



Council Meeting Agenda

AUGUST 5, 2015

CITY COUNCIL CHAMBERS

3:30 P.M. Closed Session; 4:30 P.M. Regular Session

201 N. Broadway, Escondido, CA 92025

MAYOR	Sam Abed
DEPUTY MAYOR	Michael Morasco
COUNCIL MEMBERS	Olga Diaz Ed Gallo John Masson
CITY MANAGER	Clay Phillips
CITY CLERK	Diane Halverson
CITY ATTORNEY	Jeffrey Epp
DIRECTOR OF COMMUNITY DEVELOPMENT	Barbara Redlitz
DIRECTOR OF PUBLIC WORKS	Ed Domingue

ELECTRONIC MEDIA:

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

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

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

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



Council Meeting Agenda

**August 5, 2015
3:30 P.M. Meeting**

Escondido City Council

CALL TO ORDER

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

ORAL COMMUNICATIONS

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

CLOSED SESSION: (COUNCIL/SUCCESSOR AGENCY/RRB)

I. CONFERENCE WITH LEGAL COUNSEL-- EXISTING LITIGATION (Government Code 54956.9(d)(1))

Case Name: City of Chula Vista, et al. v. Tracy Sandoval
Case No: 34-2014-80001723-CU-WM-GDS

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

- a. **Property:** 131 S. Broadway (APNs: 233-062-10-01 & 233-072-06-01)
City Negotiator: Debra Lundy, Real Property Manager
Negotiating Parties: 131 Broadway Escondido III, LLC.
Under Negotiation: Price and Terms of Agreement
- b. **Property:** 418 East Second Avenue
City Negotiator: Debra Lundy, Real Property Manager
Negotiating Parties: Talking Bibles, Inc.
Under Negotiation: Price and Terms of Agreement
- c. **Property:** 901 West Washington Avenue (City Public Works Yard)
City Negotiator: Clay Phillips, City Manager
Negotiating Parties: James Crone & Associates
Under Negotiation: Price and Terms of Agreement

ADJOURNMENT



Council Meeting Agenda

**August 5, 2015
4:30 P.M. Meeting**

**Escondido City Council
Mobilehome Rent Review Board**

CALL TO ORDER

MOMENT OF REFLECTION:

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

FLAG SALUTE

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

PROCLAMATIONS: Recognition of Louise Thurber's Years of Community Service

PRESENTATIONS: A Step Beyond - Frank Foster

ORAL COMMUNICATIONS

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

CONSENT CALENDAR

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

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/SUCCESSOR AGENCY/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/Successor Agency)**
3. **[APPROVAL OF MINUTES: A\) Regular Meeting of June 24, 2015 B\) Regular Meeting of July 8, 2015](#)**

4. **[FISCAL YEAR 2015 U.S. DEPARTMENT OF JUSTICE EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT - LOCAL SOLICITATION AND BUDGET ADJUSTMENT -](#)**

Request Council approve authorizing the Chief of Police to receive a \$42,352 Fiscal Year 2015 Edward Byrne Memorial Justice Assistance Grant (JAG); authorize the Chief of Police or his designee to execute grant documents on behalf of the City; and approve budget adjustments needed to spend grant funds.

Staff Recommendation: **Approval (Police Department: Craig Carter)**

5. **[AUTHORIZATION TO REFURBISH AND REMOUNT ONE \(1\) LIFELINE AMBULANCE PATIENT COMPARTMENT ONTO A CITY SUPPLIED FORD E450 CHASSIS -](#)**

Request Council approve the Escondido Fire Department's request to have Emergency Vehicle Group of Anaheim, California, refurbish and remount one (1) existing Lifeline ambulance patient compartment onto a City supplied Ford E450 chassis in the current fleet instead of purchasing one (1) new ambulance. The refurbishment includes an electrical system upgrade to accommodate changes in lighting technology.

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

6. **[CONTINUING EMERGENCY AND NEED TO REPAIR THE ESCONDIDO SEWER OUTFALL IN THE ESCONDIDO CREEK -](#)**

Request Council approve declaring that, pursuant to the terms of Section 22050 of the California Public Contract Code, the City Council finds there is a need to continue the emergency action and pass a resolution by four-fifths vote declaring that public interest and necessity demand the expenditure to safeguard life, health, or property.

Staff Recommendation: **Approval (Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-137

7. **[SANDAG TRANSNET ACTIVE TRANSPORTATION PROGRAM GRANT - ESCONDIDO CREEK BIKEWAY MISSING LINK PROJECT AND BUDGET ADJUSTMENT -](#)**

Request Council approve authorizing the Director of Public Works/City Engineer to execute on behalf of the City a funding agreement between San Diego Association of Governments (SANDAG) and the City of Escondido for the Escondido Creek Bikeway Missing Link Project and approve a budget adjustment to spend grant funding in the amount of \$1,092,000.

Staff Recommendation: **Approval (Public Works Department/Engineering: Ed Domingue)**

RESOLUTION NO. 2015-136

8. **[FIRST AMENDMENT TO THE 2014 ENGINEERING DESIGN STANDARDS AND STANDARD DRAWINGS -](#)**

Request Council approve a First Amendment to the 2014 Engineering Design Standards and Standard Drawings.

Staff Recommendation: **Approval (Public Works Department/Engineering: Ed Domingue and Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-134

CONSENT – RESOLUTIONS AND ORDINANCES (COUNCIL/SUCCESSOR AGENCY/RRB)

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

9. **SPECIAL EVENT PERMITS -**
Approved on July 8, 2015 with a vote of 4/0/1 (Diaz absent)
ORDINANCE NO. 2015-05 (Second Reading and Adoption)
10. **AMENDMENT OF ESCONDIDO MUNICIPAL CODE SECTION 17-5 AND 18-107 -**
Approved on July 8, 2015 with a vote of 4/0/1 (Diaz absent)
ORDINANCE NO. 2015-15 (Second Reading and Adoption)

PUBLIC HEARINGS

11. **SHORT-FORM RENT REVIEW BOARD HEARING FOR CASA GRANDE MOBILE ESTATES -**
Request Council consider the short-form rent increase application submitted by Casa Grande Mobile Estates, and if approved grant an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or 2.260% (an average of \$11.56) for the period of December 31, 2012 to December 31, 2014.

Staff Recommendation: **Consider for Approval (Community Development Department: Barbara Redlitz)**

RRB RESOLUTION NO. 2015-05

CURRENT BUSINESS

12. **DISPOSITION OF PROPERTY: 700 WEST GRAND AVENUE -**
Request Council approve authorizing the Real Property Manager and City Clerk to execute a purchase agreement and escrow documents necessary to complete the sale of 700 West Grand Avenue to Integral Partners Funding, LLC.

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

RESOLUTION NO. 2015-132

13. [ADOPT THE 2013 UPDATE OF THE SAN DIEGO INTEGRATED REGIONAL WATER MANAGEMENT PLAN -](#)

Request Council approve the adoption of the 2013 update of the San Diego Integrated Regional Water Management Plan which will qualify the City of Escondido for grant opportunities from the California Department of Water Resources.

Staff Recommendation: **Approval (Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-129

14. [MUNICIPAL CODE AMENDMENT REGARDING EXPEDITED ROOF TOP RESIDENTIAL SOLAR PERMITS -](#)

Request Council approve amending the Escondido Municipal Code Chapter 6, Article 1 to establish streamlined procedures to expedite the processing of residential roof top solar permits.

Staff Recommendation: **Approval (Community Development Department: Barbara Redlitz)**

ORDINANCE NO. 2015-16 (Introduction and First Reading)

FUTURE AGENDA

15. [FUTURE AGENDA -](#)

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

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

COUNCIL MEMBERS SUBCOMMITTEE REPORTS

CITY MANAGER'S UPDATE/BRIEFING

The most current information from the City Manager regarding Economic Development, Capital Improvement Projects, Public Safety and Community Development.

- [CITY MANAGER'S UPDATE -](#)

ORAL COMMUNICATIONS

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ADJOURNMENT

UPCOMING MEETING SCHEDULE

Date	Day	Time	Meeting Type	Location
August 12	Wednesday	3:30 & 4:30 p.m.	Regular Meeting	Council Chambers
August 19	Wednesday	3:30 & 4:30 p.m.	Regular Meeting	Council Chambers
August 26	Wednesday	3:30 & 4:30 p.m.	Regular Meeting	Council Chambers
September 2	Wednesday	3:30 & 4:30 p.m.	Regular Meeting	Council Chambers

TO ADDRESS THE COUNCIL

The public may address the City Council on any agenda item. Please complete a Speaker's form and give it to the City Clerk. Submission of Speaker forms prior to the discussion of an item is highly encouraged. 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.

Nomination forms for Community Awards are available at the Escondido City Clerk's Office or at <http://www.escondido.org/city-clerks-office.aspx>

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.escondido.org/meeting-agendas.aspx>
- In the City Clerk's Office at City Hall
- In the Library (239 S. Kalmia) during regular business hours and
- Placed in the Council Chambers (See: City Clerk/Minutes Clerk) immediately before and during the Council meeting.

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

LIVE BROADCAST

Council meetings are broadcast live on Cox Cable Channel 19 and U-verse Channel 99 – Escondido Gov TV. They can also be viewed the following Sunday and Monday evenings at 6:00 p.m. on those same channels. The Council meetings are also available live via the Internet by accessing the City's website at www.escondido.org, and clicking the "Live Streaming –City Council Meeting now in progress" button on the home page.

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

**The City Council is scheduled to meet the first four Wednesdays
of the month at 3:30 in Closed Session and 4:30 in Open Session.
(Verify schedule with City Clerk's Office)**

**Members of the Council also sit as the Successor Agency to the CDC, Escondido Joint Powers
Financing Authority and the Mobilehome Rent Review Board.**

**CITY HALL HOURS OF OPERATION
Monday-Friday 8:00 a.m. to 5:00 p.m.**



If you need special assistance to participate in this meeting, please contact our ADA Coordinator at 839-4643. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility.

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

CITY OF ESCONDIDO
June 24, 2015
3:30 P.M. Meeting Minutes
Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 3:30 p.m. on Wednesday, June 24, 2015 in the Council Chambers at City Hall with Mayor Abed presiding.

ATTENDANCE:

The following members were present: Councilmember Olga Diaz, Councilmember Ed Gallo, Deputy Mayor Morasco and Mayor Sam Abed. Councilmember John Masson was absent. Quorum present.

ORAL COMMUNICATIONS

CLOSED SESSION: (COUNCIL/SUCCESSOR AGENCY/RRB)

MOTION: Moved by Deputy Mayor Morasco and seconded by Councilmember Gallo to recess to Closed Session. Ayes: Abed, Diaz, Morasco and Gallo. Noes: None. Absent: Masson. Motion carried.

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

- a. **Agency Negotiator:** Sheryl Bennett & Clay Phillips
Employee Organization: Escondido City Employee Association:
Administrative/Clerical/Engineering (ACE) Bargaining Unit
- b. **Agency Negotiator:** Sheryl Bennett & Clay Phillips
Employee Organization: Escondido City Employee Association: Supervisory (SUP)
Bargaining Unit

II. CONFERENCE WITH LEGAL COUNSEL-- EXISTING LITIGATION (Government Code 54956.9(d)(1))

Case Name: Stuck in the Rough, LLC. v. City of Escondido, et al.
Case No: 37-2013-00074375-CU-WM-NC

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

- a. **Property:** 3400 Valley Center Road
City Negotiator: Debra Lundy, Real Property Manager
Negotiating Parties: Charros de el Caballo Park
Under Negotiation: Price and Terms of Agreement

- b. **Property:** 2207 Harmony Grove Road (Por.)
City Negotiator: Debra Lundy, Real Property Manager
Negotiating Parties: Pacific Harmony Grove Development, LLC, et. al.
Under Negotiation: Price and Terms of Agreement

ADJOURNMENT

Mayor Abed adjourned the meeting at 4:08 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY OF ESCONDIDO
June 24, 2015
4:30 P.M. Meeting Minutes

Escondido City Council
and as Successor Agency to the CDC

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 4:33 p.m. on Wednesday, June 24, 2015 in the Council Chambers at City Hall with Mayor Abed presiding.

MOMENT OF REFLECTION:

Melvin Bittner led the Moment of Reflection.

FLAG SALUTE

Mayor Abed led the Flag Salute.

PROCLAMATIONS:

Loretta McKinney accepted the Parks and Recreation Month Proclamation.

ATTENDANCE:

The following members were present: Councilmember Olga Diaz, Councilmember Ed Gallo, Deputy Mayor Michael Morasco, and Mayor Sam Abed. Councilmember John Masson was absent. Quorum present.

Also present were: Clay Phillips, City Manager; Jeffrey Epp, City Attorney; Barbara Redlitz, Community Development Director; Ed Domingue, Director of Public Works; Diane Halverson, City Clerk; and Michael Thorne, Minutes Clerk.

ORAL COMMUNICATIONS

Tom Cowan, Escondido, stated that Council meetings are held for public benefit.

Maria Escobedo, Escondido, expressed concern regarding water waste on an existing construction site and requested grading permits be revised during a drought.

Robroy Fawcet, Escondido, stated he does not support the closing of the Downtown Palomar Hospital during this fire season.

CONSENT CALENDAR

Councilmember Diaz removed items 11, 12, 13, 14, and 15 from the Consent Calendar for discussion.

MOTION: Moved by Councilmember Diaz and seconded by Deputy Mayor Morasco to approve the following Consent Calendar items with the exception of items 11, 12, 13, 14, and 15. Ayes: Abed, Diaz, Morasco and Gallo. Noes: None. Absent: Masson. Motion carried.

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

4. **AUTHORIZATION TO ORDER: MIGRATE TO CALNET 3 STATE CONTRACT -**

Request Council approve authorizing the Director of Information Systems to execute an Authorization to Order to migrate from State Contract CALNET 2 to State Contract CALNET 3 in order to maintain discount rates for existing and new telecommunications and network services. This Authorization to Order under CALNET 3 is effective until June 30, 2018, with two optional one-year automatic extensions. (File No. 1260-20)

Staff Recommendation: **Approval (Information Systems Department: Mark Becker)**

RESOLUTION NO. 2015-113

5. **RELOCATION PLAN FOR CYPRESS COVE -**

Request Council approve authorizing the adoption of the tenant Relocation Plan for Cypress Cove located at 260 North Midway Drive and appoint the Director of Community Development, or her appointed subcommittee, to act as the Hearing Officer/Committee to review formal appeals should any disagreements arise in the relocation process for the duration of the Project. (File No. 0873-99)

Staff Recommendation: **Approval (Community Development Department: Barbara Redlitz)**

RESOLUTION NO. 2015-118

6. **AWARD PURCHASE OF FUELS FOR FISCAL YEAR 2016 -**

Request Council approve the purchase of unleaded gasoline and diesel fuel from The SoCo Group, Inc. in the amount of \$1,300,000 utilizing a cooperative purchase agreement with the City of San Diego, RFP No. 10015195-12-Z, Purchasing Contract No. 46000000984, pursuant to Escondido Municipal Code Chapter 10 Article 5 section 10-90. (File No. 0470-35)

Staff Recommendation: **Approval (Public Works Department: Ed Domingue)**

RESOLUTION NO. 2015-101

7. **FINAL MAP, ESCONDIDO TRACT SUB 12-0014, LOCATED AT 537 NORTH ELM STREET -**

Request Council approve the Final Map for Tract SUB 12-0014, a One Lot, 11 Unit Residential Condominium Subdivision located at 537 North Elm Street and developed by San Diego Habitat for Humanity. (File No. 0800-10)

Staff Recommendation: **Approval (Public Works Department/Engineering: Ed Domingue)**

8. AMENDMENT TO PURCHASE AGREEMENT WITH THE PHAIR COMPANY/PASEO ESCONDIDO, LLC FOR THE DISPOSITION OF PROPERTY: 1201 EAST WASHINGTON AVENUE -

Request Council approve authorizing the Real Property Manager and City Clerk to execute an Amendment to the Purchase Agreement with the Phair Company/Paseo Escondido, LLC, for sale of 1201 East Washington Avenue. (File No. 0690-20)

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

RESOLUTION NO. 2015-105

9. LEASE AGREEMENT WITH WICKLINE BEDDING AT 455 NORTH QUINCE STREET -

Request Council approve authorizing the Real Property Manager and City Clerk to execute, on behalf of the City of Escondido, a Lease Agreement with Wickline Bedding at 455 North Quince Street. (File No. 0600-10 [A-3157])

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

RESOLUTION NO. 2015-78

10. BUDGET ADJUSTMENT FOR PROPERTY MANAGEMENT EXPENSES ASSOCIATED WITH THE DEMOLITION OF HOUSING SUCCESSOR AGENCY ASSET: 509 WEST SECOND AVENUE (LOPEZ MARKET) -

Request Council approve a budget adjustment to increase the Housing Successor Agency professional services budget in the amount of \$55,000 for property management expenses associated with the demolition of 509 West Second Avenue. (File No. 0430-80)

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

11. FISCAL YEAR 2015-16 DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL LOCAL LAW ENFORCEMENT GRANT AND BUDGET ADJUSTMENT -

Request Council approve authorizing the Chief of Police to receive a \$54,422 grant award from the California Department of Alcoholic Beverage Control; authorize the Chief of Police and Police Department staff to execute contract documents on behalf of the City; and approve budget adjustments needed to spend grant funds. (File No. 0480-70)

Staff Recommendation: **Approval (Police Department: Craig Carter)**

RESOLUTION NO. 2015-111

Councilmember Diaz questioned if this grant would result in the delay of Alcohol Licenses for new businesses.

Craig Carter, Chief of Police, stated that this grant would not affect the processing of the licenses.

MOTION: Moved by Councilmember Diaz and seconded by Deputy Mayor Morasco to approve authorizing the Chief of Police to receive a \$54,422 grant award from the California Department of Alcoholic Beverage Control; authorize the Chief of Police and Police Department staff to execute contract documents on behalf of the City; and approve budget adjustments needed to spend grant funds and adopt Resolution No. 2015-111. Ayes: Abed, Diaz, Morasco and Gallo. Noes: None. Absent: Masson. Motion carried.

12. FEDERAL BUREAU OF INVESTIGATION - SAN DIEGO INTEGRATED NARCOTIC TASK FORCE FUNDING -

Request Council approve accepting San Diego Integrated Narcotic Task Force funding from the FBI; authorize the Chief of Police or his designee to execute agreement documents on behalf of the City; and authorize future budget adjustments based solely on the increase or decrease of associated funding. (File No. 0480-70)

Staff Recommendation: **Approval (Police Department: Craig Carter)**

Councilmember Diaz requested more detail regarding staff cost related to the grant.

Craig Carter, Chief of Police, provided information regarding costs associated with the grant.

MOTION: Moved by Councilmember Diaz and seconded by Councilmember Gallo to approve accepting San Diego Integrated Narcotic Task Force funding from the FBI; authorize the Chief of Police or his designee to execute agreement documents on behalf of the City; and authorize future budget adjustments based solely on the increase or decrease of associated funding. Ayes: Abed, Diaz, Morasco and Gallo. Noes: None. Absent: Masson. Motion carried.

13. FEDERAL BUREAU OF INVESTIGATION - NORTH COUNTY REGIONAL GANG - SAFE STREETS TASK FORCE FUNDING -

Request Council approve accepting North County Regional Gang - Safe Street Task Force funding from the FBI; authorize the Chief of Police or his designee to execute agreement documents on behalf of the City; and authorize future budget adjustments based solely on the increase or decrease of associated funding. (File No. 0480-70)

Staff Recommendation: **Approval (Police Department: Craig Carter)**

Councilmember Diaz requested more detail regarding staff cost related to the grant.

Craig Carter, Chief of Police, provided information regarding costs associated with the grant.

MOTION: Moved by Councilmember Diaz and seconded by Councilmember Gallo to approve accepting North County Regional Gang - Safe Street Task Force funding from the FBI; authorize the Chief of Police or his designee to execute agreement documents on behalf of the City; and authorize future budget adjustments based solely on the increase or decrease of associated funding. Ayes: Abed, Diaz, Morasco and Gallo. Noes: None. Absent: Masson. Motion carried.

14. FEDERAL BUREAU OF INVESTIGATION - SAN DIEGO CHILD EXPLOITATION TASK FORCE FUNDING -

Request Council approve accepting San Diego Child Exploitation Task Force Funding from the FBI; authorize the Chief of Police or his designee to execute agreement documents on behalf of the City; and authorize future budget adjustments based solely on the increase or decrease of associated funding. (File No. 0480-70)

Staff Recommendation: **Approval (Police Department: Craig Carter)**

Councilmember Diaz requested more detail regarding staff cost related to the grant.

Craig Carter, Chief of Police, provided information regarding costs associated with the grant.

MOTION: Moved by Councilmember Diaz and seconded by Councilmember Gallo to approve accepting San Diego Child Exploitation Task Force Funding from the FBI; authorize the Chief of Police or his designee to execute agreement documents on behalf of the City; and authorize future budget adjustments based solely on the increase or decrease of associated funding. Ayes: Abed, Diaz, Morasco and Gallo. Noes: None. Absent: Masson. Motion carried.

- 15. UNITED STATES MARSHALS SERVICE - REGIONAL FUGITIVE TASK FORCE FUNDING -**
Request Council approve accepting Regional Fugitive Task Force funding from the USMS; authorize the Chief of Police or his designee to execute agreement documents on behalf of the City; and authorize future budget adjustments based solely on the increase or decrease of associated funding. (File No. 0480-70)

Staff Recommendation: **Approval (Police Department: Craig Carter)**

Councilmember Diaz requested more detail regarding staff cost related to the grant.

Craig Carter, Chief of Police, provided information regarding costs associated with the grant.

MOTION: Moved by Councilmember Diaz and seconded by Councilmember Gallo to approve accepting Regional Fugitive Task Force funding from the USMS; authorize the Chief of Police or his designee to execute agreement documents on behalf of the City; and authorize future budget adjustments based solely on the increase or decrease of associated funding. Ayes: Abed, Diaz, Morasco and Gallo. Noes: None. Absent: Masson. Motion carried.

- 16. CONTRACT FOR A THIRD-PARTY ADMINISTRATOR TO PROVIDE CLAIMS ADMINISTRATION SERVICES FOR THE CITY'S WORKERS' COMPENSATION PROGRAM -**
Request Council approve authorizing the Mayor and City Clerk to execute a one-year renewable contract with AdminSure to provide third-party administrator services for the City of Escondido Workers' Compensation Program. (File No. 0600-10 [A-3156])

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

RESOLUTION NO. 2015-112

- 17. BID AWARD FOR WATER METERS -**
Request Council approve rejecting Inland Waterworks' bid in the amount of \$126,810.90 as nonresponsive and determine the bid submitted by HD Waterworks in the amount of \$160,493.40 to be the lowest responsive and responsible bid. These water meters will be used for residential, commercial, new development and replacement installations. (File No. 0470-35)

Staff Recommendation: **Approval (Finance Department: Sheryl Bennett)**

RESOLUTION NO. 2015-103

- 18. SETTING SPECIAL TAX LEVY FOR COMMUNITY FACILITIES DISTRICT NO. 2006-01 (EUREKA RANCH) -**
Request Council approve setting the Special Tax Levy for Community Facilities District No. 2006-01 (Eureka Ranch) for Fiscal Year 2015/16. (File No. 0685-20)

Staff Recommendation: **Approval (Finance Department: Sheryl Bennett)**

RESOLUTION NO. 2015-93

- 19. SETTING SPECIAL TAX LEVY FOR COMMUNITY FACILITIES DISTRICT NO. 2000-01 (HIDDEN TRAILS) -**
Request Council approve setting the Special Tax Levy for Community Facilities District No. 2000-01 (Hidden Trails) for Fiscal Year 2015/16. (File No. 0685-20)

Staff Recommendation: **Approval (Finance Department: Sheryl Bennett)**

RESOLUTION NO. 2015-92

20. **MAINTENANCE AND OPERATIONS BARGAINING UNIT, TEAMSTERS LOCAL 911 MEMORANDUM OF UNDERSTANDING -**
Request Council approve a successor Maintenance and Operations Bargaining Unit contract. (File No. 0740-30)

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

RESOLUTION NO. 2015-115

CONSENT – RESOLUTIONS AND ORDINANCES (COUNCIL/SUCCESSOR AGENCY/RRB)

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

21. **PRELIMINARY, MASTER AND PRECISE DEVELOPMENT PLAN, AND ZONE CHANGE (PHG 14-0020 AND ENV 15-0004) -**

Approved on June 17, 2015 with a vote of 5/0. (File No. 0800-40)

ORDINANCE NO. 2015-13 (Second Reading and Adoption)

PUBLIC HEARINGS

22. **AMENDMENT TO THE ZONING CODE PERTAINING TO AIR SPACE CONDOMINIUMS AND COMMUNITY APARTMENTS (AZ 15-0001) -**

Request Council approve amending the Escondido Zoning Code pertaining to Article 49 to exempt condominium permit requirements for new commercial and/or industrial condominiums that otherwise comply with Subdivision Map Act and city public noticing requirements, increase the contingency fund for condominium conversion projects, eliminate the contingency fee for new construction, allow for administrative approval of minor changes to condominium projects on case-by-case basis, and other minor text revisions for clarity purposes; and approve certifying the environmental determination. (File No. 0810-20)

Staff Recommendation: **Approval (Community Development Department: Barbara Redlitz)**

ORDINANCE NO. 2015-14 (Introduction and First Reading)

Jay Petrek, Assistant Director of Planning, presented the staff report, utilizing a PowerPoint presentation.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Diaz to approve amending the Escondido Zoning Code pertaining to Article 49 to exempt condominium permit requirements for new commercial and/or industrial condominiums that otherwise comply with Subdivision Map Act and city public noticing requirements, increase the contingency fund for condominium conversion projects, eliminate the contingency fee for new construction, allow for administrative approval of minor changes to condominium projects on case-by-case basis, and other minor text revisions for clarity purposes; and approve certifying the environmental determination and introduce Ordinance No. 2015-14. Ayes: Abed, Diaz, Morasco and Gallo. Noes: None. Absent: Masson. Motion carried.

CURRENT BUSINESS

23. RESOLUTION AUTHORIZING APPLICATION FOR CLEAN WATER STATE REVOLVING FUND LOAN FREQUENT FINANCER STATUS -

Request Council adopt a resolution authorizing an application for Clean Water State Revolving Fund (SRF) Frequent Financer status for projects included in the Ag Recycled Water and Potable Reuse Program; and authorize the Director of Utilities to sign and file SRF loan documents on behalf of the City; approve pledging a revenue stream and designated fund(s) for repayment; and approve the City's qualification for reimbursement of project costs. (File No. 1340-70)

Staff Recommendation: **Approval (Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-108

THIS ITEM WAS NOT DISCUSSED.

FUTURE AGENDA

24. FUTURE AGENDA -

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

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

Councilmember Diaz noted that she will be absent from the July 8, 2015 meeting.

COUNCIL MEMBERS SUBCOMMITTEE REPORTS

Councilmember Gallo stated that the San Diego County Water Authority's Budget should be approved tomorrow at \$1.5 billion dollars; North County Transit District approved a \$99.7 million dollar operating budget and expect a \$100,000 surplus at the end of the year; North County Transit District will offer extended hour transportation services on Independence Day.

Mayor Abed reported on the SANDAG Transportation Committee's approval of two projects in the City.

CITY MANAGER'S UPDATE/BRIEFING

The most current information from the City Manager regarding Economic Development, Capital Improvement Projects, Public Safety and Community Development.

- **CITY MANAGER'S UPDATE -**

ORAL COMMUNICATIONS

ADJOURNMENT

Mayor Abed adjourned the meeting at 5:13 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY OF ESCONDIDO
July 8, 2015
3:30 P.M. Meeting Minutes
Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 3:30 p.m. on Wednesday, July 8, 2015 in the Council Chambers at City Hall with Mayor Abed presiding.

ATTENDANCE:

The following members were present: Councilmember Ed Gallo, Councilmember John Masson, Deputy Mayor Michael Morasco, and Mayor Sam Abed. Councilmember Olga Diaz was absent. Quorum present.

ORAL COMMUNICATIONS

CLOSED SESSION: (COUNCIL/SUCCESSOR AGENCY/RRB)

MOTION: Moved by Councilmember Gallo and seconded by Deputy Mayor Morasco to recess to Closed Session. Ayes: Diaz, Masson, Morasco, and Gallo. Noes: None. Absent: Diaz. Motion carried.

I. CONFERENCE WITH LEGAL COUNSEL-- EXISTING LITIGATION (Government Code 54956.9(d)(1))

Case Name: Stuck in the Rough, LLC. v. City of Escondido, et al.
Case No: 37-2013-00074375-CU-WM-NC

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

- a. **Property:** West Valley Parkway Parking Lot between City Hall and the California Center for the Arts (APN 299-372-20 por.)
- City Negotiator:** Clay Phillips, City Manager
Negotiating Parties: Pierpoint Management, LLC.
Under Negotiation: Price and Terms of Agreement

No action was announced.

ADJOURNMENT

Mayor Abed adjourned the meeting at 4:08 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY OF ESCONDIDO
July 8, 2015
4:30 P.M. Meeting Minutes

Escondido City Council
Mobilehome Rent Review Board

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 4:30 p.m. on Wednesday, July 8, 2015 in the Council Chambers at City Hall with Mayor Abed presiding.

MOMENT OF REFLECTION:

Scott Smith led the Moment of Reflection.

FLAG SALUTE

Mayor Abed led the Flag Salute.

PRESENTATIONS:

San Diego Gas & Electric/San Diego Junior Lifeguard Foundation

ROLL CALL:

The following members were present: Councilmember Ed Gallo, Councilmember John Masson, Deputy Mayor Michael Morasco, and Mayor Sam Abed. Councilmember Olga Diaz was absent. Quorum present.

Also present were: Clay Phillips, City Manager; Jeffrey Epp, City Attorney; Barbara Redlitz, Community Development Director; Ed Domingue, Director of Public Works; Diane Halverson, City Clerk; and Michael Thorne, Minutes Clerk.

ORAL COMMUNICATIONS

Elly Garner, Palomar Health, provided information on behalf of Palomar Health and the relocation of services from the Downtown Campus to other Palomar Health Campuses; there will be no lapse in patient care during the transitional process.

CONSENT CALENDAR

Deputy Mayor Morasco removed item 6 and Councilmember Gallo removed item 11 from the Consent Calendar for discussion.

