

# **Council Meeting Agenda**

**NOVEMBER 17, 2010**

**CITY COUNCIL CHAMBERS ~ 4:00 P.M.**

**201 N. Broadway, Escondido, CA 92025**

MAYOR	<b>Lori Holt Pfeiler</b>
MAYOR PRO TEM	<b>Dick Daniels</b>
COUNCIL MEMBERS	<b>Sam Abed</b>
	<b>Olga Diaz</b>
	<b>Marie Waldron</b>
CITY MANAGER	<b>Clay Phillips</b>
CITY CLERK	<b>Marsha Whalen</b>
CITY ATTORNEY	<b>Jeffrey Epp</b>
DIRECTOR OF COMMUNITY DEVELOPMENT	<b>Barbara Redlitz</b>
DIRECTOR OF ENGINEERING SERVICES	<b>Ed Domingue</b>

**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

**NOVEMBER 17, 2010**  
**4:00 p.m. Meeting**

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

## **CALL TO ORDER**

### **FLAG SALUTE**

**ROLL CALL:** Abed, Daniels, Diaz, Waldron, Pfeiler

**PROCLAMATIONS:** Honoring Retirement of John Burcham, for 17 Years of Service

Honoring Retirement of Richard Walker for 37 Years of Service

## **ORAL COMMUNICATIONS**

At this time the public may comment on items not appearing on the agenda. 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.)

## 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 October 13, 2010**
  
4. **THIRD QUARTER 2010 TREASURER'S REPORT: JULY THROUGH SEPTEMBER 2010**

Staff Recommendation: Receive and file **(City Treasurer's Office: Kenneth C. Hugins)**

5. **FISCAL YEAR 2010-11 STATE OF CALIFORNIA CITIZENS' OPTIONS FOR PUBLIC SAFETY (COPS) PROGRAM GRANT** – Request council accept a FY 2010-11 Citizen's Options for Public Safety (COPS) Program Grant in the amount of \$177,391; Approve grant expenditures consistent with guidelines in AB 1913; and authorize the Chief of Police to execute grant documents and submit the COPS spending plan to the San Diego County Supplemental Law Enforcement Oversight Committee (SLEOC) as required by the grant; and authorize staff to establish budgets to spend grant funds to support front-line law enforcement needs

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

6. **STREET NAME CHANGE FOR ESCONDIDO TRACT 947, FROM AMIR PLACE TO HAMILTON PLACE (PHG 10-0028)** - Request Council authorize a street name change from Amir Place to Hamilton Place for Escondido Tract 947, located on the southern side of Hamilton Lane, between Bernardo Avenue and Acker Way (APNs 238-492-35 through 40)

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

RESOLUTION NO. 2010-164

7. **MILLS ACT REQUEST FOR 225 WEST SIXTH STREET (CASE HP-10-0002)** – Request Council authorization to enter into a Mills Act contract with the property located at 225 West Sixth Avenue

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

RESOLUTION NO. 2010-166

8. **ASSET FORFEITURE FUND BUDGET ADJUSTMENT** – Request Council authorize staff to establish a budget in the amount of \$218,645 with Asset Forfeiture Funds to purchase equipment for front-line law enforcement

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



## 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

9. **LOCAL REGISTER AND MILLS ACT CONTRACT REQUEST, ADDRESSED AS 460 EAST SIXTH AVENUE (CASES HP 10-0001 AND HP 10-0004)** – Request Council authorize the addition of the property located at 460 East Sixth Avenue to the Local Register of Historic Places and approve a Mills Act Contract

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

RESOLUTION NO. 2010-165

10. **SHORT-FORM RENT INCREASE APPLICATION FOR GREENCREST MOBILEHOME PARK** Request Council consider the short-form rent increase application submitted for Greencrest Mobilehome Park, and if approved, grant an increase in the average amount of \$4.09 per space per month

Staff Recommendation: Approval (**Housing Division: Michelle Henderson**)

RESOLUTION NO. RRB 2010-06

## CURRENT BUSINESS

11. **PURCHASE OF BUILDING AND PROPERTY AT 2120 HARMONY GROVE ROAD** – Request Council authorize the Mayor and City Clerk to execute documents necessary to acquire property located at 2120 Harmony Grove Road, for the amount of \$6,050,000 in order to relocate the Community Services Divisions currently housed at the Public Works Yard at 475 N. Spruce Street

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

RESOLUTION NO. 2010-172

## CURRENT BUSINESS

12. **CALIFORNIA CENTER FOR THE ARTS, ESCONDIDO: FISCAL YEAR 2009-10 OPERATING DEFICIT** - Request the City Council allocate \$149,000 from the General Fund reserves to offset the FY 2009-2010 operating deficit at the California Center for the Arts Escondido

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

RESOLUTION NO. 2010-176

13. **BUSINESS INCUBATOR LEASE AGREEMENT** – Request Council authorize the Mayor and City Clerk to execute a Lease Agreement for the lease of 700 West Grand Avenue to the San Diego North Economic Development Council, for a term of three years

Staff Recommendation: Approval (**City Manager's Office: Charles Grimm**)

RESOLUTION NO. 2010-173

## BRIEFING (Staff)

## FUTURE AGENDA

14. **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: Marsha Whalen**)

### (added before distribution of the Agenda)

17. **RECEIVE COUNCIL DIRECTION REGARDING RECOMMENDED CHANGES TO PARKING POLICY AND PARKING SPACES IN THE DOWNTOWN AREA** – The City Council Parking Subcommittee is requesting that the Council authorize interim changes for Downtown parking during the Holiday Season and other more additional permanent changes for parking along Grand Avenue and Valley Parkway (**continued from 11/10/10**)

Staff Recommendation: Request Council authorize free parking in the Downtown area during the Holiday season, provide for permanent free parking on weekends, provide long term free parking on Valley Parkway and Second streets, and eliminate the mid-block red zones on Grand Avenue (**City Manager's Office: Charles Grimm**)

**ORAL COMMUNICATIONS**

At this time the public may comment on items not appearing on the agenda. 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.

**COUNCIL/COMMISSION/ MEMBERS COMMENTS**

**CLOSED SESSION: (COUNCIL/CDC/RRB)**

**15. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Government Code §54956.9(a))**

- a. Michael Crowe, et al. v. County San Diego, et al., Case No.: 99-CV-0241-JM (RBB)
- b. Judith McNeal, et al. v. City of Escondido, et al., Case No. 37-2009-00060697-CU-PA-NC

**16. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:** Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9(b): **One Case**

*(Item 17 was placed under "Current Business")*

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

- a. Property: 480 N. North Spruce Street  
 Agency Negotiators: Clay Phillips  
 Negotiating parties: City and JMI Sports  
 Under negotiation: Price and terms of payment
- b. Property: 475 N. Spruce  
 Agency Negotiator: Clay Phillips  
 Negotiating parties: City of Escondido and JMI Sports  
 Under negotiation: Price and terms of payment

**ADJOURNMENT**

UPCOMING MEETING SCHEDULE				
Date	Day	Time	Meeting Type	Location
November 24	NO MEETING	-	-	-
December 1	Wednesday	7pm	Installation Ceremonies	Council Chambers
December 8	Wednesday	4pm & 7pm	Council Meeting	Council Chambers
December 15	Wednesday	4pm Only	Council Meeting	Council Chambers

A banner featuring a black and white photograph of a large, domed building with an American flag flying in front. The text "Council Meeting Agenda" is overlaid in a bold, white, sans-serif font with a black outline.

# **Council Meeting Agenda**

**NOVEMBER 17, 2010  
7:00 p.m. Meeting**

**NO ITEMS/NO MEETING!**

## 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 can be viewed the following Sunday and Monday evenings at 6:00 p.m. on Cox Cable. The Council meetings are also available live via the Internet by accessing the City's website at [www.escondido.org](http://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 4:00 and 7:00 p.m. (*Verify schedule with City Clerk's Office*) Members of the Council also sit as the Community Development Commission 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 COUNCIL

For City Clerk's Use:

APPROVED  DENIED

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

Agenda Item No.: 4

Date: November 17, 2010

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

**FROM:** Kenneth C. Hugins, City Treasurer

**SUBJECT:** Treasurer's Investment Report for the Quarter Ended September 30, 2010

RECOMMENDATION:

It is requested that Council receive and file the Quarterly Investment Report

PREVIOUS ACTION:

The Investment Report for the quarter ended June 30, 2010, was filed with the City Clerk's Office on July 21, 2010, and presented to the City Council on August 18, 2010.

BACKGROUND:

From July 1, 2010, to September 30, 2010, the City's investment portfolio decreased from \$165.3 million to \$136.4 million. The adjusted average yield decreased from 2.48% to 2.28%. The excess outflows of cash payments over inflows of cash receipts for the quarter resulted in a decrease of \$28.9 million in the book value of the investment portfolio. Major components of the net \$28.9 million decrease are:

	(In millions)
Property tax and tax increment	\$ 1.0
Sales tax	4.5
Bond Debt Service	(18.1)
County Water Authority	( 3.9)
Employee Health Benefits	( 1.7)
CALPERS contributions	( 4.0)
CCAЕ Management Fee	( .5)
Third July payroll	( 2.1)
Housing property acquisitions	( .6)
Housing Set Aside loan funding	( .3)
Increase in operational cash account	( 3.2)
Net Decrease to Investment Portfolio	<u>\$ (28.9)</u>

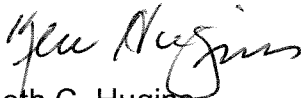
Details of the City's investment portfolio are included in the attached reports that are listed below:

- Summary of Investment Allocation Graph as of September 30, 2010
- Summary of General Obligation Bond Proceeds Balance as of September 30, 2010
- Summary of Investment Portfolio Yield for the last 12 months
- *Summary and Detailed Reports of Investment Portfolio – July 2010 through September 2010*
- Schedule of Investments Matured and Sold – Third Quarter 2010
- Schedule of Funds Managed by Outside Parties as of September 30, 2010

The General Obligation bond proceeds are invested in a separate LAIF account as authorized by Council on August 9, 2006. This is a permitted investment pursuant to the bond's Official Statement and also meets the City's investment objectives of safety, liquidity, and risk.

There are adequate funds to meet the next six month's expected expenditures. The Union Bank of California's monthly statement and Bloomberg are the sources for the market valuation. Investment transactions are executed in compliance with the City of Escondido's Investment Policy.

Respectfully submitted,

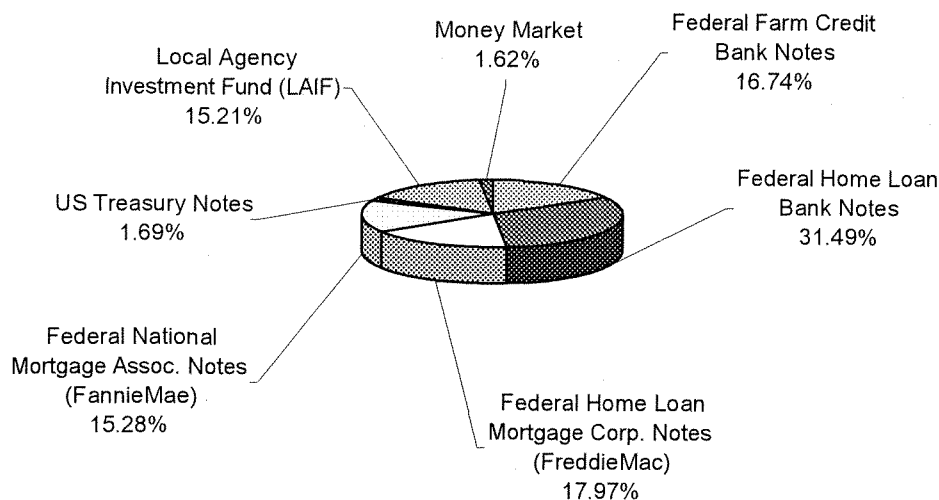


Kenneth C. Hugins  
City Treasurer

**City of Escondido  
Summary of Investment Allocation  
as of September 30, 2010**

Investment Type	Book Value	Market Value	Percent of Portfolio at Market
Federal Farm Credit Bank Notes	\$ 22,666,367.25	\$ 23,138,399.30	16.74%
Federal Home Loan Bank Notes	42,364,587.59	43,506,961.60	31.49%
Federal Home Loan Mortgage Corp. Notes (FreddieMac)	24,220,775.37	24,829,368.33	17.97%
Federal National Mortgage Assoc. Notes (FannieMae)	20,337,247.40	21,115,894.50	15.28%
US Treasury Notes	2,236,305.13	2,332,804.75	1.69%
Local Agency Investment Fund (LAIF)	21,014,946.93	21,014,946.93	15.21%
Money Market	2,244,630.65	2,244,630.65	1.62%
<b>Total Investment Portfolio - September 2010</b>	<b>\$135,084,860.32</b>	<b>\$138,183,006.06</b>	<b>100%</b>
2004 Election General Obligation Bond Proceeds held separately in LAIF	\$ 1,260,461.15	\$ 1,260,461.15	
<b>Reported Total Investments- September 2010</b>	<b>\$136,345,321.47</b>	<b>\$139,443,467.21</b>	
<b>Total Investment Portfolio - June 2010</b>	<b>\$162,775,373.40</b>	<b>\$165,859,598.30</b>	
<b>2004 Election General Obligation LAIF- June 2010</b>	<b>\$ 2,554,346.97</b>	<b>\$ 2,554,346.97</b>	
<b>Reported Total Investments- June 2010</b>	<b>\$165,329,720.37</b>	<b>\$168,413,945.27</b>	
<b>Change from Prior Quarter</b>	<b>\$ (28,984,398.90)</b>	<b>\$ (28,970,478.06)</b>	
<b>Portfolio Effective Duration</b>	<b>1.455</b>		
<b>Portfolio Effective Duration - (Excluding LAIF and Money Market)</b>	<b>1.766</b>		

**Summary of Investment Allocation as of September 30, 2010  
(Excluding General Obligation Bond Proceeds)**





**City of Escondido**  
**General Obligation Bonds, Election of 2004, Series A**  
**Public Safety Facilities Project**  
**Calculation of Bond Proceeds Balance**  
**As of September 30, 2010**

Description	(*) LAIF Interest Earnings	Project Cost Reimbursement to the City	Balance
<b>Par Value</b>			<b>\$84,350,000.00</b>
Add:			
Original Issue Bond Premium			914,861.55
Less:			
Underwriter's Discount			(292,829.00)
Cost of Issuance Expense			(220,000.00)
Credit Enhancement			(275,000.00)
<b>Net Bond Proceeds</b>			<b>84,477,032.55</b>
<b>Monthly Activities:</b>			
August to September 2006	\$ -	\$ (3,190,032.55)	81,287,000.00
September 2006 - Interest withdrawn	-		
October to December 2006	445,726.90	(3,300,000.00)	78,432,726.90
January to March 2007	1,033,671.72	(1,880,000.00)	77,586,398.62
April to June 2007	996,045.58	(200,000.00)	78,382,444.20
July to September 2007	1,022,452.03	(1,670,000.00)	77,734,896.23
October to December 2007	1,033,456.91	(1,980,000.00)	76,788,353.14
January to March 2008	970,394.61	(6,250,000.00)	71,508,747.75
April to June 2008	774,021.46	(8,300,000.00)	63,982,769.21
June 2008 - Interest Drawdown	(1,513,000.00)		62,469,769.21
July - September 2008	530,295.74	(14,000,000.00)	49,000,064.95
October to December 2008	386,163.16	(10,700,000.00)	38,686,228.11
January to March 2009	284,700.95	(7,500,000.00)	31,470,929.06
April to June 2009	169,983.58	(10,533,000.00)	21,107,912.64
July to September 2009	101,934.35	(7,300,000.00)	13,909,846.99
October to December 2009	42,769.87	(6,600,000.00)	7,352,616.86
January to March 2010	17,670.57	(1,074,000.00)	6,296,287.43
Feb 2010 - Interest Drawdown	(626,000.00)		5,670,287.43
April to June 2010	9,059.54		5,679,346.97
April 2010 - Interest Drawdown	(1,300,000.00)		4,379,346.97
June 2010 - Interest Drawdown	(1,825,000.00)		2,554,346.97
July to September 2010	6,114.18		2,560,461.15
August 2010 - Interest Drawdown	(1,300,000.00)		1,254,346.97
<b>Ending Balance, 09/30/2010</b>	<b>\$ 1,260,461.15</b>	<b>\$(84,477,032.55)</b>	<b>\$ 1,260,461.15</b>

**CITY OF ESCONDIDO**  
**SUMMARY OF INVESTMENT PORTFOLIO YIELDS**  
**FOR THE LAST 12 MONTHS**  
as of September 30, 2010

Date	Book Value	Yield
Sep-10	\$136,345,321.47	2.2780%
Aug-10	\$138,349,623.42	2.3760%
Jul-10	\$158,133,691.43	2.4510%
Jun-10	\$165,329,720.37	2.4810%
May-10	\$158,727,481.96	2.4920%
Apr-10	\$162,000,069.67	2.3890%
Mar-10	\$158,103,552.55	2.5100%
Feb-10	\$160,471,511.86	2.3220%
Jan-10	\$161,813,218.02	2.4280%
Dec-09	\$152,085,461.01	2.7270%
Nov-09	\$149,928,754.37	2.7720%
Oct-09	\$150,430,656.27	2.8280%
<b>Average Annual Investment Portfolio Yield</b>		<b>2.5045%</b>



**City of Escondido  
Portfolio Management  
Portfolio Summary  
July 31, 2010**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	YTM/C
Calif. Local Agency Investment Fund	28,014,946.93	28,014,946.93	28,014,946.93	17.72	1	0.560
Money Market Accounting	3,371,015.09	3,371,015.09	3,371,015.09	2.13	1	0.003
Federal Agency Coupon Securities	119,785,000.00	125,059,476.44	121,949,952.70	77.12	577	2.986
Treasury Coupon Securities	2,225,000.00	2,324,704.50	2,237,315.56	1.41	1,083	3.212
LAIIF - Public Safety Facility Bonds	2,560,461.15	2,560,461.15	2,560,461.15	1.62	1	0.560
<b>Investments</b>	<b>155,956,423.17</b>	<b>161,330,604.11</b>	<b>158,133,691.43</b>	<b>100.00%</b>	<b>461</b>	<b>2.456</b>

Total Earnings	July 31	Month Ending	Fiscal Year To Date
Current Year	327,549.00	327,549.00	327,549.00
Average Daily Balance	161,679,160.67	161,679,160.67	161,679,160.67
Effective Rate of Return	2.39%	2.39%	2.39%

*Kenneth C. Hugins* \_\_\_\_\_ 11/4/10  
 Kenneth C. Hugins, City Treasurer

**City of Escondido  
Portfolio Management  
Portfolio Details - Investments  
July 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
<b>Calif. Local Agency Investment Fund</b>											
SYS1000	1000	Local Agency Investment Fund			23,744,930.20	23,744,930.20	23,744,930.20	0.560	1	0.560	
SYS1001	1001	Local Agency Investment Fund			4,270,016.73	4,270,016.73	4,270,016.73	0.560	1	0.560	
		<b>Subtotal and Average</b>	<b>21,873,153.26</b>		<b>28,014,946.93</b>	<b>28,014,946.93</b>			<b>1</b>	<b>0.560</b>	

<b>Money Market Accounting</b>											
SYS2001	2001	Bank of America			3,371,015.09	3,371,015.09	3,371,015.09	0.003	1	0.003	
		<b>Subtotal and Average</b>	<b>11,352,660.91</b>		<b>3,371,015.09</b>	<b>3,371,015.09</b>			<b>1</b>	<b>0.003</b>	

<b>Federal Agency Coupon Securities</b>											
3133X0KH1	3198	Federal Home Loan Bank		01/31/2006	2,000,000.00	2,001,260.00	1,999,935.72	4.550	5	4.810	08/06/2010
3133X06Q7	3209	Federal Home Loan Bank		05/12/2006	1,465,000.00	1,466,831.25	1,464,466.28	4.125	12	5.360	08/13/2010
31359MYN7	3223	Federal National Mtg Assoc		12/12/2006	725,000.00	726,131.00	724,870.99	4.250	14	4.752	08/15/2010
3133XCNV1	3219	Federal Home Loan Bank		09/18/2006	2,539,765.80	2,539,765.80	2,535,074.27	5.150	15	5.070	08/16/2010
3133XCNV1	3232	Federal Home Loan Bank		01/17/2007	2,000,000.00	2,003,760.00	2,000,108.36	5.150	15	5.005	08/16/2010
3133XCNB5	3281	Federal Home Loan Bank		04/30/2009	2,000,000.00	2,003,760.00	2,003,148.71	4.710	15	5.000	08/16/2010
3128X4GV7	3257	Federal Home Loan Mtg Assoc		05/31/2007	600,000.00	601,092.00	599,941.32	4.875	15	5.130	08/16/2010
31331TBZ3	3268	Federal Farm Credit		04/17/2008	1,000,000.00	1,002,810.00	1,001,130.24	4.500	26	2.820	08/27/2010
3128X4HN4	3238	Federal Home Loan Mtg Assoc		01/31/2007	1,150,000.00	1,154,370.00	1,149,886.07	5.000	31	5.130	09/01/2010
3133XGLE2	3236	Federal Home Loan Bank		01/29/2007	1,000,000.00	1,005,630.00	1,000,011.99	5.125	40	5.110	09/10/2010
3134A35H5	3214	Federal Home Loan Mtg Assoc		06/19/2006	1,000,000.00	1,008,130.00	1,001,588.99	6.875	45	5.400	09/15/2010
3134A35H5	3307	Federal Home Loan Mtg Assoc		03/23/2010	2,000,000.00	2,016,260.00	2,016,146.98	6.875	45	0.261	09/15/2010
3133XTHN9	3282	Federal Home Loan Bank		04/30/2009	2,000,000.00	2,004,380.00	2,000,922.25	1.250	74	1.020	10/14/2010
3128X4QK0	3240	Federal Home Loan Mtg Assoc		03/12/2007	1,000,000.00	1,009,780.00	1,000,229.87	5.000	78	4.880	10/18/2010
3128X4QK0	3251	Federal Home Loan Mtg Assoc		05/23/2007	1,159,000.00	1,170,335.02	1,158,861.36	5.000	78	5.060	10/18/2010
3133X2BX2	3278	Federal Home Loan Bank		05/29/2008	880,000.00	890,172.80	882,152.68	4.250	106	3.360	11/15/2010
31359MGJ6	3186	Federal National Mtg Assoc		12/21/2005	750,000.00	764,062.50	753,491.38	6.625	106	4.796	11/15/2010
31339XBA1	3286	Federal Home Loan Bank		04/30/2009	550,000.00	559,284.00	557,494.89	5.000	131	1.150	12/10/2010
31331VLW4	3191	Federal Farm Credit		01/20/2006	2,000,000.00	2,036,260.00	2,000,829.73	4.800	144	4.680	12/23/2010
31331VRT5	3202	Federal Farm Credit		02/24/2006	2,000,000.00	2,051,260.00	1,999,406.79	4.900	207	4.960	02/24/2011
31331LCX4	3252	Federal Farm Credit		05/23/2007	1,000,000.00	1,033,750.00	1,005,168.80	6.000	218	5.040	03/07/2011
3133XJVL9	3256	Federal Home Loan Bank		05/30/2007	1,000,000.00	1,026,880.00	995,262.73	5.000	222	5.130	03/11/2011
3137EAB5	3258	Federal Home Loan Mtg Assoc		06/04/2007	510,000.00	527,370.60	509,876.45	5.125	260	5.161	04/18/2011
3128X7MN1	3288	Federal Home Loan Mtg Assoc		04/30/2009	5,050,000.00	5,171,503.00	5,132,411.26	3.500	277	1.320	05/05/2011
3133XFJY3	3259	Federal Home Loan Bank		06/04/2007	500,000.00	520,315.00	500,181.43	5.250	313	5.202	06/10/2011
3134A4FM1	3241	Federal Home Loan Mtg Assoc		03/12/2007	690,000.00	724,500.00	696,532.59	6.000	318	4.785	06/15/2011
3134A4FM1	3253	Federal Home Loan Mtg Assoc		05/25/2007	1,000,000.00	1,050,000.00	1,007,161.78	6.000	318	5.080	06/15/2011

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**City of Escondido  
Portfolio Management  
Portfolio Details - Investments  
July 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
<b>Federal Agency Coupon Securities</b>											
3136FK21	3247	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,061,260.00	1,977,536.42	3.640	347	4.960	07/14/2011
31331VJ80	3226	Federal Farm Credit		12/27/2006	1,030,000.00	1,079,573.90	1,034,704.48	5.375	351	4.840	07/18/2011
31331VJ80	3296	Federal Farm Credit		12/28/2009	5,000,000.00	5,240,650.00	5,218,671.96	5.375	351	0.800	07/18/2011
3133MGYH3	3227	Federal Home Loan Bank		12/27/2006	2,000,000.00	2,108,760.00	2,016,350.17	5.750	379	4.860	08/15/2011
3133MGYH3	3271	Federal Home Loan Bank		04/25/2008	1,000,000.00	1,054,380.00	1,021,673.14	5.750	379	3.520	08/15/2011
31398ATL6	3300	Federal National Mtg Assoc		12/28/2009	1,000,000.00	1,034,060.00	1,029,091.72	3.785	379	0.956	08/15/2011
31398ATL60	3306	Federal National Mtg Assoc		03/24/2010	1,000,000.00	1,034,060.00	1,030,397.76	3.625	379	0.680	08/15/2011
31331SSJ3	3243	Federal Farm Credit		03/21/2007	3,000,000.00	3,134,070.00	2,994,174.36	4.625	386	4.830	08/22/2011
3133XF5T9	3254	Federal Home Loan Bank		05/29/2007	1,000,000.00	1,049,380.00	998,888.70	5.000	404	5.111	09/09/2011
3133XF5T9	3274	Federal Home Loan Bank		05/14/2008	1,950,000.00	2,046,291.00	1,979,225.52	5.000	404	3.549	09/09/2011
313313P3	3313	Federal Farm Credit		03/23/2010	1,000,000.00	1,035,630.00	1,032,225.45	3.500	428	0.730	10/03/2011
31359M230	3246	Federal National Mtg Assoc		04/17/2007	2,000,000.00	2,110,620.00	2,001,282.15	5.000	440	4.925	10/15/2011
3133MJUJ1	3275	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,056,880.00	1,016,418.46	4.875	471	3.510	11/15/2011
3128X3K69	3269	Federal Home Loan Mtg Assoc		04/22/2008	1,000,000.00	1,052,210.00	1,013,113.52	4.500	471	3.410	11/15/2011
314A1GH7	3244	Federal Home Loan Mtg Assoc		03/30/2007	1,800,000.00	1,943,442.00	1,834,863.51	6.480	491	4.850	12/05/2011
31359M5H2	3248	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,136,260.00	2,001,175.14	5.000	564	4.955	02/16/2012
313TEAR0	3250	Federal Home Loan Mtg Assoc		05/22/2007	1,000,000.00	1,066,880.00	996,188.88	4.750	582	5.020	03/05/2012
313TEAR0	3260	Federal Home Loan Mtg Assoc		06/18/2007	500,000.00	533,440.00	494,955.26	4.750	582	5.474	03/05/2012
3133XJUT3	3242	Federal Home Loan Bank		03/19/2007	1,000,000.00	1,070,940.00	1,002,645.56	5.000	586	4.810	03/09/2012
31331GNQ8	3291	Federal Farm Credit		05/28/2009	2,000,000.00	2,056,260.00	2,017,808.51	2.250	632	1.719	04/24/2012
3133XSK2	3276	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,077,810.00	1,019,850.54	4.875	677	3.710	06/08/2012
3137EACC1	3292	Federal Home Loan Mtg Assoc		05/28/2009	2,000,000.00	2,041,260.00	1,998,156.79	1.750	684	1.801	06/15/2012
3133XTHE9	3295	Federal Home Loan Bank		08/05/2009	1,000,000.00	1,025,630.00	1,001,227.50	2.000	712	1.935	07/13/2012
31359MYQ0	3270	Federal National Mtg Assoc		04/22/2008	2,000,000.00	2,171,880.00	2,049,215.27	5.000	732	3.660	08/02/2012
3137EAAV1	3290	Federal National Mtg Assoc		04/25/2008	1,000,000.00	1,085,940.00	1,023,853.51	5.000	732	3.700	08/02/2012
3133XYF91	3318	Federal Home Loan Bank		05/10/2010	2,000,000.00	3,291,570.00	3,216,529.54	5.500	750	1.860	08/20/2012
3133XX4Z7	3310	Federal Home Loan Bank		05/28/2009	3,000,000.00	3,291,570.00	1,999,585.05	1.250	757	1.260	08/27/2012
3133XUK93	3316	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,025,620.00	2,002,014.77	1.350	758	1.299	08/28/2012
3133XML66	3279	Federal Home Loan Bank		05/05/2010	3,000,000.00	3,079,680.00	3,040,522.58	2.000	775	1.350	09/14/2012
3133XXLX3	3312	Federal Home Loan Bank		10/29/2008	2,000,000.00	2,170,000.00	2,018,989.30	4.625	801	4.150	10/10/2012
3133XVNT42	3304	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,026,260.00	1,997,773.95	1.375	817	1.426	10/26/2012
3133XVNT42	3304	Federal Home Loan Bank		03/24/2010	1,000,000.00	1,021,560.00	1,004,769.84	1.750	866	1.543	12/14/2012
31359MQV8	3273	Federal National Mtg Assoc		04/25/2008	2,000,000.00	2,193,120.00	2,043,413.82	4.750	935	3.811	02/21/2013
31359MQV8	3294	Federal National Mtg Assoc		07/23/2009	2,000,000.00	2,193,120.00	2,132,128.57	4.750	935	2.055	02/21/2013
3133XPBB9	3293	Federal Home Loan Bank		06/17/2009	1,535,000.00	1,622,786.65	1,561,374.10	3.125	950	2.430	03/08/2013
31331VTY2	3277	Federal Farm Credit		05/14/2008	1,000,000.00	1,111,250.00	1,031,655.07	5.200	962	3.870	03/20/2013

**City of Escondido**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
<b>Federal Agency Coupon Securities</b>											
31331Y2Q2	3308	Federal Farm Credit		03/23/2010	2,000,000.00	2,188,120.00	2,186,651.81	4.250	1,072	1.840	07/08/2013
31359MSL80	3317	Federal National Mtg Assoc		05/05/2010	1,000,000.00	1,098,440.00	1,075,249.24	4.375	1,081	1.750	07/17/2013
3133XXL21	3311	Federal Home Loan Bank		03/23/2010	3,000,000.00	3,077,820.00	2,997,767.66	1.875	1,125	1.900	08/30/2013
3133XUPZ0	3302	Federal Home Loan Bank		03/24/2010	3,000,000.00	3,146,250.00	3,061,229.40	2.625	1,139	2.221	09/13/2013
3133XUPZ0	3314	Federal Home Loan Bank		05/05/2010	1,050,000.00	1,101,187.50	1,074,147.15	2.625	1,139	1.860	09/13/2013
31364GBF54	3315	Federal National Mtg Assoc		05/05/2010	1,006,000.00	1,136,347.42	1,111,949.84	5.360	1,158	1.930	10/02/2013
3133XYDK8	3319	Federal Home Loan Bank		05/07/2010	1,000,000.00	1,029,380.00	1,003,591.49	2.000	1,184	1.885	10/28/2013
3133XHW57	3303	Federal Home Loan Bank		03/24/2010	1,350,000.00	1,515,375.00	1,470,307.75	4.875	1,230	2.108	12/13/2013
3137EACD9	3321	Federal Home Loan Mtg Assoc		06/18/2010	5,000,000.00	5,307,800.00	5,214,045.03	3.000	1,457	1.880	07/28/2014
3133XUMR1	3322	Federal Home Loan Bank		06/18/2010	1,000,000.00	1,067,810.00	1,046,645.67	3.250	1,503	2.060	09/12/2014
31359MWJ8	3320	Federal National Mtg Assoc		06/18/2010	1,000,000.00	1,126,250.00	1,106,433.13	4.625	1,536	1.972	10/15/2014
31331SNP4	3323	Federal Farm Credit		06/18/2010	1,000,000.00	1,128,750.00	1,099,189.75	4.550	1,676	2.260	03/04/2015
<b>Subtotal and Average</b>					<b>119,785,000.00</b>	<b>125,059,476.44</b>	<b>121,949,952.70</b>		<b>577</b>	<b>2.986</b>	
<b>Treasury Coupon Securities</b>											
912828FA3	4021	U.S. Treasury Note		03/12/2007	250,000.00	257,422.50	250,426.35	4.750	242	4.465	03/31/2011
912828FN5	4022	U.S. Treasury Note		10/05/2007	400,000.00	417,968.00	402,853.94	4.875	364	4.093	07/31/2011
912828GZ7	4023	U.S. Treasury Note		10/05/2007	275,000.00	297,517.00	277,052.85	4.625	730	4.207	07/31/2012
912828HE3	4024	U.S. Treasury Note		10/05/2007	300,000.00	323,907.00	300,274.73	4.250	781	4.203	09/30/2012
912828NF3	4027	U.S. Treasury Note		06/18/2010	1,000,000.00	1,027,890.00	1,006,707.69	2.125	1,764	1.978	05/31/2015
<b>Subtotal and Average</b>					<b>2,225,000.00</b>	<b>2,324,704.50</b>	<b>2,237,315.56</b>		<b>1,083</b>	<b>3.212</b>	
<b>LAIF - Public Safety Facility Bonds</b>											
SYS10002	10002	Local Agency Investment Fund			2,560,461.15	2,560,461.15	2,560,461.15	0.560	1	0.560	
<b>Subtotal and Average</b>					<b>2,560,461.15</b>	<b>2,560,461.15</b>	<b>2,560,461.15</b>		<b>1</b>	<b>0.560</b>	
<b>Bank of America Escrow Account</b>											
SYS5000	5000	Bank of America			0.00	0.00	0.00	0.130	1	0.130	
<b>Subtotal and Average</b>					<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0</b>	<b>0.000</b>	
<b>UBOC Money Market Sweep</b>											
SYS2501	2501	Union Bank			0.00	0.00	0.00	0.070	1	0.070	
<b>Subtotal and Average</b>					<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0</b>	<b>0.000</b>	

**City of Escondido**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C
		Total and Average	161,679,160.67		155,956,423.17	161,330,604.11	158,133,691.43		461	2.456

City of Escondido  
 Portfolio Management  
 Portfolio Details - Cash  
 July 31, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C
		Average Balance	0.00						0	
		Total Cash and Investments	161,679,160.67		155,956,423.17	161,330,604.11	158,133,691.43		461	2.456





**City of Escondido  
Portfolio Management  
Portfolio Summary  
August 31, 2010**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	YTM/C
Calif. Local Agency Investment Fund	15,014,946.93	15,014,946.93	15,014,946.93	10.85	1	0.560
Money Market Accounting	10,322,949.31	10,322,949.31	10,322,949.31	7.46	1	0.003
Federal Agency Coupon Securities	107,460,000.00	112,560,313.29	109,514,463.97	79.16	610	2.853
Treasury Coupon Securities	2,225,000.00	2,333,503.50	2,236,802.06	1.62	1,052	3.212
LAIF - Public Safety Facility Bonds	1,260,461.15	1,260,461.15	1,260,461.15	0.91	1	0.560
<b>Investments</b>	<b>136,283,357.39</b>	<b>141,492,174.18</b>	<b>138,349,623.42</b>	<b>100.00%</b>	<b>500</b>	<b>2.376</b>

Total Earnings	August 31	Month Ending	Fiscal Year To Date
Current Year	297,157.98		624,706.98
Average Daily Balance	152,128,223.32		156,903,692.00
Effective Rate of Return	2.30%		2.34%

