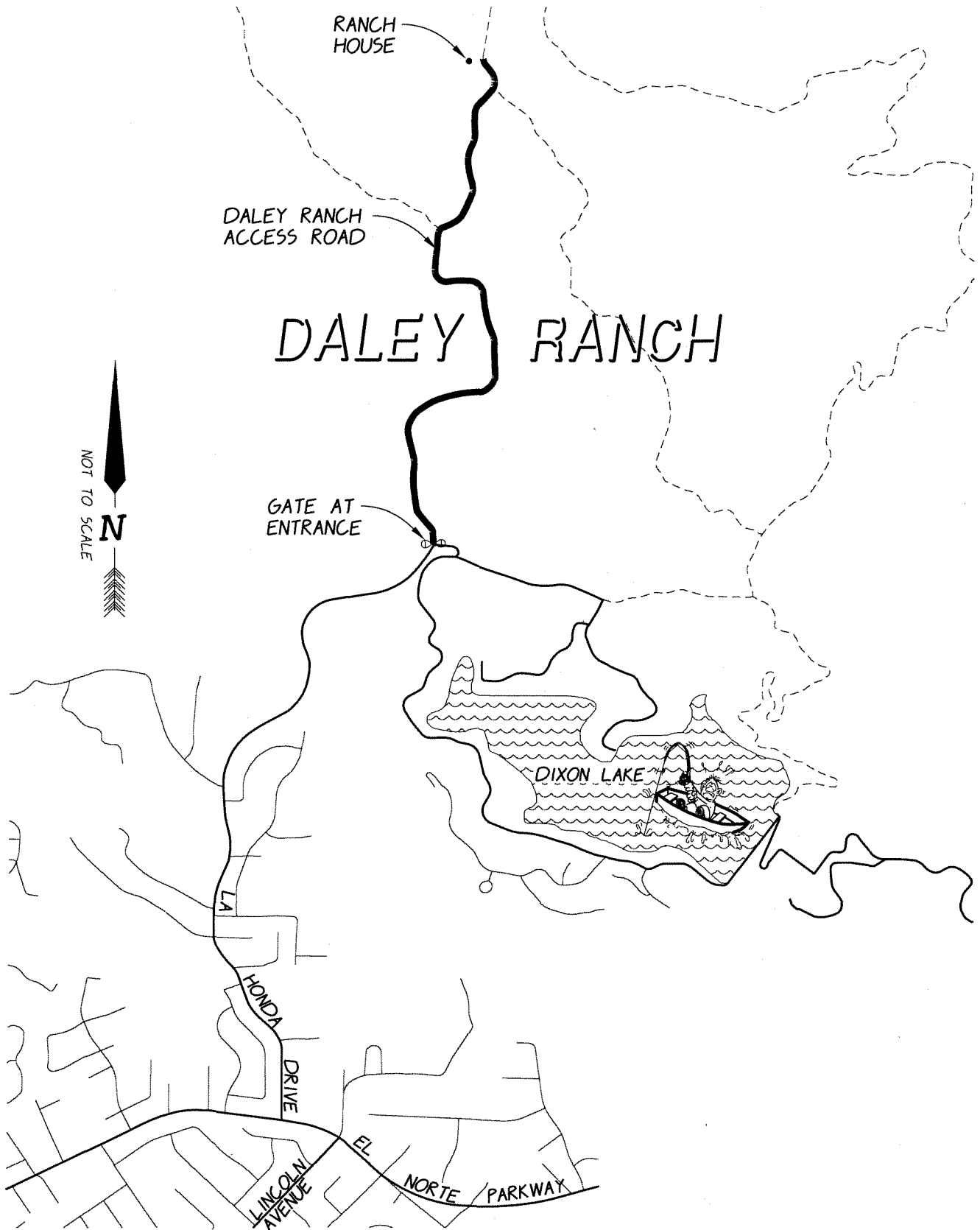
The project consisted of the recycling of existing pavement and underlying soils in-place to create a suitable base for the placement of a new three inch thick hot mix asphalt concrete road. The project was deemed complete by the Field Engineering Division on June 28, 2011, with a final construction cost of \$164,094.99.

Respectfully submitted,

for 
Edward N. Domingue, P.E.
Director of Engineering Services


Bud Oliveira
Special Projects Manager

DALEY RANCH ACCESS ROAD REHABILITATION PROJECT



NOTICE OF COMPLETION
CITY COUNCIL MEETING 07-25-2012

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 9
Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Richard O'Donnell, Deputy Director of Maintenance and Operations
Joseph Goulart, Fleet Maintenance Superintendent

SUBJECT: Award Purchase of Fuel

RECOMMENDATION:

Staff recommends Council approve the purchase of fuel from The SOCO Group Inc. for the City of Escondido's fleet through a cooperative purchase agreement with the City of San Diego, pursuant to Escondido Municipal Code section 10-90.

FISCAL ANALYSIS:

Sufficient funds have been approved in the fiscal year 2012-13 budget in account number 5111-653-715 for gasoline in the amount of \$880,000 and account number 5113-653-715 for diesel in the amount of \$220,000.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

Not Applicable.

PREVIOUS ACTION:

No previous Council action regarding this purchase.

BACKGROUND:

Fleet Services intends to purchase gasoline and diesel from The SOCO Group Inc. through a cooperative purchase agreement with the City of San Diego and other public agencies throughout the County. SOCO has won the bid for the last several years and has provided exceptional service to their customers. Fleet Services will use allotted funds in account 5111-653-715 for gasoline and 5113-653-715 for diesel fuel previously approved in the fiscal year 2012-13 budget to pay for fuel as needed.

HISTORY OF FUEL USE:

Unleaded Fuel

Fiscal Year	Budgeted	Spent	Balance	Gal. Delivered	Min/Max/\$/Gal	Average
2007-08	\$945,000	\$937,715	\$7,285	309,169	\$2.39 - \$4.32	\$ 3.03
2008-09	\$1,045,000	\$728,530	\$316,470	282,619	\$1.39 - \$4.01	\$ 2.57
2009-10	\$945,000	\$700,000	\$245,000	259,900	\$2.29 - \$2.78	\$ 2.69
2010-11	\$930,000	\$786,845	\$143,155	248,361	\$2.55 - \$3.90	\$ 3.07
2011-12	\$1,267,210	\$917,477	\$349,733	270,575	\$3.04 - \$4.07	\$ 3.39

Diesel Fuel

Fiscal Year	Budgeted	Spent	Balance	Gal. Delivered	Min/Max/\$/Gal	Average
2007-08	\$376,300	\$207,650	\$168,650	72,232	\$2.51 - \$4.93	\$ 2.87
2008-09	\$260,000	\$178,400	\$81,600	69,482	\$1.59 - \$4.89	\$ 2.56
2009-10	\$250,000	\$175,900	\$74,100	76,500	\$2.26 - \$3.16	\$ 2.29
2010-11	\$225,000	\$212,000	\$13,000	67,215	\$2.52 - \$4.27	\$ 3.43
2011-12	\$272,000	\$255,417	\$16,583	67,190	\$2.72 - \$4.38	\$ 3.80

Respectfully submitted,



Richard O'Donnell
 Deputy Director of Maintenance and Operations



Joseph Goulart
 Fleet Maintenance Superintendent

CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 10

Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council
FROM: Sheryl Bennett, Human Resources Director
SUBJECT: Memorandum of Understanding between the City of Escondido and the Police Officers' Association – Non-Sworn Bargaining Unit.

RECOMMENDATION:

City Council adopt Resolution No. 2012-125, approving a Memorandum of Understanding between the City of Escondido and the Police Officers' Association Non-Sworn Bargaining Unit for a two-year term commencing July 1, 2012 through June 30, 2014. Approve a budget adjustment appropriating \$25,775 to cover contract costs for Fiscal Year 2012-13.

As a result of approving a new Memorandum of Understanding, adopt Resolution No. 2012-128 pertaining to paying and reporting the value of the seven percent (7%) Employer Paid Member Contribution.

FISCAL ANALYSIS:

Cost to the General Fund for Fiscal Year 2012-13 and Fiscal Year 2013-14 is \$111,080. Funds for this expense have been set aside in the General Fund Operating Budget.

PREVIOUS ACTION:

On August 18, 2010, the City Council voted to adopt the Memorandum of Understanding between the Escondido Police Officers' Association Non-Sworn Bargaining Unit and the City of Escondido, for a two-year term that expired on June 30, 2012.

BACKGROUND:

City staff has met with the Escondido Police Officers' Association Non-Sworn Bargaining Unit, regarding terms and conditions of Employment that expired on June 30, 2012. The attached resolution outlines changes to working conditions and compensation that have been agreed to during this negotiation process.

Tentative agreement on issues before the negotiating group was reached on July 2, 2012. Members of the Bargaining Unit have voted in support of the agreement.

Respectfully submitted,


Sheryl Bennett
Director of Human Resources

RESOLUTION NO. 2012-125

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING THE MEMORANDUM OF
UNDERSTANDING WITH THE ESCONDIDO
POLICE OFFICERS' ASSOCIATION, NON-
SWORN BARGAINING UNIT

JULY 1, 2012 – JUNE 30, 2014

WHEREAS, negotiating teams from the City of Escondido and the Escondido Police Officers' Association, Non-Sworn Bargaining Unit have been duly appointed and have been conducting meet-and-confer sessions with respect to matters affecting both parties; and

WHEREAS, a successor Memorandum of Understanding ("MOU") by the City of Escondido ("City") and the Escondido Police Officers' Association, Non-Sworn Bargaining Unit ("Association") is necessary as a result of meeting and conferring in good faith concerning wages, hours, and other terms and conditions of employment; and

WHEREAS, it is the intent of the underlying MOU to provide for continuation of the harmonious relationship between the City and the Association; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to approve a successor MOU and certain other modifications.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. The City's negotiating team is authorized to execute, on behalf of the City,

a successor MOU extending the term of the MOU through June 30, 2014, and also including terms as set forth in Exhibit "A" attached to this resolution and incorporated by this reference.

City of Escondido
Escondido Police Officers' Association, Non-Sworn Bargaining Unit
Successor Memorandum of Understanding
July 1, 2012 – June 30, 2014

1. **Term:** July 1, 2012 – June 30, 2014. None of the terms are retroactive. All changes take effect upon the agreed effective date after City Council adoption of the Memorandum of Understanding (MOU).

2. **Article 2, Salaries and Compensation, Section 2.02, Salary:**

Effective pay period beginning July 22, 2012, suspended salary step increases 1 through 5 as stated within Exhibit A, Salary Ranges, of the MOU will be unsuspended and reinstated. Employees who missed one or more salary step between August 18, 2010 and July 22, 2012, will advance to the salary step they would have been at but for the suspension of step increases effective August 18, 2010.

3. **Article 2, Salaries and Compensation, Section 2.02, Salary:**

Effective pay period beginning July 22, 2012, the base salary range for all represented classifications shall be increased by four percent (4.0%). This salary increase is concurrent with the employee payment of the remaining seven percent (7.0%) of the entire eight percent (8.0%) normal member contribution required to be paid by a CalPERS member on a pre-tax basis.

4. **Article 2, Salaries and Compensation, Section 2.04, P.O.S.T. Incentive Pay/Certification Pay:**

Effective pay period beginning December 23, 2012, P.O.S.T. Incentive Pay will be unsuspended and reinstated.

5. **Article 2, Salaries and Compensation, Section 2.05, Uniform Allowance:**

Effective upon Council adoption of this successor MOU, reinstate uniform deferrals for Fiscal Year 2012/13. There shall be no uniform allowance distribution (\$350 per employee) in January 2013. Uniform allowance deferrals shall sunset (terminate) effective pay period ending June 22, 2013. Once the uniform allowance deferral is terminated, the uniform allowance will be an annual allowance of \$700, paid on pay dates closest to July 1 and January 1 of each year, as it was prior to the reduction in the amount of uniform allowance.

6. **Article 4, Benefit Package, Section 4.00, CalPERS Benefits (New Employees):**

Implement a second tier retirement system under Government Code Section 20475, for newly hired employees. This second tier will be activated as soon as administratively possible. The following will be applicable to the second tier:

- 2% at age 60 CalPERS retirement calculation, (Government Code Section 21353).
- Employees make 100% of the statutory employee contribution to CalPERS, currently 7.0% of salary. These contributions will be on a pre-tax basis.
- There will be no final-year concession of said payments to compensation for CalPERS benefit calculation purposes ("EPMC").

- The final compensation calculation shall be based on the highest average 36 consecutive months. (Government Code Section 20037).

7. Article 4, Benefit Package, Section 4.00, CalPERS Benefits (Current Employees):

CalPERS 3% at age 60 Retirement Formula Employees:

- Effective the pay period beginning July 22, 2012, all current NSP Bargaining Unit employees will pay 100% of the statutory employee contribution to CalPERS, which will be applied to the Employees' Contribution and is currently 8.0%. These contributions will be on a pre-tax basis.
- Effective the pay period beginning July 22, 2012, the City will cease paying and reporting the value of the seven percent (7.0%) Employer paid Member Contribution (EPMC).

8. Article 5, Paid Leave, Section 5.01, Holidays:

The following concessions in the MOU that previously sunset on June 30, 2012, will be reinstated immediately upon City Council adoption of a successor MOU (i.e., the concessions that sunset shall become operative again as they were in 2010 and 2011). This includes:

- Reinstatement of deferral of Holiday Pay to Furlough Holiday Bank for seven of ten paid holidays for Fiscal Year 2012/13, which includes:

2012 – Labor Day, Veteran's Day, and Day after Thanksgiving

2013 – New Year's Day, Martin Luther King Day, President's Day, Memorial Day

The City will compensate each employee with a furlough leave bank in the same manner as the July 1, 2010 – June 30, 2012 MOU.

Community Service Officer and Senior Community Service Officer classifications will not participate in the deferral of Holiday Pay to Furlough Holiday Bank.

The holiday furlough will sunset (terminate) effective pay period ending June 22, 2013.

- Industrial Disability Exception – Any employee who is on leave due to an industrial illness/injury and separates City service due to the industrial disability during the term of this MOU, shall be entitled to cash-out his/her Holiday Furlough Bank upon separating from employment with the City.

9. Article 12, Work Schedule

The alternate work schedule described in the MOU side letter dated May 1, 2012, will be incorporated into the MOU as requested by NSP. Language will include that Police Management can change to a different staffing model if necessary. Police Management will provide adequate notice to POA if such change is necessary.

10. New Article 13, Personnel Rules and Regulations Review Committee:

The City has drafted an updated Personnel Rules and Regulations document from the Human Resources Department, the City Attorney's Office, and two each employee group shall meet on a regular basis to finalize and implement the updated Personnel Rules and Regulations. NSP agrees to participate in this process, but does not waive its right to meet and confer with the City on changes that are subject to the meet and confer process.

11. New Article 14, MOU Reopener – Healthcare Reform:

At such time as regulations are issued implementing the Affordable Care Act (ACA), the City and NSP will meet and confer to review the impact of such regulations on the benefits plans then in force. If modifications to the benefits, eligibility for coverage, employer or employee contribution to the cost of insurance or any other provisions of the benefit plans covered by this MOU will be modified by the ACA during the term of this agreement, it is agreed that the City and NSP will reopen the contract to meet and confer and determine how such mandated changes will be implemented.

RESOLUTION NO. 2012-128

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
FOR PAYING AND REPORTING THE VALUE
OF EMPLOYER PAID MEMBER
CONTRIBUTIONS (GOVERNMENT CODE
SECTION 20636(c)(4)) FOR ESCONDIDO
POLICE OFFICERS' ASSOCIATION, NON-
SWORN BARGAINING UNIT

WHEREAS, the Escondido City Council has the authority to implement Government Code Section 20636(c)(4) pursuant to Section 20691; and

WHEREAS, the City of Escondido ("City") previously had a written labor policy or agreement which specifically provided for the inclusion of normal member contributions paid by the employer on behalf of the members as special compensation; and

WHEREAS, effective July 23, 2000, the City Council approved Resolution No. 2000-178 to elect to pay seven percent (7%) of employees' compensation Earnable as Employer Paid Member Contributions and report the same Percent (value) of compensation earnable as special compensation for all Escondido Police Officers' Association, Non-Sworn Bargaining Unit employees; and

WHEREAS, the City Council now desires to reduce the payment and reporting value of employees' compensation Earnable as Employer Paid Member Contributions from seven percent (7%) to zero percent (0%); and

WHEREAS, a required step in the procedure to change the paying and reporting of Employer Paid Member Contributions is the adoption by the City Council of a Resolution to reduce paying and reporting the value of seven percent (7%) Employer Paid Member Contributions (EPMC); and

WHEREAS, the following is a statement of the proposed change in reporting compensation to PERS:

This change shall apply as follows:

The City of Escondido elects to pay zero percent (0%) of employee's compensation Earnable as Employer Paid Member Contributions and report the same Percent (value) of compensation earnable as special compensation. This shall apply to all employees of the Escondido Police Officers' Association, Non-Sworn Bargaining Unit.

The effective date of this Resolution shall be July 25, 2012.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California:

1. That the above recitations are true.
2. The City Council elects to pay zero percent (0%) of employee's compensation Earnable as Employer Paid Member Contributions and report the same Percent (value) of compensation earnable as special compensation for all employees of the Escondido Police Officers' Association, Non-Sworn Bargaining Unit.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 11

Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Michael Lowry, Fire Chief
Herb Griffin, Fire Marshal

SUBJECT: Cost Report for 2012 Weed Abatement Program

RECOMMENDATION:

It is requested that Council receive the 2012 Weed Abatement Report, consider objections and adopt Resolution No. 2012-101 confirming the Fire Chief's 2012 Weed Abatement Report.

FISCAL ANALYSIS:

There are no City costs associated with this Council action. In September 1996, the City of Escondido executed a contract with Fire Prevention Services, Inc. to provide a comprehensive year-round weed and rubbish abatement program. Fire Prevention Services, Inc. performs the agreed upon weed and rubbish abatement services and bills property owners directly.

PREVIOUS ACTION:

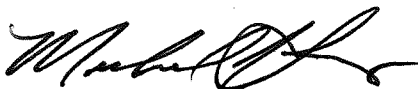
On July 14, 2010, Council approved Resolution 2010-114 confirming the 2010 Weed Abatement Report.

BACKGROUND:

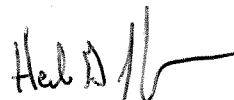
Escondido's weed abatement ordinance designates responsibility to property owners for the elimination of hazardous weeds and rubbish on their property. If after receiving initial notices and a certified final notice, the property owner fails to take appropriate action, the ordinance authorizes the removal of hazardous weeds and rubbish by the City at the expense of the property owner.

Fire Prevention Services, Inc. has provided weed abatement services to the properties listed in the 2012 Weed Abatement Report and billed the property owners and has been unable to collect the amount incurred for the abatement provided. Confirming the 2012 Weed Abatement Report will allow property owners to be assessed for the amount owed to the contractor for removal of the hazardous weeds and rubbish.

Respectfully submitted,



Michael Lowry
Fire Chief



Herb Griffin
Fire Marshal

RESOLUTION NO. 2012-101

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
CONFIRMING THE FIRE CHIEF'S COST
REPORT FOR THE 2012 WEED
ABATEMENT PROGRAM FOR CERTAIN
PARCELS OF LAND

WHEREAS, Chapter 11 Division 2 of Article 2 of the Escondido Municipal Code declares weeds and rubbish to be a public nuisance and fire hazard and orders the weeds and rubbish to be abated; and

WHEREAS, the City of Escondido ("City") is under contract with Fire Prevention Service, Inc. ("Contractor") to provide weed abatement services; and

WHEREAS, the Contractor has provided the necessary weed abatement services to the properties listed on the 2012 Weed Abatement Report ("Report") and has yet to receive payment for these rendered services; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to confirm the Fire Chief's Cost Report for the 2012 Weed Abatement Program which will allow the properties on the Report to be assessed for the outstanding payment owed to Contractor.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the City Council confirms the Fire Chief's Cost Report for the 2012

Weed Abatement Program showing costs of weed abatement against certain parcels of land. A copy of the Report is on file in the Office of the City Clerk.

3. That this City Council hereby adopts the Escondido Fixed Charge Special Assessments Tax Year 2012/2013 Table, a copy of which is attached to this Resolution as Exhibit "A" and is incorporated by this reference.

Escondido Fixed Charge Special Assessments Tax Year 2012/2013

Parcel	Assd Amt	Site Address	Owner	Mailing Address	City	ST	Zip
224 142 02 00	\$ 6,062.74	733 Stanley Ave Escondido 92026	Stanley Heights LLC	4367 Highland Dr	Carlsbad	CA	92008
224 482 03 00	\$ 1,041.16	1857 Pamela Ln Escondido 92026	Hughes Sherry L	PO Box 460131	Escondido	CA	92046
230 410 35 00	\$ 2,442.34	1109 E 5th Ave Escondido 92025	1109 East 5th Avenue LLC	8660 Miramar Rd #K	San Diego	CA	92126
233 460 16 00	\$ 3,182.16	633 E 8th Ave Escondido 92025	Khan Ghulam A	6156 S 2250 E	Ogden	UT	84403
235 350 30 00	\$ 5,684.22	1142 Gaucho Pl Escondido 92029	Levietz Famiy Trust 02/03/05	1142 Guacho Pl	Escondido	CA	92029
235 350 33 00	\$ 1,652.68	1118 Gaucho Pl Escondido 92029	Ohlmaier Julio A; Esmeralda R	1118 Guacho Pl	Escondido	CA	92029
238 073 55 00	\$ 5,209.08	Orange Ave Escondido 92029	San Diego Bethel Korean Church of the	11486 Nantucket Pkwy	San Diego	CA	92130
240 470 05 00	\$ 1,034.74	346 Hidden Trails Rd Escondido 92027	Martinez Angel R; Linda L	346 Hidden Trails Rd	Escondido	CA	92027
Total Parcels	8						
Total Assmnt	\$ 26,309.12						

For City Clerk's Use:

APPROVED **DENIED**

Reso No. RRB _____ File No. _____

Ord No. RRB _____

RENT REVIEW BOARD

Agenda Item No.:12

Date: July 25, 2012

TO: Honorable Chairman and Members of the Rent Review Board
FROM: Jerry Van Leeuwen, Director of Community Services
SUBJECT: Short-Form Rent Increase Application for Carefree Ranch Mobilehome Park

RECOMMENDATION:

- Consider the short-form rent increase application submitted by Carefree Ranch Mobilehome Park
- If approved, adopt Rent Review Board Resolution No. 2012-07 granting an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or 2.031% (an average of \$9.28) for the period of December 31, 2010, to December 31, 2011. The application meets the eligibility criteria for submittal of a short-form rent increase application.

INTRODUCTION:

Carefree Ranch Mobilehome Park ("Park") has filed a short-form rent increase application. The Board is asked to consider the application, accept the staff report, hear public testimony, and make a determination concerning the request in accordance with the Escondido Rent Protection Ordinance and the short-form procedures as outlined in the Rent Review Board Guidelines (Section 12). The application and the staff report have been made available to the Board for review and consideration prior to the hearing.

THE RENT INCREASE APPLICATION:

Carefree Ranch is a senior mobilehome park located at 211 N. Citrus Avenue. The Park contains 184 spaces, and 107 of the spaces are subject to rent control. The remaining spaces are a combination of Park rentals, residents on long-term leases or are spaces that are currently vacant. The average space rent for the spaces subject to rent control is \$456.84.

Common facilities of the Park include a furnished clubhouse with a kitchen, a heated swimming pool and Jacuzzi, covered shuffleboard courts and a guest house. There are laundry facilities available for a fee, as well as a vehicle storage area.

PARK OWNER'S REQUEST:

Under the short-form policy guidelines, the Park owner is requesting an increase of seventy-five percent (75%) of the change in the Consumer Price Index (CPI) covering the period of December 31,

2010, through December 31, 2011, The average increase requested is \$9.28 per space, which is a 2.031% increase for the 12 month period.

RESIDENT MEETING AND COMMENTS:

All residents affected by this request were invited to attend a meeting in their clubhouse on June 21, 2012 at 5:00 p.m. Approximately 10 residents attended the meeting. The meeting was also attended by the Park Manager and the Regional Manager for the Park Owner, Jim Younce, and Housing staff Karen Youel. The application and the short-form hearing procedures were reviewed with the residents in attendance.

Resident issues and concerns were discussed. Issues included non-authorized people living in the park, including young people and overcrowded homes, parking issues, landscape maintenance, the lack of a flag, and difficulty in reaching office staff. There were questions regarding how the Park set maximum space rent and how rent was determined were determined. The fact that Escondido has vacancy decontrol was reviewed.

The last rent increase for the Park was granted in June of 2011 for an average amount of \$4.20 per space per month covering a 12-month period of consideration.

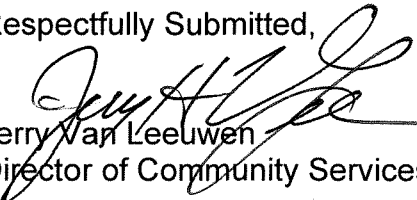
CODE INSPECTION REPORT:

An inspection of the Park's common areas by the City's Code Enforcement Division was completed on June 26, 2012. A copy of the Code Enforcement Inspection Report is attached as "Exhibit A". The applicant and resident representative each received a copy of the Report. If approved, the requested increase cannot be implemented until after the health and safety code violations noted in the Inspection Report have been corrected, signed off and are in compliance with the various state and local code sections as noted in the Inspection.

ADDITIONAL FACTORS AFFECTING THE APPLICATION:

In conformance with the Rent Review Board Guidelines, the decision of the Board will be finalized by adoption of the Resolution confirming the findings of the Public Hearing. The Notice of Determination will be mailed to the applicant and residents immediately upon adoption of the Resolution. The 90-day notice of any rent increase granted may be sent to the residents upon the adoption of the Resolution.

Respectfully Submitted,


Jerry Van Leeluwen
Director of Community Services

June 26, 2012

MOBILEHOME PARK RENT CONTROL
CODE ENFORCEMENT INSPECTION REPORT

Park Name: Carefree Ranch Mobile Home Park

Park Owner: Bart Thomsen
Bart Thomsen Properties
301 E. 17th Street, #208
Costa Mesa, CA 92627

Park Manager: Jim Younce **Phone:** (760) 745-4851

Inspection Date: 06/26/12 **Inspector:** S. Moore

The following report is based on the inspection of the mobile home park conducted under provisions outlined in the California Code of Regulations, Title 25, Division I, Chapter 2 and the Escondido Zoning Code, Article 45. This inspection report only addresses health and safety issues that are related to areas for which maintenance, repair and operations is the responsibility of the owners and managers of the park.

General Violations:

1. Repair/replace the torn or missing vinyl floor covering on the kitchen floor.
25 CCR 1102 (a), 25 CCR 1605 (a) (6)
2. Replace the broken window pane in the window over the kitchen sink. **25 CCR 1605 (g) (2)**
3. Repair the wall under the sink in the unisex bathroom for the swimming pool.
25 CCR 1102 (a), 25 CCR 1608 (b) (4)

4. Repair/replace the hand-crank openers on the two windows on the south side of the laundry building. **25 CCR 1605 (a) (6), 25 CCR 1605 (g) (2)**
5. Replace the broken seismic strap on the water heater in the laundry building. **25 CCR 1605 (e)**
6. Repair/replace the wood at the bottom edge of the walls of the guard shack. **25 CCR 1605 (i)**

**Areas of the park needing illumination per 25 CCR 1108
(Lighting Inspection; 06-21-12)**

1. Trim the vegetation away from the street light fixture adjacent to space 7 on "H" Street.

MOBILEHOME PARK RENT REVIEW

RESIDENT REPRESENTATIVE REPORT FORM

Park Name CARLE FRIE

Date of Inspection JUNE 26

Resident Representative WAYNE LOUTH

This park will be inspected as a result of an application having been filed for a rent increase. The Code Enforcement Division will base their inspection under provisions outlined in the California Health and Safety Code, Division 13, Part 2.1; California Code of Regulations – Title 25, the Escondido Zoning Code, Article XLV; and the Escondido Municipal Code, Section 6-480 Property Maintenance.

The report compiled by the Code Enforcement Division will address the health and safety issues related to the common areas of the mobile home park and those items for which the repair and maintenance is the responsibility of the owners and managers of the park. The attached list is to assist you and the residents in noting your current concerns so that they can be addressed as part of the process.

At the time of the inspections, each item on this list will be discussed with the participants. If it is a violation of Title 25 it will be made part of the Inspection Report.

Occasionally there are no concerns noted by park residents. If that is the case, we ask that you check the appropriate statement below, sign the form and return it to the Code Enforcement Division.

The residents have expressed no specific concerns or issues at this time.

The residents have expressed the specific issues and concerns that are noted on the accompanying pages of this report.

WAYNE LOUTH
Print Name of Resident Representative


Signature

JUNE 26
Date

SP 2
760 270 7455
Space # / Phone Number

City of Escondido
Code Enforcement Division
201 N. Broadway
Escondido, CA 92025
(760) 839-4650

**RENT CONTROL INSPECTION CHECKLIST
RESIDENT COMMENTS**

Responsible person: There shall be a person available who shall be responsible for the operation and maintenance of the mobile home park. The person or designee shall reside in parks of 50 units or more, and shall have knowledge of emergency procedures of the park facilities.

NOT IN OFFICE WHEN RESIDENTS CALL

Rubbish, accumulation of waste material: The park shall be kept clean and free of the accumulation of refuse, garbage, rubbish, excessive dust or debris.

Drainage: The park common areas and roadways shall be graded and sloped to provide storm drainage runoff. Standing water should evaporate within 72 hours.