MOTION: Moved by Councilmember Gallo and seconded by Deputy Mayor Morasco that the following Consent Calendar items be approved with the exception of items 6 and 11. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/SUCCESSOR AGENCY/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/Successor Agency)**

3. APPROVAL OF MINUTES: A) Regular Meeting of June 10, 2015 B) Regular Meeting of June 17, 2015

4. SPECIAL EVENT PERMITS -

Request Council approve the adoption of Ordinance 2015-05 to update the City's Special Event Permits policies and procedures. (File No. 0680-10)

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

ORDINANCE NO. 2015-05 (First Reading and Introduction)

5. COMMUNITY SERVICES BUDGET ADJUSTMENT -

Request Council approve a budget adjustment of \$5,000 resulting from a grant received from San Diego Gas & Electric (SDG&E) for the Community Services Department Aquatics Program and authorize the City Manager and Director of Administrative Services to make the necessary budget adjustments to the Community Services Department Recreation fund. (File No. 0430-80)

Staff Recommendation: **Approval (Community Services Department: Loretta McKinney)**

6. COMMUNITY SERVICES DEPARTMENT FACILITY USE POLICY -

Request Council approve the revised Community Services Department Facility Use Policy to include the addition of a fee for Classification E (commercial groups, businesses, trade shows, etc.) to rent the Kit Carson Park Fitness Course and park areas as well as the Tennis Courts at Kit Carson, Mountain View and Washington parks at the rate of \$30 per hour for each amenity. (File No. 0110-30)

Staff Recommendation: **Approval (Community Services Department: Loretta McKinney)**

Deputy Mayor Morasco questioned charges regarding school ball-field lighting.

Amy Shipley, Assistant Director of Community Services, stated that charges are accumulated when non-school programs use the facilities.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Masson to approve the revised Community Services Department Facility Use Policy to include the addition of a fee for Classification E (commercial groups, businesses, trade shows, etc.) to rent the Kit Carson Park Fitness Course and park areas as well as the Tennis Courts at Kit Carson, Mountain View and Washington parks at the rate of \$30 per hour for each amenity. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

7. NOTICE OF COMPLETION: CORROSION CONTROL SYSTEM FOR THE ESCONDIDO SEWER OUTFALL -

Request Council approve authorizing the Director of Utilities to file a Notice of Completion for the Corrosion Control System for the Escondido Sewer Outfall. (File No. 0600-10 [A-3100])

Staff Recommendation: **Approval (Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-119

8. ESCONDIDO CITY EMPLOYEE'S ASSOCIATION - ADMINISTRATIVE, CLERICAL & ENGINEERING BARGAINING UNIT MEMORANDUM OF UNDERSTANDING -

Request Council approve the execution of a successor Escondido City Employee's Association - Administrative, Clerical & Engineering Bargaining Unit Memorandum of Understanding. (File No. 0740-30)

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

RESOLUTION NO. 2015-125

9. ESCONDIDO CITY EMPLOYEE'S ASSOCIATION - SUPERVISORY BARGAINING UNIT MEMORANDUM OF UNDERSTANDING -

Request Council approve the execution of a successor Escondido City Employee's Association - Supervisory Bargaining Unit Memorandum of Understanding. (File No. 0740-30)

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

RESOLUTION NO. 2015-126

10. BID AWARD FOR THE FISCAL YEAR 2014/2015 STREET MAINTENANCE PROJECT -

Request Council approve authorizing the bid award to American Asphalt South, determined to be the lowest responsive and responsible bidder and authorize the Mayor and City Clerk to execute a Public Improvement Agreement in the amount of \$1,261,332.18 for the FY 2014/2015 Street Maintenance Project. (File No. 0600-10 [A-3152])

Staff Recommendation: **Approval (Public Works Department/Engineering: Ed Domingue)**

RESOLUTION NO. 2015-127

11. AMENDMENT OF ESCONDIDO MUNICIPAL CODE SECTION 17-5 AND 18-107 -

Request Council approve amendments to the Escondido Municipal Code to improve the tools available to law enforcement in dealing with safety issues surrounding the use of medians and public sidewalks, walkways and passageways. (File No. 0680-50)

Staff Recommendation: **Approval (City Attorney's Office: Jeffrey Epp)**

ORDINANCE NO. 2015-15 (First Reading and Introduction)

Councilmember Gallo questioned if the Ordinance will keep people off medians in the City.

Jeffrey Epp, City Attorney, clarified that this Ordinance is a tool to aid police in keeping people off medians when there is no crosswalk.

MOTION: Moved by Councilmember Masson and seconded by Councilmember Gallo to approve amendments to the Escondido Municipal Code to improve the tools available to law enforcement in dealing with safety issues surrounding the use of medians and public sidewalks, walkways and passageways and introduce Ordinance No. 2015-15. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

CONSENT – RESOLUTIONS AND ORDINANCES (COUNCIL/SUCCESSOR AGENCY/RRB)

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

12. AMENDMENT TO THE ZONING CODE PERTAINING TO AIR SPACE CONDOMINIUMS AND COMMUNITY APARTMENTS (AZ 15-0001) -

Approved on June 24, 2015 with a vote of 4/0/1 (Masson absent) (File No. 0810-20)

ORDINANCE NO. 2015-14 (Second Reading and Adoption)

PUBLIC HEARINGS

13. SHORT-FORM RENT INCREASE APPLICATION FOR CAREFREE RANCH -

Request Council consider the short-form rent increase application submitted by Carefree Ranch and if approved, grant an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or 0.963% (an average of \$4.70) for the period of December 31, 2013 to December 31, 2014. (File No. 0697-20-10036)

Staff Recommendation: **Consider for Approval (Community Development Department: Barbara Redlitz)**

RRB RESOLUTION NO. 2015-04 (R)

Karen Youel, Housing Staff, presented the staff report, utilizing a PowerPoint presentation.

Andrew Modglin, Code Enforcement, was available to answer questions.

Jim Younce, Owner Representative for Carefree Ranch Mobile Home Park, was available to answer questions.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Masson to consider the short-form rent increase application submitted by Carefree Ranch and if approved, grant an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or 0.963% (an average of \$4.70) for the period of December 31, 2013 to December 31, 2014 and adopt RRB Resolution No. 2015-04(R). Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

14. COST REPORT FOR 2015 WEED ABATEMENT PROGRAM -

Request Council receive the 2015 Weed Abatement Report; consider any objections; and approve confirming the Fire Chief's 2015 Weed Abatement Report. (File No. 0350-10)

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

RESOLUTION NO. 2015-100

Michael Lowry, Fire Chief, and Marlene Donner, Fire Marshall, presented the staff report, utilizing a PowerPoint presentation.

MOTION: Moved by Councilmember Masson and seconded by Councilmember Gallo to receive the 2015 Weed Abatement Report; consider any objections; and approve confirming the Fire Chief's 2015 Weed Abatement Report and adopt Resolution No. 2015-100. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

CURRENT BUSINESS

15. DECLARATION OF A UTILITY EMERGENCY AND AWARD OF CONTRACT TO REPAIR THE ESCONDIDO SEWER OUTFALL IN THE ESCONDIDO CREEK -

Request Council approve declaring that, pursuant to the terms of Section 20168 of the California Public Contract Code, the City Council may forego normal bidding procedures and pass a resolution by four-fifths vote declaring that public interest and necessity demand the immediate expenditure to safeguard life, health, or property. (File No. 0600-10 [MISC]).

Staff Recommendation: **Approval (Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-128

Christopher W. McKinney, Director of Utilities, presented the staff report, utilizing a PowerPoint presentation.

Nelson Nuezca, Engineering, was available to answer questions.

MOTION: Moved by Councilmember Gallo and seconded by Deputy Mayor Morasco to approve declaring that, pursuant to the terms of Section 20168 of the California Public Contract Code, the City Council may forego normal bidding procedures and pass a resolution by four-fifths vote declaring that public interest and necessity demand the immediate expenditure to safeguard life, health, or property and adopt Resolution No. 2015-128. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

16. CLEAN WATER STATE REVOLVING FUND LOAN APPLICATION FOR FREQUENT FINANCER PROGRAM -

Request Council approve authorizing the Director of Utilities or his designee to sign, on behalf of the City, applications to the Clean Water State Revolving Fund (SRF) Loan Frequent Financer Program for future loans to fund the Recycled Water and Potable Reuse Program. The Resolution provides commitment to reimbursement of said loans once loan funds are actually disbursed. Each SRF loan for a particular project requires four distinct packages (General, Technical, Environmental, and Financial). This action will help staff streamline the Financial package for future loan applications. The remaining packages (General, Technical, and Environmental) will be submitted for individual projects only with Council approval, which is consistent with existing practice. This action will not increase the Utilities Department debt obligations without future authority from the City Council, but it will authorize staff to submit streamlined financial packages to save future staff time and reduce application costs. (File No. 1340-70)

Staff Recommendation: **Approval (Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-108

Christopher W. McKinney, Director of Utilities, presented the staff report, utilizing a PowerPoint presentation.

MOTION: Moved by Councilmember Masson and seconded by Councilmember Gallo to approve authorizing the Director of Utilities or his designee to sign, on behalf of the City, applications to the Clean Water State Revolving Fund (SRF) Loan Frequent Financer Program for future loans to fund the Recycled Water and Potable Reuse Program. The Resolution provides commitment to reimbursement of said loans once loan funds are actually disbursed. Each SRF loan for a particular project requires four distinct packages (General, Technical, Environmental, and Financial). This action will help staff streamline the Financial package for future loan applications. The remaining packages (General, Technical, and Environmental) will be submitted for individual projects only with Council approval, which is consistent with existing practice. This action will not increase the Utilities Department debt obligations without future authority from the City Council, but it will authorize staff to submit streamlined financial packages to save future staff time and reduce application costs and adopt Resolution No. 2015-108. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

17. BID AWARD FOR THE CEMETERY AREA WATER PIPELINE REPLACEMENT PROJECT AND BUDGET ADJUSTMENT -

Request Council approve authorizing the Mayor and City Clerk to execute a Public Improvement Agreement with MNR Construction Inc., the lowest responsive and responsible bidder, in the amount of \$6,790,250 for the Cemetery Area Water Pipeline Replacement Project and authorize a budget adjustment in the amount of \$2,550,000. The competitive bids were publicly opened by the City Clerk's representative on Thursday, June 18, 2015. (File No. 0600-10 [A-3149])

Staff Recommendation: **Approval (Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-120

Christopher W. McKinney, Director of Utilities, presented the staff report, utilizing a PowerPoint presentation.

MOTION: Moved by Councilmember Masson and seconded by Deputy Mayor Morasco to approve authorizing the Mayor and City Clerk to execute a Public Improvement Agreement with MNR Construction Inc., the lowest responsive and responsible bidder, in the amount of \$6,790,250 for the Cemetery Area Water Pipeline Replacement Project and authorize a budget adjustment in the amount of \$2,550,000. The competitive bids were publicly opened by the City Clerk's representative on Thursday, June 18, 2015 and adopt Resolution No. 2015-120. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

18. POWER PURCHASE AGREEMENT AT THE HALE AVENUE RESOURCE RECOVERY FACILITY WITH ESCONDIDO BIOENERGY FACILITY, LLC -

Request Council approve authorizing the Mayor and City Clerk to execute, on behalf of the City, a twenty-year Power Purchase Agreement with Escondido Bioenergy Facility, LLC and authorize the Director of Utilities to execute, on behalf of the City, a Site License Agreement with Escondido Bioenergy Facility, LLC for constructing and operating a cogeneration facility at the Hale Avenue Resource Recovery Facility. (File No. 0600-10 [A-3158])

Staff Recommendation: **Approval (Utilities Department: Christopher W. McKinney)**

RESOLUTION NO. 2015-107

Christopher W. McKinney, Director of Utilities, presented the staff report, utilizing a PowerPoint presentation.

Nick Fontaine, Applicant, stated the investment in the project is about \$5.5 million dollars.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Masson to approve authorizing the Mayor and City Clerk to execute, on behalf of the City, a twenty-year Power Purchase Agreement with Escondido Bioenergy Facility, LLC and authorize the Director of Utilities to execute, on behalf of the City, a Site License Agreement with Escondido Bioenergy Facility, LLC for constructing and operating a cogeneration facility at the Hale Avenue Resource Recovery Facility and adopt Resolution No. 2015-107. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

19. DESIGNATION OF VOTING DELEGATE - LEAGUE OF CALIFORNIA CITIES CONFERENCE -

Request Council designate a voting delegate, and up to two alternates, to represent the City of Escondido at the business meeting to be held during the League of California Cities Annual Conference, September 30 - October 2, 2015 in San Jose. (File No. 0130-30)

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

Councilmember Masson remained the designated representative for the League of California Cities Conference; Deputy Mayor Morasco to be first alternate and Councilmember Gallo to be second alternate.

MOTION: Moved by Councilmember Gallo and seconded by Deputy Mayor Morasco to designate a voting delegate, and up to two alternates, to represent the City of Escondido at the business meeting to be held during the League of California Cities Annual Conference, September 30 - October 2, 2015 in San Jose. Ayes: Abed, Masson, Morasco and Gallo. Noes: None. Absent: Diaz. Motion carried.

FUTURE AGENDA

20. FUTURE AGENDA -

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

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

COUNCIL MEMBERS SUBCOMMITTEE REPORTS

Councilmember Gallo reported on the San Diego County Water Authority's budget approval; The Carlsbad Desalination Facility will be active by September 2015; reported on recycling presentation from the Regional Solid Waste Association meeting per the requirements of AB1826.

Deputy Mayor Morasco reported on CAL Recycling presentation and the enforcement of recycling rules.

Mayor Abed reported on SANDAG's consideration of a ½ cent sales tax increase on the 2016 ballot and concern regarding the 78 widening project that is planned for 2035; welcomed Graham Mitchell as the new Assistant City Manager.

CITY MANAGER'S UPDATE/BRIEFING

The most current information from the City Manager regarding Economic Development, Capital Improvement Projects, Public Safety and Community Development.

- **CITY MANAGER'S UPDATE -**

ORAL COMMUNICATIONS

ADJOURNMENT

Mayor Abed adjourned the meeting at 6:03 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 4
Date: August 5, 2015

TO: Honorable Mayor and Members of the City Council
FROM: Craig Carter, Chief of Police
SUBJECT: FY 2015 U.S. Department of Justice Edward Byrne Memorial Justice Assistance Grant – Local Solicitation

RECOMMENDATION:

It is requested that Council authorize the Chief of Police to receive a \$42,352 FY 2015 Edward Byrne Memorial Justice Assistance Grant (JAG); authorize the Chief of Police or his designee to execute grant documents on behalf of the City; and approve budget adjustments needed to spend grant funds.

FISCAL ANALYSIS:

This action will have no impact on the General Fund Budget. Grant funds allocated to the City will be used to support the Body-worn Camera Program.

PREVIOUS ACTION:

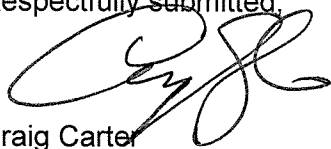
On August 20, 2014, City Council approved a FY 2014 Edward Byrne Memorial Justice Assistance Grant in the amount of \$46,995.

BACKGROUND:

The Escondido Police Department received a FY 2015 Edward Byrne Memorial Justice Assistance Grant from the U.S. Department of Justice in the amount of \$42,352. JAG funds allow local governments to support a broad range of activities to prevent and control crime based on their own local needs and conditions. Grant funds may not supplant items currently budgeted.

The Escondido Police Department proposes to use this year's JAG allocation to support the Body-worn Camera Program. Funds will be used to replace cameras at the end of their useful life, cover video data storage costs, and provide camera accessories that improve data analysis and accessibility.

Respectfully submitted,



Craig Carter
Chief of Police

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 5

Date: August 5, 2015

TO: Honorable Mayor and Members of the City Council

FROM: Russ Knowles, Deputy Fire Chief

SUBJECT: Authorization to Refurbish and Remount One (1) Lifeline Ambulance Patient Compartment onto a City supplied Ford E450 Chassis

RECOMMENDATION:

Staff recommends Council approve the Escondido Fire Department's request to have Emergency Vehicle Group (EVG) out of Anaheim, California, refurbish and remount one (1) existing Lifeline ambulance patient compartment onto a City supplied Ford E450 chassis in the current fleet instead of purchasing one (1) new ambulance. The refurbishment includes an electrical system upgrade to accommodate changes in lighting technology.

FISCAL ANALYSIS:

Sufficient funds have already been approved in Fiscal Year 2015/2016 budget to pay for the ambulance to be re-chassis as provided for in the vehicle replacement account. The cost of re-chassis an existing ambulance is approximately \$40,000 less than purchasing a new ambulance. The total cost of refurbishing and remounting the existing Lifeline ambulance patient compartment onto a City supplied Ford E450 chassis is \$111,033.72.

PREVIOUS ACTION:

Council approved three (3) ambulances for re-chassis by EVG on November 9, 2011, and one (1) ambulance for re-chassis by EVG on November 14, 2012.

BACKGROUND:

Escondido Fire Department ambulances are on a seven-year replacement plan. Currently, we have one (1) ambulance in the fleet that is due to be replaced. When the economic downturn hit, the Fire Department suggested to re-chassis existing ambulances in lieu of purchasing new ambulances.

Ambulance Re-chassis
August 5, 2015
Page 2

The process to re-chassis an ambulance is to take the existing Lifeline brand patient compartment off the Ford Diesel powered chassis and have it refurbished. The new refurbished patient compartment is then set on a brand new Ford gasoline powered chassis. Emergency Vehicle Group (EVG) out of Anaheim California is the sole source vendor for Lifeline products which makes the patient compartment.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Russ Knowles". The signature is fluid and cursive, with a long horizontal stroke at the end.

Russ Knowles
Deputy Fire Chief

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ file No. _____

Ord No. _____

Agenda Item No.: 6
Date: August 5, 2015

TO: Honorable Mayor and Members of the City Council
FROM: Christopher W. McKinney, Utilities Director
SUBJECT: Continuing Emergency and Need to Repair the Escondido Sewer Outfall in the Escondido Creek

RECOMMENDATION:

The Utilities Department requests that Council adopt Resolution No. 2015-137 declaring that, pursuant to the terms of Section 22050 of the California Public Contract Code, the City Council finds there is a need to continue the emergency action and pass a resolution by four-fifths vote declaring that public interest and necessity demand the expenditure to safeguard life, health, or property.

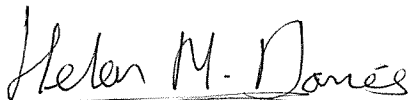
FISCAL ANALYSIS:

Funding for this emergency sewer outfall work is available in the Wastewater Fund. The contract is a Time and Materials contract, meaning that the contractor will bill for staff time, equipment, and construction materials necessary to complete the repairs. The contract value is not to exceed \$350,000 without further Council approval.

BACKGROUND:

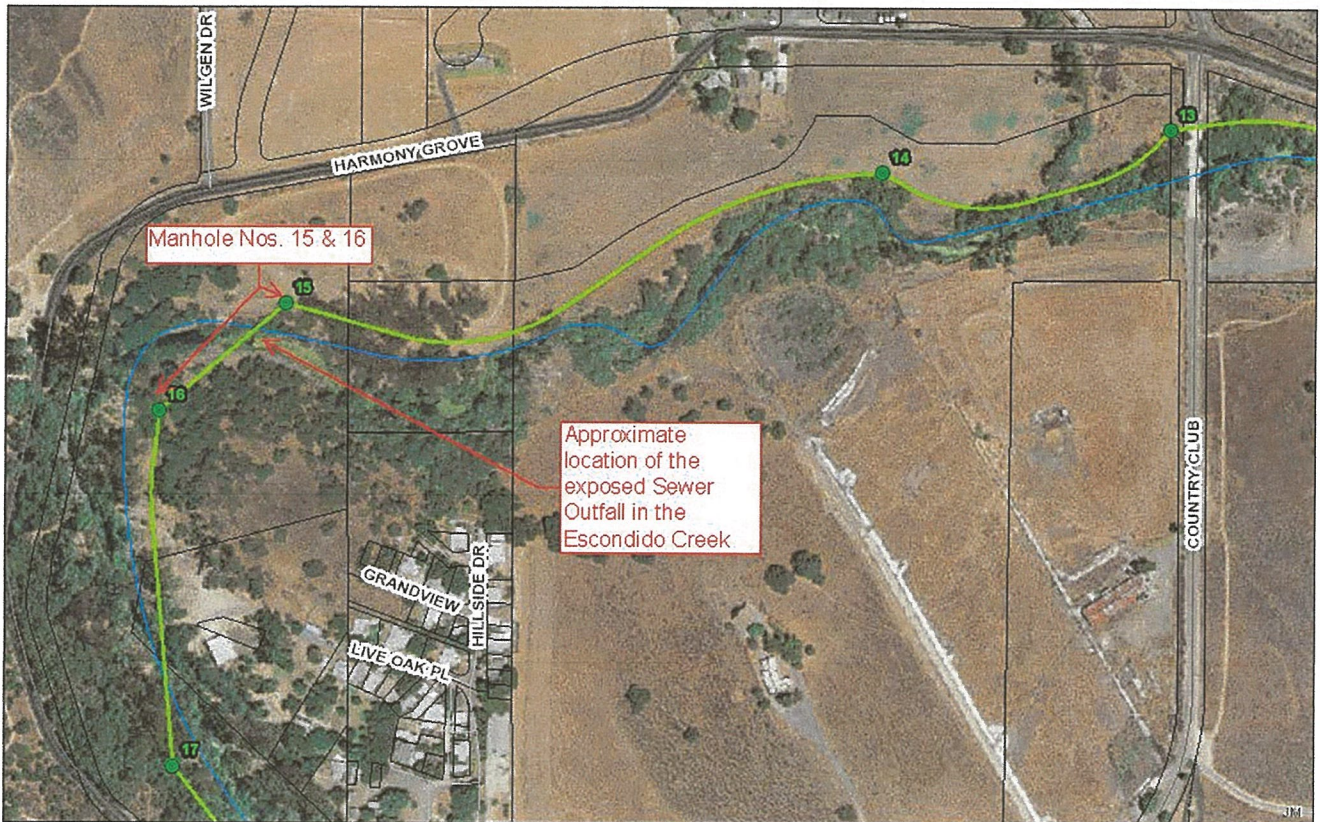
Previously, the City Council adopted Resolution No. 2015-128, approving an emergency contract with TC Construction Company, Inc. to immediately begin the process to repair the Sewer Outfall. Existing flow in Escondido Creek is undermining supporting material from beneath the pipeline, and emergency action is required to replace the wire mesh and rock to prevent failure of the Sewer Outfall. Such failure could result in discharge of millions of gallons of secondary treated wastewater into Escondido Creek, which would violate terms of our existing discharge permits and expose the City to significant liability

Respectfully submitted,



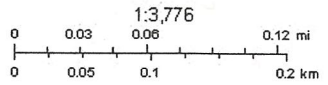
Helen M. Davies, M.S., CPSWQ
Environmental Programs Manager

Continuing Emergency and Need to Repair the Escondido Sewer Outfall in the Escondido Creek
 August 5, 2015
 Page 2



June 30, 2015

- Escondido City Boundary
- Blue: Band_3
- Red: Band_1
- Green: Band_2
- Escondido Sewer Outfall



DISCLAIMER: This Map is provided without warranty of any kind, either expressed or implied. By accepting this material you agree the City of

RESOLUTION NO. 2015-137

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
FINDING THAT AN EMERGENCY CONTINUES
TO REQUIRE THE IMMEDIATE REPAIR OF THE
ESCONDIDO SEWER OUTFALL IN THE
ESCONDIDO CREEK

WHEREAS, the City Council recognizes that the existing protective mesh and rock installed around the Escondido Sewer Outfall ("Outfall") is deteriorated and no longer exists causing the Outfall to be exposed and subject to a catastrophic failure; and

WHEREAS, the water flowing down Escondido Creek is undermining the supporting soil around the Outfall and creating a potential point of failure; and

WHEREAS, pursuant to Resolution No. 2015-128, the City Council previously found that the damage to the Outfall was an emergency and approved the agreement entered into with TC Construction Company, Inc. in an amount not to exceed three hundred fifty thousand dollars (\$350,000)("Agreement"); and

WHEREAS, pursuant to Section 22050 of the Public Contract Code, the City Council must review the emergency action every 14 days and determine by a four-fifths vote there is a need to continue the action; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to continue the emergency action;

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 Council finds the damage to the outfall is a public health and safety emergency, that this emergency will not permit the delay that would result from a competitive bidding process, and that the action is still necessary to respond to the emergency requiring immediate repair of the Outfall.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 7
Date: August 5, 2015

TO: Honorable Mayor and Members of the City Council

FROM: Edward N. Domingue, Public Works Director/City Engineer

SUBJECT: SANDAG Transnet Active Transportation Program (ATP) Grant – Escondido Creek Bikeway Missing Link Project

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2015-136 authorizing the Public Works Director/City Engineer to execute on behalf of the City a funding agreement between San Diego Association of Governments (SANDAG) and the City of Escondido for the Escondido Creek Bikeway Missing Link Project and approve a budget adjustment to spend grant funding in the amount of \$1,092,000.

FISCAL ANALYSIS:

There is no required local fund match for this grant. Full project costs are anticipated to be covered by the grant.

PREVIOUS ACTION:

Authorization for the submission of the grant application was approved at the May 7, 2014, City Council meeting.

BACKGROUND:

The Active Transportation Program was created by Senate Bill 99 (Chapter 359, Statutes of 2013) and Assembly Bill 101 (Chapter 354, Statutes of 2013) to encourage increased use of active modes of transportation, such as biking and walking. The goals of the Active Transportation Program are to: increase biking and walking trips; increase safety and mobility for non-motorized users; advance the efforts of regional agencies to achieve greenhouse gas reduction goals; and enhance public health.

On September 26, 2014, the SANDAG Board of Directors recommended the Escondido Creek Bikeway Missing Link Project to the California Transportation Commission for funding allocation which was subsequently approved.

Staff requests authorization to enter into a grant agreement for funding the project and approval of a budget adjustment to complete a 0.6 mile missing link in the Escondido Creek Trail/Bicycle Path between Broadway and Center City Parkway (see attached vicinity map). This project has been


identified as a major gap within the City's bicycle network and a priority Class I missing segment in the 2012 Bicycle Master Plan. Construction of the Escondido Creek Bikeway Missing Link will provide a direct link from the Escondido Transit Center to the downtown core and will help to close a gap in a regional bicycle corridor. The project will build new Class I bike lanes on Centre City Parkway and Valley Parkway, and install bicycle lanes on Broadway. The project will separate bicycle from vehicular traffic on both Centre City Parkway and Valley Parkway, enhancing the safety for users. A signalized crossing will be installed at Woodward Avenue as will a bridge for users over Escondido Creek along Broadway.

The purpose of the Grant Agreement is to establish the terms and conditions for SANDAG to provide the City of Escondido with funding to implement the Project. SANDAG will not be taking an active role or retain substantial control of the Project and thus this Agreement is characterized as a funding agreement rather than a cooperative agreement.

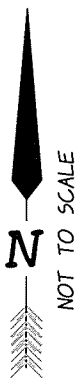
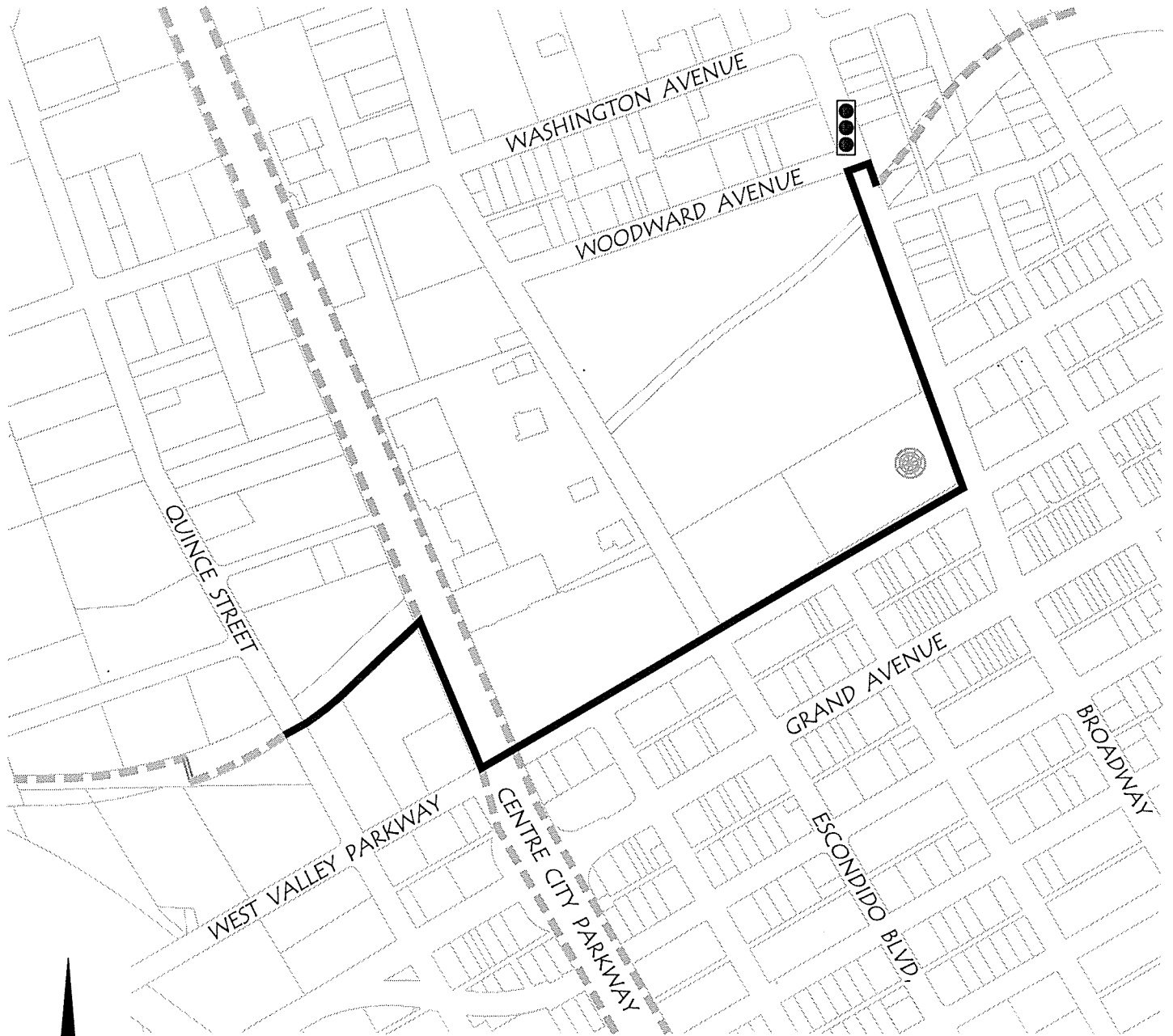
The Active Transportation Program consists of State and Federal funds. In order to maximize the effective use of funding for the region, SANDAG Board of Directors approved exchange of ATP funding for Transnet funding for this project. This funding exchange will be of benefit to the City.




Respectfully submitted,


Edward N. Domingue, P.E.
Public Works Director/City Engineer


Julie Procopio, P.E.
Assistant Public Works Director/Engineering

ESCONDIDO CREEK BIKEWAY - Missing Link



-  EXISTING BIKE PATHS
-  PROPOSED BIKE PATHS
-  PROPOSED TRAFFIC SIGNAL



RESOLUTION NO. 2015-136

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE PUBLIC WORKS DIRECTOR/CITY ENGINEER, TO EXECUTE, ON BEHALF OF THE CITY, GRANT AGREEMENT NO. 5004633 BETWEEN THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND THE CITY OF ESCONDIDO; AND SET UP AN APPROPRIATE BUDGET FOR THE ESCONDIDO CREEK BIKEWAY MISSING LINK PROJECT

WHEREAS, the City of Escondido desires to encourage the use of non-motorized travel, advance the efforts for achieving greenhouse reduction, and enhance public health; and

WHEREAS, the San Diego Association of Governments ("SANDAG") conducted a regional competition for Cycle 1 Active Transportation Program ("ATP") grant funding; and

WHEREAS, on September 26, 2014, the SANDAG Board of Directors recommended the Escondido Creek Bikeway Missing Link Project to the California Transportation Commission for \$1,092,000 in ATP grant funding, which was subsequently approved by the California Transportation Commission.