*Kenneth C. Hugins* 11/4/10  
 Kenneth C. Hugins, City Treasurer

**City of Escondido  
Portfolio Management  
Portfolio Details - Investments  
August 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
<b>Calif. Local Agency Investment Fund</b>											
SYS1000	1000	Local Agency Investment Fund			10,744,930.20	10,744,930.20	10,744,930.20	0.560	1	0.560	
SYS1001	1001	Local Agency Investment Fund			4,270,016.73	4,270,016.73	4,270,016.73	0.560	1	0.560	
		<b>Subtotal and Average</b>	<b>23,563,334.03</b>		<b>15,014,946.93</b>	<b>15,014,946.93</b>			<b>1</b>	<b>0.560</b>	
<b>Money Market Accounting</b>											
SYS2001	2001	Bank of America			10,322,949.31	10,322,949.31	10,322,949.31	0.003	1	0.003	
		<b>Subtotal and Average</b>	<b>9,322,690.39</b>		<b>10,322,949.31</b>	<b>10,322,949.31</b>			<b>1</b>	<b>0.003</b>	
<b>Federal Agency Coupon Securities</b>											
3128X4HN4	3238	Federal Home Loan Mtg Assoc		01/31/2007	1,150,000.00	1,150,000.00	1,150,000.00	5.000	0	5.130	09/01/2010
3133XGLE2	3236	Federal Home Loan Bank		01/29/2007	1,000,000.00	1,001,250.00	1,000,002.77	5.125	9	5.110	09/10/2010
3134A35H5	3214	Federal Home Loan Mtg Assoc		06/19/2006	1,000,000.00	1,002,810.00	1,000,505.59	6.875	14	5.400	09/15/2010
3134A35H5	3307	Federal Home Loan Mtg Assoc		03/23/2010	2,000,000.00	2,005,620.00	2,005,137.67	6.875	14	0.261	09/15/2010
3133XTHN9	3282	Federal Home Loan Bank		04/30/2009	2,000,000.00	2,002,500.00	2,000,543.24	1.250	43	1.020	10/14/2010
3128X4QK0	3240	Federal Home Loan Mtg Assoc		03/12/2007	1,000,000.00	1,006,020.00	1,000,140.31	5.000	47	4.880	10/18/2010
3128X4QK0	3251	Federal Home Loan Mtg Assoc		05/23/2007	1,159,000.00	1,165,977.18	1,158,915.38	5.000	47	5.060	10/18/2010
3133X2BX2	3278	Federal Home Loan Bank		05/29/2008	880,000.00	887,154.40	881,531.72	4.250	75	3.360	11/15/2010
31359MGJ6	3186	Federal National Mtg Assoc		12/21/2005	750,000.00	760,080.00	752,484.25	6.625	75	4.796	11/15/2010
31339XBA1	3286	Federal Home Loan Bank		04/30/2009	550,000.00	557,221.50	555,751.89	5.000	100	1.150	12/10/2010
31331VLW4	3191	Federal Farm Credit		01/20/2006	2,000,000.00	2,028,760.00	2,000,654.44	4.800	113	4.680	12/23/2010
31331VRT5	3202	Federal Farm Credit		02/24/2006	2,000,000.00	2,045,000.00	1,999,494.46	4.900	176	4.960	02/24/2011
31331LCX4	3252	Federal Farm Credit		05/23/2007	1,000,000.00	1,029,690.00	1,004,450.91	6.000	187	5.040	03/11/2011
3133XJVL9	3256	Federal Home Loan Bank		05/30/2007	1,000,000.00	1,023,440.00	999,363.27	5.000	191	5.130	03/11/2011
3137EAB5	3258	Federal Home Loan Mtg Assoc		06/04/2007	510,000.00	525,458.10	509,890.87	5.125	229	5.161	04/18/2011
3128X7MN1	3288	Federal Home Loan Mtg Assoc		04/30/2009	5,050,000.00	5,158,928.50	5,123,388.13	3.500	246	1.320	05/05/2011
3133XFJY3	3259	Federal Home Loan Bank		06/04/2007	500,000.00	518,280.00	500,163.81	5.250	282	5.202	06/10/2011
3134A4FM1	3241	Federal Home Loan Mtg Assoc		03/12/2007	690,000.00	721,263.90	695,908.46	6.000	287	4.785	06/15/2011
3134A4FM1	3253	Federal Home Loan Mtg Assoc		05/25/2007	1,000,000.00	1,045,310.00	1,006,477.53	6.000	287	5.080	06/15/2011
3136F3K21	3247	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,056,260.00	1,979,501.17	3.640	316	4.960	07/14/2011
31331J80	3226	Federal Farm Credit		12/27/2006	1,030,000.00	1,075,711.40	1,034,297.76	5.375	320	4.840	07/18/2011
31331J80	3296	Federal Farm Credit		12/28/2009	5,000,000.00	5,221,900.00	5,199,766.61	5.375	320	0.800	07/18/2011
3133MGYH3	3227	Federal Home Loan Bank		12/27/2006	2,000,000.00	2,100,620.00	2,015,038.66	5.750	348	4.860	08/15/2011
3133MGYH3	3271	Federal Home Loan Bank		04/25/2008	1,000,000.00	1,050,310.00	1,019,834.66	5.750	348	3.520	08/15/2011
31398ATL6	3300	Federal National Mtg Assoc		12/28/2009	1,000,000.00	1,031,250.00	1,026,758.16	3.785	348	0.960	08/15/2011
31398ATL60	3306	Federal National Mtg Assoc		03/24/2010	1,000,000.00	1,031,250.00	1,027,959.44	3.625	348	0.660	08/15/2011
31331SSJ3	3243	Federal Farm Credit		03/21/2007	3,000,000.00	3,124,680.00	2,994,633.08	4.625	355	4.830	08/22/2011

**City of Escondido  
Portfolio Management  
Portfolio Details - Investments  
August 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
<b>Federal Agency Coupon Securities</b>											
3133XF5T9	3254	Federal Home Loan Bank		05/29/2007	1,000,000.00	1,045,940.00	998,972.47	5.000	373	5.111	09/09/2011
3133XF5T9	3274	Federal Home Loan Bank		05/14/2008	1,950,000.00	2,039,583.00	1,977,022.59	5.000	373	3.549	09/09/2011
31331Y3P3	3313	Federal Farm Credit		03/23/2010	1,000,000.00	1,033,750.00	1,029,934.55	3.500	397	0.730	10/03/2011
313359MZ30	3246	Federal National Mtg Assoc		04/17/2007	2,000,000.00	2,103,120.00	2,001,193.52	5.000	409	4.925	10/15/2011
3133MJUQ1	3275	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,053,440.00	1,015,356.92	4.875	440	3.510	11/15/2011
3128X3K69	3269	Federal Home Loan Mtg Assoc		04/22/2008	1,000,000.00	1,049,120.00	1,012,265.66	4.500	440	3.410	11/15/2011
3134A1GH7	3244	Federal Home Loan Mtg Assoc		03/30/2007	1,800,000.00	1,935,000.00	1,832,702.55	6.480	460	4.850	12/05/2011
313359M5H2	3248	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,129,380.00	2,001,111.62	5.000	533	4.955	02/16/2012
3137EAAR0	3260	Federal Home Loan Mtg Assoc		05/22/2007	1,000,000.00	1,063,750.00	996,388.07	4.750	551	5.020	03/05/2012
3137EAAR0	3260	Federal Home Loan Mtg Assoc		06/18/2007	500,000.00	531,875.00	495,218.92	4.750	551	5.474	03/05/2012
3133XJUT3	3242	Federal Home Loan Bank		03/19/2007	1,000,000.00	1,067,810.00	1,002,508.25	5.000	555	4.810	03/09/2012
31331GNQ8	3291	Federal Farm Credit		05/28/2009	2,000,000.00	2,055,000.00	2,016,950.96	2.250	601	1.719	04/24/2012
3133XKSK2	3276	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,075,310.00	1,018,957.71	4.875	646	3.710	06/08/2012
3137EAAC1	3292	Federal Home Loan Mtg Assoc		05/28/2009	2,000,000.00	2,040,620.00	1,998,238.83	1.750	653	1.801	06/15/2012
3133XTHE9	3295	Federal Home Loan Bank		08/05/2009	1,000,000.00	1,025,310.00	1,001,175.05	2.000	681	1.935	07/13/2012
31359MYQ0	3270	Federal National Mtg Assoc		04/22/2008	2,000,000.00	2,165,620.00	2,047,167.48	5.000	701	3.660	08/02/2012
31359MYQ0	3272	Federal National Mtg Assoc		04/25/2008	1,000,000.00	1,082,810.00	1,022,861.00	5.000	701	3.700	08/02/2012
3137EAAV1	3290	Federal Home Loan Mtg Assoc		05/28/2009	3,000,000.00	3,283,140.00	3,207,739.44	5.500	719	1.860	08/20/2012
3133XYF91	3318	Federal Home Loan Bank		05/10/2010	2,000,000.00	2,025,000.00	1,999,601.74	1.250	726	1.260	08/27/2012
3133XX4Z7	3310	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,026,880.00	2,001,933.85	1.350	727	1.299	08/28/2012
3133XUK93	3316	Federal Home Loan Bank		05/05/2010	3,000,000.00	3,079,680.00	3,038,929.29	2.000	744	1.350	09/14/2012
3133XML66	3279	Federal Home Loan Bank		10/29/2008	2,000,000.00	2,166,880.00	2,018,267.28	4.625	770	4.150	10/10/2012
3133XXLX3	3312	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,028,120.00	1,997,856.91	1.375	786	1.426	10/26/2012
3133XVNT42	3304	Federal Home Loan Bank		03/24/2010	1,000,000.00	1,018,750.00	1,004,602.08	1.750	835	1.543	12/14/2012
31359MQV8	3273	Federal National Mtg Assoc		04/25/2008	2,000,000.00	2,190,620.00	2,041,998.16	4.750	904	3.811	02/21/2013
31359MQV8	3294	Federal National Mtg Assoc		07/23/2009	2,000,000.00	1,623,738.35	1,560,529.68	3.125	904	2.055	02/21/2013
3133XPBB9	3293	Federal Home Loan Bank		06/17/2009	1,535,000.00	1,623,738.35	1,560,529.68	3.125	919	2.430	03/08/2013
31331VTY2	3277	Federal Farm Credit		05/14/2008	1,000,000.00	1,110,310.00	1,030,654.39	5.200	931	3.870	03/20/2013
31331Y2Q2	3308	Federal Farm Credit		03/23/2010	2,000,000.00	2,188,120.00	2,132,773.33	4.250	1,041	1.840	07/08/2013
31359MSL80	3317	Federal National Mtg Assoc		05/05/2010	1,000,000.00	1,098,440.00	1,073,131.53	4.375	1,050	1.750	07/17/2013
3133XXL21	3311	Federal Home Loan Bank		03/23/2010	3,000,000.00	3,085,320.00	2,997,828.04	1.875	1,094	1.900	08/30/2013
3133XUPZ0	3302	Federal Home Loan Bank		03/24/2010	3,000,000.00	3,152,820.00	3,059,592.25	2.625	1,108	2.221	09/13/2013
3133XUPZ0	3314	Federal Home Loan Bank		05/05/2010	1,050,000.00	1,103,487.00	1,073,501.50	2.625	1,108	1.860	09/13/2013
31364GBF54	3315	Federal National Mtg Assoc		05/05/2010	1,006,000.00	1,136,940.96	1,109,164.13	5.380	1,127	1.930	10/02/2013
3133XYDK8	3319	Federal Home Loan Bank		05/07/2010	1,000,000.00	1,032,190.00	1,003,499.16	2.000	1,153	1.885	10/28/2013
3133XHW57	3303	Federal Home Loan Bank		03/24/2010	1,350,000.00	1,516,644.00	1,467,329.83	4.875	1,199	2.108	12/13/2013

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**City of Escondido  
Portfolio Management  
Portfolio Details - Investments  
August 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
<b>Federal Agency Coupon Securities</b>											
3137EACD9	3321	Federal Home Loan Mtg Assoc		06/18/2010	5,000,000.00	5,339,050.00	5,209,576.45	3.000	1,426	1.880	07/28/2014
3133XJMR1	3322	Federal Home Loan Bank		06/18/2010	1,000,000.00	1,072,190.00	1,045,700.79	3.250	1,472	2.060	09/12/2014
31359MWJ8	3320	Federal National Mtg Assoc		06/18/2010	1,000,000.00	1,132,190.00	1,104,324.15	4.625	1,505	1.972	10/15/2014
31331SNP4	3323	Federal Farm Credit		06/18/2010	1,000,000.00	1,135,000.00	1,097,389.57	4.550	1,645	2.260	03/04/2015
		<b>Subtotal and Average</b>	<b>115,073,719.49</b>		<b>107,460,000.00</b>	<b>112,560,313.29</b>	<b>109,514,463.97</b>		<b>610</b>	<b>2.853</b>	
<b>Treasury Coupon Securities</b>											
912828FA3	4021	U.S. Treasury Note		03/12/2007	250,000.00	256,512.50	250,371.73	4.750	211	4.465	03/31/2011
912828FNS	4022	U.S. Treasury Note		10/05/2007	400,000.00	416,704.00	402,610.89	4.875	333	4.093	07/31/2011
912828GZ7	4023	U.S. Treasury Note		10/05/2007	275,000.00	297,033.00	276,965.67	4.625	699	4.207	07/31/2012
912828HE3	4024	U.S. Treasury Note		10/05/2007	300,000.00	323,484.00	300,263.96	4.250	760	4.203	09/30/2012
912828NF3	4027	U.S. Treasury Note		06/18/2010	1,000,000.00	1,039,770.00	1,006,589.81	2.125	1,733	1.978	05/31/2015
		<b>Subtotal and Average</b>	<b>2,237,050.53</b>		<b>2,225,000.00</b>	<b>2,333,503.50</b>	<b>2,236,802.06</b>		<b>1,052</b>	<b>3.212</b>	
<b>LAIF - Public Safety Facility Bonds</b>											
SYS10002	10002	Local Agency Investment Fund			1,260,461.15	1,260,461.15	1,260,461.15	0.560	1	0.560	
		<b>Subtotal and Average</b>	<b>1,931,428.89</b>		<b>1,260,461.15</b>	<b>1,260,461.15</b>	<b>1,260,461.15</b>		<b>1</b>	<b>0.560</b>	
<b>Bank of America Escrow Account</b>											
SYS5000	5000	Bank of America			0.00	0.00	0.00	0.130	1	0.130	
		<b>Subtotal and Average</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0</b>	<b>0.000</b>	
<b>UBOC Money Market Sweep</b>											
SYS2501	2501	Union Bank			0.00	0.00	0.00	0.070	1	0.070	
		<b>Subtotal and Average</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0</b>	<b>0.000</b>	
		<b>Total and Average</b>	<b>152,128,223.32</b>		<b>136,283,357.39</b>	<b>141,492,174.16</b>	<b>138,349,623.42</b>		<b>500</b>	<b>2.376</b>	

City of Escondido  
 Portfolio Management  
 Portfolio Details - Cash  
 August 31, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C
		Average Balance	0.00						0	
		Total Cash and Investments	152,128,223.32		136,283,357.39	141,492,174.18	138,349,623.42		500	2.376



**City of Escondido  
Portfolio Management  
Portfolio Summary  
September 30, 2010**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	YTM/C
Calif. Local Agency Investment Fund	21,014,946.93	21,014,946.93	21,014,946.93	15.41	1	0.005
Money Market Accounting	2,244,630.65	2,244,630.65	2,244,630.65	1.65	1	0.003
Federal Agency Coupon Securities	107,310,000.00	112,590,623.73	109,588,977.61	80.38	667	2.768
Treasury Coupon Securities	2,225,000.00	2,332,804.75	2,236,305.13	1.64	1,022	3.212
LAIF - Public Safety Facility Bonds	1,260,461.15	1,260,461.15	1,260,461.15	0.92	1	0.005
<b>Investments</b>	<b>134,055,038.73</b>	<b>139,443,467.21</b>	<b>136,345,321.47</b>	<b>100.00%</b>	<b>553</b>	<b>2.278</b>

Total Earnings	September 30	Month Ending	Fiscal Year To Date
Current Year	264,364.63		889,071.60
Average Daily Balance	136,567,173.04		150,272,218.42
Effective Rate of Return	2.36%		2.35%

*Kenneth C. Hugins* 11/4/10  
 Kenneth C. Hugins, City Treasurer

**City of Escondido  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTMIC	Maturity Date
<b>Calif. Local Agency Investment Fund</b>											
SYS1000	1000	Local Agency Investment Fund			16,744,930.20	16,744,930.20	16,744,930.20	0.005	1	0.005	
SYS1001	1001	Local Agency Investment Fund			4,270,016.73	4,270,016.73	4,270,016.73	0.005	1	0.005	
		<b>Subtotal and Average</b>	<b>18,614,946.93</b>		<b>21,014,946.93</b>	<b>21,014,946.93</b>			<b>1</b>	<b>0.005</b>	
<b>Money Market Accounting</b>											
SYS2001	2001	Bank of America			2,244,630.65	2,244,630.65	2,244,630.65	0.003	1	0.003	
		<b>Subtotal and Average</b>	<b>8,266,672.02</b>		<b>2,244,630.65</b>	<b>2,244,630.65</b>			<b>1</b>	<b>0.003</b>	
<b>Federal Agency Coupon Securities</b>											
3133XTHN9	3282	Federal Home Loan Bank		04/30/2009	2,000,000.00	2,000,620.00	2,000,164.24	1.250	13	1.020	10/14/2010
3128X4QK0	3240	Federal Home Loan Mtg Assoc		03/12/2007	1,000,000.00	1,002,170.00	1,000,050.75	5.000	17	4.880	10/18/2010
3128X4QK0	3251	Federal Home Loan Mtg Assoc		05/23/2007	1,158,969.39	1,161,515.03	1,158,969.39	5.000	17	5.060	10/18/2010
3133X2BX2	3278	Federal Home Loan Bank		05/29/2008	880,000.00	884,400.00	880,910.75	4.250	45	3.360	11/15/2010
31359MGJ6	3186	Federal National Mtg Assoc		12/21/2005	750,000.00	755,857.50	751,477.12	6.625	45	4.796	11/15/2010
31339XBA1	3286	Federal Home Loan Bank		04/30/2009	550,000.00	554,983.00	554,008.89	5.000	70	1.150	12/10/2010
31331VLW4	3191	Federal Farm Credit		01/20/2006	2,000,000.00	2,020,620.00	2,000,479.14	4.800	83	4.660	12/23/2010
31331VRT5	3202	Federal Farm Credit		02/24/2006	2,000,000.00	2,037,500.00	1,999,582.12	4.900	146	4.960	02/24/2011
31331LXC4	3252	Federal Farm Credit		05/23/2007	1,000,000.00	1,025,000.00	1,003,733.02	6.000	157	5.040	03/07/2011
3133XJVL9	3256	Federal Home Loan Bank		05/30/2007	1,000,000.00	1,020,000.00	999,463.81	5.000	161	5.130	03/11/2011
3137EAAB5	3258	Federal Home Loan Mtg Assoc		06/04/2007	510,000.00	523,545.60	509,905.30	5.125	199	5.161	04/18/2011
3128X7MN1	3288	Federal Home Loan Mtg Assoc		04/30/2009	5,050,000.00	5,145,849.00	5,114,365.00	3.500	216	1.320	05/05/2011
3133XFJY3	3259	Federal Home Loan Bank		06/04/2007	500,000.00	516,405.00	500,146.20	5.250	252	5.202	06/10/2011
3134A4FM1	3241	Federal Home Loan Mtg Assoc		03/12/2007	690,000.00	718,034.70	695,284.32	6.000	257	4.785	06/15/2011
3134A4FM1	3253	Federal Home Loan Mtg Assoc		05/25/2007	1,000,000.00	1,040,630.00	1,005,793.29	6.000	257	5.080	06/15/2011
3138F3K21	3247	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,050,620.00	1,981,465.91	3.640	286	4.960	07/14/2011
31331VJ80	3226	Federal Farm Credit		12/27/2006	1,030,000.00	1,071,519.30	1,033,891.03	5.375	290	4.840	07/18/2011
31331VJ80	3296	Federal Farm Credit		12/28/2009	5,000,000.00	5,201,550.00	5,180,861.25	5.375	290	0.800	07/18/2011
3133MGYH3	3227	Federal Home Loan Bank		12/27/2006	2,000,000.00	2,091,880.00	2,013,727.15	5.750	318	4.860	08/15/2011
3133MGYH3	3271	Federal Home Loan Bank		04/25/2008	1,000,000.00	1,045,940.00	1,018,196.17	5.750	318	3.520	08/15/2011
31398ATL6	3300	Federal National Mtg Assoc		12/28/2009	1,000,000.00	1,028,750.00	1,024,424.60	3.785	318	0.956	08/15/2011
31398ATL60	3306	Federal National Mtg Assoc		03/24/2010	1,000,000.00	1,028,750.00	1,025,521.12	3.625	318	0.680	08/15/2011
31331SSJ3	3243	Federal Farm Credit		03/21/2007	3,000,000.00	3,114,390.00	2,995,091.79	4.625	325	4.830	08/22/2011
3133XF5T9	3254	Federal Home Loan Bank		05/29/2007	1,000,000.00	1,042,500.00	999,056.23	5.000	343	5.111	09/09/2011
3133XF5T9	3274	Federal Home Loan Bank		05/14/2008	1,950,000.00	2,032,875.00	1,974,819.67	5.000	343	3.549	09/09/2011
31331Y3P3	3313	Federal Farm Credit		03/23/2010	1,000,000.00	1,031,560.00	1,027,643.64	3.500	367	0.730	10/03/2011
31359MZ30	3246	Federal National Mtg Assoc		04/17/2007	2,000,000.00	2,096,260.00	2,001,104.89	5.000	379	4.925	10/15/2011

Portfolio CITY  
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**City of Escondido  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
<b>Federal Agency Coupon Securities</b>											
3133MJUQ1	3275	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,050,310.00	1,014,295.38	4.875	410	3.510	11/15/2011
3128X3K69	3269	Federal Home Loan Mtg Assoc		04/22/2008	1,000,000.00	1,046,260.00	1,011,417.80	4.500	410	3.410	11/15/2011
3134A1GH7	3244	Federal Home Loan Mtg Assoc		03/30/2007	1,800,000.00	1,927,134.00	1,830,541.59	6.480	430	4.850	12/05/2011
31359M5H2	3248	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,124,380.00	2,001,048.10	5.000	503	4.955	02/16/2012
3137EAAR0	3250	Federal Home Loan Mtg Assoc		05/22/2007	1,000,000.00	1,061,560.00	996,587.25	4.750	521	5.020	03/05/2012
3137EAAR0	3260	Federal Home Loan Mtg Assoc		06/18/2007	500,000.00	530,780.00	495,482.59	4.750	521	5.474	03/05/2012
3133XJUT3	3242	Federal Home Loan Bank		03/19/2007	1,000,000.00	1,065,310.00	1,002,370.94	5.000	525	4.810	03/09/2012
31331IGNQ8	3291	Federal Farm Credit		05/28/2009	2,000,000.00	2,053,760.00	2,016,093.40	2.250	571	1.719	04/24/2012
3133XKSK2	3276	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,073,440.00	1,018,064.88	4.875	616	3.710	06/08/2012
3137EACC1	3292	Federal Home Loan Mtg Assoc		05/28/2009	2,000,000.00	2,043,120.00	1,998,320.88	1.750	623	1.801	06/15/2012
3133XTHE9	3295	Federal Home Loan Bank		08/05/2009	1,000,000.00	1,026,250.00	1,001,122.59	2.000	651	1.935	07/13/2012
31359MYQ0	3270	Federal National Mtg Assoc		04/22/2008	2,000,000.00	2,163,120.00	2,045,119.69	5.000	671	3.660	08/02/2012
31359MYQ0	3272	Federal National Mtg Assoc		04/25/2008	1,000,000.00	1,081,560.00	1,021,868.48	5.000	671	3.700	08/02/2012
3137EAAV1	3290	Federal Home Loan Mtg Assoc		05/28/2009	3,000,000.00	3,280,320.00	3,198,949.34	5.500	689	1.860	08/20/2012
3133XYF91	3318	Federal Home Loan Bank		05/10/2010	2,000,000.00	2,028,760.00	1,999,618.43	1.250	696	1.260	08/27/2012
3133X4Z7	3310	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,030,620.00	2,001,852.94	1.350	697	1.299	08/28/2012
3133XUK93	3316	Federal Home Loan Bank		05/05/2010	3,000,000.00	3,084,390.00	3,037,336.01	2.000	714	1.350	09/14/2012
3133XML66	3279	Federal Home Loan Bank		10/29/2008	2,000,000.00	2,165,620.00	2,017,545.25	4.625	740	4.150	10/10/2012
3133XXLX3	3312	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,032,500.00	1,997,939.87	1.375	756	1.426	10/26/2012
3133XVNT42	3304	Federal Home Loan Bank		03/24/2010	1,000,000.00	1,023,750.00	1,004,434.33	1.750	805	1.543	12/14/2012
31359MQV8	3273	Federal National Mtg Assoc		04/25/2008	2,000,000.00	2,190,000.00	2,040,582.49	4.750	874	3.811	02/21/2013
31359MQV8	3294	Federal National Mtg Assoc		07/23/2009	2,000,000.00	2,190,000.00	2,123,511.49	4.750	874	2.055	02/21/2013
3133XPBB9	3293	Federal Home Loan Bank		06/17/2009	1,535,000.00	1,625,657.10	1,559,685.26	3.125	889	2.430	03/08/2013
31331TY2	3277	Federal Farm Credit		05/14/2008	1,000,000.00	1,108,750.00	1,029,653.70	5.200	901	3.870	03/20/2013
31331Y2Q2	3308	Federal Farm Credit		03/23/2010	2,000,000.00	2,188,120.00	2,128,894.85	4.250	1,011	1.840	07/08/2013
31359MSL80	3317	Federal National Mtg Assoc		05/05/2010	1,000,000.00	1,098,130.00	1,071,013.82	4.375	1,020	1.750	07/17/2013
3133XLL21	3311	Federal Home Loan Bank		03/23/2010	3,000,000.00	3,092,820.00	2,997,888.43	1.875	1,064	1.900	08/30/2013
3133XUPZ0	3302	Federal Home Loan Bank		03/24/2010	3,000,000.00	3,158,430.00	3,057,955.10	2.625	1,078	2.221	09/13/2013
3133XUPZ0	3314	Federal Home Loan Bank		05/05/2010	1,050,000.00	1,105,450.50	1,072,855.86	2.625	1,078	1.860	09/13/2013
31364GBF54	3315	Federal National Mtg Assoc		05/05/2010	1,006,000.00	1,136,277.00	1,106,378.42	5.380	1,097	1.930	10/02/2013
3133XYDK8	3319	Federal Home Loan Bank		05/07/2010	1,000,000.00	1,034,690.00	1,003,406.83	2.000	1,123	1.885	10/28/2013
3133XHW67	3303	Federal Home Loan Bank		03/24/2010	1,350,000.00	1,517,481.00	1,464,351.92	4.875	1,169	2.108	12/13/2013
3137EACD9	3321	Federal Home Loan Mtg Assoc		06/18/2010	5,000,000.00	5,348,450.00	5,205,107.87	3.000	1,396	1.880	07/28/2014
3133XUMR1	3322	Federal Home Loan Bank		06/18/2010	1,000,000.00	1,078,750.00	1,044,755.91	3.250	1,442	2.060	09/12/2014
31359MWJ8	3320	Federal National Mtg Assoc		06/18/2010	1,000,000.00	1,133,130.00	1,102,215.17	4.625	1,475	1.972	10/15/2014
31331SNP4	3323	Federal Farm Credit		06/18/2010	1,000,000.00	1,135,000.00	1,095,589.39	4.550	1,615	2.260	03/04/2015

Portfolio CITY  
AP  
PM (PRE\_PM2) 7.2.5



**City of Escondido  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
<b>Federal Agency Coupon Securities</b>											
3133XTYD2	10011	Federal Home Loan Bank		09/30/2010	1,000,000.00	1,113,750.00	1,113,932.78	4.000	1,719	1.485	06/16/2015
31398AU34	10013	Federal National Mtg Assoc		09/30/2010	1,000,000.00	1,039,060.00	1,041,516.10	2.375	1,761	1.480	07/28/2015
313370JB5	10012	Federal Home Loan Bank		09/30/2010	1,000,000.00	1,008,130.00	1,010,664.01	1.750	1,806	1.525	09/11/2015
3133716Z4	10009	Federal Home Loan Bank		09/30/2010	1,000,000.00	1,001,250.00	1,004,017.76	1.625	1,823	1.541	09/28/2015
31331GCR8	10010	Federal Farm Credit		09/30/2010	1,000,000.00	1,150,630.00	1,154,853.92	4.750	1,825	1.520	09/30/2015
		<b>Subtotal and Average</b>	<b>106,188,547.62</b>		<b>107,310,000.00</b>	<b>112,590,623.73</b>	<b>109,588,977.61</b>		<b>667</b>	<b>2.768</b>	
<b>Treasury Coupon Securities</b>											
912828FA3	4021	U.S. Treasury Note		03/12/2007	250,000.00	255,615.00	250,318.88	4.750	181	4.465	03/31/2011
912828FN5	4022	U.S. Treasury Note		10/05/2007	400,000.00	415,280.00	402,375.67	4.875	303	4.093	07/31/2012
912828GZ7	4023	U.S. Treasury Note		10/05/2007	275,000.00	296,430.75	276,881.31	4.625	669	4.207	07/31/2012
912828HE3	4024	U.S. Treasury Note		10/05/2007	300,000.00	322,899.00	300,253.54	4.250	730	4.203	09/30/2012
912828NF3	4027	U.S. Treasury Note		06/18/2010	1,000,000.00	1,042,580.00	1,006,475.73	2.125	1,703	1.978	05/31/2015
		<b>Subtotal and Average</b>	<b>2,236,545.32</b>		<b>2,225,000.00</b>	<b>2,332,804.75</b>	<b>2,236,305.13</b>		<b>1,022</b>	<b>3.212</b>	
<b>LAIF - Public Safety Facility Bonds</b>											
SYS10002	10002	Local Agency Investment Fund			1,260,461.15	1,260,461.15	1,260,461.15	0.005	1	0.005	
		<b>Subtotal and Average</b>	<b>1,260,461.15</b>		<b>1,260,461.15</b>	<b>1,260,461.15</b>			<b>1</b>	<b>0.005</b>	
<b>Bank of America Escrow Account</b>											
SYS5000	5000	Bank of America			0.00	0.00	0.00	0.130	1	0.130	
		<b>Subtotal and Average</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>			<b>0</b>	<b>0.000</b>	
<b>UBOC Money Market Sweep</b>											
SYS2501	2501	Union Bank			0.00	0.00	0.00	0.070	1	0.070	
		<b>Subtotal and Average</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>			<b>0</b>	<b>0.000</b>	
		<b>Total and Average</b>	<b>136,567,173.04</b>		<b>134,055,038.73</b>	<b>139,443,467.21</b>	<b>136,345,321.47</b>		<b>553</b>	<b>2.278</b>	

**City of Escondido**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**September 30, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C
		Average Balance	0.00						0	
		Total Cash and Investments	136,567,173.04		134,055,038.73	139,443,467.21	136,345,321.47		553	2.278



**City of Escondido  
Maturity Report  
Sorted by Maturity Date**

Receipts during July 1, 2010 - September 30, 2010

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
3128X4DQ1	3228	003	FAC	FHLMC	2,500,000.00	07/06/2010	12/28/2006	4.500	2,500,000.00	56,250.00	2,556,250.00	56,250.00
3134A4VB7	3185	004	FAC	FHLMC	750,000.00	07/12/2010	12/21/2005	4.125	750,000.00	15,468.75	765,468.75	15,468.75
3134A4VB7	3245	004	FAC	FHLMC	770,000.00	07/12/2010	04/10/2007	4.125	770,000.00	15,881.25	785,881.25	15,881.25
31339YGY2	3221	003	FAC	FHLB	1,700,000.00	07/14/2010	11/07/2006	5.000	1,700,000.00	42,500.00	1,742,500.00	42,500.00
3133X0KH1	3198	003	FAC	FHLB	2,000,000.00	08/06/2010	01/31/2006	4.550	2,000,000.00	45,500.00	2,045,500.00	45,500.00
3133X06Q7	3209	003	FAC	FHLB	1,465,000.00	08/13/2010	05/12/2006	4.125	1,465,000.00	29,879.90	1,494,879.90	29,879.90
31359MYN7	3223	004	FAC	FNMA	725,000.00	08/15/2010	12/12/2006	4.250	725,000.00	15,406.25	740,406.25	15,406.25
3133XCNV1	3219	003	FAC	FHLB	2,535,000.00	08/16/2010	09/18/2006	5.150	2,535,000.00	65,276.25	2,600,276.25	65,276.25
3133XCNV1	3232	003	FAC	FHLB	2,000,000.00	08/16/2010	01/17/2007	5.150	2,000,000.00	51,500.00	2,051,500.00	51,500.00
3133XCNB5	3281	003	FAC	FHLB	2,000,000.00	08/16/2010	04/30/2009	4.710	2,000,000.00	47,100.00	2,047,100.00	47,100.00
3128X4GV7	3257	003	FAC	FHLMC	600,000.00	08/16/2010	05/31/2007	4.875	600,000.00	14,625.00	614,625.00	14,625.00
31331TBZ3	3268	003	FAC	FFCB	1,000,000.00	08/27/2010	04/17/2008	4.450	1,000,000.00	22,250.00	1,022,250.00	22,250.00
3128X4HN4	3238	003	FAC	FHLMC	1,150,000.00	09/01/2010	01/31/2007	5.000	1,150,000.00	28,750.00	1,178,750.00	28,750.00
3133XGLE2	3236	003	FAC	FHLB	1,000,000.00	09/10/2010	01/29/2007	5.125	1,000,000.00	25,625.00	1,025,625.00	25,625.00
3134A35H5	3214	003	FAC	FHLMC	1,000,000.00	09/15/2010	06/19/2006	6.875	1,000,000.00	34,375.00	1,034,375.00	34,375.00
3134A35H5	3307	003	FAC	FHLMC	2,000,000.00	09/15/2010	03/23/2010	6.875	2,000,000.00	68,750.00	2,068,750.00	68,750.00
<b>Total Maturities</b>										<b>579,137.40</b>	<b>23,774,137.40</b>	<b>579,137.40</b>
										<b>23,195,000.00</b>	<b>23,195,000.00</b>	<b>579,137.40</b>

**CITY OF ESCONDIDO**  
**FUNDS MANAGED BY OUTSIDE PARTIES**  
As of September 30 , 2010

Type of Funds / Institution	Market Value	Interest Rate	Reserve Fund	
			Type of Investment	
<b><u>BOND FUNDS</u></b>				
<b>BANK OF NEW YORK:</b>				
1993 Vineyard Golf Course Certificates of Participation	\$ 701,167.30	0.300%	FNMA	Discount Note / Money Market
2001 Reidy Creek Golf Course Lease Revenue Bonds (issued April 2001)	542,018.05	0.300%	FNMA	Discount Note / Money Market
1992 Community Development Commission Revenue Bond	348,218.27	0.253%	FNMA	Discount Note / Money Market
2001 JPFA Lease Revenue Bonds (1992 CDC Refunding)	2,244,597.53	0.300%	FNMA	Discount Note / Money Market
2000A COP - Water Project (Certificates issued March 2000)	908,119.61	0.284%	FNMA	Discount Note / Money Market
2002A COP - Water Project (Certificates issued August 2002)	881,144.12	0.288%	FNMA	Discount Note / Money Market
2007 COP - Water Project (Certificates issued September 2007)	14,221,127.63	0.010%		Money Market
2004A Wastewater Bond (1996 Wastewater Refunding)	2,026,172.35	0.300%	FNMA	Discount Note / Money Market
2004B Wastewater Bond - Brine Project	4,224,787.86	0.073%	FNMA	Discount Note / Money Market
2001 Community Facility District (Hidden Trails)	256,359.76	0.275%	FNMA	Discount Note / Money Market
2006 Community Facility District (Eureka Ranch)	5,867,859.02	0.072%	FNMA	Discount Note / Money Market
1986-1R/98 Auto Parkway Assessment District	599,713.51	0.165%	FNMA	Discount Note / Money Market
1998-1 Rancho San Pasqual Assessment District	336,189.15	0.299%	FNMA	Discount Note / Money Market
<b>TOTAL FUNDS MANAGED BY OUTSIDE PARTIES</b>	<b>\$ 33,157,474.16</b>			



# CITY COUNCIL

For City Clerk's Use:

**APPROVED**       **DENIED**

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

**Agenda Item No.:** 5  
**Date:** **November 17, 2010**

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Jim Maher, Chief of Police  
**SUBJECT:** FY 2010-11 State of California Citizens' Options for Public Safety (COPS) Program Grant

**RECOMMENDATION:**

It is requested that Council accept a FY 2010-11 Citizens' Options for Public Safety (COPS) Program Grant in an amount up to \$177,391. Approve grant expenditures consistent with guidelines in AB 1913 and authorize the Chief of Police to submit the COPS spending plan to the San Diego County Supplemental Law Enforcement Oversight Committee (SLEOC) as required by the grant. Authorize staff to establish budgets to spend grant funds to support front-line law enforcement needs.

**FISCAL ANALYSIS:**

This action will have no impact on the General Fund Budget. Grant funds will be used to pay salary and overhead expenses for temporary part-time employees.

**PREVIOUS ACTION:**

On December 9, 2009, City Council approved use of FY 2009-10 COPS Program funding. On February 18, 2009, City Council approved use of FY 2008-09 COPS Program funding.

**BACKGROUND:**

Existing law establishes Supplemental Law Enforcement Services Funds and requires monies from these funds to be allocated to counties and cities for purposes of the Citizens' Options for Public Safety (COPS) Program. In September 2000 the California State Legislature chaptered AB 1913, the Schiff-Cardenas Crime Prevention Act of 2000, which increased appropriations for these funds and established new formulas for State Citizens' Options for Public Safety (COPS) allocations.

As a result of these actions, the City of Escondido will receive a FY 2010-11 COPS Grant. Exact total amounts available to each jurisdiction are currently unknown; however, the anticipated maximum amount to be allocated to the Escondido Police Department is \$177,391. Due to the uncertainty of the funding level and the continued possibility of a statewide reallocation of funds, as was experienced in Fiscal Year 2009-10, the State has recommended that each city adopt a conservative

spending plan and if necessary, amend that plan later in the year when more information is available. The minimum award per jurisdiction is \$100,000. In FY 2009-10, after the statewide allocation was reduced, the Police Department received \$149,904, which was \$74,463 less than the original allocation of \$224,367.

According to the law, COPS funds may only be spent to provide front-line law enforcement services, which include anti-gang, crime prevention and juvenile justice programs. They may not supplant existing funding and they must supplement law enforcement services.

Government Code Section 30061 requires that Supplemental Local Law Enforcement Fund monies allocated to counties must be deposited in a Supplemental Law Enforcement Services Fund (SLESF). Cities who receive SLESF allocations must deposit them in their own SLESF prior to expending funds. SLESF allocations may not be intermingled with other city funds and they must draw interest until spent. The City of Escondido established a SLESF account in 1996 and has maintained it since that time for COPS grant allocations.

Cities that receive SLESF allocations must submit an approved expenditure plan to the County Supplemental Law Enforcement Oversight Committee. The Police Department has examined needs for law enforcement services in the community and recommends to use this year's COPS allocation to fund salary and benefits for temporary part-time positions that, due to budget constraints, have been reduced or eliminated from the General Fund Budget. Positions funded by the allocation may include cold case investigators, data entry technicians, custody transport officers, range masters, polygraphers, a 290 (Sex Registrant) coordinator, an alarm & DUI coordinator, a background investigator, a forensic technician, a property and evidence technician, a department specialist in the Internal Affairs Unit, a department specialist in the Traffic Division, and department specialists in the Administration Division.

If approved, the \$177,391 expenditure plan, which includes salaries and benefit expenses for temporary part-time employees, will enhance front-line law enforcement and benefit public safety programs within the community.

Respectfully submitted,



Jim Maher  
Chief of Police



# CITY COUNCIL

For City Clerk's Use:

**APPROVED**       **DENIED**

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

**Agenda Item No.:** 6  
**Date:** **November 17, 2010**

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Barbara Redlitz, Director of Community Development  
**SUBJECT:** Street Name Change for Amir Place, a cul-de-sac on the southern side of Hamilton Lane, between Bernardo Avenue and Acker Way (Reference Case File PHG 10-0028)

**STAFF RECOMMENDATION:**

It is requested that Council adopt Resolution No. 2010-164 approving the proposed Street Name Change.