Building and park lighting: During hours of darkness, artificial lighting shall be maintained in accordance with requirements of Title 25.

LIGHTING IN MOST PART (BY RESIDENTS)

Lot address identification: Each lot shall be identified by letters, numbers or a street address mounted in a conspicuous place facing the roadway.

Permanent park buildings: Park buildings, structures and facilities shall be maintained free from hazards.

Emergency information: Emergency information is to be printed and posted in a conspicuous location and shall contain the following telephone numbers/information:

- Fire Department
- Police Department
- Park office
- Responsible person for operation and maintenance
- Code Enforcement
- Park location – address
- Nearest public telephone

Other questions, comments or concerns:

CLUB ROOM CARPET NEED ADDRESSED (REPLACED OR CLEANED)
JOINTS ON CEILING DIRTY AND LOOSE
BRICKY WINDOW
HOLE IN FLOOR
CUTTING BOARD NEEDS RESURFACED
WINDOWS NOT CLEANED

LAUNDRY ROOM
HEATER NOT STRAPPED

SHUFFLE BOARD
COURT NOT CLEANED FOR MONTHS

PARK EMPLOYEES ELIMINATED
MANG. NOT IN OFFICE DURING BUSINESS HOURS WHEN
RESIDENTS NEED THEM
UNDER AGE IN PARK
FLAG MISSING FROM POLE FOR MONTHS
SOME SPINKERS NOT ON AUTOMATIC (RESIDENTS DO OUTFIT)
LANDSCAPE NOT UP TO PAR

RESOLUTION NO. RRB 2012-07

A RESOLUTION OF THE ESCONDIDO
MOBILEHOME RENT REVIEW BOARD
MAKING FINDINGS AND GRANTING A RENT
INCREASE FOR CAREFREE RANCH
MOBILEHOME PARK

WHEREAS, Article V of Chapter 29 of the Escondido Municipal Code is a codification of the Escondido Mobilehome Rent Protection Ordinance ("Ordinance") and provides for mobilehome space rent regulation; and

WHEREAS, the City of Escondido Mobilehome Park Rental Review Board ("Board") is charged with the responsibility of considering applications for rent increases; and

WHEREAS, a short-form Rent Increase Application was filed pursuant to Section 12 of the Rent Review Board Guidelines on May 3, 2012, by Bart Thomsen, the owner of Carefree Ranch Mobilehome Park ("Park"). The Park is located at 211 N. Citrus in Escondido. The rent increase applies to 107 of the 184 spaces in the Park; and

WHEREAS, this is the sixteenth rent increase application filed by the Park since the Ordinance became effective in 1988. The last rent increase was granted by the board at a Rent Review Board Hearing held on June 22, 2011, and formally adopted by Rent Review Board Resolution 2010-05. The increase requested was for 0.932%, or approximately \$4.20 per space, per month; and

WHEREAS, at this time, the average monthly space rent is approximately \$456.84 for the 107 spaces subject to the rent increase. The Park owner requested a rent increase in the amount of 75% of the change in the Consumer Price Index (CPI) for the period of December 31, 2010, through December 31, 2011, in accordance with the

Rent Review Board short-form policy guidelines. The application estimated this amount to be an average of \$9.28 (2.031%) per space, per month; and

WHEREAS, a notice of the Park's Rent Increase Application was sent to all affected homeowners. All parties were given notice of the time, date and place of the rent hearing before the Board; and

WHEREAS, on June 26, 2012, a Mobilehome Park Rent Control Code Enforcement Inspection Report ("Inspection Report") was completed. The Inspection Report noted Health and Safety Code violations in the Park; and

WHEREAS, on July 25, 2012, the Board held its public hearing. After an initial presentation, the Board invited testimony from Park ownership, residents of the Park and other residents of the community at large; and

WHEREAS, after all present had been given an opportunity to speak, the hearing was closed. Following an opportunity for discussion among the Board members and clarifying questions to the parties and Staff, the Board voted to grant an average rent increase of \$9.28 per space, per month, for the 107 spaces, which are subject to rent control,

NOW, THEREFORE, BE IT RESOLVED by the Rent Review Board of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the Board has heard and considered all of the reports and testimony presented, and has considered the facts as outlined in the short-form Guidelines ("Guidelines").

3. That following the Guidelines, an increase based on 75% of the change in the Consumer Price Index (CPI) for San Diego County from December 31, 2010, through December 31, 2011, amounted to 2.031%, which averaged \$9.28 per space, per month, for the 107 spaces that are subject to rent control.

4. The Board concluded that an increase of \$9.28 per space, per month, is consistent with the Guidelines, and is fair, just, and a reasonable increase in light of the information presented by all parties.

5. That the increase may not be implemented until after the health and safety code violations noted in the Inspection Report have been corrected, signed off, and are in compliance with the various state and local code sections as noted in the Inspection.

6. That the increase may be implemented upon the expiration of the required 90-day notice to the residents, which may be issued upon the adoption of this Resolution.



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 13
Date: July 25, 2012

TO: Honorable Mayor and Members of the Successor Agency
FROM: Gilbert Rojas, Director of Finance
SUBJECT: Update on the Dissolution of Redevelopment Agency

RECOMMENDATION:

It is requested that the Council adopt Resolution No. 2012-132 returning funds and real property to reverse a previous \$20,000,000 repayment of City Loan and ratifying the demand payment made to the County of San Diego for \$10,145,052.16.

It is also requested that the Council adopt Resolution No. 2012-133 approving the modified fund balance policy.

FISCAL ANALYSIS:

The reversal of the \$20 million dollar Redevelopment loan repayment and the partial return of real property to the Successor Agency will allow the Successor Agency to approach the Oversight Agency for Loan Reinstatement once the State Department of Finance gives the Successor Agency a "Finding of Completion". The \$10,145,052.16 payment to the County had to be made by July 12, 2012 or the July 18th Sales Tax payment from the State Board of Equalization to the City general fund would have been reduced by this amount.

BACKGROUND:

On January 25, 2012, the City Council adopted Resolution 2012-16 electing to serve as the Successor Agency for the dissolution of the Redevelopment Agency. Since then a number of events have occurred as we attempted to comply with State Legislation. A timeline of these events is attached. In addition, there have been other documents that have been prepared by City staff as part of our compliance with AB 1X 26. These documents are itemized below and accompany this staff report.

- Attachment 1 Action timeline
- Attachment 2 Assets transferred to Successor Agency as of February 1, 2012
- Attachment 3 Assets purchased by Redevelopment and transferred to City
- Attachment 4 Financial Statements as of Dissolution Date of January 31, 2012
- Attachment 5 Draft of Financial Statement for Successor Agency as of June 30, 2012

Dissolution of Redevelopment Agency
July 25, 2012
Page 2

Attachment 7 Schedule of Economic Development Reserve
Attachment 8 Demand letter from County of San Diego (dated July 9, 2012) for \$10,145,052.16

The reserve fund payment made pursuant to the demand letter (Attachment 8) was made to comply with certain provisions of AB 1484 which became final since the last time the City Council addressed these issues. In addition, certain new provisions in AB 1484 allow the finding of completion referenced above and may allow the City to recover a significant portion of the City loan, and enter into a long term real property management plan to manage several parcels of real estate rather than simply dispose of those parcels. It should be noted that while action will be deferred on most of the real property at this time, one parcel (North Spruce) is being recommended for transfer to achieve the necessary value and position the City to seek the finding of completion. It is not anticipated that this transfer will prejudice our ability to later take steps to include this parcel in the long term management plan at a later date.

A Recognized Obligation Payment Schedule for January, 2013 to June 30, 2013 will be presented at the City Council meeting on August 8, 2012.

Respectfully submitted,



Gilbert Rojas
Director of Finance

Timeline of Events - Redevelopment

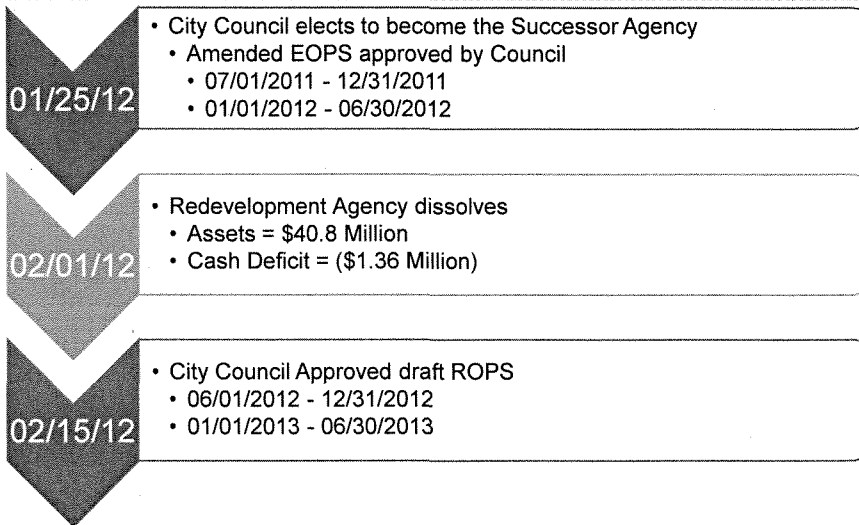
July 25, 2012

Timeline of Events - Redevelopment

- 06/29/11 • With approval and adoption of the State Budget for Fiscal Year 2011-12, the California Legislature adopted ABx1 26 (the "Dissolution Act"), in effect dissolving all redevelopment agencies in the State of California
- 08/17/11 • 1st EOPS approved by Council: 08/01/2011 - 12/31/2011
- 12/29/11 • The Court upheld the provisions of ABx1 26 which dissolved redevelopment agencies

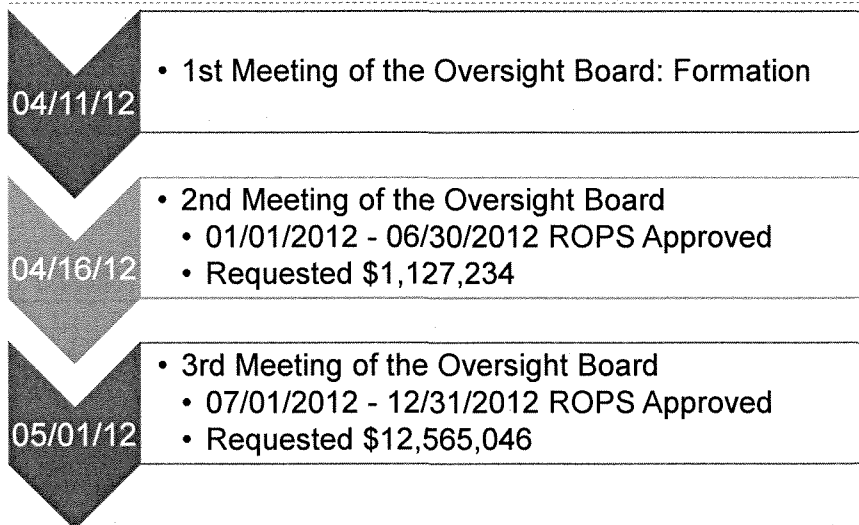
Attachment 1

Timeline of Events - Redevelopment



Attachment 1

Timeline of Events - Redevelopment



Attachment 1

Timeline of Events - Redevelopment

05/23/12

- CDC Financial Audit as of 01/31/2012 is issued

05/31/12

- Agreed Upon Procedures requested by the State of CA are performed

06/01/12

- City Receives 1st payment from the County
- Amount = \$5,018,228.58 received - \$12,565,046 requested = Cash Deficit (\$7,546,817.42)

Attachment 1

Timeline of Events - Redevelopment

06/27/12

- The Legislature passed and the governor signed AB 1484: makes technical and substantive amendments to the Dissolution Act

Attachment 1

**UPDATE ON THE DISSOLUTION OF REDEVELOPMENT AGENCY
ATTACHMENT 2A**

February 1, 2012

TO: City Council Members

FROM: Gilbert Rojas, Director of Finance

SUBJECT: Transfer of Community Development Commission (CDC) assets and obligations

On January 25, 2012, the City Council adopted Resolution No. 2012-16 to serve as Successor Agency for Escondido Redevelopment Agency (Agency).

Upon dissolution of the Agency, all assets and liabilities of the Escondido Redevelopment Agency were transferred to the Successor Agency for purpose of paying the Recognized Enforceable Obligations. As of January 31, 2012, the Agency assets and obligations were as follows:

<u>Assets</u>		<u>Liabilities</u>	
Current Assets:		Current Liabilities:	
Cash and investments	48,554	Accounts payable	4,455,844
Cash and investments with fiscal agent	347,801	Accrued liabilities	1,522
Interest receivable	539	Due to the City of Escondido	1,363,489
Total Current Assets	396,894	Advances from other funds	3,399,292
Non-Current Assets:		Total Current Liabilities	9,220,147
Loans receivable from City of Escondido	469,988	Non-Current Liabilities:	
Deferred bond issue costs	608,806	Tax allocation bonds	4,185,123 *
Capital Assets:		Lease revenue bonds	42,260,000 **
Not being depreciated	2,766,714	Unamortized bond cost	1,131,137
Being depreciated, net	36,580,008	Advances from City of Escondido	15,456,047
Total Non-Current Assets	40,425,516	Total Non-Current Liabilities	63,032,307
Total Assets	40,822,410	Total Liabilities	72,252,454

*Does not include capital appreciation of \$294,877 that will be accrued in future years

**Does not include interest due on lease revenue bonds which total \$9,125,500

Effective February 1, 2012, Finance formally changed the name of existing Agency accounting funds to the Redevelopment Successor Agency fund and all assets and liabilities stayed in the renamed fund.

**UPDATE ON THE DISSOLUTION OF REDEVELOPMENT AGENCY
ATTACHMENT 2B**

February 1, 2012

TO: City Council Members
FROM: Gilbert Rojas, Director of Finance
SUBJECT: Transfer of Housing Activities

On January 25, 2012, the City Council adopted Resolution No. 2012-16 to serve as Successor Housing Agency for Escondido Redevelopment Agency (Agency).

The City elected to retain the housing assets and functions previously performed by the RDA, retaining the rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the agency. As of January 31, 2012, the housing assets and obligations were as follows:

<u>Assets</u>		<u>Liabilities</u>	
Curret Assets:		Current Liabilities:	
Cash and investments	6,435,588	Accounts payable	13,751
Interest	4,544,093	Accrued liabilities	13,375
Total Current Assets	<u>10,979,681</u>	Deferred revenue	<u>4,511,802</u>
Non-Current Assets:		Total Current Liabilities	<u>4,538,928</u>
Loans	39,918,567	Long-Term liabilities:	
Land held for resale, at cost	2,600,477	Loans payable	5,300,000 *
Advances to other funds	3,399,292	Employee leave benefits payable	<u>52,844</u>
Total Non-Current Assets	<u>45,918,336</u>	Total Non-Current Liabilities	<u>5,352,844</u>
Total Assets	<u>56,898,017</u>	Total Liabilities	<u>9,891,772</u>

*Does not include interest due on loans which total \$1,630,000

Effective February 1, 2012, finance formally changed the name of existing housing accounting funds to the Successor Agency Housing funds and all assets and liabilities stayed in those renamed funds.

Assets Purchased by Redevelopment and Transferred to City

The following assets were purchased & owned by the Community Development Commission and subsequently transferred to the City on February 16, 2011 by Resolution No. 2011-04:

PURCHASE DATE	DESCRIPTION	AMOUNT
Parking Lots:		
9/1/2010	314 E. Grand Ave	202,525.45
9/1/2010	304 E. Grand Ave, 112-118 N. Juniper	202,525.45
9/1/2010	316 E. Grand Ave	<u>202,525.44</u>
		607,576.34
Development Project:		
12/15/2010	480 N. Spruce St.	2,700,000.00
12/15/2010	Building & Improvements @ 480 N Spruce St	<u>2,302,068.00</u>
		5,002,068.00

COMMUNITY DEVELOPMENT COMMISSION

Financial Statements & Supplemental Data



Escondido Creek

FOR THE SEVEN MONTHS ENDING JANUARY 31, 2012

CITY OF ESCONDIDO • CALIFORNIA

**CITY OF ESCONDIDO
COMMUNITY DEVELOPMENT COMMISSION**

ANNUAL FINANCIAL REPORT
For the Seven Months Ended January 31, 2012

Chairperson
Vice Chairperson
Member
Member
Member
Executive Director
Fiscal Officer
General Counsel
Secretary

Sam Abed, Mayor
Marie Waldron, Mayor Pro Tem
Olga Diaz, Council Member
Ed Gallo, Council Member
Michael Morasco, Council Member
Clay Phillips, City Manager
Gilbert Rojas, Director of Finance
Jeffrey Epp, City Attorney
Marsha Whalen, City Clerk

Prepared by
The Department of Finance

**CITY OF ESCONDIDO COMMUNITY DEVELOPMENT COMMISSION
ANNUAL FINANCIAL REPORT
January 31, 2012**

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CERTIFIED PUBLIC ACCOUNTANTS

- Brandon W. Burrows, CPA
- David E. Hale, CPA, CFP
A Professional Corporation
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA
- Deborah A. Harper, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the City of Escondido
Community Development Commission
Escondido, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Escondido Community Development Commission (the Commission), a component unit of the City of Escondido, California, as of and for the seven months ended January 31, 2012, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, as of January 31, 2012, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We would like to draw the reader's attention to Note 9 – "California Redevelopment Agency Dissolution". The note provides information on two bills passed, ABX1 26 and ABX1 27 which dissolve redevelopment agencies as of January 31, 2012 based on the California Supreme Court ruling dated December 29, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2012, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's financial statements as a whole. The combining balance sheet and statement of revenues, expenditures, and changes in fund balance are presented for purposes of additional analysis and are not a required part of the financial statements. These are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial



CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of the City of Escondido
Community Development Commission
Escondido, California

statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Commission has not presented a management's discussion and analysis or budgetary comparison schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Lance, Soll & Luyhard, LLP

Brea, California
May 23, 2012



CERTIFIED PUBLIC ACCOUNTANTS

- Brandon W. Burrows, CPA
- David E. Hale, CPA, CFP
A Professional Corporation
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA
- Deborah A. Harper, CPA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of the City of Escondido
Community Development Commission
Escondido, California

We have audited the financial statements of the governmental activities and each major fund of the City of Escondido Community Development Commission (the Commission), a component unit of the City of Escondido, California, as of and for the seven months ended January 31, 2012, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated May 23, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of the City of Escondido
Community Development Commission
Escondido, California

This report is intended solely for the information and use of management, the audit committee, the Board of Directors, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Lance, Soll & Luyhard, LLP

Brea, California
May 23, 2012



Escondido Redevelopment Plan Area



0 0.25 0.5 1 Miles

DISCLAIMER: Every reasonable effort has been made to insure the accuracy of this map. However, by accepting this material, you agree that the City of Escondido assumes no liability of any kind arising from the use of this map. THIS MAP IS PROVIDED WITHOUT WARRANTY OF ANY KIND, either expressed or implied, including but not limited to time, money or goodwill arising from the use, operation or modification of the map.

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City of Escondido Community Development Commission
Statement of Net Assets
January 31, 2012

	<u>Governmental Activities</u>
<u>Assets</u>	
Current Assets:	
Cash and investments	\$ 6,484,142
Cash and investments with fiscal agent	347,801
Receivables	4,544,632
Total Current Assets	<u>11,376,575</u>
Non-Current Assets:	
Loans receivable	39,918,567
Loans receivable from the City of Escondido	469,988
Deferred bond issue costs	608,806
Land held for resale	2,600,477
Capital assets:	
Not being depreciated	2,766,714
Being depreciated, net	36,580,008
Total Non-Current Assets	<u>82,944,560</u>
Total Assets	<u>94,321,135</u>
<u>Liabilities</u>	
Current Liabilities:	
Accounts payable	4,469,595
Accrued expenses	14,897
Due to the City of Escondido	1,363,489
Interest payable	904,038
Total Current Liabilities	<u>6,752,019</u>
Non-Current Liabilities:	
Due within one year	8,960,284
Due in more than one year	59,424,867
Total Non-Current Liabilities	<u>68,385,151</u>
Total Liabilities	<u>75,137,170</u>
<u>Net Assets (Deficit)</u>	
Invested in capital assets, net of related debt	39,346,722
Restricted:	
Low and moderate housing	42,753,473
Debt Service	4,252,772
Community development	518,850
Unrestricted	<u>(67,687,852)</u>
Total Net Assets	<u>\$ 19,183,965</u>

City of Escondido Community Development Commission
Statement of Activities
For the Seven Months Ended January 31, 2012

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Governmental Activities Total</u>
Governmental Activities:			
Community development	\$ 2,425,240	\$ 30,744	\$ (2,394,496)
Interest and fiscal charges	1,892,537		(1,892,537)
Total Governmental Activities	<u>\$ 4,317,777</u>	<u>\$ 30,744</u>	<u>(4,287,033)</u>
General Revenues			
Tax increment			7,170,543
Investment income, unrestricted			496,762
Miscellaneous			6,963
Total General Revenues			<u>7,674,268</u>
Change in Net Assets			3,387,235
Net Assets - Beginning of Year, as Restated			<u>15,796,730</u>
Net Assets - End of Seven Months			<u>\$ 19,183,965</u>

City of Escondido Community Development Commission
Balance Sheet
Governmental Funds
January 31, 2012

	Special Revenue	Debt Service	Capital Projects	
	Low and Moderate Income Housing	Community Development Commission	Capital Projects Fund	Total
Assets				
Cash and investments	\$ 2,208,598	\$ 4,226,990	\$ 48,554	\$ 6,484,142
Cash and investments with fiscal agent		347,801		347,801
Receivables (net):				
Interest	4,518,311	26,013	308	4,544,632
Loans	39,918,567			39,918,567
Loans receivable from the City of Escondido			469,988	469,988
Land held for resale, at cost	2,600,477			2,600,477
Advances to other funds	3,399,292			3,399,292
Total Assets	\$ 52,645,245	\$ 4,600,804	\$ 518,850	\$ 57,764,899
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 13,751	\$ 4,455,844	\$	\$ 4,469,595
Accrued expenditures	13,375	1,522		14,897
Due to the City of Escondido		1,363,489		1,363,489
Deferred revenue	4,511,802			4,511,802
Advances from other funds		3,399,292		3,399,292
Total Liabilities	4,538,928	9,220,147		13,759,075
Fund Balances:				
Nonspendable:				
Loans	39,918,567		469,988	469,988
Land held for resale, at cost	2,600,477			2,600,477
Advances to other funds	3,399,292			3,399,292
Restricted:				
Low and moderate housing	2,187,981			2,187,981
Debt service		4,252,772		4,252,772
Community development			48,862	48,862
Unassigned		(8,872,115)		(8,872,115)
Total Fund Balances	48,106,317	(4,619,343)	518,850	44,005,824
Total Liabilities and Fund Balances	\$ 52,645,245	\$ 4,600,804	\$ 518,850	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, are not reported in the funds	39,346,722
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds	4,511,802
Long-term debt, including bonds payable, amortization, interest, and accretion, are not due and payable in the current period and therefore are not reported in the funds	
Principal payments	(66,654,872)
Interest payable	(904,038)
Premium on issuance of bond	(1,412,818)
Unamortized loss on refunding	281,681
Deferred bond issue costs	608,806
Issuance of long term liabilities	(599,142)
Net assets of governmental activities	\$ 19,183,965

City of Escondido Community Development Commission
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Seven Months Ended January 31, 2012.

	Special Revenue	Debt Service	Capital Projects	
	Low and Moderate Income Housing	Community Development Commission	Capital Projects Fund	Total
Revenues:				
Tax increment	\$ 2,618,351	\$ 10,473,405	\$	\$ 13,091,756
Lease income	30,744			30,744
Investment income	55,678	167	445	56,290
Miscellaneous	6,964			6,964
Total Revenues	<u>2,711,737</u>	<u>10,473,572</u>	<u>445</u>	<u>13,185,754</u>
Expenditures:				
Community development	762,776	58,818	2,438	824,032
Debt service:				
Principal retirements		8,320,000		8,320,000
Interest and fiscal charges		1,273,636		1,273,636
Agency tax sharing agreement		5,921,213		5,921,213
Total Expenditures	<u>762,776</u>	<u>15,573,667</u>	<u>2,438</u>	<u>16,338,881</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,948,961</u>	<u>(5,100,095)</u>	<u>(1,993)</u>	<u>(3,153,127)</u>
Other Financing Sources (Uses):				
Transfers in	300,000	285		300,285
Transfers out	(300,000)		(285)	(300,285)
Total Other Financing Sources (Uses)	<u>-</u>	<u>285</u>	<u>(285)</u>	
Net Change in Fund Balances	1,948,961	(5,099,810)	(2,278)	(3,153,127)
Fund Balances - Beginning of Year, as Restated	46,157,356	480,467	521,128	47,158,951
Fund Balances - End of Seven Months	<u>\$ 48,106,317</u>	<u>\$ (4,619,343)</u>	<u>\$ 518,850</u>	<u>\$ 44,005,824</u>
Amounts reported for governmental activities in the statement of net assets are different because:				
Net change in fund balances - total governmental funds				\$ (3,153,127)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays and retirements in the current period.				
				(1,596,009)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds				
				440,471
The issuance of long-term debt provides current financial resources of governmental funds while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are all deferred and amortized or accreted in the statement of activities. This amount is the net effect of those differences.				
Administrative expense				(5,200)
Principal expense				8,320,000
Interest and fiscal charges				55,343
Amortization expense				(75,101)
Issuance of long term liabilities				<u>(599,142)</u>
Change in net assets of governmental activities				<u>\$ 3,387,235</u>

City of Escondido Community Development Commission
Notes to the Basic Financial Statements
January 31, 2012

1. Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies of the City of Escondido Community Development Commission (Commission):

A. Reporting Entity - City of Escondido Community Development Commission

The Commission was established in 1984 and currently involves Civic Center development including a community theater, park and convention facilities. Other activities include providing housing financial assistance to increase and improve the community's supply of low and moderate-income housing. The original redevelopment plan is dated December 19, 1984 and has a life of 51 years.

The Commission is an integral part of the reporting entity of the City of Escondido (City). The funds of the Commission have been blended within the financial statements of the City because the City Council of the City of Escondido is the governing board of the Commission and exercises control over the operations of the Commission. The Commission does not have business-type activities and therefore only reports governmental activities. Only the funds of the Commission are included herein, therefore, these financial statements do not purport to represent the financial position or results of operations of the City of Escondido, California.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the Commission. For the most part, the effect of the interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Amounts paid to acquire capital assets are capitalized in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting entity are reported as a reduction of the related liability, rather than as expenditures.

The underlying accounting system of the Commission is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity and expenditures or expenses, as appropriate.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

1. Summary of Significant Accounting Policies (Continued)

Fund financial statements for the Commission's governmental funds are presented after the government-wide financial statements. These statements normally display information about major funds individually and non-major funds in the aggregate for governmental funds.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Basis of accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting wherein revenues are recorded when they are both earned and realized, regardless of the timing of the related cash flows.

Governmental fund statements are reported using the modified accrual basis of accounting wherein revenues are recognized as soon as they are both measurable and available as a resource to finance operations of the current year. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recorded when incurred except that interest on long-term debt is recorded as an expenditure on its due date.

Property taxes and interest income associated with the current fiscal period are accrued and recognized as revenues of the current fiscal period to the extent it is collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed non-exchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arise or when they are received, whichever occurs first. Government mandated and voluntary non-exchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Non-current portions of long-term receivables due to governmental funds are reported on the balance sheet in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered "available spendable resources" since they do not represent net current assets. Recognition of governmental fund type revenue represented by a non-current receivable are deferred until they become current receivables. Non-current portions of other long-term receivables are offset by nonspendable fund balance.

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

1. Summary of Significant Accounting Policies (Continued)

As a result of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as another financing source rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Tax increment revenue

The Commission has no power to levy and collect taxes, and any legislative property tax de-emphasis might necessarily reduce the amount of tax revenues that would otherwise be available to pay the principal of, and interest on loans from the City. Broadened property tax exemptions could have a similar effect. Conversely, any increase in the tax rate or assessed valuation, or any reduction or elimination of present exemptions would necessarily increase the amount of tax revenues that would be available to pay principal and interest on tax allocation bonds or loans from the Commission.

Tax increment levies attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments on December 10 and April 10. The County of San Diego (County) bills and collects the tax increment and remits them to the Commission in installments during the year. Tax increment revenues are recognized when levied to the extent that they result in current receivables. Due to the dissolution of the Commission as of January 31, 2012, the Commission only received tax increment related to the first installment.

The Commission reports the following major governmental funds:

The Low and Moderate Income Housing Special Revenue Fund is used to account for the 20% portion of the Commission's tax increment revenue that is required to be set aside for low and moderate income housing and related expenditures, and other specific revenue sources that are legally restricted for specified purposes.

The Community Development Commission Debt Service Fund is used to account for the payment of interest and principal on long-term debt, and the accumulation of resources thereof.

The Community Development Commission Capital Projects Fund is used to account for the financial resources used in developing the project areas as well as the capital expenditures incurred in sustaining Commission activities.

D. Assets, Liabilities, and Net Assets or Equity

Cash and investments

Investments are reported in the accompanying financial statements at fair value, except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

1. Summary of Significant Accounting Policies (Continued)

The Commission's cash and investments held by fiscal agents are pledged to the payment or security of certain long-term debt issuances. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of bonds, may be invested in accordance with the ordinance, resolutions or indentures specifying the types of investments its trustees or fiscal agents may make.