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

1. That the above recitations are true.
2. That the City Council authorizes the Public Works Director/City Engineer to execute, on behalf of the City, Grant Agreement No. 5004633 ("Agreement") for the

Escondido Creek Bikeway Missing Link Project; and to further authorize City staff to establish the appropriate budget, and disburse the funds for the project. A copy of the Agreement is attached for reference as Exhibit "A" and is incorporated by this reference.

TRANSNET ACTIVE TRANSPORTATION GRANT PROGRAM
GRANT AGREEMENT 5004633 BETWEEN
THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND
THE CITY OF ESCONDIDO
REGARDING ITS ESCONDIDO CREEK BIKEWAY MISSING LINK

THIS GRANT AGREEMENT 5004633 (Agreement) is made this ____ day of _____, 2015, by and between the San Diego Association of Governments, 401 B Street, Suite 800, San Diego, California, hereinafter referred to as SANDAG, and the City of Escondido, 201 North Broadway, Escondido, California 92025, hereinafter referred to as Grantee. This Agreement expires on _____.

The following recitals are a substantive part of this Agreement:

- A. On September 26, 2013, Governor Brown signed legislation creating the Active Transportation Program (ATP) (Senate Bill 99 and Assembly Bill 101) to encourage increased use of active modes of transportation such as bicycling and walking.
- B. ATP funding is awarded through a competitive process that consists of two stages: a statewide competition facilitated by the California Transportation Commission (CTC), followed by a regional competition facilitated by SANDAG.
- C. The regional competition for Cycle 1 ATP funds was conducted in 2014 and resulted in a list of ten projects to be funded through the ATP in the amount of \$13.41 million. On September 26, 2014, the Board of Directors recommended the final list of ranked projects to the CTC for funding allocation. Of the ten recommended projects, seven were from local jurisdictions with a cumulative award amount of \$5.99 million, while the three remaining projects were SANDAG projects.
- D. The SANDAG Board of Directors allocates funds under the *TransNet* local sales tax program to support local bicycle and pedestrian transportation projects in the San Diego region through a competitive process.
- E. The *TransNet* Extension Ordinance contains provisions to fund the Bicycle, Pedestrian, and Neighborhood Safety Program (BPNSP), which encompasses bicycle and pedestrian travel projects. The *TransNet* BPNSP is commonly referred to as the SANDAG Active Transportation Grant Program (ATGP).
- F. Section 7 of the *TransNet* Extension Ordinance allows for the exchange of federal, state, or other local funds for *TransNet* funds to maximize effectiveness in the use of revenues.
- G. On November 21, 2014, the SANDAG Board of Directors approved the exchange of ATP funding for *TransNet* funding for the seven local jurisdiction projects selected in the regional ATP competition by Resolution Number RTC 2015-02.
- H. Grantee successfully applied for ATP Funding for its Escondido Creek Bikeway Missing Link Project (Project), as described in Grantee's grant application. The Scope of Work, Project Schedule, and Approved Project Budget are included as Attachment A.

- I. Grantee's Project is funded with \$1,092,000 in ATGP funds. The *TransNet* MPO ID for the Project is: ESC43.
- J. The purpose of this Agreement is to establish the terms and conditions for SANDAG to provide Grantee with funding to implement the Project.
- K. Although SANDAG will be providing financial assistance to Grantee to support the Project, SANDAG will not take an active role or retain substantial control of the Project. Therefore, this Agreement is characterized as a funding agreement rather than a cooperative agreement.
- L. Grantee understands that *TransNet* funds derive from retail transactions and use tax revenues which fluctuate. The SANDAG funding commitment to ATGP Projects, including this Project, is subject to these fluctuations, which may impact funding availability for this Project.
- M. Grantee further understands that this Grant Award, Agreement and Grantee's performance thereunder are subject to Board Policy No. 035, which includes multiple "use it or lose it" provisions.

NOW, THEREFORE, it is agreed as follows:

I. DEFINITIONS

- A. **Application.** The signed and dated Grant Application, including any amendment thereto, with all explanatory, supporting, and supplementary documents filed with SANDAG by or on behalf of Grantee and accepted or approved by SANDAG. All of Grantee's application materials, not in conflict with this Agreement, are hereby incorporated into this Agreement as though fully set forth herein.
- B. **Approval, Authorization, Concurrence, Waiver.** A written statement (transmitted in typewritten hard copy, or electronically) of a SANDAG official authorized to permit Grantee to take or omit an action required by this Agreement, which action may not be taken or omitted without such written permission. Except to the extent that SANDAG determines otherwise in writing, such approval, authorization, concurrence, or waiver permitting the performance or omission of a specific action does not constitute permission to perform or omit other similar actions. An oral permission or interpretation has no legal force or effect.
- C. **Approved Project Budget.** The most recent statement of the costs of the Project, the maximum amount of assistance from SANDAG for which Grantee is currently eligible, the specific tasks (including specific contingencies) covered, and the estimated cost of each task, that has been approved by SANDAG. The Approved Project Budget is included in Attachment A.
- D. **ATGP Funds and Funding.** Funding from the *TransNet* BPNSP.
- E. **Grantee.** The local jurisdiction that is the recipient of ATGP Funding under this Agreement.
- F. **Notice to Proceed.** A written notice from SANDAG issued to Grantee authorizing Grantee to proceed with all or a portion of the work described in the Scope of Work. Grantee shall not proceed with the work, and shall not be eligible to receive payment for work performed prior to the SANDAG issuance of a Notice to Proceed.

G. **Subgrantee.** Any contractor or consultant, at any tier, paid directly or indirectly with funds flowing from this Agreement for the Project.

II. PROJECT IMPLEMENTATION

A. **General.** Grantee agrees to carry out the Project as follows:

1. *Project Description.* Grantee agrees to perform the work as described in the Scope of Work included as Attachment A.
2. *Effective Date.* The effective date of this Agreement, or any amendment hereto, is the date on which this Agreement or an Amendment is fully executed. Grantee agrees to undertake Project work promptly after receiving a Notice to Proceed from SANDAG.
3. *Grantee's Capacity.* Grantee agrees to maintain or acquire sufficient legal, financial, technical, and managerial capacity to: (a) plan, manage, and complete the Project and provide for the use of any Project property; (b) carry out the safety and security aspects of the Project; and (c) comply with the terms of the Agreement and all applicable laws, regulations, and policies pertaining to the Project and Grantee, including but not limited to the *TransNet* Extension Ordinance and Board Policy No. 035.
4. *Project Schedule.* Grantee agrees to complete the Project according to the Project Schedule included in Attachment A and in compliance with Board Policy No. 035, as amended, and included as Attachment B.
5. *Project Implementation and Oversight.* Grantee agrees to comply with the Project Implementation and Oversight Requirements, included as Attachment C, and Board Policy No. 035, as amended.
6. *Changes to Project's Scope of Work.* This Agreement was awarded to Grantee based on the application submitted by Grantee, which contained representations by Grantee regarding project parameters, project proximity to transit, and other criteria relevant to evaluating and ranking the Project based on the Regional ATP scoring criteria. Any substantive deviation from Grantee's representations in the Application during project implementation may require reevaluation or result in loss of funding. If Grantee knows, or should have known, that substantive changes to the Project will occur or have occurred, Grantee will immediately notify SANDAG in writing. SANDAG will then determine whether the Project is still consistent with the overall objectives of the ATGP and Regional ATP and whether the changes would have negatively affected the Project ranking during the competitive grant evaluation process. SANDAG reserves the right to have ATGP Funding withheld from Grantee, or refunded to SANDAG, due to Grantee's failure to satisfactorily complete the Project or due to substantive changes to the Project.
7. *Media and Community Outreach Coordination.* Grantee agrees to notify SANDAG of any media and community outreach efforts, including presentations to community groups, other agencies, and elected officials. Grantee agrees to assist SANDAG with media or community events related to the Project, such as ground breaking and ribbon cutting. Press materials shall be provided to SANDAG staff before they are distributed.

SANDAG logos should be included in press materials and other project collateral, but may never be included in such documents without advance approval from SANDAG.

As part of the quarterly reports submitted to SANDAG, Grantee agrees to provide project milestone information to support media and communications efforts. SANDAG reserves the right to use the information provided by Grantee for any combination of the following, including but not limited to: social media posts, online photo albums, videos, press releases, PowerPoint presentations, web updates, newsletters, and testimonials. In submitting photos to SANDAG, Grantee agrees to release the rights of the photos to SANDAG for its use.

8. *Project Signage and Designation of TransNet Funded Facilities.* Each capital project in excess of \$250,000 funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by revenues from the *TransNet* Extension Ordinance.

Grantee agrees to follow the Project Signage Specifications. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before printing.

9. *Baseline Data Collection.* For capital projects, Grantee is required to coordinate with SANDAG staff on the development of a baseline data collection plan in accordance with the Project Implementation and Oversight Requirements.

- B. **Application of Laws.** Should a federal or state law pre-empt a local law, regulation, or the *TransNet* Extension Ordinance, Grantee must comply with the federal or state law and implementing regulations. No provision of this Agreement requires Grantee to observe or enforce compliance with any provision, perform any other act, or do any other task in contravention of federal, state, territorial, or local law, regulation, or ordinance. If compliance with any provision of this Agreement violates or would require Grantee to violate any law, Grantee agrees to notify SANDAG immediately in writing. Should this occur, SANDAG and Grantee agree that they will make appropriate arrangements to proceed with or, if necessary, terminate the Project or affected portions thereof expeditiously.
- C. **Notice Regarding Prevailing Wages.** The SANDAG ATGP Grants are funded with *TransNet* revenues consistent with the *TransNet* Extension Ordinance adopted by the voters in November 2004 (SANDAG Ordinance 04-01). Although SANDAG Ordinance 04-01 does not require payment of prevailing wages, California law may require that Grantee's public works projects pay prevailing wages for workers. Grantee acknowledges that SANDAG has strongly encouraged Grantee to seek legal counsel regarding whether the Project will be subject to prevailing wage laws consistent with Labor Code Section 1720, *et seq.* This Agreement requires Grantee's compliance with all federal, state, and local laws and ordinances as applicable.
- D. **Significant Participation by a Subgrantee.** Although Grantee may delegate any or almost all Project responsibilities to one or more subgrantees, Grantee agrees that it, rather than any subgrantee, is ultimately responsible for compliance with all applicable laws, regulations, and this Agreement.

- E. **Third-Party Contracting.** Grantee shall not award contracts over \$3,000 on the basis of a noncompetitive procurement for work to be performed under this Agreement without the prior written approval of SANDAG. Contracts awarded by Grantee, if intended as local match credit, must meet the requirements set forth in this Agreement regarding local match funds.
1. If Grantee hires a consultant to carry out professional services funded under this Agreement, Grantee shall: prepare an Independent Cost Estimate (ICE) prior to soliciting proposals; publicly advertise for competing proposals for the work; use cost as an evaluation factor in selecting the consultant; document a Record of Negotiation (RON) establishing that the amount paid by Grantee for the consultant services is fair and reasonable; and pass through the relevant obligations in this Agreement to the consultant.
 2. If Grantee hires a contractor to carry out construction services funded under this Agreement, Grantee shall: prepare an ICE (e.g., a construction cost estimate) prior to soliciting bids; publicly advertise for competing bids for the work; award the work to the lowest responsive and responsible bidder; document a RON establishing that the amount paid by Grantee for the construction services is fair and reasonable; and pass through the relevant obligations in this Agreement to the contractor.
- F. **Grantee's Responsibility to Extend Agreement Requirements to Other Entities**
1. *Entities Affected.* Grantee agrees to take appropriate measures necessary to ensure that all Project participants comply with all applicable federal laws, regulations, and policies affecting Project implementation. In addition, if an entity other than Grantee is expected to fulfill any responsibilities typically performed by Grantee, Grantee agrees to assure that the entity carries out Grantee's responsibilities as set forth in this Agreement.
 2. *Documents Affected.* The applicability provisions of laws, regulations, and policies determine the extent to which those provisions affect an entity (such as a subgrantee) participating in the Project through Grantee. Thus, Grantee agrees to use a written document to ensure that each entity participating in the Project complies with applicable laws, regulations, and policies.
 3. *Flowdown.* Grantee agrees to include in each document (subagreement, lease, third-party contract, or other) any necessary provisions requiring the Project participant (third-party contractor, subgrantee, or other) to impose applicable laws, Agreement requirements and directives on its subgrantees, lessees, third-party contractors, and other Project participants at the lowest tier necessary.
- G. **No SANDAG Obligations to Third Parties.** In connection with the Project, Grantee agrees that SANDAG shall not be subject to any obligations or liabilities to any subgrantee, lessee, third-party contractor, or other person or entity that is not a party to the Agreement for the Project. Notwithstanding that SANDAG may have concurred in or approved any solicitation, subagreement, lease, or third-party contract at any tier, SANDAG has no obligations or liabilities to any entity other than Grantee, including any subgrantee, lessee, or third-party contractor at any tier.

- H. **Changes in Project Performance.** Grantee agrees to notify SANDAG immediately, in writing, of any change in local law, conditions (including its legal, financial, or technical capacity), or any other event that may adversely affect Grantee's ability to perform the Project in accordance with the terms of the Agreement and as required by Board Policy No. 035. Grantee also agrees to notify SANDAG immediately, in writing, of any current or prospective major dispute, breach, default, or litigation that may adversely affect SANDAG interests in the Project; and agrees to inform SANDAG, also in writing, before naming SANDAG as a party to litigation for any reason, in any forum. At a minimum, Grantee agrees to send each notice to SANDAG required by this subsection to the SANDAG Office of General Counsel.
- I. **Standard of Care.** Grantee expressly warrants that the work to be performed pursuant to this Agreement shall be performed in accordance with the applicable standard of care. Where approval by SANDAG, its Executive Director, or other representative of SANDAG is indicated in the Scope of Work, it is understood to be conceptual approval only and does not relieve Grantee of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of Grantee or its subgrantees.
- III. **ETHICS**
- A. **Grantee Code of Conduct/Standards of Conduct.** Grantee agrees to maintain a written code of conduct or standards of conduct that shall govern the actions of its officers, employees, council or board members, or agents engaged in the award or administration of subagreements, leases, or third-party contracts supported with ATGP Funding. Grantee agrees that its code of conduct or standards of conduct shall specify that its officers, employees, council or board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from any present or potential subgrantee, lessee, or third-party contractor at any tier or agent thereof. Grantee may set *de minimis* rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. Grantee agrees that its code of conduct or standards of conduct shall also prohibit its officers, employees, board members, or agents from using their respective positions in a manner that presents a real or apparent personal or organizational conflict of interest or personal gain. As permitted by state or local law or regulations, Grantee agrees that its code of conduct or standards of conduct shall include penalties, sanctions, or other disciplinary actions for violations by its officers, employees, council or board members, or their agents, or its third-party contractors or subgrantees or their agents.
1. *Personal Conflicts of Interest.* Grantee agrees that its code of conduct or standards of conduct shall prohibit Grantee's employees, officers, council or board members, or agents from participating in the selection, award, or administration of any third-party contract or subagreement supported by ATGP Funding if a real or apparent conflict of interest would be involved. Such a conflict would arise when an employee, officer, board member, or agent, including any member of his or her immediate family, partner, or organization that employs, or intends to employ, any of the parties listed herein has a financial interest in a firm competing for award.

2. *Organizational Conflicts of Interest.* Grantee agrees that its code of conduct or standards of conduct shall include procedures for identifying and preventing real and apparent organizational conflicts of interest. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third-party contract or subagreement may, without some restrictions on future activities, result in an unfair competitive advantage to the third-party contractor or subgrantee or impair its objectivity in performing the contract work.

- B. SANDAG Code of Conduct.** SANDAG has established policies concerning potential conflicts of interest. These policies apply to Grantee. For all awards by SANDAG, any practices which might result in unlawful activity are prohibited including, but not limited to, rebates, kickbacks, or other unlawful considerations. SANDAG staff members are specifically prohibited from participating in the selection process when those staff have a close personal relationship, family relationship, or past (within the last 12 months), present, or potential business or employment relationship with a person or business entity seeking a contract with SANDAG. It is unlawful for any contract to be made by SANDAG if any individual Board member or staff has a prohibited financial interest in the contract. Staff are also prohibited from soliciting or accepting gratuities from any organization seeking funding from SANDAG. SANDAG officers, employees, agents, and Board members shall not solicit or accept gifts, gratuities, favors, or anything of monetary value from consultants, potential consultants, or parties to subagreements. By signing this Agreement, Grantee affirms that it has no knowledge of an ethical violation by SANDAG staff or Grantee. If Grantee has any reason to believe a conflict of interest exists with regard to the Agreement or the Project, it should notify the SANDAG Office of General Counsel immediately.
- C. Bonus or Commission.** Grantee affirms that it has not paid, and agrees not to pay, any bonus or commission to obtain approval of its ATGP Funding application for the Project.
- D. False or Fraudulent Statements or Claims.** Grantee acknowledges and agrees that by executing the Agreement for the Project, Grantee certifies or affirms the truthfulness and accuracy of each statement it has made, it makes, or it may make in connection with the Project, including, but not limited to, Grantee's grant application, progress reports and invoices.

IV. AMOUNT OF FUNDING ASSISTANCE

Grantee agrees that SANDAG will provide ATGP Funding for the Project equal to the smaller of the following amounts: (a) the Maximum SANDAG Amount Approved of \$1,092,000; or (b) the amount calculated in accordance with the Maximum Percentages of SANDAG Participation, which is 100 percent. The responsibility of SANDAG to make payments under this Agreement is limited to the amounts listed in the Approved Project Budget for the Project. Grantee's estimate in its application for funding from SANDAG for the Project is the amount that forms the basis upon which SANDAG determines the Maximum SANDAG Amount Awarded and Maximum Percentages of SANDAG Participation.

V. MATCHING FUNDS

Grantee has not proposed to provide matching funds for the Project.

VI. APPROVED PROJECT BUDGET

Except to the extent that SANDAG determines otherwise in writing, Grantee agrees as follows: Grantee and SANDAG have agreed to a Project budget that is designated the "Approved Project Budget." Grantee will incur obligations and make disbursements of Project funds only as authorized by the Approved Project Budget. An amendment to the Approved Project Budget requires the issuance of a formal amendment to the Agreement, unless the re-allocation of funds among budget items or fiscal years does not increase the total amount of the ATGP Funding awarded for the Project, does not negatively impact the benefits obtained from the Project, and is consistent with applicable laws, regulations, and policies. Prior written SANDAG Project Manager approval is required for transfers of funds between Approved Project Budget line items.

VII. PAYMENTS

- A. Grantee's Request for Payment When Matching Funds Are Required.** Grantee will demonstrate or certify that it will provide adequate matching funds such that, when combined with payments from SANDAG, will cover all costs to be incurred for the Project. Except to the extent that SANDAG determines, in writing, that Grantee may defer its provision of matching funds for the Project, a Grantee is required under the terms of this Agreement to provide matching funds for the Project and agrees that it will not:
1. Request or obtain matching funds exceeding the amount justified by the matching share previously provided.
 2. Take any action that would cause the proportion of ATGP Funding made available to the Project at any time to exceed the percentage authorized by the Agreement for the Project.
- B. Payment by SANDAG.** Upon receiving a request for payment and adequate supporting information, SANDAG will make payment for eligible amounts to Grantee within 30 days if Grantee has complied with the requirements of the Agreement, including submission of a Quarterly Report which is included as Attachment D, has satisfied SANDAG that the ATGP Funding requested is needed for Project purposes in that requisition period, and is making adequate progress toward Project completion consistent with Board Policy No. 035. After Grantee has demonstrated satisfactory compliance with the preceding requirements, SANDAG may reimburse Grantee's apparent allowable costs incurred consistent with the Approved Project Budget. SANDAG shall retain ten percent from the amounts invoiced until satisfactory completion of work. SANDAG shall promptly release retention amounts to Grantee following Grantee's satisfactory completion of work and receipt of Grantee's final invoice and all required documentation.
- C. Eligible Costs.** Grantee agrees that Project costs eligible for ATGP Funding must comply with the following requirements, unless SANDAG determines otherwise in writing. To be eligible for reimbursement, Project costs must be:
1. Consistent with the Project Scope of Work, the Approved Project Budget, and other provisions of the Agreement.
 2. Necessary in order to accomplish the Project.

3. Reasonable for the goods or services purchased.
4. Actual net costs to Grantee (i.e., the price paid minus any refunds, rebates, or other items of value received by Grantee that have the effect of reducing the cost actually incurred, excluding program income).
5. Incurred for work performed, only on a reimbursement basis, after both the Effective Date of the Agreement and following Grantee's receipt of a Notice to Proceed from SANDAG.
6. Satisfactorily documented with supporting documentation which is to be submitted with each invoice.
7. Treated consistently in accordance with generally accepted accounting principles and procedures for Grantee and any third-party contractors and subgrantees, (see Section 8 Accounting Records).
8. Eligible for *TransNet* Funding as part of the ATGP.
9. Indirect Costs are only allowable with prior SANDAG approval. Grantee must submit the following documentation as part of the grant application materials: (1) an indirect cost allocation audit approved by a qualified independent auditor; or (2) the applicant's proposed method for allocating indirect costs in accordance with the Office of Management and Budgets Circular A-87 guidelines. Indirect cost allocation plans must be reviewed and renewed annually.
10. Project generated revenue realized by Grantee shall be utilized in support of the Project. Project generated revenue and expenditures, if any, shall be reported at the end of the Agreement period.

D. Excluded Costs

1. In determining the amount of ATGP Funding SANDAG will provide for the Project, SANDAG will exclude:
 - a. Any Project cost incurred by Grantee before either the date SANDAG issues a Notice to Proceed to Grantee or the Effective Date of the Agreement or any Amendment thereto;
 - b. Any cost that is not included in the latest Approved Project Budget;
 - c. Any cost for Project property or services received in connection with a subagreement, lease, third-party contract, or other arrangement that is required to be, but has not been, concurred in or approved in writing by SANDAG; and
 - d. Any cost ineligible for SANDAG participation as provided by applicable laws, regulations, or policies.
2. Certain costs at times associated with bicycle and pedestrian projects are not eligible when the benefit provided is not the exclusive use of bicyclists or pedestrians. These instances are listed below.

- a. Curb and gutter are part of the roadway drainage system. As such, newly installed curb and gutter cannot be considered an improvement exclusively for the benefit of the sidewalk or bike lane and are not an eligible expense.
 - b. Driveway ramps installed across sidewalks are not for the benefit of pedestrians, and in fact, degrade the pedestrian environment. Claimants may not include the cost of driveway ramps in applications for sidewalk projects. However, the distance across the driveway may be included when computing the per-square-foot cost of the sidewalk.
 - c. Where roadway design standards require a roadway shoulder width at least as wide as would be required for a standard bike lane, the cost of the shoulder construction will not be eligible. Appropriate bikeway signage is eligible.
 - d. Under some circumstances, it may be necessary to remove and replace curb and gutter, driveway ramps, drainage facilities and other existing improvements in order to construct a bikeway or sidewalk. In such cases the cost of this work is most likely eligible, but claimants should carefully document why this is so in the claim submittal.
- E. Grantee understands and agrees that payment to Grantee for any Project cost does not constitute the SANDAG final decision about whether that cost is allowable and eligible for payment under the Project and does not constitute a waiver of any violation by Grantee of the terms of the Agreement for the Project or Board Policy No. 035. Grantee acknowledges that SANDAG will not make a final determination about the allowability and eligibility of any cost until the final payment has been made on the Project or the results of an audit of the Project requested by SANDAG or its Independent Taxpayers' Oversight Committee (ITOC) has been completed, whichever occurs latest. If SANDAG determines that Grantee is not entitled to receive any portion of the ATGP Funding requested or paid, SANDAG will notify Grantee in writing, stating its reasons. Grantee agrees that Project closeout will not alter Grantee's responsibility to return any funds due to SANDAG as a result of later refunds, corrections, performance deficiencies, or other similar actions; nor will Project closeout alter the right of SANDAG to disallow costs and recover funds provided for the Project on the basis of a later audit or other review. Upon notification to Grantee that specific amounts are owed to SANDAG, whether for excess payments of ATGP Funding, disallowed costs, or funds recovered from third parties or elsewhere, Grantee agrees to promptly remit to SANDAG the amounts owed, including applicable interest, penalties and administrative charges.

VIII. ACCOUNTING RECORDS

In compliance with applicable laws, regulations, and policies, Grantee agrees as follows:

- A. **Project Accounts.** Grantee agrees to establish and maintain for the Project either a separate set of accounts or separate accounts within the framework of an established accounting system that can be identified with the Project. Grantee also agrees to maintain documentation of all checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents related in whole or in part to the Project so that they may be clearly identified, readily accessible, and available to SANDAG upon request and, to the extent feasible, kept separate from documents not related to the Project.

- B. **Documentation of Project Costs and Program Income.** Except to the extent that SANDAG determines otherwise in writing, Grantee agrees to support all costs charged to the Project, including any approved services or property contributed by Grantee or others, with properly executed payrolls, time records, invoices, contracts, or vouchers describing in detail the nature and propriety of the charges, including adequate records to support the costs Grantee has incurred underlying any payment in which SANDAG has agreed to participate in based upon a payable milestone.

IX. REPORTING, RECORD RETENTION, AND ACCESS

- A. **Types of Reports.** Grantee agrees to submit to SANDAG all reports required by law and regulation, policy, this Agreement, and any other reports SANDAG may specify.
- B. **Report Formats.** Grantee agrees that all reports and other documents or information intended for public availability developed in the course of the Project and required to be submitted to SANDAG must be prepared and submitted in electronic and/or typewritten hard copy formats, as SANDAG may specify. SANDAG reserves the right to specify that records be submitted in particular formats.
- C. **Record Retention.** During the course of the Project and for three years thereafter from the date of transmission of the final expenditure report, Grantee agrees to maintain, intact and readily accessible, all data, documents, reports, records, contracts, and supporting materials relating to the Project, as SANDAG may require.
- D. **Access to Records of Grantees and Subgrantees.** Grantee agrees to permit, and require its subgrantees to permit, SANDAG or its authorized representatives, upon request, to inspect all Project work, materials, payrolls, and other data, and to audit the books, records, and accounts of Grantee and its subgrantees pertaining to the Project.
- E. **Project Closeout.** Grantee agrees that Project closeout does not alter the reporting and record retention requirements of this Agreement.
- F. **Quarterly Reports.** Grantee shall submit written quarterly reports to SANDAG detailing the progress of its work, expenditures incurred, and information regarding whether the Project is projected to be completed within the limits of the Approved Project Budget, Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. Grantee shall document the progress and results of work performed under this Agreement to the satisfaction of SANDAG. This includes progress and final reports, plans, specifications, estimates, and other evidence of attainment of the Agreement objectives, which are requested by SANDAG or ITOC. Grantee may be required to attend meetings of SANDAG staff and committees, including but not limited to ITOC, the Regional Planning Committee, the Transportation Committee, and the SANDAG Board of Directors, to report on its progress and respond to questions.
- G. **Communities Served Data and Report.** If requested, Grantee shall provide SANDAG with data regarding how the Project's benefits and burdens were equitably distributed among socio and economic populations in the area affected by the Project, and associated smart growth data.

X. Project Completion, Audit, Settlement, and Closeout

- A. Project Completion.** Within 90 calendar days following Project completion or termination by SANDAG, Grantee agrees to submit a final certification of Project expenses and final reports, as applicable. All payments made to Grantee shall be subject to review for compliance by SANDAG with the requirements of this Agreement and shall be subject to an audit upon completion of the Project.
- B. Project Audit.** Grantee agrees to have financial and compliance audits performed as SANDAG may require consistent with the *TransNet* Extension Ordinance. Grantee agrees that Project closeout will not alter Grantee's audit responsibilities. Audit costs are allowable Project costs.
- C. Performance Audit.** Grantee agrees to cooperate with SANDAG or ITOC with regard to any performance audit that is performed on the Project pursuant to the *TransNet* Ordinance.
- D. Project Closeout.** Project closeout occurs when SANDAG notifies Grantee that SANDAG has closed the Project, and, if applicable, either forwards the final ATGP Funding payment and or acknowledges that Grantee has remitted the proper refund. Grantee agrees that Project closeout by SANDAG does not invalidate any continuing requirements imposed by the Agreement or any unmet requirements set forth in a written notification from SANDAG.
- E. Project Use.** Grantee was awarded this Agreement based on representations in its grant application regarding the Project's intended use. If the Project is a capital project, Grantee hereby commits to continued use of the Project for the purposes stated in its application for a period of at least five years after completion of construction. SANDAG may require Grantee to refund ATGP funding provided for the Project in the event Grantee fails to utilize the Project for its intended purposes as stated in the grant application or for any disallowed costs.

XI. TIMELY PROGRESS AND RIGHT OF SANDAG TO TERMINATE

- A.** Grantee shall make diligent and timely progress toward completion of the Project within the timelines set forth in the Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. If timely progress is not achieved, SANDAG may, in its sole discretion, review the status of the Project to determine if the remaining funding should be reallocated to another eligible project, as per Board Policy No. 035. Grantee understands and agrees that any failure to make reasonable progress on the Project, or violation of this Agreement and/or Board Policy No. 035 that endangers substantial performance of the Project, shall provide sufficient grounds for SANDAG, in its sole discretion, to terminate this Agreement.
- B.** In the event Grantee encounters difficulty in meeting the Project Schedule, or anticipates difficulty in complying with the Project Schedule, Grantee shall immediately notify the SANDAG Project Manager in writing and shall provide pertinent details, including the reasons for the delay in performance and the date by which Grantee expects to complete performance or delivery. This notification shall be informational in character only and receipt of it shall not be construed as a waiver by SANDAG of a project delivery schedule or date, or any rights or remedies provided by this Agreement, including Board Policy No. 035 requirements.

- C. Upon written notice, Grantee agrees that SANDAG may suspend or terminate all or any part of the ATGP Funding to be provided for the Project if Grantee has violated the terms of the Agreement or Board Policy No. 035, or if SANDAG determines that the purpose of the laws or policies authorizing the Project would not be adequately served by the continuation of ATGP Funding for the Project.
- D. In general, termination of ATGP Funding for the Project will not invalidate obligations properly incurred by Grantee before the termination date to the extent those obligations cannot be canceled. If, however, SANDAG determines that Grantee has willfully misused ATGP Funding by failing to make adequate progress, or failing to comply with the terms of the Agreement, SANDAG reserves the right to require Grantee to refund to SANDAG the entire amount of ATGP Funding provided for the Project or any lesser amount as SANDAG may determine.
- E. Expiration of any Project time period established in the Project Schedule will not, by itself, automatically constitute an expiration or termination of the Agreement for the Project; however, Grantee must request and SANDAG may agree to amend the Agreement in writing if the Project Schedule will not be met. An amendment to the Project Schedule may be made at SANDAG discretion if Grantee's request is consistent with the provisions of Board Policy No. 035.