**PROJECT DESCRIPTION:**

A street name change to "Hamilton Place" from "Amir Place" for a cul-de-sac approximately 480 feet long, which adjoins Hamilton Lane on the north, between Bernardo Avenue and Acker Way.

**FISCAL ANALYSIS:**

The cost of the street rename will be minimal for the change of the street signs.

**GENERAL PLAN:**

The existing Amir Place cul-de-sac is not a Circulation Element street. It is a residential street and is consistent with the General Plan.

**ENVIRONMENTAL STATUS:**

The project is categorically exempt pursuant to CEQA Section 15301(c).

**BACKGROUND:**

Escondido Tract 947 consists of seven single-family residential lots, with six of the lots taking access from a new cul-de-sac street that was named "Amir Place" as part of the final map. The homes have not been constructed yet and the applicant (Galey Homes) currently owns three of the lots and is in escrow to purchase the remaining lots along the cul-de-sac from the previous developer (Pacific Group). The Pacific Group submitted a letter indicating they do not object to the proposed name change. The applicant indicated they wish to change the name of the street to Hamilton Place to correspond to the project's marketing name "Hamilton Ranch Estates." The applicant recently has submitted building plans to construct homes on the three lots they currently own.

**ANALYSIS:**

Staff sent notices of the proposed street name change to local agencies, districts, utilities, mapping and mailing services, etc. No conflicts were identified nor comments received from the various City Department or outside agencies or districts contacted. Therefore, staff is recommending approval of the proposed name change to Hamilton Place.

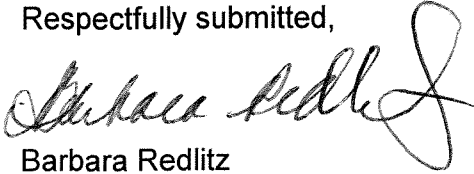


November 17, 2010  
PHG 10-0028  
Page 2

NEXT STEP IN THE PROCESS:

If the Council approves the proposed name of "Hamilton Place", staff would notify all appropriate agencies to revise their maps accordingly.

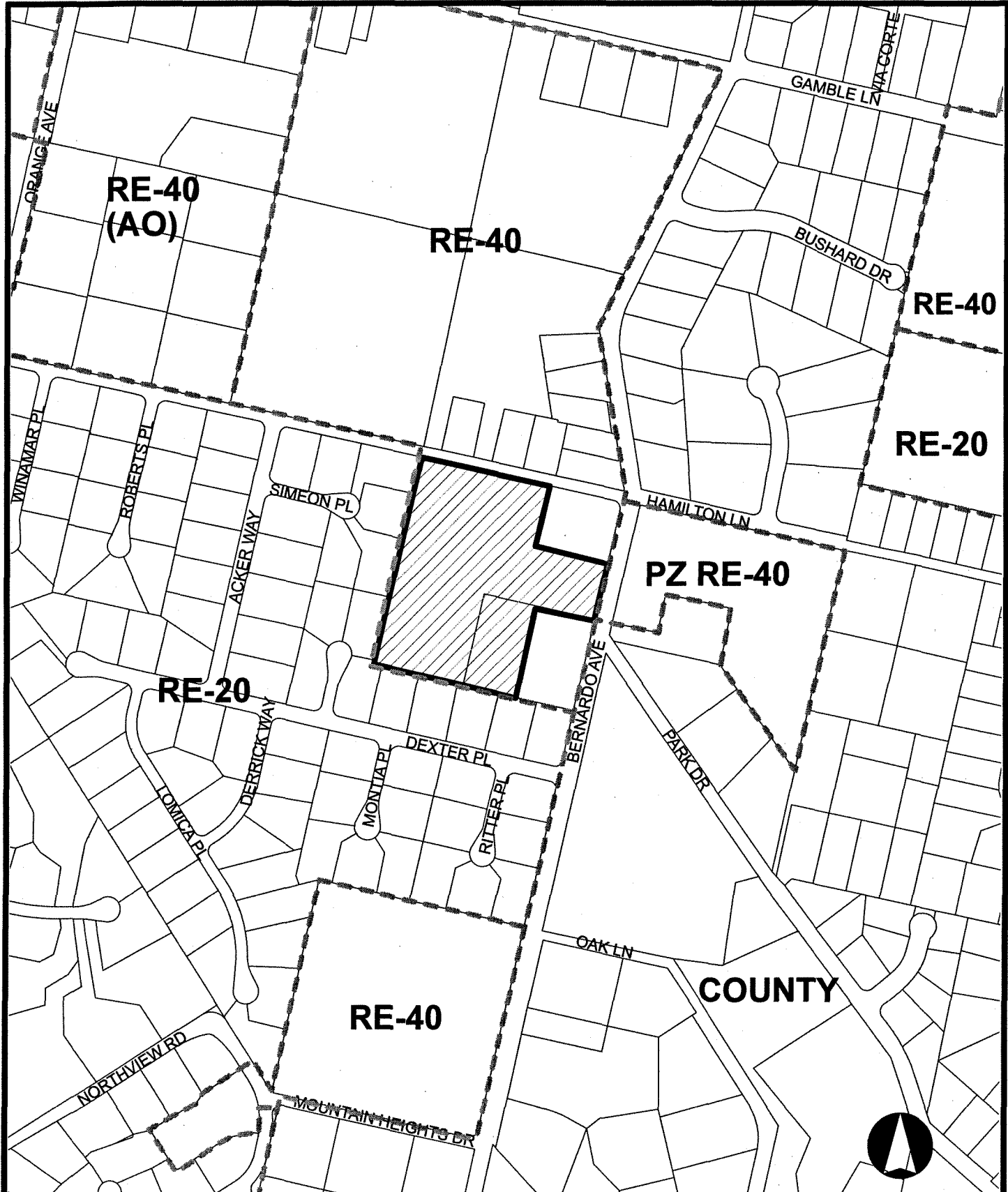
Respectfully submitted,



Barbara Redlitz  
Director of Community Development

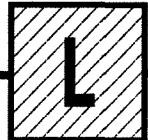


Jay Paul  
Associate Planner



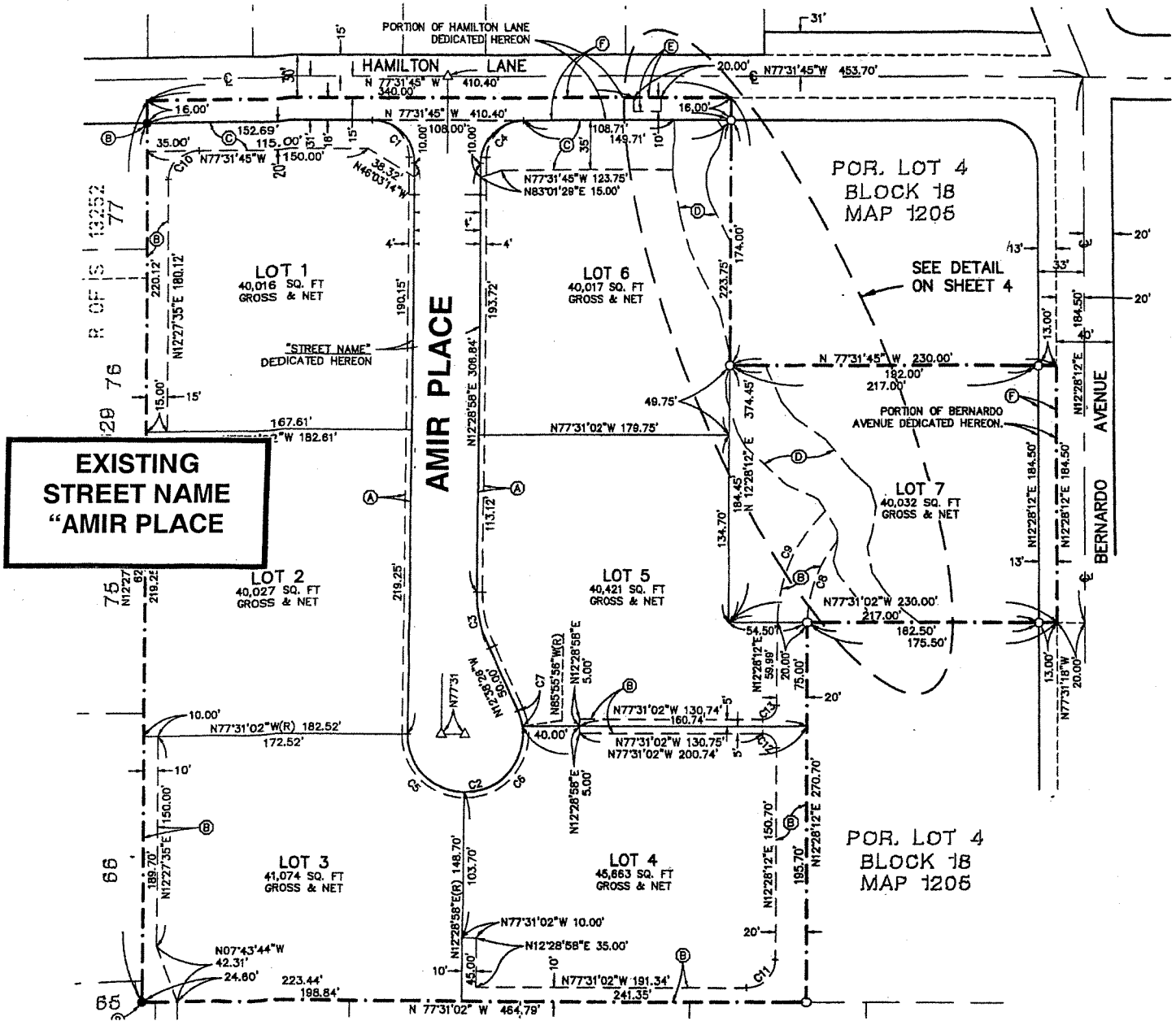
Portions of this DERIVED PRODUCT contains geographic information copyrighted by SanGis. All rights reserved.

**PROPOSED PROJECT  
PHG 10-0028**



LOCATION/ZONING

# PROPOSED STREET NAME CHANGE from 'AMIR PLACE' to 'HAMILTON PLACE'



**EXISTING  
STREET NAME  
"AMIR PLACE"**

**Name change affects Lots 1 – 6 of Escondido Tract 947**  
**APNs**  
 238-492-35  
 238-492-36  
 238-492-37  
 238-492-38  
 238-492-39  
 238-492-40

6.

RESOLUTION NO. 2010-164

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
CHANGING A STREET NAME FROM AMIR  
PLACE TO HAMILTON PLACE

Reference Case No. PHG 10-0028

WHEREAS, Amir Place is an existing cul-de-sac street adjoining Hamilton Lane on the north, between Bernardo Avenue and Acker Way (APNs 238-492-35 through 40); and

WHEREAS, the street name Amir Place was established with the recordation of Escondido Tract 947. A request for a street name change has been received and reviewed by staff; and

WHEREAS, the affected property owners, local agencies, districts, and emergency services were notified of the requested street name change and no opposition was received; and

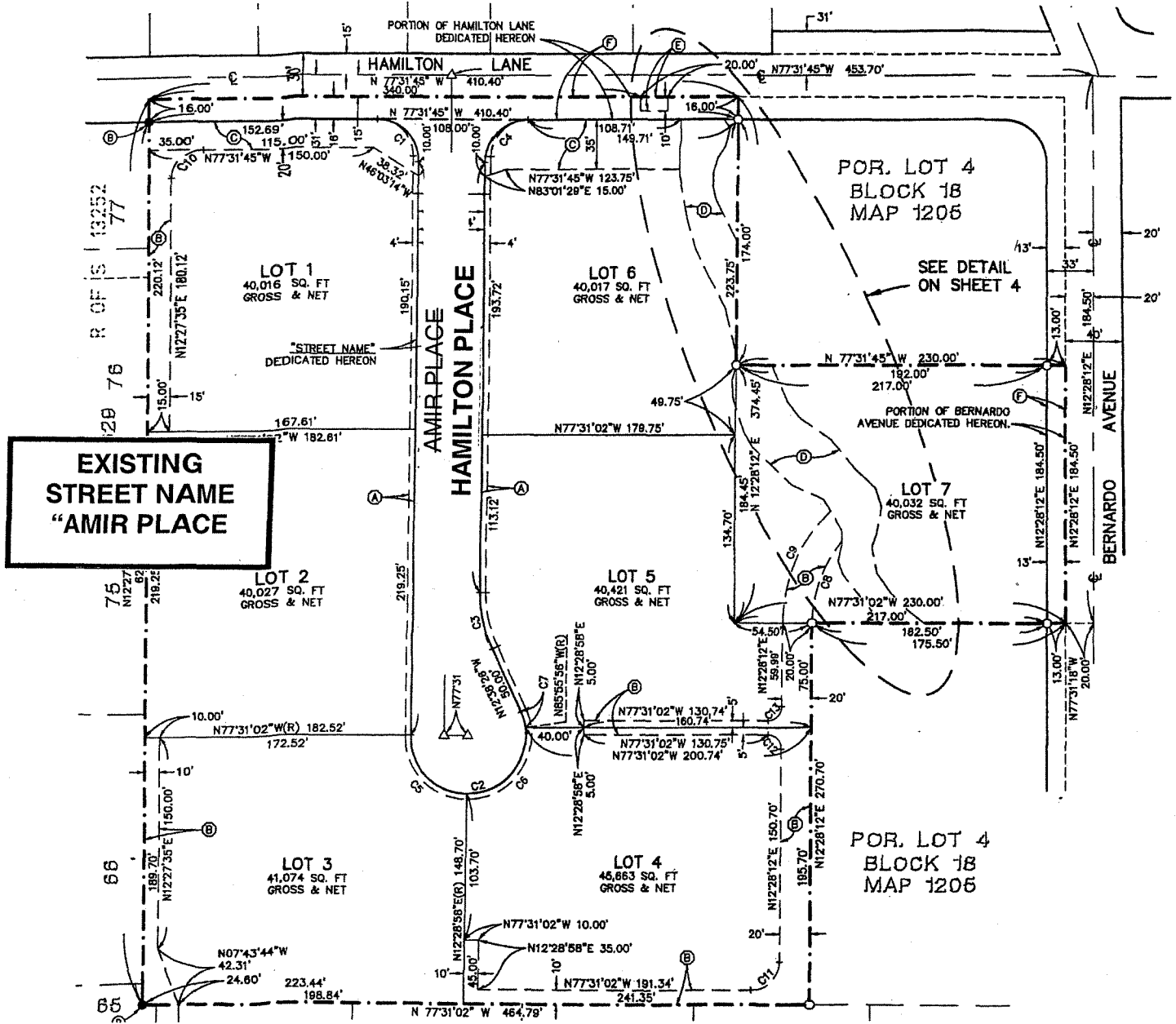
WHEREAS, the City Council desires at this time and deems it to be in the best public interest to rename Amir Place to Hamilton Place, identified in Exhibit "A" attached to the resolution and incorporated by this reference.

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

1. That the above recitations are true.
2. That the City Council accepts the recommendation of the Director of Community Development.
3. That the new name for the cul-de-sac adjoining Hamilton Lane on the north, between Bernardo Avenue and Acker Way shall be Hamilton Place.

**EXHIBIT "A"**

Resolution No. 2010-164  
 STREET NAME CHANGE FROM  
 'AMIR PLACE' TO 'HAMILTON PLACE'



Name change affects Lots 1 – 6 of Escondido Tract 947  
 APNs  
 238-492-35  
 238-492-36  
 238-492-37  
 238-492-38  
 238-492-39  
 238-492-40

# CITY COUNCIL

For City Clerk's Use:

APPROVED  DENIED

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

Agenda Item No.: 7  
Date: November 17, 2010

**TO:** Honorable Mayor and City Council

**FROM:** Barbara J. Redlitz, Director of Community Development

**SUBJECT:** Mills Act Contract for historic Escondido residence addressed as 225 West Sixth Avenue (Case HP 10-0002).

**RECOMMENDATION:**

Authorize entering into a Mills Act Contract for the subject property by adopting Resolution Number 2010-166.

**ENVIRONMENTAL STATUS:** In compliance with CEQA Section 15331, "Historical Resource Restoration/ Rehabilitation", a Notice of Exemption was prepared on November 8, 2010.

**FISCAL ANALYSIS:** Approval of the Mills Act Contract would reduce the property tax to the homeowner, and proportionately reduce the City's share of property taxes typically by two hundred dollars or more per year. The City has currently entered into 76 Mills Act Contracts, which have cumulatively reduced the City share of property taxes annually by approximately \$16,400. Studies recently completed in the County show that Mills Act approved properties increase in value an average of 16%, neighboring properties within 250' increase in value an average of 3.7%, and properties within 500' increase in value an average of 1.6%.

**GENERAL PLAN ANALYSIS:** Policy F1.2 encourages the preservation of buildings and areas with special and recognized historic and architectural value.

**PREVIOUS ACTION:** The Historic Preservation Commission voted unanimously to recommend approval of entering into a Mills Act Contract on October 5, 2010.

**BACKGROUND:** The subject property is located in the City's Old Escondido Neighborhood Historic District, addressed as 225 West Sixth Avenue (APN 2332420300). It contains a recently restored one-story California Bungalow covered in narrow clapboard siding constructed by Wilda King in 1919. It features a centered front porch with oriental detailing including triangular brackets, open beam ends, and a slanted lintel design. The original paneled front door is flanked by triple sets of windows.



**ANALYSIS:**

***Escondido Historical/Cultural Resources Survey***

On June 2, 1992, the Historic Preservation Commission voted unanimously to list the subject property on the Local Register of Historic Places, justifying their decision because it met these two criteria:

- Resources that are 50 years old or older or have already achieved historical significance.
- Escondido historical building that is one of a few remaining examples in the city possessing distinguishing characteristics of an architectural type.

*(Local Register listing requests require that the resource meet at least two of seven criteria.)*

The present applicant was asked by staff to provide additional information regarding the property's history to help update the City's files. The applicant has conducted the required historic research and data collection, and has provided the information in the required State Department of Parks and Recreation form format (see attached). The information provided by the applicant includes historical background and descriptive analysis of the architectural style and is adequate to meet current requirements.

**Mills Act Contract:** The Mills Act is a provision in state law that enables owners of designated historic properties to voluntarily enter into a preservation contract with the City and receive a reduction in their property taxes. The contract runs for ten years and it is automatically renewed each year unless a notice of non-renewal is filed. The terms of the contract require that the owner make a commitment to maintain the property per a maintenance schedule that has been included with this report (Attachment B). All improvements must be performed to the Secretary of the Interior Standards. In addition, the applicant has been informed that all exterior modifications require staff review.

The original contract the City has been using since 1992 recently underwent some changes. At the request of Code Enforcement, Planning Division staff worked with the City Attorney's Office and the Historic Preservation Commission to craft some additional language and some needed clarifications which will enable better monitoring and enforcement as well as insure the properties are better maintained into the future. This Mills Act request is using the latest updated contract.

**CONCLUSION:** By approving the Mills Act, the City would be incurring a small loss per year of property tax revenue. This will provide the property owners a tax savings that will be earmarked for preserving the property.

Respectfully submitted,



Barbara J. Redlitz  
Director of Community Development



Paul K. Bingham  
Assistant Planner II

**HISTORIC PRESERVATION  
COMMISSION**

**Agenda Item No.: G.2  
Date: October 5, 2010**

**TO:** Historic Preservation Commission

**FROM:** Paul Bingham, Assistant Planner II

**REQUESTS:** Residence addressed as 225 West 6<sup>th</sup> Avenue (case number HP10-0002)  
Mills Act contract request

**RECOMMENDATION:** Forward recommendation of approval to the City Council and also recommend that the applicant's survey information be typed prior to Council submittal.

**BACKGROUND:**

**City of Escondido Historical/Cultural Resources Survey**

A City of Escondido Historical/Cultural Resources Survey was completed in 1990 (Agis, May 1990). Approximately 1,000 resources were inventoried for their significance in compliance with procedures established by the U.S. Department of the Interior, National Park Service and the State Office of Historic Preservation. The survey is a collection of information that identifies documents, describes the historical resources in the community, and associates the resources with historical events and/or people. Among other preservation programs, the survey serves as the basis for historic preservation plans. The survey also fulfills a higher level of historic nomination requirements (Local, State and National); it allows for the applicability of Historic Building Code in regard to rehabilitation/renovation of structures, and justifies local, state and federal funding assistance.

**Local Register of Historic Places Listing**

On June 2, 1992, the City's Historic Preservation Commission voted unanimously to approve placing this resource on the Local Register, justifying their decision because it met these two criteria:

5. Resources that are 50 years old or older or have already achieved historical significance.
7. Escondido historical building that is one of a few remaining examples in the city possessing distinguishing characteristics of an architectural type.

*(Requests for listing on the Local Register require that both the Historic Preservation Commission and the City Council conduct a public hearing to consider the request. The historic resource is evaluated against seven criteria and must meet at least two of the seven.)*

**Mills Act Contract and Property Applying**

The Mills Act is a state law that enables owners of designated historic properties to enter into a preservation contract with their local legislative body and receive a substantial reduction in the property taxes. One of the incentives for the preservation of historic and/or cultural resources, approved in 1989, allows property owners of designated historic resources to enter into a Mills Act contract with the City. The City's policy allows a property owner to apply for a Mills Act contract if the resource has been listed on the Local Register. The owner is requesting the property to be listed on the City's Local Register at the next available City Council hearing and is concurrently requesting to enter into a Mills Act contract.



The subject property, addressed as 225 West Sixth Avenue (APN 2332420300), is located in the City's Old Escondido Neighborhood Historic District and contains a circa 1920 one-story California Bungalow with a centered front porch façade



exhibiting oriental detailing. Details include triangular brackets, open beam ends under the gutters, and slanted lintel design. Both the gables and façade face the street. The original front door is flanked by sets of three double-hung windows. The entire house is covered in narrow clapboard siding.

## **ANALYSIS**

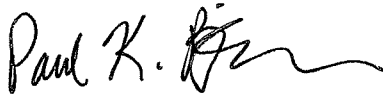
### **Escondido Historical/Cultural Resources Survey**

The applicant has conducted the required historic research and data collection, and has provided the information on the required format, State Department of Parks and Recreation forms (see attached). The information provided by the applicant, including historical background and descriptive analysis of the architectural style, is adequate for the purpose of determining the appropriateness of considering the property for a Mills Act contract.

### **Mills Act Contract**

The Mills Act contract is for a minimum of ten years, automatically renewed each year unless a notice of non-renewal is filed. The terms of the contract require that the property owner make a commitment to maintain the structure and surrounding property, per a maintenance schedule that has been included with this report (see attached). All improvements must be performed to the Secretary of the Interior Standards. In addition, the applicant has been informed that all exterior modifications require staff review. Staff feels that the proposed Mills Act Contract is appropriate since the property meets the established criteria for a historic resource, and adequate improvements have been listed.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Paul K. Bingham", with a stylized flourish at the end.

Paul K. Bingham  
Assistant Planner II

## **Mills Act Application List of Improvements**

Case number: HP 10-0002  
Property Address: 225 West 6<sup>th</sup> Street  
Property Owners: Tod and Melissa Martin

1. Replace old existing electrical system (completed).
2. Remove old heating system and install new forced air system (completed).
3. Replace old existing plumbing system (completed).
4. Repaint exterior (completed).
5. Remove old security bars (completed).
6. Replace broken concrete sidewalk, porch and steps (completed).
7. Install new landscaping and fencing (completed).
8. Rehabilitate and repaint existing wood-framed windows (completed).
9. Ongoing house and yard maintenance (in process).
10. House was reroofed 15 years ago using 25-year rated materials. Reroof in 10 years (planned).



**CITY OF ESCONDIDO**  
 Planning Division  
 201 North Broadway  
 Escondido, CA 92025-2798  
 (760) 839-4671  
 Fax: (760) 839-4313

FOR INTERNAL USE ONLY	
Case No.	HP-10-9002
Date Submitted:	6/29/09
Project Planner:	
Fees:	
Receipt No.:	
<input type="checkbox"/> Incomplete	Date of Notice
<input type="checkbox"/> Complete	Date

**HISTORIC PROPERTY PRESERVATION  
 (MILLS ACT) APPLICATION AND AGREEMENT**

**APPLICANT/CONTACT PERSON**

Name (Print): Tod Martin  
 Address: 1023 Laura Lane  
 City, State, Zip: Escondido CA 92025  
 Phone: (760) 445-3453  
 Fax: (760) 745-6222  
 E-mail: tmartin-se@cox.net  
 Signature: [Signature]

**OWNER** (If multiple owners/addresses, attach additional sheets as necessary.)

Name (Print): Tod Martin & MELISSA MARTIN  
 Address: 1023 Laura Lane  
 City, State, Zip: Escondido CA 92025  
 Phone: (760) 445-3453  
 Fax: (760) 745-6222  
 E-mail: tmartin-se@cox.net  
 Signature: [Signature]  
 (authorizing applicant to submit application)

**SITE INFORMATION**

Property Address: 225 W. 6th Ave.  
 Assessor's Parcel Number: 233-242-03  
 Historic Name: \_\_\_\_\_

**LANDMARK/LOCAL REGISTER INFORMATION**

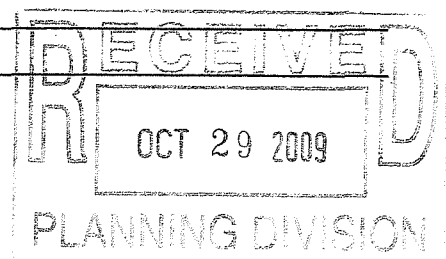
Historic Designation:  
 Local     State     National  
 Date of Designation: \_\_\_\_\_  
 Local Register Listing:  Yes     No  
 Date of Listing: 6/2/1992

**POTENTIAL STRUCTURE/PROPERTY IMPROVEMENT TIMELINE:**

Please list the improvements which are intended to take place over the next 10 years. List them in order of owner's priority. The improvements listed may be as specific or as general as the applicant prefers; however, physical alterations shall comply with the Secretary of Interior standards. Emergency maintenance not identified in this Agreement may be substituted for listed improvements. The listed improvements may be performed out of order, depending on the property owner's financial situation. Visits to the property by City representatives to monitor the progress will be performed every two to three years.

**PROPOSED IMPROVEMENTS**

The house was recently completely renovated on the interior and exterior. New landscaping was also installed.  
 Since there are no new improvements required, future improvements will include maintenance of existing house and yard. The yard maintenance is currently being done on a weekly basis by a professional landscaping company and this will be continued. Trees and plants will be trimmed as required and sprinklers will be repaired as required. The exterior will be painted as required. The existing roof is approximately 10 years old and will be replaced when needed.  
 There are no physical alterations to the house being proposed.



**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City Clerk  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

*THIS SPACE FOR RECORDER'S USE ONLY*

**HISTORIC PROPERTY PRESERVATION AGREEMENT**

This Agreement is made and entered into by and between the CITY OF ESCONDIDO, a municipal corporation (hereinafter referred to as "the CITY") and Tod Martin and Melissa Martin (hereinafter referred to as "the OWNERS").

**Recitals**

1. WHEREAS, the OWNERS possess and own real property located within the City of Escondido, which property is more fully described in Attachment "A" to this Agreement (hereinafter "the PROPERTY"); and
2. WHEREAS, the PROPERTY is a qualified historical property in that it is privately owned, it is not exempt from property taxation, and it is listed in the Local Register of Historic Places; and
3. WHEREAS, both the CITY and the OWNERS desire to carry out the purposes of Article 12 (commencing with section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code and Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code; and
4. WHEREAS, both the CITY and the OWNERS desire to limit the use of the PROPERTY and to preserve the PROPERTY so as to retain its characteristics as a property of cultural, architectural, and historical significance.

**Agreement**

NOW THEREFORE, both the CITY and the OWNERS, in consideration of the mutual promises, covenants, and conditions contained herein and the substantial public benefits to be derived therefrom, do hereby agree as follows:

1. Applicability of Government Code and Revenue and Taxation Code. This Agreement is made pursuant to Article 12 (commencing with section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code and Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code and is subject to all of the provisions of these statutes.

2. Preservation/Rehabilitation and Maintenance of Property. During the term of this Agreement, the PROPERTY shall be subject to the following conditions, requirements, and restrictions:

a. The OWNERS agree to preserve/rehabilitate and maintain the cultural, historical, and architectural characteristics of the PROPERTY during the term of this Agreement as set forth in the attached schedule of improvements identified as Attachment B.

b. The OWNERS shall maintain all buildings, structures, yards, and other improvements in a manner which does not detract from the appearance of the immediate neighborhood. Prohibited property conditions include, but are not limited to:

- i. Dilapidated, deteriorating, or unrepaired structures, such as fences, roofs, doors, walls, and windows;
- ii. Scrap lumber, junk, trash, or debris;
- iii. Abandoned, discarded, or unused objects or equipment, such as automobiles, automobile parts, furniture, stoves, refrigerators, cans, containers, or similar items;
- iv. Stagnant water or excavations, including swimming pools or spas; and
- v. Any device, decoration, design, or structure, or vegetation which is unsightly by reason of its height, condition, or its inappropriate location.

c. All improvements and work performed on the PROPERTY shall meet, at a minimum, the rules and regulations of the Office of Historic Preservation of the California Department of Parks and Recreation, the United States Secretary of the Interior's Standards for Rehabilitation, the State Historical Building Code, and the applicable development codes of the City of Escondido.

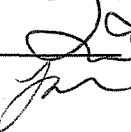
d. Upon the CITY'S request, the OWNERS shall submit within thirty (30) days documentation of expenditures incurred within the last 24 months to accomplish items from the list of scheduled improvements for the PROPERTY as set forth in Attachment B of the Historic Property Preservation (Mills Act) Agreement. The OWNERS shall be in substantial compliance with the scheduled improvements set forth in Attachment B when the expenditures incurred to accomplish the improvements are equal to or greater than the

OWNERS' annual property tax savings for the last 24 months, as determined by the CITY, based upon the County Tax Assessor's valuation of the PROPERTY using the process set forth in Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

e. OWNERS shall, within thirty (30) days after written notice from the CITY, furnish the CITY with any information the CITY shall require to enable the CITY to determine (i) the PROPERTY'S present state; (ii) the PROPERTY'S continued eligibility as a qualified historic property; and (iii) whether the OWNERS are in compliance with this Agreement.

 **OWNER'S INITIALS**

3. Inspections. The OWNERS agree to permit periodic examinations/inspections of the interior and exterior of the PROPERTY by the CITY, the County Assessor, the Department of Parks and Recreation, and the State Board of Equalization as may be necessary to determine the OWNERS' compliance with this Agreement.

 **OWNER'S INITIALS**

4. Term of Agreement. This Agreement shall be effective and shall commence on January 1<sup>st</sup> of the year following the successful recordation of this document by the County Recorder's Office and shall remain in effect for a period of ten (10) years thereafter.

5. Automatic Renewal. On the tenth (10<sup>th</sup>) anniversary of this Agreement and on each successive anniversary date (hereinafter referred to as "the RENEWAL DATE"), one (1) year shall automatically be added to the initial term of this Agreement unless notice of nonrenewal is given as provided in Paragraph 6 below.

6. Notice of Nonrenewal. If, in any year, either the CITY or the OWNERS desire not to renew this Agreement, that party shall serve a written notice of nonrenewal on the other party. If the OWNERS elect to serve a notice of nonrenewal, the notice must be served on the CITY at least ninety (90) days prior to the RENEWAL DATE, otherwise one (1) additional year shall automatically be added to the term of this Agreement. Conversely, if the CITY elects to serve a notice of nonrenewal, the notice must be served on the OWNERS at least sixty (60) days prior to the RENEWAL DATE, otherwise one (1) additional year shall automatically be added to the term of this Agreement. The CITY may issue a notice of nonrenewal if the CITY determines improvements, maintenance, rehabilitation, renovation, and/or restoration of the PROPERTY is required for the PROPERTY'S continued eligibility as a qualified historic property. Upon receipt by the OWNERS of a notice of nonrenewal from the

CITY, the OWNERS may make a written protest of the nonrenewal. The CITY may, at any time prior to the RENEWAL DATE, withdraw its notice of nonrenewal.

7. Effect of Notice of Nonrenewal. If, in any year, either party serves a notice of nonrenewal as provided in Paragraph 6 above, this Agreement shall remain in effect for: (1) the balance of the period remaining under the initial term of this Agreement; or (2) the balance of the period remaining since the last automatic renewal, whichever the case may be.

8. Cancellation. The CITY may cancel this Agreement if the CITY determines the OWNERS: (a) have breached any of the conditions or covenants of this Agreement; (b) have allowed the PROPERTY to deteriorate to the point that it no longer meets the standards of a qualified historical property as defined in California Government Code section 50280.1; or (c) if the OWNERS have failed to restore or rehabilitate the PROPERTY in the manner specified in Paragraph 2 of this Agreement.

 OWNER'S INITIALS

9. Notice of Cancellation. Notwithstanding the above, this Agreement cannot be cancelled until after the CITY has given notice and has held a public hearing as required by California Government Code section 50285.

10. Cancellation Fee. If the CITY cancels this Agreement in accordance with Paragraph 8, the OWNERS shall pay those cancellation fees set forth in California Government Code sections 50280 et seq., described herein. Upon cancellation, OWNERS shall pay a cancellation fee of twelve and one-half percent (12-1/2%) of the current fair market value of the PROPERTY, which is to be determined by the County Assessor as though the PROPERTY were free and clear of any of the restrictions pursuant to this Agreement. The cancellation fee shall be paid to the County Auditor at the time and in the manner that the County Auditor shall prescribe and shall be allocated by the County Auditor to each jurisdiction in the tax rate area in which the PROPERTY is located in the same manner as the County Auditor allocates the annual tax increment in that tax area that fiscal year.

 OWNER'S INITIALS

11. No Compensation. The OWNERS shall not receive any payment from the CITY in consideration for the obligations imposed under this Agreement. The parties recognize and agree that the consideration for the execution of this Agreement is the substantial public benefit to be derived therefrom and the advantage that will accrue to the OWNERS as a result of

assessed value of the PROPERTY because of the restrictions this Agreement imposes on the use and preservation of the PROPERTY.

12. Enforcement of Agreement. As an alternative to cancellation of the Agreement for breach of any condition as provided in Paragraph 8, the CITY may, in its sole discretion, specifically enforce, or enjoin the breach of the terms of this Agreement. In the event of a default, under the provisions of this Agreement by the OWNERS, the City shall give written notice to OWNERS by registered or certified mail. If such violation is not corrected to the reasonable satisfaction of CITY within thirty (30) calendar days after the date of notice of violation, or within such reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) calendar days and thereafter diligently pursued to completion), the CITY may, without further notice, declare OWNERS to be in breach under the terms of this Agreement, and may bring any action necessary to specifically enforce the obligations of the OWNERS growing out of the terms of this Agreement or apply for such other relief as may be appropriate under local, state, or federal law.

13. Indemnification. OWNERS shall indemnify, defend (with counsel reasonably acceptable to CITY) and hold harmless the City of Escondido, and all of its boards, commissions, departments, agencies, agents, officers, and employees from and against any and all actions, causes of actions, liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses (collectively the "Claims") incurred in connection with or arising in whole or in part from this Agreement, including without limitations:

- a. any accident, injury to or death of a person, loss of or damage to property incurring in or about the PROPERTY;
- b. the use or occupancy of the PROPERTY by OWNERS, their agents or invitees;
- c. the condition of the PROPERTY;
- d. any construction or other work undertaken by OWNERS of the PROPERTY.

This indemnification shall include, without limitation, reasonable fees for attorneys, consultants, experts and the CITY'S cost for investigating any Claims. OWNERS shall defend the CITY and all of its boards, commissions, departments, agencies, agents, officers, and employees from any and all Claims even if such Claim is groundless, fraudulent, or false. The OWNERS' obligations under this Paragraph shall survive termination of this Agreement.

 OWNER'S INITIALS



14. Remedy If Agreement Not An Enforceable Restriction. In the event it is finally determined by a court of competent jurisdiction that this Agreement does not constitute an enforceable restriction within the meaning of the applicable provisions of the California Government Code and the California Revenue and Taxation Code, except for an unenforceability arising from the cancellation or nonrenewal of this Agreement, for any tax year during the life of this Agreement, then this Agreement shall be null and void and without further effect and the PROPERTY shall from that time forward be free from any restriction whatsoever under this Agreement without any payment or further act by the parties.

15. Condemnation Proceedings. If condemnation proceedings are filed against the PROPERTY, or if the PROPERTY is acquired by a public agency in lieu of condemnation proceedings, this Agreement shall be null and void. If the condemnation proceedings are subsequently abandoned or the acquisition rescinded, this Agreement shall be reactivated retroactively and shall be in full force and effect without the need for any further act by the parties.

16. Entire Agreement. This instrument and its attachments constitute the entire agreement between the parties. The parties shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this Agreement. Each party hereby acknowledges that in executing this Agreement, the party has not been induced, persuaded, or motivated by any promise or representation made by the other parties, unless expressly set forth in this Agreement. All previous negotiations, statements, and preliminary instruments by the parties or their representatives are merged in this instrument and are of no force and effect.

17. Attorney's Fees. In the event legal proceedings are brought by any party or parties hereto, to enforce or restrain a violation of any of the covenants, reservations, or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover its reasonable attorney's fees in addition to court costs and other relief ordered by the court.

18. Modification. No modification of this Agreement shall be valid or binding unless the modification is in writing, signed by all parties, and recorded with the County Recorder for the County of San Diego.

19. Binding Effect. This Agreement shall be binding on and inure to the benefit of all parties herein, their heirs, successors-in-interest, legal representatives, assigns and all persons acquiring any part or portion of the PROPERTY, whether by operation of law or otherwise, and that any such person(s) shall have the same rights and obligations under this Agreement.

20. Choice of Law and Forum. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California. Any action or proceeding to enforce any provision of this Agreement shall be brought in the San Diego Superior Court, North County Division.

21. Sale. If the PROPERTY is sold, the OWNERS shall notify the CITY of the sale and present to the CITY a signed statement from the new owners indicating that a copy of this agreement was provided to them.

22. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only. They do not constitute part of this Agreement and shall not be used in its construction.

23. Waiver. The waiver by any party to this Agreement of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Agreement.

24. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.

25. Notices. Any notice, delivery or other communication pursuant to this Agreement shall be in writing and shall be given to:

CITY: City Clerk  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

OWNERS: Tod Martin and Melissa Martin  
Property address: 225 West 6<sup>th</sup> Avenue  
Escondido, CA 92025  
Mailing address: 1023 Laura Lane  
Escondido, CA 92025

Any party may change his/her/its address by giving written notice to the other parties in the manner provided in this paragraph. Any notice, delivery, or other communication shall be effective and shall be deemed to be received by the other parties within five (5) business days after the notice has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above.

26. Notice to Office of Historic Preservation. The OWNERS or an agent of the OWNERS shall provide written notice of this Agreement to the Office of Historic Preservation within six months of entering into this Agreement. A copy of this notice shall also be provided to the CITY.

*(Remainder of page left intentionally blank.)*

27. Counterparts. This Agreement may be executed in any number of counterparts or by facsimile transmission, each of which will be deemed an original with the same effect as if all signatures were on the same instrument.

IN WITNESS WHEREOF, the CITY and the OWNERS have executed this Agreement as of the date set forth below.

**CITY OF ESCONDIDO**

Dated: \_\_\_\_\_


By: \_\_\_\_\_  
Lori Holt Pfeiler, Mayor

Dated: \_\_\_\_\_

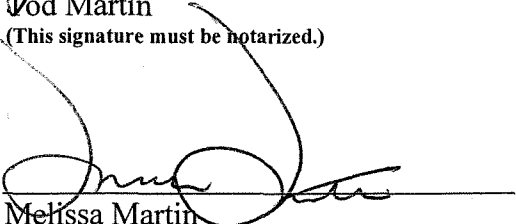
By: \_\_\_\_\_  
Marsha Whalen, City Clerk

**OWNERS**

Dated: 11/8/10

By:   
Todd Martin  
(This signature must be notarized.)

Dated: 11.8.10

By:   
Melissa Martin  
(This signature must be notarized.)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY  
JEFFREY R. EPP, City Attorney

By: \_\_\_\_\_

**SEE ATTACHED  
ACKNOWLEDGMENT**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of SAN DIEGO

} **Leon Chebat**

On NOV 8, 10 before me, \_\_\_\_\_

Here Insert Name and Title of the Officer

personally appeared TOD MARTIN and MELISSA MARTIN

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~ she/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature \_\_\_\_\_

*[Handwritten Signature]*

Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Historic Property Preservation agreement

Document Date: 11-8-10 Number of Pages: 1 P.

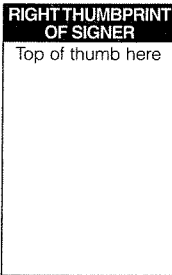
Signer(s) Other Than Named Above: NONE

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: TOD MARTIN

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

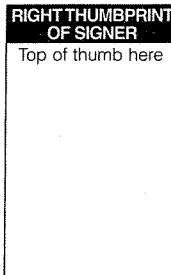
Signer Is Representing: \_\_\_\_\_



Signer's Name: MELISSA MARTIN

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



## **ATTACHMENT "A"**

Legal Description of 225 West 6<sup>th</sup> Avenue, Escondido, CA

The real property in the City of Escondido, County of San Diego, State of California, described as: Lot 12 in the City of Escondido, County of San Diego, State of California, according to Map thereof No. 336, filed in the office of the County Recorder of said County, July 10, 1886. Also known as: 225 West 6<sup>th</sup> Avenue, Escondido, CA 92025, APN: 233-242-0300

## **ATTACHMENT "B"**

### **Mills Act Application List of Improvements**

Case number: HP 10-0002  
Property Address: 225 West 6<sup>th</sup> Street  
Property Owners: Tod and Melissa Martin

1. Replace old existing electrical system (completed).
2. Remove old heating system and install new forced air system (completed).
3. Replace old existing plumbing system (completed).
4. Repaint exterior (completed).
5. Remove old security bars (completed).
6. Replace broken concrete sidewalk, porch and steps (completed).
7. Install new landscaping and fencing (completed).
8. Rehabilitate and repaint existing wood-framed windows (completed).
9. Ongoing house and yard maintenance (in process).
10. House was reroofed 15 years ago using 25-year rated materials. Reroof in 10 years (planned).

State of California -- The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**PRIMARY RECORD**

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_  
Trinomial \_\_\_\_\_  
NRHP Status Code \_\_\_\_\_

Other Listings \_\_\_\_\_  
Review Code \_\_\_\_\_ Reviewer \_\_\_\_\_ Date \_\_\_\_\_

Page 1 of 3 \*Resource Name or #: (Assigned by recorder) \_\_\_\_\_

P1. Other Identifier: \_\_\_\_\_

\*P2. Location:  Not for Publication  Unrestricted

\*a. County San Diego and (P2c, P2e, and P2b or P2d. Attach a Location Map as necessary.)

\*b. USGS 7.5' Quad \_\_\_\_\_ Date \_\_\_\_\_ T \_\_\_\_\_; R \_\_\_\_\_; \_\_\_\_\_ 1/4 of \_\_\_\_\_ 1/4 of Sec \_\_\_\_\_; \_\_\_\_\_ B.M.

c. Address 225 W. 6th Ave. City Escondido Zip 92025

d. UTM: (Give more than one for large and/or linear resources) Zone \_\_\_\_\_, \_\_\_\_\_ mE/ \_\_\_\_\_ mN

e. Other Locational Data: (e.g., parcel #, directions to resource, elevation, etc., as appropriate) \_\_\_\_\_

\*P3a. Description: (Describe resource and its major elements. Include design, materials, condition, alterations, size, setting, and boundaries)

Fine quality and detailing marks this attractive California Bungalow. Rectangular in shape with a low-pitched roof, this house has a centered front porch. Both the facade and the gables face front. Open beam ends, narrow clapboard siding, and slanted lintel design denote Craftsman styling. The original front door is paneled with 2 rows of square windows at the top. Three double hung windows are located on one side of the door and a picture window, transom and sidelights are located on the other.

\*P3b. Resource Attributes: (List attributes and codes) (HP2) Single family property

\*P4. Resources Present:  Building  Structure  Object  Site  District  Element of District  Other (Isolates, etc.)



P5b. Description of Photo:  
(view, date, accession #) Front of house  
April 1, 2009

\*P6. Date Constructed/Age and Source:

Historic  Prehistoric  Both  
1920 according to City of Escondido Historic  
Resource documents

\*P7. Owner and Address: Tod Martin  
1023 Laura Lane, Escondido, CA 92025

\*P8. Recorded by:  
(Name, affiliation, and address)  
Tod Martin  
1023 Laura Lane, Escondido, CA

\*P9. Date Recorded: 10/29/2009

\*P10. Survey Type: (Describe) \_\_\_\_\_

\*P11. Report Citation: (Cite survey report and other sources, or enter "none.") None

\*Attachments:  NONE  Location Map  Continuation Sheet  Building, Structure, and Object Record  
 Archaeological Record  District Record  Linear Feature Record  Milling Station Record  Rock Art Record  
 Artifact Record  Photograph Record  Other (List): \_\_\_\_\_

- B1. Historic Name: \_\_\_\_\_
- B2. Common Name: \_\_\_\_\_
- B3. Original Use: Residence
- B4. Present Use: Residence
- \*B5. Architectural Style: Craftsman - California Bungalow

\*B6. Construction History: (Construction date, alterations, and date of alterations)

No major alterations have been done to the house. However, the house was recently renovated. The only revision to the original house is that the back door was changed to a wood french door which leads to a new covered patio.

\*B7. Moved?  No  Yes  Unknown Date: \_\_\_\_\_ Original Location: \_\_\_\_\_

\*B8. Related Features:

Behind the house off the alley is a separate structure consisting of a 2 car garage and a recreation room and office.

B9a. Architect: Unknown b. Builder: Unknown

\*B10. Significance: Theme Residential Architecture Area: Escondido's Historic District

Period of Significance: \_\_\_\_\_ Property Type: Residential Applicable Criteria: \_\_\_\_\_

(Discuss importance in terms of historical or architectural context as defined by theme, period, and geographic scope. Also address integrity.)

Although this is a fairly typical California Bungalow, is is significant because of the fine quality of the detailing. Rectangular in shape with a low pitched gabled roof, this house has a centered front porch, open beam ends, narrow clapboard siding, and slanted lintel design denoting the Craftsman styling.

B11. Additional Resource Attributes: (List attributes and codes) \_\_\_\_\_

\*B12. References:

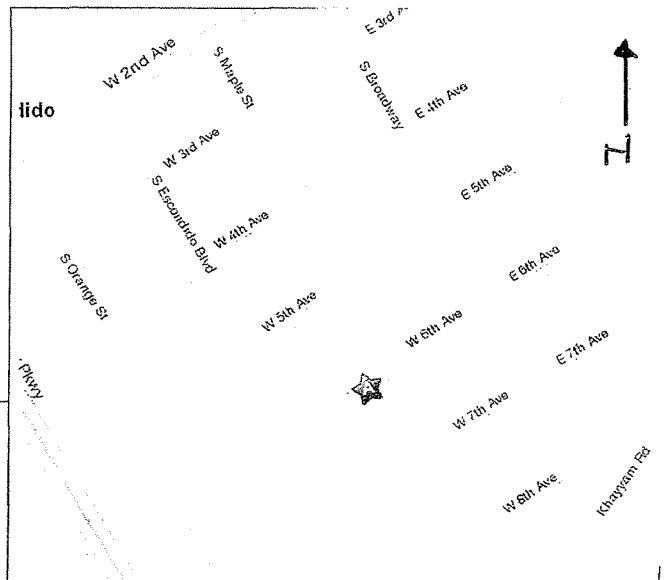
City of Escondido Historic Resources Inventory

B13. Remarks:

\*B14. Evaluator:

\*Date of Evaluation: \_\_\_\_\_

(This space reserved for official comments)





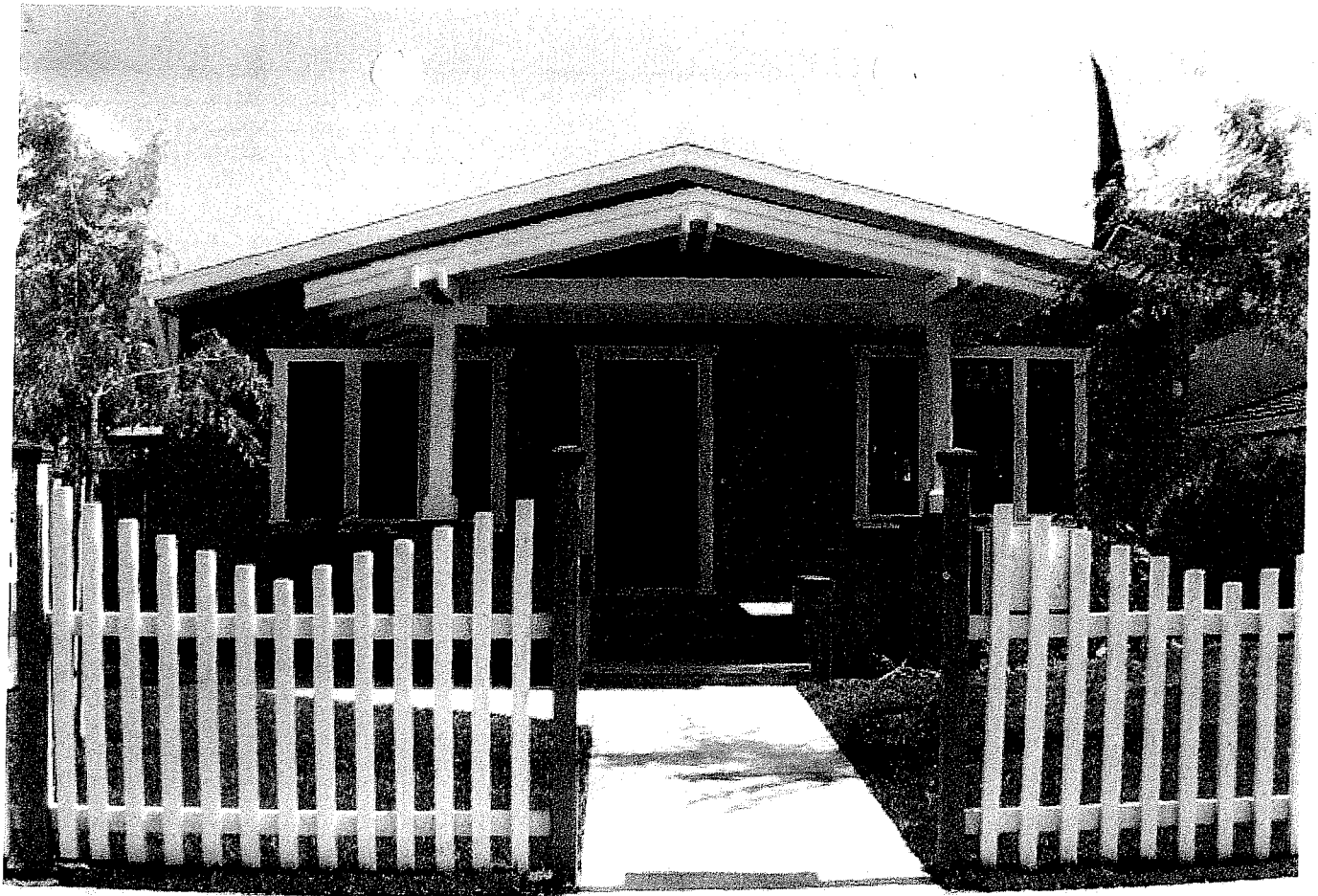
State of California -- The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_  
Trinomial \_\_\_\_\_

Page 3 of 3 \*Resource Name or #: (Assigned by recorder) \_\_\_\_\_

Recorded by: \_\_\_\_\_ Date: \_\_\_\_\_

Continuation       Update



**Chain of Title**  
**225 W. 6<sup>th</sup> Ave., Escondido, CA**

Date:

12/3/08 - Present  
12/31/03 - 1/23/08  
3/15/84 - 12/31/03  
12/5/66 - 3/15/84  
1/9/63 - 12/5/66  
1/17/50 - 1/9/63  
2/23/45 - 1/17/50  
3/11/31 - 2/23/45  
8/19/29 - 3/11/31  
1/25/27 - 8/19/29  
5/5/22 - 1/25/27  
3/2/22 - 5/5/22  
5/27/21 - 3/2/22  
11/20/20 - 5/27/21  
6/7/20 - 11/20/20  
10/23/19 - 6/7/20  
? - 10/23/19

Owner:

Tod and Melissa Martin  
Lorenzo Gonzalez & Margarita Casillas Aleman  
Jeff Trogden and Hazel Davis  
Zoologic Society  
Charles and Jeanette Reynolds  
Belle Reynolds  
Edward and Genevieve Stonecipher  
Escondido Federal Savings  
Earl and Norra Shidner  
William and Bessie White  
Daniel and Rebecca Adams  
Mary McKee  
Mary and George Grigsby  
HL and Mary Gongwer  
Antonio and Maria Caruso  
T Fields and Prissilla Fields  
Wilda King

\* The records show that Wilda King was the original owner of the house and she sold it to the Fields on 10/23/1919. The exact date that she purchased or built the house is not known, but it is believed to be in the year 1919.



CITY OF ESCONDIDO  
PLANNING DIVISION  
201 NORTH BROADWAY  
ESCONDIDO, CA 92025-2798  
(760) 839-4671

**Notice of Exemption**

To: San Diego County Recorder's Office  
Attn: Linda Kesian  
P.O. Box 121750  
San Diego, CA 92112-1750

From: City of Escondido  
201 North Broadway  
Escondido, CA 92025

**Project Title/Case No.:** HP-10-0002

**Project Location - Specific:** on the west side of 6<sup>th</sup> Avenue between Escondido Blvd and Maple Street in the City's Old Escondido Neighborhood Historic District, addressed as 225 West 6<sup>th</sup> Avenue (APN 233-242-0300).

**Project Location - City:** Escondido, **Project Location - County:** San Diego

**Description of Project:**

To approve the addition of the residence on 0.15 acre located at 225 West 6<sup>th</sup> Avenue to the Local Register of Historic in the R-1-6 (Single-Family Residential, 6,000 SF minimum lot size) zone, located in the U1 (Urban I) area of the General Plan, and Tier 1/Central designation.

**Name of Public Agency Approving Project:** City of Escondido

**Name of Person or Agency Carrying Out Project:**

Names: Tod & Melissa Martin

Telephone (760) 745-3453

Address: 1023 Laura Lane, Escondido, CA 92025

Private entity     School district     Local public agency     State agency     Other special district

**Exempt Status:**

Categorical Exemption. Section 15331, Class 31 – Historic Resource Restoration/Rehabilitation.

**Reasons why project is exempt:**

1. Project is within the R-1-6 zone, S General Plan and Tier 1/Central designation, and no variances are required.
2. Project will be consistent with the Secretary of Interior's Standards for the Treatment of Historic Properties with Guidelines for preserving, rehabilitating, restoring, and reconstruction historic buildings.
3. Project will not be limited by the factors in section 15300.2 and will not adversely change the significance of a historical resource.

**Lead Agency Contact Person:** Paul K. Bingham

**Area Code/Telephone/Extension** (760) 839-4306

Signature: Paul K. Bingham  
Assistant Planner II

11/8/10  
Date

Signed by Lead Agency

Date received for filing at OPR:

Signed by Applicant

7.

RESOLUTION NO. 2010-166

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE MAYOR AND CITY CLERK  
TO EXECUTE, ON BEHALF OF THE CITY, A  
MILLS ACT CONTRACT WITH TOD MARTIN  
AND MELISSA MARTIN FOR THE PROPERTY  
LOCATED AT 225 WEST SIXTH AVENUE

(CASE No. HP-10-0002)

WHEREAS, the Mills Act is a state law enabling owners of designated historic properties to enter into a Historic Preservation Agreement ("Agreement") with their local legislative body and receive a property tax reduction; and

WHEREAS, Tod Martin and Melissa Martin ("Owners") have submitted a request to enter into an Agreement with the City for property located at 225 West Sixth Avenue (APN 233-242-0300); and

WHEREAS, this property qualifies for the Agreement since it was recommended by the Historic Preservation Commission to be approved for a Mills Act Contract on October 5, 2010; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to approve the Agreement for the property located at 225 West Sixth Avenue, as recommended by the Historic Preservation Commission on October 5, 2010.

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 Mayor and City Clerk are hereby authorized to execute, on behalf of the City, an Agreement with the Owners for the property located at 225 West Sixth Avenue (APN 233-242-0300). A copy of the Agreement is attached as Exhibit "A" and is incorporated by this reference.

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City Clerk  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

Resolution No. 2010-166  
Exhibit A  
Page 1 of 11

THIS SPACE FOR RECORDER'S USE ONLY

## HISTORIC PROPERTY PRESERVATION AGREEMENT

This Agreement is made and entered into by and between the CITY OF ESCONDIDO, a municipal corporation (hereinafter referred to as "the CITY") and Tod Martin and Melissa Martin (hereinafter referred to as "the OWNERS").

### Recitals

1. WHEREAS, the OWNERS possess and own real property located within the City of Escondido, which property is more fully described in Attachment "A" to this Agreement (hereinafter "the PROPERTY"); and
2. WHEREAS, the PROPERTY is a qualified historical property in that it is privately owned, it is not exempt from property taxation, and it is listed in the Local Register of Historic Places; and
3. WHEREAS, both the CITY and the OWNERS desire to carry out the purposes of Article 12 (commencing with section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code and Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code; and
4. WHEREAS, both the CITY and the OWNERS desire to limit the use of the PROPERTY and to preserve the PROPERTY so as to retain its characteristics as a property of cultural, architectural, and historical significance.

### Agreement

NOW THEREFORE, both the CITY and the OWNERS, in consideration of the mutual promises, covenants, and conditions contained herein and the substantial public benefits to be derived therefrom, do hereby agree as follows:

1. Applicability of Government Code and Revenue and Taxation Code. This Agreement is made pursuant to Article 12 (commencing with section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code and Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code and is subject to all of the provisions of these statutes.

2. Preservation/Rehabilitation and Maintenance of Property. During the term of this Agreement, the PROPERTY shall be subject to the following conditions, requirements, and restrictions:

a. The OWNERS agree to preserve/rehabilitate and maintain the cultural, historical, and architectural characteristics of the PROPERTY during the term of this Agreement as set forth in the attached schedule of improvements identified as Attachment B.

b. The OWNERS shall maintain all buildings, structures, yards, and other improvements in a manner which does not detract from the appearance of the immediate neighborhood. Prohibited property conditions include, but are not limited to:

- i. Dilapidated, deteriorating, or unrepaired structures, such as fences, roofs, doors, walls, and windows;
- ii. Scrap lumber, junk, trash, or debris;
- iii. Abandoned, discarded, or unused objects or equipment, such as automobiles, automobile parts, furniture, stoves, refrigerators, cans, containers, or similar items;
- iv. Stagnant water or excavations, including swimming pools or spas; and
- v. Any device, decoration, design, or structure, or vegetation which is unsightly by reason of its height, condition, or its inappropriate location.

c. All improvements and work performed on the PROPERTY shall meet, at a minimum, the rules and regulations of the Office of Historic Preservation of the California Department of Parks and Recreation, the United States Secretary of the Interior's Standards for Rehabilitation, the State Historical Building Code, and the applicable development codes of the City of Escondido.

d. Upon the CITY'S request, the OWNERS shall submit within thirty (30) days documentation of expenditures incurred within the last 24 months to accomplish items from the list of scheduled improvements for the PROPERTY as set forth in Attachment B of the Historic Property Preservation (Mills Act) Agreement. The OWNERS shall be in substantial compliance with the scheduled improvements set forth in Attachment B when the expenditures incurred to accomplish the improvements are equal to or greater than the



OWNERS' annual property tax savings for the last 24 months, as determined by the CITY, based upon the County Tax Assessor's valuation of the PROPERTY using the process set forth in Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

e. OWNERS shall, within thirty (30) days after written notice from the CITY, furnish the CITY with any information the CITY shall require to enable the CITY to determine (i) the PROPERTY'S present state; (ii) the PROPERTY'S continued eligibility as a qualified historic property; and (iii) whether the OWNERS are in compliance with this Agreement.

 **OWNER'S INITIALS**

3. Inspections. The OWNERS agree to permit periodic examinations/inspections of the interior and exterior of the PROPERTY by the CITY, the County Assessor, the Department of Parks and Recreation, and the State Board of Equalization as may be necessary to determine the OWNERS' compliance with this Agreement.

 **OWNER'S INITIALS**

4. Term of Agreement. This Agreement shall be effective and shall commence on January 1<sup>st</sup> of the year following the successful recordation of this document by the County Recorder's Office and shall remain in effect for a period of ten (10) years thereafter.

5. Automatic Renewal. On the tenth (10<sup>th</sup>) anniversary of this Agreement and on each successive anniversary date (hereinafter referred to as "the RENEWAL DATE"), one (1) year shall automatically be added to the initial term of this Agreement unless notice of nonrenewal is given as provided in Paragraph 6 below.

6. Notice of Nonrenewal. If, in any year, either the CITY or the OWNERS desire not to renew this Agreement, that party shall serve a written notice of nonrenewal on the other party. If the OWNERS elect to serve a notice of nonrenewal, the notice must be served on the CITY at least ninety (90) days prior to the RENEWAL DATE, otherwise one (1) additional year shall automatically be added to the term of this Agreement. Conversely, if the CITY elects to serve a notice of nonrenewal, the notice must be served on the OWNERS at least sixty (60) days prior to the RENEWAL DATE, otherwise one (1) additional year shall automatically be added to the term of this Agreement. The CITY may issue a notice of nonrenewal if the CITY determines improvements, maintenance, rehabilitation, renovation, and/or restoration of the PROPERTY is required for the PROPERTY'S continued eligibility as a qualified historic property. Upon receipt by the OWNERS of a notice of nonrenewal from the

CITY, the OWNERS may make a written protest of the nonrenewal. The CITY may, at any time prior to the RENEWAL DATE, withdraw its notice of nonrenewal.

7. Effect of Notice of Nonrenewal. If, in any year, either party serves a notice of nonrenewal as provided in Paragraph 6 above, this Agreement shall remain in effect for: (1) the balance of the period remaining under the initial term of this Agreement; or (2) the balance of the period remaining since the last automatic renewal, whichever the case may be.

8. Cancellation. The CITY may cancel this Agreement if the CITY determines the OWNERS: (a) have breached any of the conditions or covenants of this Agreement; (b) have allowed the PROPERTY to deteriorate to the point that it no longer meets the standards of a qualified historical property as defined in California Government Code section 50280.1; or (c) if the OWNERS have failed to restore or rehabilitate the PROPERTY in the manner specified in Paragraph 2 of this Agreement.

  
OWNER'S INITIALS

9. Notice of Cancellation. Notwithstanding the above, this Agreement cannot be cancelled until after the CITY has given notice and has held a public hearing as required by California Government Code section 50285.

10. Cancellation Fee. If the CITY cancels this Agreement in accordance with Paragraph 8, the OWNERS shall pay those cancellation fees set forth in California Government Code sections 50280 et seq., described herein. Upon cancellation, OWNERS shall pay a cancellation fee of twelve and one-half percent (12-1/2%) of the current fair market value of the PROPERTY, which is to be determined by the County Assessor as though the PROPERTY were free and clear of any of the restrictions pursuant to this Agreement. The cancellation fee shall be paid to the County Auditor at the time and in the manner that the County Auditor shall prescribe and shall be allocated by the County Auditor to each jurisdiction in the tax rate area in which the PROPERTY is located in the same manner as the County Auditor allocates the annual tax increment in that tax area that fiscal year.

  
OWNER'S INITIALS

11. No Compensation. The OWNERS shall not receive any payment from the CITY in consideration for the obligations imposed under this Agreement. The parties recognize and agree that the consideration for the execution of this Agreement is the substantial public benefit to be derived therefrom and the advantage that will accrue to the OWNERS as a result of

assessed value of the PROPERTY because of the restrictions this Agreement imposes on the use and preservation of the PROPERTY.

12. Enforcement of Agreement. As an alternative to cancellation of the Agreement for breach of any condition as provided in Paragraph 8, the CITY may, in its sole discretion, specifically enforce, or enjoin the breach of the terms of this Agreement. In the event of a default, under the provisions of this Agreement by the OWNERS, the City shall give written notice to OWNERS by registered or certified mail. If such violation is not corrected to the reasonable satisfaction of CITY within thirty (30) calendar days after the date of notice of violation, or within such reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) calendar days and thereafter diligently pursued to completion), the CITY may, without further notice, declare OWNERS to be in breach under the terms of this Agreement, and may bring any action necessary to specifically enforce the obligations of the OWNERS growing out of the terms of this Agreement or apply for such other relief as may be appropriate under local, state, or federal law.

13. Indemnification. OWNERS shall indemnify, defend (with counsel reasonably acceptable to CITY) and hold harmless the City of Escondido, and all of its boards, commissions, departments, agencies, agents, officers, and employees from and against any and all actions, causes of actions, liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses (collectively the "Claims") incurred in connection with or arising in whole or in part from this Agreement, including without limitations:

- a. any accident, injury to or death of a person, loss of or damage to property incurring in or about the PROPERTY;
- b. the use or occupancy of the PROPERTY by OWNERS, their agents or invitees;
- c. the condition of the PROPERTY;
- d. any construction or other work undertaken by OWNERS of the PROPERTY.

This indemnification shall include, without limitation, reasonable fees for attorneys, consultants, experts and the CITY'S cost for investigating any Claims. OWNERS shall defend the CITY and all of its boards, commissions, departments, agencies, agents, officers, and employees from any and all Claims even if such Claim is groundless, fraudulent, or false. The OWNERS' obligations under this Paragraph shall survive termination of this Agreement.

 OWNER'S INITIALS

14. Remedy If Agreement Not An Enforceable Restriction. In the event it is finally determined by a court of competent jurisdiction that this Agreement does not constitute an enforceable restriction within the meaning of the applicable provisions of the California Government Code and the California Revenue and Taxation Code, except for an unenforceability arising from the cancellation or nonrenewal of this Agreement, for any tax year during the life of this Agreement, then this Agreement shall be null and void and without further effect and the PROPERTY shall from that time forward be free from any restriction whatsoever under this Agreement without any payment or further act by the parties.

15. Condemnation Proceedings. If condemnation proceedings are filed against the PROPERTY, or if the PROPERTY is acquired by a public agency in lieu of condemnation proceedings, this Agreement shall be null and void. If the condemnation proceedings are subsequently abandoned or the acquisition rescinded, this Agreement shall be reactivated retroactively and shall be in full force and effect without the need for any further act by the parties.

16. Entire Agreement. This instrument and its attachments constitute the entire agreement between the parties. The parties shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this Agreement. Each party hereby acknowledges that in executing this Agreement, the party has not been induced, persuaded, or motivated by any promise or representation made by the other parties, unless expressly set forth in this Agreement. All previous negotiations, statements, and preliminary instruments by the parties or their representatives are merged in this instrument and are of no force and effect.

17. Attorney's Fees. In the event legal proceedings are brought by any party or parties hereto, to enforce or restrain a violation of any of the covenants, reservations, or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover its reasonable attorney's fees in addition to court costs and other relief ordered by the court.

18. Modification. No modification of this Agreement shall be valid or binding unless the modification is in writing, signed by all parties, and recorded with the County Recorder for the County of San Diego.

19. Binding Effect. This Agreement shall be binding on and inure to the benefit of all parties herein, their heirs, successors-in-interest, legal representatives, assigns and all persons acquiring any part or portion of the PROPERTY, whether by operation of law or otherwise, and that any such person(s) shall have the same rights and obligations under this Agreement.

20. Choice of Law and Forum. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California. Any action or proceeding to enforce any provision of this Agreement shall be brought in the San Diego Superior Court, North County Division.

21. Sale. If the PROPERTY is sold, the OWNERS shall notify the CITY of the sale and present to the CITY a signed statement from the new owners indicating that a copy of this agreement was provided to them.

22. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only. They do not constitute part of this Agreement and shall not be used in its construction.

23. Waiver. The waiver by any party to this Agreement of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Agreement.

24. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.

25. Notices. Any notice, delivery or other communication pursuant to this Agreement shall be in writing and shall be given to:

CITY: City Clerk  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

OWNERS: Tod Martin and Melissa Martin  
Property address: 225 West 6<sup>th</sup> Avenue  
Escondido, CA 92025  
Mailing address: 1023 Laura Lane  
Escondido, CA 92025

Any party may change his/her/its address by giving written notice to the other parties in the manner provided in this paragraph. Any notice, delivery, or other communication shall be effective and shall be deemed to be received by the other parties within five (5) business days after the notice has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above.

26. Notice to Office of Historic Preservation. The OWNERS or an agent of the OWNERS shall provide written notice of this Agreement to the Office of Historic Preservation within six months of entering into this Agreement. A copy of this notice shall also be provided to the CITY.

*(Remainder of page left intentionally blank.)*

27. Counterparts. This Agreement may be executed in any number of counterparts or by facsimile transmission, each of which will be deemed an original with the same effect as if all signatures were on the same instrument.

IN WITNESS WHEREOF, the CITY and the OWNERS have executed this Agreement as of the date set forth below.

**CITY OF ESCONDIDO**

Dated: \_\_\_\_\_


By: \_\_\_\_\_  
Lori Holt Pfeiler, Mayor

Dated: \_\_\_\_\_

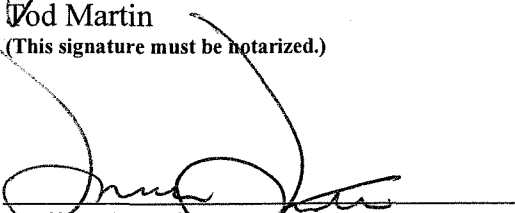
By: \_\_\_\_\_  
Marsha Whalen, City Clerk

**OWNERS**

Dated: 11/8/10

By:   
Todd Martin  
(This signature must be notarized.)

Dated: 11.8.10

By:   
Melissa Martin  
(This signature must be notarized.)

**SEE ATTACHED  
ACKNOWLEDGMENT**

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY  
JEFFREY R. EPP, City Attorney

By: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of SAN DIEGO

} **Leon Chebat**

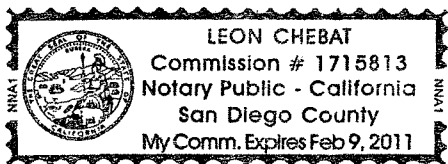
On NOV 8, 10 before me, \_\_\_\_\_, Here Insert Name and Title of the Officer

personally appeared TOD MARTIN and MELISSA MARTIN Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature [Signature] Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Historic Property Preservation agreement

Document Date: 11-8-10 Number of Pages: 1 P.

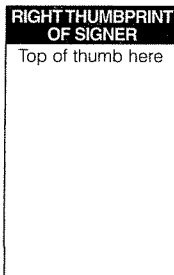
Signer(s) Other Than Named Above: NONE

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: TOD MARTIN

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

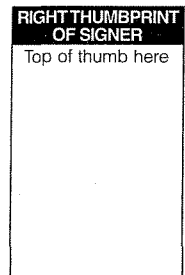
Signer Is Representing: \_\_\_\_\_



Signer's Name: MELISSA MARTIN

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



## ATTACHMENT "A"

### Legal Description of 225 West 6<sup>th</sup> Avenue, Escondido, CA

The real property in the City of Escondido, County of San Diego, State of California, described as: Lot 12 in the City of Escondido, County of San Diego, State of California, according to Map thereof No. 336, filed in the office of the County Recorder of said County, July 10, 1886. Also known as: 225 West 6<sup>th</sup> Avenue, Escondido, CA 92025, APN: 233-242-0300



## ATTACHMENT "B"

### Mills Act Application List of Improvements

Case number: HP 10-0002  
Property Address: 225 West 6<sup>th</sup> Street  
Property Owners: Tod and Melissa Martin

1. Replace old existing electrical system (completed).
2. Remove old heating system and install new forced air system (completed).
3. Replace old existing plumbing system (completed).
4. Repaint exterior (completed).
5. Remove old security bars (completed).
6. Replace broken concrete sidewalk, porch and steps (completed).
7. Install new landscaping and fencing (completed).
8. Rehabilitate and repaint existing wood-framed windows (completed).
9. Ongoing house and yard maintenance (in process).
10. House was reroofed 15 years ago using 25-year rated materials. Reroof in 10 years (planned).



# CITY COUNCIL

For City Clerk's Use:

APPROVED  DENIED

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

Agenda Item No.: 8

Date: November 17, 2010

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

**FROM:** Jim Maher, Chief of Police

**SUBJECT:** Asset Forfeiture Fund Budget Adjustment

RECOMMENDATION:

It is requested that Council authorize staff to establish a budget in the amount of \$218,645 with Asset Forfeiture Funds to purchase equipment and services to support front-line law enforcement.

FISCAL ANALYSIS:

The Asset Forfeiture Fund will be reduced by \$218,645 leaving a balance of \$304,330.

PREVIOUS ACTION:

City Council approved an Asset Forfeiture budget adjustment on December 2, 2009, to purchase Rosetta Stone Spanish language training licenses for Police Department employees, a generator for the Police Range and armor plate carriers to enhance officer body armor for the Police Department.

BACKGROUND:

The U.S. Department of Justice (DOJ) transfers a percentage of seized assets to the City of Escondido which have been confiscated by local law enforcement officers during DOJ seizure or forfeiture efforts. These assets or funds are deposited into the City's Asset Forfeiture Account and must be used to purchase equipment or services to support law enforcement purposes. They may not be used to supplant items in the City's operating budget.

The Police Department requests your approval to set up a budget to spend \$218,645 to purchase the following equipment and services:

<u>Item</u>	<u>Estimated Cost</u>
Bicycles (2)	\$ 1,500
Blue Training Guns	\$ 1,050
Buy Fund Increase to \$24,000	\$ 9,000
Cameras and Camera Equipment (6)	\$ 8,820

Asset Forfeiture Fund Budget Adjustment  
Page 2

Cellebrite Forensic Extraction Device	\$	7,500
Commercial Vehicle Enforcement Class and Equipment (2)	\$	16,070
Computers (24)	\$	32,600
Cop Cameras (120)	\$	12,000
Crash Data Retrieval System, Course, Kit & Membership (CDR)	\$	4,400
EPOC Phone Integration for Dispatch 4-Digit Dialing	\$	9,500
Evidence Storage Enhancement (DIMS)	\$	5,000
Flashlights with Equipment (9)	\$	1,595
Ford, F250	\$	47,650
GPS Devices (11)	\$	4,895
Magazines for Long Rifles (Patrol Division)	\$	2,000
Moving Radar Units, Dual Band	\$	4,360
NetMotion Server License	\$	12,740
New Facility Furniture: Bulletin Board(6);Chairs(27);Credenza;TV;Shades(3)	\$	17,930
OffenderWatch Sex Registrant Tracking Program	\$	5,635
PDA's, with Case and Charger (5 Replacement & 10 New)	\$	1,300
Physical Agility Test Equipment	\$	1,800
Throw Phone (With Video)	\$	11,300
	\$	<b>218,645</b>

If approved by your action today, purchases will enhance law enforcement efforts.

Respectfully submitted,

  
Jim Maher  
Chief of Police



# CITY COUNCIL

For City Clerk's Use:

**APPROVED**       **DENIED**

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

**Agenda Item No.:** 9  
**Date:** **November 17, 2010**

**TO:** Honorable Mayor and City Council

**FROM:** Barbara J. Redlitz, Director of Community Development

**SUBJECT:** Local Register designation and Mills Act Contract for a residence on the northwestern corner of Sixth Avenue and Hickory Street in the Old Escondido Neighborhood (Cases HP 10-0001 and HP 10-0004).

**RECOMMENDATIONS:**

1. Approve listing the structure on the City's Local Register by adopting Resolution No. 2010-165.
2. Authorize entering into a Mills Act Contract for the subject property by adopting Resolution No. 2010-165.

**ENVIRONMENTAL STATUS:** In compliance with CEQA Section 15331, "Historical Resource Restoration/Rehabilitation", a Notice of Exemption was prepared on November 8, 2010.