Cash and investments, except for cash and investments with fiscal agents, are pooled with other City of Escondido funds for investment purposes, with interest being allocated quarterly to all funds legally requiring allocation and to other various funds at the direction of management based on average month-end pooled funds cash and investment balances. Interest income for cash and investments excluded from pooled cash is credited directly to the related fund. Investment policies applicable to the Commission's funds are those of the City of Escondido and are included in the notes to the City's basic financial statements.

Land held for resale

Land acquired by the Commission and held for resale is recorded at cost unless market value is determined to be below cost.

Capital assets

Capital assets, which include property, plant, and equipment, of the Commission are reported in the governmental activities column in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are valued at the fair value of the assets on the date on which they were contributed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The Commission utilizes a capitalization threshold of \$5,000 - \$10,000 depending on asset type.

Depreciation is charged to operations using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	20-40 Years
Machinery and equipment	3-15 Years
Land improvements	5 Years

Employee leave benefits

Depending upon length of employment, Commission employees earn 12 to 27 vacation days a year. Sick leave is accrued at the rate of 12 days per year. Employees can carry forward to subsequent years two to three years worth of earned but unused vacation leave benefits depending on employee group. Upon termination, the Commission is obligated to compensate employees for all earned but unused vacation days. The earned but unused sick leave benefits are not payable in the event of employee termination. These benefits are considered to be contingent liabilities subject to the continuation of the employee relationship. Such sick leave benefits are therefore not recorded as liabilities in the accompanying financial statements.

In the government-wide financial statements, a liability is accrued for all earned but unused vacation leave benefits relating to the operations of the funds. This liability will be liquidated as either additional cash payments in the event of employee termination or as part of budgeted salary expenditures if used by employees as compensated leave time while still employed by the

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

1. Summary of Significant Accounting Policies (Continued)

Commission. In the fund financial statement governmental funds accrue current liabilities for material vacation leave benefits due on demand to governmental fund employees that have terminated prior to year-end. Non-current amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees.

Fund equity

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are not available for appropriation and restricted fund balance for amounts that are legally restricted by outside parties for use for a specific purpose. The Commission's Board of Directors adopts and amends committed fund balance amounts through a resolution. The Finance Director authorizes assigned amounts for specific purposes pursuant to the policy-making powers granted to him through a resolution.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted amounts to be used first, then unrestricted. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, they are considered to be spent in the order as follows: committed, assigned and then unassigned.

Use of estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. Stewardship, Compliance and Accountability

A. Budgetary Data

The Commission adopts an annual budget prepared on the modified accrual basis for the Special Revenue and Debt Service Funds. The Executive Director is required to prepare and submit to the Commission's Board of Directors the annual budget of the Commission and administer it after adoption. Any revisions that alter the total appropriations of the fund must be approved by the Board of Directors. Prior year appropriations lapse unless they are encumbered at year-end or re-appropriated through the formal budget process.

3. Cash and Investments

Cash and investments as of January 31, 2012, are classified in the accompanying financial statements as follows:

Statement of Net Assets:	
Cash and investments	\$ 6,484,142
Cash and investments with fiscal agent	<u>347,801</u>
Total cash and investments	<u>\$ 6,831,943</u>

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

3. Cash and Investments (Continued)

Cash and investments as of January 31, 2012, consisted of the following:

Equity in City investment pool	\$ 6,484,142
Investments	347,801
Total cash and investments	\$ 6,831,943

Equity in the Cash and Investment Pool of the City of Escondido

The Commission has no separate bank accounts or investments other than in equity investments held by fiscal agent (i.e. fiscal agent) and the Commission's equity in the cash and investment pool managed by the City of Escondido. The Commission is a voluntary participant in that pool. This pool is governed by and under the regulatory oversight of the investment policy adopted by the City Council of the City of Escondido. The Commission has not adopted an investment policy separate from that of the City of Escondido. The fair value of the Commission's investment in this pool is reported in the accompanying financial statements at amounts based upon the Commission's pro-rata share of the fair value calculated by the City for the entire City portfolio. The balance available for withdrawal is based on the accounting records maintained by the City, which are recorded on an original cost basis.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by fiscal agents are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Commission's investment policy. The table below identifies the investment types that are authorized for investments held by fiscal agent. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

Authorized Investment Types	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	360 days	20%	10%
Commercial Paper	270 days	15%	10%
Money Market Mutual Funds	N/A	20%	10%
Investment Contracts	30 years	None	None
Repurchase Agreements	None	None	None
State and Municipal Obligations	None	None	None
State and Pooled Investment Fund	None	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Commission manages exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

3. Cash and Investments (Continued)

Information about the Commission's exposure to interest rate risk as a result of its equity in the cash and investment pool of the City of Escondido is provided by disclosures in the notes to the basic financial statements of the City of Escondido that shows the distribution of the City's investments by maturity.

Information about the sensitivity of the fair values of the Commission's investments held by fiscal agent to market interest rate fluctuations is provided by the following table that shows the distribution of these investments by maturity:

Investment Type	Remaining Maturity (in Months)				Total
	18 Months or Less	18 to 42 Months	42-66 Months	More Than 66 Months	
Held by fiscal agents:					
Money market funds	\$ 347,801	\$	\$	\$	\$ 347,801
Total	<u>\$ 347,801</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 347,801</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, or debt agreements, and the actual rating as of year end for each investment type:

Investment Type	Total	Minimum Legal Rating	Exempted From Disclosure	Rating as of Year End	
				AAA	Not Rated
Held by fiscal agent:					
Money market funds	\$ 347,801	N/A	\$	\$ 347,801	\$
Total	<u>\$ 347,801</u>		<u>\$</u>	<u>\$ 347,801</u>	<u>\$</u>

Concentration of Credit Risk

There are no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and investment pools) that represent 5% or more of total investments for the entire entity (or for each separate major fund or for nonmajor funds in the aggregate).

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

3. Cash and Investments (Continued)

Custodial Credit Risk

The Commission does not have significant certificates of deposit or demand accounts held by fiscal agent that are subject to disclosable custodial credit risk (as defined by GASB Statement No. 40). The Commission does not have direct investments in securities subject to disclosable custodial credit risk (as defined by GASB Statement No. 40).

For the investments held by fiscal agent, the fiscal agent selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

4. Loan Receivables

The Commission has entered into agreements with the City of Escondido and various other parties to establish low and moderate income housing loans. At January 31, 2012, the outstanding loans receivables \$39,918,567.

Loans given to developers and non-profits	\$	29,133,540
Mobile home loan program		3,972,066
First-time homebuyer program		6,437,683
HOME loans		375,000
Various loans		<u>278</u>
 Total loans receivable	 \$	 <u><u>39,918,567</u></u>

5. Interfund Transfers and Advances

Interfund Transfers

Transfers Out:	Transfers In:		Totals
	Special Revenue Low and Moderate Income Housing	Debt Service Funds	
Special Revenue Funds:			
Low and Moderate Income Housing	\$ 300,000	\$	\$ 300,000
Capital Projects Fund		285	285
	<u>\$ 300,000</u>	<u>\$ 285</u>	<u>\$ 300,285</u>

Interfund transfers were primarily used to move receipts to the Community Development Commission Housing Capital Project Fund from the Low and Moderate Income Housing Fund to fund the Mobile Home Rental Subsidy and Apartment Rental Subsidy programs.

Interfund Advances:

Advance To:	Advance From: Low and Moderate Income Housing
Community Development Commission Debt Service Fund	<u>\$ 3,399,292</u>

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

5. Interfund Transfers and Advances (Continued)

The Low and Moderate Income Housing Fund entered into non-interest bearing agreements with the Community Development Commission Debt Service Fund for advances totaling \$3,399,292 for the Educational Revenue Augmentation Fund payments made for fiscal years 2003-2004 through 2005-2006.

6. Capital Assets

Changes in capital assets during the seven months ended January 31, 2012, were as follows:

	Balance at July 1, 2011	Increases	Decreases	Balance at January 31, 2012
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,766,714	\$	\$	\$ 2,766,714
Capital assets, being depreciated:				
Land improvements	139,295			139,295
Buildings and improvements	82,080,470			82,080,470
Machinery and equipment	276,473			276,473
Total capital assets, being depreciated	82,496,238			82,496,238
Less accumulated depreciation:				
Land improvements	(139,295)			(139,295)
Buildings and improvements	(43,904,453)	(1,596,009)		(45,500,462)
Machinery and equipment	(276,473)			(276,473)
Total accumulated depreciation	(44,320,221)	(1,596,009)		(45,916,230)
Total capital assets, being depreciated, net	38,176,017	(1,596,009)		36,580,008
Governmental activities capital assets, net	\$ 40,942,731	\$ (1,596,009)	\$	\$ 39,346,722

Depreciation of \$1,596,009 was charged to community development.

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

7. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the seven months ended January 31, 2012:

	Balance at July 1, 2011	Additions/ Accretion	Deletions	Balance at January 31, 2012	Due within One Year	Due Beyond One Year
Tax Allocation Bonds:						
January 1992	\$ 4,033,735	\$ 151,388	\$	\$ 4,185,123	\$ 2,240,000	\$ 4,185,123
Lease Revenue Bonds:						
December 2001	2,580,000		(2,580,000)			
January 2007A	34,005,000		(4,045,000)	29,960,000	4,735,000	25,225,000
January 2007B	13,995,000		(1,695,000)	12,300,000	1,980,000	10,320,000
Advances from City of Escondido	15,008,293	447,754		15,456,047		15,456,047
Loans payable	5,300,000			5,300,000		5,300,000
Employee leave benefits payable	47,644	25,956	(20,756)	52,844	5,284	47,560
Totals	\$ 74,969,672	\$ 625,098	\$ (8,340,756)	67,254,014	\$ 8,960,284	\$ 60,533,730
				Unamortized bond premium 1,412,818		
				Unamortized loss on refunding (281,681)		
				Totals		
				\$ 68,385,151		

Tax Allocation Bonds:

In January 1992, the Escondido Joint Powers Financing Authority issued \$35,986,152 Revenue Bonds Series 1992 for the purpose of making a loan to the Commission. In December 2001, the Commission issued \$22,420,000 Revenue Bonds to advance refund \$23,585,000 of the bonds. The remaining bonds consist of capital appreciation bonds in the initial amounts of \$612,259 and \$568,893 due on September 1, 2012 and September 1, 2013, respectively, in the accreted amounts of \$2,240,000 each. The outstanding balance at January 31, 2012, includes \$2,982,151 of accreted value of the capital appreciation bonds. The outstanding balance at January 31, 2012, is \$4,185,123.

Lease Revenue Bonds

In December 2001, the Commission issued \$22,420,000 of Lease Revenue Bonds to refund \$22,005,000 of the 1992 Certificates of Participation which were issued to refund certain certificates of participation originally issued by the City of Escondido in 1986 to finance a portion of the construction of the City Hall. The Bonds are due in annual installments from 2002 through 2011, with interest rates ranging from 3% to 3.7% and annual installments of \$1,970,000 to \$2,580,000. The outstanding balance was paid in full at January 31, 2012.

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

7. Long-Term Liabilities (Continued)

In January 2007, the Escondido Joint Powers Financing Authority issued \$40,025,000 2007A Lease Revenue Refunding Bonds and \$16,525,000 2007B Taxable Lease Revenue Refunding Bonds to refund the 1995 Certificates of Participation (COP) Lease Revenue Bonds, originally issued in the principal amount of \$51,385,757 to provide financing for the Civic Center construction project. As a result, the 1995 COP is considered to be defeased and the respective liability has been removed from the statement of net assets.

The 2007A Lease Revenue Refunding Bonds bear interest rates between 3.75% to 5% payable semiannually on March 1 and September 1 of each year. The 2007A Lease Revenue Refunding Bonds mature between September 1, 2009 and September 1, 2018, in amounts ranging from \$2,205,000 to \$5,025,000. The 2007B Taxable Lease Revenue Refunding Bonds mature on September 1, 2018 at 5.53% rate. The 2007B bonds are subject to mandatory redemption from a sinking fund account in amounts ranging from \$930,000 to \$2,045,000 commencing September 1, 2009. Both 2007A and 2007B bonds are subject to mandatory redemption as a whole or in part on any date without premium, from unused insurance or condemnation proceed as described in the bond covenants. The reserve for 2007A and 2007B bonds was in the form of a surety bond and is fully funded. The outstanding balance at January 31, 2012, is \$42,260,000. Unamortized bond premium and loss on defeasance was \$1,412,818 and \$281,681, respectively, at January 31, 2012. Unamortized bond deferred charges were \$608,806 at January 31, 2012.

Employee Leave Benefits Payable

The Commission's policies relating to employee leave benefits are described in Note 1. This liability will be paid in future years from future resources primarily from the Low and Moderate Income Housing Fund. The balance at January 31, 2012, is \$52,844.

Advances from the City of Escondido

The Commission and the City have entered into a cooperative agreement to loan the Commission monies for general operations and authorized development activities. The agreement specifies that the loan will be reimbursed to the City from whatever revenues the Commission possesses, or is entitled to, including future tax increment funds. Interest was accrued at 6.78% per annum through February 1989, on funds the Commission expended for authorized purposes. Subsequent to February 1989, the interest accrued to the City was one percent plus the average annual AA Municipal General Obligation Bond rate for a twenty-year bond. The balance at January 31, 2012, including accrued unpaid interest of \$10,335,241 is \$15,456,047.

Loans Payable

In 2002, 2004, 2006 and 2008, the Commission of the City of Escondido received loans from the California Housing Finance Agency. The proceeds of the loans were used to finance the property acquisitions for the projects of Washington Plaza Apartments, Trinity Apartments, Brotherton, Las Ventanas, and SoCal Housing. The term of the loans are ten years with an annual interest rate of 3%. Payment is deferred for the term of the loans. The balance at January 31, 2012, is \$5,300,000.

Debt to Maturity Schedule

The annual requirements to amortize the tax allocation bonds and the lease revenue bonds, including accreted values, are as follows (in thousands):

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

7. Long-Term Liabilities (Continued)

Year Ending June 30	Bonds*		Revenue Bonds	
	Principal	Interest	Principal	Interest
2013	\$ 2,240	\$	\$ 6,715	\$ 2,000
2014	2,240		3,475	1,742
2015			5,785	1,503
2016			6,085	1,198
2017			6,400	876
2018-2019			13,800	720
Total	<u>\$ 4,480</u>	<u>\$</u>	<u>\$ 42,260</u>	<u>\$ 8,039</u>

*The above totals include capital appreciation of \$294,877 that will be accrued in future years.

Pledged Revenue

The Commission has outstanding debt issuances that are collateralized by pledged tax increment revenue. The term of the commitment of pledged revenues and the purposes for which the proceeds of these debt issuances were utilized are disclosed in the debt descriptions provided herein. The amount of the remaining commitment of the pledge is equal to the amount of the remaining debt service to maturity of the related debt issuances as disclosed above. For the current year, debt service payments as a percentage of the pledged revenue is indicated in the table below.

Description of Pledged Revenue	Annual Amount of Pledged Revenue (net of expenses, where required)	Annual Debt Service Payments (of all debt secured by this revenue)	Debt Service as a Percentage of Pledged Revenue
Tax increment revenue	\$ 4,552,192	\$	0%
Loan repayment revenue	10,665,187	10,665,187	100%

Prior Year Defeasance of Long-Term Debt

In prior years, the Commission defeased certain certificates of participation and tax allocation bonds by placing the proceeds of refunding the debt issues in an irrevocable trust to provide for all future debt service payments on the old debt issues. Accordingly, the trust account assets and the liability for the defeased debt issues are not included in the Commission's financial statements. As of January 31, 2012, \$4,095,000 of bonds outstanding are considered defeased.

City of Escondido Community Development Commission
Notes to the Basic Financial Statements (Continued)
January 31, 2012

8. Insurance

The Commission is covered under the City of Escondido's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City of Escondido also apply to the Commission. Additional information as to coverage and self-insured retentions can be obtained by contacting the City.

9. California Redevelopment Agency Dissolution

On July 18, 2011, the California Redevelopment Association ("CRA") and the League of California Cities ("League") filed a petition for writ of mandate with the California Supreme Court, requesting the Court to declare unconstitutional two bills that were passed as part of the 2011-12 State Budget, AB X1 26 and 27 (*California Redevelopment Association v. Matosantos*). AB X1 26 dissolves redevelopment agencies effective October 1, 2011. AB X1 27 gave redevelopment agencies an option to avoid dissolution if it commits to making defined payments for the benefit of the State, school districts and certain special districts. In 2011-12, these payments amounted to a state-wide total of \$1.7 billion. In 2012-13 and subsequent years, the payments totaled \$400 million, annually. Each city or county's share of these payments was determined based on its proportionate share of state-wide tax increment.

On August 17, 2011 the Supreme Court issued a stay of the implementation of AB X1 26 and 27 which allowed a redevelopment agency to continue if it adopted an AB X1 27 ordinance. However, because of the effect of the stay order, the authority for the Commission to engage in most activities was suspended.

The Supreme Court heard oral arguments on November 10, 2011 and on December 29, 2011 announced its decision in *California Redevelopment Association v. Matosantos*. The court upheld AB X1 26 which dissolves redevelopment agencies, but invalidated in its entirety AB X1 27 which allowed redevelopment agencies to continue as long as they made the required payments. AB X1 26 established deadlines for the process of Redevelopment Agency dissolution and the handling of existing obligations. The full text of AB X1 26 may be obtained from the California legislative information website maintained by the Legislative Counsel of the State of California at: <http://www.leginfo.ca.gov/bilinfo.html>.

As of January 31, 2012 the redevelopment activities of the Commission have been dissolved and the City of Escondido has elected to become the Successor Agency. The Successor Agency will be responsible for winding down the remaining activities of the dissolved Commission.

10. Subsequent Event

On April 20, 2012, pursuant to Health and Safety Code Section 34167.5, the California State Controller issued an order to Cities, Counties, and Agencies, directly or indirectly receiving assets from a redevelopment agency after January 1, 2011, to reverse the transfer and return assets to successor agency. The California State Controller will specifically review and audit cities, counties, and public agencies to ensure that all applicable asset transfers have been reversed. Any reversals of transfers are not reflected in the Agency's financial statements as of January 31, 2012. Upon the Controller's review, any assets, if applicable, would be transferred to the Successor Agency in accordance with the order.

11. Fund Balance and Net Asset Restatements

Fund Balance and Net assets were restated by \$1,012,355 to reflect the transfer of federal grant funds out of the Special Revenue Low and Moderate Income Housing Fund.

SUPPLEMENTARY INFORMATION

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City of Escondido Community Development Commission
Combining Balance Sheet
Redevelopment Special Revenue Funds
January 31, 2012

	<u>Low and Moderate Income Housing</u>	<u>Mobile Home Park Operations</u>	<u>Housing Capital Project Fund</u>	<u>Total</u>
<u>Assets</u>				
Cash and investments	\$ 1,889,479	\$ 31,941	\$ 287,178	\$ 2,208,598
Receivables (net):				
Interest	4,517,941	44	326	4,518,311
Loans	39,918,288	279		39,918,567
Land held for resale, at cost	2,438,712		161,765	2,600,477
Advances to other funds	3,399,292			3,399,292
Total Assets	<u>\$ 52,163,712</u>	<u>\$ 32,264</u>	<u>\$ 449,269</u>	<u>\$ 52,645,245</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 69	\$ 13,682	\$	\$ 13,751
Accrued expenditures	13,375			13,375
Deferred revenue	4,511,802			4,511,802
Total Liabilities	<u>4,525,246</u>	<u>13,682</u>		<u>4,538,928</u>
Fund Balances:				
Nonspendable:				
Loans	39,918,288	279		39,918,567
Land held for resale, at cost	2,438,712		161,765	2,600,477
Advances to other funds	3,399,292			3,399,292
Restricted:				
Low and moderate housing	1,882,174	18,303	287,504	2,187,981
Total Fund Balances	<u>47,638,466</u>	<u>18,582</u>	<u>449,269</u>	<u>48,106,317</u>
Total Liabilities and Fund Balances	<u>\$ 52,163,712</u>	<u>\$ 32,264</u>	<u>\$ 449,269</u>	<u>\$ 52,645,245</u>

City of Escondido Community Development Commission
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Redevelopment Special Revenue Funds
For the Seven Months Ended January 31, 2012

	Low and Moderate Income Housing	Mobile Home Park Operations	Housing Capital Project Fund	Total
Revenues:				
Tax increment	\$ 2,618,351	\$	\$	\$ 2,618,351
Lease income		30,744		30,744
Investment income	56,599	(53)	(868)	55,678
Miscellaneous	6,964			6,964
Total Revenues	<u>2,681,914</u>	<u>30,691</u>	<u>(868)</u>	<u>2,711,737</u>
Expenditures:				
Community development	<u>572,742</u>	<u>12,674</u>	<u>177,360</u>	<u>762,776</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,109,172</u>	<u>18,017</u>	<u>(178,228)</u>	<u>1,948,961</u>
Other Financing Sources (Uses):				
Transfers in			300,000	300,000
Transfers out	<u>(300,000)</u>			<u>(300,000)</u>
Total Other Financing Sources (Uses)	<u>(300,000)</u>		<u>300,000</u>	
Net Change in Fund Balances	1,809,172	18,017	121,772	1,948,961
Fund Balances -				
Beginning of Year, as Restated	<u>45,829,294</u>	<u>565</u>	<u>327,497</u>	<u>46,157,356</u>
Fund Balances - End of Seven Months	<u>\$ 47,638,466</u>	<u>\$ 18,582</u>	<u>\$ 449,269</u>	<u>\$ 48,106,317</u>

City of Escondido Community Development Commission
Combining Balance Sheet
Redevelopment Debt Service Funds
January 31, 2012

	Redevelopment Housing Debt Service	Redevelopment CDC Debt Service	Total
<u>Assets</u>			
Cash and investments	\$ 4,226,990	\$	\$ 4,226,990
Cash and investments with fiscal agent		347,801	347,801
Receivables (net):			
Interest	25,782	231	26,013
Total Assets	<u>\$ 4,252,772</u>	<u>\$ 348,032</u>	<u>\$ 4,600,804</u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	\$	\$ 4,455,844	\$ 4,455,844
Accrued expenditures		1,522	1,522
Due to the City of Escondido		1,363,489	1,363,489
Advances from other funds		3,399,292	3,399,292
Total Liabilities		<u>9,220,147</u>	<u>9,220,147</u>
Fund Balances:			
Restricted:			
Debt service	4,252,772		4,252,772
Unassigned		(8,872,115)	(8,872,115)
Total Fund Balances	<u>4,252,772</u>	<u>(8,872,115)</u>	<u>(4,619,343)</u>
Total Liabilities and Fund Balances	<u>\$ 4,252,772</u>	<u>\$ 348,032</u>	<u>\$ 4,600,804</u>

City of Escondido Community Development Commission
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Redevelopment Debt Service Funds
For the Seven Months Ended January 31, 2012

	Redevelopment Housing Debt Service	Redevelopment CDC Debt Service	Total
Revenues:			
Tax increment	\$	\$ 10,473,405	\$ 10,473,405
Investment income	62,938	(62,771)	167
Total Revenues	<u>62,938</u>	<u>10,410,634</u>	<u>10,473,572</u>
Expenditures:			
Community development		58,818	58,818
Debt service:			
Principal retirements		8,320,000	8,320,000
Interest and fiscal charges		1,273,636	1,273,636
Agency tax sharing agreement		5,921,213	5,921,213
Total Expenditures		<u>15,573,667</u>	<u>15,573,667</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>62,938</u>	<u>(5,163,033)</u>	<u>(5,100,095)</u>
Other Financing Sources (Uses):			
Transfers in		285	285
Total Other Financing Sources (Uses)		<u>285</u>	<u>285</u>
Net Change in Fund Balances	62,938	(5,162,748)	(5,099,810)
Fund Balances - Beginning of Year	<u>4,189,834</u>	<u>(3,709,367)</u>	<u>480,467</u>
Fund Balances - End of Seven Months	<u>\$ 4,252,772</u>	<u>\$ (8,872,115)</u>	<u>\$ (4,619,343)</u>



Esccondido Creek

CITY OF ESCCONDIDO • CALIFORNIA

**CITY OF ESCONDIDO SUCCESSOR AGENCY
DRAFT FINANCIAL STATEMENTS
JUNE 30, 2012**

	Successor Agency	Future Council Action	Ending Balances June 30, 2012
Assets			
Cash and investments	2,575,661	13,259,255	15,834,917
Restricted Cash	347,641		347,641
Receivable from Palomar	1,556,074		1,556,074
Advances - Parking Lot Loan	469,988		469,988
Capital assets, net	39,346,722		
Quince Street		6,740,745	
Total Capital assets, net			46,087,467
Total Assets	44,296,086	20,000,000	64,296,086
Liabilities:			
Accounts payable - Tax Sharing Agreement	3,643,095		3,643,095
Accounts payable - AB1484 Due to County	10,145,052		10,145,052
Advances from City of Escondido	15,456,047	20,000,000	35,456,047
Advances from other funds	3,399,292		3,399,292
Long term debt	52,929,104		52,929,104
Total Liabilities	85,572,590	20,000,000	105,572,590
Revenues:			
Tax increment	10,473,405		10,473,405
Payment from County	5,018,229		5,018,229
Palomar loan payment	1,556,074		1,556,074
Miscellaneous	(62,820)		(62,820)
Total Revenues	16,984,888	-	16,984,888
Expenditures:			
Community development	94,392		94,392
Residual Balance owed to County	10,145,052		10,145,052
Debt service:			
Principal retirements	8,320,000		8,320,000
Interest and fiscal charges	2,809,035		2,809,035
Agency tax sharing agreement	5,113,997		5,113,997
Total Expenditures	26,482,477	-	26,482,477
Net Change in Fund Balances	(9,497,590)	-	(9,497,590)



JOHN CHIANG
California State Controller

April 20, 2012

Successor Agency/City
County Auditor-Controller
All Other Public Agencies in California (including Economic Development Corporations and
Joint Powers Authorities)

Re: Order to Reverse RDA Asset Transfer Pursuant to Health and Safety Code Section 34167.5

Dear City, County, or Public Agency:

Pursuant to Health and Safety Code section 34167.5, the Controller is reviewing the activities of redevelopment agencies in the state to determine whether an asset transfer has occurred after January 1, 2011, between the city or county, or city and county that created a redevelopment agency or any other public agency, and the redevelopment agency.

If your city, county or agency, directly or indirectly, received any assets from a redevelopment agency after January 1, 2011, your city, county, or agency hereby is ordered to immediately reverse the transfer and return the applicable assets to the successor agency of the relevant redevelopment agency.

This order applies to all assets, including, but not limited to, real and personal property, cash funds, accounts receivable, deeds of trust and mortgages, contract rights and any rights to payment of any kind. Under Health and Safety Code section 34167.5, this order applies in all situations except if your city, county, or agency has, prior to June 28, 2011, contractually committed to a third party for an expenditure or encumbrance of a specific asset. This order directly applies to economic development corporations, joint powers authorities, or other public agencies that received assets, directly or indirectly, from a redevelopment agency after January 1, 2011.

In the coming weeks, the Controller will specifically review and audit cities, counties, and public agencies to ensure that all applicable asset transfers have been reversed. If you have any question as to whether a particular asset must be returned, you should place such assets into a reserve pending our review.

Thank you for your cooperation.

Sincerely,
Original signed by:

JOHN CHIANG
California State Controller

Schedule of Economic Development Reserve

The \$20 Million partial payment of the debt owed by the Commission to the City of Escondido on February 16, 2011 has been utilized by the City for the following:

PURCHASE DATE	DESCRIPTION	AMOUNT
	Partial Repayment	20,000,000.00
6/21/2011	455 & 525 N Quince St	(6,740,744.82)
	Façade & Property Improvement Program	(500,000.00)
	Economic Development Master Plan	(96,330.00)
	Pre-approved Street Closure Traffic Control Plans	<u>(20,000.00)</u>
		<u>(616,330.00)</u>
	Balance at 06/30/2012	12,642,925.18
	Funded by Other Source	<u>616,330.00</u>
	Amount owed to Successor Agency	13,259,255.18

UPDATE ON THE DISSOLUTION OF REDEVELOPMENT AGENCY
ATTACHMENT 8



County of San Diego

DONALD F. STEUER
CHIEF FINANCIAL OFFICER
(619) 531-5413
FAX (619) 531-5219

AUDITOR AND CONTROLLER
1600 PACIFIC HIGHWAY STE 166, SAN DIEGO, CALIFORNIA 92101-2478

TRACY M. SANDOVAL
ASST. CHIEF FINANCIAL OFFICER/
AUDITOR & CONTROLLER
(619) 531-5413
FAX (619) 531-5219

July 9, 2012

Gilbert Rojas
City of Escondido
201 North Broadway
Escondido, CA 92025-2798

Dear Mr. Rojas:

DEMAND FOR PAYMENT PURSUANT TO AB 1484

Pursuant to Health and Safety (H&S) Code Section 34183.5(b)(2)(A), our office has determined the residual balance that your agency must remit for allocation to affected taxing entities no later than **July 12, 2012**, is as follows:

Tax Increment (Nov 2011 to Jan 2012)	\$13,094,122.63
Service Fee	(\$7,318.47)
Pass-through payment	(\$1,814,518.00)
DOF approved Max RPTTF (Exhibit 12 column E)	(\$1,127,234.00)
Residual Balance	\$10,145,052.16

The DOF approved RPTTF amount above is based on Exhibit 12 as updated on July 6, 2012 at 5:00 p.m. Our office will send a revised letter if the DOF makes any revisions to Exhibit 12.