XII. CIVIL RIGHTS

Grantee agrees to comply with all applicable Civil Rights laws, regulations and policies and shall include the provisions of this Section 12 in each subagreement, lease, third-party contract or other legally binding document to perform work funded by this Agreement. Applicable Civil Rights laws, regulations and policies include, but are not limited to, the following:

- A. **Nondiscrimination.** SANDAG implements its programs without regard to income level, disability, race, color, and national origin in compliance with the Americans with Disabilities Act and Title VI of the Civil Rights Act. Grantee shall prohibit discrimination on these grounds, notify the public of their rights under these laws, and utilize a process for addressing complaints of discrimination. Furthermore, Grantee shall make the procedures for filing a complaint available to members of the public and will keep a log of all such complaints. Grantee must notify SANDAG immediately if a complaint is lodged that relates to the Project or program funded by this grant.
- B. **Equal Employment Opportunity.** During the performance of this Agreement, Grantee and all of its subcontractors, if any, shall not unlawfully discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family and medical care leave, denial of pregnancy disability leave, veteran status, or sexual orientation. Grantee and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (California Government Code Section 12900, *et seq.*) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0, *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing

California Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by this reference and are made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

XIII. OWNERSHIP OF WORK PRODUCT

SANDAG shall own any deliverables created in whole or in part for SANDAG benefit pursuant to the Scope of Work for the Project. The term "deliverables" includes, but is not limited to, all original drawings, reports, photos, and other documents, including detailed calculations and other work product developed for the Project or services performed on the Project.

XIV. DISPUTES AND VENUE

- A. **Choice of Law.** This Agreement shall be interpreted in accordance with the laws of the State of California.
- B. **Dispute Resolution Process.** In the event Grantee has a dispute with SANDAG during the performance of this Agreement, Grantee shall continue to perform unless SANDAG informs Grantee in writing to cease performance. The dispute resolution process for disputes arising under this Agreement shall be as follows:
1. Grantee shall submit a statement of the grounds for the dispute, including all pertinent dates, names of persons involved, and supporting documentation, to the SANDAG Project Manager. The Project Manager and other appropriate SANDAG staff will review the documentation in a timely manner and reply to Grantee within 20 calendar days. Upon receipt of an adverse decision by SANDAG, Grantee may submit a request for reconsideration to the SANDAG Executive Director. The request for reconsideration must be received within ten calendar days from the postmark date of the SANDAG reply. The Executive Director will respond to the request for reconsideration within ten working days. The decision of the Executive Director will be in writing.
 2. If Grantee is dissatisfied with the results following exhaustion of the above dispute resolution procedures, Grantee shall make a written request to SANDAG for appeal to the SANDAG Transportation Committee. SANDAG shall respond to a request for mediation within 30 calendar days. The decision of the Transportation Committee shall be final.
- C. **Venue.** If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorneys' fees, litigation and collection expenses, witness fees, and court costs as determined by the court.

XV. ASSIGNMENT

Grantee shall not assign, sublet, or transfer (whether by assignment or novation) this Agreement or any rights under or interest in this Agreement.

XVI. INSURANCE

Grantee shall procure and maintain during the period of performance of this Agreement, and for 12 months following completion, policies of insurance from insurance companies authorized to do business in the State of California or the equivalent types and amounts of self-insurance, as follows:

- A. **General Liability.** Combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate for personal and bodily injury, including death, and broad form property damage. The policy must include an acceptable "Waiver of Transfer Rights of Recovery Against Others Endorsement." The policy must name SANDAG as an additional insured in the endorsement. A deductible or retention may be utilized, subject to approval by SANDAG.
- B. **Automobile Liability.** For personal and bodily injury, including death, and property damage in an amount not less than \$1,000,000.
- C. **Workers' Compensation and Employer's Liability.** Policy must comply with the laws of the State of California. The policy must include an acceptable "Waiver of Right to Recover From Others Endorsement" naming SANDAG as an additional insured.
- D. **Other Requirements.** Grantee shall furnish satisfactory proof by one or more certificates (original copies) that it has the foregoing insurance. The insurance shall be provided by an acceptable insurance provider, as determined by SANDAG, which satisfies the following minimum requirements:
 - 1. An insurance carrier qualified to do business in California and maintaining an agent for service of process within the state. Such insurance carrier shall maintain a current A.M. Best rating classification of "A-" or better, and a financial size of "\$10 million to \$24 million (Class V) or better," or
 - 2. A Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for service of process in California.
- E. Certificates of insurance shall be filed with SANDAG. These policies shall be primary insurance as to SANDAG so that any other coverage held by SANDAG shall not contribute to any loss under Grantee's insurance. Insurance policies shall not be canceled without first giving 30 days advance written notice to SANDAG. For purposes of this notice requirement, any material change in the policy prior to its expiration shall be considered a cancellation.

XVII. INDEMNIFICATION AND HOLD HARMLESS

- A. **Generally.** With regard to any claim, protest, or litigation arising from or related to Grantee's performance in connection with or incidental to the Project or this Agreement, Grantee agrees to defend, indemnify, protect, and hold SANDAG and its agents, officers, Board members, and employees harmless from and against any and all claims, including, but not limited to prevailing wage claims against the Project, asserted or established liability for

damages or injuries to any person or property, including injury to Grantee's or its subgrantees' employees, agents, or officers, which arise from or are connected with or are caused or claimed to be caused by the negligent, reckless, or willful acts or omissions of Grantee and its subgrantees and their agents, officers, or employees, in performing the work or services herein, and all expenses of investigating and defending against same, including attorney fees and costs; provided, however, that Grantee's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of SANDAG, its Board of Directors, agents, officers, or employees.

- B. Intellectual Property.** Upon request by SANDAG, Grantee agrees to indemnify, save, and hold harmless SANDAG and its Board of Directors, officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by Grantee of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Project. Grantee shall not be required to indemnify SANDAG for any such liability caused solely by the wrongful acts of SANDAG employees or agents.

XVIII. INDEPENDENT CONTRACTOR

- A. Status of Grantee.** Grantee shall perform the services provided for within this Agreement as an independent contractor, and not as an employee of SANDAG. Grantee shall be under the control of SANDAG as to the result to be accomplished and not the means, and shall consult with SANDAG as provided for in the Scope of Work. The payments made to Grantee pursuant to this Agreement shall be the full and complete compensation to which Grantee is entitled. SANDAG shall not make any federal or state tax withholdings on behalf of Grantee. SANDAG shall not be required to pay any workers' compensation insurance on behalf of Grantee. Grantee agrees to indemnify SANDAG for any tax, retirement contribution, social security, overtime payment, or workers' compensation payment which SANDAG may be required to make on behalf of Grantee or any employee of Grantee for work done under this Agreement.
- B. Actions on behalf of SANDAG.** Except as SANDAG may specify in writing, Grantee shall have no authority, express or implied, to act on behalf of SANDAG in any capacity whatsoever, as an agent or otherwise. Grantee shall have no authority, express or implied, to bind SANDAG or its members, agents, or employees, to any obligation whatsoever, unless expressly provided for in this Agreement.

XIX. SEVERABILITY AND INTEGRATION

If any provision of the Agreement is determined invalid, the remainder of that Agreement shall not be affected if that remainder would continue to conform to the requirements of applicable laws or regulations. This Agreement represents the entire understanding of SANDAG and Grantee as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by SANDAG and Grantee.

XX. PROJECT MANAGER

Grantee has assigned Julie Procopio as the Project Manager for the Project. Project Manager continuity and experience is deemed essential in Grantee's ability to carry out the Project in

accordance with the terms of this Agreement. Grantee shall not change the Project Manager without first providing written notice to SANDAG.

XXI. NOTICE

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

SANDAG:
San Diego Association of Governments
401 B Street, Suite 800
San Diego, CA 92101
Attention: Susan Baldwin/Suchi Mukherjee

Grantee:
City of Escondido
201 North Broadway
Escondido, CA 92025
Attention: Julie Procopio

Notice shall be effective upon receipt thereof.

XXII. SIGNATURES

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

SAN DIEGO ASSOCIATION OF GOVERNMENTS

CITY OF ESCONDIDO

GARY L. GALLEGOS
Executive Director

EDWARD N. DOMINGUE
Public Works Director/City Engineer

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of General Counsel

City Attorney

ATTACHMENT A

SCOPE OF WORK, SCHEDULE, AND APPROVED PROJECT BUDGET

CAPITAL PROJECTS: SCOPE OF WORK, SCHEDULE, AND BUDGET

PART I: PROJECT OVERVIEW

PROJECT TITLE:

Escondido Creek Bikeway Missing Link

PROJECT LIMITS:

Broadway, between Woodward Ave and Valley Parkway; Valley Parkway, between Broadway and Centre City Parkway; Centre City Parkway between Valley Parkway and the Escondido Creek; Escondido Creek between Centre City Parkway and Quince Street.

PROJECT SUMMARY:

The Escondido Creek Bikeway Missing Link project proposes construction of a missing section of the Escondido Creek Class I Bike Path (known as the Missing Link), between the Escondido Transit Center, Escondido's historic downtown, and Grape Day Park. The project will also provide a direct connection between the Escondido Transit Center, the Inland Rail Trail (a regional Class I bikeway that will connect Escondido with the beaches of Oceanside), and Escondido's Downtown area.

The project completes a half mile gap in the Escondido Creek Trail and Inland Rail Trail that is a combined 26.3 miles long. The Escondido Creek Bike Path terminates along the eastern side of Broadway near the intersection of Woodward Avenue. The Missing Link project consists of five sections to complete the gap:

- A traffic signal is proposed at the intersection to allow pedestrians and bicyclists to cross, which is identified on the current Bicycle Master Plan. A Class II bike path would be installed along the western side of Broadway to the Escondido Creek Channel where a pedestrian/bicycle bridge (Class I) would be installed across the creek (approx. 41 feet in length). The Class I bike that would continue to Grape Day Park.
- Along Broadway, a Class II bike lane would be striped on East side of the street to Valley Parkway. Also a combination of Class I bike path and Class II bike lane.
- Lanes along Valley Parkway would be narrowed to accommodate a separated two-way cycle track (Class I bicycle lanes) along the northern side of the roadway. Bicyclists would cross Escondido Boulevard and Centre City Parkway at the existing signalized intersection, new signals for bicycles going east would be added.
- A Class I bike path would be installed along the western side of Centre City Parkway from Valley Parkway to the Escondido Creek Channel.
- A Class I bike path would be installed along the southern side of the Escondido Creek to Quince Street where it would tie with a Bike Crossing on Quince into the Transit Station and the existing Class I bike paths.

PART II: SCOPE OF WORK, SCHEDULE, AND BUDGET

TASK NO.	TASK DESCRIPTION	DELIVERABLES:	START DATE*:	COMPLETION DATE	DURATION	TOTAL PROJECT COSTS
1	Collect Baseline Data	Baseline Data Collection Plan; Raw Bike/Ped Data	Notice to Proceed (NTP)	1 month	1 month	\$ 5,000.00
2	Obtain Environmental Clearance	Various Technical Studies; Environmental Document	6 months	12 months	6 months	\$ 20,000.00
2.1	Complete Technical Studies	Various Technical Studies	6 months	10 months	4 months	\$ -
2.2	Prepare Environmental Document	Environmental Document	10 months	12 months	2 months	\$ -

3	Complete Engineering and Final Design	Status Reports; Engineering Contract; 60%, 90%, and 100% Plans	6 months	21 months	15 months	\$ 150,000.00
3.1	Preliminary Engineering and Design	Status Reports; Engineering Contract; 60%, 90%, and 100% Plans	6 months	18 months	12 months	
3.2	Final Design	Status Reports; Engineering Contract; 60%, 90%, and 100% Plans	18 months	21 months	3 months	
3.3	Project Management	Status Reports	6 months	21 months	15 months	\$ -
4	Complete Project Construction	Bid Documents; Contract; Status Reports; Notice of Completion	21 months	42 months	21 months	\$ 920,000.00
4.1**	Award Construction Contract	Bid Documents; Contract	21 months	24 months	3 months	\$ -
4.2	Construction Management	Status Reports	24 months	42 months	18 months	\$ -
4.3**	Project Construction	Notice of Completion	24 months	42 months	18 months	\$ -
		DURATION	NTP	42 months	42 months	
				TOTAL		\$ 1,095,000.00

*Start and Completion dates shall be tracked using "Months from Notice to Proceed (NTP)"

**Indicates SANDAG Board Policy No. 035 Milestone

PART III: SANDAG CONTRIBUTION

TOTAL PROJECT COST:	\$ 1,092,000.00
TOTAL GRANT AMOUNT REQUESTED FROM SANDAG:	\$ 1,092,000.00
TOTAL MATCH AMOUNT THAT WILL BE CONTRIBUTED:	\$ -
SANDAG % CONTRIBUTION:	100%
MATCH % CONTRIBUTION:	0%

ATTACHMENT B



BOARD POLICY NO. 035

COMPETITIVE GRANT PROGRAM PROCEDURES

Applicability and Purpose of Policy

This Policy applies to all grant programs administered through SANDAG, whether from *TransNet* or another source, including but not limited to the Smart Growth Incentive Program, Environmental Mitigation Program, Bike and Pedestrian Program, Senior Mini Grant Program, Federal Transit Administration grant programs, and Active Transportation Grant Program.

Nothing in this Policy is intended to supersede federal or state grant rules, regulations, statutes, or contract documents that conflict with the requirements in this Policy. There are never enough government grant funds to pay for all of the projects worthy of funding in the San Diego region. For this reason, SANDAG awards grant funds on a competitive basis that takes Grantees' ability to perform their proposed project on a timely basis into account. SANDAG intends to hold grantees accountable to the project schedules they have proposed in order to ensure fairness in the competitive process and encourage grantees to get their projects implemented quickly so that the public can benefit from the project deliverables as soon as possible.

Procedures

1. Project Milestone and Completion Deadlines

1.1. When signing a grant agreement for a competitive program funded and/or administered by SANDAG, grant recipients must agree to the project delivery objectives and schedules in the agreement. In addition, a grantee's proposal must contain a schedule that falls within the following deadlines. Failure to meet the deadlines below may result in revocation of all grant funds not already expended. The final invoice for capital, planning, or operations grants must be submitted prior to the applicable deadline.

1.1.1. Funding for Capital Projects. If the grant will fund a capital project, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary construction contract must be awarded within two years following execution of the grant agreement, and construction must be completed within eighteen months following award of the construction contract. Completion of construction for purposes of this policy shall be when the prime construction contractor is relieved from its maintenance responsibilities. If no construction contract award is necessary, the construction project must be complete within eighteen months following execution of the grant agreement.

1.1.2. Funding for Planning Grants. If the grant will fund planning, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary consultant contract must be awarded within one year following execution of the grant agreement, and the planning project must be complete within two years following award of the consultant contract. Completion

of planning for purposes of this policy shall be when grantee approves the final planning project deliverable. If no consultant contract award is necessary, the planning project must be complete within two years of execution of the grant agreement.

1.1.3 Funding for Operations Grants. If the grant will fund operations, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary services contract for operations must be awarded within one year following execution of the grant agreement, and the operations must commence within six months following award of the operations contract. If no services contract for operations is necessary, the operations project must commence within one year of execution of the grant agreement.

1.1.4 Funding for Equipment or Vehicles Grants. If the grant will fund equipment or vehicles, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary purchase contracts for equipment or vehicles must be awarded within one year following execution of the grant agreement, and use of the equipment or vehicles for the benefit of the public must commence within six months following award of the purchase contract.

2. Project Milestone and Completion Deadline Extensions

2.1. Schedules within grant agreements may include project scopes and schedules that will identify interim milestones in addition to those described in Section 1 of this Policy. Grant recipients may receive extensions on their project schedules of up to six months for good cause. Extensions of up to six months aggregate that would not cause the project to miss a completion deadline in Section 1 may be approved by the SANDAG Executive Director. Extensions beyond six months aggregate or that would cause the project to miss a completion deadline in Section 1 must be approved by the Policy Advisory Committee that has been delegated the necessary authority by the Board. For an extension to be granted under this Section 2, the following conditions must be met:

2.1.1. For extension requests of up to six months, Grantee must request the extension in writing to the SANDAG Program Manager at least two weeks prior to the earliest project schedule milestone deadline for which an extension is being requested. The Executive Director or designee will determine whether the extension should be granted. The Executive Director's action will be reported out to the Board in following month's report of delegated actions.

2.1.2. A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame Grantee proposes.

2.1.3. If the Executive Director denies an extension request under this Section 2, Grantee may appeal within ten business days of receiving the Executive Director's response to the responsible Policy Advisory Committee by sending the appeal to the SANDAG Program Manager.

2.1.4. Extension requests that are rejected by the Policy Advisory Committee will result in termination of the grant agreement and obligation by Grantee to return to SANDAG any unexpended funds within 30 days. Unexpended funds are funds for project costs not incurred prior to rejection of the extension request by the Policy Advisory Committee.

3. Project Delays and Extensions in Excess of Six Months

3.1. Requests for extensions in excess of six months, or that will cause a project to miss a completion deadline in Section 1 (including those projects that were already granted extensions by the Executive Director and are again falling behind schedule), will be considered by the Policy Advisory Committee upon request to the SANDAG Program Manager.

3.2. A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame Grantee proposes. Grantee must provide the necessary information to SANDAG staff to place in a report to the Policy Advisory Committee. If sufficient time is available, and the grant utilized *TransNet* funds, the request will first be taken to the Independent Taxpayer Advisory Committee (ITOC) for a recommendation. Grantee should make a representative available at the meeting to present the information to, and/or answer questions from, the ITOC and Policy Advisory Committee.

3.3. The Policy Advisory Committee will only grant an extension under this Section 3 for extenuating circumstances that Grantee could not have reasonably foreseen.

4. Resolution and Execution of the Grant Agreement

4.1. Two weeks prior to the review by the Policy Advisory Committee of the proposed grants, prospective grantees must submit a resolution from their authorized governing body that includes the provisions in this Subsection 4.1. Failure to provide a resolution that meets the requirements in this Subsection 4.1 will result in rejection of the application and the application will be dropped from consideration with funding going to the next project as scored by the evaluation committee. In order to assist grantees in meeting this resolution deadline, when SANDAG issues the call for projects it will allow at least 90 days for grant application submission.

4.1.1. Grantee governing body commits to providing the amount of matching funds set forth in the grant application.

4.1.2. Grantee governing body authorizes staff to accept the grant funding and execute a grant agreement if an award is made by SANDAG.

4.2. Grantee's authorized representative must execute the grant agreement within 45 days from the date SANDAG presents the grant agreement to the prospective grantee for execution. Failure to meet the requirements in this Subsection 4.2 may result in revocation of the grant award.

5. Increased Availability of Funding Under this Policy

5.1. Grant funds made available as a result of the procedures in this Policy may be awarded to the next project on the recommended project priority list from the most recent project selection process, or may be added to the funds available for the next project funding cycle, at the responsible Policy Advisory Committee's discretion. Any project that loses funding due to failure to meet the deadlines specified in this Policy may be resubmitted to compete for funding in a future call for grant applications.

Adopted: January 2010

Amended: November 2014

ATTACHMENT C

PROJECT IMPLEMENTATION AND OVERSIGHT REQUIREMENTS

Capital Grants

1. Contact Information: Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.

2. Baseline Data Collection: Prior to the construction of grant-funded improvements, Grantee is responsible for developing a baseline data collection plan with SANDAG to gather information on pedestrian and bicyclist activity. At a minimum, data should be collected for observed bicycle and pedestrian volumes, behavior, and attitudes in the project area. Once the data collection plan is approved by SANDAG staff, Grantee is responsible for carrying out the plan and returning collected data to SANDAG as a deliverable. Standardized forms required for data collection will be provided by SANDAG.

Grantees are encouraged to use the National Bicycle and Pedestrian Documentation Project methodology and plan for the following:

- Conduct counts prior to project construction, during National Documentation Days in the second week of September. Supplementary counts and surveys can be conducted during January, May, and July to provide seasonal data, if desired.
- Conduct counts for two hours, at peak times relative to the facility. For example, facilities attracting utilitarian trips should be counted on a Tuesday, Wednesday, or Thursday from 5 to 7 p.m., whereas facilities attracting recreational trips should be counted on a Saturday, from 9 to 11a.m.

In the case that the above timeframes are deemed infeasible due to the project schedule, Grantee and SANDAG will collaborate on an alternative data collection methodology and procedure.

A subset of Grantees may be selected for in-depth evaluation by SANDAG, in which case, SANDAG will conduct the data collection effort with required participation from Grantee staff. Such in-depth evaluation conducted by SANDAG will take place solely for the purpose of SANDAG Active Transportation data collection and monitoring efforts, and will not impact Grantees' budgets.

Grantees should plan to budget \$5,000 for data collection. For questions or assistance with data collection, contact Christine Eary at christine.eary@sandag.org, or (619) 699-6928.

3. Design Development and Community Meetings: Grantee must provide SANDAG with advance notice (preferably within two weeks) and agendas of all design development and community meetings, and a meeting summary following the meeting. SANDAG staff may attend any meetings as appropriate.

4. Plan Review: Grantee must submit project design drawings and cost estimates (if available) to SANDAG for review and comment at 30 percent, 60 percent, 90 percent, and 100 percent. SANDAG

staff may meet with Grantee to comment on submitted plans and assure substantial conformance. SANDAG may comment on submitted plans regarding:

- Whether they are consistent with the Project proposed in the original grant application, and
- Consistency with accepted pedestrian/bicycle facility and smart growth design standards.

5. Quarterly Reports and Invoices: Grantee must submit quarterly reports and invoices to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule. Furthermore, Grantee agrees to provide project milestone information (such as presentations to community groups, other agencies, and elected officials, ground-breakings, and ribbon-cuttings) to support media and communications efforts.

6. Media and Community Outreach Coordination: Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral. Furthermore, Grantee agrees to provide project milestone information to support media and communications efforts.

7. Photo Documentation: Grantees are responsible for the following photo documentation:

- Before and after photos, which should be taken from similar angles to showcase how a particular area has been transformed over time.
- Project milestone photos (such as ground-breakings and ribbon-cuttings).
- Photos taken throughout construction phases and throughout the length of the project.

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate.

8. Project Signage: Each project or program in excess of \$250,000 funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by such revenues. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before printing.

9. Performance Monitoring: SANDAG staff may measure performance of the constructed capital improvements against stated project objectives, and evaluate the overall grant program. Grantee is expected to meet with SANDAG staff to identify relevant performance measures and data sources, and provide available data and feedback regarding the program as appropriate.

Planning and Non-Capital Grants

1. Contact Information. Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.

2. Request for Proposals and Consultant Selection. Upon request by SANDAG, Grantee must submit consultant draft Request for Proposals to SANDAG staff for review and comment for consistency with the agreed upon Scope of Work with SANDAG (Attachment A).

3. Quarterly Reports. Grantee must submit quarterly reports to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule.

4. Stakeholder and Community Meetings. Grantee must provide SANDAG with advance notice (preferably within two weeks) and agendas of all stakeholder and community meetings, and a meeting summary following the meeting. SANDAG staff may attend any meetings as appropriate.

5. Media and Community Outreach Coordination. Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral. Furthermore, Grantee agrees to provide project milestone information to support media and communications efforts.

6. Photo Documentation. Grantees are responsible for the following photo documentation:

- Existing conditions photos, which should illustrate the current conditions of the project site and demonstrate the need for improved facilities
- Project milestone photos (such as workshops, presentations to community groups, other agencies, and elected officials)

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate.

ATTACHMENT D
QUARTERLY REPORT AND INVOICE FORMS
TRANSNET ACTIVE TRANSPORTATION GRANT PROGRAM
QUARTERLY REPORT

Report Submittal Date: [Insert]

Reporting Period: [Insert - Example: FY 2014, Quarter 1]

PART 1: DESCRIPTION OF ACTIVITY FOR REPORTING PERIOD

1. Work Accomplished This Reporting Period

[INSTRUCTIONS: Replace this text with a detailed description of work completed and underway during the reporting period. In a bullet format, reference specific tasks.]

Example:

- Task 1 - Award Consultant Contract: Issued Request for Proposal and convened a selection panel of five members from the City, Metropolitan Transit System, North County Transit District, and SANDAG to shortlist three of nine firms. The panel interviewed the three firms and selected XYZ Group for this project. The City Council approved the consultant contract with XYZ Group on January 1, 2014. City staff held a kick-off meeting on January 10, 2014.
- Task 2 – Public Outreach: City staff and XYZ Group began organizing the first workshop for this project. The anticipated date of the first workshop will be in the February/March 2014 timeframe.
- Task 3 – Etc.
- Task 4 – Etc.

2. Deliverables Produced This Reporting Period

[INSTRUCTIONS: Summarize the deliverables produced during this period and indicate the date submitted to SANDAG. Deliverables can be submitted as an attachment to this report. See Item five for more details.]

Example:

- Final RFP – Submitted in December 2014.
- Approved Consultant Contract and Kick-Off Meeting Notes – Submitted with this report. Please see accompanying list of attachments.

3. Is there an accompanying invoice for this period?

[INSTRUCTIONS: Indicate YES or NO.]

4. Work Anticipated for the Next Reporting Period

[INSTRUCTIONS: Replace this text with a brief description of work anticipated for the next reporting period. Also note any upcoming meetings or workshops.]

5. List of Attachments

[INSTRUCTIONS: List any deliverables or invoice documents attached to this report. Attachments over 6MB should be sent via WeTransfer.]

WeTransfer Link: <https://sandag.wetransfer.com/>

Example:

- Attachment 1: Consultant Contract
- Attachment 2: Kick-Off Meeting Notes
- Attachment 3: Invoice Spreadsheet
- Attachment 4: Invoice Documentation

PART 2: SCHEDULE AND TASK STATUS

Task	Scheduled Start Date <i>(Per Grant Scope of Work)</i>	Scheduled Completion Date <i>(Per Grant Scope of Work)</i>	Status	Timing	Anticipated Start Date <i>(If Different from Grant Scope of Work)</i>	Anticipated Completion <i>(If Different from Grant Scope of Work)</i>
NTP Date						
Task 1	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]
Task 2: Policy No. 035 Milestone	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]
Task 3: Policy No. 035 Milestone	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]

PART 3: CHALLENGES, SCHEDULE DELAYS, AND AMENDMENT REQUESTS

Challenges and Actions Toward Resolution (If applicable)

[INSTRUCTIONS: If you are experiencing challenges in completing project tasks, please provide information about the delay and actions taken to resolve issues. If an amendment is needed, provide justification and check the appropriate box below.]

No amendment requested at this time

Amendment requested to*:

Project Schedule

Project Budget

Scope of Work

**Failure to check a box in the above section assumes there is no action requested. Amendment requests are subject to SANDAG's approval. It is the Grantee's responsibility to ensure compliance with SANDAG Board Policy No. 035: Competitive Grant Program Procedures and grant agreement terms and conditions.*

PART 4: PROJECT STATUS REPORT SIGNATURE

Prepared by _____ Date: _____
Project Manager

INVOICE INSTRUCTIONS

Step 1: Complete the Quarterly Progress Report.

Reimbursements cannot be made without a completed Quarterly Progress Report.

Step 2: Gather Documentation for Staff Costs, Consultant/Contractor Costs, and Other Costs.

Provide SANDAG with a copy of any consultant and contractor agreements awarded through the grant.

Staff Costs should be supported by certified payroll documentation

Consultant costs should be supported by the consultant invoice AND a proof of payment. The proof of payment can be either a copy of the check provided to the consultant or printout from the project's financial accounting system showing that funds were disbursed.

Contractor costs should be supported by the contractor invoice, schedule of values, AND a proof of payment. The proof of payment can be either a copy of the check provided to the contractor or a printout from the project's financial accounting system showing that funds were disbursed.

Other costs should be supported by either an invoice from the vendor or a receipt AND must be accompanied by a proof of payment. The proof of payment can be either a copy of the check provided to the vendor or a printout from the project's financial accounting system showing that funds were disbursed.

Clearly identify (i.e., highlight or circle) all grant-related expenses on documents that include non-related costs.

Step 3: Complete the Expense Summary.

Summarize the total Staff Costs, Consultant/Contractor Costs, and Other Costs incurred during the reporting period.

Confirm that you have the adequate documentation.

Break down each cost by task. This will help with the next step to complete the invoice statement.

Double check and make sure all sub-totals have been calculated correctly.

Step 4: Complete the Invoice Statement.

Enter the costs for each task (calculated in Step 3) into the appropriate cells of the Invoice Statement. The SANDAG contribution, match contribution, and retention amounts should automatically calculate.

Enter previous costs by task into the appropriate cells of the spreadsheet. The remaining grant balance should automatically calculate.

Step 5: Submit Quarterly Progress Report, Invoice, and Supporting Documentation to SANDAG at:

sgatgrants@sandag.org

Sign and scan the completed Quarterly Progress Report. Submit it in PDF form.

Sign and scan the invoice statement. Submit it in PDF form.

Submit supporting documentation in PDF form.

Submit the completed Excel workbook.

Files in excess of 6MB should be submitted via:

<https://sandag.wetransfer.com>

PART 1: STAFF COSTS

Personnel	Time Period	Hours	Hourly Rate	Amount	Documentation Attached?
Staff Person A	mm/dd/yy to mm/dd/yy	10	\$ 100.00	\$ 1,000.00	YES/NO
Staff Person B	mm/dd/yy to mm/dd/yy	10	\$ 100.00	\$ 1,000.00	YES/NO
Staff Person C	mm/dd/yy to mm/dd/yy	10	\$ 100.00	\$ 1,000.00	YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

PART 2: CONSULTANT/CONTRACTOR COSTS

Consultant/Contractor	Invoice No.	Invoice Date	Description of Costs	Amount	Documentation Attached?
Consultant XYZ	1	1/1/2014	Professional services for the month of January 2014	\$ 10,000.00	YES/NO
Consultant XYZ	2	2/1/2014	Professional services for the month of February 2014	\$ 10,000.00	YES/NO
Consultant XYZ	3	3/1/2014	Professional services for the month of March 2014	\$ 10,000.00	YES/NO
Outreach Organization ABC	1	3/1/2014	Outreach from January 2014 to March 2014	\$ 10,000.00	YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

PART 3: OTHER COSTS

Vendor	Invoice No.	Invoice Date	Description of Costs	Amount	Documentation Attached?
Vendor A	1	1/1/2014	Printing costs for January 2014	\$ 100.00	YES/NO
Vendor B	1	2/1/2014	News Announcement for February 2014 Workshop	\$ 100.00	YES/NO
Vendor C	1	2/28/2014	Snacks for February 2014 Workshop	\$ 100.00	YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

TRANSNET SMART GROWTH INCENTIVE PROGRAM INVOICE

To: **SUCHI MUKHERJEE** Project Name: [PROJECT NAME]
SANDAG Contract Number: 500XXX
 401 B Street, Suite 800
 San Diego, CA 92101-4231

From: **Name** Grant Invoice Number: #
Address Billing Period: FROM TO
 Invoice Date: DATE

Grant Award: \$0.00
 Balance Remaining \$0.00

TASK	Previous Balance			Current MM/DD/YYYY to MM/DD/YYYY			Total Expenses	SANDAG Total	Match Spent
	Reimbursed to Date	Match to Date	Total to Date	Staff Costs	Consultant or Contractor Costs	Other Costs	This Invoice	This Invoice	This Invoice
1 RFP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2 Existing Conditions Report	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3 Public Outreach	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4 Draft Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5 Final Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Total Current Expenditures: \$0.00
 Total Amount Due this Invoice: \$0.00
 Less 10% Retention: \$0.00
 Match % Met to Date: #DIV/0!