**FISCAL ANALYSIS:** Approval of the Mills Act Contract would reduce the property tax to the homeowner, and proportionately reduce the City's share of property taxes. The annual tax revenue loss to the City on this property is estimated to be less than \$200. The City has currently entered into 76 Mills Act Contracts, which have cumulatively reduced the City share of property taxes by approximately \$16,400. Studies recently completed in the County show that Mills Act approved properties increase in value an average of 16%, neighboring properties within 250' increase in value an average of 3.7%, and properties within 500' increase in value an average of 1.6%.

**GENERAL PLAN ANALYSIS:** The property is located within the Central/Tier 1 designation of the General Plan. Cultural Resources Policy F1.2 encourages the preservation of buildings and areas with special and recognized historic and architectural value.

**PREVIOUS ACTION:** The Historic Preservation Commission voted 4-1 on August 3, 2010 to recommend approval of adding the structure to the Local Register Listing. On October 5, 2010 the Historic Preservation Commission voted 5-1 to recommend entering into a Mills Act Contract.

**BACKGROUND:** The subject property addressed as 460 East Sixth Avenue (APN 233-282-1800) includes a 2,027 SF two-story Victorian house likely built by architect A. J. Pomeroy in 1895 and a small 1950's concrete block garage in the rear yard built to replace a 1930's carriage house. The main dwelling features unique gabled dormers, a porch with carved posts, and two single-story additions dating back to 1936 and 1945.

**ANALYSIS:**

***Escondido Historical/Cultural Resources Survey***

The applicant has conducted the required historic research and data collection, and has provided the information on the required format, State Department of Parks and Recreation forms (see attached). The information provided by the applicant includes historical background and



descriptive analysis of the architectural style and is adequate for the purpose of determining the appropriateness of adding the structure to the Local Register.

**Local Register Listing:** Requests for listing resources on the Local Register require that both the Historic Preservation Commission and the City Council conduct a public hearing to consider the request and receive property owner consent. Historic resources are evaluated against seven criteria and must meet at least two of the seven. Staff recommends listing the property on the Local Register of Historic Places since it meets three of the seven criteria based on the following:

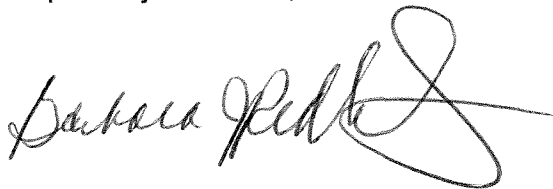
- *Recently restored, the Victorian house embodies distinguishing characteristics of an architectural type or specimen and its original design is substantially unaltered.*
- *The residence is older than 50 years, having been constructed in 1895 and is 115 years old.*
- *This house is an important focal point of this area sitting on a corner with numerous historic residences nearby, making it important to maintaining the historic visual character of the neighborhood.*

**Mills Act Contract:** The Mills Act is a provision in state law that enables owners of designated historic properties to voluntarily enter into a preservation contract with the City and receive a reduction in their property taxes. The contract runs for ten years and it is automatically renewed each year unless a notice of non-renewal is filed. The terms of the contract require that the owner make a commitment to maintain the property per a maintenance schedule that has been included with this report (Attachment B). As indicated, significant improvements have been completed. All improvements must be performed to the Secretary of the Interior Standards. In addition, the applicant has been informed that all exterior modifications require staff review.

The original contract the City has been using since 1992 recently underwent some changes. At the request of Code Enforcement, Planning Division staff worked with the City Attorney's Office and the Historic Preservation Commission to craft some additional language and some needed clarifications which will enable better monitoring and enforcement as well as insure the properties are better maintained into the future. This Mills Act request is using the latest updated contract.

**CONCLUSION:** By designating the structure on the Local Register, the Council will be furthering the preservation of historic resources associated with the history of Escondido. By approving the Mills Act, the City would be incurring a relatively small loss per year of property tax revenue. This will provide the property owner a tax savings that will be earmarked for preserving the property.

Respectfully submitted,



Barbara J. Redlitz  
Director of Community Development



Paul K. Bingham  
Assistant Planner II

**HISTORIC PRESERVATION  
COMMISSION**

**Agenda Item No.: F.1  
Date: August 3, 2010**

**TO:** Historic Preservation Commission

**FROM:** Paul Bingham, Assistant Planner II

**REQUEST:** Residence addressed as 460 East 6<sup>th</sup> Avenue (case number HP10-0001)  
Request to list structure on the Local Register of Historic Places

**RECOMMENDATION:** Forward recommendation of approval to the City Council.

**BACKGROUND:**

**City of Escondido Historical/Cultural Resources Survey**

A City of Escondido Historical/Cultural Resources Survey was completed in 1990 (Agis, May 1990). Approximately 1,000 resources were inventoried for their significance in compliance with procedures established by the U.S. Department of the Interior, National Park Service and the State Office of Historic Preservation. The survey is a collection of information that identifies documents, describes the historical resources in the community, and associates the resources with historical events and/or people. Among other preservation programs, the survey serves as the basis for historic preservation plans. The survey also fulfills a higher level of historic nomination requirements (Local, State and National); it allows for the applicability of Historic Building Code in regard to rehabilitation/renovation of structures, and justifies local, state and federal funding assistance.

**Local Register of Historic Places Listing**

The City's Historic Preservation Ordinance No. 2000-23, Section 33-794-5 identifies a process and criteria for listing historic structures on the City's Local Register. In summary these criteria include:

1. Resources strongly identified with a significant person or persons;
2. Buildings that embody distinguishing characteristics of an architectural type or specimen;
3. Resources connected with a business or use once common but now rare;
4. Resources that are the site of significant historic events;
5. Resources that are 50 years old or older or have already achieved historical significance;
6. Resources that are an important key focal point in the visual quality of an area; and
7. Buildings that are only one of a few remaining examples in the city of a particular type.

Requests for listing on the Local Register require that both the Historic Preservation Commission and the City Council conduct a public hearing to consider the request. The historic resource is evaluated against seven criteria and must meet at least two of the seven.

The subject property addressed as 460 East Sixth Avenue (APN 233-282-1800), includes a 2,027 SF two-story Victorian house located in the City's Old Escondido Neighborhood Historic District on the northwest corner of East Sixth Avenue and South Hickory Street. The main dwelling dates back to 1898 and features three unique gabled dormers, the largest reaching down through the eaves into the top of the wall below. A large shed-style porch with carved posts faces the south. The house includes a single-story addition to the back built in 1936 and a single-story wing to the east, built in 1945. The 1945 addition also incorporated the large window originally on east side of the house.



A 320 SF single-story unreinforced concrete block garage was also constructed sometime prior to 1968 in the rear yard, connected by a short driveway apron to Hickory. This structure does not match the main house architecturally, remains unpainted, is in poor condition, and will likely be removed to allay health and safety concerns. It appears this structure actually replaced an earlier carriage house, no longer in existence. Plans to build a new, more architecturally compatible garage in the same location are currently being contemplated.

## **ANALYSIS**

### **Escondido Historical/Cultural Resources Survey**

The applicant has conducted the required historic research and data collection, and has provided the information on the required format, State Department of Parks and Recreation forms (see attached). The information provided by the applicant, includes historical background and descriptive analysis of the architectural style, and is adequate for the purpose of determining the appropriateness of adding the structure to the survey.

### **Local Register of Historic Places Listing**

Though nominated to be placed on the Local Register back in 1992, the owner at the time requested that nomination be dropped. This request by the current owners, Keith C. Moore and Cecilia Price, is to once again consider placing this resource on the Local Register since the current house was constructed in the late 1800's, retains much of its integrity, and is in a neighborhood of important historic structures.

The structure meets at least the following three of seven criteria:

Criterion #2. Escondido building or buildings that embody distinguishing characteristics of an architectural type, specimen, or are representative of a recognized architect's work and are not substantially altered.

*Except for its 1936 rear addition and 1945 east side addition, this 1898 Victorian house appears much as it first did with its unique gabled dormers on the east, south and west sides.*

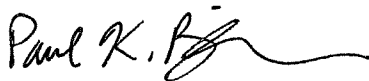
Criterion #5. Escondido historical resources that are fifty (50) years old or have achieved historical significance within the past 50 years.

*The structure was built in 1898 and is currently 112 years old.*

Criterion #6. Escondido historical resources that are an important key focal point in the visual quality or character of a neighborhood, street, area or district.

*This house sits prominently on the northwest corner of South Hickory and East 6<sup>th</sup> Avenue. In the short block between Hickory and South Juniper to the east there are already eight Local Register properties and four more in the City's Historic Survey. This property may be important in maintaining the historic visual character of the neighborhood.*

Respectfully Submitted,



Paul K. Bingham  
Assistant Planner II



**460 East 6<sup>th</sup> Avenue Chain of Title**

Oscar Parkhurst – 1894

Cappistola Carothers – 1944

George & Effie Ulman – 1948

Keith & Francis O. Green – 1948

Shirley Ann McArthur, Successor Trustee of the Green Family Trust

Vincenzo & Stephanie Lynn Tarantino – 1991

Kieth C. Moore and Cecilia Price – 2010



**CITY OF ESCONDIDO**  
 Planning Division  
 201 North Broadway  
 Escondido, CA 92025-2798  
 (760) 839-4671

FOR INTERNAL USE ONLY	
Case No.:	<u>HP10-0001</u>
Date Received:	<u>6/2/10</u>
Received By:	<u>P.B.</u>
Fees Received:	<u>N/A</u>
Date Approved:	_____
Application:	<input type="checkbox"/> Incomplete
	<input checked="" type="checkbox"/> Complete

**ESCONDIDO HISTORIC DESIGNATION APPLICATION**

(Check one)  Historic Landmark  Local Register

Applicant: Keith C. Moore  
 Address: 460 E. 6th Avenue  
 City/State/Zip: Escondido, CA 92025  
 Phone No.: (H) 858-449-7250 (W) \_\_\_\_\_

Present Property Owner: Keith C. Moore / Cecilia Price  
 Address: 460 E. 6th Avenue  
 City/State/Zip: Escondido, CA 92025  
 Phone No.: (H) 858-449-7250 (W) \_\_\_\_\_

Address of Site/Structure: 460 E. 6th Avenue  
 Assessor Parcel No.: 233-282-18

Present Land Use: single family residence  
 General Plan Designation: single family residence  
 Tier/Neighborhood: Old Escondido Historic District

Common Name/  
 Historic Name: \_\_\_\_\_  
 Architural Style: Queen Ann Victorian

Zoning: residential  
 Related Case File: \_\_\_\_\_

Put answers to questions 1-3 on the reverse side of this form.

1. Please describe historical aspects of the site or structure as well as any other significant factors which may determine this as an Historic Resource (i.e., special aesthetics; cultural, architectural, or engineering factors; and any dates, events, or persons associated with the site or structure).
2. Has the site or structure been altered in any way from its original design? Explain.
3. Are there any known threats to the site or structure? (i.e., private development, zoning, vandalism, public works, structural damage, etc.)

**SUBMITTAL REQUIREMENTS:**

- Complete legal description of property
- List of past and present occupants/owners
- 1 copy of site plan
- Photos of exterior of structure/site
- Evidence that the property owner has consented to designating the Historic/Cultural Resource as an Historic Landmark/Local Register Property
- Chain of Title
- State of California Department of Parks and Recreation Forms 523a & b (attached)

[Signature]  
 Applicant Signature (Date) 6.2.10

[Signature]  
 Property Owner Signature (Date) 6.2.10

1. This 2-story, Queen Anne Victorian-era residential house, with gabled dormers and truncated hip roof was built circa 1898. Because of its age and style, representative of pre-turn-of-the-century Escondido, and its location in th

2. Original construction circa 1898. The remodel/addition in 1930 and again in 1945 were of varying quality and construction and some of the original historical age was lost. In 2006, the then-owner renovated the structure back to period-appropriate facade, etc.

3. There are no known threats to this structure.

## EXHIBIT "A"

THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 8 IN BLOCK "K" OF ESCONDIDO, AND 3.5 FEET OF THE EASTERLY SIDE OF LOT 7, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO.336 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY JULY 10,1886.

SAID LEGAL IS PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED JULY 18, 2006 AS INSTRUMENT NO. 2006-504589 OF OFFICIAL RECORDS.

ASSESSOR'S PARCEL NUMBER: 233-282-18

4777

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City Clerk  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

*THIS SPACE FOR RECORDER'S USE ONLY*

**HISTORIC PROPERTY PRESERVATION AGREEMENT**

This Agreement is made and entered into by and between the CITY OF ESCONDIDO, a municipal corporation (hereinafter referred to as "the CITY") and Keith C. Moore and Cecilia Price (hereinafter referred to as "the OWNERS").

**Recitals**

1. WHEREAS, the OWNERS possess and own real property located within the City of Escondido, which property is more fully described in Attachment "A" to this Agreement (hereinafter "the PROPERTY"); and

2. WHEREAS, the PROPERTY is a qualified historical property in that it is privately owned, it is not exempt from property taxation, and it is listed in the Local Register of Historic Places; and

3. WHEREAS, both the CITY and the OWNERS desire to carry out the purposes of Article 12 (commencing with section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code and Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code; and

4. WHEREAS, both the CITY and the OWNERS desire to limit the use of the PROPERTY and to preserve the PROPERTY so as to retain its characteristics as a property of cultural, architectural, and historical significance.

**Agreement**

NOW THEREFORE, both the CITY and the OWNERS, in consideration of the mutual promises, covenants, and conditions contained herein and the substantial public benefits to be derived therefrom, do hereby agree as follows:

1. Applicability of Government Code and Revenue and Taxation Code. This Agreement is made pursuant to Article 12 (commencing with section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code and Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code and is subject to all of the provisions of these statutes.

2. Preservation/Rehabilitation and Maintenance of Property. During the term of this Agreement, the PROPERTY shall be subject to the following conditions, requirements, and restrictions:

a. The OWNERS agree to preserve/rehabilitate and maintain the cultural, historical, and architectural characteristics of the PROPERTY during the term of this Agreement as set forth in the attached schedule of improvements identified as Attachment B.

b. The OWNERS shall maintain all buildings, structures, yards, and other improvements in a manner which does not detract from the appearance of the immediate neighborhood. Prohibited property conditions include, but are not limited to:

- i. Dilapidated, deteriorating, or unrepaired structures, such as fences, roofs, doors, walls, and windows;
- ii. Scrap lumber, junk, trash, or debris;
- iii. Abandoned, discarded, or unused objects or equipment, such as automobiles, automobile parts, furniture, stoves, refrigerators, cans, containers, or similar items;
- iv. Stagnant water or excavations, including swimming pools or spas; and
- v. Any device, decoration, design, or structure, or vegetation which is unsightly by reason of its height, condition, or its inappropriate location.

c. All improvements and work performed on the PROPERTY shall meet, at a minimum, the rules and regulations of the Office of Historic Preservation of the California Department of Parks and Recreation, the United States Secretary of the Interior's Standards for Rehabilitation, the State Historical Building Code, and the applicable development codes of the City of Escondido.

d. Upon the CITY'S request, the OWNERS shall submit within thirty (30) days documentation of expenditures incurred within the last 24 months to accomplish items from the list of scheduled improvements for the PROPERTY as set forth in Attachment B of the Historic Property Preservation (Mills Act) Agreement. The OWNERS shall be in substantial compliance with the scheduled improvements set forth in Attachment B when the expenditures incurred to accomplish the improvements are equal to or greater than the

OWNERS' annual property tax savings for the last 24 months, as determined by the CITY, based upon the County Tax Assessor's valuation of the PROPERTY using the process set forth in Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

e. OWNERS shall, within thirty (30) days after written notice from the CITY, furnish the CITY with any information the CITY shall require to enable the CITY to determine (i) the PROPERTY'S present state; (ii) the PROPERTY'S continued eligibility as a qualified historic property; and (iii) whether the OWNERS are in compliance with this Agreement.

 OWNER'S INITIALS

3. Inspections. The OWNERS agree to permit periodic examinations/inspections of the interior and exterior of the PROPERTY by the CITY, the County Assessor, the Department of Parks and Recreation, and the State Board of Equalization as may be necessary to determine the OWNERS' compliance with this Agreement.

 OWNER'S INITIALS

4. Term of Agreement. This Agreement shall be effective and shall commence on January 1<sup>st</sup> of the year following the successful recordation of this document by the County Recorder's Office and shall remain in effect for a period of ten (10) years thereafter.

5. Automatic Renewal. On the tenth (10<sup>th</sup>) anniversary of this Agreement and on each successive anniversary date (hereinafter referred to as "the RENEWAL DATE"), one (1) year shall automatically be added to the initial term of this Agreement unless notice of nonrenewal is given as provided in Paragraph 6 below.

6. Notice of Nonrenewal. If, in any year, either the CITY or the OWNERS desire not to renew this Agreement, that party shall serve a written notice of nonrenewal on the other party. If the OWNERS elect to serve a notice of nonrenewal, the notice must be served on the CITY at least ninety (90) days prior to the RENEWAL DATE, otherwise one (1) additional year shall automatically be added to the term of this Agreement. Conversely, if the CITY elects to serve a notice of nonrenewal, the notice must be served on the OWNERS at least sixty (60) days prior to the RENEWAL DATE, otherwise one (1) additional year shall automatically be added to the term of this Agreement. The CITY may issue a notice of nonrenewal if the CITY determines improvements, maintenance, rehabilitation, renovation, and/or restoration of the PROPERTY is required for the PROPERTY'S continued eligibility as a qualified historic property. Upon receipt by the OWNERS of a notice of nonrenewal from the

CITY, the OWNERS may make a written protest of the nonrenewal. The CITY may, at any time prior to the RENEWAL DATE, withdraw its notice of nonrenewal.

7. Effect of Notice of Nonrenewal. If, in any year, either party serves a notice of nonrenewal as provided in Paragraph 6 above, this Agreement shall remain in effect for: (1) the balance of the period remaining under the initial term of this Agreement; or (2) the balance of the period remaining since the last automatic renewal, whichever the case may be.

8. Cancellation. The CITY may cancel this Agreement if the CITY determines the OWNERS: (a) have breached any of the conditions or covenants of this Agreement; (b) have allowed the PROPERTY to deteriorate to the point that it no longer meets the standards of a qualified historical property as defined in California Government Code section 50280.1; or (c) if the OWNERS have failed to restore or rehabilitate the PROPERTY in the manner specified in Paragraph 2 of this Agreement.

MR CP OWNER'S INITIALS

9. Notice of Cancellation. Notwithstanding the above, this Agreement cannot be cancelled until after the CITY has given notice and has held a public hearing as required by California Government Code section 50285.

10. Cancellation Fee. If the CITY cancels this Agreement in accordance with Paragraph 8, the OWNERS shall pay those cancellation fees set forth in California Government Code sections 50280 et seq., described herein. Upon cancellation, OWNERS shall pay a cancellation fee of twelve and one-half percent (12-1/2%) of the current fair market value of the PROPERTY, which is to be determined by the County Assessor as though the PROPERTY were free and clear of any of the restrictions pursuant to this Agreement. The cancellation fee shall be paid to the County Auditor at the time and in the manner that the County Auditor shall prescribe and shall be allocated by the County Auditor to each jurisdiction in the tax rate area in which the PROPERTY is located in the same manner as the County Auditor allocates the annual tax increment in that tax area that fiscal year.

MR CP OWNER'S INITIALS

11. No Compensation. The OWNERS shall not receive any payment from the CITY in consideration for the obligations imposed under this Agreement. The parties recognize and agree that the consideration for the execution of this Agreement is the substantial public benefit to be derived therefrom and the advantage that will accrue to the OWNERS as a result of



assessed value of the PROPERTY because of the restrictions this Agreement imposes on the use and preservation of the PROPERTY.

12. Enforcement of Agreement. As an alternative to cancellation of the Agreement for breach of any condition as provided in Paragraph 8, the CITY may, in its sole discretion, specifically enforce, or enjoin the breach of the terms of this Agreement. In the event of a default, under the provisions of this Agreement by the OWNERS, the City shall give written notice to OWNERS by registered or certified mail. If such violation is not corrected to the reasonable satisfaction of CITY within thirty (30) calendar days after the date of notice of violation, or within such reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) calendar days and thereafter diligently pursued to completion), the CITY may, without further notice, declare OWNERS to be in breach under the terms of this Agreement, and may bring any action necessary to specifically enforce the obligations of the OWNERS growing out of the terms of this Agreement or apply for such other relief as may be appropriate under local, state, or federal law.

13. Indemnification. OWNERS shall indemnify, defend (with counsel reasonably acceptable to CITY) and hold harmless the City of Escondido, and all of its boards, commissions, departments, agencies, agents, officers, and employees from and against any and all actions, causes of actions, liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses (collectively the "Claims") incurred in connection with or arising in whole or in part from this Agreement, including without limitations:

- a. any accident, injury to or death of a person, loss of or damage to property incurring in or about the PROPERTY;
- b. the use or occupancy of the PROPERTY by OWNERS, their agents or invitees;
- c. the condition of the PROPERTY;
- d. any construction or other work undertaken by OWNERS of the PROPERTY.

This indemnification shall include, without limitation, reasonable fees for attorneys, consultants, experts and the CITY'S cost for investigating any Claims. OWNERS shall defend the CITY and all of its boards, commissions, departments, agencies, agents, officers, and employees from any and all Claims even if such Claim is groundless, fraudulent, or false. The OWNERS' obligations under this Paragraph shall survive termination of this Agreement.

 OWNER'S INITIALS

14. Remedy If Agreement Not An Enforceable Restriction. In the event it is finally determined by a court of competent jurisdiction that this Agreement does not constitute an enforceable restriction within the meaning of the applicable provisions of the California Government Code and the California Revenue and Taxation Code, except for an unenforceability arising from the cancellation or nonrenewal of this Agreement, for any tax year during the life of this Agreement, then this Agreement shall be null and void and without further effect and the PROPERTY shall from that time forward be free from any restriction whatsoever under this Agreement without any payment or further act by the parties.

15. Condemnation Proceedings. If condemnation proceedings are filed against the PROPERTY, or if the PROPERTY is acquired by a public agency in lieu of condemnation proceedings, this Agreement shall be null and void. If the condemnation proceedings are subsequently abandoned or the acquisition rescinded, this Agreement shall be reactivated retroactively and shall be in full force and effect without the need for any further act by the parties.

16. Entire Agreement. This instrument and its attachments constitute the entire agreement between the parties. The parties shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this Agreement. Each party hereby acknowledges that in executing this Agreement, the party has not been induced, persuaded, or motivated by any promise or representation made by the other parties, unless expressly set forth in this Agreement. All previous negotiations, statements, and preliminary instruments by the parties or their representatives are merged in this instrument and are of no force and effect.

17. Attorney's Fees. In the event legal proceedings are brought by any party or parties hereto, to enforce or restrain a violation of any of the covenants, reservations, or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover its reasonable attorney's fees in addition to court costs and other relief ordered by the court.

18. Modification. No modification of this Agreement shall be valid or binding unless the modification is in writing, signed by all parties, and recorded with the County Recorder for the County of San Diego.

19. Binding Effect. This Agreement shall be binding on and inure to the benefit of all parties herein, their heirs, successors-in-interest, legal representatives, assigns and all persons acquiring any part or portion of the PROPERTY, whether by operation of law or otherwise, and that any such person(s) shall have the same rights and obligations under this Agreement.

20. Choice of Law and Forum. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California. Any action or proceeding to enforce any provision of this Agreement shall be brought in the San Diego Superior Court, North County Division.

21. Sale. If the PROPERTY is sold, the OWNERS shall notify the CITY of the sale and present to the CITY a signed statement from the new owners indicating that a copy of this agreement was provided to them.

22. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only. They do not constitute part of this Agreement and shall not be used in its construction.

23. Waiver. The waiver by any party to this Agreement of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Agreement.

24. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.

25. Notices. Any notice, delivery or other communication pursuant to this Agreement shall be in writing and shall be given to:

CITY: City Clerk  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

OWNERS: Keith C. Moore and Cecilia Price  
460 East 6<sup>th</sup> Avenue  
Escondido, CA 92025

Any party may change his/her/its address by giving written notice to the other parties in the manner provided in this paragraph. Any notice, delivery, or other communication shall be effective and shall be deemed to be received by the other parties within five (5) business days after the notice has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above.

26. Notice to Office of Historic Preservation. The OWNERS or an agent of the OWNERS shall provide written notice of this Agreement to the Office of Historic Preservation within six months of entering into this Agreement. A copy of this notice shall also be provided to the CITY.

*(Remainder of page left intentionally blank.)*

27. Counterparts. This Agreement may be executed in any number of counterparts or by facsimile transmission, each of which will be deemed an original with the same effect as if all signatures were on the same instrument.

IN WITNESS WHEREOF, the CITY and the OWNERS have executed this Agreement as of the date set forth below.

**CITY OF ESCONDIDO**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Lori Holt Pfeiler, Mayor

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Marsha Whalen, City Clerk

**OWNERS**

Dated: 11-5-10

By: \_\_\_\_\_  
Keith C. Moore  
(This signature must be notarized.)

Dated: 11-5-10

By: \_\_\_\_\_  
Cecilia Price  
(This signature must be notarized.)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY  
JEFFREY R. EPP, City Attorney

By: \_\_\_\_\_

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of San Diego

On NOV 5, 2010 before me, Karen Lisa Aegerter, Notary Public, CA  
(Here insert name and title of the officer)

personally appeared Keith C. Moore and Cecilia Price

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Karen Lisa Aegerter  
Signature of Notary Public, CA

(Notary Seal)



## ADDITIONAL OPTIONAL INFORMATION

### INSTRUCTIONS FOR COMPLETING THIS FORM

*Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~ - is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

#### DESCRIPTION OF THE ATTACHED DOCUMENT

Historic Property Preservation Agreement  
(Title or description of attached document)

4600 EAST 6<sup>th</sup> AVE. ESCOBIDO, CA  
(Title or description of attached document continued)

Number of Pages 10 Document Date 11/05/10

Re: Keith C. Moore and Cecilia Price  
(Additional information)

#### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)  
 Corporate Officer

\_\_\_\_\_  
(Title)

- Partner(s)  
 Attorney-in-Fact  
 Trustee(s)  
 Other \_\_\_\_\_

## **ATTACHMENT "A"**

Legal Description of 460 East 6<sup>th</sup> Avenue, Escondido, CA

**THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:**

**LOT 8 IN BLOCK "K" OF ESCONDIDO, AND 3.5 FEET OF THE EASTERLY SIDE OF LOT 7, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO.336 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY JULY 10,1886.**

**SAID LEGAL IS PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED JULY 18, 2006 AS INSTRUMENT NO. 2006-504589 OF OFFICIAL RECORDS.**

**ASSESSOR'S PARCEL NUMBER: 233-282-18**

## **ATTACHMENT "B"**

### **Mills Act Application List of Improvements**

Property Address: 460 East 6<sup>th</sup> Avenue  
Property Owners: Keith Moore and Cecilia Price

1. Renovate existing 1950's single-car garage, making it more like original 1930's carriage house (planned).
2. Repaint entire house (planned).
3. Relandscape front yard and street side yard (planned).
4. Landscape backyard (planned).
5. Repair front yard irrigation system (planned).
6. Repair backyard irrigation system (planned).
7. Replace old existing chain link fencing around the yard with more appropriate wood fence (planned).
8. Have professional arborist treat, feed and prune large Elm in front yard (planned).
9. Have a professional arborist trim historic Oak in side yard (planned).

State of California -- The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**PRIMARY RECORD**

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_  
Trinomial \_\_\_\_\_  
NRHP Status Code \_\_\_\_\_

Other Listings \_\_\_\_\_  
Review Code \_\_\_\_\_ Reviewer \_\_\_\_\_ Date \_\_\_\_\_

Page 1 of 3 \*Resource Name or #: (Assigned by recorder) \_\_\_\_\_

P1. Other Identifier: \_\_\_\_\_

\*P2. Location:  Not for Publication  Unrestricted

\*a. County San Diego and (P2c, P2e, and P2b or P2d. Attach a Location Map as necessary.)

\*b. USGS 7.5' Quad Escondido Date \_\_\_\_\_ T \_\_\_\_\_; R \_\_\_\_\_; \_\_\_\_\_ ¼ of \_\_\_\_\_ ¼ of Sec \_\_\_\_\_; \_\_\_\_\_ B.M.

c. Address 460 E. 6th Ave City Escondido, CA Zip 92025

d. UTM: (Give more than one for large and/or linear resources) Zone \_\_\_\_\_, \_\_\_\_\_ mE/ \_\_\_\_\_ mN

e. Other Locational Data: (e.g., parcel #, directions to resource, elevation, etc., as appropriate) parcel number 233-282-18

\*P3a. Description: (Describe resource and its major elements. Include design, materials, condition, alterations, size, setting, and boundaries)

Two story, square Queen Anne Victorian-era residential house, with gabled dormers and truncated hip roof.

\*P3b. Resource Attributes: (List attributes and codes) HP2 single family property

\*P4. Resources Present:  Building  Structure  Object  Site  District  Element of District  Other (Isolates, etc.)

P5a. Photograph or Drawing (Photograph required for buildings, structures, and objects.)

*see attached*

P5b. Description of Photo:  
(view, date, accession #) \_\_\_\_\_

\*P6. Date Constructed/Age and Source:

Historic  Prehistoric  Both

Original construction circa 1898

renovated 2006 to be period-appropriate

\*P7. Owner and Address: \_\_\_\_\_

Keith Moore / Cecilia Price

460 E. 6th Ave, Escondido, CA 92025

\*P8. Recorded by:

(Name, affiliation, and address)

Keith Moore, owner

\*P9. Date Recorded: \_\_\_\_\_

\*P10. Survey Type: (Describe) \_\_\_\_\_

\*P11. Report Citation: (Cite survey report and other sources, or enter "none.") None

\*Attachments:  NONE  Location Map  Continuation Sheet  Building, Structure, and Object Record

Archaeological Record  District Record  Linear Feature Record  Milling Station Record  Rock Art Record

Artifact Record  Photograph Record  Other (List): \_\_\_\_\_



State of California -- The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
BUILDING, STRUCTURE, AND OBJECT RECORD

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_

\*NRHP Status Code \_\_\_\_\_

Page 2 of 3 \*Resource Name or #: (Assigned by recorder) \_\_\_\_\_

- B1. Historic Name: \_\_\_\_\_  
B2. Common Name: None  
B3. Original Use: single family residence  
B4. Present Use: single family residence  
\*B5. Architectural Style: Queen Anne Victorian

\*B6. Construction History: (Construction date, alterations, and date of alterations)

Originally constructed circa 1898; remodeled/addition 1930; remodeled 1945; renovated back to period-appropriate condition circa 2006.

\*B7. Moved?  No  Yes  Unknown Date: \_\_\_\_\_ Original Location: \_\_\_\_\_

\*B8. Related Features:

B9a. Architect: Unknown b. Builder: Unknown

\*B10. Significance: Theme individual significance Area: \_\_\_\_\_

Period of Significance: \_\_\_\_\_ Property Type: \_\_\_\_\_ Applicable Criteria: \_\_\_\_\_

(Discuss importance in terms of historical or architectural context as defined by theme, period, and geographic scope. Also address integrity.)

Because of its age and style, representative of pre-turn-of-the-century Escondido, and its location in the Old Escondido Historic District, it is significant.

B11. Additional Resource Attributes: (List attributes and codes) \_\_\_\_\_

\*B12. References:

B13. Remarks:

\*B14. Evaluator:

\*Date of Evaluation: \_\_\_\_\_

(This space reserved for official comments)

Sketch Map with north arrow required.

*See next page  
attached*

State of California -- The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_  
Trinomial \_\_\_\_\_

Page 3 of 3 \*Resource Name or #: (Assigned by recorder) \_\_\_\_\_

Recorded by: \_\_\_\_\_ Date: \_\_\_\_\_

Continuation       Update





## HISTORICAL INFORMATION

14. Construction Date(s) c1895                      Original location unknown                      Date moved
15. Alterations & date Asbestos setting, wing to east
16. Architect unknown                                      Builder unknown
17. Historic attributes (with number from list)

## SIGNIFICANCE AND EVALUATION

18. Context for Evaluation: Theme                                      Area  
Period                      Property Type                      Context formally developed?
19. Briefly discuss the property's importance within the context. Use historical and architectural analysis as appropriate. Compare with similar properties.

This house is similar in age and style to the one next door but has not retained its integrity to the same extent. However, all alterations are reversible. Because of its age and style, representative of pre-turn-of-the century Escondido, it is significant.

20. Sources
21. Applicable National Register criteria
22. Other Recognition:  
State Landmark Number
23. Evaluator  
Date of Evaluation 1990
24. Survey type
25. Survey name
26. Year Form Prepared 1983  
By(Name) Donald A. Cotton Associates  
Organization Revised by Aegis 1990  
Address 111 Spring Street  
City & Zip Claremont, CA 91711  
Phone (714) 621 1207

**NOMINATION REPORT FOR THE CITY OF ESCONDIDO  
LOCAL REGISTER OF HISTORIC PLACES**

Address of Resource: 460 East Sixth Avenue

Existing Use: Residential

Zoning: R-1-6

General Plan Designation: Urban 1

Tier Designation: Central/Tier 1

Construction Date: c1895

Meets Ordinance Criteria 2 and 5 for Local Register Listing.

Justification for Register Listing:

This Victorian style structure is pre-turn-of-the-century. This tall, square two-story house has dormers which appear to be unique to Escondido. Centered by tall, narrow full-sized windows, they reach down through the eaves into the top of the walls of the house and are seen in pairs on the front of this house and singly on each side. The gabled dormers with their heavy cornice and with returns jut from a truncated hip roof.

The eaves are enclosed above a plain frieze. Asbestos siding covers this house and a shed-style porch with carved posts reaches across the front. A three-paneled Craftsman-style window looks out onto the porch. A 50-year-old wing to the east features the original tall window moved out from the original side of the house. An older wing leads off the back and the west side features a narrow shed-style addition with a door facing front.

Staff Recommendation:

Staff recommends this resource be placed on the Local Register.

Commission Action:

On May 5, 1992, the Commission voted unanimously to defer a decision until June 2, 1992.

On June 2, 1992, the Commission voted unanimously not to place this structure on the Local Register.

## HISTORIC PRESERVATION COMMISSION

Agenda Item No.: G.1  
Date: October 5, 2010

**TO:** Historic Preservation Commission  
**FROM:** Paul Bingham, Assistant Planner II  
**REQUEST:** Mills Act Contract and Modification to the previous Local Register Listing at 460 East 6<sup>th</sup> Avenue (cases number HP10-0001 & HP10-0004)  
**RECOMMENDATION:** Forward recommendation of approval to the City Council.

**BACKGROUND:**

**City of Escondido Historical/Cultural Resources Survey**

A City of Escondido Historical/Cultural Resources Survey was completed in 1990 (Agis, May 1990). Approximately 1,000 resources were inventoried for their significance in compliance with procedures established by the U.S. Department of the Interior, National Park Service and the State Office of Historic Preservation. The survey is a collection of information that identifies documents, describes the historical resources in the community, and associates the resources with historical events and/or people. Among other preservation programs, the survey serves as the basis for historic preservation plans. The survey also fulfills a higher level of historic nomination requirements (Local, State and National); it allows for the applicability of Historic Building Code in regard to rehabilitation/renovation of structures, and justifies local, state and federal funding assistance.

**Local Register of Historic Places Listing**

The City's Historic Preservation Ordinance No. 2000-23, Section 33-794-5 identifies a process and criteria for listing historic structures on the City's Local Register. In summary these criteria include:

1. Resources strongly identified with a significant person or persons;
2. Buildings that embody distinguishing characteristics of an architectural type or specimen;
3. Resources connected with a business or use once common but now rare;
4. Resources that are the site of significant historic events;
5. Resources that are 50 years old or older or have already achieved historical significance;
6. Resources that are an important key focal point in the visual quality of an area; and
7. Buildings that are only one of a few remaining examples in the city of a particular type.

Requests for listing on the Local Register require that both the Historic Preservation Commission and the City Council conduct a public hearing to consider the request. The historic resource is evaluated against seven criteria and must meet at least two of the seven.

**Mills Act Contract and Property Applying**

The Mills Act is a state law that enables owners of designated historic properties to enter into a preservation contract with their local legislative body and receive a substantial reduction in the property taxes. One of the incentives for the preservation of historic and/or cultural resources, approved in 1989, allows property owners of designated historic resources to enter into a Mills Act contract with the City. The City's policy allows a property owner to apply for a Mills Act contract if the resource has been listed on the Local Register. The owner is requesting the property to be listed on the City's Local Register at the next available City Council hearing and is concurrently requesting to enter into a Mills Act contract.

The subject property addressed as 460 East Sixth Avenue (APN 233-282-1800), includes a 2,027 SF two-story Victorian house located in the City's Old Escondido Neighborhood Historic District on the northwest corner of East Sixth Avenue and South Hickory Street. The main dwelling dates back to 1898



and features three unique gabled dormers, the largest reaching down through the eaves into the top of the wall below. A large shed-style porch with carved posts faces the south. The house includes a single-story addition to the back built in 1936 and a single-story wing to the east, built in 1945. The 1945 addition also incorporated the large window originally on east side of the house.

Upon further investigation, the existing 320 SF single-story unreinforced concrete block garage in the rear yard seems likely to have been built in the mid 1950's. This structure replaced an earlier carriage house which first appeared on 1933 Sanborn maps. While the current garage walls are of unreinforced masonry, it appears the wooden roof and gable elements may be the original, or at least date much earlier. The applicants now desires to replace the crumbling masonry block on the same foundation with wood, similar to the construction of the main house, and renovate and restore the existing garage roof. The applicants desire to include this project as part of their Mills Act Improvement List and also in the Mills Act calculations. They believe it will better represent the original 1933 carriage house. (Plans to build a separate 2-car garage at the rear of the property facing the alley are also currently being contemplated. It would have architecture compatible with the main house, but would not be included for Mills Act consideration.)

## **ANALYSIS**

### **Escondido Historical/Cultural Resources Survey**

The applicant has conducted the required historic research and data collection, and has provided the information on the required format, State Department of Parks and Recreation forms (see attached). The information provided by the applicant, includes historical background and descriptive analysis of the architectural style, and is adequate for the purpose of determining the appropriateness of adding the structure to the survey.