We will accept remittances via wire transfer (wiring instructions attached) or a warrant. Please notify us immediately which payment method your agency will utilize. If your agency chooses to send a warrant, please send it to the address below **and** also send an electronic copy of the warrant to PTS.FGG@sdcounty.ca.gov.

Please send warrant to:

County of San Diego
Auditor and Controller
Property Tax Services
1600 Pacific Highway, Room 077
San Diego, CA 92101-2478

Demand for Payment Pursuant to AB 1484
Page Two
July 9, 2012

Please be advised that in accordance with H&S 34183.5(b)(2)(C), failure to make this payment by **July 12, 2012** will result in civil penalties for your agency and the City. Additionally, if full payment is not received by July 12, 2012, your agency is prohibited from making payments for obligations, other than bond debt service; and the City will not receive its distribution of sales and use tax beginning July 18, 2012.

If you have any questions, please contact Nenette de Jesus or Juan Perez of Property Tax Services at (619) 531-5399.

Sincerely,



TRACY M. SANDOVAL
Auditor and Controller/Assistant Chief Financial Officer

PTS:JP:ge

Attachment

RESOLUTION NO. 2012-132(R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, RETURNING A PARTIAL REPAYMENT OF A CDC LOAN AND REVERSING THE TRANSFER OF CERTAIN REAL PROPERTY AND AUTHORIZING PAYMENT OF RESIDUAL BALANCE OF PROPERTY TAXES BE MADE TO THE COUNTY OF SAN DIEGO

WHEREAS, Assembly Bill 1484 was recently adopted by the State of California adding provisions regarding the dissolution of Redevelopment Agencies; and

WHEREAS, pursuant to Health and Safety Code Section 34183.5(b)(2)(A) a Demand Payment was made by the County of San Diego; and

WHEREAS, on February 16, 2011, the Community Development Commission ("CDC") adopted CDC Resolution 2011-04 authorizing a \$20 million dollar payment on an approximate total loan balance of \$32,602,134 made by the City to the CDC since the inception of the Redevelopment Agency; and

WHEREAS, it is the intention of the City Council of the City of Escondido to return the remaining cash funds of \$13,259,255.18 and property purchased with such funds with a value of \$6,740,744.82 and all other real properties transferred to the City by CDC Resolution No. 2011-04, and thereby attempt to comply with AB 1484.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That a cash payment in the amount of \$13,259,255.18 and Real Property located at 455 and 525 N. Quince Street with a value of \$6,740,744.82, be returned to the Redevelopment Successor Agency, representing a reversal of the 20 million dollar loan repayment.
3. That a \$10,145,052.16 "Residual Balance" payment be made to the County of San Diego

RESOLUTION NO. 2012-133(R)

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
MODIFYING THE CITY OF ESCONDIDO
FUND BALANCE POLICY GENERAL FUND
RESERVE AND ECONOMIC DEVELOPMENT
COMMITMENT OF FUND BALANCE FOR
THE GENERAL FUND AND OTHER CITY
FUNDS

WHEREAS, the Governmental Accounting Standards Board ("GASB") has issued its Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions with the intent of improving financial reporting by providing fund balance categories that will be more easily understood; and

WHEREAS, the City Council of the City of Escondido has adopted Resolution No. 2012-88, the Fund Balance Policy; and

WHEREAS, the Fund Balance Policy provides that the City Council may commit funds for specific purposes by taking formal action and these committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same formal action to establish the commitment; and

WHEREAS, the Finance Director has recommended to the City Council that the General Fund Economic Development Commitment of General Fund balance of \$13,259,255.18 be uncommitted and returned to the Redevelopment Successor Agency representing a reversal of the 20 million dollar loan repayment; and

WHEREAS, the City Council has determined that the General Fund Economic Development Commitment of General Fund balance of \$13,259,255.18 be

uncommitted and returned to the Redevelopment Successor Agency representing a reversal of the 20 million dollar loan repayment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the City Council hereby adopts the modified attached Fund Balance Policy presented in Exhibit "A", attached to this Resolution and incorporated by this reference.
3. That the City Council hereby establishes and approves the General Fund Economic Development Commitment of General Fund balance of \$13,259,255.18 be uncommitted and returned to the Redevelopment Successor Agency representing a reversal of the 20 million dollar loan repayment.

City of Escondido Fund Balance Policy

Purpose

This Fund Balance Policy establishes the procedures for reporting unrestricted fund balance in the General Fund financial statements. Certain commitments and assignments of fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. The policy also authorizes and directs the Finance Director to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Procedures

Fund Balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent:

- Nonspendable fund balance (inherently nonspendable)
- Restricted fund balance (externally enforceable limitations on use)
- Committed fund balance (self-imposed limitations on use)
- Assigned fund balance (limitation resulting from intended use)
- Unassigned fund balance (residual net resources)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. An example of nonspendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This policy is focused on financial reporting of unrestricted fund balance, or the last three components listed above. These three components are further defined below.

Committed Fund Balance

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment, a resolution. City Council action to commit fund balance needs to occur within the fiscal reporting period; however, the amount can be determined subsequently. The following will be classified as committed fund balance.

General Fund

Reserve

The City will commit the remaining fund balance in the General Fund at year end in order to maintain adequate levels of fund balance to mitigate current and future risks and to adequately provide for cash flow requirements and contingencies for unseen operating or capital needs the City. The Reserve balance is available to fund one-time unanticipated expenditure requirements, local disasters, or when actual revenue received is less than the amount budgeted resulting in an operating deficit in the General Fund.

When Reserve Funds are used the method for replenishing deficiencies including the source of funding and time period for replenishment to occur will be defined in the resolution.

The City Council may, by the affirming vote of three members, change the amount of this commitment and/or specific use of these funds.

Special Revenue Funds

Center for the Arts

The City will commit that portion of fund balance derived from charges for services generated from Arts Center Activities for the operations of the California Center for the Arts.

Parks & Recreation

The City will commit that portion of fund balance received from operating activities of City facilities (charges for services) for the operation of City parks and recreation facilities.

Reidy Creek Golf Course Fund

The City will commit that portion of fund balance received from operating activities of the golf course (charges for services) for the operation of the Reidy Creek Golf Course.

Vehicle Parking District

The City will commit that portion of fund balance provided by parking permit revenues for the maintenance and operation of City-owned public parking lots.

Ryan Trust

The City will commit monies received from the Frances B. Ryan Trust, which was established to create the Pioneer Room, a historical perspective of Escondido, to provide financing for its ongoing operation.

Hegyí Trust

The City will commit Funds received for the Hegyi Family Trust to be used to recognize library volunteers.

Assigned Fund Balance

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance.

This policy hereby delegates the authority to assign amounts to be used for specific purposes to the Finance Director for the purpose of reporting these amounts in the annual financial statements. A few examples of assigned fund balance follow.

Continuing Appropriations

Fund balance levels must be sufficient to meet funding requirements for projects approved in prior years and which must be carried forward into the new fiscal year.

Debt Service

Established to provide for future debt service obligations

Unassigned Fund Balance

These are residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories.

Fund Balance Classification

The accounting policies of the City consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

This policy is in place to provide a measure of protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54.



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. 2003-_____ File No. _____

Ord No. 2003-_____

Agenda Item No.: 14
Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Sheryl Bennett, Human Resources Director
Cindy Titgen, Benefits and Workers' Compensation Manager

SUBJECT: Amendment to California Public Employees' Retirement System (CalPERS) Contract to Provide Section 20475 (Different Level of Benefits), Section 21362 (2% at age 50), and Section 20037 (Three-Year Final Compensation) for Local Police Safety Employees

RECOMMENDATION:

Approval of a Resolution of Intention No. 2012-131 and the initial reading of Ordinance No. 2012-16 to amend the CalPERS contract to provide a second-tier level of benefits for employees hired after adoption of the 2% at 50 retirement benefit calculation and a three-year final compensation calculation for local Police Safety employees.

FISCAL ANALYSIS:

Decreases in the City's CalPERS employer rate will occur as employees are hired into the Second Tier. Accordingly, budget reduction for the Police Department will be realized in future years.

BACKGROUND:

On June 27, 2012, City Council adopted Resolution No. 2012-121 approving negotiated changes to the Sworn Police Memorandum of Understanding (MOU). Part of the MOU agreement included an agreement to provide a second-tier of pension benefits for local Police Safety employees employed after the date of an amendment to the CalPERS contract. The CalPERS pension benefit would be reduced from 3% at 50 to 2% at 50 (Section 21362) and the final compensation calculation would be reduced from a one-year to a three-year final compensation calculation (Section 20037).

Approval of the Resolution of Intention No. 2012-131 and initial reading of the Ordinance No. 2012-16 is the first step in the process to amend the CalPERS Contract. The City is required to certify its action and its compliance with Government Code Section 7507 (Disclosure of future annual cost increase or change). Once the City certifies its action, and at least 20 days has elapsed, the final

Amendment to CalPERS Contract
July 25, 2012
Page 2

step of the process is a second reading and adoption of Ordinance 2012-16, which is scheduled for August 15, 2012. The effective date of the CalPERS amendment is September 16, 2012, which is the first day of the payroll following thirty (30) days following the adoption of Ordinance No. 2012-16.

Therefore, staff requests approval of a Resolution of Intention No. 2012-131 and the initial reading of Ordinance No. 2012-16 to amend the CalPERS contract for local Police Safety employees to provide Section 20475 (Different Level of Benefits), Section 21362 (2% at 50), and Section 20037 (Three-Year Final Compensation) effective September 16, 2012.

Respectfully submitted,



Sheryl Bennett
Director of Human Resources



Cindy Titgen
Benefits & Workers' Compensation Manager

RESOLUTION NO. 2012-131

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA, OF
ITS INTENTION TO APPROVE AN AMENDMENT
TO THE CONTRACT BETWEEN THE BOARD
OF ADMINISTRATION OF THE CALIFORNIA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE CITY OF ESCONDIDO FOR LOCAL
POLICE MEMBERS

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement system by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 20475 (Different Level of Benefits), Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) for local fire members entering membership for the first time in the fire classification after the effective date of this amendment to contract.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California:

1. That the above recitations are true.
2. That the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the

Board of Administration of the Public Employees' Retirement system, a copy of said amendment being attached hereto, as "Exhibit A" and by this reference made a part hereof.



EXHIBIT "A"

Page 1 of 6

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Escondido

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective November 1, 1958, and witnessed August 6, 1958, and as amended effective August 1, 1964, December 1, 1968, July 1, 1973, January 1, 1974, February 7, 1975, July 1, 1977, November 1, 1978, August 1, 1980, July 1, 1982, June 28, 1987, December 25, 1988, June 25, 1989, May 27, 1990, January 1, 1991, June 1, 1991, October 9, 1993, January 20, 1996, May 25, 1996, January 2, 1998, July 12, 1998, July 11, 1999, January 9, 2000, November 12, 2000, June 24, 2001, September 26, 2004, July 1, 2007 and May 27, 2012 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 17 are hereby stricken from said contract as executed effective May 27, 2012, and hereby replaced by the following paragraphs numbered 1 through 17 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 60 for local miscellaneous members and age 50 for local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after November 1, 1958 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
 - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.
 - (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.
 - (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.

- (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
- a. Local Fire Fighters (herein referred to as local safety members)
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
- a. **PROGRAM PERSONNEL HIRED ON OR AFTER JULY 1, 1973;
AND**
 - b. **BUS DRIVERS HIRED ON OR AFTER FEBRUARY 7, 1975.**
6. Prior to January 1, 1975, those members who were hired by Public Agency on a temporary and/or seasonal basis not to exceed 6 months were excluded from PERS membership by contract. Government Code Section 20336 superseded this contract provision by providing that any such temporary and/or seasonal employees are excluded from PERS membership subsequent to January 1, 1975. Legislation repealed and replaced said Section with Government Code Section 20305 effective July 1, 1994.
7. This contract shall be a continuation of the contract of the Escondido Community Development Commission, hereinafter referred to as "Former Agency". The accumulated contributions, assets and liability for prior and current service under the Former Agency's contract shall be merged pursuant to Section 20508 of the Government Code. Such merger occurred July 1, 1996.
8. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment before and not on or after July 1, 2007 shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service prior to December 31, 1973, termination of Social Security, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).

9. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment on or after July 1, 2007 shall be determined in accordance with Section 21354.3 of said Retirement Law, subject to the reduction provided therein for service prior to December 31, 1973, termination of Social Security, for members whose service has been included in Federal Social Security (3% at age 60 Full and Modified).
10. The percentage of final compensation to be provided for each year of credited prior and current service as a local fire member entering membership in the fire classification on or prior to May 27, 2012 and for those local police members entering membership in the police classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
11. The percentage of final compensation to be provided for each year of credited current service as a local fire member entering membership for the first time in the fire classification after May 27, 2012 and for those local police members entering membership for the first time in the police classification after the effective date of this amendment to contract shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).
12. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21574 (Fourth Level of 1959 Survivor Benefits).
 - b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local safety members only.
 - c. Section 20614, Statutes of 1978, (Reduction of Normal Member Contribution Rate). From November 1, 1978 and until June 28, 1987, the normal local safety member contribution rate shall be 2.75%. Legislation repealed said Section effective September 29, 1980.
 - d. Section 20690, Statutes of 1980, (To Prospectively Revoke Section 20614, Statutes of 1978).
 - e. Section 20042 (One-Year Final Compensation) for local miscellaneous members, and for those local fire members entering membership on or prior to May 27, 2012 and local police members entering membership on or prior to the effective date of this amendment to contract.

- f. Section 20965 (Credit for Unused Sick Leave).
- g. Section 21024 (Military Service Credit as Public Service).
- h. Section 20692 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) for local police members only.
- i. Section 21548 (Pre-Retirement Option 2W Death Benefit).
- j. Section 20475 (Different Level of Benefits). Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local fire members entering membership for the first time in the fire classification after May 27, 2012.

Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local police members entering membership for the first time in the police classification after the effective date of this amendment to contract.

- 13. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on August 1, 1980. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
- 14. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
- 15. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local safety members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

- c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
- 16. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
- 17. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF ESCONDIDO

BY _____
KAREN DE FRANK, CHIEF
CUSTOMER ACCOUNT SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk



Employer Services Division
P.O. Box 942709
Sacramento, CA 94229-2709
Telecommunications Device for the Deaf - (916) 795-3240
888 CalPERS (or 888-225-7377) FAX (916) 795-3005

Resolution No. 2012-131
EXHIBIT A
Page 7 of 14

July 16, 2012

Employer ID #1545398590

Ms. Cynthia R. Titgen
Benefits and Workers' Compensation Manager
City of Escondido
201 North Broadway
Escondido, CA 92025

Dear Ms. Titgen:

Enclosed are two copies of the Resolution of Intention and Exhibit Amendment to Contract to amend the agency's contract to provide Section 20475 (Different Level of Benefits). Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local police members entering membership for the first time in the police classification after the effective date of this amendment to contract.

Also enclosed are the following documents:

1. Form CON-12, Certification of Governing Body's Action.
2. Form CON-12A, Certification of Compliance with Government Code Section 7507.
3. Summary of Major Provisions (2% @ 50 Formula).
4. Form CON-30, Certification of Compliance With Government Code Section 20475.
5. Form CON-11A, Sample Ordinance.

The sample Ordinance is a guide only and is included to allow sufficient time to prepare the Ordinance for a first and final reading. The Resolution of Intention and accompanying documents should not be held pending final reading of the Ordinance.

6. Enclosed is an instruction sheet for submission of Resolution of Intention documents and required certifications into MyCalPERS.

Disclosure of the Cost of this Contract Amendment

We require that the agency disclose the following:

"Decreases in the employer rate will occur as employees are hired into the Second Tier."

Government Code Section 7507 requires that the **future annual costs or benefit change** of the proposed contract be made public at a public meeting at least two weeks prior to the adoption of the final Ordinance. The agency is to certify compliance on the enclosed Certification of Compliance with Government Code Section 7507.

An agency can only amend its contract to provide a different level of benefits once every three years with respect to each of the member categories.

When amending for Section 20475 (Different Level of Benefits), it is the employer's responsibility to ensure compliance with any Memorandum of Understanding in effect at the time of the contract amendment.

In summary, the following documents must be returned to this office before we can forward the actual contract and other final documents necessary to complete the proposed amendment. **DO NOT HOLD THESE DOCUMENTS PENDING ADOPTION OF THE FINAL ORDINANCE.**

ORIGINAL SIGNATURES ARE REQUIRED

1. Resolution of Intention, original or certified copy.
2. Certification of Governing Body's Action (CON-12), original.
3. Certification of Compliance with Government Code Section 7507, (CON-12A), original or certified copy.
4. Certification of Compliance with Government Code Section 20475 (CON-30), original or certified copy.

If your agency adopts the Resolution of Intention on July 25, 2012, the earliest date the final Ordinance may be adopted is August 14, 2012. There must be a 20 day period between the adoption of the Resolution of Intention and the adoption of the final Ordinance pursuant to Government Code Section 20471. **THERE ARE NO EXCEPTIONS TO THIS LAW.**

The effective date of this amendment may be as early as the day following the effective date of the final Ordinance.

July 16, 2012


City of Escondido

-3-

Please do not retype the Amendment to Contract and/or agreement documents. Only documents provided by this office will be accepted. If you have a problem with any of the documents, please contact this office prior to presenting to your governing body for adoption. Another contract amendment cannot be started until this amendment is completed or cancelled.

If you have any questions regarding this letter or the enclosed material, please call (888) CalPERS (225-7377).

Sincerely,



Irene Ho
Employer Representative
Public Agency Contract Services

IH :rj

Enclosures

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

Resolution No. 2012-131
EXHIBIT A
Page 10 of 14

CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

_____ of the
(governing body)

_____ of the
(public agency)

on _____
(date)

Clerk/Secretary

Title

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

Resolution No. 2012-131
EXHIBIT A
Page 11 of 14

**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 7507**

I hereby certify that in accordance with Section 7507 of the Government Code the future annual costs as determined by the System Actuary for the increase/change in retirement benefit(s) have been made public at a public meeting of the

_____ of the
(governing body)

_____ of the
(public agency)

on _____ which is at least two weeks prior to the adoption of the
(date)

Resolution / Ordinance.

Adoption of the retirement benefit increase/change will not be placed on the consent calendar.

Clerk/Secretary

Title

Date _____

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

Resolution No. 2012-131
EXHIBIT A
Page 12 of 14

**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 20475**

I hereby certify that the _____ of the
(governing body)

(public agency)

has fully discharged all of the obligation imposed by Chapter 10 (commencing with
Section 3500) of Division 4 of Title 1, Government Code.

By _____

Title

Witness

Date

This is a **SAMPLE ORDINANCE** and is intended to be used as a guide only. It is included to allow you sufficient time to prepare your Ordinance for a first and final reading. The Resolution of Intention and accompanying documents should not be held pending final reading of the Ordinance.

ORDINANCE NO. _____

An Ordinance of the _____ of the
(Name of Governing Body)
_____ authorizing an amendment
(Name of Public Agency)
to the contract between the _____ of the
(Name of Governing Body)
_____ and the
(Name of Public Agency)
Board of Administration of the California Public Employees' Retirement System.

The _____ of the
(Name of Governing Body)
_____ does ordain as follows:
(Name of Public Agency)

Section 1.

That an amendment to the contract between the _____
(Name of Governing Body)
of the _____
(Name of Public Agency)
and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

Section 2.

The _____ of the _____
(Title of Presiding Officer) (Name of Governing Body)
is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

Section 3.

This Ordinance shall take effect _____ days after the date of its adoption, and prior to the expiration of _____ days from the passage thereof shall be published at least _____ in the _____, a newspaper of general circulation,
(Name of Newspaper)
published and circulated in the _____ and thenceforth and
(Name of City or County)
thereafter the same shall be in full force and effect.

Adopted and approved this _____ day of _____, _____.

Presiding Officer

Attest:

Clerk

**RESOLUTION OF INTENTION
TO APPROVE AN AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
CITY COUNCIL
CITY OF ESCONDIDO**

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 20475 (Different Level of Benefits), Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local police members entering membership for the first time in the police classification after the effective date of this amendment to contract.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto as an "Exhibit" and by this reference made a part hereof.

By: _____
Presiding Officer

Title

Date adopted and approved

ORDINANCE NO. 2012-16

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING AN AMENDMENT TO THE
CONTRACT BETWEEN THE CITY OF
ESCONDIDO AND THE BOARD OF
ADMINISTRATION OF THE CALIFORNIA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

The City Council of the City of Escondido, California, DOES HEREBY
ORDAIN as follows:

SECTION 1. That an amendment to the contract between the City Council of the City of Escondido and the Board of Administration of the California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto as Exhibit "A", and by such reference made a part hereof as though herein set out in full.

SECTION 2. That the Mayor of the City of Escondido is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

SECTION 3. That this Ordinance shall take effect 30 days after the date of its adoption and prior to the expiration of 15 days from the passage thereof shall be published at least one time in a newspaper of general circulation, published and circulated in the City of Escondido and thenceforth and thereafter the same shall be in full force and effect.



California
Public Employees' Retirement System

EXHIBIT "A"

Page 1 of 6

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Escondido

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective November 1, 1958, and witnessed August 6, 1958, and as amended effective August 1, 1964, December 1, 1968, July 1, 1973, January 1, 1974, February 7, 1975, July 1, 1977, November 1, 1978, August 1, 1980, July 1, 1982, June 28, 1987, December 25, 1988, June 25, 1989, May 27, 1990, January 1, 1991, June 1, 1991, October 9, 1993, January 20, 1996, May 25, 1996, January 2, 1998, July 12, 1998, July 11, 1999, January 9, 2000, November 12, 2000, June 24, 2001, September 26, 2004, July 1, 2007 and May 27, 2012 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 17 are hereby stricken from said contract as executed effective May 27, 2012, and hereby replaced by the following paragraphs numbered 1 through 17 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 60 for local miscellaneous members and age 50 for local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after November 1, 1958 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
 - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.
 - (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.
 - (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.

- (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
- a. Local Fire Fighters (herein referred to as local safety members)
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
- a. **PROGRAM PERSONNEL HIRED ON OR AFTER JULY 1, 1973;
AND**
 - b. **BUS DRIVERS HIRED ON OR AFTER FEBRUARY 7, 1975.**
6. Prior to January 1, 1975, those members who were hired by Public Agency on a temporary and/or seasonal basis not to exceed 6 months were excluded from PERS membership by contract. Government Code Section 20336 superseded this contract provision by providing that any such temporary and/or seasonal employees are excluded from PERS membership subsequent to January 1, 1975. Legislation repealed and replaced said Section with Government Code Section 20305 effective July 1, 1994.
7. This contract shall be a continuation of the contract of the Escondido Community Development Commission, hereinafter referred to as "Former Agency". The accumulated contributions, assets and liability for prior and current service under the Former Agency's contract shall be merged pursuant to Section 20508 of the Government Code. Such merger occurred July 1, 1996.
8. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment before and not on or after July 1, 2007 shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service prior to December 31, 1973, termination of Social Security, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).

9. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment on or after July 1, 2007 shall be determined in accordance with Section 21354.3 of said Retirement Law, subject to the reduction provided therein for service prior to December 31, 1973, termination of Social Security, for members whose service has been included in Federal Social Security (3% at age 60 Full and Modified).
10. The percentage of final compensation to be provided for each year of credited prior and current service as a local fire member entering membership in the fire classification on or prior to May 27, 2012 and for those local police members entering membership in the police classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
11. The percentage of final compensation to be provided for each year of credited current service as a local fire member entering membership for the first time in the fire classification after May 27, 2012 and for those local police members entering membership for the first time in the police classification after the effective date of this amendment to contract shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).
12. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21574 (Fourth Level of 1959 Survivor Benefits).
 - b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local safety members only.
 - c. Section 20614, Statutes of 1978, (Reduction of Normal Member Contribution Rate). From November 1, 1978 and until June 28, 1987, the normal local safety member contribution rate shall be 2.75%. Legislation repealed said Section effective September 29, 1980.
 - d. Section 20690, Statutes of 1980, (To Prospectively Revoke Section 20614, Statutes of 1978).
 - e. Section 20042 (One-Year Final Compensation) for local miscellaneous members, and for those local fire members entering membership on or prior to May 27, 2012 and local police members entering membership on or prior to the effective date of this amendment to contract.

- f. Section 20965 (Credit for Unused Sick Leave).
- g. Section 21024 (Military Service Credit as Public Service).
- h. Section 20692 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) for local police members only.
- i. Section 21548 (Pre-Retirement Option 2W Death Benefit).
- j. Section 20475 (Different Level of Benefits). Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local fire members entering membership for the first time in the fire classification after May 27, 2012.

Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local police members entering membership for the first time in the police classification after the effective date of this amendment to contract.

- 13. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on August 1, 1980. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
- 14. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
- 15. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local safety members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

- c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
- 16. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
- 17. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF ESCONDIDO

BY _____
KAREN DE FRANK, CHIEF
CUSTOMER ACCOUNT SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk



Employer Services Division
P.O. Box 942709
Sacramento, CA 94229-2709
Telecommunications Device for the Deaf - (916) 795-3240
888 CalPERS (or 888-225-7377) FAX (916) 795-3005

Ordinance No. 2012-16
EXHIBIT A
Page 7 of 14

July 16, 2012

Employer ID #1545398590

Ms. Cynthia R. Titgen
Benefits and Workers' Compensation Manager
City of Escondido
201 North Broadway
Escondido, CA 92025

Dear Ms. Titgen:

Enclosed are two copies of the Resolution of Intention and Exhibit Amendment to Contract to amend the agency's contract to provide Section 20475 (Different Level of Benefits). Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local police members entering membership for the first time in the police classification after the effective date of this amendment to contract.

Also enclosed are the following documents:

1. Form CON-12, Certification of Governing Body's Action.
2. Form CON-12A, Certification of Compliance with Government Code Section 7507.
3. Summary of Major Provisions (2% @ 50 Formula).
4. Form CON-30, Certification of Compliance With Government Code Section 20475.
5. Form CON-11A, Sample Ordinance.

The sample Ordinance is a guide only and is included to allow sufficient time to prepare the Ordinance for a first and final reading. The Resolution of Intention and accompanying documents should not be held pending final reading of the Ordinance.

6. Enclosed is an instruction sheet for submission of Resolution of Intention documents and required certifications into My|CalPERS.

Disclosure of the Cost of this Contract Amendment

We require that the agency disclose the following:

"Decreases in the employer rate will occur as employees are hired into the Second Tier."

Government Code Section 7507 requires that the **future annual costs or benefit change** of the proposed contract be made public at a public meeting at least two weeks prior to the adoption of the final Ordinance. The agency is to certify compliance on the enclosed Certification of Compliance with Government Code Section 7507.

An agency can only amend its contract to provide a different level of benefits once every three years with respect to each of the member categories.

When amending for Section 20475 (Different Level of Benefits), it is the employer's responsibility to ensure compliance with any Memorandum of Understanding in effect at the time of the contract amendment.

In summary, the following documents must be returned to this office before we can forward the actual contract and other final documents necessary to complete the proposed amendment. **DO NOT HOLD THESE DOCUMENTS PENDING ADOPTION OF THE FINAL ORDINANCE.**

ORIGINAL SIGNATURES ARE REQUIRED

1. Resolution of Intention, original or certified copy.
2. Certification of Governing Body's Action (CON-12), original.
3. Certification of Compliance with Government Code Section 7507, (CON-12A), original or certified copy.
4. Certification of Compliance with Government Code Section 20475 (CON-30), original or certified copy.

If your agency adopts the Resolution of Intention on July 25, 2012, the earliest date the final Ordinance may be adopted is August 14, 2012. There must be a 20 day period between the adoption of the Resolution of Intention and the adoption of the final Ordinance pursuant to Government Code Section 20471. **THERE ARE NO EXCEPTIONS TO THIS LAW.**

The effective date of this amendment may be as early as the day following the effective date of the final Ordinance.

July 16, 2012

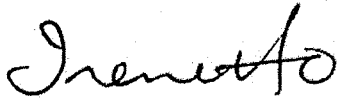
City of Escondido

-3-

Please do not retype the Amendment to Contract and/or agreement documents. Only documents provided by this office will be accepted. If you have a problem with any of the documents, please contact this office prior to presenting to your governing body for adoption. Another contract amendment cannot be started until this amendment is completed or cancelled.

If you have any questions regarding this letter or the enclosed material, please call (888) CalPERS (225-7377).

Sincerely,



Irene Ho
Employer Representative
Public Agency Contract Services

IH :rj

Enclosures

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

Ordinance No. 2012-16
EXHIBIT A
Page 10 of 14

CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

_____ of the
(governing body)

_____ (public agency)

on _____
(date)

Clerk/Secretary

Title

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

Ordinance No. 2012-16
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**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 7507**

I hereby certify that in accordance with Section 7507 of the Government Code
the future annual costs as determined by the System Actuary for the
increase/change in retirement benefit(s) have been made public at a public meeting
of the

_____ of the
(governing body)

(public agency)

on _____ which is at least two weeks prior to the adoption of the
(date)

Resolution / Ordinance.

Adoption of the retirement benefit increase/change will not be placed on the consent
calendar.

Clerk/Secretary

Title

Date _____

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

Ordinance No. 2012-16
EXHIBIT A
Page 12 of 14

**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 20475**

I hereby certify that the _____ of the
(governing body)

(public agency)

has fully discharged all of the obligation imposed by Chapter 10 (commencing with
Section 3500) of Division 4 of Title 1, Government Code.

By _____

Title

Witness

Date

This is a **SAMPLE ORDINANCE** and is intended to be used as a guide only. It is included to allow you sufficient time to prepare your Ordinance for a first and final reading. The Resolution of Intention and accompanying documents should not be held pending final reading of the Ordinance.