Total Project Budget (Grant + Match)	
Task 1	\$0.00
Task 2	\$0.00
Task 3	\$0.00
Task 4	\$0.00
Task 5	\$0.00
TOTAL	\$0.00
SANDAG Grant:	\$0.00
Match:	\$0.00
SANDAG Contribution %	#DIV/0!
Required Match %	#DIV/0!

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 8
Date: August 5, 2015

TO: Honorable Mayor and Members of the City Council

FROM: Edward N. Domingue, Director of Public Works/City Engineer
Christopher McKinney, Director of Utilities

SUBJECT: First Amendment to the 2014 Engineering Design Standards and Standard Drawings

RECOMMENDATION:

It is requested that Council adopt Resolution 2015-134 to approve a First Amendment to the 2014 Engineering Design Standards and Standard Drawings.

FISCAL ANALYSIS:

Changes to the 2014 Design Standards and Standard Drawings are not expected to have fiscal impacts to the City.

BACKGROUND:

As a part of the City's on-going "Getting to Yes" program, the First Amendment to the Engineering 2014 Design Standards is aimed at adding flexibility and clarity to City standards. In addition to the changes recommended below, streamlining of City processes and standards are on-going and will be reported in more detail at the August 12, 2015 City Council meeting.

This First Amendment proposes the following three changes to the 2014 Design Standards:

- A new figure is added that allows Utility Easements to be incorporated into side yards, where regular maintenance access is not needed.
- Pavers are added as an acceptable surfacing material for emergency access routes and the design criteria for emergency access routes is clarified.
- Flexibility is added for existing alleys to remain 20-feet wide where the Fire Marshall determines there is adequate clearance between utility poles/trash cans and where the project is for minor expansion of an existing building.

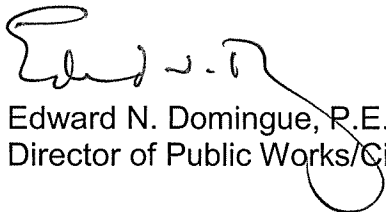
Staff further recommends that the City Engineer and Director of Utilities be given the authority to make minor revisions to the Design Standards and Standard Drawings to reflect updates in technology, construction practices, and to add clarity and flexibility where deemed prudent to do so.

In addition to these changes, staff has reviewed the policy regarding existing single family homes that are required to upsize water meters solely for the purpose of adding fire sprinklers. The County Water Authority waives its capacity fees for upsizing related to fire sprinklers. Since capacity is not expected to be effected in this case, the Utilities Director recommends that the City also waive the

Design Standards First Amendment
August 5, 2015
Page 2

City capacity fees when meter upsizing for an existing single family residence is needed solely to meet fire sprinkler demands.

Respectfully submitted,



Edward N. Domingue, P.E.
Director of Public Works/City Engineer



Christopher McKinney
Director of Utilities

RESOLUTION NO. 2015-134

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
ADOPTING A FIRST AMENDMENT TO THE
CITY OF ESCONDIDO'S 2014 DESIGN
STANDARDS AND STANDARD DRAWINGS

WHEREAS, the City Council of the City of Escondido, California, by Resolution Number 2014-08, adopted the City of Escondido's 2014 Design Standards and Standard Drawings ("Design Standards"); and

WHEREAS, the City desires at this time and deems it to be in the best interest to adopt a First Amendment to the Design Standards attached to this Resolution as Exhibit "A" and is incorporated by this reference; and

WHEREAS, the City Engineer and Director of Utilities from time to time may recommend further amendments to the Design Standards in order to reflect updates in technology, construction practices, and to add clarity and flexibility, where deemed prudent to do so.

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

1. That the above recitations are true.
2. The City Council approves the adoption of the First Amendment to the City of Escondido Design Standards. A copy of the Design Standards is available and on file in the Engineering Department.
3. That the City Engineer and Utilities Director are hereby granted the authority to make minor revisions to the Design Standards provided that the revisions are made to reflect updates in technology, construction practices, and to add clarity and flexibility.



DESIGN STANDARDS AND STANDARD DRAWINGS

FIRST AMENDMENT TO APRIL 2, 2014 STANDARDS

1. Engineering Standards: Page 4 Item 1.I shall be revised to read as follows:

Emergency access road shall be provided when the length of any project cul-de-sac or single access route exceeds 800-feet. All surfacing, roadway widths and gates controlling emergency access routes shall be designed and constructed to Private Easement Road standards and the requirements of the City Engineer and Fire Marshall. The minimum width of the emergency access road shall be 24-feet with a minimum structural section of 3-inches of asphalt concrete (A.C) over 6-inches of aggregate base (A.B.) or 7-1/2" thick reinforced concrete pavement. Pavers may be used for emergency access roads and shall include concrete headers with slope and structural section designed to meet the anticipated fire vehicle loading (75,000lbs) and manufacturer's recommendations.

2. Engineering Standards: Page 17- Alley width of 24' shall be footnoted to read as follows:

****Where the width of an existing alley is 20' and a project for remodel or minor expansion of an existing building is proposed. the alley width may remain 20' if adequate clearance exists. including clearance between utility poles and space for trash cans. Building expansions shall not extend into the 24' standard alley width.

3. Figure 23, Utility Easement Standards, attached is added to the standards

The above amendments were approved by the City Council as Resolution No 2015-134 and shall be incorporated into the Standards as of August 06, 2015.

Approved by:

Christopher McKinney
Director of Utilities

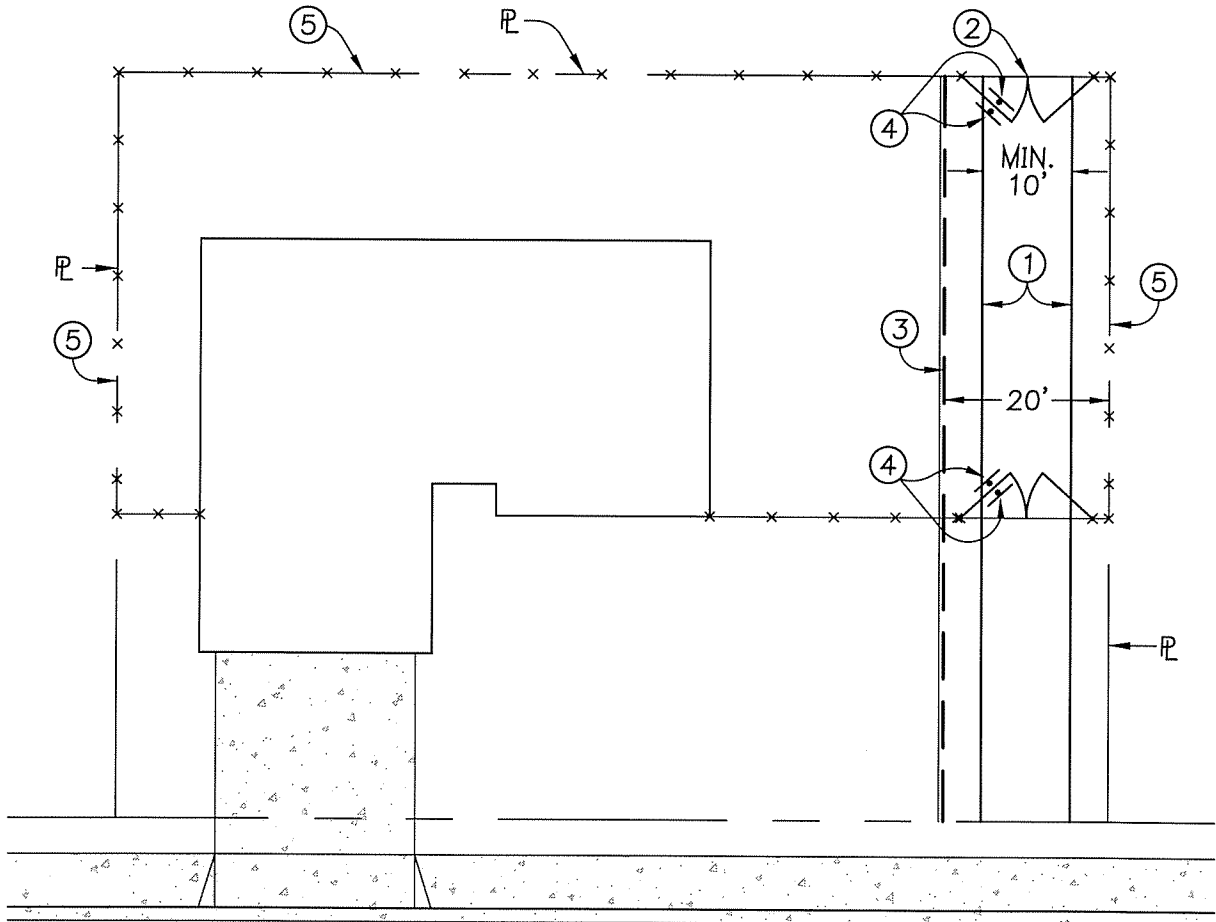
Approved by:

Edward N. Domingue, P.E.
Director of Public Works/City Engineer

UTILITY EASEMENT

- ① ACCESS ROAD SHALL BE CONSTRUCTED OF DECOMPOSED GRANITE OR APPROVED AGGREGATE BASE AND WITH 2" x 6" REDWOOD HEADERS TYPICAL (PER FIG. 8). PAVERS MAY BE ALLOWED IN LIMITED AREAS, SUBJECT TO THE APPROVAL OF THE CITY ENGINEER OR THE DIRECTOR OF UTILITIES. SLOPES WHERE GRADES EXCEED 5% SHALL BE CONCRETE OR ASPHALT. (4" MIN.)
- ② A 16' SWING GATE IS REQUIRED AT EACH ACCESS POINT.
- ③ THE LIMITS OF THE EASEMENT SHALL BE CLEARLY MARKED. MOW CURBS MAY BE USED WHERE THERE ARE NO MANHOLES, VALVES OR APPURTENANCES WITHIN THE EASEMENT AREA. FENCING IS REQUIRED WHERE MANHOLES OR VALVES ARE ENCLOSED OR WHERE REGULAR MAINTENANCE ACCESS IS ANTICIPATED.
- ④ PERMANENT SIGNAGE SHALL BE POSTED ON EACH SIDE OF THE GATES IDENTIFYING THE EASEMENT (TYPE AND SIZE).
- ⑤ ALL FENCING SHALL CONFORM TO SEC. 33-1080 THROUGH 33-1083 OF THE MUNICIPAL CODE.

NOTES: THE UNDERLYING PROPERTY OWNER IS REQUIRED TO MAINTAIN AND REPAIR THE SURFACE, INCLUDING IF A PUBLIC PROJECT REQUIRES REMOVAL OF SPECIAL SURFACING. THIS RESPONSIBILITY SHALL BE CLEARLY STATED IN THE EASEMENT DOCUMENT.
 NO STRUCTURES OR TREES ARE ALLOWED WITHIN THE EASEMENT.



APPROVED:	DATE: 08-06-2015
P. W. DIRECTOR/CITY ENGINEER	
REVISED	APPROVED

CITY OF ESCONDIDO
 DEPARTMENT OF PUBLIC WORKS

UTILITY EASEMENTS

SCALE:
 NOT TO SCALE

FIGURE NO.
23

ORDINANCE NO. 2015-05

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
TO REPEAL AND REPLACE ESCONDIDO
MUNICIPAL CODE, CHAPTER 16, LICENSES
AND BUSINESS REGULATIONS
GENERALLY, ARTICLE 4, SPECIAL EVENT
PERMITS

WHEREAS, the City Council seeks to encourage participation in the democratic process and to protect the rights of its citizens to engage in protected free speech and expressive activities and yet allow for the least restrictive and reasonable, time, place and manner regulation of those activities within the overall context of rationally regulating activities that have a significant impact upon public facilities and services; and

WHEREAS, the City Council recognizes that Special Events provide benefits to the entire community through the creation of unique venues for entertainment and expression that are not normally provided as a part of governmental services; and

WHEREAS, the City Council believes it is vital to provide a coordinated process for the regulation of certain activities to be conducted in conjunction with Special Events; and

WHEREAS, the City Council finds it is now appropriate to update the City's policies and procedures for Special Events.

Now, therefore, the City Council of the City of Escondido, California, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That Chapter 16, Licenses and Business Regulations Generally, Article 4, Special Events Permits, is repealed and replaced with Exhibit "A" which is incorporated herein by this reference.

<p>A COMPLETE COPY OF THIS ORDINANCE IS ON FILE IN THE OFFICE OF THE CITY CLERK FOR YOUR REVIEW.</p>
--

ORDINANCE NO. 2015-15

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AMENDING ESCONDIDO MUNICIPAL CODE
CHAPTER 17, ARTICLE 1, SECTION 17-5
AND CHAPTER 18, ARTICLE 4, SECTION 18-
107

WHEREAS, the City of Escondido wishes to improve the tools available to law enforcement in dealing with safety issues surrounding the use of medians and public sidewalks, walkways and passageways; and

WHEREAS, the City of Escondido seeks to address these pedestrian safety concerns by amending Escondido Municipal Code Section 17-5 to prohibit a person from remaining on a median except when waiting to cross the roadway at the next pedestrian signal; and

WHEREAS, Escondido Municipal Code Section 18-107 currently prohibits abusive solicitation in recreational areas and the City of Escondido seeks to apply that prohibition to public sidewalks, walkways or passageways in other public places within the City by amending Section 17-5; and

WHEREAS, the City of Escondido also seeks to make certain editorial changes to Section 18-107.

Now, therefore, the City Council of the City of Escondido, California, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That Escondido Municipal Code Chapter 17, Article 1, Section 17-5, is hereby amended to read as follows:

<p>A COMPLETE COPY OF THIS ORDINANCE IS ON FILE IN THE OFFICE OF THE CITY CLERK FOR YOUR REVIEW.</p>
--

RENT REVIEW BOARD

For City Clerk's Use:

APPROVED **DENIED**

Reso No. RRB _____ File No. _____

Ord No. RRB _____

Agenda Item No.: 11
Date: August 5, 2015

TO: Honorable Chairman and Members of the Rent Review Board

FROM: Barbara Redlitz, Director of Community Development

SUBJECT: Short-form Rent Review Board Hearing for Casa Grande Mobile Estates (Case # 0697-20-10038)

RECOMMENDATION:

- Consider the short-form rent increase application submitted by Casa Grande.
- If approved, adopt Rent Review Board Resolution No. 2015-05 granting an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or 2.260% (an average of \$11.56) for the period of December 31, 2012 to December 31, 2014.

INTRODUCTION:

Casa Grande Mobile Estates ("Park"), located at 1001 South Hale Avenue, has filed a short-form rent increase application. 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. The application and staff report have been made available to the Board for review and consideration prior to the hearing.

Separate from this rent increase application, the Park owner has submitted an application to modify its Conditional Use Permit to add an additional rental space in the Park. This application is under review and is anticipated for Planning Commission consideration by the end of 2015.

THE RENT INCREASE APPLICATION:

Casa Grande is a senior park which has a total of 102 spaces with 94 spaces subject to rent control. The Park is requesting an increase for the 94 rent controlled spaces. The other spaces not included in this application are on long-term leases, are vacant, or are park-owned units. The amenities available for the residents include a newly refurbished clubhouse with kitchen, a pool and sauna, a greenbelt, RV storage, and coin laundry facilities. A dog park has been installed since the last short-form rent increase application. The shuffleboard court (approximately 2050 square feet) has been removed; this space is currently empty and the Park Owner has applied to the City to convert this former amenity into a new rental lot.

The application meets all the eligibility criteria for submittal of a short-form rent increase application.

PARK OWNER'S REQUEST:

The Park is requesting an increase of 75% of the change in Consumer Price Index for the period of December 31, 2012 to December 31, 2014. Seventy-five percent of the change in the CPI for the period of consideration is 2.260%. The average monthly rent for the residents that are affected by this application is \$511.60. The average monthly increase requested for the 94 spaces is \$11.56 per space, per month.

This is the sixteenth rent increase request filed by this Park since the Ordinance was implemented. The last increase was granted in July 2013 for an average amount of \$15.25 per space, per month.

RESIDENT MEETING AND COMMENTS:

All residents affected by this request were invited to attend a meeting in their clubhouse on June 29, 2015 at 6:00 p.m. Approximately 12 residents attended the meeting. The meeting was also attended by the Park managers, Park Owner, and City staff. The application and the short-form hearing procedures were reviewed with the residents. Resident co-representatives, Joan DeVries and Marko McNeil, were selected. City staff reinforced the Rent Review Board's request that the park representative and resident representatives meet at least 21 days before the Rent Review Board meeting to discuss park issues.

The residents shared a list of changes they would like implemented, including: not converting a portion of the green belt where the shuffle board court had been into an additional residential lot, new community washers and driers, installation of bathroom ceiling fans, new lighting and window treatments in the clubhouse ("Exhibit B"). The Park Owner, Sue Pebley, shared a list of improvements made at the Park since the last rent increase ("Exhibit C"). Residents discussed the condition of landscaping and gophers in the Park.


CODE ENFORCEMENT 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 Owner, Resident Manager, and resident representative received copies of the Report, and were made aware that no rent increase, if granted, may be implemented until Health and Safety Code violations have been cleared. As of July 22, all violations have been corrected.

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 Park owner may send the 90-day notice of any rent increase granted to the residents upon the adoption of the Resolution.


Respectfully Submitted,


Barbara Redlitz
Director of Community Development


Karen Youel
Management Analyst

DATE: JULY 9, 2015

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE RENT CONTROL BOARD

FROM: BRIAN GUSTAFSON, CODE ENFORCEMENT MANAGER 

SUBJECT: CASA GRANDE MOBILE ESTATES

Casa Grande Mobile Estates was inspected on July 8, 2015, with the lighting inspection conducted that evening, as a result of an application for rent increase having been filed. There were seven general violations found during the inspection and no lighting violations were noted. The inspection report is attached.

A resident meeting was held on June 29, 2015 (attended by twelve residents, two park managers and the park owner) at which time two resident representatives were selected. The resident form was provided to the resident representatives who were also present during the rent control inspection.

There have been no resident complaints concerning management related responsibilities during the past year. Three code enforcement cases were opened, all of which were investigated and found to be unfounded in nature with no enforcement required.

CC: Barbara Redlitz, Director of Community Development
Karen Youel, Rent Control Administration

5. The pool deck has a small piece of concrete that is loose and needs repair.
25 CCR 1102(a) & 25 CCR 1605 (b) (2).
6. There is loose concrete covering a piece of conduit at the rear of the recreation room sidewalk area. This loose concrete has created a trip hazard.
25 CCR 1102(a) & 25 CCR 1605 (b) (2).
7. There are three loose bricks next to the outdoor pool shower that need to be repaired. 25 CCR 1102(a) & 25 CCR 1605 (b) (4).

**Areas of the park needing illumination per 25 CCR 1108
(Lighting Inspection; 7/8/15/)**

No lighting violations were identified.

MOBILEHOME PARK RENT REVIEW

RESIDENT REPRESENTATIVE REPORT FORM

Park Name Casa Grande

Date of Inspection Wednesday, July 8 at 9a

Resident Representative MARKO MENDEL, JOAN deVries

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.

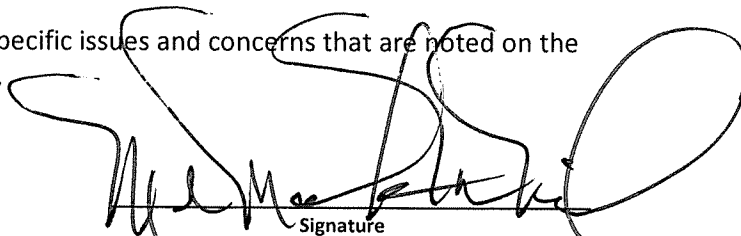
The residents have expressed no specific concerns or issues at this time.

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

MARKO MENDEL
Print Name of Resident Representative

JOAN deVries

JULY 6, 2015
Date


Signature

#29 760-300-5256

Joan deVries
Space # / Phone Number
#72 760-746-07366

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.

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

EDCO RECYCLE BINS WERE RECENTLY MOVED INTO THE TRASH ENCLOSURES CAUSING A LIMITED SPACE TO SAFELY DISPOSE OF TRASH.

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

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

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

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

CLUBHOUSE NEEDS STRIP OF MATERIAL TO COVER
LOOSE FLOORING WHERE 2 DIFFERENT VINYL
COME TOGETHER

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

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

Other questions, comments or concerns:

SPACE #21 HAS BEEN WITHOUT WATER FOR OVER A MONTH
DUE TO FAULTY OR BROKEN MAIN WATER VALVE.

METAL END SUPPORTS TO HOLD CLOTHESLINES
COULD CAUSE HEAD INJURIES FOR RESIDENTS 5'
OR OVER. DO NOT KNOW IF THIS CAN BE REMEDIED.



Code Enforcement Division
201 North Broadway, Escondido, CA 92025
Phone: 760-839-4650 Fax: 760-432-6819

July 22, 2015

Casa Grande Mobile Estates LLC
c/o Sue Pembly
54 La Senda
Laguna Beach, CA 92651

Kent Johns, Manager
1001 S. Hale Ave.
Escondido, CA 92029

Dear Madam and Sir,

This notice is to formally advise you that all violations noted during the rent control inspections on July 8, 2015 have been corrected.

We appreciate having the parks cooperation during this process. Our mutual efforts are important in maintaining safe and healthy parks in our city. Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian D. Gustafson".

Brian D. Gustafson
Code Enforcement Manager

CC: City Council/Rent Review Board
Karen Youel, Rent Control Administrator

RESIDENT REQUESTS

EXHIBIT "B"

June 29, 2015

GREEN BELT

In 2011, 2013, and prior years, we requested that this open space area be converted into a park-like picnic area for the enjoyment of all the residents. These requests were repeatedly denied. The un-maintained shuffleboard court was torn down and a fenced mini-park for dogs was installed. Currently there is a possibility of converting this open space into an additional residential lot containing a large double-wide mobile home. The current consensus indicates the majority of residents are opposed to using this open green belt space for an additional mobile home. There is no benefit to any resident and the only value would be additional rental income for the park owner. No replacement amenity has been offered to the resident homeowners. At the time of this Resident/City rent increase meeting the CUP modification request for this proposed new home is still pending before the Planning Department. We need to discuss ideas for usage of the Green Belt that will benefit all resident homeowners.

WASHERS AND DRYERS

The laundry room washers and dryers have been in use for 20 years and are in constant disrepair. We are requesting the installation of six new coin operated washers and dryers. A suggestion is to contract with a laundry appliance firm who would furnish and maintain the machines.

BATHROOM CEILING FANS

The ceiling air circulation fans in both bathrooms need to be replaced.

CLUB HOUSE

Newly installed lighting is critically inadequate and needs to be replaced to increase brightness.

POOL TABLE LIGHT

Overhead pool table light fixture was removed during the renovation and never replaced. Current room lighting is not adequate to play pool. Request that a pool table overhead light fixture be installed.

WINDOW TREATMENT

Old opaque windows in the club house were replaced with new clear double-pane windows. These clear windows need some type of shades due to excessive sunlight shining through. A suggestion would be for cloth mini-blinds that are available at Home Depot ranging from \$17 to \$20 dollars per window.

Casa Grande Mobile Estates

EXHIBIT "C"

June 28, 2015

Hi Sue,

Here is a list of projects done since our last rent control meeting as requested.

- 1) Remodeled Clubhouse
- 2) Remodeled Kitchen
- 3) Painted Restrooms
- 4) Installed new urinal in men's restroom
- 5) Removed red apple, scallops, and low voltage lighting around clubhouse
- 6) Installed automated irrigation system around clubhouse and pool areas
- 7) Grew grass around clubhouse
- 8) Installed donated date palms at clubhouse
- 9) Installed donated new bushes and drip system behind laundry building
- 10) Repaired stove in clubhouse kitchen to work properly
- 11) Installed new hardware in clubhouse kitchen
- 12) Painted clubhouse kitchen cabinets
- 13) Provided new refrigerator with ice maker with in the door ice and water dispenser
- 14) Installed new Paddle fans with lights in clubhouse
- 15) Removed all existing yellow opaque windows and installed, insulated new dual pane, low E rated vinyl windows in clubhouse and restrooms
- 16) Built and installed new "in place" bookshelves and TV/entertainment center in clubhouse
- 17) Installed new decorative brick on fireplace
- 18) Received and had installed new donated gas logs, grate, stones and igniter in fireplace
- 19) Repaired and painted all fencing around community
- 20) Painted streets with speed limits, stopping locations and speed bumps around community
- 21) Painted stripes at parking areas and added (1) additional handicap parking space
- 22) Fixed irrigation system and repaired the grass in the greenbelt
- 23) Removed old non-used shuffleboard court area
- 24) Installed dog park
- 25) Consolidated recycle bins, cleaned out and organized dumpster areas
- 26) Added more stackable chairs for pool area
- 27) Added additional patio table and umbrella
- 28) Brought in new homes and by doing so raised the comparable prices in the community
- 29) Totally re-plumbed the entire pool system
- 30) Closed off opening at the chain link gate at cul-de-sac with chain-linked fencing preventing coyotes and homeless people access into community
- 31) Replaced all outside clubhouse lighting with new LED lighting
- 32) Replaced the old carpeting, found and remediated mold, in the clubhouse and installed new linoleum flooring
- 33) Added benches to greenbelt under the trees for a park like setting
- 34) Added owl boxes in greenbelt area for varmint control
- 35) Started selling rental units to be a totally homeowner occupied community

RESOLUTION NO. RRB 2015-05

A RESOLUTION OF THE ESCONDIDO
MOBILEHOME RENT REVIEW BOARD
MAKING FINDINGS AND GRANTING A RENT
INCREASE FOR CASA GRANDE MOBILE
ESTATES

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, pursuant to Section 12 of the Rent Review Board Guidelines, was filed on May 29, 2015, and amended on June 4, 2015, by Kent Johns, a representative for the Park Owner of Casa Grande Mobile Estates ("Park") located at 1001 S. Hale in Escondido. The short-form rent increase application applies to 94 of the 102 spaces; and

WHEREAS, this is the 16th rent increase application filed by the Park since the Ordinance became effective in 1988. The last short-form rent increase for 3.225%, or approximately \$15.25 per space, per month, was granted at a Rent Review Board Hearing held July 2013 and formally adopted by Rent Review Board Resolution 2013-05; and

WHEREAS, at the time of the current short-form rent increase application, the average monthly space rent was \$511.60 for the spaces subject to the rent increase.

The owner requested a rent increase in the amount of 75% of the change in the Consumer Price Index ("CPI") for the period December 31, 2012, through December 31, 2014, in accordance with the Rent Review Board short-form policy guidelines. The short-form rent increase application estimated this amount to be an average of \$11.56 (2.260%) per space, per month; and

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

WHEREAS, on July 8, 2015, a Mobilehome Park Rent Review Code Enforcement Inspection Report ("Inspection Report") was completed and it noted health and safety code violations in the Park; and

WHEREAS, on August 5, 2015, 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 at the hearing 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 2.260%, an average of \$11.56 per space, per month, for the spaces which are subject to a rent increase.

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 December 31, 2012, through December 31, 2014, would amount to 2.260%, which averages \$11.56 per space, per month, for the spaces that are subject to a rent increase.

4. That the Board concluded that an increase of approximately \$11.56 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 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 short-form rent 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.: 12

Date: August 5, 2015

TO: Honorable Mayor and Members of the City Council

FROM: Debra Lundy, Real Property Manager

SUBJECT: Disposition of Property: 700 West Grand Avenue

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2015-132 authorizing the Real Property Manager and City Clerk to execute a purchase agreement and escrow documents necessary to complete the sale of 700 West Grand Avenue to Integral Partners Funding, LLC.

FISCAL ANALYSIS:

Sales proceeds in the amount of \$2.5 million, less closing costs, will be deposited into the General Fund Reserve Account.

PREVIOUS ACTION:

N/A

BACKGROUND:

The City of Escondido relocated its Police Headquarters from the subject 2.6 acre parcel in 2010. Since that time the property has been utilized from time-to-time under short term leases for various private purposes. Due to the high costs of maintaining the property in good repair, it sat unoccupied from 2011 until this year, when it became leased to a private business (Warfighter Academy) for rehabilitation and interim use as a tactical training facility.

The City received an unsolicited offer from Integral Partners Funding, LLC. for the purchase and development of the site as a mixed use project. The offer of \$2.5 million dollars has been substantiated by a recent appraisal report commissioned by the City.

The General Plan designation for the site is Downtown Specific Plan (SPA-9), Gateway Transit District, which allows for general retail/office and mixed use development. Guiding principles for the Gateway Transit District in the Downtown Specific Plan encourage convenient high-density residential development. The Buyer intends to submit a Development Agreement application for its mixed use development project, consisting of approximately 100 high quality apartment units, built to condo quality and specifications, as well as retail to serve the residents and transit riders, together with the needed public improvements ("Project"). The anticipated Project will be processed as a Planned Development, subject to future environmental review and public hearings.

700 WEST GRAND AVE DISPOSITION

August 5, 2015

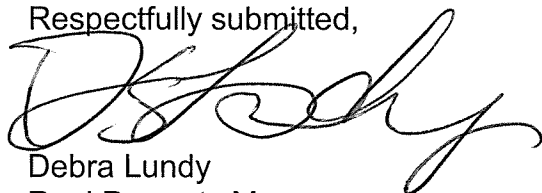
Page 02

The proposed Purchase Agreement allows for a seventy five (75) day feasibility period upon payment of a \$50,000 initial deposit. Upon satisfaction or waiver of the due diligence contingency, the initial deposit is released to the City and a second deposit of \$50,000 will be deposited into escrow. Both deposits are applicable to the purchase price.

The proposed Purchase Agreement grants the Buyer 150 days from waiver of contingencies to submit a complete application for entitlements, with close of escrow to be no later than 2 years following contingency removal or waiver.

This proposed Purchase Agreement has no bearing on the City Council or Planning Commission's sole and absolute discretion to disapprove, modify or take any action regarding an application or request for any of the entitlements related to the proposed development Project.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Debra Lundy', written in a cursive style.