### **Local Register of Historic Places Listing**

Though nominated to be placed on the Local Register back in 1992, the owner at the time requested that nomination be dropped. This request by the current owners, Keith C. Moore and Cecilia Price, is to once again consider placing this resource on the Local Register since the current house was constructed in the late 1800's, retains much of its integrity, and is in a neighborhood of important historic structures.

The structure meets at least the following three of seven criteria:

Criterion #2. Escondido building or buildings that embody distinguishing characteristics of an architectural type, specimen, or are representative of a recognized architect's work and are not substantially altered.

*Except for its 1936 rear addition and 1945 east side addition, this 1898 Victorian house appears much as it first did with its unique gabled dormers on the east, south and west sides.*

Criterion #5. Escondido historical resources that are fifty (50) years old or have achieved historical significance within the past 50 years.

*The structure was built in 1898 and is currently 112 years old.*

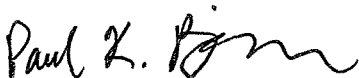
Criterion #6. Escondido historical resources that are an important key focal point in the visual quality or character of a neighborhood, street, area or district.

*This house sits prominently on the northwest corner of South Hickory and East 6<sup>th</sup> Avenue. In the short block between Hickory and South Juniper to the east there are already eight Local Register properties and four more in the City's Historic Survey. This property may be important in maintaining the historic visual character of the neighborhood.*

### **Mills Act Contract**

The Mills Act contract is for a minimum of ten years, automatically renewed each year unless a notice of non-renewal is filed. The terms of the contract require that the property owner make a commitment to maintain the structure and surrounding property, per a maintenance schedule that has been included with this report (see attached). All improvements must be performed to the Secretary of the Interior Standards. In addition, the applicant has been informed that all exterior modifications require staff review. Staff feels that the proposed Mills Act Contract is appropriate since the property meets the established criteria for a historic resource, and adequate improvements have been listed.

Respectfully Submitted,



Paul K. Bingham  
Assistant Planner II



## **Mills Act Application List of Improvements**

Property Address: 460 East 6<sup>th</sup> Avenue  
Property Owners: Keith Moore and Cecilia Price

1. Renovate existing 1950's single-car garage, making it more like original 1930's carriage house (planned).
2. Repaint entire house (planned).
3. Relandscape front yard and street side yard (planned).
4. Landscape backyard (planned).
5. Repair front yard irrigation system (planned).
6. Repair backyard irrigation system (planned).
7. Replace old existing chain link fencing around the yard with more appropriate wood fence (planned).
8. Have professional arborist treat, feed and prune large Elm in front yard (planned).
9. Have a professional arborist trim historic Oak in side yard (planned).



**CITY OF ESCONDIDO**  
 Planning Division  
 201 North Broadway  
 Escondido, CA 92025-2798  
 (760) 839-4671  
 Fax: (760) 839-4313

FOR INTERNAL USE ONLY	
Case No.:	<u>HP10-0004</u>
Date Submitted:	<u>9/15/10</u>
Project Planner:	<u>P. Bingham</u>
Fees:	<u>NA</u>
Receipt No.:	<u>-</u>
<input type="checkbox"/> Incomplete	_____ Date of Notice
<input type="checkbox"/> Complete	_____ Date

**HISTORIC PROPERTY PRESERVATION  
 (MILLS ACT) APPLICATION AND AGREEMENT**

**APPLICANT/CONTACT PERSON**

Name (Print): Keith Moore  
 Address: 460 E. 6th Ave  
 City, State, Zip: Escondido, CA 92025  
 Phone: 858.449.7250  
 Fax: 760.745-0444  
 E-mail: zipdang@me.com  
 Signature: [Signature]

**OWNER** (If multiple owners/addresses, attach additional sheets as necessary.)

Name (Print): Keith Moore / Cecilia Price  
 Address: 460 E. 6th Ave  
 City, State, Zip: Escondido, CA 92025  
 Phone: 858.449.7250  
 Fax: 760.745.0444  
 E-mail: zipdang@me.com  
 Signature: [Signature]  
 (authorizing applicant to submit application)

**SITE INFORMATION**

Property Address: 460 E. 6th Ave  
 Assessor's Parcel Number: 233-282-18-00  
 Historic Name: \_\_\_\_\_

**LANDMARK/LOCAL REGISTER INFORMATION**

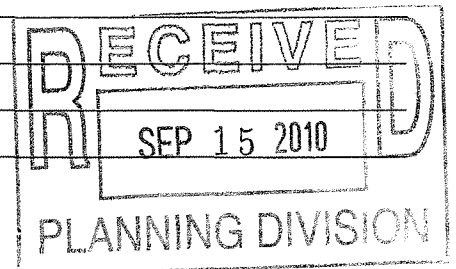
Historic Designation:  
 Local     State     National  
 Date of Designation: \_\_\_\_\_  
 Local Register Listing:     Yes     No  
 Date of Listing: PENDING APPROVAL

**POTENTIAL STRUCTURE/PROPERTY IMPROVEMENT TIMELINE:**

Please list the improvements which are intended to take place over the next 10 years. List them in order of owner's priority. The improvements listed may be as specific or as general as the applicant prefers; however, physical alterations shall comply with the Secretary of Interior standards. Emergency maintenance not identified in this Agreement may be substituted for listed improvements. The listed improvements may be performed out of order, depending on the property owner's financial situation. Visits to the property by City representatives to monitor the progress will be performed every two to three years.

**PROPOSED IMPROVEMENTS**

- Replace cracked, deteriorating, dilapidated outbuilding with garage of similar style and construction as main house.
- Replace chain link fence along back alley with period-appropriate wooden fence.
- (see attached list for more)



State of California --- The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**PRIMARY RECORD**

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_  
Trinomial \_\_\_\_\_  
NRHP Status Code \_\_\_\_\_

Other Listings \_\_\_\_\_  
Review Code \_\_\_\_\_ Reviewer \_\_\_\_\_ Date \_\_\_\_\_

Page 1 of 3 \*Resource Name or #: (Assigned by recorder) \_\_\_\_\_

P1. Other Identifier: \_\_\_\_\_

\*P2. Location:  Not for Publication  Unrestricted

\*a. County San Diego and (P2c, P2e, and P2b or P2d. Attach a Location Map as necessary.)

\*b. USGS 7.5' Quad \_\_\_\_\_ Date \_\_\_\_\_ T \_\_\_\_\_; R \_\_\_\_\_; \_\_\_\_\_ 1/4 of \_\_\_\_\_ 1/4 of Sec \_\_\_\_\_; \_\_\_\_\_ B.M.

c. Address 460 E. 6th Ave City Escondido, CA Zip 92025

d. UTM: (Give more than one for large and/or linear resources) Zone \_\_\_\_\_, \_\_\_\_\_ mE/ \_\_\_\_\_ mN

e. Other Locational Data: (e.g., parcel #, directions to resource, elevation, etc., as appropriate) parcel number 233-282-18-00

\*P3a. Description: (Describe resource and its major elements. Include design, materials, condition, alterations, size, setting, and boundaries)

Two-story, square Queen Anne Victorian-era residential house, with gabled dormers and truncated hip roof.

\*P3b. Resource Attributes: (List attributes and codes) \_\_\_\_\_

\*P4. Resources Present:  Building  Structure  Object  Site  District  Element of District  Other (isolates, etc.)

P5a. Photograph or Drawing (Photograph required for buildings, structures, and objects.)



P5b. Description of Photo:  
(view, date, accession #) front view Sept 2010  
see additional photo attached

\*P6. Date Constructed/Age and Source:

Historic  Prehistoric  Both  
original construction circa 1895

removed 2006 to be period-appropriate

\*P7. Owner and Address: \_\_\_\_\_

Keith Moore / Cecilia Price

460 E. 6th Ave, Escondido, CA 92025

\*P8. Recorded by:

(Name, affiliation, and address)

Keith Moore, owner

\*P9. Date Recorded: \_\_\_\_\_

\*P10. Survey Type: (Describe) \_\_\_\_\_

\*P11. Report Citation: (Cite survey report and other sources, or enter "none.") \_\_\_\_\_

\*Attachments:  NONE  Location Map  Continuation Sheet  Building, Structure, and Object Record

Archaeological Record  District Record  Linear Feature Record  Milling Station Record  Rock Art Record

Artifact Record  Photograph Record  Other (List): \_\_\_\_\_

P5b. Description of Photo:  
Side view Sept 2010



Rear view Sept 2010



State of California -- The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
BUILDING, STRUCTURE, AND OBJECT RECORD

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_

\*NRHP Status Code \_\_\_\_\_

Page 2 of 3 \*Resource Name or #: (Assigned by recorder) \_\_\_\_\_

- B1. Historic Name: \_\_\_\_\_  
B2. Common Name: None  
B3. Original Use: single family residence  
B4. Present Use: single family residence  
\*B5. Architectural Style: Queen Anne Victorian

\*B6. Construction History: (Construction date, alterations, and date of alterations)

Originally constructed circa 1895, this structure is very similar to 2 other houses in the city. One, the Victorian house relocated to Grape Day Park, known to have been designed and built by architect J.A. Pomeroy, makes it appear likely that Pomeroy also designed the instant structure. [Research provided by local historian Lucy Berk.]

\*B7. Moved?  No  Yes  Unknown Date: \_\_\_\_\_ Original Location: \_\_\_\_\_

\*B8. Related Features:

B9a. Architect: believed to be J.A. Pomeroy (see #B6 above) b. Builder: believed to be J.A. Pomeroy (see #B6 above)

\*B10. Significance: Theme individual significance Area: \_\_\_\_\_

Period of Significance: \_\_\_\_\_ Property Type: \_\_\_\_\_ Applicable Criteria: \_\_\_\_\_

(Discuss importance in terms of historical or architectural context as defined by theme, period, and geographic scope. Also address integrity.)

Because of its age and style, representative of pre-turn-of-the-century Escondido, and its location in the Old Escondido Historic District, this structure is of significant residential architecture.

B11. Additional Resource Attributes: (List attributes and codes) \_\_\_\_\_

\*B12. References:

B13. Remarks:

\*B14. Evaluator:

\*Date of Evaluation: \_\_\_\_\_

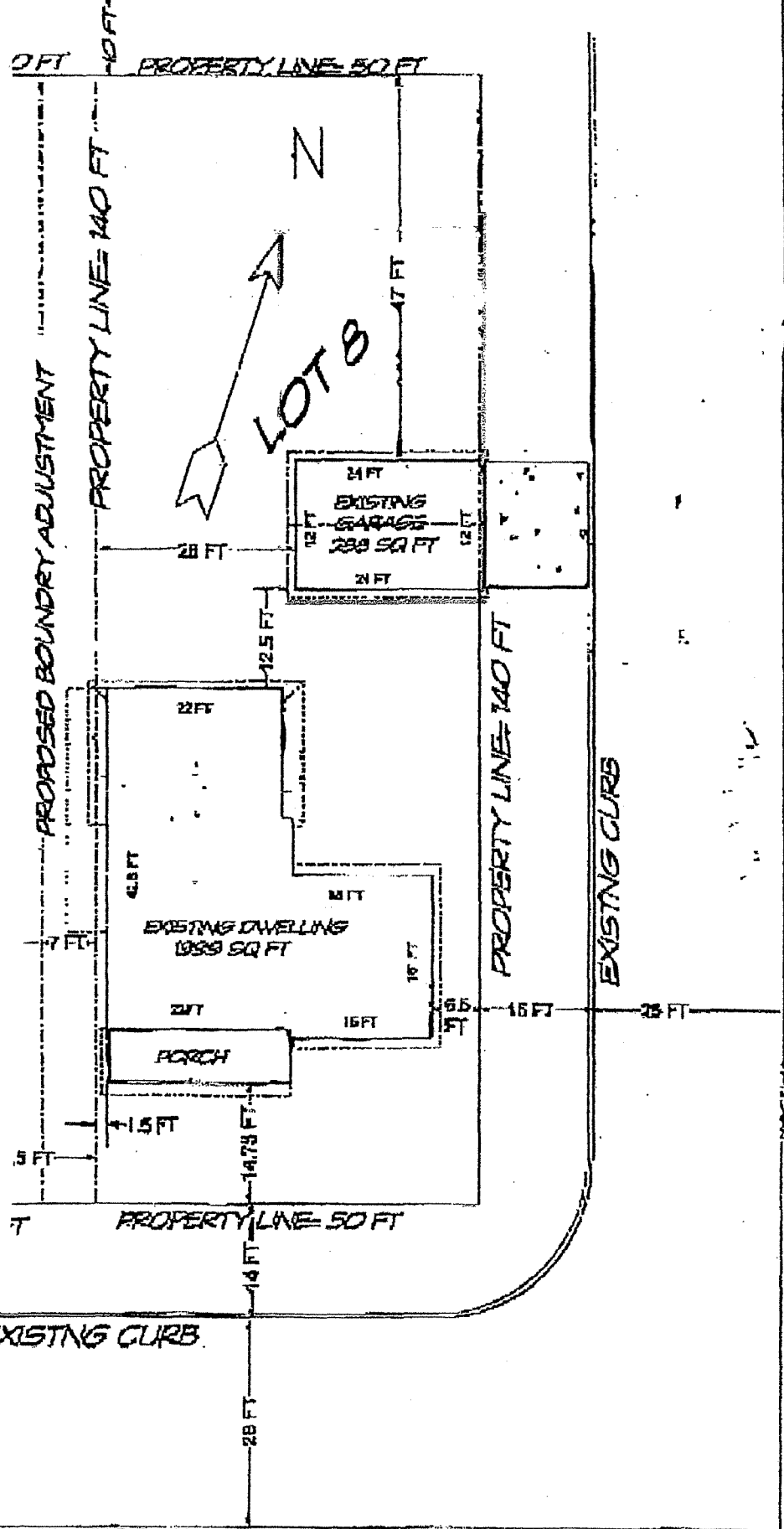
(This space reserved for official comments)

Sketch Map with north arrow required.

See next pages attached

PLAN  
233 282 07  
1/3

CENTER LINE ALLEY



CENTER LINE HICKERY ST

CENTER LINE 6TH AVE



State of California -- The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_  
Trinomial \_\_\_\_\_

Page  3  of  3  \*Resource Name or #: (Assigned by recorder) \_\_\_\_\_

Recorded by: \_\_\_\_\_ Date: \_\_\_\_\_

Continuation       Update



## **Chain of Title**

### **460 E. 6<sup>th</sup> Ave., Escondido, CA**

The property was originally described as lots 7 and 8, Block K, Escondido. Parcel #282 was originally 8<sup>th</sup> Ave; circa 1930, the street name changed to 6<sup>th</sup>

In April 1894, the lot was originally purchased by Oscar Parkhurst from the Escondido Land & Title Co. Parkhurst, a dry goods merchant, was married to Cora M. Rood, and they had 5 children. Parkhurst had moved his store from Placerville to San Diego and then eventually to Escondido. The store, named the New York Store, was described as a clothing and gents furnishing goods store and was one of the pioneer stores of the valley.

The home was believed to have been built on the lot in 1895. Another Victorian house, relocated to Grape Day Park, was known to have been designed and built by architect J.A. Pomeroy. As the instant structure shares distinctive structural elements with that house, it is believed that Pomeroy also designed and built the structure of interest herein.

In October 1906, the house was purchased by Helen M. Loveless, wife of Joel Loveless. Helen died in 1916, a year after her husband.

At that time, their son, Elrey J. Loveless, inherited the property. E. J. Loveless was the owner of Loveless Fruit Packing Co., one of the three packing houses operating in Escondido. Citrus fruit cultivation had become one of the chief industries of the Escondido valley. Loveless was on the Board of Trustees for the City of Escondido from 1908-1910 and again from 1912-1918, and was a director of the First National Bank.

In late 1920/early 1921, the property was purchased by Isaac William Tanner. Tanner was the son of Nancy Augusta Ferguson and John Joshua Tanner, who was a descendant of four Mayflower pilgrims: John Cooke, Francis Cooke, Richard Warren, and Miles Standish.

Isaac Tanner, a real estate dealer, owned and occupied the house into the 1930s. During these years, an addition to the house as well as a concrete block garage were constructed. Tanner passed away on December 22, 1937.

In 1933, after Mrs. Tanner passed away, Isaac had prepared a will bequeathing "one half of all the property both personal and real ... to Cappietola Carothers. Second, I ... bequeath the remaining one half of my property both personal and real to be divided equally between my children Nancy Elizabeth Silcox, William Steward Tanner, Carence Tanner, Arthur Tanner, Ella Sargent Alton Tanner, Lewis Tanner. I have already given each of my children land enough to more than take cair[sic] of them. Third, I hereby nominate constitute and appoint Cappietola Carothers the executor of this my last Will and testament ... and empower her to sell any of my property without order of Court without notice, as she may see fit."

The home subsequently became part of a probate battle between Lewis Tanner, youngest son of the deceased, and Cappietola Carothers. The court upheld the will in favor of Carothers.

In May 1939, the home was purchased by Margaret M. McIntosh and Edgar Clifford Castano, as joint tenants.

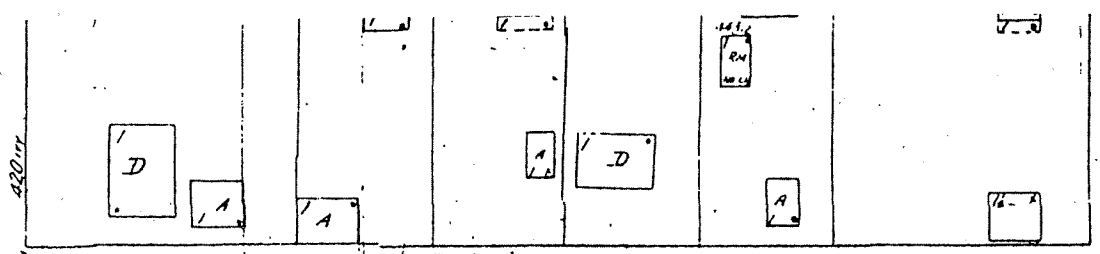
In April 1944, Margaret M. McIntosh, now a widow, sold the home to Geneva Green, also a widow.

In September 1945, Geneva Green sold the home to George and Effie Ulman.

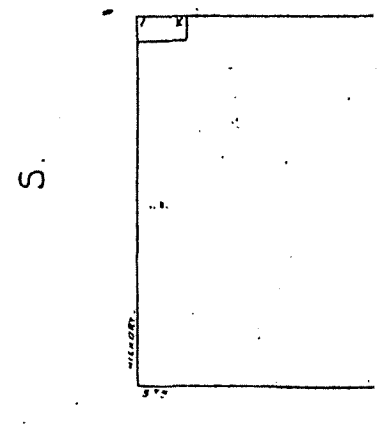
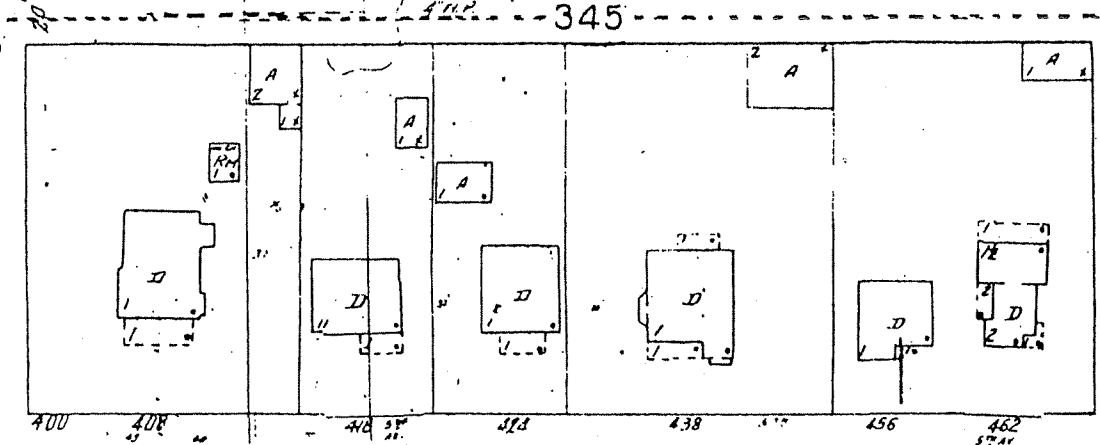
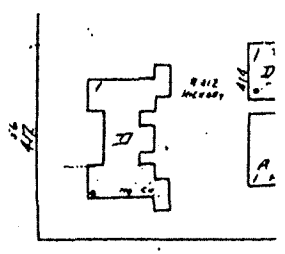
In July 1948, George and Effie Ulman sold the home to Keith A. and Frances C. Green.

In April 2005, the Green Trust sold the home to Vincenzo and Stephanie Tarantino.

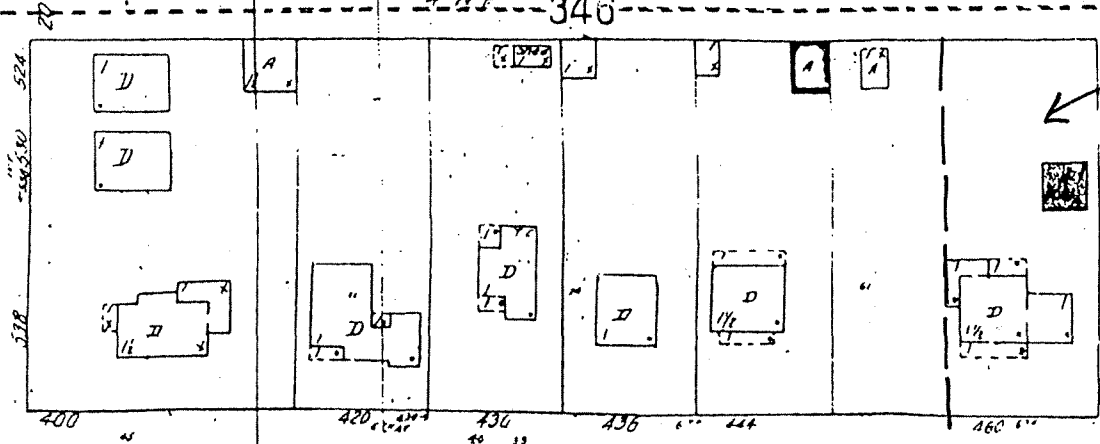
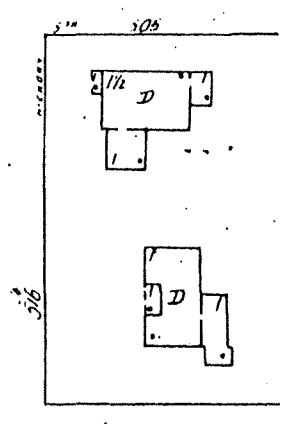
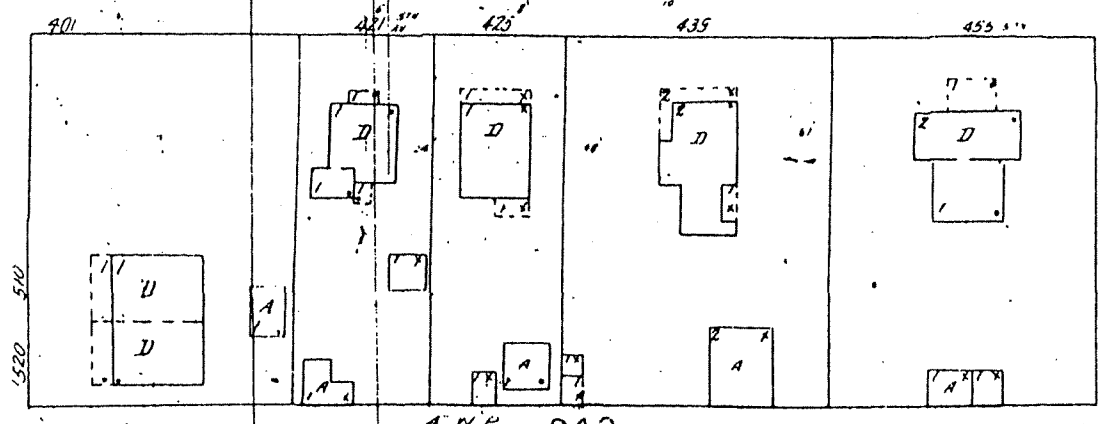
In February 2010, the Tarantinos sold the home to the present owners, Keith Moore and Cecilia Price.



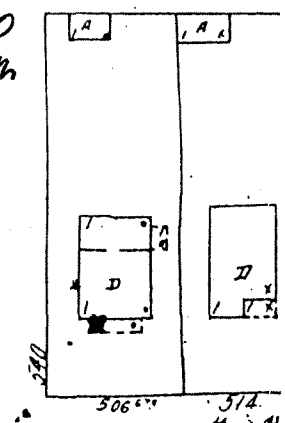
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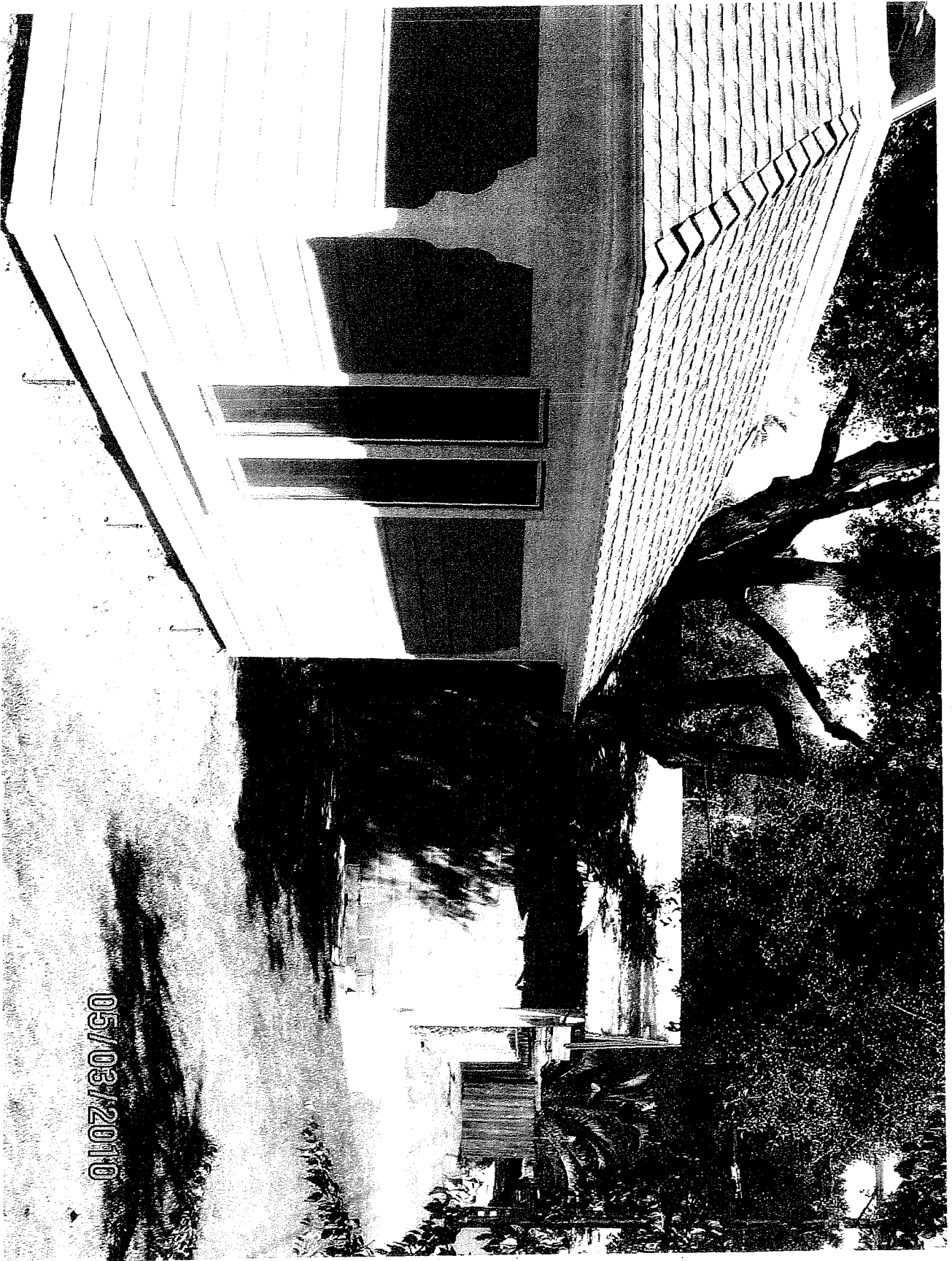
E. 5<sup>TH</sup>  
(7<sup>TH</sup> AV.)



460  
E. 6<sup>TH</sup>



E. 6<sup>TH</sup>  
(8<sup>TH</sup> AV.)



05/03/2010



05/03/2010



CITY OF ESCONDIDO  
PLANNING DIVISION  
201 NORTH BROADWAY  
ESCONDIDO, CA 92025-2798  
(760) 839-4671

**Notice of Exemption**

To: San Diego County Recorder's Office  
Attn: Linda Kesian  
P.O. Box 121750  
San Diego, CA 92112-1750

From: City of Escondido  
201 North Broadway  
Escondido, CA 92025

**Project Title/Case Nos.:** HP-10-0001 and HP-10-0004

**Project Location - Specific:** on the northwestern corner of Sixth Avenue and Hickory Street in the Old Escondido Neighborhood Historic District, addressed as 460 East 6<sup>th</sup> Avenue (APN 233-282-1800).

**Project Location - City:** Escondido, **Project Location - County:** San Diego

**Description of Project:**

To approve the addition of residence on 0.16 acre located at 460 East 6<sup>th</sup> Avenue to the Local Register of Historic Places and approve a Mills Act Contract in the R-1-6 (Single-Family Residential, 6,000 SF minimum lot size) zone, located in the U1 (Urban I) area of the General Plan, and Tier 1/Central designation.

**Name of Public Agency Approving Project:** City of Escondido

**Name of Person or Agency Carrying Out Project:**

Names: Keith Moore & Cecilia Price

Telephone (858) 449-7250

Address: 460 East 6<sup>th</sup> Avenue, Escondido, CA 92025

Private entity     School district     Local public agency     State agency     Other special district

**Exempt Status:**

Categorical Exemption. Section 15331, Class 31 – Historic Resource Restoration/Rehabilitation.

**Reasons why project is exempt:**

1. Project is within the R-1-6 zone, S General Plan and Tier 1/Central designation, and no variances are required.
2. Project will be consistent with the Secretary of Interior's Standards for the Treatment of Historic Properties with Guidelines for preserving, rehabilitating, restoring, and reconstruction historic buildings.
3. Project will not be limited by the factors in section 15300.2 and will not adversely change the significance of a historical resource.

**Lead Agency Contact Person:** Paul K. Bingham

Area Code/Telephone/Extension (760) 839-4306

Signature: Paul K. Bingham  
Assistant Planner II

11/8/10  
Date

Signed by Lead Agency

Date received for filing at OPR:

Signed by Applicant

RESOLUTION NO. 2010-165

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, LISTING THE RESIDENTIAL STRUCTURE ON THE PROPERTY ADDRESSED AS 460 EAST 6TH AVENUE ON THE CITY'S LOCAL REGISTER OF HISTORIC PLACES AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE, ON BEHALF OF THE CITY, A MILLS ACT CONTRACT WITH KEITH C. MOORE AND CECILIA PRICE FOR THE PROPERTY LOCATED AT 460 EAST SIXTH AVENUE

(CASE Nos. HP-10-0001 and HP-10-0004)

WHEREAS, the City's Historic Resources Ordinance identifies seven criteria for properties to be listed on the City's Local Register of Historic Places; and

WHEREAS, properties eligible for listing on the Local Register must meet at least two of the seven criteria identified in the Ordinance; and

WHEREAS, the property located at 460 East Sixth Avenue has been evaluated against the criteria and has been found to be eligible for listing on the Local Register; and

WHEREAS, the Mills Act is a state law enabling owners of designated historic properties to enter into a preservation contract with their local legislative body and receive a property tax reduction; and

WHEREAS, Keith C. Moore and Cecilia Price have submitted a request to enter into a Historic Property Preservation Agreement ("Agreement") with the City for property located at 460 East Sixth Avenue (APN 233-282-1800); and

WHEREAS, this property qualifies for a Mills Act Contract since it was recommended by the Historic Preservation Commission to be listed in the Local Register of Historic Resources on October 5, 2010; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to list on the City's Local Register of Historic Places and approve the Agreement for the property located at 460 East Sixth Avenue, as recommended by the Historic Preservation Commission on October 5, 2010.

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 Mayor and City Clerk are hereby authorized to list on the City's Local Register of Historic Places and to execute, on behalf of the City, an Agreement with Jennifer Vanderheiden for property located at 460 East Sixth Avenue. A copy of the Agreement is attached as Exhibit "A" and is incorporated by this reference.

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City Clerk  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

Resolution No. 2010-165

Exhibit A

Page 1 of 11

*THIS SPACE FOR RECORDER'S USE ONLY*

## **HISTORIC PROPERTY PRESERVATION AGREEMENT**

This Agreement is made and entered into by and between the CITY OF ESCONDIDO, a municipal corporation (hereinafter referred to as "the CITY") and Keith C. Moore and Cecilia Price (hereinafter referred to as "the OWNERS").

### **Recitals**

1. WHEREAS, the OWNERS possess and own real property located within the City of Escondido, which property is more fully described in Attachment "A" to this Agreement (hereinafter "the PROPERTY"); and

2. WHEREAS, the PROPERTY is a qualified historical property in that it is privately owned, it is not exempt from property taxation, and it is listed in the Local Register of Historic Places; and

3. WHEREAS, both the CITY and the OWNERS desire to carry out the purposes of Article 12 (commencing with section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code and Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code; and

4. WHEREAS, both the CITY and the OWNERS desire to limit the use of the PROPERTY and to preserve the PROPERTY so as to retain its characteristics as a property of cultural, architectural, and historical significance.

### **Agreement**

NOW THEREFORE, both the CITY and the OWNERS, in consideration of the mutual promises, covenants, and conditions contained herein and the substantial public benefits to be derived therefrom, do hereby agree as follows:



1. Applicability of Government Code and Revenue and Taxation Code. This Agreement is made pursuant to Article 12 (commencing with section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code and Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code and is subject to all of the provisions of these statutes.

2. Preservation/Rehabilitation and Maintenance of Property. During the term of this Agreement, the PROPERTY shall be subject to the following conditions, requirements, and restrictions:

a. The OWNERS agree to preserve/rehabilitate and maintain the cultural, historical, and architectural characteristics of the PROPERTY during the term of this Agreement as set forth in the attached schedule of improvements identified as Attachment B.

b. The OWNERS shall maintain all buildings, structures, yards, and other improvements in a manner which does not detract from the appearance of the immediate neighborhood. Prohibited property conditions include, but are not limited to:

- i. Dilapidated, deteriorating, or unrepaired structures, such as fences, roofs, doors, walls, and windows;
- ii. Scrap lumber, junk, trash, or debris;
- iii. Abandoned, discarded, or unused objects or equipment, such as automobiles, automobile parts, furniture, stoves, refrigerators, cans, containers, or similar items;
- iv. Stagnant water or excavations, including swimming pools or spas; and
- v. Any device, decoration, design, or structure, or vegetation which is unsightly by reason of its height, condition, or its inappropriate location.

c. All improvements and work performed on the PROPERTY shall meet, at a minimum, the rules and regulations of the Office of Historic Preservation of the California Department of Parks and Recreation, the United States Secretary of the Interior's Standards for Rehabilitation, the State Historical Building Code, and the applicable development codes of the City of Escondido.

d. Upon the CITY'S request, the OWNERS shall submit within thirty (30) days documentation of expenditures incurred within the last 24 months to accomplish items from the list of scheduled improvements for the PROPERTY as set forth in Attachment B of the Historic Property Preservation (Mills Act) Agreement. The OWNERS shall be in substantial compliance with the scheduled improvements set forth in Attachment B when the expenditures incurred to accomplish the improvements are equal to or greater than the

OWNERS' annual property tax savings for the last 24 months, as determined by the CITY, based upon the County Tax Assessor's valuation of the PROPERTY using the process set forth in Article 1.9 (commencing with section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

e. OWNERS shall, within thirty (30) days after written notice from the CITY, furnish the CITY with any information the CITY shall require to enable the CITY to determine (i) the PROPERTY'S present state; (ii) the PROPERTY'S continued eligibility as a qualified historic property; and (iii) whether the OWNERS are in compliance with this Agreement.

Mr. CP OWNER'S INITIALS

3. Inspections. The OWNERS agree to permit periodic examinations/inspections of the interior and exterior of the PROPERTY by the CITY, the County Assessor, the Department of Parks and Recreation, and the State Board of Equalization as may be necessary to determine the OWNERS' compliance with this Agreement.

Mr. CP OWNER'S INITIALS

4. Term of Agreement. This Agreement shall be effective and shall commence on January 1<sup>st</sup> of the year following the successful recordation of this document by the County Recorder's Office and shall remain in effect for a period of ten (10) years thereafter.

5. Automatic Renewal. On the tenth (10<sup>th</sup>) anniversary of this Agreement and on each successive anniversary date (hereinafter referred to as "the RENEWAL DATE"), one (1) year shall automatically be added to the initial term of this Agreement unless notice of nonrenewal is given as provided in Paragraph 6 below.

6. Notice of Nonrenewal. If, in any year, either the CITY or the OWNERS desire not to renew this Agreement, that party shall serve a written notice of nonrenewal on the other party. If the OWNERS elect to serve a notice of nonrenewal, the notice must be served on the CITY at least ninety (90) days prior to the RENEWAL DATE, otherwise one (1) additional year shall automatically be added to the term of this Agreement. Conversely, if the CITY elects to serve a notice of nonrenewal, the notice must be served on the OWNERS at least sixty (60) days prior to the RENEWAL DATE, otherwise one (1) additional year shall automatically be added to the term of this Agreement. The CITY may issue a notice of nonrenewal if the CITY determines improvements, maintenance, rehabilitation, renovation, and/or restoration of the PROPERTY is required for the PROPERTY'S continued eligibility as a qualified historic property. Upon receipt by the OWNERS of a notice of nonrenewal from the

CITY, the OWNERS may make a written protest of the nonrenewal. The CITY may, at any time prior to the RENEWAL DATE, withdraw its notice of nonrenewal.