ORDINANCE NO. _____

An Ordinance of the _____ of the
(Name of Governing Body)
_____ (Name of Public Agency) authorizing an amendment
to the contract between the _____ of the
(Name of Governing Body)
_____ and the
(Name of Public Agency)
Board of Administration of the California Public Employees' Retirement System.

The _____ of the
(Name of Governing Body)
_____ does ordain as follows:
(Name of Public Agency)

Section 1.

That an amendment to the contract between the _____
(Name of Governing Body)
of the _____
(Name of Public Agency)
and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

Section 2.

The _____ of the _____
(Title of Presiding Officer) (Name of Governing Body)
is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

Section 3.

This Ordinance shall take effect _____ days after the date of its adoption, and prior to the expiration of _____ days from the passage thereof shall be published at least _____ in the _____, a newspaper of general circulation,
(Name of Newspaper)
published and circulated in the _____ and thenceforth and
(Name of City or County)
thereafter the same shall be in full force and effect.

Adopted and approved this _____ day of _____, _____.

Presiding Officer

Attest:

Clerk

**RESOLUTION OF INTENTION
TO APPROVE AN AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
CITY COUNCIL
CITY OF ESCONDIDO**

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 20475 (Different Level of Benefits), Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local police members entering membership for the first time in the police classification after the effective date of this amendment to contract.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto as an "Exhibit" and by this reference made a part hereof.

By: _____
Presiding Officer

Title

Date adopted and approved

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 15

Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Barbara J. Redlitz, Director of Community Development

SUBJECT: Extension of Time for Conditional Use Permit (PHG 12-0015) and Plot Plan to Modify the Talk of the Town Carwash/Restaurant Project (ADM 12-0007)

STAFF RECOMMENDATION:

It is requested that Council adopt Resolution No. 2012-98 approving the requested one-year extension of time for the Talk of the Town Conditional Use Permit (2004-66-CUP) and denying without prejudice the proposed modification to add a second driveway to the previously approved Talk of the Town project.

PLANNING COMMISSION RECOMMENDATION:

The proposed extension of time and modification to add a driveway has not been reviewed by the Planning Commission as the City Council was the original approval body for the project.

PROJECT DESCRIPTION:

A second request for a one-year extension of time for the previously approved Conditional Use Permit (2004-66-CUP) for the "Talk of the Town" carwash, oil change and restaurant project; and a referral from the Director of Community Development of a request to modify the site design for the project to add a second exit-only driveway between the future restaurant building and the western property line.

LOCATION:

The 1.34-acre site is on the northwestern corner of the intersection of Brotherton Road and Centre City Parkway, addressed as 400 Brotherton Road.

FISCAL ANALYSIS:

None

GENERAL PLAN ANALYSIS:

The City of Escondido General Plan designates the project site as General Commercial, which is characterized by a broad range of retail and service activities in local commercial, community shopping/office complexes and regional shopping centers. The site is regulated by the development standards listed for Area "B" of the South Escondido Boulevard Area Plan.

ENVIRONMENTAL REVIEW:

A Revised Mitigated Negative Declaration, City Log No. ER 2004-33, was issued on December 10, 2009. Mitigation measures were developed to reduce potential land use, transportation/traffic, air quality and noise impacts to a less than significant level. Pursuant to CEQA Section 15162, no additional environmental review need be prepared for the proposed new driveway since there are no substantial changes in the project that require major revisions to the previous environmental document due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

PREVIOUS ACTION:

On May 26, 2010, the City Council voted 4-1 (Councilmember Diaz opposed) to approve the Talk of the Town carwash/restaurant project consisting of an amendment to the South Escondido Boulevard Area Plan to conditionally allow carwashes in Area "B," and a Conditional Use Permit for an approximately 5,500 SF automated carwash and oil change facility with a 4,150 SF restaurant on a 1.34-acre site.

The City Council unanimously approved a modification to the project conditions of approval on October 13, 2010, to provide an alternative for the location of a required separation wall between the commercial property and adjacent residential properties. The modified condition allowed the applicant to construct the wall on his property, or enter into an agreement with approximately 10 individual homeowners to pay the cost for the homeowners to construct the wall at the top of the slope on their properties.

On August 10, 2011, the City Council voted 3-1-1 (Councilmember Diaz opposed, Councilmember Morasco abstained) to approve a one-year extension of time for the carwash Conditional Use Permit, and grant a Business Enhancement Zone (BEZ) waiver of \$72,500 that was due for utility undergrounding fees.

BACKGROUND:

In August 2011 the applicant paid the permit fees and was issued building permits to build the project two days prior to the City Council vote on the time extension request. Grading permits were issued by the Engineering Division during that same time period. The Building Official granted a one-time extension for the building permit in February 2012 when no construction had commenced and the permit was due to expire. No additional extensions of the building permit may be granted and the building permit is set to expire on July 30, 2012.

On January 30, 2012, the applicant requested a minor adjustment to the CUP pursuant to Zoning Code Section 33-1208 by filing an administrative request (Plot Plan) to add a second driveway to Brotherton Road. The proposed driveway is intended to be an exit-only driveway that is 16-feet wide and located between the future restaurant building and the western property line. No other changes to the size or location of buildings or parking spaces are proposed. While the Director of Community Development has the authority to approve or deny administrative plot plan applications, the Director has chosen to elevate this decision to the original approval body in light of the past history of community interest in the project. The Plot Plan application for the driveway was originally scheduled for City Council consideration on April 25, 2012, but was continued indefinitely that evening at the request of the applicant.

On May 15, 2012, the applicant filed a second request for a one-year extension of the Conditional Use Permit citing economic factors as the reason construction had not started. Construction on the site commenced earlier this month, but an inspection from the Building Division will be necessary to keep both the CUP and the building permit valid. It is unknown whether the contractor will be able to have enough work completed to call for a building inspection prior to the July 25, 2012, City Council meeting for the CUP extension. If the inspection is performed prior to the July 25 City Council meeting, the CUP is considered utilized and the requested extension from the Council is not necessary. This staff report assumes an extension of the CUP will still be needed, and combines that request with the applicant's other request to modify the site design to add a second driveway.

DISCUSSION:

Extensions of time for development entitlements are commonly granted by both the Planning Commission and City Council when it can be demonstrated that the applicant has not abandoned the project, has been diligently pursuing grading and/or building permits, and there are no substantial changes to the project or site circumstances. In this case, the applicant has commenced construction on the project under valid grading and building permits issued for the previously approved design of the project, there have been no changes to the circumstances of the site, and the applicant is not proposing any substantial changes to the previously approved project besides the proposed driveway addition that has no effect on building placement or parking spaces. Therefore, staff is recommending approval of the one-year extension of time for the Conditional Use Permit.

The approved project features a single driveway from Brotherton Road that loops through the site and provides access to all parking spaces for both buildings. The driveway has been designed to meet all Fire Department clearance and turning radius requirements. Several months after permits were issued to start construction, the applicant notified staff that they may want to add a second driveway to the site. This apparently was based on a discussion with a potential restaurant tenant who offered the suggestion that it would benefit restaurant patrons. Although the applicant initially desired a two-way driveway, there is only enough room between the building and the property line for a single-lane driveway.

The potential benefit realized by adding a one-way exit driveway in this location has not been demonstrated or explained well, and there does not appear to be a potential restaurant tenant awaiting the outcome of the proposal. The neighbors are concerned that the proposal would facilitate

a change in the restaurant from a quality sit-down operation to a fast food with drive-through. While it would be fairly simple to further modify the driveway to a drive-through, the South Escondido Boulevard Area Plan would require a Conditional Use Permit for that use. The disadvantage of placing a driveway between the building and adjacent residences is demonstrated by the increased noise levels at the residential properties. The original noise study prepared for the approved project indicated combined daytime noise levels at the western property line would range up to 47 dBA, which is consistent with City of Escondido noise standard of 50 dBA for residential zones. A revised Noise Impact Analysis, prepared by Eiler Associates, Inc., dated January 26, 2012, shows the new driveway would increase noise levels to the 50 dBA limit at the western property line.

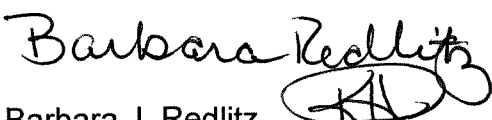
While the noise levels at the western and northern property lines would still comply with the City's maximum allowable level for residential zones, it was hoped that the applicant and the adjacent property owners could reach an agreement allowing the required separation wall to be built at the top of the slope where some noise attenuation benefit could be realized. The applicant has recently notified staff that negotiations with adjacent residents to build the separation wall at the top of the slope have failed. The wall will now be built at the bottom of the slope on the applicant's property to meet the Zoning Code requirements for separation between commercial and residential properties. While this meets the separation standard, it negates any potential ability for the wall to assist in minimizing sound levels from the project.

SUMMARY:

There are two issues for the Council to consider including the request for an extension of time for the Conditional Use Permit and the request to add a second driveway to the site from Brotherton Road. Staff supports the request for the extension of time because the project clearly has not been abandoned and is currently under construction. Staff is not recommending approval of the request for the second driveway at this time due to the lack of demonstrated need. There are several options the City Council can consider with respect to the driveway issue including:

1. Approve the proposal to add an exit-only driveway as requested by the applicant with the addition of the revised Engineering Division conditions (attached) to reflect the change in grading and storm water treatment;
2. Deny the proposal without prejudice as premature considering there is no restaurant tenant. This would allow the applicant to refile the proposal in the event there is a restaurant tenant who actually requests a second driveway.
3. Deny the proposed modification to add a second driveway.

Respectfully Submitted,



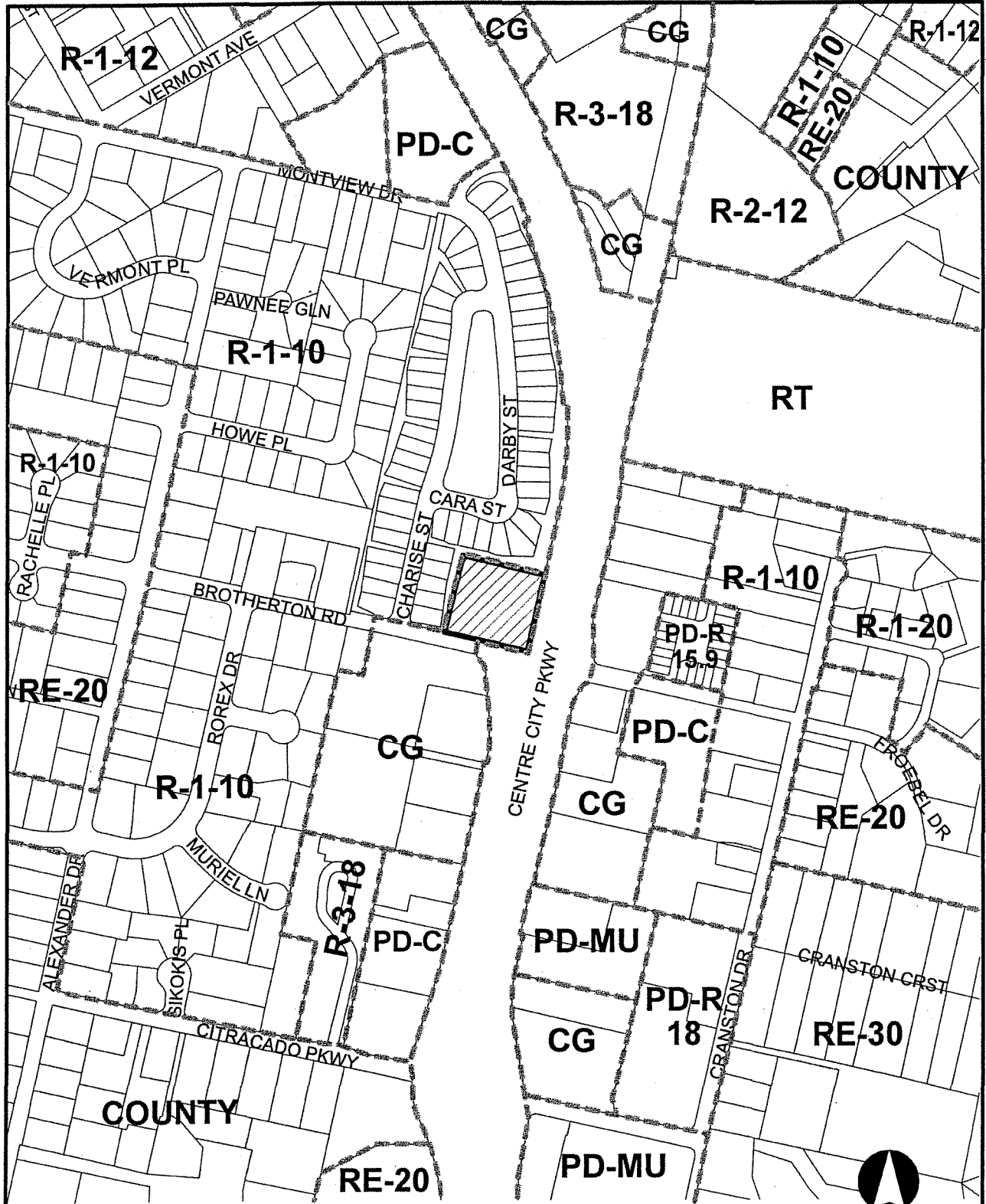
Barbara J. Redlitz
Director of Community Development



Bill Martin
Principal Planner

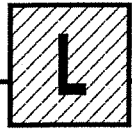
The original May 26, 2010, City Council staff report containing all graphics, project specifications, and discussion of technical issues can be accessed on the City of Escondido website at the very bottom of the Planning Division page or at the following web address:

<http://www.escondido.org/Data/Sites/1/pdfs/Planning/Talk/CCStaffReport052610.pdf>

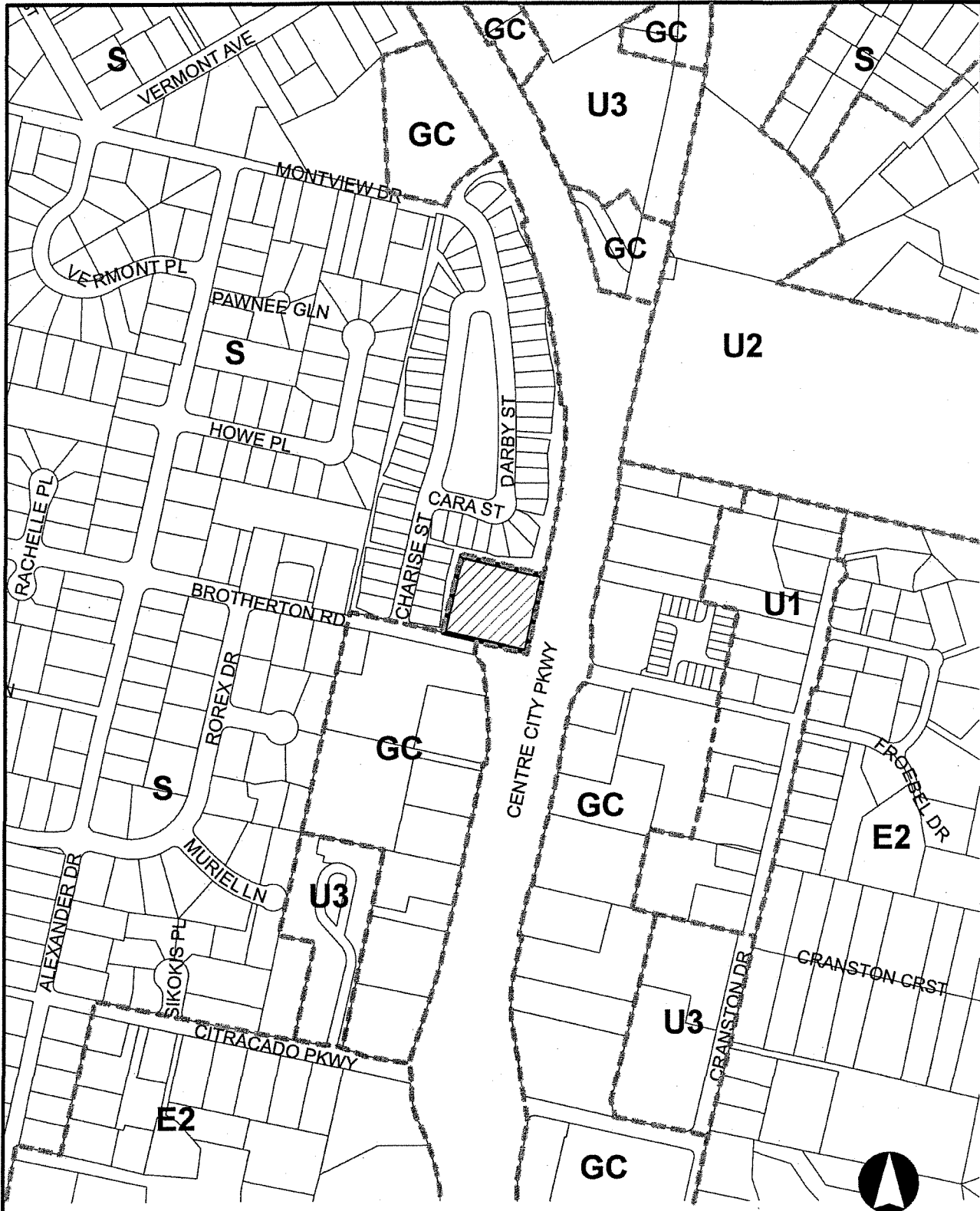


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**PROPOSED PROJECT
ADM 12-0007**



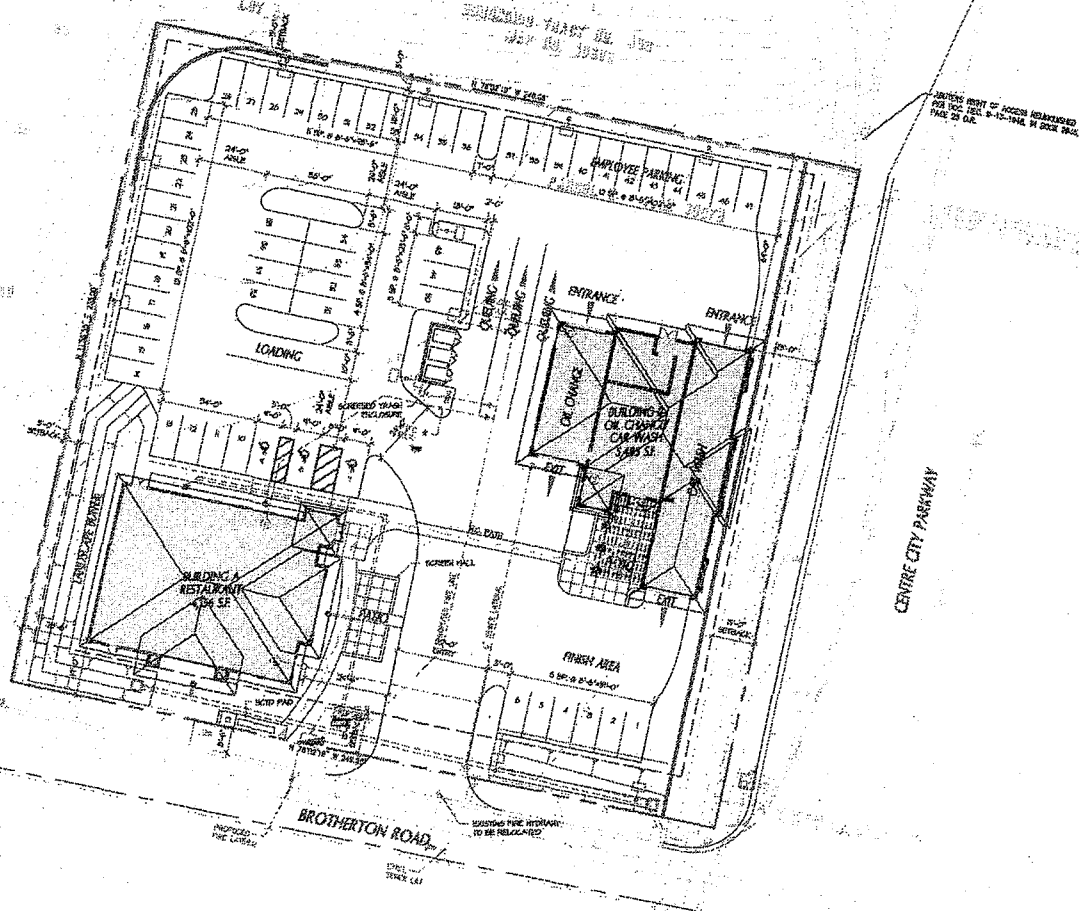
LOCATION/ZONING



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**PROPOSED PROJECT
ADM 12-0007**





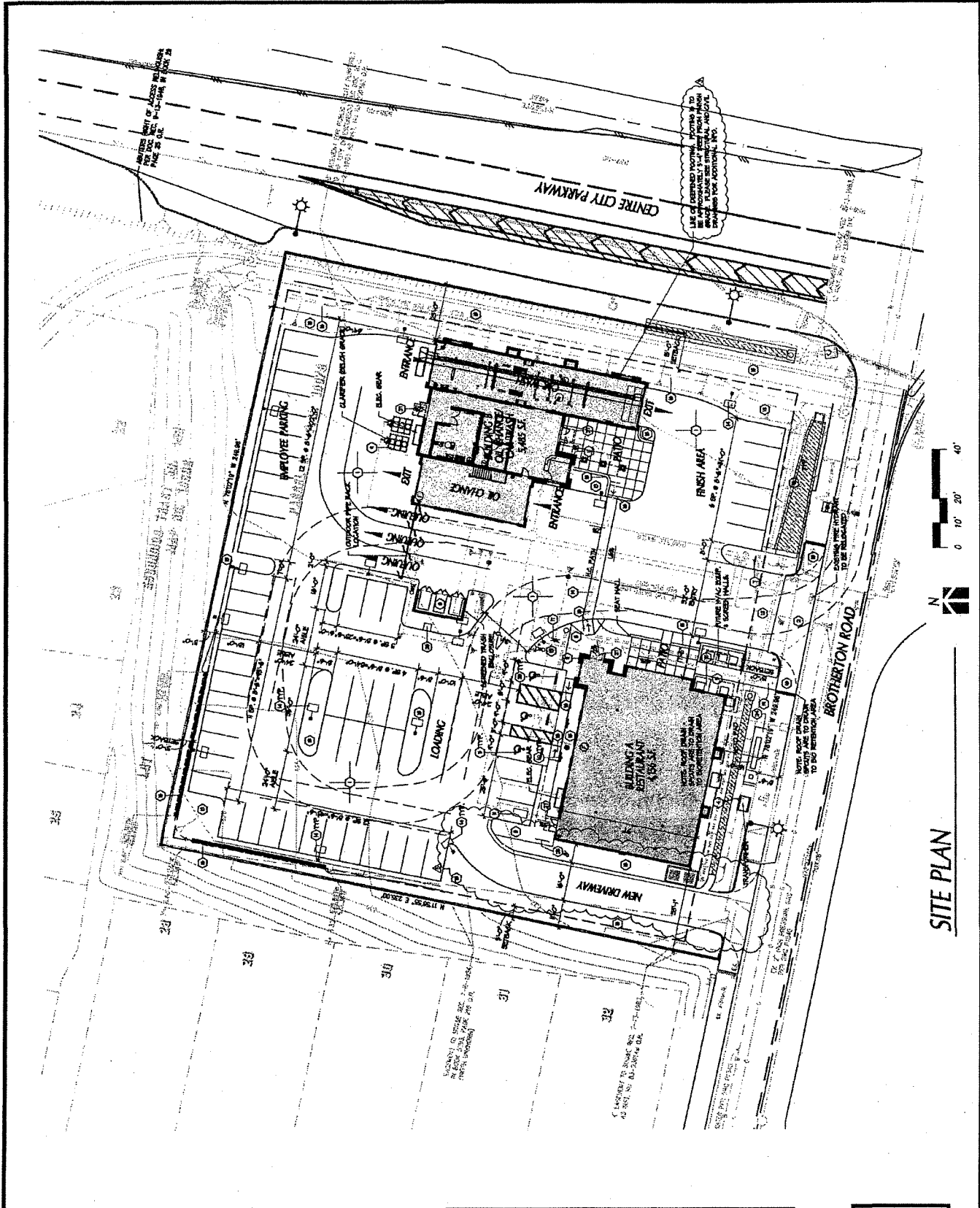
SITE PLAN



PROPOSED PROJECT
2004-66-CUP/2004-02-AZ



SITE PLAN

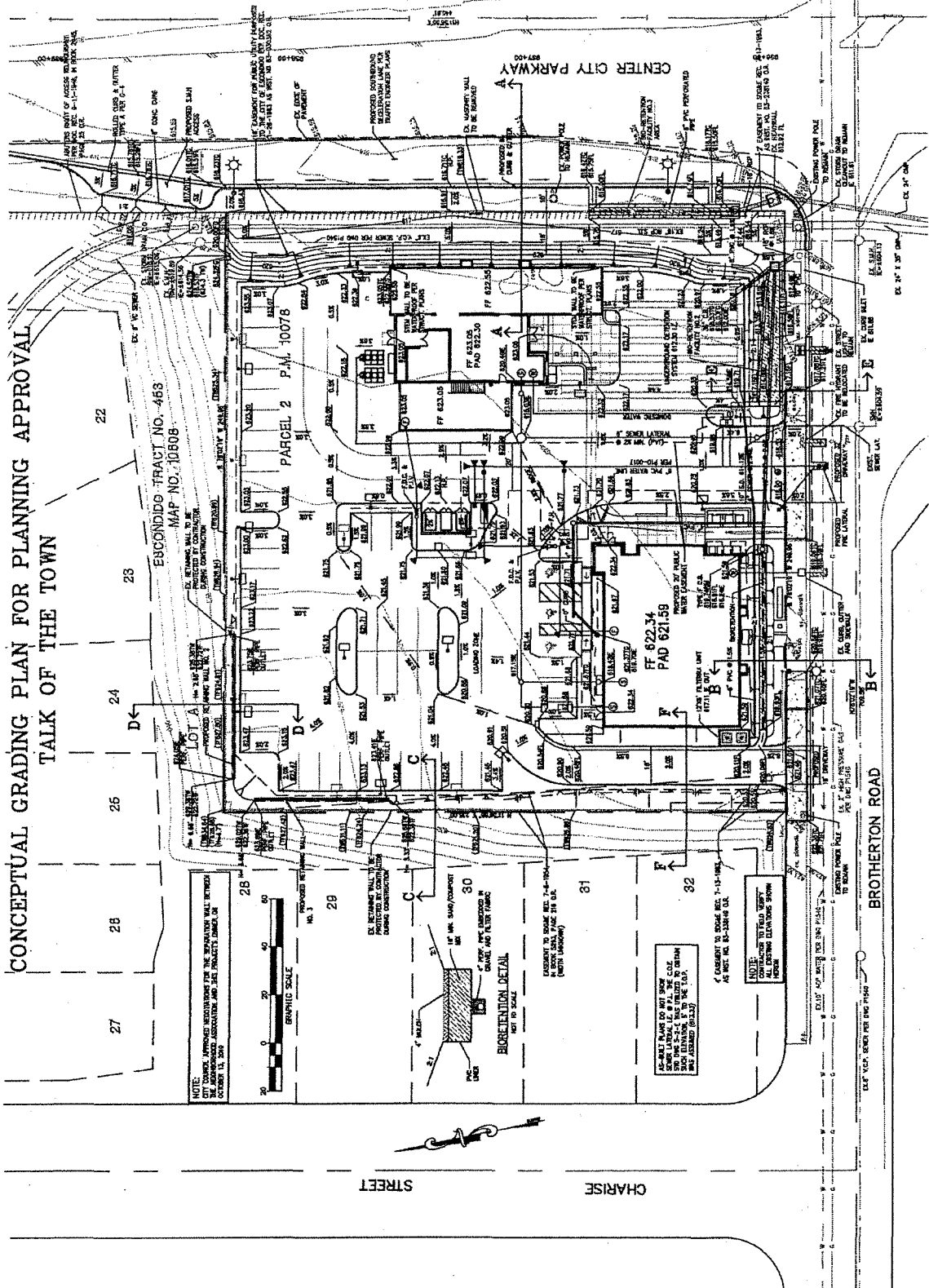


**PROPOSED PROJECT
ADM 12-0007**

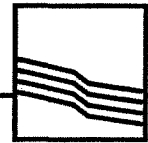


SITE PLAN

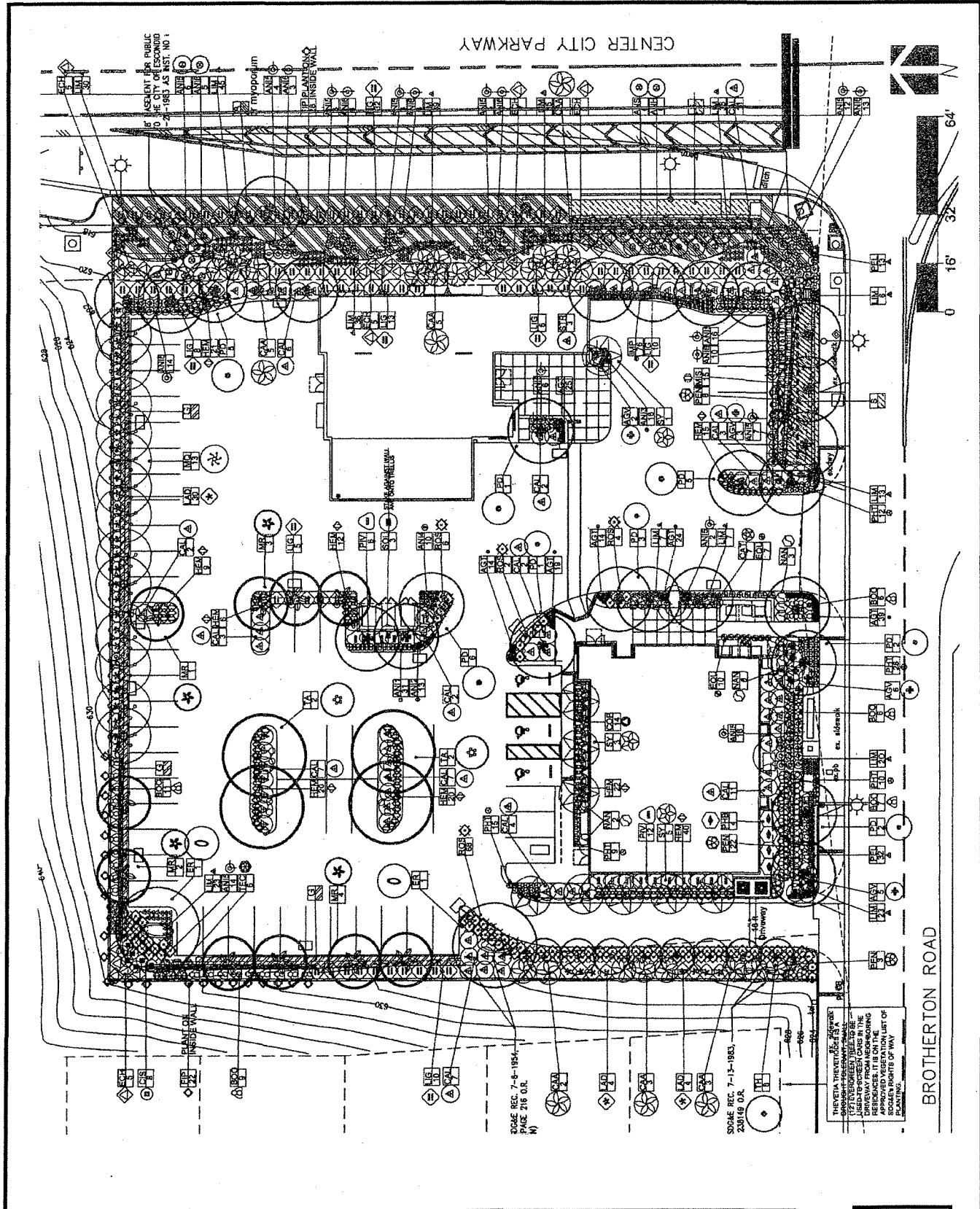
CONCEPTUAL GRADING PLAN FOR PLANNING APPROVAL
TALK OF THE TOWN



PROPOSED PROJECT
ADM 12-0007



GRADING PLAN



**PROPOSED PROJECT
ADM 12-0007**



ENGINEERING CONDITIONS OF APPROVAL
TALK OF THE TOWN 2004-66-CUP
Revised for 2nd driveway exit to Brotherton Rd.