Debra Lundy
Real Property Manager

RESOLUTION NO. 2015-132

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE REAL PROPERTY MANAGER AND CITY CLERK TO EXECUTE, ON BEHALF OF THE CITY, ALL DOCUMENTS NECESSARY FOR THE SALE OF 700 WEST GRAND AVENUE

WHEREAS, the City owns certain real property, addressed as 700 West Grand Avenue, which is a 2.7 acre parcel improved with a 34,000 SF structure, located on Grand Avenue between Tulip and Quince Streets (the "Property"); and

WHEREAS, the City received an unsolicited offer from Integral Partners Funding, LLC ("Buyer") to purchase the property for \$2.5 million dollars and develop the site as a mixed-use project in conformance with the City's General Plan and Downtown Gateway Transit District land use designations; and

WHEREAS, the City's appraiser confirmed the offer of \$2.5 million dollars represents fair market value; and

WHEREAS, the intended purpose of the Buyer's purchase is for the development of approximately 100 residential units, and complimentary commercial space, together with all the needed public improvements ("Project"); and

WHEREAS, the parties acknowledge that the entitlements for the proposed Project involve a need for staff and the City Council to act in the public interest and according to applicable legal requirements without regard to the Purchase Agreement; and

WHEREAS, the City wishes to sell the Property for \$2.5 million dollars and to enter into escrow with the Buyer under the terms and conditions stated in the Purchase Agreement; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to approve the sale of the Property to the Buyer.

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

1. That the above recitations are true.
2. The Real Property Manager and City Clerk are authorized to execute, on behalf of the City, all documents necessary for the sale of the Property, including the Purchase Agreement and Escrow Instructions attached to this resolution as Exhibit "1" and incorporated by this reference.



COMMERCIAL PROPERTY PURCHASE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS
(NON-RESIDENTIAL)
(C.A.R. Form CPA, Revised 11/14)

Date Prepared: 04/29/2015

1. OFFER:

- A. THIS IS AN OFFER FROM Integral Partners Funding, LLC, its successors and/or assigns ("Buyer").
 Individual(s), A Corporation, A Partnership, An LLC, An LLP, or Other _____.
- B. THE REAL PROPERTY to be acquired is 700 W. Grand Avenue (former Police Station), situated in Escondido (City), San Diego (County), California, 92025 (Zip Code), Assessor's Parcel No. 232-100-16 ("Property").
- C. THE PURCHASE PRICE offered is Two Million, Five Hundred Thousand Dollars \$ 2,500,000.00.
- D. CLOSE OF ESCROW shall occur on see addendum (date)(or _____ Days After Acceptance).
- E. Buyer and Seller are referred to herein as the "Parties." Brokers are not Parties to this Agreement.

See addendu

2. AGENCY:

- A. DISCLOSURE: The Parties each acknowledge receipt of a "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD)
- B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:
Listing Agent NA (Print Firm Name) is the agent of (check one):
 the Seller exclusively; or both the Buyer and Seller.
Selling Agent Maria Bowman (Print Firm Name) (if not the same as the Listing Agent) is the agent of (check one): the Buyer exclusively; or the Seller exclusively; or both the Buyer and Seller.
- C. POTENTIALLY COMPETING BUYERS AND SELLERS: The Parties each acknowledge receipt of a "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

3. FINANCE TERMS: Buyer represents that funds will be good when deposited with Escrow Holder.

- A. INITIAL DEPOSIT: Deposit shall be in the amount of _____ \$ 50,000.00
(1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer, cashier's check, personal check, other _____ within 3 business days after Acceptance (or _____);
OR (2) Buyer Deposit with Agent: Buyer has given the deposit by personal check (or _____) to the agent submitting the offer (or to _____), made payable to _____. The deposit shall be held uncashed until Acceptance and then deposited with Escrow Holder within 3 business days after Acceptance (or _____).
Deposit checks given to agent shall be an original signed check and not a copy.
(Note: Initial and increased deposit checks received by agent shall be recorded in Broker's trust fund log.)

See addendum

- B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of . . . \$ 50,000.00
~~within 3 Days After Acceptance (or after approval of due diligence and contingency removal).~~
~~If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount in a separate liquidated damages clause (C.A.R. Form RID) at the time the increased deposit is delivered to Escrow Holder.~~

- C. ALL CASH OFFER: No loan is needed to purchase the Property. This offer is NOT contingent on Buyer obtaining a loan. Written verification of sufficient funds to close this transaction IS ATTACHED to this offer or Buyer shall, within 3 (or _____) Days After Acceptance, Deliver to Seller such verification.

D. LOAN(S):

- (1) FIRST LOAN: in the amount of _____ \$ _____
This loan will be conventional financing or Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), subject to financing Other _____. This loan shall be at a fixed rate not to exceed _____ % or, an adjustable rate loan with initial rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to exceed _____ % of the loan amount.
- (2) SECOND LOAN in the amount of _____ \$ _____
This loan will be conventional financing or Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), subject to financing Other _____. This loan shall be at a fixed rate not to exceed _____ % or, an adjustable rate loan with initial rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to exceed _____ % of the loan amount.

E. ADDITIONAL FINANCING TERMS: see addendum for independent consideration

- F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE in the amount of _____ \$ 2,400,000.00 to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

- G. PURCHASE PRICE (TOTAL): _____ \$ 2,500,000.00

- H. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS: Buyer (or Buyer's lender or loan broker pursuant to paragraph 3J(1)) shall, within 3 (or NA) Days After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing costs. (Verification attached.)

Buyer's Initials (_____) (_____)
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CPA REVISED 11/14 (PAGE 1 OF 11)

Seller's Initials (_____) (_____)



Property Address: 700 W. Grand Avenue (former Police Station), Escondido, 92025 Date: April 29, 2015

I. APPRAISAL CONTINGENCY AND REMOVAL: This Agreement is (or is NOT) contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the purchase price. Buyer shall, as specified in paragraph 14B(3), in writing, remove the appraisal contingency or cancel this Agreement within 17 (or _____) Days After Acceptance.

J. LOAN TERMS:

(1) LOAN APPLICATIONS: Within 3 (or _____) Days After Acceptance, Buyer shall Deliver to Seller a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in paragraph 3D. If any loan specified in paragraph 3D is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate. (Letter attached.)

(2) LOAN CONTINGENCY: Buyer shall act diligently and in good faith to obtain the designated loan(s). Buyer's qualification for the loan(s) specified above is a contingency of this Agreement unless otherwise agreed in writing. If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan. Buyer's contractual obligations regarding deposit, balance of down payment and closing costs are not contingencies of this Agreement.

(3) LOAN CONTINGENCY REMOVAL:

Within 21 (or _____) Days After Acceptance, Buyer shall, as specified in paragraph 18, in writing, remove the loan contingency or cancel this Agreement. If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.

(4) NO LOAN CONTINGENCY: Obtaining any loan specified above is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

(5) LENDER LIMITS ON BUYER CREDITS: Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit shall be reduced to the Lender Allowable Credit, and (ii) in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.

K. BUYER STATED FINANCING: Seller is relying on Buyer's representation of the type of financing specified (including but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price and to sell to Buyer in reliance on Buyer's covenant concerning financing. Buyer shall pursue the financing specified in this Agreement. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in the Agreement and the availability of any such alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.

4. SALE OF BUYER'S PROPERTY:

A. This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer.

OR B. This Agreement and Buyer's ability to obtain financing are contingent upon the sale of property owned by Buyer as specified in the attached addendum (C.A.R. Form COP).

5. ADDENDA AND ADVISORIES:

A. ADDENDA:

<input type="checkbox"/> Back Up Offer Addendum (C.A.R. Form BUO)	<input checked="" type="checkbox"/> Addendum # <u>attached</u> (C.A.R. Form ADM)
<input type="checkbox"/> Septic, Well and Property Monument Addendum (C.A.R. Form SWPI)	<input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA)
<input type="checkbox"/> Short Sale Addendum (C.A.R. Form SSA)	<input type="checkbox"/> Other

B. BUYER AND SELLER ADVISORIES:

<input type="checkbox"/> Probate Advisory (C.A.R. Form PAK)	<input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA)
<input type="checkbox"/> Trust Advisory (C.A.R. Form TA)	<input type="checkbox"/> Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
<input type="checkbox"/> Short Sale Information and Advisory (C.A.R. Form SSIA)	<input type="checkbox"/> REO Advisory (C.A.R. Form REO)
	<input type="checkbox"/> Other

6. OTHER TERMS: _____

7. ALLOCATION OF COSTS

A. INSPECTIONS, REPORTS AND CERTIFICATES: Unless otherwise agreed, in writing, this paragraph only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; it does not determine who is to pay for any work recommended or identified in the Report.

(1) Buyer Seller shall pay for a natural hazard zone disclosure report, including tax environmental Other: _____ prepared by _____

(2) Buyer Seller shall pay for the following Report closure report and supply No Further Action letter prepared by _____

(3) Buyer Seller shall pay for the following Report _____ prepared by _____

~~B. GOVERNMENT REQUIREMENTS AND RETROFIT:~~

~~(1) Buyer Seller shall pay for smoke alarm and carbon monoxide device installation and water heater bracing, if required by Law. Prior to Close Of Escrow ("COE") Seller shall provide Buyer written statement(s) of compliance in accordance with state and local Law, unless Seller is exempt~~

Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)

CPA REVISED 11/14 (PAGE 2 OF 11)

COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 2 OF 11)

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

Gateway



Property Address: 700 W. Grand Avenue (former Police Station) Escondido 92025 Date: April 29, 2015

(2) (i) Buyer Seller shall pay the cost of compliance with any other minimum mandatory government inspections and reports if required as a condition of closing escrow under any Law.

(ii) Buyer Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards required as a condition of closing escrow under any Law, whether the work is required to be completed before or after COE.

(iii) Buyer shall be provided, within the time specified in paragraph 18A, a copy of any required government conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.

C. ESCROW AND TITLE:

(1) (a) Buyer Seller shall pay escrow fee split 50/50 between Buyer and Seller.

(b) Escrow Holder shall be Chicago Title.

(c) The Parties shall, within 5 (or) Days After receipt, sign and return Escrow Holder's general provisions.

(2) (a) Buyer Seller shall pay for owner's title insurance policy specified in paragraph 17E .

(b) Owner's title policy to be issued by Chicago Title.

(Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

D. OTHER COSTS:

(1) Buyer Seller shall pay County transfer tax or fee if any.

(2) Buyer Seller shall pay City transfer tax or fee if any.

(3) Buyer Seller shall pay Owners' Association ("OA") transfer fee if any.

(4) Seller shall pay OA fees for preparing all documents required to be delivered by Civil Code §4525.

(5) Buyer Seller shall pay OA fees for preparing all documents other than those required by Civil Code §4525.

(6) Buyer to pay for any HOA certification fee.

(7) Buyer Seller shall pay for any private transfer fee .

(8) Buyer Seller shall pay for .

(9) Buyer Seller shall pay for .

8. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:

A. NOTE TO BUYER AND SELLER: Items listed as included or excluded in the MLS, flyers or marketing materials are not included in the purchase price or excluded from the sale unless specified in paragraph 8 B, C or D.

B. ITEMS INCLUDED IN SALE:

(1) All EXISTING fixtures and fittings that are attached to the Property;

(2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water features and fountains, water softeners, water purifiers, security systems/alarms.

(3) ~~A complete inventory of all personal property of Seller currently used in the operation of the Property and included in the purchase price shall be delivered to Buyer within the time specified in paragraph 18.~~

(4) Seller represents that all items included in the purchase price are, unless identified pursuant to 10B(7) otherwise specified, owned by Seller. Within the time specified in paragraph 18, Seller shall give Buyer a list of fixtures not owned by Seller.

(5) Seller shall deliver title to the personal property by Bill of Sale, free and clear of all liens and encumbrances, and without seller warranty of condition regardless of value.

(6) As additional security for any note in favor of Seller for any part of the purchase price, Buyer shall execute a UCC-1 Financing Statement to be filed with the Secretary of State, covering the personal property included in the purchase, replacement thereof, and insurance proceeds.

(7) LEASED OR LIENED ITEMS AND SYSTEMS: Seller shall, within the time specified in paragraph 18A, (i) disclose to Buyer if any item or system specified in paragraph 8B or otherwise included in the sale is leased, or not owned by Seller, or specifically subject to a lien or other encumbrance, and (ii) Deliver to Buyer all written materials (such as lease, warranty, etc.) concerning any such item. Buyer's ability to assume any such lease, or willingness to accept the Property subject to any such lien or encumbrance, is a contingency in favor of Buyer and Seller as specified in paragraph 18B and C.

C. ITEMS EXCLUDED FROM SALE: Unless otherwise specified, the following items are excluded from sale:

D. OTHER ITEMS:

(1) Existing integrated phone and automation systems, including necessary components such as intranet and Internet-connected hardware or devices, control units (other than non-dedicated mobile devices, electronics and computers) and applicable software, permissions, passwords, codes and access information, are (are NOT) included in the sale.

9. CLOSING AND POSSESSION:

A. Seller-occupied or vacant property: Possession shall be delivered to Buyer: (i) at 6 PM or (AM/ PM) on the date of Close Of Escrow; (ii) no later than calendar days After Close Of Escrow; or (iii) at AM/ PM on .

B. Seller Remaining in Possession After Close Of Escrow: If Seller has the right to remain in possession after Close Of Escrow, (i) the Parties are advised to sign a separate occupancy agreement such as C.A.R. Form CL; and (ii) the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; and (iii) Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan.

C. Tenant Occupied Units: Possession and occupancy, ~~subject to the rights of tenants under existing leases, shall be delivered to Buyer on Close Of Escrow.~~ See addendum

D. At Close Of Escrow: (i) Seller assigns to Buyer any assignable warranty rights for items included in the sale; and (ii) Seller shall Deliver to Buyer available Copies of any such warranties. Brokers cannot and will not determine the assignability of any warranties.

Buyer's Initials () ()

Seller's Initials () ()



Property Address: **700 W. Grand Avenue (former Police Station), Escondido, 92025**

Date: **April 29, 2015**

- E. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems and intranet and Internet-connected devices included in the purchase price, and garage door openers. If the Property is a condominium or located in a common interest subdivision, Buyer may be required to pay a deposit to the Owners' Association ("OA") to obtain keys to accessible OA facilities.
10. SECURITY DEPOSITS: Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current Law, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant, in compliance with the Civil Code.
11. SELLER DISCLOSURES:
- A. ENERGY DISCLOSURE: Seller shall provide Buyer, at least 24 hours prior to execution of this Agreement, the Disclosure Summary Sheet, Statement of Energy Performance, Data Checklist, and the Facility Summary for the building as required by Public Resources Code Section 25402.10 and California Code of Regulations, Title 20, Sections 1680 through 1685. This requirement is effective for a building with total gross floor area square footage as follows: more than 50,000 square feet, July 1, 2013; more than 10,000 square feet and up to 50,000 square feet, January 1, 2014; and at least 5,000 square feet up to 10,000 square feet, July 1, 2014. For more information, see <http://www.energy.ca.gov/AB1103/index.html>
- B. NATURAL AND ENVIRONMENTAL DISCLOSURES: Seller shall, within the time specified in paragraph 18, if required by Law: (i) Deliver to Buyer earthquake guides (and questionnaire) and environmental hazards booklet; (ii) even if exempt from the obligation to provide an NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- C. ADDITIONAL DISCLOSURES: Within the time specified in paragraph 18, Seller shall Deliver to Buyer, in writing, the following disclosures, documentation and information:
- (1) RENTAL SERVICE AGREEMENTS: (i) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; and (ii) a rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates, or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any concession, rebate, or other benefit, except as set forth in these documents.
- (2) INCOME AND EXPENSE STATEMENTS: The books and records, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business, and used by Seller in the computation of federal and state income tax returns.
- (3) TENANT ESTOPPEL CERTIFICATES: (If checked) Tenant estoppel certificates (C.A.R. Form TEC) completed by Seller or Seller's agent, and signed by tenants, acknowledging: (i) that tenants' rental or lease agreements are unmodified and in full force and effect (or if modified, stating all such modifications); (ii) that no lessor defaults exist; and (iii) stating the amount of any prepaid rent or security deposit.
- (4) SURVEYS, PLANS AND ENGINEERING DOCUMENTS: Copies of surveys, plans, specifications and engineering documents, if any, in Seller's possession or control.
- (5) PERMITS: If in Seller's possession, Copies of all permits and approvals concerning the Property, obtained from any governmental entity, including, but not limited to, certificates of occupancy, conditional use permits, development plans, and licenses and permits pertaining to the operation of the Property.
- (6) STRUCTURAL MODIFICATIONS: Any known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.
- (7) GOVERNMENTAL COMPLIANCE: Any improvements, additions, alterations or repairs made by Seller, or known to Seller to have been made, without required governmental permits, final inspections, and approvals.
- (8) VIOLATION NOTICES: Any notice of violations of any Law filed or issued against the Property and actually known to Seller.
- (9) MISCELLANEOUS ITEMS: Any of the following, if actually known to Seller: (i) any current pending lawsuit(s), investigation(s), inquiry(ies), action(s), or other proceeding(s) affecting the Property, or the right to use and occupy it; (ii) any unsatisfied mechanic's or materialman's lien(s) affecting the Property; and (iii) that any tenant of the Property is the subject of a bankruptcy.
- D. WITHHOLDING TAXES: Within the time specified in paragraph 18A, to avoid required withholding Seller shall Deliver to Buyer or qualified substitute, an affidavit sufficient to comply with federal (FIRPTA) and California withholding Law, (C.A.R. Form AS or QS).
- E. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES: This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.
- F. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:
- (1) SELLER HAS: 7 (or ___) Days After Acceptance to disclose to Buyer whether the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form SPQ or SSD).
- (2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has 3 (or ___) Days After Acceptance to request from the OA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the OA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of OA minutes for regular and special meetings; and (v) the names and contact information of all OAs governing the Property (collectively, "CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the OA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 18B(3). The Party specified in paragraph 7, as directed by escrow, shall deposit funds into escrow or direct to OA or management company to pay for any of the above.

Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)

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COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 4 OF 11)

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Gateway

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12. ENVIRONMENTAL SURVEY (If checked): Within _____ Days After Acceptance, Buyer shall be provided a phase one environmental survey report paid for and obtained by Buyer Seller. Buyer shall then, as specified in paragraph 18, remove this contingency or cancel this Agreement.
13. SUBSEQUENT DISCLOSURES: In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer of which Buyer is otherwise unaware, Seller shall promptly Deliver a subsequent or amended disclosure or notice in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies ~~disclosed in reports ordered and paid for by Buyer.~~
14. CHANGES DURING ESCROW. See
- A. Prior to Close Of Escrow, Seller may only engage in the following acts, (Proposed Changes), subject to Buyer's rights in paragraph 18: (i) rent or lease any vacant unit or other part of the premises; (ii) alter, modify, or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of the Property.
- B. At least 7 (or) Days prior to any Proposed Changes, Seller shall Deliver written notice to Buyer of any Proposed Changes.
15. CONDITION OF PROPERTY: Unless otherwise agreed in writing: (i) the Property is sold (a) "AS-IS" in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation rights; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and (iii) all debris and personal property not included in the sale shall be removed by Close Of Escrow.
- A. Seller shall, within the time specified in paragraph 18A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, and make any and all other disclosures required by law.
- B. Buyer has the right to conduct Buyer Investigations of the property and, as specified in paragraph 18B, based upon information discovered in those investigations: (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.
- C. Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.
16. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:
- A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 18B. Within the time specified in paragraph 18B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to, the right to: (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2); (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property including the availability and cost of flood and fire insurance; (v) review and seek approval of leases that may need to be assumed by Buyer; and (vi) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA). Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations except for minimally invasive testing required to prepare a Pest Control Report; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- B. Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 18B, complete Buyer Investigations and either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all such Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
- C. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer. See addendum
- D. Buyer indemnify and seller protection for entry upon property: Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.
17. TITLE AND VESTING: See addendum
- A. Within the time specified in paragraph 18, Buyer shall be provided a current preliminary title report ("Preliminary Report"). The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the Preliminary Report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 18B. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities. Seller shall within 7 Days After Acceptance, give Escrow Holder a completed Statement of Information.
- B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record (which Seller is obligated to pay off) unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
- C. Within the time specified in paragraph 18A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.

Buyer's Initials (_____) (_____)
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Seller's Initials (_____) (_____)



COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 5 OF 11)

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- D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.
- E. Buyer shall receive a standard coverage owners CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and shall pay any increase in cost. See addendum
18. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).
- A. SELLER HAS: 7 (or 5) Days After Acceptance to Deliver to Buyer all Reports, disclosures and information for which Seller is responsible under paragraphs 5A, 6, 7, 8B(7), 11A, B, C, D and F, 12, 15A and 17A. Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement if Seller has not Delivered the items within the time specified.
- B. (1) BUYER HAS: 17 (or 75) Days After Acceptance, unless otherwise agreed in writing, to:
- (i) complete all Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to paragraph 8B(7) and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property.
- (2) Within the time specified in paragraph 18B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to (C.A.R. Form RRRR) Buyer's requests.
- (3) By the end of the time specified in paragraph 18B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller a removal of the applicable contingency or cancellation (C.A.R. Form CR or CC) of this Agreement. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in paragraph 18A, then Buyer has 5 (or) Days After Delivery of any such items, or the time specified in paragraph 18B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.
- ~~(4) Continuation of Contingency: Even after the end of the time specified in paragraph 18B(1) and before Seller cancels, if at all, pursuant to paragraph 18C, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to paragraph 18C(1).~~
- C. SELLER RIGHT TO CANCEL:
- (1) Seller right to Cancel; Buyer Contingencies: If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer
- (2) Seller right to Cancel; Buyer Contract Obligations: Seller, after first delivering to Buyer a NBP, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3A or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a letter as required by paragraph 3J(1); (iii) Deliver verification as required by paragraph 3C or 3H or if Seller reasonably disapproves of the verification provided by paragraph 3C or 3H; or (iv) In writing assume or accept leases or liens specified in 8B7; (v) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 25B; or (vi) Provide evidence of authority to sign in a representative capacity as specified in paragraph 23. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
- D. NOTICE TO BUYER OR SELLER TO PERFORM: The NBP or NSP shall: (i) be in writing; (ii) be signed by the applicable Buyer or Seller; and (iii) give the other Party at least 2 (or) Days After Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP or NSP may not be Delivered any earlier than 2 Days Prior to the expiration of the applicable time for the other Party to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 18.
- E. EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES: If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in writing, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.
- F. CLOSE OF ESCROW: Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a demand to close escrow (C.A.R. Form DCE). The DCE shall: (i) be signed by the applicable Buyer or Seller; and (ii) give the other Party at least 3 (or) Days After Delivery to close escrow. A DCE may not be Delivered any earlier than 3 Days Prior to the scheduled close of escrow.
- G. EFFECT OF CANCELLATION ON DEPOSITS: If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Except as specified below, release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. If either Party fails to execute mutual instructions to cancel escrow, one Party may make a written demand to Escrow Holder for the deposit (C.A.R. Form BDRD or SDRD). Escrow Holder, upon receipt, shall promptly deliver notice of the demand to the other Party. If, within 10 Days After Escrow Holder's notice, the other Party does not object to the demand, Escrow Holder shall disburse the deposit to the Party making the demand. If Escrow Holder complies with the preceding process, each Party shall be deemed to have released Escrow Holder from any and all claims or liability related to the disbursement of the deposit. Escrow Holder, at its discretion, may nonetheless require mutual cancellation instructions. A Party may be subject to a civil penalty of up to \$1,000 for refusal to sign cancellation instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).

See
addendum

Buyer's Initials () ()
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Seller's Initials () ()



Property Address: **700 W. Grand Avenue (former Police Station), Esccondido, 92025** Date: **April 29, 2015**

19. REPAIRS: Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain invoices and paid receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.
20. FINAL VERIFICATION OF CONDITION: Buyer shall have the right to make a final verification of the Property within 5 (or ___) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 15; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).
21. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS: Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, OA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.
22. BROKERS: See addendum
- A. COMPENSATION: Seller or Buyer, or both, as applicable, agrees to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.
- B. BROKERAGE: Neither Buyer nor Seller has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as specified in this Agreement, in connection with any act relating to the Property, including, but not limited to, inquiries, introductions, consultations and negotiations leading to this Agreement. Buyer and Seller each agree to indemnify, defend, and hold the other, the Brokers specified herein and their agents, harmless from and against any costs, expenses or liability for compensation claimed inconsistent with the warranty and representations in this paragraph.
- C. SCOPE OF DUTY: Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.
- ~~23. REPRESENTATIVE CAPACITY: If one or more Parties is signing the Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 40 or 41 and attach a Representative Capacity Signature Disclosure (C.A.R. Form RCSD). Wherever the signature or initials of the representative identified in the RCSD appear on the Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Party acting in a representative capacity (i) represents that the entity for which that party is acting already exists and (ii) shall Deliver to the other Party and Escrow Holder, within 3 Days After Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).~~
24. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:
- A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3, 4B, 5A, 6, 7, 10, 11D, 17, 18G, 21, 22A, 23, 24, 30, 38, 39, 41, 42 and paragraph D of the section titled Real Estate Brokers on page 11. If a Copy of the separate compensation agreement(s) provided for in paragraph 22A, or paragraph D of the section titled Real Estate Brokers on page 11 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute such provisions within the time specified in paragraph 7C(1)(c). To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within 3 (or ___) Days, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by paragraphs 7, 11 or elsewhere in this Agreement.

Buyer's Initials (_____) (_____)
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Seller's Initials (_____) (_____)



Property Address: **700 W. Grand Avenue (former Police Station), Escondido, 92025** Date: **April 29, 2015**

- B. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days After Acceptance (or _____). Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title company when received from Seller. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 10C, Escrow Holder shall deliver to Buyer a Qualified Substitute statement that complies with federal Law.
- C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 22A and paragraph D of the section titled Real Estate Brokers on page 11. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 22A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
- D. Upon receipt, Escrow Holder shall provide Seller and Seller's Broker verification of Buyer's deposit of funds pursuant to paragraph 3A and 3B. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers: (i) if Buyer's initial or any additional deposit is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- E. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.

25. REMEDIES FOR BUYER'S BREACH OF CONTRACT: See

- A. Any clause added by the Parties specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase in violation of this Agreement shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.
- B. LIQUIDATED DAMAGES: If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. AT TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R.FORM RID).

Buyer's Initials _____ / _____

Seller's Initials _____ / _____

26. DISPUTE RESOLUTION:

- A. MEDIATION: The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action through the C.A.R. Consumer Mediation Center ([www. consumermediation.org](http://www.consumermediation.org)) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Broker(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. Mediation fees, if any, shall be divided equally among the Parties involved. If, for any dispute or claim to which this paragraph applies, any Party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED. Exclusions from this mediation agreement are specified in paragraph 26C.
- B. ARBITRATION OF DISPUTES: The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Broker(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of residential real estate Law experience unless the parties mutually agree to a different arbitrator. The Parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Enforcement of this agreement to arbitrate shall be governed by the Federal Arbitration Act. Exclusions from this arbitration agreement are specified in paragraph 26C.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials _____ / _____

Seller's Initials _____ / _____

Buyer's Initials (_____) (_____)
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Seller's Initials (_____) (_____)

Property Address: 700 W. Grand Avenue (former Police Station), Escondido, 92025

Date: April 29, 2015

C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:

- (1) **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action, and (iii) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court.
- (2) **PRESERVATION OF ACTIONS:** The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies; or (iii) the filing of a mechanic's lien.

(3) **BROKERS:** Brokers shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Broker(s) participating in mediation or arbitration shall not be deemed a party to the Agreement.

27. **SELECTION OF SERVICE PROVIDERS:** Brokers do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Broker or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.
28. **MULTIPLE LISTING SERVICE/PROPERTY DATA SYSTEM:** If Broker is a participant of a Multiple Listing Service ("MLS") or Property Data System ("PDS"), Broker is authorized to report to the MLS or PDS a pending sale and, upon Close Of Escrow, the terms of this transaction to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS or PDS.
- ~~29. **ATTORNEY FEES:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorneys fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 26A.~~
30. **ASSIGNMENT:** Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the written consent of Seller. Such consent shall not be unreasonably withheld unless otherwise agreed in writing. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless otherwise agreed in writing by Seller (C.A.R. Form AOOA).
31. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon, and inure to the benefit of, Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.
32. **ENVIRONMENTAL HAZARD CONSULTATION:** Buyer and Seller acknowledge: (i) Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (ii) Broker(s) has/have made no representation concerning the applicability of any such Law to this transaction or to Buyer or to Seller, except as otherwise indicated in this Agreement; (iii) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.
33. **AMERICANS WITH DISABILITIES ACT:** The Americans With Disabilities Act ("ADA") prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. The ADA can require, among other things, that buildings be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker does not have the technical expertise to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact an attorney, contractor, architect, engineer or other qualified professional of Buyer's or Seller's own choosing to determine to what degree, if any, the ADA impacts that principal or this transaction.
34. **COPIES:** Seller and Buyer each represent that Copies of all reports, documents, certificates, approvals and other documents that are furnished to the other are true, correct and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.
35. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
36. **GOVERNING LAW:** This Agreement shall be governed by the Laws of the state of California.
37. **TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the above terms and conditions. The liquidated damages paragraph or the arbitration of disputes paragraph is incorporated in this Agreement if initiated by all Parties or if incorporated by mutual agreement in a counteroffer or addendum. If at least one but not all Parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. Buyer has read and acknowledges receipt of a Copy of the offer and agrees to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.
38. **TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as otherwise specified, this Agreement shall be interpreted and disputes shall be resolved in accordance with the Laws of the State of California. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.
39. **DEFINITIONS:** As used in this Agreement:
- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a Party and is delivered to and personally received by the other Party or that Party's authorized agent in accordance with the terms of this offer or a final counter offer.
- B. "Agreement" means this document and any counter offers and any incorporated addenda, collectively forming the binding agreement between the Parties. Addenda are incorporated only when Signed by all Parties.

Buyer's Initials (_____) (_____)
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Seller's Initials (_____) (_____)

COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 9 OF 11)

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Gateway

Property Address: 700 W. Grand Avenue (former Police Station), Escondido, 92025 Date: April 29, 2015

- C. "C.A.R. Form" means the most current version of the specific form referenced or another comparable form agreed to by the parties.
 - D. "Close Of Escrow" or "COE" means the date the grant deed, or other evidence of transfer of title, is recorded.
 - E. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.
 - F. "Days" means calendar days. However, after Acceptance, the last Day for performance of any act required by this Agreement (including Close Of Escrow) shall not include any Saturday, Sunday, or legal holiday and shall instead be the next Day.
 - G. "Days After" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 PM on the final day.
 - H. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.
 - I. "Deliver", "Delivered" or "Delivery", unless otherwise specified in writing, means and shall be effective upon: personal receipt by Buyer or Seller or the individual Real Estate Licensee for that principal as specified in the section titled Real Estate Brokers on page 11, regardless of the method used (i.e., messenger, mail, email, fax, other).
 - J. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
 - K. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
 - L. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
 - M. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.
40. AUTHORITY: Any person or persons signing this Agreement represent(s) that such person has full power and authority to bind that person's principal, and that the designated Buyer and Seller has full authority to enter into and perform this Agreement. Entering into this Agreement, and the completion of the obligations pursuant to this contract, does not violate any Articles of Incorporation, Articles of Organization, By Laws, Operating Agreement, Partnership Agreement or other document governing the activity of either Buyer or Seller.
41. EXPIRATION OF OFFER: This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by _____, who is authorized to receive it, by 5:00 PM on the third Day after this offer is signed by Buyer (or by _____ AM/ PM, on _____ (date)).

See addendum

One or more Buyers is signing the Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD) for additional terms.