7. Effect of Notice of Nonrenewal. If, in any year, either party serves a notice of nonrenewal as provided in Paragraph 6 above, this Agreement shall remain in effect for: (1) the balance of the period remaining under the initial term of this Agreement; or (2) the balance of the period remaining since the last automatic renewal, whichever the case may be.

8. Cancellation. The CITY may cancel this Agreement if the CITY determines the OWNERS: (a) have breached any of the conditions or covenants of this Agreement; (b) have allowed the PROPERTY to deteriorate to the point that it no longer meets the standards of a qualified historical property as defined in California Government Code section 50280.1; or (c) if the OWNERS have failed to restore or rehabilitate the PROPERTY in the manner specified in Paragraph 2 of this Agreement.

Mr CP OWNER'S INITIALS

9. Notice of Cancellation. Notwithstanding the above, this Agreement cannot be cancelled until after the CITY has given notice and has held a public hearing as required by California Government Code section 50285.

10. Cancellation Fee. If the CITY cancels this Agreement in accordance with Paragraph 8, the OWNERS shall pay those cancellation fees set forth in California Government Code sections 50280 et seq., described herein. Upon cancellation, OWNERS shall pay a cancellation fee of twelve and one-half percent (12-1/2%) of the current fair market value of the PROPERTY, which is to be determined by the County Assessor as though the PROPERTY were free and clear of any of the restrictions pursuant to this Agreement. The cancellation fee shall be paid to the County Auditor at the time and in the manner that the County Auditor shall prescribe and shall be allocated by the County Auditor to each jurisdiction in the tax rate area in which the PROPERTY is located in the same manner as the County Auditor allocates the annual tax increment in that tax area that fiscal year.

Mr CP OWNER'S INITIALS

11. No Compensation. The OWNERS shall not receive any payment from the CITY in consideration for the obligations imposed under this Agreement. The parties recognize and agree that the consideration for the execution of this Agreement is the substantial public benefit to be derived therefrom and the advantage that will accrue to the OWNERS as a result of



14. Remedy If Agreement Not An Enforceable Restriction. In the event it is finally determined by a court of competent jurisdiction that this Agreement does not constitute an enforceable restriction within the meaning of the applicable provisions of the California Government Code and the California Revenue and Taxation Code, except for an unenforceability arising from the cancellation or nonrenewal of this Agreement, for any tax year during the life of this Agreement, then this Agreement shall be null and void and without further effect and the PROPERTY shall from that time forward be free from any restriction whatsoever under this Agreement without any payment or further act by the parties.

15. Condemnation Proceedings. If condemnation proceedings are filed against the PROPERTY, or if the PROPERTY is acquired by a public agency in lieu of condemnation proceedings, this Agreement shall be null and void. If the condemnation proceedings are subsequently abandoned or the acquisition rescinded, this Agreement shall be reactivated retroactively and shall be in full force and effect without the need for any further act by the parties.

16. Entire Agreement. This instrument and its attachments constitute the entire agreement between the parties. The parties shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this Agreement. Each party hereby acknowledges that in executing this Agreement, the party has not been induced, persuaded, or motivated by any promise or representation made by the other parties, unless expressly set forth in this Agreement. All previous negotiations, statements, and preliminary instruments by the parties or their representatives are merged in this instrument and are of no force and effect.

17. Attorney's Fees. In the event legal proceedings are brought by any party or parties hereto, to enforce or restrain a violation of any of the covenants, reservations, or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover its reasonable attorney's fees in addition to court costs and other relief ordered by the court.

18. Modification. No modification of this Agreement shall be valid or binding unless the modification is in writing, signed by all parties, and recorded with the County Recorder for the County of San Diego.

19. Binding Effect. This Agreement shall be binding on and inure to the benefit of all parties herein, their heirs, successors-in-interest, legal representatives, assigns and all persons acquiring any part or portion of the PROPERTY, whether by operation of law or otherwise, and that any such person(s) shall have the same rights and obligations under this Agreement.

20. Choice of Law and Forum. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California. Any action or proceeding to enforce any provision of this Agreement shall be brought in the San Diego Superior Court, North County Division.

21. Sale. If the PROPERTY is sold, the OWNERS shall notify the CITY of the sale and present to the CITY a signed statement from the new owners indicating that a copy of this agreement was provided to them.

22. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only. They do not constitute part of this Agreement and shall not be used in its construction.

23. Waiver. The waiver by any party to this Agreement of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Agreement.

24. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.

25. Notices. Any notice, delivery or other communication pursuant to this Agreement shall be in writing and shall be given to:

CITY: City Clerk  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

OWNERS: Keith C. Moore and Cecilia Price  
460 East 6<sup>th</sup> Avenue  
Escondido, CA 92025

Any party may change his/her/its address by giving written notice to the other parties in the manner provided in this paragraph. Any notice, delivery, or other communication shall be effective and shall be deemed to be received by the other parties within five (5) business days after the notice has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above.

26. Notice to Office of Historic Preservation. The OWNERS or an agent of the OWNERS shall provide written notice of this Agreement to the Office of Historic Preservation within six months of entering into this Agreement. A copy of this notice shall also be provided to the CITY.

*(Remainder of page left intentionally blank.)*

27. Counterparts. This Agreement may be executed in any number of counterparts or by facsimile transmission, each of which will be deemed an original with the same effect as if all signatures were on the same instrument.

IN WITNESS WHEREOF, the CITY and the OWNERS have executed this Agreement as of the date set forth below.

**CITY OF ESCONDIDO**

Dated: \_\_\_\_\_


By: \_\_\_\_\_  
Lori Holt Pfeiler, Mayor

Dated: \_\_\_\_\_

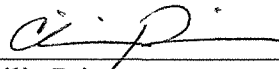
By: \_\_\_\_\_  
Marsha Whalen, City Clerk

**OWNERS**

Dated: 11-5-10

By:   
Keith C. Moore  
(This signature must be notarized.)

Dated: 11-5-10

By:   
Cecilia Price  
(This signature must be notarized.)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY  
JEFFREY R. EPP, City Attorney

By: \_\_\_\_\_

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of San Diego

On Nov. 5, 2010 before me, Karen Lisa Aegerter, Notary Public, CA  
(Here insert name and title of the officer)

personally appeared Keith C. Moore and Cecilia Price

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~ ~~she~~ ~~they~~ executed the same in his ~~her~~ ~~their~~ authorized capacity(ies), and that by his ~~her~~ ~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Karen Lisa Aegerter  
Signature of Notary Public, CA

(Notary Seal)



## ADDITIONAL OPTIONAL INFORMATION

### INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/~~she~~/~~they~~, ~~is~~ /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

### DESCRIPTION OF THE ATTACHED DOCUMENT

Historic Property Preservation Agreement  
(Title or description of attached document)

4600 EAST 6<sup>th</sup> AVE. ESCORDIDO, CA  
(Title or description of attached document continued)

Number of Pages 10 Document Date 11/05/10

Re: Keith C. Moore and Cecilia Price  
(Additional information)

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer

\_\_\_\_\_  
(Title)

- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other \_\_\_\_\_



**ATTACHMENT "A"**

Legal Description of 460 East 6<sup>th</sup> Avenue, Escondido, CA

**THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:**

**LOT 8 IN BLOCK "K" OF ESCONDIDO, AND 3.5 FEET OF THE EASTERLY SIDE OF LOT 7, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO.336 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY JULY 10,1886.**

**SAID LEGAL IS PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED JULY 18, 2006 AS INSTRUMENT NO. 2006-504589 OF OFFICIAL RECORDS.**

**ASSESSOR'S PARCEL NUMBER: 233-282-18**

## ATTACHMENT "B"

### Mills Act Application List of Improvements

Property Address: 460 East 6<sup>th</sup> Avenue  
Property Owners: Keith Moore and Cecilia Price

1. Renovate existing 1950's single-car garage, making it more like original 1930's carriage house (planned).
2. Repaint entire house (planned).
3. Relandscape front yard and street side yard (planned).
4. Landscape backyard (planned).
5. Repair front yard irrigation system (planned).
6. Repair backyard irrigation system (planned).
7. Replace old existing chain link fencing around the yard with more appropriate wood fence (planned).
8. Have professional arborist treat, feed and prune large Elm in front yard (planned).
9. Have a professional arborist trim historic Oak in side yard (planned).

## RENT REVIEW BOARD

For City Clerk's Use:

APPROVED  DENIED

Reso No. RRB \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. RRB \_\_\_\_\_

Agenda Item No.:   10  

Date: November 17, 2010

**TO:** Honorable Chairman and Members of the Rent Review Board

**FROM:** Roni Keiser, Housing Division Manager

**SUBJECT:** Short-form Rent Increase Application for Greencrest Mobilehome Park

### STAFF RECOMMENDATION:

- Consider the Short-form Rent Increase Application submitted for Greencrest Mobilehome Park.
- If approved, adopt Rent Review Board Resolution No. 2010-06, granting an increase of 75% of the change in the CPI, or 1.045% (an average of \$4.09) for the period of June 30, 2009, through June 30, 2010. The application meets the eligibility criteria for submittal of a short-form rent increase application.

### INTRODUCTION:

Greencrest Mobilehome Park ("Park") has filed a short-form rent increase application. The Escondido Mobilehome Park Rent Review Board (the "Board") is asked to 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:

The Park is an all age mobilehome park located at 541 W. 15<sup>th</sup> Avenue in Escondido. The owner is requesting an increase for 72 of the 129 spaces in the Park. The remainder of the spaces in the Park are rentals or are on long-term leases.

The Park's facilities include a clubhouse, a community swimming pool and a playground. Also, laundry facilities are available to the residents for a fee.

### PARK OWNER'S REQUEST:

Under the short-form policy guidelines, the Park owner is requesting an increase of 75% of the change in the Consumer Price index (CPI) covering the period of June 30, 2009, through June 30, 2010. The average increase requested is \$4.09 per space, per month, which is a 1.045% increase for the twelve month period.

The last increase for the Park was granted in November 2008. The Rent Review Board granted an increase equal to 75% of the change in the CPI for the period of June 30, 2007, through June 30, 2008, for an average increase of \$13.24, or 3.42%. The Park owner did not submit a short-form rent increase application in 2009 because there was no increase in the CPI for the period of June 30, 2008, through June 30, 2009.

**RESIDENT MEETING AND COMMENTS:**

Individual notices were sent to each affected resident notifying them of the increase application and the hearing date. Additionally, residents were invited to a meeting held at the Park on October 21, 2010, at 6:00 p.m.

The meeting was attended by twelve residents, the Park Manager, Leticia Amavisca, and the Area Manager of the Park, Jim Younce. Residents stated that the morale in the park was much improved recently, incidents in the Park are down, and the Park Manager was very nice to work with. The Park is in the process of remodeling the laundry facilities, and will be installing security cameras in various locations throughout the community. The residents expressed concern about the possums and feral cats in the Park, and management indicated letters will be going out to the residents soon with a reminder not to leave food of any kind outside their homes. There are additional issues listed on the Resident Representative Report Form, but none of these issues are a violation of Title 25. The resident representative stated the residents were not protesting this short-form rent increase.

There are currently three residents in the Park participating in the City of Escondido Mobilehome Rent Subsidy Program.

**HEALTH AND SAFETY CODE INSPECTION:**

An inspection of the common areas of the Park by the Code Enforcement Division of the City noted some violations of the Health and Safety Code; a copy of the Code Report ("Report") is attached as Exhibit "A". The Park owner received a copy of the Report and was informed that no rent increase, if granted, may be implemented until the Health and Safety Code violations have been cleared.

**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,

  
Roni Keiser  
Housing Division Manager



October 28, 2010

**MOBILEHOME PARK RENT CONTROL**  
**CODE ENFORCEMENT INSPECTION REPORT**

**Park Name:** Greencrest Mobilehome Park  
541 W. 15<sup>th</sup> Ave.  
Escondido, CA 92025

**Park Owner:** Greencrest L L C  
301 E. 17<sup>th</sup> St., Ste. 208  
Costa Mesa, CA 92627

**Park Manager:** Leticia Amavisca      **Phone:** (760) 745-4352

**Inspection Date:** 10/26/10      **Inspectors:** S. Moore/A. Bates

The following report is based on the inspection of the mobile home park conducted under provisions outlined in the California Health & Safety Code, Division 13, Part 2.1; the California Code of Regulations, Title 25; the Escondido Zoning Code, Article 45; and the Escondido Municipal Code. This inspection report only addresses health and safety issues related to the common facilities and areas in the mobile home park for which maintenance, repair and operations is the responsibility of the owners and managers of the park.

**General Violations:**

1. Repair or replace the non-working smoke detector in the clubhouse. 25 CCR 1605 (l)
2. Repair or replace the non-operational lights inside the clubhouse. 25 CCR 1605 (d) (1)

3. Replace the protective cover over the light fixture inside the storage building by the maintenance room. 25 CCR 1605 (d) (1)
4. Repair or re-seal the exterior south wall of the storage building next to the maintenance room. 25 CCR 1605 (g) (2)
5. Repair or replace the self-latching locking mechanism on the pool gate. 25 CCR 1608 (i); EZC 33-1109 (c) (2)

**Areas of the park needing illumination per 25 CCR 1108  
(Lighting Inspection; 10-26-10)**

No lighting violations found.

# MOBILEHOME PARK RENT REVIEW

## RESIDENT REPRESENTATIVE REPORT FORM

**Park Name:**

**Date of Inspection:**

**Resident Representative** MAURPEN WINSTANLEY

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.

\_\_\_\_\_  
Print Name of Resident Representative

Maurpen Winstanley  
Signature

10-21-10  
Date

#65 760-747-6070  
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.

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

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

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

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

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

*LAUNDRY ROOM: NO MARKED PARKING SPACE, POOR VENTILLATION,  
NEEDS FAN FOR CLIMATE CONTROL, BOARDED WINDOW  
BACK GLASS WINDOW, NO FIRE EXTINGUISHER*

**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

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**Other questions, comments or concerns:**

*POSUM PROBLEM, VANDALISM,*

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10.

RESOLUTION NO. RRB 2010-06

A RESOLUTION OF THE ESCONDIDO  
MOBILEHOME RENT REVIEW BOARD MAKING  
FINDINGS AND GRANTING A RENT INCREASE  
FOR GREENCREST 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 ("Application") pursuant to Section 12 of the Rent Review Board Guidelines was filed on September 29, 2010, by Bart Thomsen, the Owner of Greencrest Mobilehome Park ("Park"), located at 541 W. 15<sup>th</sup> Avenue in Escondido. The Application applies to 72 of the 129 spaces; and

WHEREAS, this is the ninth rent increase application filed by the Park since the Ordinance became effective in 1988. The last rent increase was granted by the Board in November 2008. The previous increase affected 81 spaces; the average increase was \$13.24 per space, per month; and

WHEREAS, at the time of the current Application, the average monthly space rent was \$391.16 for the 72 spaces subject to rent control. The owner requested a rent increase in the amount of 75% of the change in the Consumer Price Index (CPI) for the period June 30, 2009, through June 30, 2010, in accordance with the Rent Review Board short-form policy guidelines. The Application estimated this amount to be an

average of \$4.09, (1.045%) per space, per month; and

WHEREAS, a notice of the Park's 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 October 26, 2010, a Mobilehome Park Rent Review Code Enforcement Inspection Report ("Inspection Report") was completed in the Park; and

WHEREAS, on November 17, 2010, the Board held its public hearing and after an initial staff 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 increase of 1.045%, an average of \$4.09 per space, per month, for the 72 spaces which are subject to rent control.

NOW, THEREFORE, BE IT RESOLVED by the Rent Review Board of the City of Escondido, 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 CPI for San Diego County from June 30, 2009, through June 30, 2010, would amount to 1.045%, which averages \$4.09 per space, per month, for the 72 spaces that

are subject to rent control.

4. That the Board concluded that an increase of \$4.09 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 short-form rent increase ("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 Report.

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.: 11  
Date: November 17, 2010

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Jerry Van Leeuwen, Community Services Director  
**SUBJECT:** Purchase of Property at 2120 Harmony Grove Road

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2010-172 authorizing the Mayor and City Clerk to execute documents necessary to acquire property located at 2120 Harmony Grove Road in order to relocate the Community Services Divisions currently housed at the Public Works Yard at 475 N. Spruce Street.

FISCAL ANALYSIS:

The cost to purchase the building and property is \$6,050,000, plus escrow costs. Funding will come from the following sources:

- \$4.2 million loan from the Wastewater Fund
- \$1 million from the Public Facility Fees
- \$1 million from the Fleet Services Fund

A loan agreement between the City and the Wastewater Fund currently is being prepared by the City Attorney's Office.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item relates to the Economic Development element of the 2009-2011 City Council Action Plan.

PREVIOUS ACTION:

In closed session on October 27, 2010 the City Council authorized staff to make an offer on the property located at 2120 Harmony Grove Road in an amount not to exceed \$6.1 million.

BACKGROUND:

At the January 6, 2010 City Council meeting City Staff was asked to begin looking at options to relocate the City's Public Works Yard, currently located at 475 N. Spruce Street. A formal presentation updating the Council on the potential costs was presented on June 23, 2010. Since that time, staff has evaluated a variety of properties and has determined that the property at 2120 Harmony Grove Road is well suited to the space needs of the Community Services Divisions (Street Maintenance, Parks Maintenance, Building Maintenance and Fleet Services) as well as Recycling/Solid Waste personnel and the Warehouse. The property encompasses 4.5 acres and includes a 56,352 square foot building, as well as concrete parking and a yard area that is fully fenced and secured. The property is zoned I-P and will allow for the parking of city vehicles and heavy equipment trucks in the secure lot. However, since it is not zoned M-2, staff is still exploring the possible use of other city owned property, such as the Hale Avenue Resource Recovery Facility, for items that must be stored outside, such as concrete light poles, piles of street grindings, etc.

The current configuration of the interior of the building will require modifications to accommodate needed facilities, including a training room, lockers and showers. The exterior of the building will also need to be modified to accommodate lifts needed by the Fleet Services Division, as well as security cameras. Costs for both the interior and exterior improvements have not yet been developed. Staff will return to Council for approval on those costs after consultation with design professionals.

It should be noted that there currently are three tenants on the property, a master lease and two sub-leases. The master lease will be terminated. It may be possible to continue a lease with one of both of the sublease holders. Staff needs to complete an analysis of the space requirements for the relocated divisions and to determine the feasibility of keeping the subleases in place in terms of security and access. If both leases are continued, a monthly revenue of approximately \$13,000.00 will become available.

Respectfully submitted,



Jerry Van Leeuwen  
Community Services Director

RESOLUTION NO. 2010-172

11.

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO AUTHORIZING THE  
MAYOR AND CITY CLERK TO EXECUTE ALL  
DOCUMENTS AND FORMS NECESSARY TO  
COMPLETE THE ACQUISITION OF PROPERTY  
AT 2120 HARMONY GROVE ROAD

WHEREAS, the current Public Works Yard, located at 475 N. Spruce Street has been determined to be the City of Escondido's most valuable redevelopment acreage; and

WHEREAS, the City Council desires to relocate the operations of the Public Works Yard in order to prepare the property for possible future redevelopment; and

WHEREAS, an existing building and property located at 2120 Harmony Grove Road has been deemed suitable facility for such a relocation; and

WHEREAS, the owners of the property located at 2120 Harmony Grove Road (APN 232-051-58-00) have voluntarily agreed to sell their property at an agreed-upon purchase price of \$6,050,000; and

WHEREAS, the Escondido City Council desires at this time and deems it to be in the best public interest to approve the funding of the acquisitions and related costs for this property using funds from the following sources: \$4.2 million loan from the Wastewater Fund, \$1 million from the Public Facility Fees, and \$1 million from the Fleet Services Fund;

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 an allocation of funds in an amount not to exceed \$6.2 million for the acquisition of property located at 2120 Harmony Grove Road (APN 232-051-58-00), and related costs, is hereby approved.
3. That the Mayor and City Clerk are authorized to execute all documents and forms necessary to acquire the property and to accept the Grant Deed on behalf of the City of Escondido



# CITY COUNCIL

For City Clerk's Use:

APPROVED  DENIED

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

Agenda Item No.: 12  
Date: November 17, 2010

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Jerry Van Leeuwen, Director of Community Services  
**SUBJECT:** California Center for the Arts Escondido 2009-2010 Operating Deficit

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2010-176 authorizing the payment of \$149,000 for the 2009-2010 operating deficit of the CCAE.

FISCAL ANALYSIS:

This action will reduce the General Fund operating reserves by \$149,000.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item relates to the Council's Action Plan regarding Economic Development.

PREVIOUS ACTION:

The City Council Subcommittee for the Center for the Arts (Daniels and Diaz) recommends payment of the operating deficit.

BACKGROUND:

The CCAE established a new operating model at the direction of the City Council. The model was instituted in the 2009-2010 fiscal year. The goal of the new model was to reduce financial risk to the city and to reduce operating deficits that had occurred in previous years. While the initial year of implementation was more successful than anticipated, CCAE was not able to completely cover all operating expenses. The deficit of 2009-2010 is \$149,000. This is approximately half of the deficit experienced in 2008-2009. The approved budget of the City did not allocate funds for the deficit and therefore it is necessary to request Council approval.

Respectfully submitted,

Jerry Van Leeuwen, Director

RESOLUTION NO. 2010-176

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS TOWARDS THE OPERATING EXPENSES OF THE CALIFORNIA CENTER FOR THE ARTS- ESCONDIDO

WHEREAS, The California Center for the Arts, Escondido (CCAEC) has successfully implemented a new operating model that reduces financial risk to the City and provides greater assurance of economic success for the CCAEC; and

WHEREAS, The CCAEC has signed Management Agreements with the City that have, and will continue to further advance the new operating model; and

WHEREAS, the CCAEC was not able to cover all operating expenses associated with the implementation of the new operating model during FY 2009-2010; and

WHEREAS, the City and CCAEC are both committed to the success of the CCAEC and the operating model, as well as to the goal of stimulating the local economy and downtown area through the support of CCAEC; and

WHEREAS, the City has significant investment in the facilities of CCAEC, and wishes to assure that such investment is successful.

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

1. That the above recitations are true and correct.
2. That the City Council authorizes the City Manager or his designee to make an expenditure of City funds in the amount of \$149,000 for the purpose of covering the CCAEC the operating deficit for 2009-2010.

# CITY COUNCIL

For City Clerk's Use:

**APPROVED**     **DENIED**

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

**Agenda Item No.:** 13  
**Date:** November 17, 2010

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Charles Grimm, Assistant City Manager  
**SUBJECT:** Lease Agreement Between the City of Escondido and San Diego North Economic Development Council

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2010-173 approving a three-year lease agreement ("Lease Agreement") with the San Diego North Economic Development Council ("SDNEDC") for the use of City-owned property at 700 West Grand Avenue in Escondido as a business incubator.

FISCAL ANALYSIS:

The lease rate is \$1 per year. There are two one-year options to renew the Lease Agreement at the end of the three-year term. Clients of SDNEDC will site their businesses in Escondido for a minimum of three years upon incubator program completion and the City will realize associated economic benefits therefrom.

PREVIOUS ACTION:

None

BACKGROUND:

The former Police Station at 700 West Grand Avenue has been vacant since May 2010 when police personnel moved into their new facility. Given its prime location at one of the gateways to Escondido, the City desires to sell the Premises after the real estate market recovers. In the meantime, the City has received a proposal from SDNEDC to rent the facility and to use it as a business incubator where it will sublease office space to start-up businesses. While the City will not be a party to the Sublease Agreement, SDNEDC expressly requires sublessee businesses locate within Escondido for a minimum of three years upon incubator program completion.

The purpose of the incubator is to identify early-stage sustainable business opportunities, and then assist client companies in the process of commercialization. The incubator aspires to have a positive impact on the community's economic health by maximizing the success of emerging companies. The incubator itself is a dynamic model of a sustainable, efficient business operation. SDNEDC will provide:

Lease Agreement for Business Incubator

November 17, 2010

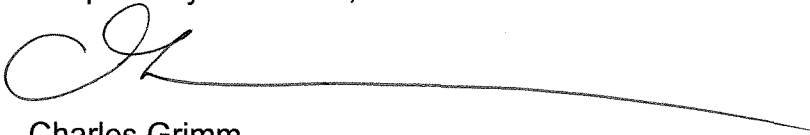
Page 2

- A financial plan that includes sustainability factors
- Identified outcomes and economic impact to the community
- Vision and focus
- An effective governance structure with policies and procedures
- Skilled management staff that provide entrepreneurial services to develop successful companies
- Client management tools to assist clients and entrepreneurs
- A management information system

SDNEDC will also provide management and support service to clients in the incubator, coordinate meetings and schedule education and training sessions.

A copy of SDNEDC's complete proposal is attached to this staff report as Attachment "1." A copy of the Lease Agreement is attached to Resolution No. 2010-173 as Exhibit "1" and a copy of SNDEDC's Sublease Agreement is attached to the Lease Agreement as Attachment "B."

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'C. Grimm', with a long horizontal line extending to the right.

Charles Grimm  
Assistant City Manager



## **PROJECT PROPOSAL**

### **Developing a Business Incubator in Escondido**

#### **Background**

The objective of the Technology incubator is to identify early-stage sustainable business opportunities, and then assist client companies in the process of commercialization.

The SDNEDC's goal is to provide the information and infrastructure that will create the maximum probability for commercial success. The SDNEDC will attempt to develop models based on the successful approach used by such companies as Garage.com, Vulcan Ventures, CMGI, and IdeaLabs, where initial investment, incubation, development, and commercialization are a coordinated effort involving all of the participants.

The SDNEDC believes that we can provide substantial long-term investment returns by accomplishing two complementary goals:

- Reducing financial risk by selecting the appropriate projects
- Maximizing the success of projects by developing the appropriate infrastructure around them

A wide range of Strategic Resources is necessary for early stage opportunities to be successful including; financing, strategic business advice, industry associated support, incubation etc. The SDNEDC will develop a network that can support businesses in a number of ways.

#### **Description of the project**

The guidelines for effective business incubation are based on two core principles: 1) The incubator aspires to have a positive impact on its community's economic health by maximizing the success of emerging companies and 2) The incubator itself is a dynamic model of a sustainable, efficient business operation. Based on these principles, a successful incubator should have the following: 1) a financial plan that includes sustainability factors, 2) identified outcomes and economic impact to the community, 3) vision and focus, 4) an effective governance structure with policies and procedures, 5) skilled and experienced staff that provide entrepreneurial services to develop successful companies, 6) client management tools to assist clients and entrepreneurs, and 7) a management information system.

The San Diego North Economic Development Council will provide management and support services to the clients in the incubator, coordinate meetings, and schedule education and training sessions and other services described in this document.



# **SAN DIEGO NORTH**

## **Economic Development Council**

The Incubator will be staffed 5 days a week, from 9 am – 5 pm. Two staff members will be on site during the hours of operation to offer assistance and provide administrative support. In addition to paid staff, students or volunteers from the different educational partners will be present to assist clients with basic research and support services. One of the SDNEDC goals is to develop close relationships with the Escondido Library to integrate the work being done in the Incubator with classroom projects that will help students learn about technology, the environment and entrepreneurship.

The SDNEDC is talking with representatives of the Department of Defense about the creation of a robotic cluster in San Diego. The Incubator was mentioned as a possible community resource and great interest was expressed, especially related to the possible use of robotics integration. The assistance provided by the DOD would come as seed money for viable projects developed in the Incubator and possibly as financial support for the Incubator itself.

The San Diego North Economic Development Council is working with National University to provide a scalable High Performance Computing Center and Cloud Computing Utilization Center to the City of Escondido and North County as a whole. Utilization of this Center will be necessary for any start-up needing to run verification, virtualization, or other experimentation requiring massive amounts of computing power. The Center will house a dedicated server with a large pipeline feed into the TeraGrid National Computing Resource. This pipeline will allow the Incubator to tap into the Super Computer Centers across the county providing unlimited computing power.

The SDNEDC is also exploring the development of a Comprehensive Economic Development Strategy which will be a document that outlines regional assets and helps identify needs or gaps that impede economic growth. Once this document is complete and submitted to the Department of Commerce – Economic Development Administration, the City of Escondido would be eligible to receive funding to support the incubator and other economic development projects.

The revenue plan is that each company occupying space in the Incubator will pay a monthly lease rate. The lease rates outlined below are the minimum monthly rates to be paid one month in advance. Unless space occupied is separately metered, gas and electric are charged pro-rata per square foot and will be billed on a quarterly basis. However, special circumstances may be negotiated (suggested)

- Work Station (150 sq. ft.) - \$400
- Executive Suite (500 sq. ft.) - \$1,500
- Engineering Suite (500 sq. ft. plus high speed computer with CAD software) - \$2,500
- Wet Lab (500 sq. ft. plus high speed computer with wet lab access)- \$3,500

We anticipate that in year one, 15 incubator companies will occupy space with a breakdown of: 8 companies with work stations, 3 companies with executive suites, two companies using the engineering suite and one company needing wet lab space. In year two we expect to add 10 additional companies all using work stations.



# **SAN DIEGO NORTH**

## **Economic Development Council**

### **Project partners**

Another key objective of the SDNEDC is to assist local business start-ups with technical expertise, access to educational/research institutions, financial resources, and workforce development programs. The partners in the Technology Incubator include California State University San Marcos, National University, UCSD, San Diego State University, MiraCosta College, Palomar College, CONNECT, Clean Tech San Diego, as well as our regional business partners such as AT&T, SDG&E, Cox Communications, NRG Energy, and others.

SDNEDC President/CEO Gary Knight will engage the National University Community Research Institute (NUCRI) to provide an Interdisciplinary Incubator Resource Team to the SDNEDC project. The Incubator Resource Team will be led by Dr. Thomas MacCalla, Executive Director of the NUCRI, and will include notable internal/external practitioners, and scholars. NUCRI's nucleus resource team members include:

1. Dr. Kevin Franklin, High Performance Computing and Leadership Consultant, who also was the former Deputy Director of the San Diego Supercomputer Center (SDSC) and collaborated with the UC San Diego Connect Incubator while he was there.
2. Dr. Ahmad Housseini, Dean, National University School of Business and Management and former Dean Emeritus, School of Business and Economics, Sonoma State University
3. Dr. Mohammad Amin, Associate Professor, National University School of Engineering and Technology and holder of three patents
4. J. Stewart Borie, President of the Entrust Environmental Corporation in Encinitas and former CFO and Director of the Border Environmental Commerce Alliance (BECA) in Chula Vista, California, an early cross-border technology-based environmental incubator in Chula Vista, California.

#### **Dennis Guseman, Ph.D. – Dean of the College of Business Administration**

Dennis Guseman earned his Doctorate in Business Administration, with a concentration in Marketing from the University of Colorado at Boulder. He has over 25 years experience in academia and is the recipient of the prestigious Outstanding Professor Award from Cal State Bakersfield. Dr. Guseman has published two textbooks and numerous articles in professional journals. He has also done extensive consulting for regional and national companies to develop strategic and marketing plans.

#### ***The Senior Experience Program***

The Senior Experience Program matches consulting teams of students with projects submitted by local businesses and organizations. Students gain by working as consultants on rigorous, real-world projects that require teamwork and application of classroom knowledge. Businesses gain by receiving concentrated attention from bright, energetic teams that provide a fresh, independent look at their projects. Each student team works under the supervision of a faculty member.

The nature of the problems or projects chosen for the Senior Experience varies according to the organization. For instance, a student consulting team might be asked to:

- Diagnose the causes of an accounting, finance, operations or an information systems problem, evaluate possible solutions and make a recommendation or possibly implement the chosen alternative





- Conduct a feasibility study or write a business plan for producing a new product, entering a new market, building a new facility
- Analyze manufacturing processes, customer service workflows or human resources program

### **Action Plan**

The SDNEDC will provide clients access to shared office support and management consulting services. Shared office support typically involves use of a copier, secretarial services, FAX machine, telephones, and receptionist services with costs built into the rent. The incubator will be staffed 8 hours a day, 5 days a week from 9 am – 5 pm. Two staff members will be on site during the hours of operation to offer assistance and provide administrative support. The tenants will have keys assigned to them to facilitate use of the facility on an as-needed basis during non-business hours. All tenants will be required to sign in and out to insure security along with all visitors and non-staff personnel.

In addition to paid staff, students or volunteers from the different educational partners will be present to assist clients with basic research and support services. Every two weeks, at various times of the day, experts in finance, legal, engineering, science and other related fields will be on site to lend assistance and answer questions. If more expert assistance is needed, the clients will contract directly with these or other experts at discounted rates to be established. The clients will always have the right to work with people of their own choosing and are not obligated to use the experts we provide.

Networking can be a critical component for new business start-ups. The network can be as formal as organized training or educational sessions where tenants come together to discuss mutual problems or just a place where they can share business experiences and technical advice, make valuable business contacts, and support one another as they strive to build successful firms

### **5. Project Terms**

The City of Escondido would agree to lease the currently empty building at 700 West Grand Avenue, Escondido, CA 92025 for \$1 (one dollar) a year for a minimum of 3 years with two option years at the same rate. The City also would agree to provide maintenance and upkeep on the building. The SDNEDC will pay operational costs associated with running the Technology Incubator. The SDNEDC will recruit companies to occupy space in the building and charge a lower than market rate rent to use the space and access resources and services provide in-common to all tenants. The types of services include:

#### **Specific Services**

- Business Plan Review and Evaluation
- Financial Ratio Analysis
- Cash Flow Analysis
- Business Valuations
- Venture Capital Research



# **SAN DIEGO NORTH**

## **Economic Development Council**

- Corporate Expansions
- Financial and Investment Planning
- Optimum Debt/Equity Structure
- Deal Structuring
- Market and Feasibility Studies
- Direct Mail Forecasting
- Radio, TV, Print, Internet, and Direct Mail Marketing Internet Strategies
- Access to university/college resources including research collaboration opportunities, student interns, MBA student support teams, etc.
- Product marketing & manufacturing strategy support
- Prototyping, and software & web development
- Strategic partnerships, licensing opportunities, and client development
- Legal advice on governance, IP, licensing, corporate law, deal structuring

### **Deadline**

The City of Escondido should express their willingness to participate in the project before October 31, 2010, at the latest..

### **7. Contact Person**

San Diego North Economic Development Council  
Gary Knight  
President & CEO  
100 N Rancho Santa Fe Road, Suite 124  
San Marcos, CA 92069  
760-598-9311 ext. 203  
[garyknight@sandiegonthedc.org](mailto:garyknight@sandiegonthedc.org)  
[www.sdnedc.org](http://www.sdnedc.org)

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE MAYOR AND CITY  
CLERK TO EXECUTE, ON BEHALF OF THE  
CITY, A LEASE AGREEMENT FOR OFFICE  
SPACE AT 700 WEST GRAND AVENUE, IN  
THE CITY OF ESCONDIDO

WHEREAS, Escondido Police personnel vacated commercial space at 700 West Grand Avenue (the "Premises") in May of 2010; and

WHEREAS, the San Diego North Economic Development Council ("SDNEDC") submitted a proposal to the City to use the Premises as a business incubator where SDNEDC will identify sustainable start-up businesses and assist them with commercial growth; and

WHEREAS, in exchange for SDNEDC'S rent-free occupancy of the Premises, SDNEDC will require sublessee businesses that complete the incubator program to locate within Escondido for a minimum of three (3) years upon program completion; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to approve the lease agreement ("Agreement") with SDNEDC.

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 Mayor and City Clerk are authorized to execute, on behalf of the City, an Agreement with SDNEDC, in substantially the form attached to this Resolution as Exhibit "1," and incorporated by this reference, and subject to final approval as to form by the City Attorney.

**CITY OF ESCONDIDO  
LEASE AGREEMENT**

PREMISES:

700 West Grand Avenue  
Escondido, CA 92025

LESSEE:

San Diego North Economic Development Council

TERM: Three (3) Years

**CITY OF ESCONDIDO**  
**LEASE AGREEMENT INDEX**

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Exhibit A Premises  
 Exhibit B Sublease Agreement



CITY OF ESCONDIDO  
LEASE AGREEMENT

This Agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

Between: CITY OF ESCONDIDO  
a municipal corporation  
201 N. Broadway  
Escondido, California 92025  
("CITY")

And: San Diego North Economic Development Council  
XX  
XX  
("LESSEE")

Witness that whereas:

A. CITY desires to rent to Lessee and Lessee desires to rent from CITY certain public property located at 700 West Grand Avenue, for the purpose of operating a consulting business. The Property is described in Exhibit "A," which is incorporated by this reference.

NOW THEREFORE, it is mutually agreed by and between CITY and LESSEE as follows:

1. DEFINITION OF TERMS. The following words in this Lease Agreement shall have the significance attached to them in this clause unless otherwise apparent from their context.
  - a. "Lease" means this Lease Agreement.
  - b. "Premises" means the real property described in Exhibit "A."
  - c. "Lease Administrator" means the City of Escondido–Real Property Agent, or upon written notice to Lessee, such other person as shall be designated from time to time by CITY.

- d. "LESSEE" means the San Diego North Economic Development Council, and does not include its heirs, assigns, or successors-in-interest.
- e. "SUBLESSEE" means any person or entity that leases space on the Premises directly from LESSEE.
2. ADMINISTRATION. This Lease shall be administered on behalf of CITY by the Lease Administrator, whose address is:

City of Escondido  
Engineering – Real Property  
201 North Broadway  
Escondido, CA 92025

and on behalf of Lessee by San Diego North Economic Development Council, whose address is:

XX  
XX

3. TERM. The term of this Lease shall be three (3) years, commencing on November 1, 2010.
4. TERMINATION OF LEASE.

4.1 Each party shall have the right to terminate this Lease without cause for any reason by giving ninety (90) days prior written notice to the other party.