GENERAL

1. As surety for the construction of required off-site and/or on-site improvements, bonds and agreements in a form acceptable to the City Attorney shall be posted by the developer with the City of Escondido prior to the approval of plans and the issuance of Building Permits.
2. All public improvements shall be constructed in a manner that does not damage existing public improvements. Any damage shall be determined by and corrected to the satisfaction of the City Engineer.
3. An engineered improvement plan prepared by a Registered Civil Engineer is required for all public improvements. The developer shall post security for these improvements and an improvement plan shall be approved by the City of Escondido prior to issuance of any building permits. All required improvements shall be constructed prior to final acceptance of subject construction by the City.
4. The design for the proposed 2nd driveway off of Brotherton Rd. shall be submitted as redline revisions to the previously approved improvement plans including signing and striping plans for review and approval, and revision plan check fees shall be paid. When the changes have been approved, the previously approved improvement plan mylars shall be modified accordingly.

STREET IMPROVEMENTS AND TRAFFIC

1. The developer shall construct a 15 foot wide south bound deceleration lane along project frontage on Centre City Parkway (250 feet long with 120 foot long transition) to the satisfaction of the City Engineer. Roadway improvements shall include construction of roadway widening, curb&gutter, drainage improvements and two street lights along deceleration lane. The developer shall also be responsible to prepare a striping & signage plan to allow for a fourteen foot wide deceleration lane and widen the existing bike lane from four to five feet.
2. The developer shall be responsible to landscape and irrigate the parkway areas along project frontage on Centre City Parkway and Brotherton Road to the satisfaction of the Planning Director.
3. The developer shall re-establish the striping at the intersections of Centre City Parkway /Brotherton Road and Brotherton Road/Frontage Road. This work shall be shown and approved as part of the striping & signage plan.

4. All driveways shall be alley-type in accordance with Escondido Standard Drawing No. 3, with a minimum throat width of minimum 24 feet.
5. The developer shall install a street light at the intersection Brotherton Road and new easterly driveway that shall be aligned with frontage road.
6. The developer shall be responsible for replacement of the existing drainage pipe across Brotherton Road, if it were found to be damaged at the time of final plans review, as determined by the City Engineer.
7. All unused driveways shall be removed and replaced with full height curb and gutter and sidewalk in accordance with City standards.
8. Adequate horizontal sight distance shall be provided at all street intersections and driveway entrances. Increased parkway widths, open space easements, and restrictions on landscaping may be required at the discretion of the City Engineer.
9. The developer's engineer shall prepare a complete signing and striping plan for all improved roadways. Developer's contractor shall do any removal of existing striping and all new signing and striping.
10. The developer will be required to provide a detailed detour and traffic control plan, for all construction within existing rights-of-way, to the satisfaction of the Traffic Engineer and the Field Engineer. This plan shall be approved prior the issuance of an Encroachment Permit for construction within the public right-of-way.
11. The developer shall provide the City with cash contribution in the amount of \$50,000 towards future improvement of Centre City Parkway between Felicita Avenue and Brotherton Road, prior to issuance of Building Permit.
12. The developer shall provide the City with cash contribution in the amount of \$7,500 towards future improvement of the intersection of Brotherton Road and Felicita Avenue, prior to issuance of building permit.

GRADING

1. Site grading and erosion control plans prepared by a Registered Civil Engineer are required for all onsite improvements and shall be submitted to the Engineering Department. Grading Plans are subject to approval by the Planning, Fire and Engineering Departments prior to issuance of a Grading Permit.
2. The design for the proposed 2nd driveway off of Brotherton Rd. shall be submitted as redline revisions to the previously approved grading plans for review and approval, and revision plan check fees shall be paid. When the changes have been approved the previously approved grading plan mylars shall be modified accordingly.

3. All private driveways and parking areas shall be paved with a minimum of 3" AC over 6" of AB or 5 1/2" PCC over 6" AB. All paved areas exceeding 15% slope or less than 1.0% shall be paved with PCC.
4. All proposed retaining walls shall be shown on and permitted as part of the site grading plan. Profiles and structural details shall be shown on the site grading plan and the Soils Engineer shall state on the plans that the proposed retain wall design is in conformance with the recommendations and specifications as outlined in his report. Structural calculations shall be submitted for review by a Consulting Engineer for all walls not covered by Regional or City Standard Drawings. Retaining walls or deepened footings that are to be constructed as part of building structure will be permitted as part of the Building Dept. plan review and permit process.
5. Erosion control, including riprap, interim sloping planting, gravelbags, or other erosion control measures shall be provided to control sediment and silt from the project. The developer shall be responsible for maintaining all erosion control facilities throughout the development of the project.
6. A General Construction Activity Storm Water Permit is required from the State Water Resources Board for all storm water discharges associated with a construction activity where clearing, grading and excavation results in a land disturbance of one or more acres. Two copies of the Storm Water Pollution Prevention Plan shall be submitted to the City.

DRAINAGE

1. Final on-site and off-site storm drain improvements shall be determined to the satisfaction of the City Engineer and shall be based on a drainage study to be prepared by the engineer of work. The drainage study shall be in conformance with the City of Escondido Design Standards.
2. A revised Water Quality Technical Report in compliance with City's latest adopted Storm Water Management Requirements shall be prepared and resubmitted for approval prior to revising the improvement and grading plans. The revised Water Quality Technical Report shall reanalyze the entire revised project and include post construction storm water treatment measures and maintenance requirements.
3. All site drainage with emphasis on the parking and drive way areas shall be treated to remove expected contaminants using a high efficiency non-mechanical method of treatment where possible. The City highly encourages the use of bio-retention basins within or along the perimeter of the parking and driveway areas as the primary method of storm water treatment. The landscape plans will need to reflect these areas of storm water treatment.

4. The on-site trash enclosure area shall drain toward a landscaped area and include a roof over the enclosure in accordance with the City's Storm Water Management requirements and to the satisfaction of the City Engineer.
5. All on-site storm drains not in public easements are private. The responsibility for maintenance of these storm drains and all post construction storm water treatment facilities shall be that of the property owner.
6. The developer will be required to have the current owner of the property sign, notarize, and record a Storm Water Control Facility Maintenance Agreement.

WATER SUPPLY

1. Fire hydrants together with an eight (8") inch supply line from Brotherton Road shall be installed at locations approved by the Fire Marshal, designed and constructed to the satisfaction of the Utilities Director.
2. Separate water meters shall be installed for each building.
3. A Public Utility Easement shall be granted to the City of Escondido for all public water mains within the project site. The easement shall include all fire hydrants, water meters and other appurtenances. The minimum easement width shall be 20 feet.

RECYCLED WATER

1. The developer is required to construct an irrigation system, for the frontage on Centre City Parkway and Brotherton Road that can use either potable or recycled water. This system should be built to the satisfaction of the Planning and Utilities Directors.

SEWER

1. An access driveway shall be provided from Centre City Pkwy. to the existing sewer manhole in the northeast corner of the proposed project to the satisfaction of the Director of Utilities.
3. Separate 6" sewer laterals shall be installed from the public main to each building.
4. No trees or deep rooted plants shall be planted within 15' of sewer lines.

EASEMENTS AND DEDICATIONS

1. Necessary public utility easements (for sewer, water and storm drain) shall be granted to the City. The minimum easement width is 20 feet. Easements with additional utilities shall be increased accordingly.

2. Vehicular access rights to Center City Parkway shall be waived and relinquished to the City of Escondido.

Material necessary for processing a dedication or easement shall include: a current grant deed or title report, a legal description and plat of the dedication or easement signed and sealed by a person authorized to practice land surveying (document size) and traverse closure tapes. The City will prepare all final documents.

REPAYMENTS AND FEES

1. A cash security shall be posted to pay any costs incurred by the City to clean-up eroded soils and debris, repair damage to public or private property and improvements, install new BMPs, and stabilize and/or close-up a non-responsive or abandoned project. Any moneys used by the City for cleanup or damage will be drawn from this security and the grading permit will be revoked by written notice to the developer until the required cash security is replaced. The cleanup cash security shall be released upon final acceptance of the grading and improvements for this project. The amount of the cash security shall be 10% of the total estimated cost of the grading, drainage, landscaping, and best management practices items of work with a minimum of \$5,000 up to a maximum of \$50,000, unless a higher amount is deemed necessary by the Director of Engineering Services.
2. The developer shall be required to pay all development fees of the City then in effect at the time, and in such amounts as may prevail when building permits are issued.

SURVEYING AND MONUMENTATION

1. All property corners shall be monumented by a person authorized to practice land surveying and a Record of Survey Map (or Corner Record if appropriate) shall be recorded.
2. A current preliminary title report shall be submitted with the grading plans.

UTILITY UNDERGROUNDING AND RELOCATION

1. The developer shall sign a written agreement stating that he has made all such arrangements as may be necessary to coordinate and provide utility construction, and relocation. All new utilities shall be constructed underground.

RESOLUTION NO. 2012-98

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING A ONE-YEAR EXTENSION OF TIME FOR A CONDITIONAL USE PERMIT FOR THE TALK OF THE TOWN CARWASH PROJECT AND DENYING AN ASSOCIATED REQUEST TO ADD A SECOND DRIVEWAY TO THE PREVIOUSLY APPROVED TALK OF THE TOWN PROJECT

Case No.: PHG 12-0015 and ADM 12-0007
Applicant: Munther Ghazal

WHEREAS, on May 26, 2010, the City Council considered and approved the subject Conditional Use Permit (2004-66-CUP) for the Talk of the Town carwash/restaurant project and a related amendment to the South Escondido Boulevard Area Plan on approximately 1.34 acres in the CG (General Commercial) zone, located on the northwestern corner of the intersection of Brotherton Road and Centre City Parkway, addressed as 400 Brotherton Road; and

WHEREAS, pursuant to Article 61 of the Escondido Zoning Code, the City Council approval included a term of one year for the applicant to utilize the Conditional Use Permit; and

WHEREAS, the City Council approved a request for a one-year extension of time for the Conditional Use Permit on August 10, 2011, as permitted by Article 61 of the Escondido Zoning Code; and

WHEREAS, the applicant submitted a request for a second one-year extension of time for the Conditional Use Permit (PHG 12-0015) on May 15, 2012, as permitted by Article 61 of the Escondido Zoning Code; and

WHEREAS, the applicant also filed a Plot Plan application (ADM 12-0007) on January 30, 2012, to modify the site design for the project to add a second exit-only driveway between the future restaurant building and the western property line; and

WHEREAS, the City Council has met to consider the proposal, and desires at this time and deems it to be in the best public interest to approve said one-year extension of time for the Conditional Use Permit (PHG 12-0015) and deny without prejudice the request to add a second driveway (ADM 12-0007).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That on the basis of the above review and consideration this City Council extends the Conditional Use Permit for one year to expire on May 27, 2013, unless the Conditional Use Permit is utilized in accordance with the required Conditions of Approval, attached as Exhibit "A" and incorporated by this reference, or unless an extension of time is granted pursuant to Article 61 of the Escondido Zoning Code.
3. That on the basis of the above review and consideration this City Council denies without prejudice the proposed Plot Plan application to add a second driveway to the site from Brotherton Road.

CONDITIONS OF APPROVAL
2004-02-AZ, 2004-66-CUP

Project Mitigation Measures

1. Contribute a fair share amount of approximately 2.18% towards the cost of installing a traffic signal at the intersection of Felicita Avenue and Brotherton Road.
2. Contribute a fair share amount of approximately 2.16% towards the cost of improving the segment of Centre City Parkway, between Felicita Avenue and Brotherton Road to City of Escondido Major Road standards.
3. The restaurant kitchen equipment shall include an emission control system such as an electrostatic precipitation filtration system or other filtration system satisfactory to the Planning Division.
4. All parking lot light fixtures shall be installed on the lowest pole height feasible as determined by a lighting analysis. All light fixtures near the northern and western property lines shall be directed downward and provided with shields to minimize potential impacts related to light spillover and glare.
5. All exterior HVAC units for the restaurant building shall be installed within a screened area on the eastern side of the building to meet sound attenuation standards. The HVAC unit for the auto services building shall be installed within a screened area on the southern side of the building. HVAC equipment shall be as specified in the Noise Impact Analysis or a similar model with equal or less noise emissions.
6. The carwash dryer system shall not to exceed 82.5 dBA unmitigated noise level at 5 feet and shall be set back within the carwash tunnel approximately six feet from the exit allowing the tunnel structure to function as a sound attenuation barrier.
7. All carwash supporting equipment including pumps, compressors, and vacuum motor and canister system shall be installed within a dedicated equipment room equipped with passive rooftop ventilation.
8. In order to meet daytime noise limits as defined in the Escondido Noise Ordinance, the carwash must cease operating no later than 10:00 p.m. (this is further modified by Planning Division Condition No. 16 below).
9. The use of pneumatic tools shall be prohibited at the oil change facility.

Planning Division Conditions

1. The developer shall be required to pay all development fees of the City then in effect at the time and in such amounts as may prevail when building permits are issued, including any applicable City-Wide Facilities fees.
2. All construction and grading shall comply with all applicable requirements of the Escondido Zoning Code and requirements of the Planning Division, Engineering Division, Building Division, and Fire Department.
3. If blasting is required, verification of a San Diego County Explosives Permit and a copy of the blaster's public liability insurance policy shall be filed with the Fire Chief and City Engineer prior to any blasting within the City of Escondido.
4. The legal description attached to the application has been provided by the applicant and neither the City of Escondido nor any of its employees assume responsibility for the accuracy of said legal description.
5. All requirements of the Public Art Partnership Program, Ordinance No. 86-70, shall be satisfied prior to building permit issuance. The ordinance requires that a public art fee be added at the time of the building permit issuance for the purpose of participating in the City Public Art Program.

6. All exterior lighting shall conform to the requirements of Article 35 (Outdoor Lighting) of the Escondido Zoning Code. Prior to issuance of a building permit, the applicant shall submit a photometric plan for the parking lot lighting to ensure that light spillover has been minimized to the extent feasible through the use of reduced-height light poles, low wattage lamps and shielding.
7. A minimum of 50 striped parking spaces shall be provided in conjunction with this development. Said parking spaces shall be double-striped and dimensioned per City standards. The striping shall be drawn on the plan or a note shall be included on the plan indicating the intent to double-stripe per City standards
8. Parking for disabled persons shall be provided (including "Van Accessible" spaces) in full compliance with Section 1129B (Accessible Parking Required) of the California Building Code, including signage. All parking stalls shall be provided with six-inch curbing or concrete wheel stops in areas where a vehicle could reduce minimum required planter, driveway or sidewalk widths.
9. An inspection by the Planning Division will be required prior to operation of the project. Items subject to inspection include, but are not limited to parking layout and striping (double-stripe), identification of handicap parking stalls and required tow-away signs, lighting, landscaping, as well as any outstanding condition(s) of approval. Everything should be installed prior to calling for an inspection, although preliminary inspections may be requested. Contact the project planner at (760) 839-4671 to arrange a final inspection.
10. Trash enclosures must be designed and built per City standards, and permanently maintained. All trash enclosures (including existing trash enclosures) shall meet current engineering requirements for storm water quality, which includes the installation of a decorative roof structure. Solid metal doors shall be incorporated into the trash enclosure. A decorative exterior finish shall be used. All trash enclosures must be screened by landscaping as specified in the Landscape Ordinance. All trash enclosures shall be of sufficient size to allow for the appropriate number of trash and recyclable receptacles as determined by the Planning Division and Escondido Disposal, Inc.
11. Colors, materials and design of the project shall be in substantial conformance with the plans/exhibits approved by the Design Review Board on June 25, 2009, and the exhibits and details in the staff report to the satisfaction of the Planning Division.
12. No signage is approved as part of this permit. A separate sign permit shall be required prior to the installation of any signs. All proposed signage associated with the project must comply with the City of Escondido Sign Ordinance (Article 66, Escondido Zoning Code). Only one freestanding sign shall be permitted for the development.
13. All new utilities shall be underground.
14. All rooftop equipment must be fully screened from all public view utilizing materials and colors which match the building.
15. The City of Escondido hereby notifies the applicant that State Law (SB 1535) effective January 1, 2007, requires certain projects to pay fees for purposes of funding the California Department of Fish and Game. If the project is found to have a significant impact to wildlife resources and/or sensitive habitat, in accordance with state law, the applicant should remit to the City of Escondido Planning Division, within two (2) working days of the effective date of this approval (the "effective date" being the end of the appeal period, if applicable), a certified check payable to "County Clerk", in the amount of \$2,060.25 for a project with a Negative Declaration. These fees include an authorized County administrative handling fee of \$50.00. Failure to remit the required fees in full within the time specified above will result in County notification to the State that a fee was required but not paid, and could result in State imposed penalties and recovery under the provisions of the Revenue and Taxation code. Commencing January 1, 2007, the State Clearinghouse and/or County Clerk will not accept or post a Notice of Determination filed by a lead agency unless it is accompanied by one of the following: 1) a check with the correct Fish and Game filing fee payment, 2) a receipt or other proof of payment showing previous payment of the filing fee for the same project, or 3) a completed form from the Department of Fish and Game documenting the Department's determination that the

project will have no effect on fish and wildlife. If the required filing fee is not paid for a project, the project will not be operative, vested or final and any local permits issued for the project will be invalid (Section 711.4(c)(3) of the Fish and Game Code).

16. The hours of operation for the restaurant building shall be limited to 6:00 A.M. to 10:00 P.M. 7 days/week. The hours of operation for the Carwash/Oil Change facility shall be limited to daytime hours defined as opening no earlier than 8:00 A.M. and closing no later than sunset.
17. All project generated noise shall comply with the City's Noise Ordinance (Ord. 90-08) to the satisfaction of the Planning Division.
18. This CUP shall become null and void unless utilized within twelve months of the effective date of approval.
19. The carwash/oil change facility may not receive a building permit prior to issuance of a building permit for the restaurant building. Occupancy of the carwash/oil change facility shall not be granted prior to occupancy of the restaurant building unless a determination is made by the Planning and Building Divisions that a final inspection for the restaurant building is imminent.
20. Employees of the carwash shall be prohibited from honking car horns to signal the owners that the car is ready.
21. No exterior loudspeakers for music, paging or announcements shall be permitted on the site.
22. The car wash design and building plans shall incorporate water conservation features including a water recycling system satisfactory to the Planning and Utilities Divisions.
23. All outdoor dining or smoking areas for the restaurant shall be limited to the eastern side of the building.
24. Prior to occupancy of any commercial buildings, a six-foot-high masonry separation wall shall be constructed on the northern and western property lines as required by Section 33-1082 of the Zoning Code. Alternatively, the applicant shall be permitted to enter into an agreement with approximately ten individual homeowners to pay the cost for the homeowners to construct the wall at the top of the slope on their properties. This condition will be satisfied upon payment of the full cost of the wall to the homeowners, or construction of the wall on the applicant's property as specified above.

Landscaping Conditions

1. Prior to issuance of a building permit, the conceptual landscape plan shall be reviewed by the Design Review Board.
2. Prior to occupancy, all perimeter, slope and parking lot landscaping shall be installed. Additionally, all landscaping proposed in conjunction with each building to be developed shall be installed. All vegetation shall be maintained in a flourishing manner, and kept free of all foreign matter, weeds and plant materials not approved as part of the landscape plan. All irrigation shall be maintained in fully operational condition.
3. In compliance with Article 62 (Landscape Standards), Section 1339 of the Escondido Zoning Code, all manufactured slopes over three feet high shall be irrigated and planted with landscape materials. The type of plant material shall be low maintenance, drought resistant, and fast growing, to the satisfaction of the Planning Division. In particular, the ground cover shall be a fast-growing species which establishes quickly and is capable of choking out weeds. All slopes over three vertical feet shall be irrigated as part of the irrigation system approved by the Planning Division.
4. Five copies of a detailed landscape and irrigation plan(s) shall be submitted prior to issuance of grading or building permits, and shall be equivalent or superior to the concept plan attached as an exhibit to the satisfaction of the Planning Division. A plan check fee based on the current fee schedule will be collected at the time of the submittal. The required landscape and irrigation plans(s) shall comply with the provisions, requirements and standards outlined

in Article 62 (Landscape Standards) of the Escondido Zoning Code. The plans shall be prepared by, or under the supervision of a licensed landscape architect.

5. The installation of the landscaping and irrigation shall be inspected by the project landscape architect upon completion. He/she shall complete a Certificate of Landscape Compliance certifying that the installation is in substantial compliance with the approved landscape and irrigation plans and City standards. The applicant shall submit the Certificate of Compliance to the Planning Division and request a final inspection.
6. All manufactured slopes or slopes cleared of vegetation shall be landscaped within thirty (30) days of completion of rough grading. If, for whatever reason, it is not practical to install the permanent landscaping, then an interim landscaping solution may be acceptable. The type of plant material, irrigation and the method of application shall be to the satisfaction of the Planning Division and City Engineer.
7. Street trees shall be provided along every frontage within, or adjacent to this subdivision in conformance with the Landscape Ordinance and the City of Escondido Street Tree List. Trees within five feet of the pavement shall be provided with root barriers.
8. Details of project fencing and walls, including materials and colors, shall be provided on the landscape plans.

Building Division Conditions

1. Appropriate accessible paths of travel shall be required from the public way.
2. Plans shall comply with the 2007 California Code

Fire Department Conditions

Fire Protection Systems

1. NFPA 13 NFPA 13R NFPA 13D **automatic fire sprinkler system** will be required.
2. **Automatic fire sprinkler system** will be required in the entire structure for the following reasons:
 - The project is more than three minutes driving time and five miles from the nearest fire station.
 - The structures are more than 3,600 square feet and exceed 1,500 GPM needed fire flow.
 - High fire severity area.
 - Other: _____
3. Sprinklers will be required on all overhangs exceeding four feet.
4. An approved fire alarm system shall be required if the number of sprinkler heads exceed 100.
5. A fire hydrant is required to be located within 50 feet of the fire department connection, unless otherwise specified. Please show location on plans.
6. Fire hydrants capable of delivering 1,500 GPM 2,500 GPM at 20 PSI residual pressure shall be required every 300 feet.
7. Fire suppression system required for hood system.

8. Extinguisher(s) shall be provided at locations indicated with a minimum rating of 2A-10B:C in a visible and accessible location, at an exit or in the exit path. Walking distance is not to exceed 75 feet (CFC 1002.1; T-19 Art. 5). Extinguishers must be mounted not more than 5 feet nor less than 3 ½ feet above the floor.

Access

9. Commercial access roads/drive aisles shall be a minimum of 24-feet wide.
10. Speed humps/bumps will not be allowed.
11. All-weather paved access, able to support the weight of a fire engine (75K lbs.) and approved fire hydrants must be provided prior to the accumulation of any combustible materials on the job site.
12. Knox box shall be required.
13. A 28' inside turning radius is required on all corners.
14. Barricades shall not obstruct fire hydrants or impede emergency vehicle access.
15. 13'6" vertical clearance must be provided in all access and driveway areas. Trees that obstruct the vertical clearance or access width must be trimmed or removed.
16. Red curbs with 4" white lettering, "NO PARKING FIRE LANE" signs are required in 24'-wide access areas.

Engineering Division Conditions

GENERAL

1. As surety for the construction of required off-site and/or on-site improvements, bonds and agreements in a form acceptable to the City Attorney shall be posted by the developer with the City of Escondido prior to the approval of plans and the issuance of Building Permits.
2. All public improvements shall be constructed in a manner that does not damage existing public improvements. Any damage shall be determined by and corrected to the satisfaction of the City Engineer.
3. An engineered improvement plan prepared by a Registered Civil Engineer is required for all public improvements. The developer shall post security for these improvements and an improvement plan shall be approved by the City of Escondido prior to issuance of any building permits. All required improvements shall be constructed prior to final acceptance of subject construction by the City.

STREET IMPROVEMENTS AND TRAFFIC

1. The developer shall construct a 15 foot wide south bound deceleration lane along project frontage on Centre City Parkway (250 feet long with 120 foot long transition) to the satisfaction of the City Engineer. Roadway improvements shall include construction of roadway widening, curb and gutter, drainage improvements and two street lights along deceleration lane. The developer shall also be responsible to prepare a striping & signage plan to allow for a fourteen foot wide deceleration lane and widen the existing bike lane from four to five feet.
2. The developer shall be responsible to landscape and irrigate the parkway areas along project frontage on Centre City Parkway and Brotherton Road to the satisfaction of the Planning Director.

3. The developer shall re-establish the striping at the intersections of Centre City Parkway /Brotherton Road and Brotherton Road/Frontage Road. This work shall be shown and approved as part of the striping & signage plan.
4. All driveways shall be alley-type in accordance with Escondido Standard Drawing No. 3, with a minimum throat width of minimum 24 feet.
5. The developer shall install a street light at the intersection Brotherton Road and new easterly driveway that shall be aligned with frontage road.
6. The developer shall be responsible for replacement of the existing drainage pipe across Brotherton Road, if it were found to be damaged at the time of final plans review, as determined by the City Engineer.
7. All unused driveways shall be removed and replaced with full height curb and gutter and sidewalk in accordance with City standards.
8. Adequate horizontal sight distance shall be provided at all street intersections and driveway entrances. Increased parkway widths, open space easements, and restrictions on landscaping may be required at the discretion of the City Engineer.
9. The developer's engineer shall prepare a complete signing and striping plan for all improved roadways. Developer's contractor shall do any removal of existing striping and all new signing and striping.
10. The developer will be required to provide a detailed detour and traffic control plan, for all construction within existing rights-of-way, to the satisfaction of the Traffic Engineer and the Field Engineer. This plan shall be approved prior the issuance of an Encroachment Permit for construction within the public right-of-way.
11. The developer shall provide the City with cash contribution in the amount of \$50,000 towards future improvement of Centre City Parkway between Felicita Avenue and Brotherton Road, prior to issuance of Building Permit.
12. The developer shall provide the City with cash contribution in the amount of \$7,500 towards future improvement of the intersection of Brotherton Road and Felicita Avenue, prior to issuance of building permit.