Date _____ BUYER _____
(Print name) Integral Partners Funding, LLC

Date _____ BUYER _____
(Print name) its successors and/or assigns

Additional Signature Addendum attached (C.A.R. Form ASA).

42. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to Deliver a Signed Copy to Buyer.

(If checked) SELLER'S ACCEPTANCE IS SUBJECT TO ATTACHED COUNTER OFFER (C.A.R. Form CO or SMCO) DATED: _____

One or more Sellers is signing the Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD) for additional terms.

Date _____ SELLER _____
(Print name) City of Escondido

See Addendum for additional paragraphs 43-49

Date _____ SELLER _____
(Print name) _____

Additional Signature Addendum attached (C.A.R. Form ASA).

(_____/_____) (Do not initial if making a counter offer.) CONFIRMATION OF ACCEPTANCE: A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) _____ at _____
(Initials) AM/ PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

Property Address: 700 W. Grand Avenue (former Police Station), Escondido, 92025 Date: April 29, 2015

REAL ESTATE BROKERS:

- A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
- B. Agency relationships are confirmed as stated in paragraph 2.
- C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.
- D. COOPERATING BROKER COMPENSATION: Listing Broker agrees to pay Cooperating Broker (Selling Firm) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow, the amount specified in the MLS, provided Cooperating Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Listing Broker and Cooperating Broker are not both Participants of the MLS, or a reciprocal MLS, in which the Property is offered for sale, then compensation must be specified in a separate written agreement (C.A.R. Form CBC). Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.

Real Estate Broker (Selling Firm) Maria Bowman CalBRE Lic. # _____
 By _____ CalBRE Lic. # _____ Date _____
 By _____ CalBRE Lic. # _____ Date _____
 Address 1756 Lorraine Place City Escondido State CA Zip 92026
 Telephone (760)743-6577 Fax _____ E-mail maribowmanres@att.net
 Real Estate Broker (Listing Firm) NA CalBRE Lic. # _____
 By _____ CalBRE Lic. # _____ Date _____
 By _____ CalBRE Lic. # _____ Date _____
 Address _____ City _____ State _____ Zip _____
 Telephone _____ Fax _____ E-mail _____

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, a deposit in the amount of \$ _____), counter offer numbers _____ Seller's Statement of Information and _____, and agrees to act as Escrow Holder subject to paragraph 24 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is _____

Escrow Holder Chicago Title Company Escrow # _____
 By Lorri Beasley Date _____
 Address 4041 MacArthur Blvd., suite 400, Newport Beach, CA 92660
 Phone/Fax/E-mail phone 949-724-3114, fax 949-724-3186, email: beasley@ctt.com
 Escrow Holder has the following license number # _____
 Department of Business Oversight, Department of Insurance, Bureau of Real Estate.

PRESENTATION OF OFFER: (_____) Listing Broker presented this offer to Seller on _____ (date).
Broker or Designee Initials

REJECTION OF OFFER: (_____)(_____) No counter offer is being made. This offer was rejected by Seller on _____ (date).
Seller's Initials

Buyer's Initials (_____)(_____) Seller's Initials (_____)(_____)

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525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by
Broker or Designee _____





BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA, Revised 11/14)

Property Address: 700 W. Grand Avenue (former Police Station), Escondido, 92025 ("Property").

1. **IMPORTANCE OF PROPERTY INVESTIGATION:** The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.
2. **BROKER OBLIGATIONS:** Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as those listed below. If Broker gives you referrals to professionals, Broker does not guarantee their performance.
3. **YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE FOLLOWING. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**
 - A. **GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and nonstructural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.
 - B. **SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.
 - C. **WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms.
 - D. **SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.
 - E. **WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
 - F. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).
 - G. **EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.
 - H. **FIRE, HAZARD AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies.
 - I. **BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size.
 - J. **RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.
 - K. **SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.
 - L. **NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, law enforcement, crime statistics, registered felons or offenders, fire protection, other government services, availability, adequacy and cost of internet connections or other technology services and installations, commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

By signing below, Buyers acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyers are encouraged to read it carefully.

Buyer _____ Buyer _____
Integral Partners Funding, LLC *its successors and/or assigns*

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Reviewed by _____ Date _____

BIA REVISED 11/14 (PAGE 1 OF 1)

BUYER'S INSPECTION ADVISORY (BIA PAGE 1 OF 1)



**ADDENDUM ONE TO COMMERCIAL PROPERTY PURCHASE
AGREEMENT AND JOINT ESCROW INSTRUCTIONS
(Escondido – Police Station)**

This Addendum to Commercial Property Purchase Agreement and Joint Escrow Instructions (this “*Addendum*”) is made and entered into by and between the City of Escondido, a municipal corporation (“*Seller*”) and Integral Partners Funding, LLC, a California limited liability company (“*Buyer*”), and is dated concurrently with that certain Commercial Property Purchase Agreement and Joint Escrow Instructions (the “*Printed Form*”) to which this Addendum is attached. Unless otherwise indicated, capitalized terms used herein shall have the same meanings ascribed to them in the Printed Form. In the event of any inconsistency and/or conflict between the Printed Form and this Addendum, then the terms and provisions of this Addendum shall govern and control. The Printed Form and this Addendum are collectively referred to herein as this “*Agreement*.”

A. THE FOLLOWING PARAGRAPHS OF THE PRINTED FORM SHALL BE MODIFIED AS FOLLOWS:

1B. Paragraph 1B is hereby supplemented as follows:

The term “*Property*” shall also include all of Seller’s right, title and interest in, to and arising out of the Entitlements (as defined in Paragraph 14(A)(1)(b) below) related to the Property.

1D. Paragraph 1D is hereby supplemented as follows:

Subject to Buyer’s Extension Option, the Close of Escrow shall occur on the earlier to occur of: (i) the date that is one hundred twenty (120) days following Approval of the Entitlements (as defined in Paragraph 14(A)(1)(b) below), or (ii) the date that is two (2) years following the date Buyer waives all contingencies set forth in Paragraph 18(B) below (the “*Closing Date*”). As used herein, the term “*Approved*” or “*Approval*” means, with respect to the various entitlements and development approvals to be processed by Buyer, that the development approval has been: (a) formally approved by the City of Escondido (the “*City*”) and all other applicable agencies in a form and content and subject to conditions of approval acceptable to Buyer; and (b) any statutorily provided time periods to appeal, challenge, object and/or protest the approval of the development approval have expired without an appeal, challenge, objection or protest being taken. If any appeal is taken or any challenge, objection or protest to the development approval is made, the body ruling on the appeal, challenge, objection or protest shall have made a formal, final finding unconditionally upholding approval of the development approval in a form and content and subject to conditions of approval acceptable to Buyer in its sole and absolute discretion and all further appeal, challenge, protest, or objection periods have expired without further appeal, challenge, protest, or objection being taken.

Buyer shall have one (1) option, exercisable in its sole and absolute discretion, to extend the Closing Date for an additional ninety (90) days (the “*Extension Option*”). If Buyer elects to exercise the Extension Option, Buyer shall deliver a

written notice to Seller and to Escrow Holder electing to exercise such Extension Option and, thereafter, deposit Fifty Thousand Dollars (\$50,000) (the “**Extension Deposit**”) into Escrow within one (1) business day following delivery of the notice exercising the Extension Option, but in no event later than the then applicable Closing Date. The Extension Deposit made by Buyer shall not be applicable to the Purchase Price. Notwithstanding anything contained in this Agreement to the contrary, Buyer shall have the right, at any time and in its sole and absolute discretion after the removal of all contingencies in Paragraph 18B of the Agreement, to designate a Closing Date earlier than the Closing Date otherwise described in this Paragraph by giving Seller and Escrow Holder written notice of Buyer’s earlier-designated Closing Date at least ten (10) days in advance of such earlier-designated Closing Date.

3A/B. Paragraphs 3A and 3B are hereby supplemented as follows:

The Initial Deposit, the Increased Deposit and the Extension Deposit, when and if made by Buyer, and all interest accrued thereon shall be collectively referred to as the “**Deposit.**” Upon Buyer’s removal of all contingencies in Paragraph 18 of the Agreement, the Deposit shall be non-refundable to Buyer, except (i) in the event of a Seller default, (ii) Seller’s failure to deliver title to the Property to Buyer at the Close of Escrow in the Closing Title Condition (as defined in Paragraph 17 below) or (iii) as otherwise provided by the Agreement, any addendum thereto or any other supplemental escrow instructions thereto.

3E. Paragraph 3E is hereby supplemented as follows:

One Hundred Dollars (\$100.00) of the Initial Deposit shall be considered as independent consideration (the “**Independent Consideration**”). The Independent Consideration shall be non-refundable to Buyer as independent consideration for the rights extended to Buyer under this Agreement. The Independent Consideration shall be released to Seller immediately following Buyer’s deposit of the Independent Consideration into Escrow. In all instances under this Agreement in which Buyer elects to terminate or is deemed to have terminated this Agreement and the Initial Deposit, the Increased Deposit and/or Extension Deposit must be returned to Buyer, Seller shall retain the Independent Consideration. The Independent Consideration shall not be applicable towards the Purchase Price.

14. Paragraph 14 is hereby deleted in its entirety and replaced with the following:

14A. Seller’s Covenants.

(1) Operation of the Property Prior to Close of Escrow. From the date of Acceptance until the earlier of the Close of Escrow or the termination by Buyer or Seller of its obligation to complete the transfer of the Property, Seller covenants and agrees to all of the following:

(a) Operations. Seller shall (i) maintain property and liability insurance related to the Property at the level and with the same or similar insurance companies that Seller currently maintains, (ii) comply with all federal, state, local,

and other laws, ordinances, rules, regulations and orders affecting or governing the use, occupancy, ownership or maintenance of the Property, and promptly furnish Buyer with copies of any and all written notices or communications that it receives from any person, governmental, or quasi-governmental entities regarding any violation by Seller of any such laws, and (iii) not alter the physical condition of the Property or grant, create or allow the creation of any easement, right-of-way, encumbrance, lien, restriction, or assessment on title that affects the Property.

(b) Processing Entitlements. Seller shall not amend, modify, terminate or abandon any of the existing governmental approvals or entitlements for the Property without Buyer's prior written consent. Buyer shall have the exclusive right, at its sole cost and expense, to seek and process all applications, improvement plans, drawings and specifications, site plans, permits, licenses, maps, zoning changes, specific plan amendments, general plan amendments, entitlements, development agreement(s), approvals, agreements, documents and other instruments, and any modifications or changes thereto (collectively, the "**Entitlements**") that Buyer deems necessary or appropriate to obtain from any governmental or quasi-governmental entities or agencies (collectively, the "**Governmental Authorities**") for the design, subdivision, development, construction, use, operation and sale of Buyer's proposed mixed-use transit orientated residential development built consistent with the condominium standards in Chapter 33, Article 49 of the Escondido Municipal Code on the Property ("**Project**"). Buyer shall have the right to negotiate any and all applicable fees, including, without limitation, impact fees, engineering fees and plan check fees in connection with such Project. In connection with the foregoing, Buyer and Buyer's agents may meet and freely communicate with (a) all applicable Governmental Authorities; and (b) all other consultants, contractors, persons or entities with whom Seller engaged or contracted for the design, subdivision, entitlement, development, construction, use or operation of the Property and/or the Project. Seller agrees to cooperate with Buyer in connection with its processing of the Entitlements. Following any request from Buyer, Seller agrees to promptly execute any letters, documents and/or maps required or requested by any of the Governmental Authorities and/or the adjoining real property owners to allow Buyer to process the Entitlements. Seller hereby authorizes Buyer to sign as the applicant for all applications to process the Entitlements. In the event this Agreement is terminated for any reason, Buyer shall have no obligation whatsoever to continue to process any Entitlements.

(c) Termination of Leases. Seller hereby covenants at its sole cost and expense to terminate, as of the Closing Date, any leases, licenses or occupancy rights so that Seller can deliver exclusive possession of the Property to Buyer at Close of Escrow free of any lease, license or occupancy rights. Seller shall provide to the tenant the required ninety (90) day notice to vacate such that the tenant shall vacate the Property prior to the Close of Escrow. This Section 14(A)(1)(c) amends Paragraph 9.C of the Printed Form.

(d) Seller Contracts and Consents. Seller shall cause any and all charges, fees, costs or expenses that have accrued under any contracts or agreements

relating to the Property to which Seller is a party to be paid in full on or prior to the Close of Escrow.

14B. Buyer's Covenants

(1) Application for Entitlements. Buyer will submit to the City certain applications for the Property to permit the construction of the Project. Buyer shall submit a complete initial application for the Project which shall include, but is not limited to, all forms, fees, deposits, studies and other items required by the City. The complete initial application must be submitted no later than 150 days following the removal of all contingencies in Paragraph 18B of the Agreement.

Nothing in this Agreement shall be construed to require the City to approve such Entitlements. Buyer acknowledges that the Entitlements involve the need for staff and the City Council to act in the public interest and according to applicable legal requirements without regard for this Agreement. Nothing in this Agreement shall in any manner affect the City Council or Planning Commission's sole and absolute discretion to disapprove, modify, or otherwise take any action regarding an application or request for any of the Entitlements to the extent such Entitlement is considered by either the City Council or the Planning Commission.

Should this Agreement be terminated as a result of Buyer's failure to obtain approval of the Entitlements, then Buyer and Seller shall each execute escrow cancellation instructions whereby Buyer and Seller terminate this Agreement and release one another, the Property and Escrow Holder from any obligations under this Agreement with respect to the Property, except those indemnity and corrective obligations of Buyer relating to Buyer's inspection of the Property and any other agreements expressly intended to survive such termination. If Buyer terminates this Agreement as provided herein within 180 days following the removal of all contingencies in paragraph 18B, Buyer's Deposit shall be promptly returned to Buyer following the execution of the escrow cancellation instructions described above and the return by Buyer to Seller of the Due Diligence Materials.

16D. The following shall be added to the end of **Paragraph 16D**:

This indemnity shall not apply to the actions of Seller or any latent defects or hazardous materials discovered by Buyer during its investigation of the Property.

17. **Paragraph 17** is hereby supplemented as follows:

Prior to Buyer's removal of all contingencies in Paragraph 18 of the Agreement, Buyer shall negotiate with Chicago Title Company ("**Title Company**") a form of title commitment for the Property (the "**Commitment**"). At the Close of Escrow Seller shall deliver title to the Property to Buyer in the condition shown on the Commitment (other than conditions resulting from Buyer's activities on the Property or Buyer's processing of the Entitlements) (the "**Closing Title Condition**"). If, on the Closing Date, Seller cannot deliver to Buyer title to the Property in the Closing Title Condition, Buyer may terminate this Agreement and receive a return of the Deposit.

18A. Paragraph 18A is hereby supplemented as follows:

Within five (5) days following the date of Acceptance, Seller shall, to the extent the same are within Seller's possession or control, deliver to Buyer copies of all consultant contracts, Phase I and Phase II reports, closure reports, no further action letters, engineering studies, improvement plans, consultant reports, ALTA surveys, appraisals, market research, financial projections, site and landscape plans, and any agreements, documents, materials or information that could impact the value and/or development potential of the Property.

22A. Paragraph 22A is hereby supplemented as follows:

Except for Maria Bowman ("**Buyer's Broker**"), each party represents and warrants that it has retained no brokers or finders to represent its interests in connection with this transaction. At the Close of Escrow, Buyer shall pay a commission to Buyer's Broker pursuant to the terms of a separate agreement. Each party agrees to indemnify and hold the other harmless from and against all liabilities, costs, damages and expenses, including, without limitation, reasonable attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay any other broker's commission and/or finder's fee.

25. Paragraph 25 is hereby supplemented as follows:

IN THE EVENT OF SUCH DEFAULT BY BUYER, SELLER'S SOLE AND EXCLUSIVE REMEDY SHALL BE THE RIGHT TO RETAIN THE FULL AMOUNT OF THE DEPOSIT (WHEN AND IF MADE BY BUYER) INCLUDING ANY INTEREST ACCRUED THEREON AS LIQUIDATED DAMAGES AND SELLER HEREBY EXPRESSLY WAIVES ALL RIGHTS OF ACTION AGAINST BUYER FOR SPECIFIC PERFORMANCE OR DAMAGES IN EXCESS OF THE AMOUNT PAYABLE UNDER THIS PARAGRAPH 25 FOR ANY MATTER ARISING OUT OF, OR RELATING TO, THIS AGREEMENT.

THIS PARAGRAPH 25 SHALL BE SUBJECT TO ANY APPLICABLE NOTICE AND CURE PERIODS SET FORTH IN THIS AGREEMENT OR ANY ADDENDUM THERETO.

Buyer's Initials

Seller's Initials

39I. Paragraph 39I is hereby supplemented as follows:

Buyer and Seller hereby agree that notices may be given hereunder by the parties' respective counsel and that, if any communication is to be given hereunder by Buyer's or Seller's counsel, such counsel may communicate directly with all principals as required to comply with the provisions of this Paragraph. Any notices

or writing hereunder may be made by facsimile or pdf electronic means, each of which shall be deemed originals.

B. THE FOLLOWING PARAGRAPHS SHALL BE ADDED TO THE PRINTED FORM:

43. **Notice and Cure.** Notwithstanding anything contained in this Agreement to the contrary, if a party is in breach under this Agreement (“*Defaulting Party*”) (a) the other party (“*Non-defaulting Party*”) shall deliver written notice to the Defaulting Party of such breach, and the Defaulting Party shall have until 5:00 p.m. California time on the date that is three (3) business days after the Defaulting Party’s receipt of such written notice to cure the breach, and (b) the Defaulting Party shall not be in default under this Agreement if the Defaulting Party cures such breach on or prior to 5:00 p.m. California time on the date that is three (3) business days after the Defaulting Party’s receipt of such written notice.
44. **Construction.** Each party hereto, and counsel for each party hereto, has reviewed and revised this Agreement, and the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation or construction of this Agreement.
45. **Independent Counsel.** Each party to this Agreement admits, acknowledges and represents that it has had the opportunity to consult with and be represented by independent counsel of such parties’ choice in connection with the negotiation, execution and amendment of this Agreement. Each party further admits, acknowledges and represents that it has not relied on any representation or statement made by any of the attorneys and representatives of the other party with regard to the subject matter, basis, or effect of this Agreement.
46. **Conditions Precedent.** The following shall be the conditions precedent to the parties’ obligations to consummate the purchase and sale transaction contemplated herein.
- 46.1 **Conditions to Buyer’s Obligations.** Buyer’s obligations hereunder, including, but not limited to, its obligation to consummate the purchase transaction provided for herein, are subject to the satisfaction, in Buyer’s sole and absolute discretion, of each of the following conditions, each of which is for the sole benefit of Buyer and may only be waived by Buyer in writing:
- 46.1.1 **Owner’s Policy.** Title Company shall be irrevocably committed to issue, at the Close of Escrow, its standard coverage owner’s title insurance policy, and provided Buyer provides a survey to the Title Company (in a form that meets the Title Company’s reasonable requirements), its extended coverage ALTA Owner’s Title Insurance Policy (2006 Form) in a form satisfactory to Buyer, with liability equal to the Purchase Price, showing fee title to the Property vested in Buyer, free and clear of any and all tenancies and/or rights of third parties affecting all or any portion of the Property, subject only to the

exceptions agreed to by Buyer prior to Buyer's waiver of all contingencies in Paragraph 18 of the Agreement (the "**Owner's Policy**").

- 46.1.2 Due Performance. Seller shall not be in default under the Agreement, and shall have duly performed each and every covenant, undertaking and agreement to be performed by it prior to the Close of Escrow thereunder.
- 46.1.3 Seller's Representations and Warranties. Each representation and warranty made in the Agreement by Seller shall be true and correct at the time as of which the same is made and as of the Close of Escrow.
- 46.1.4 Condemnation. The Property shall not be subject to any condemnation action or threatened condemnation action.
- 46.1.5 Subdivision Map Act. The Property shall consist of separately conveyable legal parcels, complying with the California Subdivision Map Act. Buyer cannot waive this condition.
- 46.1.6 Seller Deliveries. Seller shall have delivered to Escrow Holder the items required by the Agreement.
- 46.1.7 No Pending Action. There shall exist no pending or threatened actions, suits, arbitrations, claims, attachments, proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings, against the Seller that would materially and adversely affect the Seller's ability to unconditionally perform its obligations under the Agreement; and there shall exist no pending or threatened action, suit or proceeding with respect to the Seller before or by any court or administrative agency which seeks to restrain or prohibit, or to obtain damages or a discovery order with respect to, the Agreement or the consummation of the transactions contemplated hereby.
- 46.1.8 Development Agreement. Buyer and Seller shall have agreed on the form of a development agreement which shall contain terms reasonably acceptable to Buyer and such development agreement shall have been Approved.
- 46.1.9 Buyer's Waiver of Conditions. Buyer may at any time or times on or before the Close of Escrow, at its sole election, waive any of the conditions precedent to Buyer's obligations this Paragraph or otherwise and consummate the sale, but any such waiver shall be effective only if contained in a writing signed by Buyer and delivered to Seller. In the event any of the conditions precedent for the benefit of Buyer that are contained herein are not completely fulfilled and satisfied, then in addition to any other rights or remedies Buyer may

have, (a) Buyer may terminate its obligation to purchase the Property, and the Deposit and all accrued interest thereon shall immediately be returned to Buyer (excluding the Independent Consideration), less any amounts due to Escrow Holder from Buyer pursuant to the Agreement, (b) Buyer's obligation to purchase, and Seller's obligation to sell, the Property shall terminate, and (c) neither party shall have any further obligation to the other except as otherwise provided in the Agreement. Any termination of the Agreement due to a default by Seller shall not be a limitation on Buyer's remedies.

46.2 Conditions to Seller's Obligations. Seller's obligations hereunder, including, but not limited to, its obligation to consummate the purchase transaction provided for herein, are subject to the satisfaction, in Seller's sole and absolute discretion, of each of the following conditions, each of which is for the sole benefit of Seller and may only be waived by Seller in writing:

46.2.1 Due Performance. Buyer shall not be in default under the Agreement, and shall have duly performed each and every covenant, undertaking and agreement to be performed by it prior to the Close of Escrow thereunder.

46.2.2 Subdivision Map Act. The Property shall consist of separately conveyable legal parcels, complying with the California Subdivision Map Act. Seller cannot waive this condition.

47. Seller's Closing Deliveries. Not less than one (1) business day prior to the Closing Date, Seller shall deliver or cause to be delivered to Escrow Holder the following items:

47.1 One (1) fully-executed and acknowledged grant deed conveying the Property in the form attached hereto as Exhibit "A" (the "*Grant Deed*") with all documentary transfer tax information disclosed on a separate declaration, which shall be affixed to the Grant Deed by Escrow Holder after recordation thereof;

47.2 A Certificate of Non-Foreign Status duly executed by Seller certifying that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended, together with the equivalent California form (Form 593-C) confirming that Seller is not subject to withholding of any portion of the Purchase Price by Buyer pursuant to the California Revenue & Taxation Code;

47.3 One (1) fully executed original of a general assignment in the form attached hereto as Exhibit "B" conveying to Buyer the intangible property related to the Property;

47.4 One (1) fully-executed original of a bill of sale in the form attached hereto as Exhibit "C";

- 47.5 All due diligence materials in Seller's possession or control; and
- 47.6 Any other document, instrument or agreement necessary to consummate the transactions contemplated herein reasonably requested by Buyer or Escrow Holder, including, without limitation, an owner's affidavit.
48. **Buyer's Closing Deliveries.** On or prior to the Closing Date, Buyer shall deliver to Escrow Holder the following items:
- 48.1 The balance of the Purchase Price; and
- 48.2 Any other documents, instruments or agreements necessary to consummate the transactions contemplated herein reasonably requested by Seller or Escrow Holder.
49. **Assignment.** Neither party may assign or delegate its rights or obligations pursuant to this Agreement without the prior written consent of the other, which consent shall not unreasonably withheld, conditioned or delayed. It shall be unreasonable for Seller to deny consent to such assignment if the proposed assignee of Buyer has the same or better financial strength and real estate development experience as Buyer. Seller shall respond in writing to Buyer's request for consent within ten (10) business days of such request. Seller's failure to respond within such ten (10) business day period shall be a deemed approval of such assignment. Notwithstanding the foregoing, Buyer may assign all of its rights under this Agreement without the prior written consent of Seller to any entity in which Craig Manchester, directly or indirectly, has an ownership interest or any entity in which Craig Manchester directly or indirectly controls the day to day operations.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement concurrently with their execution of the Printed Form.

“SELLER”

CITY OF ESCONDIDO,
a municipal corporation

By: _____
Name: Debra Lundy
Title: Real Property Manager

By: _____
Name: Diane Halverson
Title: City Clerk

Address for Notices:

201 N. Broadway
Escondido, CA 92025
Attn: Real Property Manager
Phone: (760) 839-4034
Email: dlundy@escondido.org

“BUYER”

INTEGRAL PARTNERS FUNDING, LLC,
a California limited liability company

By: KPMW Integral, LLC,
a California limited liability company,
its Managing Member

By: _____
Lance Waite, Authorized Representative

2235 Encinitas Blvd., Suite 216
Encinitas, CA 92024
Attn: Lance Waite
Phone: (760) 944-7511
Email: lwaite@integralcommunities.com

888 San Clemente, Suite 100
Newport Beach, CA 92660
Attn: Caren Read, Esq.
Phone: (949) 720-3612
Email: cread@integralcommunities.com

Rutan & Tucker, LLP
611 Anton Boulevard, Suite 1400
Costa Mesa, CA 92626
Attn: Scott M. Cwiertny, Esq.
Phone: (714) 641-5100
Email: scwiertny@rutan.com

EXHIBIT "A"

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Integral Partners Funding, LLC
888 San Clemente, Suite 100
Newport Beach, CA 92660
Attention: Caren Read, Esq.

AND MAIL TAX STATEMENTS TO:

Same as above.

(Space Above Line For Recorder's Use Only)

THE UNDERSIGNED GRANTOR(S) DECLARE(S): DOCUMENTARY TRANSFER TAX IS \$ _____
_____ Computed on full value of property conveyed, or
_____ Computed on full value less liens and encumbrances
remaining at time of sale.
_____ Unincorporated Area _____ City of _____

GRANT DEED

FOR VALUE RECEIVED, the CITY OF ESCONDIDO, a municipal corporation ("Grantor"), hereby grants to _____ ("Grantee") all that certain real property situated in the County of San Diego, State of California, described on **Exhibit "1"** attached hereto ("**Property**"), together with (a) all improvements owned by Grantor and located on the Property and all fixtures contained in any such improvements, and (b) any and all easements, rights-of-way, privileges, rights and appurtenances benefiting, appertaining or belonging to the Property, including, without limitation, any and all streets and roads (whether opened or proposed) abutting the Property, riparian rights, water or water rights and stock evidencing any such water rights, and/or oil, gas or other minerals laying under the Property.

[signature page follows]

20__.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____,

GRANTOR:

CITY OF ESCONDIDO,
a municipal corporation

By: _____
Name: _____
Title: _____

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____,
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.

Signature _____

(Seal)

EXHIBIT "1"

LEGAL DESCRIPTION OF PROPERTY

That certain real property situated in the County of San Diego, State of California, more particularly described as follows:

EXHIBIT "B"

GENERAL ASSIGNMENT

THIS GENERAL ASSIGNMENT (this "**Agreement**") is entered into as of this ____ day of _____, 20 __, by the CITY OF ESCONDIDO, a municipal corporation ("**Assignor**"), in favor of _____ ("**Assignee**"), in connection with that certain Commercial Property Purchase Agreement and Joint Escrow Instructions between Assignor as the "Seller" and Assignee as the "Buyer" dated as of [____], 20 __, (as the same has been or may be amended and/or supplemented from time to time, the "**Purchase Agreement**") pursuant to which Assignor agreed to sell to Assignee the "Property" described therein. All terms with initial capital letters shall have the meaning ascribed thereto in the Purchase Agreement except as otherwise defined herein.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Assignment. Assignor hereby unconditionally assigns and transfers to Assignee all of Assignor's right, title and interest in, to and arising out of the Property and/or development entitlements related to the Property (including any pending applications), including, but not limited to, all reports, studies, permits, licenses, rights of way, plans, maps, site plans, drawings, specifications, surveys, consultant work product, warranties, guaranties, agreements, contracts, development agreements, subdivision improvement agreements, utility rights, development rights, approvals, entitlements, indemnities, claims, actions or defenses, prepaid development fees, credits, rights of reimbursement, governmental permits, certifications, licenses, variances, specific plan amendments, variances, site plans, general plan amendments, maps, negative declarations, environmental impact reports, CEQA findings and determinations, will serve letters and all similar rights related to the Property, whether granted by governmental or quasi-governmental authorities or private persons or entities and all due diligence materials.

2. Further Assurances. Assignor shall execute and deliver to Assignee any additional instrument or other document that Assignee reasonably requests to evidence the assignment of the assigned rights hereunder promptly upon request. Assignor shall cooperate and assist Assignee in obtaining any consents required to effectuate this Agreement.

[signature page follows]

IN WITNESS WHEREOF, Assignor has executed this Agreement as of the year and date first above written.

ASSIGNOR:

CITY OF ESCONDIDO,
a municipal corporation

By: _____
Name: _____
Title: _____

EXHIBIT "C"

BILL OF SALE

THIS BILL OF SALE (this "**Bill of Sale**") is made as of _____, 20 __, (the "**Effective Date**"), by CITY OF ESCONDIDO, a municipal corporation ("**Seller**"), in favor of _____ ("**Buyer**"), with reference to the following facts:

WHEREAS, Seller and Buyer entered into that certain Commercial Property Purchase Agreement and Joint Escrow Instructions dated as of _____, 20 __, (as the same has been or may be amended and/or supplemented from time to time, the "**Purchase Agreement**"), respecting the sale of certain Property, which includes any personal property. All capitalized terms used herein, unless indicated to the contrary, have the meanings ascribed to them in the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, Seller hereby grants, sells, transfers, assigns, conveys and delivers to Buyer any personal property benefiting, appertaining or belonging to the Property.

Seller shall, upon request by Buyer, execute and deliver to Buyer such additional documents as Buyer may reasonably request in order to assign and transfer fully to and vest in Buyer all rights, title or interest in and to any personal property, or to enable Buyer to realize upon or otherwise enjoy such rights and property.

This Bill of Sale shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, heirs and legatees of Buyer and Seller.

[signature page follows]

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the Effective Date of this Bill of Sale.

SELLER:

CITY OF ESCONDIDO,
a municipal corporation

By: _____
Name: _____
Title: _____

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 13

Date: August 5, 2015

TO: Honorable Mayor and Members of the City Council

FROM: Helen Davies, Utilities

SUBJECT: Adopt the 2013 Update of the San Diego Integrated Regional Water Management Plan

RECOMMENDATION:

The Utilities Department requests that the City Council adopt Resolution No. 2015-129, which will qualify the City of Escondido for grant opportunities from the California Department of Water Resources (DWR).

FISCAL ANALYSIS:

There is no direct fiscal impact of adopting the updated Integrated Regional Water Management (IRWM) Plan. However, the Plan must be adopted by the City Council in order for Escondido to qualify for grant opportunities from the DWR. These grant opportunities include funding for the Escondido Advanced Water Treatment for Agriculture project (MFRO project).