4.2 CITY shall have the right to terminate this Lease by giving seven (7) days prior written notice to LESSEE for any of the following events:

4.2.1 LESSEE'S failure to comply with the following clauses in this Lease:

Acceptance and Maintenance, Paragraph 12

Alterations, Paragraph 13

Use, Paragraph 14

Occupancy, Assignment and Subletting, Paragraph 15

Conduct, Paragraph 16

Insurance, Paragraph 22

Americans with Disabilities Act (ADA), Paragraph 30

4.2.2 If the CITY discovers at any time during the lease term that the LESSEE or any other party has used, is using, or will use the Premises in an unlawful manner or for an unlawful purpose, or in any manner that is inconsistent with any provision of this Lease.

5. OPTIONS TO RENEW. LESSEE shall have two (2) one (1) year options to renew this Lease upon CITY'S written consent. If LESSEE desires to renew this Lease, LESSEE shall provide written notice to CITY of LESSEE'S intent to renew not less than sixty (60) days prior to the expiration of the initial Lease term or first renewal year. CITY shall respond to LESSEE'S renewal request in writing within thirty (30) days of receiving such notice. CITY reserves the right to modify the rent rate for each renewal year at the Lease Administrator's discretion.

6. VACATION OF PREMISES.

6.1 Upon termination of this Lease for any reason, LESSEE shall peaceably vacate, and shall cause its SUBLESSEES to peaceably vacate, and deliver the Premises to CITY in the same condition as Lessee found them upon its acceptance of the Premises hereunder, excepting ordinary wear and tear, conditions caused by acts of God and improvements made in accordance with Section 13 herein.

6.2 Upon such termination, LESSEE shall immediately:

6.2.1 Arrange and pay for the disconnection of all utilities and services ordered by LESSEE;

6.2.2 Provide a written statement to the Lease Administrator of LESSEE'S new address for purpose of refunding monies, if any, due LESSEE under this Lease; and

6.2.3 Deliver any keys for the Premises to the Administrator or send said keys by certified mail to the address stated in Paragraph 2 above.

7. RENT. In consideration of the possession and use of the Premises, LESSEE shall deliver and pay rent to CITY during the term of this Lease in the amount of ONE DOLLAR (\$1.00) per year.



8. COST OF LIVING ADJUSTMENT. Not applicable to this lease.
9. SECURITY DEPOSIT. No security deposit shall be required under this Agreement.
10. UTILITIES PAYMENTS. LESSEE agrees to provide and pay for all utilities and services necessary for the occupancy and use of the Premises, including, but not limited to: gas, water, electricity, trash, sewage charges or septic service, and telephone.
11. TAXES, ASSESSMENTS, AND FEES.
  - 11.1 The terms of this Lease may result in the creation of a possessory interest. If such a possessory interest is vested in LESSEE, LESSEE may be subjected to the payment of personal property taxes levied on such interest. LESSEE shall be responsible for the payment of, and shall pay before delinquent, all taxes, assessments, and fees assessed or levied upon LESSEE, on said Premises or any interest therein, on any buildings, structures, machines, appliances, or other improvements of any nature whatsoever, or on any interest therein.
  - 11.2 LESSEE further agrees not to allow such taxes, assessments, or fees to become a lien against said premises or any improvement thereon. Nothing herein contained shall be deemed to prevent or prohibit LESSEE from contesting the validity of amount of any such tax, assessment, or fee in any manner authorized by law.
12. ACCEPTANCE AND MAINTENANCE.
  - 12.1 LESSEE hereby acknowledges that LESSEE has inspected the Premises, that LESSEE accepts said Premises "as is" and "where is," that the Premises are in a good and sanitary order, condition, and repair. LESSEE hereby accepts the Premises as such.
  - 12.2 LESSEE agrees to take good care of the Premises and all improvements, alterations, fixtures, and appurtenances thereon. LESSEE agrees to make all repairs in and about the Premises, including painting, which may be necessary to preserve them in good order and condition. Said repairs, if any, shall be made in a good and professional manner, and at least equal to the condition and quality of the repaired items at the inception of this Lease. LESSEE shall promptly pay the expenses of such repairs. LESSEE agrees to be solely responsible for all costs of maintenance and repair.

12.3 In the event LESSEE fails to properly maintain the premises as required by CITY, then CITY may notify Lessee in writing of said failure. In the event LESSEE fails to perform said maintenance within thirty (30) days after such notice by CITY, CITY may perform such maintenance, and the cost thereof including, but not limited to, the cost of labor, material, and equipment, shall be paid by Lessee to CITY within ten (10) days from receipt by LESSEE of a cost statement from CITY.

12.4 Noncompliance by LESSEE or SUBLESSEES with any provision of this clause shall allow the CITY to immediately terminate this Lease, pursuant to Paragraph 4.2 above.

13. ALTERATIONS.

13.1 LESSEE shall make the alterations and improvements to the Premises, at LESSEE'S sole cost and expense, that LESSEE reasonably believes are necessary to operate said consulting business. Any and all alterations and improvements made to the Premises must first be approved in writing by the Lease Administrator.

13.2 Any improvements made with the consent of the Lease Administrator shall become a fixture to the realty and shall remain on and be surrendered with the Premises upon termination of this Lease.

13.3 Noncompliance by LESSEE or SUBLESSEES with any provision of this Clause shall allow the Lease Administrator to terminate this Lease pursuant to Paragraph 4.2 above.

14. USE. LESSEE agrees to use the Premises as follows:

14.1 To provide business consulting services to SUBLESSEES, in accordance with the provisions and requirements contained in any permits required by the City of Escondido Planning Division and in accordance with the Sublease Agreement attached and incorporated hereto as Exhibit "B."

- 14.2 LESSEE shall not use, nor permit the use of, the Premises other than as described in Paragraph 15.1 above. In any case where LESSEE is, or should reasonably be, in doubt as to the propriety of any particular use, LESSEE may request, and will not be in breach or default if LESSEE abides by, the written determination of the Lease Administrator that such use is or is not permitted.
- 14.3 Noncompliance by LESSEE or SUBLESSEES with any provision of this Clause shall allow the Lease Administrator to terminate this Lease pursuant to Paragraph 4.2 above.
15. OCCUPANCY, ASSIGNMENT AND SUBLETTING. The Premises shall only be occupied by LESSEE and LESSEE'S SUBLESSEES. LESSEE agrees to sublease the premises in accordance with the Sublease Agreement. LESSEE shall not assign this Lease or any interest therein without the prior written consent of the Lease Administrator. Any such assignment without the CITY'S consent shall be void and shall, at the option of CITY, terminate this Lease. LESSEE'S noncompliance with this Clause shall allow the Lease Administrator to terminate this Lease pursuant to Paragraph 4.2 above.
16. CONDUCT.
- 16.1 LESSEE, SUBLESSES and their guests shall at all times conduct themselves in a quiet and dignified manner so as to cause no annoyance or inconvenience to neighbors of LESSEE.
- 16.2 LESSEE and SUBLESSEES shall not violate, or permit the violation of, any CITY or County ordinance, or state or federal law, in or about the Premises.
- 16.3 Noncompliance by LESSEE or SUBLESSEES with any provision of this Clause shall allow the Lease Administrator to terminate this Lease pursuant to Paragraph 4.2 above.
17. PETS. No pets or livestock of any kind may be kept on the Premises without the prior written consent of the Lease Administrator.

- 18. NOTICES. Any notice required or permitted to be given by this Lease must either be personally served on the other party or served by certified mail, return receipt requested, to the addressee. Notices served by mail shall be sent to the address listed above in Paragraph 2. A change of either party's address must also be immediately served in the manner described above.
  
- 19. RIGHT OF INSPECTION. CITY reserves the right for its agents or employees to enter upon and inspect the Premises at any reasonable time to ascertain if LESSEE is complying with the provisions of this Lease.
  
- 20. AUDIT. CITY reserves the right for its agents or employees to conduct financial audits, not more than once yearly, of LESSEE'S financial records that are in any way associated with the Premises. CITY shall provide at least three (3) days advance notice to LESSEE of CITY'S intent to inspect such records.
  
- 21. RIGHT TO SHOW PREMISES. CITY reserves the right, during the last sixty (60) days of this Lease, or any extension thereof, to conduct an "open house" of the Premises in order to facilitate re-renting or selling the Premises. Said "open house" shall not exceed four hours total duration (maximum of two separate days), and when possible, be scheduled from 3 p.m. to 5 p.m., Monday through Friday.
  
- 22. INSURANCE.
  - 22.1 LESSEE must have insurance in the following amounts at all times during this Agreement:
    - 22.1.1 General liability insurance with at least \$1 Million combined single-limit coverage per occurrence for bodily injury and property damage; and
    - 22.1.2 Automobile liability insurance of \$1 Million combined single-limit per accident for bodily injury and property damage; and
    - 22.1.3 Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole proprietorship
  - 22.2 Each insurance policy required above must be acceptable to the City Attorney:

- 22.2.1 Each policy must name the CITY specifically as an additional insured under the policy on a separate endorsement page, with the exception of the workers' compensation policy.
- 22.2.2 Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A-rated, class V carrier or better, admitted in California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.
- 22.2.3 All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.
- 22.3 LESSEE agrees to deposit with CITY, on or before the effective date of this Lease, one Certificate of Insurance for each of the policy or policies necessary to satisfy the insurance provisions of this Lease and to keep such insurance in effect during the entire term of this Lease. Said Certificate of Insurance shall be reviewed by, and acceptable to, the City Attorney, prior to commencement of the Lease Term. LESSEE will also deposit with the CITY within 60 days of the Effective Date of this Lease, an Additional Insured Endorsement naming CITY specifically and separately as a "additional insured", with the exception of the worker's compensation policy. The appropriate endorsements described in Paragraph 22.2 above shall follow within sixty (60) days. Noncompliance by LESSEE with any provision of this Clause shall allow the Lease Administrator to terminate this Lease pursuant to Paragraph 4.2 above.
- 22.4 CITY shall retain the right at any time to review the coverage, form and amount of the insurance required hereby. If, in the opinion of the Lease Administrator, the insurance provisions in this Lease do not provide adequate protection for CITY and for members of the public using the Premises, CITY may require LESSEE to obtain insurance sufficient in coverage, form and amount to provide adequate protection from and against the kind and extent of risks which exist or are foreseeable at the time a change in insurance is required. CITY'S requirements shall be reasonable, but shall be designed to assure adequate protection of the CITY'S interests. The Lease Administrator shall notify LESSEE in writing of changes in the insurance requirements and, if LESSEE does not deposit with CITY within sixty (60) days of receipt of such notice a new Certificate of Insurance for each policy or policies of

insurance incorporating such changes, this Lease shall be deemed in default without further notice to LESSEE and may be forthwith terminated by the Lease Administrator, pursuant to Paragraph 4.2 above.

- 22.5 The procuring of such required policy or policies of insurance shall not be construed to limit LESSEE'S liability hereunder nor to fulfill the indemnification provisions and requirements of this Lease. Notwithstanding said policy or policies of insurance, LESSEE shall be obligated for the full and total amount of any damage, injury or loss attributable to any act or omission of it or its agents, customers or guests in connection with this Lease or with use or occupancy of the Premises.
- 22.6 Noncompliance by LESSEE with any provision of this Paragraph 22 shall allow the Lease Administrator to terminate this Lease pursuant to Paragraph 4.2 above.
23. INDEMNIFICATION. LESSEE shall defend, indemnify, and hold harmless CITY, its officers, agents, and employees from and against any and all claims, demands, and liabilities for loss of any kind or nature which CITY, its officers, agents, or employees may sustain or incur or which may be imposed upon them or any of them for injury to or death of persons or damage to property as a result of, arising out of, or in any manner connected with this Lease or with the occupancy and use of the Premises by LESSEE, SUBLESSEES, their invitees, visitors, or any other persons whatsoever. LESSEE further agrees to pay any and all costs and expenses, including, but not limited to, court costs and reasonable attorney's fees incurred by CITY on account of any such claims, demands, or liabilities. However, the provisions of this Agreement shall not be construed to indemnify CITY for claims or acts arising from CITY'S sole negligence.
24. ATTORNEY'S FEES, COSTS AND EXPENSES. In the event litigation or other proceeding is required to enforce or interpret any provision of this Lease, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.
25. NONDISCRIMINATION. LESSEE herein covenants that this Lease is made and accepted upon and subject to the condition that there shall be no discrimination against or segregation of any person or group of persons on account of physical or mental disabilities, race, color, creed, religion, sex, marital status, national origin or ancestry in the use, occupancy, tenure or enjoyment of the leased premises. LESSEE shall not establish or

permit any such practice of discrimination or segregation with reference to the selection, location, number, or use of occupancy by customers, tenants or vendees in the leased premises.

26. SUPERSEDURE. This Lease, upon becoming effective, shall supersede any leases or rental agreements heretofore made or issued for the Premises between the CITY and LESSEE.
27. HAZARDOUS AND/OR CONTAMINATED SOIL AND MATERIAL. LESSEE will not place or permit to be placed materials and/or contaminated soils on the premises which under federal, state, or local law, statute, ordinance, or regulations require special handling in collection, storage, treatment, and/or disposal. LESSEE also hereby covenants and agrees that, if at any time it is determined there are materials and/or contaminated soils located on the premises which under any environmental requirement require special handling in collection, storage, treatment, or disposal, LESSEE shall notify CITY. Within thirty (30) days after written notice to CITY or from CITY, LESSEE shall commence to take and thereafter diligently complete, at LESSEE'S sole expense, such actions as may be necessary to comply with environmental requirements.
28. LAW TO GOVERN; VENUE. This Lease Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of San Diego, North County Branch. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Southern District of California, in San Diego.
29. SPECIAL PROVISIONS. LESSEE hereby acknowledges that LESSEE waives all rights to any form of relocation assistance provided for by local, state, or federal law to which LESSEE may be entitled by reason of this Lease.
30. AMERICANS WITH DISABILITIES ACT (ADA). It is the duty of the LESSEE while operating under this Lease to comply with all local, state, and federal laws, including, but not limited to, the Americans with Disabilities Act and to indemnify CITY from any violation of any such law. Failure to comply with a provision of local, state, or federal law is grounds for the Lease Administrator's immediate termination of this Lease.

IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations, and have executed this Agreement as of the date set forth below.

CITY OF ESCONDIDO

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

Date: \_\_\_\_\_

By: \_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_

San Diego North Economic Development Council

By: \_\_\_\_\_

\_\_\_\_\_  
Print Name and Title

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY  
Jeffrey R. Epp, City Attorney

By: \_\_\_\_\_



**EXHIBIT A**

---

**Legal Description**

(To be added later)

SUBLEASE FOR CENTER FOR ENTREPRENOMICS

Escondido, CA 92025

THIS SUBLEASE is made at Escondido, CA on this \_\_\_\_ day of \_\_\_\_ 2010, by and between San Diego North Economic Development Council, a California not-for-profit-corporation ("Landlord"), and \_\_\_\_\_. ("Tenant").

WITNESSETH:

That in consideration of the mutual promises, covenants, conditions, and terms to be kept and performed, it is agreed between the parties hereto as follows:

1. Business Assistance Program

The Landlord and Tenant understand that Landlord desires to assist and encourage Tenant's business by providing certain extraordinary business assistance services in addition to the Sublease of the Premises. These services are described in the materials provided to Tenant prior to the time of Tenant's acceptance of this Sublease, which materials (as may be amended from time to time by Landlord) are incorporated into this Sublease by reference. In addition, Tenant has received, prior to the execution of this Sublease, materials regarding eligibility and hiring practices and employment and financial reporting requirements. The parties agree that no default, defect, or omission by Landlord in the providing and performance of such services shall be deemed to be a default by Landlord under this Sublease.

2. Description

Landlord subleases to Tenant, and Tenant shall pay rent for the Premises identified as **office space** \_\_\_\_\_ ("Premises"), at 700 West Grand Avenue, Escondido, CA 92025.

3. Term

Tenant shall sublease the Premises for a term of one (1) year commencing the 1st day of \_\_\_\_\_ 2010, and ending on the 31st day of \_\_\_\_\_ 2011. Landlord and Tenant shall each have the right to terminate this Sublease upon giving the other at least thirty (30) days written notice of their intent to terminate, such termination to be at the end of such thirty (30) day period or at such later date as is indicated in the notice to terminate, but not prior to the end of one complete billing cycle.

4. Rent / Additional Rent / Utilities

For the Premises and Term set forth above, the Tenant agrees to pay a total rent of \_\_\_\_\_). Rent to be paid in equal monthly installments of ( \_\_\_\_\_) in advance on the first day of each calendar month. In the event possession is taken on a date other than the first day of the month, the rent shall be pro-rated for the period between the date of possession and the first of the next calendar month in order to place the rental payments on the foregoing schedule.

Tenant agrees to pay any and all charges incurred under separate agreement or otherwise for services furnished by Landlord as well as any other amounts due Landlord as additional rent which shall be paid along with the monthly installment of rent.

Subject to the provisions in Section 1 and the materials relating to extraordinary utilities and trash removal, the rent in the office space shall include the following: real property taxes and assessments, gas, water, and electricity.

4-a. Requirement to site in the City of Escondido upon graduation or exiting incubator

The Center for Entreprenomics, as an incubation facility, hereby requires city graduation location a requirement for initial entry into the facility. Tenant agrees to site their business upon graduation in the City of Escondido for a period of not less than three years in consideration for occupying space in the Center for Entreprenomics at reduced rent and for all assistance provide and for use of incubator resources.

Tenant agrees to reimburse Landlord for all costs, at true market rates (to be determined at time of exit or graduation), for services furnished by Landlord, and for the difference in rental rate during the length that tenant occupied space in the incubator and received services that assisted them in developing a business.

5. Insurance Costs of Lessor

Tenant shall pay, as additional rent, any increase in premiums for insurance against direct loss that may be charged during the term of this Sublease on the amount of insurance now carried by the Landlord on the Premises and on the improvements situated on the Premises resulting from the business carried on therein by the Tenant or from the character of its occupancy, even if the Landlord has consented thereto.

6. Security Deposit

As additional security for the faithful performance of its obligations hereunder, Tenant shall pay to Landlord the sum of **Seven Hundred and no/100 Dollars (\$700.00)**. Unless otherwise agreed by landlord and tenant in advance, in writing, Tenant shall pay the security deposit in one payment on or before the 1st day of \_\_\_\_\_ 2010. The security deposit may be applied by Landlord for the purpose of curing any default or defaults of Tenant under this Sublease, in which event Tenant shall replenish said deposit in full by promptly paying to Landlord the amount so applied. If Tenant has not defaulted or Landlord has applied the deposit to cure a default and Tenant has replenished same, then the deposit, or such applicable portion thereof, shall be repaid in Cash to Tenant promptly after the termination of this Sublease. The deposit shall not be deemed an advance payment of rent or a measure of Landlord's damages for and default by Tenant. No interest shall be paid on Tenant's security deposit.

### 7. Late Charges

Tenant agrees to pay a surcharge of fifteen percent (15%) on any amount ten (10) or more days past due, and a surcharge of twenty-five percent (25%) on any amount fifteen (15) or more days past due. All payments received shall be first applied to any past due amounts and then to current charges. No payment by Tenant or acceptance by Landlord of a lesser amount than the basic rent, additional rent, or other payments to Landlord due hereunder shall be deemed to be other than part payment of the full amount due. Landlord may accept such part payment without prejudice to Landlord's right to recover the balance due and payable or to pursue any other remedy provided in this Sublease.

### 8. Place of Payment

Any payment due from the Tenant to the Landlord under this Sublease shall be made the Landlord's office at 750 Grand Avenue, Escondido, CA 92025, or at such other place the Landlord designates from time to time in writing.

### 9. Holding Over

In the event that Tenant holds over after expiration of this Sublease without a written agreement between the parties to renew, extend, or otherwise renegotiate the leasehold such holding over shall be construed as a month-to-month tenancy on the terms and conditions, so far as applicable, of this Sublease.

### 10. Condition of Premises at Time of Leasing

The Tenant acknowledges that it has examined the Premises prior to the making of this Sublease and knows its condition, and that no representations as to its conditions or state of repair has been made by the Landlord or its agents that are not expressed in this Sublease. The Tenant hereby accepts the Premises in its present condition at the date of the execution of this Sublease.

### 11. Delay in Obtaining Possession

If the Tenant cannot take possession of the Premises at the time provided above because the Premises are not ready, or because another tenant is holding over, or because of any cause beyond the control of the Landlord, the Landlord shall not be liable in damages to the Tenant; but rent shall fully abate during the period of any such delay. Landlord shall not be liable for failure to deliver the Premises to Tenant on the beginning date of this Sublease for reasons beyond the Landlord's control.

### 12. Use and Occupancy

The Premises shall be used during the term of this Sublease for the business of Tenant described as \_\_\_\_\_ and for no other purpose. The Premises shall not be used, occupied, or kept in violation of any law, municipal ordinance, or regulation.

13. Unlawful or Dangerous Activity

Tenant shall neither use nor occupy the demised Premises or any part thereof for any unlawful, disreputable, or ultra-hazardous business purpose, nor operate or conduct business in a manner constituting a nuisance of any kind. Tenant shall immediately, on discovery of any unlawful, disreputable, or ultra-hazardous use, take action to halt such activity. Tenant agrees to comply with all applicable laws, ordinances, and regulations of the City of Escondido, the State of California, and the United States Government, and to conform to all reasonable rules and regulations which Landlord may establish; not to damage any part of the premises; and not to permit any employee, agent, customer, or visitor to be in violation of any obligation of Tenant under this Sublease.

14. Care of Premises

The Tenant shall not perform any act or carry on any practices that may injure the Building or be a nuisance to other tenants in the Building and shall keep the Premises clean and free from rubbish and dirt at all times.

15. Casualty

Subject to the conditions set forth in Section 15, if the Premises are damaged or destroyed, in whole or in part, during the Term of this Sublease, the Landlord shall repair and restore them to good and tenable condition with reasonable dispatch. If the Premises are untenable in whole, the rent shall abate in full until they are restored to good and tenable condition. If the premises are untenable in part, rent shall abate pro rata until they are restored to good and tenable condition. Provided that:

- (A) If delay in repair or restoration is caused by the Tenant failing to adjust its own insurance or to remove its damaged goods, wares, equipment, or other property within a reasonable time, the rent shall not abate during the period of such delay;
- (B) If casualty damage is caused by the negligent or willful acts of the Tenant, its agents or employees, there shall be no rent abatement;
- (C) If during the time of repair, the Tenant uses a portion of the Premises for storage, Tenant shall be liable for a reasonable storage fee;
- (D) In the event the Premises or the Building are destroyed to the extent of more than one-half its value, the Landlord may terminate the Sublease by a written notice to Tenant.

16. Loss Caused by Other Tenants

The Landlord shall not be liable to the Tenant for damages occasioned by the acts or omissions of persons occupying adjoining Premises or any part of its Building of which the Premises are a part, or for any loss or damage resulting to the Tenant of its property from bursting, stoppage, or leaking of water, gas, or sewer pipes.

17. Insurance to be Obtained by Tenant

The Tenant shall carry the following minimum amounts of insurance during the life of this Sublease with the Landlord listed as additional insured:

- (A) Comprehensive General Liability insurance issued by a reputable insurance company licensed to do business in California for bodily injuries, including those resulting in death, and property damage in an amount not less than a combined single limit of Three Hundred Thousand Dollars (\$ 300,000), and an additional Fifty Thousand Dollars (\$50,000) for Fire Legal Liability.
- (B) At the sole discretion of the Tenant, insurance for all contents, and Tenant's trade fixtures, machinery, equipment, furniture, furnishings, and inventory in the subleased Premises. Tenant must be advised the Landlord is not responsible for loss of business contents or business income of the Tenant.
- (C) Insurance for any leasehold improvements made by Tenant upon the Premises against all risks of direct physical loss, including water pipe and sprinkler breakage and damage. The insurance coverage shall be for not less than One Hundred Percent (100%) of the then current full replacement cost of such improvements with all proceeds of insurance payable to Landlord provided, however, that such proceeds shall be used to restore the improvements.

The insurance shall be in companies and in form, substance, and amount (where not stated above) satisfactory to the Landlord. The insurance shall not be subject to cancellation except after at least thirty (30) days prior written notice to the Landlord. Certificate of insurance together with satisfactory evidence of payment of the premiums thereon, shall be deposited with Landlord at the commencement date of this Sublease and renewals thereof not less than thirty (30) days prior to the end of the term of such coverage.

Should Landlord receive notice of cancellation of said insurance, it shall notify the Tenant to cease operations immediately and not to start again until Landlord receives new copies evidencing that insurance describe above is in full force and effect.

18. Indemnification

The Tenant shall indemnify and save the Landlord, Board of Directors and the President of the San Diego North Economic Development Council, and its agents/employees, the City of Escondido, its agents and employees, harmless from all claims or liabilities of any type of nature or any person, firm, or corporation, including any agents or employees of the Tenant, arising in any manner from the Tenant's performance of operations and business covered by this Sublease.

Landlord shall not be liable to the Tenant, or to any other person, for any damage to any person or property caused by act, omission or neglect of Tenant. Tenant agrees to indemnify or hold Landlord harmless from any such liability or claim of liability against Landlord, including attorney's fees.

19. Repairs and Alterations by Tenant

Tenant shall, at its own expense, keep the Premises in good repair, and will, at the expiration of this Sublease, deliver the Premises to the Landlord in like condition as when taken, reasonable use and wear thereof and damage by the elements excepted. The Tenant shall not make any alterations, additions, or improvements to the Premises without the Landlord's prior written consent. All alterations, additions, and improvements made by either party upon the Premises during the Term hereof, except movable office furniture and trade fixtures put in at Tenant's expense, shall become property of the Landlord at the expiration of the Term. Tenant covenants to pay as they become due all just claims for labor and materials used in making any such additions, alterations, or improvements and to indemnify and save Landlord and the Premises harmless of and from all costs, expenses, and damages, including reasonable attorney's fees and costs of suit arising out of or connected with any statutory or other liens against the Premises, the Building, or the Property for or on account of such labor and materials.

Tenant covenants both for itself and its servants, agents, and employees, to observe and keep all necessary rules and regulations of the Building which affect said Premises and will at its own cost and expense make any and all necessary alterations or changes in the Premises which may be necessary because of any act of the Tenant, its servants, agents, and employees, in violation of any law, ordinance, rule or regulation of any city, state, or government body. Upon the failure of the Tenant to make or proceed to make, any such changes or alterations within thirty (30) days after being required to by any other rule, regulation, or ordinance above referred to within ten (10) days of the receipt of said order or notice, then Landlord may enter the Premises at its option and do and perform said alterations or make such changes at the cost and expense of the Tenant, which said expense shall be deemed as rent and added to the next monthly installment of rent then accruing and be collectible as such.

20. Access to Premises and Common Areas

Landlord may enter the Premises at any reasonable time for any reasonable purpose. If the Landlord deems any repair necessary for which the Tenant is responsible, Landlord may demand that the Tenant perform the repair. If Tenant refuses or neglects to make the repair in a reasonable time, the Landlord may make the repair and charge the Tenant in accordance with Section 6. The Landlord may enter the premises at reasonable times to install or repair pipes, wires, or other appliances or to make any repair the Landlord deems essential to the use and occupancy of the other parts of the Building. Landlord shall give reasonable advance notice to Tenant of its intention to make non-emergency repairs.

In addition to the Premises, the Tenant shall have a non-exclusive right to access to such common areas as Landlord determines to be necessary to the use of the Premises as appropriate.

21. Advertising Displays

No sign or advertising shall be displayed upon the Premises unless approved in writing by the Landlord.

## 22. Nondiscrimination

The Tenant agrees not to discriminate against any client, employee, or applicant for employment or for services because of race, creed, color, national origin, sex, sexual orientation, or age, with regard to, but not limited to, the following: employment upgrading; demotion or transfer, recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; selection for training; rendition of services.

## 23. Assignment

The Tenant shall not assign, transfer, or mortgage this sublease or sublet the Premises in whole or in part without the Landlord's prior written consent. Any assignment or subletting shall not relieve Tenant of any of its obligations under this sublease.

## 24. Trash Service

Landlord agrees to provide at its cost a suitable trash receptacle and regularly scheduled pick-up sufficient to service Tenant in order to prevent the unsightly accumulation of trash and other debris. Tenant shall be responsible for trash collection charges that exceed a normal service minimum Charge. Tenant will dispose of all hazardous waste according to local laws and ordinances.

## 25. Default

It is expressly understood and agreed that if the rents above, or any part thereof, shall be in arrears, or if default shall be made in any of the covenants of agreements herein contained to be kept by Tenant, Landlord may, at Landlord's election, give Tenant ten (10) days written notice of Landlord's intent to terminate said Sublease; provided however, that during said ten (10) day period, Tenant may correct defaults as set forth in said notice and avoid forfeiture thereof.

Upon termination of this Sublease pursuant to the preceding paragraph, Tenant shall peacefully surrender the premises to Landlord, and Landlord may upon such termination or at any time after such termination, without further notice, rent the Premises. If Tenant fails to peacefully surrender the Premises, the Landlord may repossess it by force, summary proceedings, ejectment, or otherwise and may dispossess Tenant and remove Tenant and all other persons and property from the Premises. At any time after such termination, Landlord may re-let the Premises or any part thereof in the name of Landlord or otherwise for such term (which may be greater or lesser than the period which would otherwise have constituted the balance of the term of this Sublease) and on such conditions (which may include concessions or free rent) as Landlord, in Landlord's discretion may determine and may collect and receive the rents therefor. Landlord shall in no way be responsible for or liable for any failure to re-let the Premises or any part thereof or for any failure to collect any rent due upon such re-letting.

No such termination of this Sublease shall relieve Tenant of Tenant's liability and obligations under this Sublease, and such liability and obligations shall survive any such termination. In the event of any such termination, whether or not the Premises or any part thereof shall have been re-let, Tenant shall pay to Landlord the rent required to be paid up by Tenant up to the time of such termination, and thereafter,



Tenant, until the end of what would have been the term of this Sublease in the absence of such termination shall be liable to Landlord for, and shall pay to Landlord as and for liquidated and agreed damages for Tenant's default;

- (A) The equivalent of the amount of rent which would be payable under this Sublease by Tenant if this Sublease were still in full force and effect, Less
- (B) The net proceeds of any re-letting effected pursuant to the provisions of the preceding subparagraph, after deducting all of Landlord's reasonable expenses in connection with such re-letting, including, but not limited to, all repossession costs, brokerage commissions, legal expenses, attorneys' fees, alteration costs and expenses of preparation for such re-letting.

26. Landlord's Lien for Rent

Tenant hereby grants a lien to Landlord on Tenant's interest in all improvements, fixtures, or personal property, including inventory on the Premises. In the event Tenant fails to cure a default under this Sublease, Tenant authorizes Landlord to take possession of the property free and clear of Tenant's interest therein.

27. Cumulative Remedies

Remedies, rights, and benefits of this Sublease are cumulative and shall not be exclusive of any other remedy, right, or benefit contained herein or of any remedy, right, or benefit allowed by law.

28. Jurisdiction and Attorney's Fees

The prevailing party is entitled to any and all attorney fees or other costs incurred in enforcing the provisions set forth in this Sublease. This paragraph shall also apply to any court action or appeals therefrom.

29. Waiver

One or more waivers by the Landlord or Tenant of any of this Sublease's provisions shall not be construed as a waiver of a further breach of the same provision.

30. Bankruptcy and Insolvency

The Landlord may cancel this Sublease in the event that the estate created hereby is taken in execution or by other process of law; or, if the Tenant is declared bankrupt or insolvent according to law; or if any receiver is appointed for the business and property of the Tenant; or if any assignment is made of the Tenant's property for the benefit of creditors.

31. Rules and Regulations

Tenant, its agents, employees, and invitees will use the common areas of the Building (reception area, conference rooms, halls, steps, passageways, toilet rooms, delivery area, parking area, and so forth) subject to rules as the Landlord may make from time to time for the general safety and convenience of the occupants and tenants of the Building.

32. Substitute Space

It is understood that Landlord may substitute space within the Building of similar quality for the Premises subleased to the tenant. Landlord shall be responsible for all expenses in moving Tenant to the new Premises.

33. Quiet Enjoyment

Upon performing the foregoing covenants, the Landlord agrees that the Tenant shall and may peaceably and quietly have, hold, and enjoy the Premises of the Term herein.

34. Partial Validity

If any provision of this Sublease shall be invalid, the remainder of this Sublease shall not be affected thereby.

35. Notice

Whenever this Sublease requires notice to be served on Landlord or Tenant, notice shall be effective the day after mailing, and shall be sufficient if mailed by first-class mail with postage fully paid, to the following address:

Tenant:

Landlord:

36. Amendments and Modifications

Except for the provisions in Section 1 relating to the Business Assistance Program, Landlord and Tenant agree that this Sublease contains the entire agreement, express or implied, of the parties hereto. There shall be no amendments or modifications to this Sublease, unless agreed to in writing, signed by Landlord and Tenant.

37. Binding Successors

This Sublease is binding on the respective heirs, successors, representatives, and assigns of the parties.

38. Applicable Law

This Sublease shall be constructed according to the laws of the State of California.

IN WITNESS WHEREOF, the parties have signed this Sublease in Escondido, California, the day and year written below.

LANDLORD: San Diego NorthTENANT:  
Economic Development Council

Dated: 02/03/2010

Dated: 02/01/2010

By:

By:

President/CEO

CEO

DISCLAIMER

THIS AGREEMENT of understanding is prepared for the benefit of the INCUBATOR PROGRAM, hereinafter referred to as "Program," and \_\_\_\_\_ hereinafter referred to as "Business," both parties which desire to clearly understand the relationship developed for the benefit of promoting and assisting in this limited arrangement.

Program and Business are neither a partnership nor a venture of any description, in fact or law, but rather are independent entities forming a voluntary arrangement wherein Program is a general business advisor of Business. Business is under no compulsion or constraint to accept or implement the suggestions and advisement of Program.

Business specifically acknowledges and agrees that Program has no liability, past, present, or future, as to the final and ultimate decisions of Business, nor is Business compelled in any fashion to accept the advisement and suggestions of Program.

Program neither assumes nor authorizes Business to assume any liability of behalf of Program or suggest to third parties, either expressly or implied, that Program is in any way a principal, agent, or associated entity of Business, and

Business specifically acknowledges its responsibility for all decisions and business matters related to its operation and control.

The Business shall indemnify and save the Program; the Landlord; the President of the San Diego North Economic Development Council, Board of Directors and any of the programs' agents, advisors, representatives, and employees harmless from all claims or liabilities of any type of nature or any person, firm, or corporation, including any agents or employees of the Business, arising in any manner from the Business's performance of operations and business covered by this Sublease and this disclaimer.

Program and Business agree herein to represent accurately the relationship between Program and Business and to abide by these provisions.

Executed this \_\_\_\_\_, in Escondido, CA.



AGENDA ITEM NO.: 14  
AGENDA DATE: 11-17-10

## FUTURE CITY COUNCIL AGENDA ITEMS

**November 10, 2010**

*AGENDA ITEMS AND COUNCIL MEETING DATES ARE SUBJECT TO CHANGE. CHECK WITH THE CITY CLERK'S OFFICE AT 839-4617*

**NOVEMBER 24, 2010 – NO MEETING (Thanksgiving)**

**NOVEMBER 30, 2010 – SPECIAL MEETING – Triple-A Ballpark  
4:00 P.M.**

**CITY COUNCIL**

For City Clerk's Use:

**APPROVED**       **DENIED**

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

**Agenda Item No.:** 11  
**Date:** ~~November 10~~, 2010

CONTINUED TO 11/17/10

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Charles Grimm, Assistant City Manager  
**SUBJECT:** Council Parking Subcommittee Recommendations

RECOMMENDATION:

The Parking Subcommittee is recommending that the City Council implement the following recommendations: 1) Establish free unlimited parking in the Downtown area during the holidays; 2) On a permanent basis ensure that weekend parking in the Downtown would be free with no time limits; 3) On a permanent basis provide that parking on Valley and Second Streets in the Downtown area is free with no time limits; and 4) that all mid-block red zones along Grand Avenue be removed.

FISCAL ANALYSIS:

Revenues from normal enforcement for this period would be lost but would likely be neutralized by the lack of need for enforcement personnel during the same time.

BACKGROUND:

In 2009 Council authorized several changes to the management and costs of Downtown parking permits. The number of permits that could be issued was raised to coincide with the total amount of lot spaces in the Downtown area. In addition, the cost of the permits also was raised. Due to the financial hardships currently being experienced by many Downtown merchants, the DBA requested to meet with the Parking Subcommittee (Abed and Diaz). A meeting was held by the Subcommittee on October 26, 2010, and was attended by the DBA and a number of Downtown merchants.

After lengthy discussion on a number of issues, the Downtown Parking Subcommittee requested the following recommendations be presented to the City Council:

Free Downtown parking for the Holidays: The Subcommittee is recommending free parking in the Downtown area from November 25, 2010, through January 2, 2011. Parking signs would be bagged for this period. In conjunction with covering the signs, the City Manager would withhold parking enforcement during this period. The DBA has offered to be responsible for covering the signs during this period. Since a number of businesses are going through severe hardships the Subcommittee felt that easing our regulations during the peak of their business season could be helpful to Downtown merchants.

Weekend Parking: The Parking Subcommittee is also recommending that Council provide no cost parking with no time limits on weekends on a permanent basis. Minor costs would occur from the need to modify affected parking signs. Enforcement would not be needed in the affected lots on weekends. The Subcommittee felt this could help stimulate weekend business.

Second Street and Valley Parkway: In addition, the Subcommittee is also requesting that the City Council provide no cost and no time limit parking on Valley Parkway and Second Street in the Downtown area. This would allow merchants' employees to park off of Grand and help businesses that have clients in their shops for more than two or three hours. Signs would need to be changed to reflect the new policy.

Longer Term Issues: In discussing longer term parking issues the Downtown Parking Subcommittee is also recommending that the City Council direct staff to analyze the use of pay machines for downtown parking lots where patrons could pay an amount consistent with the length of time they want to park in the lot.

In addition, the Subcommittee would like Council to initiate a general review of all parking standards in the Downtown area, have staff work with the DBA to provide better signing for parking lots, take another look at the possibility of utilizing diagonal parking on Grand Avenue, and have Council continue to look at opportunities for structured parking. Staff would recommend that these items be discussed at the Council Action Plan workshop in February.

Respectfully submitted,



Charles Grimm  
Assistant City Manager