GRADING

1. Site grading and erosion control plans prepared by a Registered Civil Engineer are required for all onsite improvements and shall submitted to the Engineering Department. Grading Plans are subject to approval by the Planning, Fire and Engineering Departments prior to issuance of a Grading Permit.
2. All private driveways and parking areas shall be paved with a minimum of 3" AC over 6" of AB or 5 1/2" PCC over 6" AB. All paved areas exceeding 15% slope or less than 1.0% shall be paved with PCC. (This requirement may be reduced to 2" AC over 4" AB or 5 1/2" P.C.C. over native for single family residential only)
3. All proposed retaining walls shall be shown on and permitted as part of the site grading plan. Profiles and structural details shall be shown on the site grading plan and the Soils Engineer shall state on the plans that the proposed retain wall design is in conformance with the recommendations and specifications as outlined in his report. Structural calculations shall be submitted for review by a Consulting Engineer for all walls not covered by Regional or City Standard Drawings. Retaining walls or deepened footings that are to be constructed as part of building structure will be permitted as part of the Building Dept. plan review and permit process.
4. Erosion control, including riprap, interim sloping planting, gravel bags, or other erosion control measures shall be provided to control sediment and silt from the project. The developer shall be responsible for maintaining all erosion control facilities throughout the development of the project.

5. A General Construction Activity Storm Water Permit is required from the State Water Resources Board for all storm water discharges associated with a construction activity where clearing, grading and excavation results in a land disturbance of one or more acres. Two copies of the Storm Water Pollution Prevention Plan shall be submitted to the City.

DRAINAGE

1. Final on-site and off-site storm drain improvements shall be determined to the satisfaction of the City Engineer and shall be based on a drainage study to be prepared by the engineer of work. The drainage study shall be in conformance with the City of Escondido Design Standards.
2. A Final Water Quality Technical Report in compliance with City's latest adopted Storm Water Management Requirements shall be prepared and submitted together with the final improvement and grading plans. Water Quality Technical Report shall include post construction storm water treatment measures and maintenance requirements.
3. All site drainage with emphasis on the parking and drive way areas shall be treated to remove expected contaminants using a high efficiency non-mechanical method of treatment. The City highly encourages the use of grass bio-swales or rock/gravel swales within or along the perimeter of the parking and driveway areas as the primary method of storm water treatment. The landscape plans will need to reflect these areas of storm water treatment.
4. The on-site trash enclosure area shall drain toward a landscaped area and include a roof over the enclosure in accordance with the City's Storm Water Management requirements and to the satisfaction of the City Engineer.
5. All on-site storm drains not in public easements are private. The responsibility for maintenance of these storm drains and all post construction storm water treatment facilities shall be that of the property owner.

WATER SUPPLY

1. Fire hydrants together with an eight (8") inch supply line from Brotherton Road shall be installed at locations approved by the Fire Marshal, designed and constructed to the satisfaction of the Utilities Director.
2. Separate water meters shall be installed for each building.
3. A Public Utility Easement shall be granted to the City of Escondido for all public water mains within the project site. The easement shall include all fire hydrants, water meters and other appurtenances. The minimum easement width shall be 20 feet.

RECYCLED WATER

1. The developer is required to construct an irrigation system, for the frontage on Centre City Parkway and Brotherton Road that can use either potable or recycled water. This system should be built to the satisfaction of the Planning and Utilities Directors.

SEWER

1. An access driveway shall be provided from Centre City Pkwy. to the existing sewer manhole in the northeast corner of the proposed project to the satisfaction of the Director of Utilities.
2. Separate 6" sewer laterals shall be installed from the public main to each building.
3. No trees or deep rooted plants shall be planted within 15' of sewer lines.

EASEMENTS AND DEDICATIONS

1. Necessary public utility easements (for sewer, water and storm drain) shall be granted to the City. The minimum easement width is 20 feet. Easements with additional utilities shall be increased accordingly.
2. Vehicular access rights to Center City Parkway shall be waived and relinquished to the City of Escondido.

Material necessary for processing a dedication or easement shall include: a current grant deed or title report, a legal description and plat of the dedication or easement signed and sealed by a person authorized to practice land surveying (document size) and traverse closure tapes. The City will prepare all final documents.

REPAYMENTS AND FEES

1. A cash security or other security satisfactory to the City Engineer shall be posted to pay any costs incurred by the City for cleanup or damage caused by erosion of any type, related to project grading. Any moneys used by the City for cleanup or damage will be drawn from this security. The remaining portion of this cleanup security shall be released upon final acceptance of the grading for this project. The amount of the cash security shall be 10% of the total estimated cost of the grading work up to a maximum of \$30,000, unless a higher amount is deemed necessary by the City Engineer. The balance of the grading work shall be secured by performance bonds, an instrument of credit, a letter of credit or such other security as may be approved by the City Engineer and City Attorney.
2. The developer shall be required to pay all development fees of the City then in effect at the time, and in such amounts as may prevail when building permits are issued.

SURVEYING AND MONUMENTATION

1. All property corners shall be monumented by a person authorized to practice land surveying and a Record of Survey Map (or Corner Record if appropriate) shall be recorded.
2. A current preliminary title report shall be submitted with the grading plans.

UTILITY UNDERGROUNDING AND RELOCATION

1. All existing overhead utilities within the subdivision boundary or along fronting streets shall be relocated underground in accordance with City's Utilities Undergrounding Ordinance.
2. The developer shall sign a written agreement stating that he has made all such arrangements as may be necessary to coordinate and provide utility construction, relocation and undergrounding. All new utilities shall be constructed underground.

CITY COUNCIL

For City Clerk's Use:

APPROVED

DENIED

Reso No. N/A

File No. _____

Ord No. N/A

Agenda Item No.: 16

Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council
FROM: Barbara J. Redlitz, Director of Community Development
SUBJECT: Implementation of the recently adopted General Plan; Case No.: PHG 09-0020;
Online at: <http://www.escondido.org/general-plan.aspx>

STAFF RECOMMENDATION:

It is recommended that the City Council:

- 1) Review the Implementation Matrix that contains actions associated with building out the City's recently adopted General Plan.
- 2) Provide direction on the schedule/priority of recommended implementation measures based on criteria involving a) compliance with state mandates, b) community economic benefits, c) enhanced municipal efficiencies, and d) improved quality of life.
- 3) Direct staff to return to City Council with cost estimates and timeframes for implementing certain action items for further direction.

FISCAL ANALYSIS:

Implementing the General Plan will involve funding a variety of sources including the City's General Fund, Capital Improvement Program, grants, etc. Currently, \$275,000 is established in the Capital Account to fund the implementation efforts currently underway and to pay the salary of the staff Project Manager including any minor, incidental expenses. These funds will also be used to hire consultants as extensions of staff, conduct technical studies, and prepare environmental documentation. The number of policies and actions, with limited resources annually available to the City, will not allow every action and program to be funded simultaneously. Funding to pay for additional staff may also be collected from applicants who choose to compensate the City in order to expedite certain action items ahead of schedule.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item relates to the Council's Action Plan regarding Community Outreach; Financial Stability, Economic Development, and Image and Appearance. The General Plan Implementation Program integrates the Action Plan in several strategic areas. The General Plan's long-term planning horizon (year 2035) allows the current and future City Councils an opportunity to ensure that the Action Plan is effectively coordinated with the General Plan Implementation Program.

PLANNING COMMISSION ACTION:

None

BACKGROUND:

The City Council adopted the updated General Plan on May 23, 2012, that establishes the community's long-range vision with a planning horizon year of 2035. The General Plan's goals, objectives, policies, principles, and standards present a comprehensive, unified program for build out. General Plan policies affect nearly every aspect of Escondido's municipal operations and services affording every department a key role in ensuring that policies and programs are carried out to achieve the community's vision. Many implementation responsibilities will be carried out through individual departments' work programs or the City's Capital Improvement Programs, as directed by the City Council Action Plans.

The General Plan Implementation Program (Chapter 10) serves as an "umbrella" document for all General Plan Elements by outlining specific action to be taken by the City to build out the General Plan. The Implementation Program also serves as a foundation for preparing the state-mandated 'Annual Report' that documents the City's progress in carrying out the General Plan. As funding sources, federal and state requirements, regional planning initiatives, and other mechanisms available to Escondido to implement General Plan policies evolve over time, the various programs and actions prescribed will be periodically reviewed for their applicability.

GENERAL PLAN IMPLEMENTATION:

The General Plan Implementation Chapter establishes "priority action items" to be carried out in specified timeframes (0-3 years; 4-9 years; 10+ years; and ongoing). The City Council is authorized to prioritize the order of action items and provide direction to staff for implementation. Each priority action item has one or more corresponding city departments or agencies responsible for implementing the policy or program and may involve outside agencies. Some of the priority action items are currently underway as directed by the City Council. The attached "Exhibit A" consolidates all General Plan priority action items for implementation within the first three years of the Plan's adoption and details each priority action's status and recommendations based on criteria involving:

1) Compliance with State Mandates:

These priority action items are required by State Law for implementing the General Plan; time frames for completion are governed by state policy or legislation. For example, State law prioritizes the implementation of certain programs, such as updating the zoning code to be in compliance with the General Plan within a reasonable timeframe (usually 12 – 24 months after General Plan adoption). These action items include:

- a. Housing Element update (*currently underway; Due March 2013 – within 18 months of SANDAG's adoption of 2050 Regional Transportation Plan (RTP)*)
- b. Climate Action Plan preparation (*currently underway*)
- c. Zoning Code update and associated property zone changes

2) Community Economic Benefits:

These priority action items enhance economic opportunities, improve local economic conditions, and/or promote economic programs that will benefit the community and include:

- a) Comprehensive Economic Development Strategy (CEDS) preparation (*currently underway*)
- b) Downtown Specific Plan update (*currently underway*)

3) Enhanced Municipal Efficiencies:

These priority action items streamline municipal operations allowing for the conservation of time, staff, and resources and include:

- a) Updating Estate and Rural street design standards
- b) Updating the Annexation Procedures manual
- c) Vehicle Parking standards update (*phased approach underway*)
- d) Urban Core Area Traffic Level of Service (*underway as part of Downtown SPA update*)
- e) Truck Route Master Plan adoption

4) Improved Quality of Life:

These priority action items are intended to improve conditions in the community to enhance the overall quality of life for residents and include:

- a) Pedestrian Master Plan
- b) Community Gateway Master Plan
- c) Trails Master Plan Update
- d) Quality of Life level of service moratorium thresholds
- e) Development standards and guidelines for residential mixed-use and employment areas abutting residential to ensure compatibility

STAFF RECOMMENDATION AND NEXT STEPS IN THE PROCESS:

Based on City Council direction, the following schedule is proposed for the first three years of General Plan Implementation Action Items:

1. Currently Initiated Action Items:

Priority action items involving the a) Housing Element update, b) Climate Action Plan, c) Downtown Specific Plan update, e) Comprehensive Economic Development Strategy (CEDS), Urban Core Area Traffic LOS, and d) vehicle parking standards update have been initiated by the City Council.

Funding: Available as part of the General Plan Update, or separately funded by prior Council action.

2. Zoning Code Update:

As previously discussed, State law prioritizes the implementation of certain programs, such as updating the zoning code to be in compliance with the General Plan within a reasonable timeframe; usually 12-24 months after General Plan adoption

Initiate: FY 2012-2013

Funding: Sufficient funds are potentially available in the current CIP budget. It is recommended that staff research cost estimates for implementing a comprehensive zoning code update and initiate consultant selections.

3. Truck Route Master Plan:

The General Plan EIR analyzed this Plan and included a map in the General Plan regarding the streets involved in the Truck Route. Implementation requires adoption by Resolution that staff proposes for City Council consideration.

Initiate: FY 2012-2013

Funding: Included as part of the General Plan Update.

4. Annexation Procedures Update:

The City currently maintains an Annexation Procedures Manual as a policy document. Staff proposes updating the current manual to reflect current annexation policies.

Initiate: FY 2012-2013

Funding: Included as part of the General Plan Update.

5. Rural and Estate Street Design Standards:

Planning and Engineering staffs recommends evaluating opportunities for implementing more rural-oriented design standards and preparing a policy document that reflects the General Plan vision.

Initiate: FY 2013-2014

Funding: Included as part of the General Plan Update.

6. Master Plans for Pedestrians, Trails, Community Gateways:

Staff recommends consolidating these Master Plans and researching cost estimates.

Initiate: FY 2013-2014

Funding: Solicit SANDAG for funding during their biennial grant cycle; scheduled for 2014.

7. Quality of Life level of service moratorium thresholds:

Staff recommends developing a policy document that outlines acceptable service deficiencies, appropriate circumstances for delaying infrastructure, and criteria for implementing development moratoriums.

Initiate: FY 2013-2014

Funding: Sufficient funds are potentially available in the current CIP budget.

8. Development standards and guidelines for residential mixed-use and employment areas abutting residential to ensure compatibility:

Staff recommends developing strategies to minimize impacts to residential areas by adjacent employment land uses in a policy document (i.e. setbacks, building heights, materials, etc.)

Initiate: FY 2013-2014

Funding: It is recommended that staff research cost estimates for preparing the policy document and update the City Council.

Respectfully submitted,



Barbara J. Redlitz
Director of Community Development

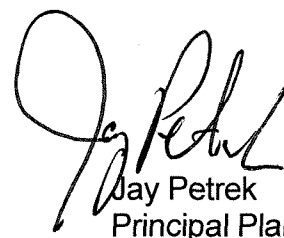

Jay Petrek
Principal Planner

Exhibit A GENERAL PLAN IMPLEMENTATION SCHEDULE 0 – 3 Years

IMPLEMENTATION MATRIX			Implementation Schedule	
II. LAND USE AND COMMUNITY FORM ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
1.4	<p>Consider the appropriateness of alternative methodologies to define project objectives, determine thresholds of significance, and assess the environmental impacts of projects that further Escondido's smart growth objectives for downtown infill, mixed-use, pedestrian-oriented, and transit-oriented development, consistent with the requirements of the California Environmental Quality Act (CEQA).</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Amend Escondido's Environmental Quality Regulations (Article 47) to include appropriate features, thresholds and objectives that reduce environmental impacts when considering pedestrian- / transit-oriented development.</u> 	Planning Division, Planning Commission, City Council	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
2.1	<p>Update and revise city ordinances to reflect the goals, objectives and policies in the adopted General Plan.</p>	Planning Division	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
2.3	<p>Establish new zoning categories in areas where the city's existing zoning will not adequately implement the goals and objectives of the General Plan based on the following designations: (Note: refer to Figure II-31 in the Land Use and Community Form Element).</p> <p><u>Priority Action Items:</u></p> <ul style="list-style-type: none"> ▪ <u>Amend Zoning Ordinance to establish new zones for Urban V, Planned Office, Open Space / Parks.</u> ▪ <u>Amend Zoning Ordinance to establish new Overlay designations for Public Facilities, Mixed Use, Tribal Lands.</u> 	Planning Division, Planning Commission, City Council	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>

IMPLEMENTATION MATRIX		Implementation Schedule		
II. LAND USE AND COMMUNITY FORM ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
3.9	<p>Promote new residential subdivisions, multi-family projects, and development in Mixed Use Overlay areas to incorporate smart growth principles such as:</p> <ul style="list-style-type: none"> a) Walkways, shade trees, seating areas and other amenities to create a pleasant waling environment, encourage pedestrian activity, and enhance resident quality of life; b) Features that promote the use of alternative transportation options; c) Opportunities for residents to conduct routine errands close to their residence; d) Maximum connectivity with surrounding uses to become a part of the area rather than an isolated project; e) Architectural elements or themes from the surrounding neighborhood; and, f) Appropriate transitions between land use designations to minimize compatibility conflicts. <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Amend Zoning Ordinance to include the implementation of above referenced smart growth principles.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
4.4	<p>In the design of both Rural designations and of Estate I single-family residential development, consideration should be given to public improvement standards which allow for a more rural environment, such as flexibility in street rights of-way, increased setbacks and pedestrian circulation systems such as trails or paths, provided health and safety are not compromised.</p> <p>(Amendment to this policy will continue to require voter approval)</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Amend Street Design Standards to accommodate Rural / Estate land uses.</u> 	<p>Engineering Division, Planning Division, City Council</p>	X	<p>STATUS: <u>Enhanced Municipal Efficiencies</u>; Minimizing pavement requirements will reduce surface runoff, and lessen construction and long-term maintenance costs. No action has been taken.</p> <p>RECOMMENDATION: Direct staff and Traffic Commission to evaluate alternative street design standards immediately for City Council in FY 2013-2014.</p>

IMPLEMENTATION MATRIX		Implementation Schedule		
II. LAND USE AND COMMUNITY FORM ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
4.6	<p>A Land Use Area Plan will be developed for the Old Escondido Neighborhood and other neighborhoods predominately characterized by older single-family residential housing stock. The area plans shall address the following objectives:</p> <p>a) Orientation towards pedestrian activities: The improvement of area streetscapes to provide, at a minimum, street lights and continuous sidewalks.</p> <p>b) Preservation of the single-family residential character: Introduction of zoning that discourages demolition of single-family dwellings that are subsequently replaced by high density multifamily units.</p> <p>c) Preservation of historic/cultural resources: Consideration of a conservation district that would provide guidelines for protecting the historical/ cultural resources in the area through design and development standards.</p> <p>d) Integration with Downtown Specific Plan and South Escondido Corridor other adjacent Area Plans: Development guidelines that require uses that will complement the two areas that border the neighborhood and provide a transition between the single-family residential core and commercial uses.</p> <p>e) Implementation measures such as overlay zones, design guide-lines and incentive programs for rehabilitation and preservation.</p> <p>(Amendment to this policy will continue to require voter approval)</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Include above referenced objectives in Area Plans.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
7.2	<p>Establish guidelines and standards for mixed-use development through Area Plans that include but are not limited to; minimum density and intensity requirements; landscaping and open space, allowable uses; building heights; and any shared parking standards consistent with Figure II-6.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Incorporate the above referenced guidelines and standards for mixed-use developments in Area Plans.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
8.1	<p>Establish Neighborhood Commercial, General Commercial, and Planned Commercial land use designations as described in Figure II-6 to accommodate the various types of retail and service-related needs.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Complete a comprehensive review of the Zoning Code, and amend as appropriate, to be consistent with the General Plan.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>

IMPLEMENTATION MATRIX		Implementation Schedule		
II. LAND USE AND COMMUNITY FORM ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
9.1	<p>Establish General Office, and Planned Office land use designations as described in Figure II-6 to accommodate the various types of office needs.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Complete a comprehensive review of the Zoning Code, and amend as appropriate, to be consistent with the General Plan.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
10.1	<p>Establish Industrial Office, Light Industrial, and General Industrial land use designations as described in Figure II-6 to accommodate the need for the various types of industrial uses.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Complete a comprehensive review of the Zoning Code, and amend as appropriate, to be consistent with the General Plan.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
10.8	<p>Maintain building intensity standards for Industrial designated properties as required by law.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Amend M-1 Zoning Ordinance to address building intensity and employee density provisions consistent with the General Plan and state law.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
11.1	<p>Establish the Specific Planning Area land use designation and require submittal of a Specific Plan application to manage the phased and cohesive development of large scale, multi-use projects (in compliance with California Government Code Sections 65450, et seq.) as described in Figure II-6.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Amend the Downtown Specific Plan to incorporate Mercado development standards and design guidelines.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. A draft Downtown Specific Plan update is currently underway.</p> <p>RECOMMENDATION: Review and adopt updated Specific Plan slated for City Council in FY 2012-2103.</p>

IMPLEMENTATION MATRIX			Implementation Schedule	
II. LAND USE AND COMMUNITY FORM ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
12.1	<p>Establish the Open Space / Park land use designation to identify city and county properties reserved for active and passive parks, habitat preservation, and public safety purposes as described in Figure II-6.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Complete a comprehensive review of the Zoning Code, and amend as appropriate, to be consistent with the General Plan.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
13.1	<p>Establish the Public Facility overlay to accommodate "single use" municipal facilities and government operations such as libraries, community centers, fire stations, municipal firing range, treatment facilities, public schools, etc. as described in Figure II-6.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Complete a comprehensive review of the Zoning Code, and amend as appropriate, to be consistent with the General Plan.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
14.1	<p>Establish the Tribal Area land use designation as described in Figure II-6 for federally recognized reservations or Indian Villages and for which the city has no land use authority.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Complete a comprehensive review of the Zoning Code, and amend as appropriate, to be consistent with the General Plan.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <u>State Mandated Action Item</u>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken.</p> <p>RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>
16.6	<p>Maintain an annexation procedures manual outlining the steps and city policies regarding annexations that includes, but is not be limited to, applicant's responsibilities, requirements for environmental review, requirements for development plans, and fees for annexation.</p> <p><u>Secondary Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Prepare an annexation procedures manual to address the above referenced City direction.</u> 	<p>Planning Division, City Council</p>	X	<p>STATUS: <u>Enhanced Municipal Efficiencies</u>; Updating annexation policies that facilitate annexations for areas that address the build-out vision will allow for a comprehensive approach for providing municipal services. No action has been taken.</p> <p>RECOMMENDATION: Direct staff to update current annexation procedures manual to reflect current policies in FY 2012-2013.</p>

IMPLEMENTATION MATRIX			Implementation Schedule	
III. MOBILITY AND INFRASTRUCTURE ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
3.1	<p>Prepare and regularly update a Pedestrian Master Plan that identifies and defines the following: level of service standards for pedestrian facilities; type and location of pedestrian-oriented streets and pathways; way-finding program, standards for sidewalk width, improvements, amenities, and street crossings; outline and timeframe of needed public improvements; and developer responsibilities.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Prepare a comprehensive Pedestrian Master Plan consistent with the General Plan.</u> 	Engineering Division, Planning Division	X	<p>STATUS: <i>Improved Quality of Life</i>: Development of this Master Plan will identify key locations for the city to focus improvements for pedestrians. No action has been taken.</p> <p>RECOMMENDATION: SANDAG provides funding on a bi-annual schedule for cities to develop Pedestrian Master Plans. The city should apply during the next funding cycle which is scheduled for 2014.</p>
7.3	<p>Strive to maintain LOS C or better throughout the city except for within the urban core. Establish LOS D as the threshold for determining significant impacts and appropriate mitigation. Due to physical design characteristics, implementation of pedestrian-oriented 'smart growth' and Complete Streets design improvements, high density infill areas, environmental resource considerations, existing development, freeway interchange impacts, and incomplete system improvements, alternative levels of service may be appropriate for isolated areas as determined by the city.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Define Urban Core Area for establishing traffic Level of Service areas.</u> 	Engineering Division	X	<p>STATUS: <i>Enhanced Municipal Efficiencies</i>: The General Plan EIR analyzed traffic Level of Service (LOS) 'D' for urban areas and LOS 'E' for a small area downtown as part of the General Plan update which was adopted by the City Council.</p> <p>RECOMMENDATION: Direct staff to update current policies to reflect City Council action in FY 2012-2013.</p>
7.10	<p>Implement street beautification programs to improve the visual quality and character of roadway corridors and provide a distinct identify for key gateways into the city.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Prepare a Master Plan that identifies gateways and guidelines to address the visual quality of the roadway corridors for the gateways that include colors, landscaping, signage, public art.</u> 	Engineering Division, Planning Division	X	<p>STATUS: <i>Improved Quality of Life</i>: Development of this Master Plan will identify key locations for the city to focus improvements. No action has been taken.</p> <p>RECOMMENDATION: SANDAG provides funding on a bi-annual schedule for cities to develop Pedestrian Master Plans. The city should consolidate roadway corridors with the Pedestrian Master Plan and apply during the next funding cycle which is scheduled for 2014.</p>

IMPLEMENTATION MATRIX		Implementation Schedule		
III. MOBILITY AND INFRASTRUCTURE ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
8.2	<p>Consider reducing parking requirements in the downtown and at transit stations transit as ridership increases over time due to increased development intensities and a broader mix of land uses.</p> <p>Priority Action Item:</p> <ul style="list-style-type: none"> Establish guidelines for parking reductions in urban core and mixed use areas similar to the Downtown Specific Planning Area. 	Planning Division	X	<p>STATUS: <i>Enhanced Municipal Efficiencies</i>: Staff is preparing an interim program for reduced parking slated for City Council consideration in late 2012.</p> <p>RECOMMENDATION: A comprehensive approach to parking should be considered through the comprehensive zoning code update. Contract with consultant to perform in FY 2012-2013.</p>
10.1	<p>Designate official truck routes to minimize the impacts of truck traffic on residential neighborhoods and other sensitive land uses.</p> <p>Priority Action Item:</p> <ul style="list-style-type: none"> Establish official truck routes to minimize truck traffic on sensitive land uses. 	Engineering Division	X	<p>STATUS: <i>Enhanced Municipal Efficiencies</i>: The General Plan EIR analyzed a truck route which was adopted by the City Council.</p> <p>RECOMMENDATION: Direct staff to formalize current policies to reflect City Council action in FY 2012-2013.</p>

IMPLEMENTATION MATRIX		Implementation Schedule		
IV. HOUSING ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
	<p>Housing Elements are adopted on an eight-year cycle. Escondido's adopted Housing Element is valid until December 31, 2012. A draft Housing Element has been prepared and endorsed by the City Council, which is currently undergoing review by the state Department of Housing and Community Development (HCD). The state HCD requires that Escondido's draft Housing Element be adopted by early 2013. The City Council will consider the General Plan Update adoption prior to and separate from the draft Housing Element adoption. The draft Housing Element is tentatively scheduled for City Council adoption in late 2012 or early 2013. Copies of the city's adopted and draft Housing Elements are available at the Escondido Planning Division in City Hall, located at 201 N. Broadway, Escondido, CA, or on-line at:</p> <p>Adopted Housing Element: http://www.escondido.org/Data/Sites/1/media/pdfs/Housing/HousingElement.pdf Draft Housing Element: http://www.escondido.org/Data/Sites/1/media/pdfs/Housing/DraftHousingElement.pdf</p>	Planning Division, Housing Division	X	<p>STATUS: <i>State Mandated Action Item</i>: Housing Element has been endorsed by the City Council and is under review by State Department of Housing & Community Development.</p> <p>RECOMMENDATION: Formally adopt the Housing Element subject to State Certification prior to March 2013.</p>

IMPLEMENTATION MATRIX		Implementation Schedule		
VII. RESOURCE CONSERVATION ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
2.4	<p>Establish a continuous network of landscaped pedestrian and bicycle paths within urbanized areas that provide internal circulation and links Escondido's districts and neighborhoods.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Update the master plan of trails to include a continuous network of landscaped pedestrian and bicycle ways.</u> 	<p>Planning Division, Engineering Division</p>	X	<p>STATUS: <u>Improved Quality of Life:</u> Development of this Master Plan will identify key locations for the city to focus improvements for pedestrians. No action has been taken.</p> <p>RECOMMENDATION: SANDAG provides funding on a biennial schedule for cities to develop Pedestrian Master Plans. The city should apply during the next funding cycle which is scheduled for 2014.</p>
7.2	<p>Reduce regional greenhouse gas emissions through the following measures including, but not limited to:</p> <ul style="list-style-type: none"> a) Implementing land use patterns that reduce automobile dependence (compact, mixed-use, pedestrian, and transit-oriented development, etc.); b) Reducing the number of vehicular miles traveled through implementation of Transportation Demand Management programs, jobs-housing balance, and similar techniques; c) Supporting public transportation improvements; d) Encouraging the use of alternative modes of transportation by expanding public transit, bicycle, and pedestrian networks and facilities; e) Participating in the development of park-and-ride facilities; f) Maintaining and updating the city's traffic signal synchronization plan; g) Promoting local agriculture; h) Promoting the use of drought-tolerant landscaping; and i) Encouraging the use of non-polluting alternative energy systems. <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Implement measures identified in the city's Climate Action Plan to reduce greenhouse gas emissions.</u> 	<p>Planning Division, Engineering Division, North County Transit District, State and Regional Air Quality Agencies.</p>	X	<p>STATUS: <u>State Mandated Action Item:</u> A Draft Climate Action Plan (CAP) has been prepared by a consultant and reviewed by the City Council. Staff is editing the CAP and reviewing proposed screening tables to guide developers in their greenhouse gas reduction measures.</p> <p>RECOMMENDATION: Formally review and adopt the CAP upon completion FY 2012-2013.</p>

IMPLEMENTATION MATRIX				Implementation Schedule
VIII. GROWTH MANAGEMENT ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
5.2	<p>Monitor and periodically report the performance of development activity and its conformance with quality of life standards. Identify areas where there are critical deficiencies. Establish criteria for and implement moratoria, or other strategies to address shortfalls.</p> <p>Priority Action Item:</p> <ul style="list-style-type: none"> Collaborate with Departments and Divisions to establish appropriate criteria for determining thresholds for development moratoriums. 	<p>Community Development, Engineering Division, City Attorney, Community Services, Police Department, Water Treatments, Wastewater, Recycling & Waste Reduction</p>	X	<p>STATUS: <i>Improved Quality of Life:</i> Development of this policy will provide residents and developers assurances of QOL thresholds. No action has been taken.</p> <p>RECOMMENDATION: Direct staff to prepare policies in FY 2013-2014.</p>

IMPLEMENTATION MATRIX				Implementation Schedule
IX. ECONOMIC PROSPERITY ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
1.4	<p>Promote quality economic development that fosters job availability, economic revitalization, and tax revenues.</p> <p>Priority Action Item:</p> <ul style="list-style-type: none"> Prepare and implement a comprehensive economic development strategy for Escondido that is consistent with the City's General Plan. 	<p>Planning Division, City Manager, Planning Commission, City Council, Chamber of Commerce</p>	X	<p>STATUS: <i>Community Economic Benefit Action Item:</i> A draft Comprehensive Economic Development Strategy (CEDS) has been prepared.</p> <p>RECOMMENDATION: Review CEDS, which is slated for consideration by August 2012, and provide direction to staff based on CEDS analysis.</p>
1.5	<p>Encourage a variety of economic activities in Escondido that:</p> <ol style="list-style-type: none"> Diversifies and balances the economic base and cushions the city's economy from a downturn in any one sector or cyclical fluctuations, Provides a broad spectrum of employment opportunities ranging from semi-skilled to high-technology positions, Reduces the need for Escondido residents to commute out of the area for their employment, Improves the city's fiscal stability, Enhances overall property values, Provides support products and services for local businesses, Expands opportunities for arts and artists supporting the city as a cultural destination, and; Locates and designs buildings and properties in a campus style environment, where feasible. <p>Priority Action Item:</p> <ul style="list-style-type: none"> Prepare and implement a comprehensive economic development strategy for Escondido that is consistent with the City's General Plan. 	<p>Planning Division, City Manager, Planning Commission, City Council, Chamber of Commerce</p>	X	<p>STATUS: <i>Community Economic Benefit Action Item:</i> A draft Comprehensive Economic Development Strategy (CEDS) has been prepared.</p> <p>RECOMMENDATION: Review CEDS, which is slated for consideration by August 2012, and provide direction to staff based on CEDS analysis.</p>

IMPLEMENTATION MATRIX			Implementation Schedule	
IX. ECONOMIC PROSPERITY ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
2.1	<p>Implement programs and support efforts to increase Escondido's median income and wage by: actively fostering entrepreneurial opportunities, recruiting new businesses, annexing key unincorporated lands, and encouraging existing business expansions that increases employment densities and retains skilled workers whose wages exceed the San Diego Region's median per capita income, and bringing new dollars into the local economy.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Prepare and implement a comprehensive economic development strategy for Escondido that is consistent with the City's General Plan.</u> 	<p>Planning Division, City Manager, Planning Commission, City Council,</p>	X	<p>STATUS: <i>Community Economic Benefit Action Item</i>; A draft Comprehensive Economic Development Strategy (CEDS) has been prepared. RECOMMENDATION: Review CEDS, which is slated for consideration by August 2012, and provide direction to staff based on CEDS analysis.</p>
2.4	<p>Provide economic development incentives to businesses that offer high quality job opportunities which result in raising the median income level for Escondido residents.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Prepare and implement a comprehensive economic development strategy for Escondido that is consistent with the City's General Plan.</u> 	<p>Planning Division, City Manager, Planning Commission, City Council, Chamber of Commerce</p>	X	<p>STATUS: <i>Community Economic Benefit Action Item</i>; A draft Comprehensive Economic Development Strategy (CEDS) has been prepared. RECOMMENDATION: Review CEDS, which is slated for consideration by August 2012, and provide direction to staff based on CEDS analysis.</p>
2.7	<p>Establish criteria for the types of businesses that should be actively recruited to locate and/or expand in Escondido. These criteria should be monitored and periodically updated to identify evolving markets and businesses that offer the opportunity to raise Escondido's median income. Criteria could include, but not be limited to:</p> <ol style="list-style-type: none"> a) Level or rate of wages paid to employees; b) Benefits provided to employees; c) Employee density per acre; d) Skills required for employment; and, e) Full-time and part-time/contract/seasonal employee ratio. <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Prepare and implement a comprehensive economic development strategy for Escondido that is consistent with the City's General Plan.</u> 	<p>Planning Division, City Manager, Planning Commission, City Council, Chamber of Commerce</p>	X	<p>STATUS: <i>Community Economic Benefit Action Item</i>; A draft Comprehensive Economic Development Strategy (CEDS) has been prepared. RECOMMENDATION: Review CEDS, which is slated for consideration by August 2012, and provide direction to staff based on CEDS analysis.</p>
6.1	<p>Revitalize the Downtown, East Valley Parkway, Center City Parkway, and Escondido Boulevard commercial areas by upgrading their appearance and achieving a coordinated land use pattern to that includes retail, office, visitor serving, and residential development of appropriate density and intensity.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Complete a comprehensive review of the Area Plan, and amend as appropriate, to be consistent with the General Plan.</u> 	<p>Planning Division, Planning Commission, City Council</p>	X	<p>STATUS: <i>State Mandated Action Item</i>; Zoning Ordinances are required to be consistent with General Plans. No action has been taken. RECOMMENDATION: Contract with consultant to perform comprehensive zoning code update in FY 2012-2013.</p>

IMPLEMENTATION MATRIX		Implementation Schedule		
IX. ECONOMIC PROSPERITY ELEMENT				
Policy Number	POLICY TEXT	Responsible Party	0-3 YRS	STATUS / RECOMMENDATION
6.2	<p>Establish incentives, implement improvements, provide funding, and maintain fees for the revitalization of existing older industrial and commercial areas, as well as for the purpose of attracting a broad spectrum of new businesses.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Prepare and implement a comprehensive economic development strategy for Escondido that is consistent with the City's General Plan.</u> 	<p>Planning Division, Building Division, City Manager, City Council</p>	X	<p>STATUS: <i>Community Economic Benefit Action Item</i>; A draft Comprehensive Economic Development Strategy (CEDS) has been prepared. RECOMMENDATION: Review CEDS, which is slated for consideration by August 2012, and provide direction to staff based on CEDS analysis.</p>
8.1	<p>Work with businesses and other stakeholders to identify and implement programs and measures for the revitalization and/or transition of underutilized and obsolete employment areas. This may include:</p> <p>a) developing incentives and other strategies to promote re-investment; and,</p> <p>b) targeting investments in public infrastructure that may be catalysts for new private sector investment</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Collaborate with Chamber of Commerce and business groups to develop programs for City Council consideration.</u> 	<p>City Manager, City Council</p>	X	<p>STATUS: <i>Community Economic Benefit Action Item</i>; A draft Comprehensive Economic Development Strategy (CEDS) has been prepared. RECOMMENDATION: Review CEDS, which is slated for consideration by August 2012, and provide direction to staff based on CEDS analysis.</p>
8.4	<p>Develop strategies to minimize impacts on adjoining residential neighborhoods as a result of the revitalization of an employment area.</p> <p><u>Priority Action Item:</u></p> <ul style="list-style-type: none"> ▪ <u>Develop appropriate measures and guidelines for non-residential land uses in close proximity to residential neighborhoods for City Council consideration.</u> 	<p>Planning Division</p>	X	<p>STATUS: <i>Improved Quality of Life</i>; Development of this policy will provide residents and developers assurances of standards. No action has been taken. RECOMMENDATION: Direct staff to prepare policies in FY 2013-2014</p>

CITY COUNCIL

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Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 17
Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Joyce Masterson, Assistant to the City Manager

SUBJECT: Economic Development Master Plan and CEDS

RECOMMENDATION:

It is requested that Council approve the Economic Development Master Plan and Comprehensive Economic Development Strategy (CEDS), attached to this staff report.

FISCAL ANALYSIS:

Undetermined at this time. There are strategies listed in the plan which may incur costs. Those items will be brought for City Council approval at future dates.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item relates to the Council's Action Plan regarding Economic Development.

PREVIOUS ACTION:

On December 14, 2011, the City Council adopted Resolution No. 2011-151 modifying the Fund Balance Policy and authorizing the Mayor and City Clerk to execute a consulting agreement with the Natelson-Dale Group, Inc. to complete an economic development master plan and CEDS, and authorized a budget adjustment in the amount of \$96,330 from the General Fund Economic Development Commitment Fund to the City Manager's Professional Services account (5131-001-002) to fund the project.

BACKGROUND:

On September 14, 2011, the City Council approved the 2011-2012 City Council Action Plan. The Action Plan included the strategy of directing staff to contract with a consultant to build upon the draft Economic Development element of the General Plan to create a comprehensive economic development plan for Escondido.

Economic Development Master Plan and CEDS

July 25, 2012

Page 2

The City of Escondido released a request for proposals (RFP) in September 2011 for a consultant to complete an economic development master plan for the City. The RFP was subsequently revised to require that the master plan also qualify as a Comprehensive Economic Development Strategy, or CEDS, under Federal Economic Development Administration (EDA) guidelines. Having an approved CEDS is an eligibility requirement for most EDA grants, and the work required to fulfill the CEDS requirements did not add significantly to the initial proposal for an economic development master plan. Proposals were received from six consultants, and after thorough staff review and in-person interviews, the Natelson-Dale Group, Inc. was selected to complete the project.

Following is an overview of the CEDS process timeline:

September 2011	Request for proposals released
October – November 2011	Proposals reviewed, consultants interviewed, consultant selected
December 2011	Contract awarded to the Natelson-Dale Group, Inc.
January 2012	CEDS Committee created, stakeholders identified
February 2012	CEDS Committee meeting #1, Escondido Market Analysis completed, stakeholder interviews conducted
March – April 2012	CEDS Committee meeting #2, Industry Cluster Analysis completed, stakeholder interviews continued
May – July 2012	CEDS Committee meeting #3, Competitive Assessment completed, CEDS final draft completed

The EDA requires that a CEDS Committee be formed to provide input throughout the process, and that a majority of the committee members be from the private sector. The Escondido CEDS Committee includes city staff from the Manager's Office, Attorney's Office and Planning Division, as well as private sector individuals from various businesses and organizations in Escondido and North County including Palomar Health, North County Transit District and representatives from local business groups. A copy of the draft Economic Development Master Plan and CEDS is attached (See Attachment 1), along with a list of CEDS Committee members (Attachment 2) and a list of stakeholders who were interviewed (Attachment 3).

The Escondido Economic Development Master Plan and CEDS was completed with the City's Council Action Plan and General Plan update in mind, and is intended to work in a complementary manner to those plans as a blueprint for economic development in Escondido for the next five to ten years. Roger Dale, representing the consulting firm, will provide Council with a presentation regarding the project and their efforts to synthesize the input they received from all sources.

Respectfully submitted,



Joyce Masterson
Assistant to the City Manager



❖ **Item is available on the City Website**

- Please visit [http://www.escondido.org/Data/Sites/1/media/CityofEscondido-ComprehensiveEconomicDevelopmentStrategy\(7-19-2012\).pdf](http://www.escondido.org/Data/Sites/1/media/CityofEscondido-ComprehensiveEconomicDevelopmentStrategy(7-19-2012).pdf) to view Attachment No. 1: Economic Development Master Plan and Comprehensive Economic Development Strategy (CEDS)

CEDS Committee Members

Name		Organization
Mark	Baker	Baker Enterprises
Dick	Bobertz	San Dieguito River Park Joint Powers Agreement
Gerald	Bracht	Palomar Health
Carina	Courtright	California Center for the Arts, Escondido
Ernie	Cowan	North San Diego County Association of Realtors
Bill	de la Fuente	Comerciantes Latinos Asociados
Jeff	Epp	City of Escondido
Dave	Ferguson	Lounsbery, Ferguson, Altona & Peak, LLC
Tracey	Foster	North County Transit District
Michelle	Geller	City of Escondido
Ed	Grangetto	EGAP (Escondido Growers for Agricultural Preservation)
Charlie	Grimm	City of Escondido
Buster	Halterman	Buster Biofuels
Juanita	Hayes	SDG&E
Terry	Jackson	Cushman and Wakefield
Scott	Gross	Cal State San Marcos
Reg	Javier	Public Consulting Group
Linda	Bailey	San Diego North Economic Development Council
John	Masson	Escondido Chamber of Commerce
Joyce	Masterson	City of Escondido
Chester	Mordasini	Teamsters Local 911
Jay	Petrek	City of Escondido
Clay	Phillips	City of Escondido
Jack	Raymond	The Raymond Companies
Patricia	Reno	RBC Wealth Management
John	Ruetten	Resource Trends, Inc.
Dennis	Snyder	Charter High School
George	Weir	Weir Asphalt Company

**Escondido Economic Development Master Plan and CEDS
Stakeholders Interviewed**

Name		Title	Organization
Sam	Abed	Mayor	City of Escondido
Marie	Waldron	Deputy Mayor	City of Escondido
Olga	Diaz	Councilmember	City of Escondido
Ed	Gallo	Councilmember	City of Escondido
Michael	Morasco	Councilmember	City of Escondido
Pete	Anderson	wine industry consultant	
Maria	Bowman	President	Mercado Business Association
Shawna	Cruise	Board President	Escondido Downtown Business Association
Bill	de la Fuente	Founder	Comerciantes Latinos Asociados
Jason	Howerton	President	ARS National
Jon	Hudson	President	East Valley Pkwy Business Association
Greg	Koch	Founder	Stone Brewing Co.
Eric	Larsen	Executive Director	San Diego County Farm Bureau
Tom	McKee	President	The Blanchard Companies
Mike	McSweeney	Sr. Public Policy Advisor	Building Industry Association of SD
Harvey	Mitchell	President	Escondido Chamber of Commerce
John	Weil	Chief of Staff	SD County Supervisor Pam Slater-Price



CITY COUNCIL

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Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 18
Date: **July 25, 2012**

TO: Honorable Mayor and Members of the City Council
FROM: Diane Halverson, City Clerk
SUBJECT: Designation of Voting Delegate – League of California Cities Conference

RECOMMENDATION:

It is requested that Council designate a voting delegate, and up to two alternates, to represent the City of Escondido at the business meeting to be held during the League of California Cities Annual Conference September 5-7, 2012 in San Diego.

FISCAL ANALYSIS:

Costs to attend the conference are included in the City Council's Training/Meeting budget.

BACKGROUND:

At the League of California Cities annual conference, the membership considers and takes action on resolutions that establish League policy. Each member city has a right to cast one vote on matters pertaining to the League's policies if their Council has taken action to designate a voting delegate prior to August 15, 2012. Should the designated delegate be unable to serve, we may also appoint up to two alternate voting delegates.

Respectfully submitted,

Diane Halverson
City Clerk

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 19

Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Diane Halverson, City Clerk

SUBJECT: Community Services Commission Ordinance

RECOMMENDATION:

It is requested that Council introduce and adopt Ordinance No. 2012-15 amending the Escondido Municipal Code Article 2, Chapter 18, Sections 18-15 through 18-18, 18-29, 18-45 and Article 37, Chapter 33, Section 33-732(e)5 to add a youth representative and change the name from Community and Older Adult Services Commission to Community Services Commission.

PREVIOUS ACTION

On April 9, 2008, a workshop was conducted with the Council and staff liaisons for all boards and commissions. The purpose was to explore potential duplication of efforts and find cost-saving measures to conduct business during the economic downturn. At that time staff was directed to combine the Senior Advisory Board with the Community Services Commission. Those changes are reflected in Ordinance No. 2008-10 adopted in May 2008.

BACKGROUND:

On March 21, 2012, the Council directed staff to prepare an ordinance shortening the name of the Community and Older Adult Services Commission to Community Services Commission and adding a requirement for a youth representative on the Commission.

The City may adopt criteria for membership on its boards and commissions. One of the substantive changes to Article 2, Chapter 18 of the Escondido Municipal Code was to include criteria for youth in the appointment of Commission members. The proposed ordinance requires that at least one youth representative, whom is at least sixteen years old, be appointed.

Another change was the elimination of ex-officio members on the Commission. Under the current Municipal Code, the superintendents of the Escondido High School District and Escondido Elementary School District could be appointed by the Mayor as non-voting members of the Commission. In practice, these positions have not been filled and the elimination of this option will reflect the current practices of the Commission.

Community Services Commission
July 25, 2012
Page 2

Other changes in the ordinance are not substantive. The reducing of the phrase "Community and Older Adult Services Commission" to "Community Services Commission" was one of the most frequent changes. This includes any references in the Escondido Municipal Code to the phrase "Community and Older Adult Services Commission".

A redline copy of the recommended changes is attached to this report. The addition of the youth representative requirement and title change will be confirmed with approval and adoption of Ordinance No 2012-15.

Respectfully submitted,

A handwritten signature in cursive script that reads "Diane Halverson".

Diane Halverson, CMC
City Clerk

ARTICLE 2. COMMUNITY AND OLDER ADULT SERVICES COMMISSION

Sec. 18-15. "Commission" defined.

The word "Commission" when used in this article shall, unless otherwise designated, mean the Community and older adult Services Commission of the city.

Sec. 18-16. Created; membership.

A Community and older adult Services Commission consisting of nine (9) voting members is hereby created, ~~which is a combination of the former community services commission and the senior advisor board.~~

Sec. 18-17. Appointment of members.

Nine (9) voting Commission members shall be appointed by the Mayor from among the residents of the geographic area within the city's general plan as set forth in this section. Members of the Commission shall serve at the pleasure of the Council, and may be removed from office at any time, without cause:

(a) High school board nominee: the Mayor must appoint one (1) of the nine (9) members by selecting a nominee recommended by the high school district board of trustees.

(b) Elementary school board nominee: the Mayor must appoint one (1) of the nine (9) members by selecting a nominee recommended by the elementary school district board of trustees.

(c) Youth representatives: the Mayor must appoint at least one (1) of the nine (9) members by selecting a youth representative whom is at least sixteen (16) years old. ~~Ex-officio members: the mayor may appoint any persons who hold the following positions to serve, without vote, on the commission:~~

~~—— (1) — Superintendent of the Escondido High School District;~~

~~—— (2) — Superintendent of the Escondido Elementary School District.~~

Sec. 18-18. Terms of office of members.

Unless otherwise provided by this code, appointments of members of all boards and commissions created by the City Council and their terms of office shall be governed by the following provisions:

(a) The terms of office for citizen-at-large members of the commission shall be for a four (4) year period commencing with the actual date of appointment and ending on March 31st of the fourth year thereafter; and

(b) Any vacancy which occurs prior to the expiration of a term shall be filled by appointment for the unexpired portion of such term.

Sec. 18-29. General purpose.

~~The Commission shall act in an advisory capacity to the City Council and staff in all matters pertaining to community services. This includes matters pertaining to community recreation programs and development, park areas and facilities, community beautification projects and any other community service as determined by the Commission, City Council, or staff, school districts and staff in all matters pertaining to community services and older adults. The duties of the commission are:~~

~~—— (a) —— To cooperate with other governmental agencies and civic groups in the advancement of sound community parks and recreational programming and development.~~

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~~—— (b) —— To make recommendations regarding desirable contractual relations between the city and public schools and other agencies for use of buildings, playgrounds and other recreational facilities.~~

~~—— (c) —— To advise and make recommendations on all matters affecting citizens over age fifty (50).~~

~~—— (d) —— To advise the advisory board of the county's aging and independence services on all matters relating to the development, implementation and administration of the area plan which would affect Escondido residents.~~

~~—— (e) —— To maintain a liaison with various groups and agencies dealing with older adult related issues at the local and state level and to recommend needed senior programs and legislation to those groups.~~

Sec. 18-45. Duties of the community services director.

The community services director shall operate and coordinate the city's recreational services, older adult programs, library services programs, public art program, park areas and facilities, and provide coordination and support for other community organizations and agencies, as directed by city council and commissions. The director shall also assist with the planning for the acquisition of proposed beautification projects, parks and recreational facilities, and library facilities, in accordance with the advice and guidance of the community services commission, library board of trustees, ~~senior advisory board~~, and the city council, as applicable, pursuant to the general development plan and program needs for city parks, recreational facilities and library facilities, as set forth as an element of the city's general plan for community development. The community services director shall attend meetings of the community services commission and serve as secretary to the

commission. The community services director shall prepare an annual community services budget for approval of the city manager and council in whole or in part.

Sec. 33-732. Appointment and terms of office.

- (5) A member of the community and older adult services commission.

ORDINANCE NO. 2012-15

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AMENDING THE ESCONDIDO MUNICIPAL CODE TO ADD YOUTH REPRESENTATIVES TO THE COMMUNITY AND OLDER ADULT SERVICES COMMISSION AND CHANGE THE TITLE OF THIS COMMISSION TO COMMUNITY SERVICES COMMISSION

WHEREAS, the citizens of Escondido have an opportunity to volunteer for service in local government by serving on a variety of Boards and Commissions which advise on and resolve matters arising in the community and the City organization; and

WHEREAS, the City Council finds it necessary for the public welfare to encourage representation of youth in community leadership positions; and

WHEREAS, the City Council finds that the title of the Community and Older Adult Services is confusing and would be more appropriately titled the Community Services Commission; and

WHEREAS, a title change to the Community Services Commission necessitates the change of any references elsewhere in the municipal code to that title.

The City Council of the City of Escondido, California, DOES HEREBY ORDAIN as follows:

SECTION 1. Article 2 of Chapter 18 of the Escondido Municipal Code Sections 18-15 through 18-18 are hereby amended to read as follows:

ARTICLE 2. COMMUNITY SERVICES COMMISSION

Section 18-15. "Commission" defined.

The word "Commission" when used in this article shall, unless otherwise designated, mean the Community Services Commission of the City.

Section 18-16. Created; membership.

A Community Services Commission consisting of nine (9) voting members is hereby created.

Section 18-17. Appointment of members.

Nine (9) voting Commission members shall be appointed by the Mayor from among the residents of the geographic area within the city's general plan as set forth in this section. Members of the Commission shall serve at the pleasure of the Council, and may be removed from office at any time, without cause:

- (a) High school board nominee: the Mayor must appoint one (1) of the nine (9) members by selecting a nominee recommended by the high school district board of trustees.
- (b) Elementary school board nominee: the Mayor must appoint one (1) of the nine (9) members by selecting a nominee recommended by the elementary school district board of trustees.
- (c) Youth representatives: the Mayor must appoint at least one (1) of the nine (9) members by selecting a youth representative whom is at least sixteen (16) years old.

Section 18-18. Terms of office of members.

Unless otherwise provided by this code, appointments of members of all boards and commissions created by the City Council and their terms of office shall be governed by the following provisions:

- (a) The terms of office for citizen-at-large members of the commission shall be for a four (4) year period commencing with the actual date of appointment and ending on March 31 of the fourth year thereafter; and
- (b) Any vacancy which occurs prior to the expiration of a term shall be filled by appointment for the unexpired portion of such term.

SECTION 2. Article 2 of Chapter 18 of the Escondido Municipal Code Section 18-29 is hereby amended as follows:

Section 18-29. General Purpose.

The Commission shall act in an advisory capacity to the City Council and staff in all matters pertaining to community services. This includes matters pertaining to community recreation programs and development, park areas and facilities, community beautification projects and any other community service as determined by the Commission, City Council, or staff.

SECTION 3. Article 3 of Chapter 18 of the Escondido Municipal Code Section 18-45 is hereby amended as follows:

Section 18-45. Duties of the Community Services Director.

The Community Services Director shall operate and coordinate the City's

recreational services, older adult programs, library services programs, public art program, park areas and facilities, and provide coordination and support for other community organizations and agencies, as directed by City Council and commissions. The Director shall also assist with the planning for the acquisition of proposed beautification projects, parks and recreational facilities, and library facilities, in accordance with the advice and guidance of the Community Services Commission, library board of trustees, and the City Council, as applicable, pursuant to the general development plan and program needs for city parks, recreational facilities and library facilities, as set forth as an element of the City's general plan for Community Development. The Community Services Director shall attend meetings of the Community Services Commission and serve as Secretary to the Commission. The Community Services Director shall prepare an annual community services budget for approval of the City Manager and Council in whole or in part.

SECTION 4. Article 37 of Chapter 33 of the Escondido Municipal Code Section 33-732(e)5 is hereby amended as follows:

(5) A member of the Community Services Commission.

SECTION 5. SEPARABILITY. If any section, subsection sentence, clause, phrase or portion of this ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions.

SECTION 6. That as of the effective date of this ordinance, all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 7. That the City Clerk is hereby directed to certify to the passage of this ordinance and to cause the same or a summary to be published one time within 15 days of its passage in a newspaper of general circulation, printed and published in the City of Escondido.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 20
Date: July 25, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Diane Halverson, City Clerk

SUBJECT: Appointment to the Public Art Commission

RECOMMENDATION:

That the Council ratify the Mayor's recommendation to fill an unscheduled vacancy on the Public Art Commission; term to expire March 31, 2014.

BACKGROUND:

The vacancy on the Public Art Commission was duly posted for a 10-day period in accordance with State law and City policy after receiving a resignation letter from Tim Giblin, whose term would have expired on March 31, 2014. No additional applications were received during the posting period. The list of applicants reflects those who indicated an interest during our regular recruitment period in March 2012.

Debra Donoghue
Steffi Harrison

Respectfully submitted,



Diane Halverson, CMC
City Clerk

FUTURE CITY COUNCIL AGENDA ITEMS
July 19, 2012

AGENDA ITEMS AND COUNCIL MEETING DATES ARE SUBJECT TO CHANGE.
CHECK WITH THE CITY CLERK'S OFFICE AT 839-4617

AUGUST 1, 2012
4:30 p.m.

CONSENT CALENDAR
Consulting Agreement with AECOM for Final Design – Citracado Parkway, Andreasen Drive to West Valley Parkway (E. Domingue) <i>This project will construct Citracado Parkway from Harmony Grove Road to West Valley Parkway to Major Road standards. It includes twin 450-foot long, 3-span bridges crossing Escondido Creek. This project is mandated by a development between the City of Escondido and the Palomar-Pomerado Hospital District. The specific alignment plan was approved, and the environmental impact report was certified by Council on April 18, 2012.</i>
Notice of Completion: Reed Reservoir Replacement Project (C. McKinney) <i>The Reed Reservoir Project replaced an old steel reservoir that was past its useful service life. The new reservoirs provide additional reliability and capacity to the water distribution system.</i>
Destruction of Records (D. Halverson) <i>Destruction of specified Police Department records and other City records in accordance with the City's retention schedule.</i>
Target Corporation Grant for 2012 National Night Out Against Crime (J. Maher) <i>The Escondido Police Department has been allocated a Target Corporation grant in the amount of \$1,000. The grant will assist the Police Department in funding 2012 National Night Out Against Crime activities on August 7, 2012. National Night Out is a community oriented program that invites the public to take a stand against crime and improve their community.</i>
Temporary Park and Ride at Kit Carson Park (J. Van Leeuwen) <i>Cal Trans approached the City about using the parking lot near the Adult Softball fields for a temporary Park and Ride location while the existing Park and Ride on the west side of the freeway is renovated. An occupancy license has been provided to Cal Trans. They offered \$60,000 to be used to improve the parking lots at the south end of the park. The work will be done by George Weir paving as an addendum to the recently awarded annual paving contract.</i>

AUGUST 1, 2012
Continued

CONSENT CALENDAR Continued

Consulting Agreement with Brian F. Smith and Associates, Inc. for Archaeological Mitigation Services – Citracado Parkway, Andreasen Drive to West Valley Parkway
(E. Domingue)

On April 18, 2012, City Council approved the EIR for the project which now allows the final design and right of way acquisition phase of the project to commence. One of the mitigation measures in the EIR requires an extensive cultural resource data recovery program to be completed prior to construction. This action will authorize a contract for Phase 1 of the program. City Council is also requested to authorize funding for Phase 2 and 3 should they be needed.

Easement Deed to San Diego Gas & Electric Company for Installation and Maintenance of Underground Electric Facilities and Appurtenances along Beethoven Drive
(E. Domingue)

SDG&E has an existing distribution switch located within an easement in the Westfield Mall parking lot that has been inoperable since 2006. SDG&E intends to replace that switch with an upgraded distribution SCADA ("Supervisory Control and Data Acquisition") capable switch, which necessitates a new easement in another location in order to avoid line-of-sight issues in the parking lot presented by the taller new equipment. The proposed easement will allow SDG&E to install its new electric utilities facilities along Beethoven Drive, out of the way of the proposed future Westfield Mall Expansion Project. The switch will enable SDG&E to isolate issues with the electric distribution system, thereby minimizing outages at the Westfield Mall. The project has been designed in a manner that will accommodate the future widening of Beethoven Drive. The existing easement will continue to be utilized by SDG&E for its facilities, which will serve as a connection point.

PUBLIC HEARINGS

CURRENT BUSINESS

Lake Wohlford Dam Replacement Design Consulting Agreement
(C. McKinney)

Lake Wohlford has been under a restricted water surface elevation since 2007 which limits the volume of storage to approximately 40% of normal full lake capacity. The restriction is due to the upper portion of the dam being seismically unstable during a significant seismic event. The consultant will be designing a replacement dam located just downstream of the existing 117 year old dam.

AUGUST 1, 2012
Continued

CURRENT BUSINESS Continued

Update on County's Bear Valley Parkway North Project and Resolution Consenting to the Establishment of Portions of Bear Valley Parkway as included in Highways of the County of San Diego
(E. Domingue)

The County of San Diego is planning the Bear Valley Parkway Road Improvement Project which involves the widening of Bear Valley Parkway between State Route 78 and Boyle Avenue, with the objective of relieving traffic congestion. A portion of the proposed Project falls within the City's Jurisdiction. Upon Project completion, in accordance with the Streets and Highways Code, the County plans to adopt a resolution declaring that the city's portion of Bear Valley parkway is no longer a county highway and it will revert to the City's jurisdiction accordingly.

WORKSHOP

Second Status Report on 2011-2012 City Council Action Plan
(J. Masterson)

The City Council Action Plan represents the City Council's collective vision for Escondido's future and the key activities that will be used to achieve that vision.

Future Agenda Items (D. Halverson)

AUGUST 8, 2012
4:30 p.m.

CONSENT CALENDAR

Approval of the ROPS for the period 1/1/2013 to 6/30/2013
(G. Rojas)

Approval of the Recognized Obligation Payment Schedule for the period 1/1/2013 to 6/30/2013

PUBLIC HEARINGS

CURRENT BUSINESS

Authorize the Award of Contract for RGP 87- Sewer Outfall Mitigation Work to Lowest Responsive and Responsible Bidder
(C. Whittemore)

The City has secured permits from the Army Corps of Engineers, the US Fish and Wildlife Service, the San Diego Regional Water Quality Control Board and other agencies for maintenance and operations work along the sewer land outfall. The mitigation project is required to be done prior to or concurrent with the permitted maintenance work along the sewer land outfall.

Future Agenda Items (D. Halverson)