PREVIOUS ACTION:

The City Council authorized Resolution No. 2011-29 which adopted the original IRWM plan in February 2011.

BACKGROUND:

The San Diego Region developed the IRWM Plan through a coordinated effort of all the region's water agencies and other stakeholder groups. The San Diego IRWM Plan provides a mechanism for stakeholders to work together to address the challenges that potentially exist among multiple planning efforts. The IRWM Plan is intended to serve as an umbrella document that encompasses many water management planning efforts within the Region. It also serves as the State Department of Water Resources grant funding mechanism for the region.

The IRWM Plan was reviewed and updated through a stakeholder process during 2012-13. The mission and goals of the IRWM Plan remain the same. However, one objective was added to address an emerging area of concern in planning (climate change). There is also an increased emphasis on

Adoption of the 2013 Update of the IRWM Plan
August 5, 2015
Page 2

stakeholder outreach on projects funded through grants. A copy of the 2013 update of the IRWM Plan can be accessed at <http://www.sdirwmp.org/2013-irwm-plan-update>.

The IRWM process is currently being used to propose candidate projects in the San Diego Region for funding through Proposition 84. Approximately \$30 million has been allocated for the Region. The City has applied for \$5 million to help fund the Escondido Advanced Water Treatment for Agriculture (MFRO) project and was successful in being approved to receive approximately \$2 million. This project is part of the City's overall strategy to develop an additional supply of water from potable reuse, by reducing salinity/chlorides in water. Reduction of salinity/chlorides will enable the water to be used for agriculture. The package of projects proposed to be funded through the regional allocation will be submitted to the State Department of Water Resources for review of conformance with the Plan and grant requirements, and approval for the disbursement of grant funds.

The City of Escondido has provided the relevant documentation to comply with grant requirements, with the exception of the adoption of the revised IRWM Plan. City Council is being requested to adopt the revised IRWM Plan to enable the City to apply for grants through Proposition 84, Proposition 1 (the Water Bond), and other grants disbursed through the IRWM planning process.

Respectfully submitted,

A handwritten signature in blue ink that reads "Helen M. Davies". The signature is written in a cursive style with a horizontal line underlining the name.

Helen M. Davies, M.S., CPSWQ
Environmental Programs Manager

RESOLUTION NO. 2015-129

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE CITY COUNCIL TO
ADOPT ON BEHALF OF THE CITY, THE
2013 UPDATE OF THE SAN DIEGO
INTEGRATED REGIONAL WATER
MANAGEMENT PLAN

WHEREAS, the San Diego Regional Water Management Group (“RWMG”), in close cooperation with the Regional Advisory Committee (“RAC”), drafted the 2007 San Diego Integrated Regional Water Management (“IRWM”) Plan to optimize water supply reliability, protect and enhance water quality, provide stewardship of natural resources and coordinate and integrate water resource management in the region; and

WHEREAS, on February 16, 2011, the City of Escondido Council approved Resolution 2011-29 adopting the San Diego IRWM Plan; and

WHEREAS, on September 11, 2013, the IRWM Plan was updated based on stakeholder input, while still retaining the original goals and objectives; and

WHEREAS, the updated IRWM Plan has been adopted by Regional Water Management Group agencies including the County Water Authority and the City and County of San Diego; and

WHEREAS, the Proposition 84 grant also requires grant applicants to adopt the IRWM Plan;

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

1. That the above recitations are true.
2. That the City Council adopts the 2013 update of the San Diego Integrated Regional Water Management Plan and the associated project list.

CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 14

Date: August 5, 2015

TO: Honorable Mayor and Members of the City Council
FROM: Barbara J. Redlitz, Director of Community Development
SUBJECT: Municipal Code Amendment Regarding Expedited Roof Top Residential Solar Permits

RECOMMENDATION:

It is requested that Council introduce Ordinance No. 2015-16 amending Escondido Municipal Code Chapter 6, Article 1.

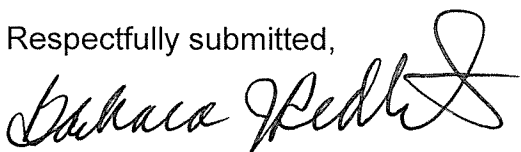
BACKGROUND:

This past May, the Building Division began offering owners and contractors an expedited process for residential roof top solar permits in an effort to provide the best service possible for Escondido residents and streamline the permitting process. Qualifying solar systems may now receive their permits over the counter.

Ordinance No. 2015-16 amends the Escondido Municipal Code to incorporate these streamlined procedures and satisfy the requirements of the Solar Rights Act and Assembly Bill 2188 (AB 2188). This expedited process will encourage timely and cost-effective installations of solar energy systems, promote the use of solar systems and limit obstacles to their use. The expedited permitting process will streamline permitting for small residential roof top energy systems which comply with the new Information Guidelines 24A and 24B. These Guidelines are now available on the City's web site at www.escondido.org/information-guidelines.aspx and at the Building Division counter at City Hall.

The proposed language for Section 6-19 of the Escondido Municipal Code is presented in the ordinance.

Respectfully submitted,



Barbara J. Redlitz
Director of Community Development



Tim Draper
Building Official

ORDINANCE NO. 2015-16

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AMENDING ESCONDIDO MUNICIPAL CODE
CHAPTER 6, ARTICLE 1 – BUILDINGS AND
BUILDING REGULATIONS, ADMINISTRATIVE
PROVISIONS

WHEREAS, the City of Escondido has implemented a streamlined permitting process for residential roof top solar permits to encourage timely and cost-effective installations of solar energy systems, promote the use of solar systems and limit obstacles to their use; and

WHEREAS, the City of Escondido, by this Ordinance, seeks to amend the Escondido Municipal Code to incorporate these streamlined procedures and satisfy the requirements of the Solar Rights Act and Assembly Bill 2188.

Now, therefore, the City Council of the City of Escondido, California, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That Escondido Municipal Code Chapter 6, Article 1, Section 6-19, incorporating an expedited, streamlined permitting process for Small Residential Rooftop Solar Systems, is hereby amended to read as follows:

Section 6.19. Expedited permit process for small residential rooftop solar systems.

6-19.1. Purpose and Intent.

The purpose of the section is to provide an expedited, streamlined solar permitting process in order to achieve timely and cost-effective installations of small

residential rooftop solar energy systems and satisfy the requirements of the Solar Rights Act and Assembly Bill 2188. This section encourages the use of solar systems by limiting obstacles to their use, minimizing costs to property owners and the City and expanding the ability of property owners to install solar energy systems. This section allows the City to achieve these goals while protecting the public health and safety.

6-19.2. Definitions.

As used in this section:

Solar Energy System means either of the following:

- (a) Any solar collector or other solar energy device whose primary purpose is to provide for the collection, storage, and distribution of solar energy for space heating, space cooling, electric generation, or water heating.
- (b) Any structural design feature of a building, whose primary purpose is to provide for the collection, storage, and distribution of solar energy for electricity generation, space heating or cooling, or for water heating.

Small residential rooftop solar energy system means all of the following:

- (a) A solar energy system that is no larger than 10 kilowatts alternating current nameplate rating or 30 kilowatts thermal.
- (b) A solar energy system that conforms to all applicable state fire, structural, electrical, and other building codes as adopted or amended by the City, and all state and City health and safety standards.

(c) A solar energy system that is installed on a single or two family dwelling.

(d) A solar panel or module array that does not exceed the maximum legal building height as defined by the City.

Electronic submittal means the utilization of electronic mail, facsimile or submittal via the internet.

Specific, adverse impact means a significant, quantifiable, direct, unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

Reasonable restrictions on a solar energy system are those restrictions that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or that allow for an alternative system of comparable cost, efficiency, and energy conservation benefits.

Restrictions that do not significantly increase the cost of the system or decrease its efficiency or specified performance means:

(a) For Water Heater Systems or Solar Swimming Pool Heating Systems: an amount exceeding 10 percent of the cost of the system, but in no case more than one thousand dollars (\$1,000), or decreasing the efficiency of the solar energy system by an amount exceeding 10 percent, as originally specified and proposed.

(b) For Photovoltaic Systems: an amount not to exceed one thousand

dollars (\$1,000) over the system cost as originally specified and proposed, or a decrease in system efficiency of an amount exceeding 10 percent as originally specified and proposed.

6-19.3. Applicability.

A. This chapter applies to the permitting of all small residential rooftop solar energy systems in the city.

B. Small residential rooftop solar energy systems legally established or permitted prior to the effective date of the ordinance codified in this section are not subject to the requirements of this chapter unless physical modifications or alterations are undertaken that materially change the size, type, or components of a small rooftop energy system in such a way as to require new permitting. Routine operation and maintenance or like-kind replacements shall not require a permit.

6-19.4. Solar Energy System Requirements.

A. All solar energy systems shall meet applicable health and safety standards and requirements imposed by the City and the state.

B. Solar energy systems for heating water in single-family residences and for heating water in commercial or swimming pool applications shall be certified by an accredited listing agency as defined by the California Plumbing and Mechanical Code.

C. Solar energy systems for producing electricity shall meet all applicable safety and performance standards established by the California

Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

6-19.5. Applications.

- A. All documents required for the submission of an expedited solar energy system application shall be made available on the City website.
- B. Electronic submittal of the required permit application and documents shall be made available to all small residential rooftop solar energy system permit applicants.
- C. The City's Building Official shall adopt a standard plan and checklist of all requirements with which small residential rooftop solar energy systems shall comply to be eligible for expedited review.
- D. The small residential rooftop solar system permit process, standard plan(s), and checklist(s) shall substantially conform to recommendations for expedited permitting, including the checklist and standard plans contained in the most current version of the *California Solar Permitting Guidebook* adopted by the Governor's Office of Planning and Research.

6-19.6. Permit Review and Inspection Requirements.

- A. The City's Building Official shall implement an administrative, nondiscretionary review process to expedite approval of small residential rooftop solar energy systems. The Building Division shall issue a building

permit, the issuance of which is nondiscretionary, in an expedited time frame upon receipt of any required fees and a complete application that meets the requirements of the approved checklist and standard plan. The Building Official may require an applicant to apply for a Conditional Use Permit if the official finds, based on substantial evidence, that the solar energy system could have a specific, adverse impact upon the public health and safety. Such decisions may be appealed to the Planning Commission.

B. Review of the application shall be limited to the Building Official's review of whether the application meets local, State, and Federal health and safety requirements.

C. If a Conditional Use Permit is required, the City may deny such application if it makes written findings based upon substantial evidence in the record that the proposed installation would have a specific, adverse impact upon public health or safety and there is no feasible method to satisfactorily mitigate or avoid, as defined, the adverse impact. Such findings shall include the basis for the rejection of the potential feasible alternative for preventing the adverse impact. Such decisions may be appealed to the Planning Commission.

1. Any condition imposed on an application shall be designed to mitigate the specific, adverse impact upon health and safety at the lowest possible cost.

2. "A feasible method to satisfactorily mitigate or avoid the

specific, adverse impact” includes, but is not limited to, any cost-effective method, condition, or mitigation imposed by the City on another similarly situated application in a prior successful application for a permit. The City shall use its best efforts to ensure that the selected method, condition, or mitigation meets the conditions of subparagraphs (A) and (B) of paragraph (1) of subdivision (d) of Section 714 of the Civil Code defining restrictions that do not significantly increase the cost of the system or decrease its efficiency or specified performance.

D. If an application is deemed incomplete, a written correction notice detailing all deficiencies in the application and any additional information or documentation required to be eligible for expedited permit issuance shall be sent to the applicant for resubmission.

E. Only one inspection shall be required and performed by the Building Division for small residential rooftop solar energy systems eligible for expedited review.

1. The inspection shall be done in a timely manner and should include consolidated inspections.

2. If a small residential rooftop solar energy system fails inspection, a subsequent inspection is authorized.

SECTION 2. SEPARABILITY. If any section, subsection sentence, clause, phrase or portion of this ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, such portion shall be deemed a separate, distinct

and independent provision and such holding shall not affect the validity of the remaining portions.

SECTION 3. That as of the effective date of this ordinance, all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 4. That the City Clerk is hereby directed to certify to the passage of this ordinance and to cause the same or a summary to be published one time within 15 days of its passage in a newspaper of general circulation, printed and published in the County and circulated in the City of Escondido.



FUTURE CITY COUNCIL AGENDA ITEMS
July 30, 2015

AGENDA ITEMS AND COUNCIL MEETING DATES ARE SUBJECT TO CHANGE. CHECK WITH THE CITY CLERK'S OFFICE AT 839-4617

August 12, 2015
4:30 p.m.

CONSENT CALENDAR
<p>Approval of Bundled Package for Software, Licensing, and Implementation Costs for Upgrading to Oracle's Customer Care and Billing Product; Approval of the Related Budget Adjustment to Fully Fund the Project (M. Becker)</p> <p><i>The City's current Utility Billing/CIS system is no longer supported on its current technology platform. In order to move forward, Oracle is offering the City a one-time incentive package to upgrade to Oracle's Customer Care and Billing product (CC&B) using their certified Gold partner, Blue Heron Consulting for implementation. This upgrade is a "fast-track" project, taking only eight months and focusing on moving quickly and efficiently to the new system.</i></p>
<p>Bid Award for the Upgrade to the Council Chambers Audio/DSP Control System and Voting System (J. Masterson)</p> <p><i>The work consists of upgrading the aging control systems for the City Council Chambers audio-visual equipment, as well as the voting system.</i></p>
<p>Summary Vacation of an Irrevocable Offer to Dedicate per Streets & Highways Code § 8334(a) (J. Masterson)</p> <p><i>A 1978 Irrevocable Offer to Dedicate Real Property for highway purposes was never accepted and the area of the subject dedication is no longer needed due to the relocation of Citracado Parkway. There are four parcels encumbered with this IOD and the owners are desirous of clearing the title cloud for future development. The City Engineer has deemed this IOD unnecessary and eligible for extinguishment.</i></p>
PUBLIC HEARINGS
CURRENT BUSINESS
<p>Sale of 165 E. Lincoln Avenue to Frank Turlo (J. Masterson)</p> <p><i>Frank Turlo, owner of San Diego Auto Thrift, currently leases the subject property from the City for its automobile sales business. He owns the adjacent property and has approached the City about buying the subject site from the City in order to expand his service center, meet parking requirements and make landscape improvements. This item will authorize the execution of documents necessary to effectuate the sale.</i></p>

August 12, 2015
Continued

CURRENT BUSINESS Continued
2015-2016 City Council Action Plan (G. Mitchell) <i>Through a workshop held on February 11, 2015, the Council established goals regarding its collective vision for Escondido. The 2015-2016 City Council Action Plan identifies those goals and specific strategies to achieve the goals. The City Council Action Plan will serve as the City's "workplan" for the next two years.</i>
Library Expansion Update (L. McKinney) <i>This report is a follow-up to the October 16, 2013 Agenda Item regarding the Library Expansion Conceptual Design and responds to Council direction of the Item to explore funding sources for the project.</i>
Future Agenda Items (D. Halverson)

August 19, 2015
4:30 p.m.

CONSENT CALENDAR
Notice of Completion for Fiscal Year 2014-15 Street Rehabilitation Project (E. Domingue) <i>The project consisted of removing & replacing deteriorated asphalt, including striping, concrete construction of sidewalks, curb, gutter, bus stops, curb ramps and installing video cameras.</i>
Set the Date of the August 26, 2015 for a Public Hearing to Consider Adoption of a Resolution of Necessity Authorizing the City Attorney to Initiate a Condemnation Proceeding (J. Masterson) <i>Portions of San Diego County Assessor Parcel Number 235-040-15 are required for the construction of the Citracado Parkway Extension Project. An appraisal was performed and an offer has been made pursuant to California Government Code § 7267.2(a). The owner has elected to obtain their own appraisal and negotiations are ongoing with the property owner. However, in the event that negotiations are not successful, setting a RON hearing will assure that the Project schedule will not be further negatively impacted.</i>
Notice of Completion: Hale Avenue Resource Recovery Facility Operations Building (C. McKinney) <i>The project consisted of the construction of an approximately 18,000 square foot Operations and Collections building at the HARRF.</i>
Adopt Resolutions Updating the Salary Plans for the Unclassified Clerical/Technical Group, Salary Bands for the Management Group, the Unclassified Service Schedule List and the Part-Time Hourly Compensation Plan (S. Bennett) <i>The City is required to update positions and salaries within the Management and Unclassified Clerical/Technical Groups as well as maintain an updated listing of all unclassified employee titles.</i>

August 19, 2015
Continued

CONSENT CALENDAR Continued

Resolution Establishing the Property Tax Rate and Fixed Charge Assessments for Bonded Indebtedness for Fiscal Year 2015-16

(S. Bennett)

Each year, a property tax rate is established to generate an amount of revenue from the property tax base that is sufficient to pay the General Obligation Bond debt service (principal and interest) for the current tax year.

PUBLIC HEARINGS

Adoption of Mitigated Negative Declaration for the Southwest Sewer Realignment Project (ENV 14-0009)

(B. Redlitz)

This project is needed to eliminate aging sewer lift stations and redirect flows to the south through upgraded and new sewer pipelines that end at Lift Station 1 near Westfield North County. The recently approved 65-lot Oak Creek project also relies on this sewer upgrade project to serve their new homes.

Latitude II – 112-Unit Condominium Planned Development and Tentative Subdivision Map (SUB 15-0003)

(B. Redlitz)

The project is commonly referred to as "Latitude II," and does not include the adjacent motel property. The applicant is coordinating with adjacent property owners to acquire the necessary access and sewer easements to construct the project, which will be needed prior to noticing the project for public hearing. The 20-day public review period for the MND ends on July 20, and the project is tentatively scheduled for Planning Commission hearing on July 28.

CURRENT BUSINESS

Discussion on Downtown Parking

(E. Domingue)

The downtown parking program manages parking issues within the downtown area to support the city residents, events, customers and businesses relative to the Downtown District. This presentation will outline those efforts and the results from various public outreach efforts.

Future Agenda Items (D. Halverson)



City Manager's **WEEKLY UPDATE** to City Council

July 29, 2015

ECONOMIC DEVELOPMENT

- A growing group of businesses on East Valley Parkway (motivated by being included in the current NTP area) have been meeting regularly since June 23, and have officially organized as the East Valley Parkway Business Group. Their mission is “to create a family-friendly business environment where all can thrive.” The group includes representatives from Walmart, Vons, Albertsons and approximately two dozen other businesses. They will continue to meet regularly and work with city staff to address appearance and safety issues along the East Valley Parkway business corridor.
- This weekend August 1st and 2nd Peninsula Women’s Soccer League will be hosting their 3rd annual soccer tournament at Ryan Park. They will have a total of 36 adult teams participating. They will have 3 coed divisions, 2 Over 18 Women’s divisions, 1 over 30 Women’s division, 1 over 40 Women’s division, and 1 over 50 Women’s division. The tournament will only use the front 5 fields. All parking will be free for this tournament.
- The Saturday Market in downtown intends to relocate to Maple Street between Grand Avenue and Valley Parkway. There is a possibility it will occur as soon as this weekend depending upon how quickly the organizer can turn in the required documents.

SPECIAL EVENTS

- The 32nd Annual National Night Out will be held on Tuesday, August 4 from 5 p.m. to 8 p.m. in Grape Day Park. Community resource organizations will be on hand to provide information relating to crime prevention, drug and violence prevention, education, health and safety. Bring your family and friends for an evening of fun, food, music and entertainment. Activities will be provided for children, including a bike rodeo (don’t forget the helmet!). Dance to the music of BWatt Entertainment and cool off with a refreshing Kona-Ice. We hope you can celebrate with us and help “Take a Bite out of Crime!”
- For information about activities taking place in Escondido, please visit www.visitescondido.com

CENTRE CITY PARKWAY IRRIGATION PROJECT

Attached is a status update for the CCP Irrigation Project.

COMMUNITY DEVELOPMENT

City Manager's WEEKLY UPDATE to City Council

Planning:

- The Planning Commission recommended approval of the proposed 112-unit condominium planned development project at 382-444 W. Washington, commonly referred to as Latitude II, (Zak, NCA Real Estate, by a 4-3 vote with additional conditions and further expressed their expectation that future condominium projects proposing multi-story flats be equipped with elevators. The Commission also unanimously approved the proposed four-lot parcel map at 1055 W. 15th Ave. (ATC Design Group) and the proposed CUP for a new wireless communications facility within the Palos Vista Specific Plan area at 1901 7/8 Woodland Parkway (Verizon Wireless).
- The West Hillside Neighborhood Group has expressed interest in conducting some historic survey work with the possible outcome of establishing an historic district in the general area west of Centre City Parkway and south of W. Valley Parkway. Lora Hilliard, of the neighborhood group, is coordinating efforts to begin the process. She has contacted CA State University, San Marcos to see if any faculty and students would be interested in partnering with the neighborhood group to prepare the necessary information. The university is interested and would like to meet with the group to learn more about the project. The Historic Preservation Commission has been contacted to solicit a volunteer to participate on an ad hoc working group.
- Major Projects Update:
 - Oak Creek (NUW) – LAFCO staff has recommended that the proposed annexation boundary be expanded to include a roadway segment of Hamilton Lane between Bernardo and Felicita Avenues. The County of San Diego has submitted comments concurring with this recommendation, along with additional recommendations regarding offsite improvements within Felicita Park. This road segment does not meet City standards. Staff has sent a letter to LAFCO providing justification to support City's staff's recommendation to eliminate the proposed expansion of the annexation boundary. A LAFCO hearing date has been tentatively scheduled for October 5th.
 - Amanda Estates (NUW) – The LAFCO hearing is scheduled for August 3rd. Staff has provided a list of submittals needed to pull a grading permit prior to implementation of the new storm water requirements.
 - Centerpointe 78 Commercial – Staff continues to review sections of the screen check EIR as they become available. The applicant has agreed to traffic mitigation measures identified by the EIR traffic consultant to address significant traffic impacts. Revisions to the Water Quality Technical Report are under review. The Draft EIR is anticipated to be released for public review within the next few weeks.
 - Pradera - Grading is underway. Building permit applications for the model homes are under review. An operating agreement has been executed to allow construction of the model homes prior to recordation of the Final Map. Staff is reviewing a variance

City Manager's WEEKLY UPDATE to City Council

application submitted to address setback issues relating to the location of the perimeter walls.

- Zenner - LAFCO has accepted the annexation application as complete, no hearing date has been set. LAFCO staff intends to recommend inclusion of an additional property north of the project for inclusion in the annexation. This property was granted an out-of-agency sewer agreement due to a failing septic system; as part of that agreement, the owner agreed not to oppose annexation. The applicant indicates they do not anticipate pulling grading permits this year in advance of the new storm water requirements.
- Kaen Planned Development (2516 S. Escondido Blvd.) – Staff met with the applicant's team on July 21st to discuss the changes they propose in response to staff comments. Conceptual agreement was reached regarding the proposed modifications. Submittal of revised plans is anticipated within two weeks. The applicant is pursuing selection of consultants for preparation of technical studies and the mitigated negative declaration.
- Wohlford – A letter has been sent for the proposed 55-unit residential subdivision and planned development at 661 Bear Valley Parkway advising the applicant that the application is incomplete and identifying the necessary submittals to continue processing the application. The applicant is coordinating with staff regarding a Specific Alignment Plan for Bear Valley Parkway and is conducting technical studies. Staff is reviewing a draft Request for Proposals for preparation of an EIR which was submitted by the applicant's consultant to help expedite the EIR consultant selection process.
- Latitude II – The applicant continues to negotiate with the owners of adjacent properties regarding several issues that affect their proposed site plan, parking and sewer improvements. The City Council hearing is tentatively scheduled for August 19th.
- Shea Homes (Tract 932) – Staff approved the substantial conformance determination for the revised tentative map for the 179-lot residential subdivision known as Hidden Valley Ranch. The applicant has reached agreement with Vista Irrigation District (VID) regarding cost sharing for improvements proposed within the VID easement. Rough grading plans are under review. A future Precise Plan submittal will include review of proposed park amenities as well as setback issues on 9 lots where the proposed units do not meet the setback requirements of the planned development.
- Safari Highlands – The tentative map and specific plan application was submitted on July 13th, and is under review for completeness. Staff is reviewing qualifications for an extension of staff for engineering services. Discussions are underway regarding the need for consulting services to prepare the Municipal Services Review and Sphere of Influence update.
- Felicita Development, LLC has submitted a Planned Development application for the vacant 6.9 acre property at the southeast corner of Felicita Rd. and Gamble Lane. The proposed project includes the phased development of a 140-unit hotel, an 80-unit extended stay hotel, a 120-bed assisted living facility and a gas station and car

City Manager's WEEKLY UPDATE to City Council

wash. Additional technical analysis and coordination is needed to address traffic, biology, water and sewer service, geotechnical and storm water concerns, along with a market study for the proposed uses. A letter addressing items and technical studies needed to complete the application has been sent.

- Revised plans submitted for EDI's proposed CUP expansion of the existing Materials Recovery Facility (MRF) are under review. The public review period for the draft Mitigated Negative Declaration ended July 23rd. The project is scheduled for Planning Commission hearing on August 25th.
- Solutions for Change has directed staff to reactivate their proposed 33-unit mixed-use planned development at 1560 S. Escondido Blvd. The project had been put on hold by the applicant while they evaluated funding options.

Building Division:

- The Building Division issued 82 permits for the week with a total valuation of \$363,689.
- 37 photovoltaic permits were issued for the week. Building has issued 646 permits so far this year compared to 346 issued at the same time last year.
- Inspections and counter contacts remain steady with inspections averaging 25 per day with 32 on Friday and counter contacts averaging 33 per day with 30 on Friday.
- The 76 unit apartments on 2412 S. Escondido Blvd have received underground plumbing and foundation inspections on two of the three buildings.
- The Black Angus restaurant at the North County Mall has received roof sheathing, exterior framing and framing inspection approval.
- Plans were submitted for a new Aldi food market at 1310 E. Valley Pkwy.

Code Enforcement:

- As of July 27th, the total number of open code enforcement case is 400 cases, with a backlog of an additional 41 cases not yet opened for assignment and investigation. During the prior week, 41 new cases were opened, and 66 cases were closed. Staff processed 1 public records requests (PRR), for a total of 79 PRRs this year to date. A total of 274 signs were pulled. Recruitment is underway for one full-time and three part-time vacant officer positions to assist with the backlog.
- Last week the Business License Division received 28 new applications and 105 renewals, and issued 34 new licenses.



City Manager's **WEEKLY UPDATE** to City Council

CAPITAL IMPROVEMENTS

FY 2014-2015 Street Rehabilitation Project:

Staff is working with the prime contractor to finalize all billable items for project closeout.

Private Development

Bear Valley Parkway between Boyle Avenue and San Pasqual Valley Road (County Project)

The wall contractor is backfilling material at Boyle Avenue at Bear Valley Parkway. A sewer main and lateral for Westminster Theological Seminary is being tested this week. The roadway widening of the southerly portion of Bear Valley Parkway between Suburban Hills Drive and San Pasqual Valley Road (SR78) is continuing this week.

2412 South Escondido Boulevard

The delivery of lumber for the construction of homes began last week, the construction of the concrete pads is continuing this week.

Pradera - Lennar Communities

The grading contractor is actively grading phase 1, 2 and 3 of the project. The import of dirt material was begun on Wednesday, July 15, 2015 and will continue into September; this will include Saturdays between the hours of 10:00 a.m. and 5:00 p.m. The offsite improvement drawing was approved on Tuesday, July 28, 2015 and the underground contractor started construction of the sewer improvement the same day. The 1st submittal of the Final Maps and Precise Grading plans for Streets "D" and "E" were made on July 14th and these 1st reviews should be completed in mid-August

St. Mary's Church: The grading is continuing on the new Parish Center; work on the public water mains began on Tuesday July 28, 2015.

Private Development – Current Plan Reviews

Ford and Hyundai Dealership Reconstruction

This project is a multi-phase Reconstruction of the Ford and Hyundai dealerships under same ownership and includes the addition of a car washing building/facility.

- The 1st submittals of the Grading plans and the final WQTR were made on July 15th and this 1st review should be completed in mid-August.

Tract 932 – Hidden Valley Ranch

This project is a 179-lot residential subdivision located at the ends of Vista Ave. and Vista Verde Dr. and will connect them when developed. Shea Homes has acquired this project and has begun final engineering.

- The Substantial Conformance Tentative Map has been approved.

City Manager's WEEKLY UPDATE to City Council

- The WQTR w/ HMP calculations have been reviewed and found to demonstrate that the revised TM can meet the current SUSMP.
- The 1st submittal of the rough grading plans, improvement plans, WQTR, Drainage Study, and Final Map was made on July 6th. The review of these plans with emphasis on the rough grading and drainage system improvements should be completed in early August.
- The 1st review of the offsite street improvement plans for the intersection of Vista Ave. & Ash St. was completed and returned to the Engineer at the end of June.
- The 1st reviews of the 3 offsite Traffic Signal plans (intersections of El Norte Pkwy & Vista Verde Dr., Ash St. & Sheridan Ave., and Vista Ave. & Ash St.) were completed and returned to the Engr. last week. All 3 intersections were field checked and numerous existing utilities lines and facilities need to be shown at each location.

PUBLIC SAFETY

Police

Incidents

- On 7/20/2015, officers responded to a report of a collision of a vehicle into a house in the 1600 block of E. Grand Ave. The driver received minor injuries and alcohol was not a factor in the collision.
- On 7/20/2015, officers responded to the 100 block of N. Beech St. on a report of a stabbing. Officers found the victim with serious, but non-life threatening injuries. The suspect, a family member, fled prior to the arrival of the officers.
- On 7/22/2015, officers responded to the 100 block of E. Grand Ave. on a report of a roll over collision. The driver was determined to be DUI and received minor injuries. A total of 5 parked cars and 1 occupied car were damaged in the collision.
- On 7/23/2015, officers saw a vehicle and driver matching the description of a robbery suspect from 2 days prior. The vehicle was stopped and the driver was taken into custody. The weapon from the original robbery was located in the car.
- On 7/23/2015, officers responded to a shoplifting in the 400 block of N. Escondido Blvd. When the store staff attempted to stop the suspect, a fight ensued. Officers arrived and the suspect fought with the officers. The suspect was taken into custody for robbery and fighting with the officers.
- On 7/23/2015, Officers responded to a report of a suicidal man armed with a handgun. As officers arrived, the man fled into a field. With the assistance of the Sheriff's helicopter ASTREA, the man was taken into custody without injury. The gun is also located and confiscated.
- On 7/23/2015, members of the Regional Auto Theft Taskforce (RATT) served search warrants at a suspected "Chop Shop" located in the 1900 block of Rohn Road. 2 stolen vehicles were recovered along with 10 guns. 3 subjects were also arrested. The Sheriff's helicopter ASTREA assisted in the arrest of one subject who ran from the location.

City Manager's WEEKLY UPDATE to City Council

- On 7/23/2015, officers responded to the 200 block of Cheyenne Ln. on a report of a disturbance. Upon arrival, officers were attacked by a subject wielding a shovel. The subject was taken into custody with the assistance of Police K9 Copan.
- On 7/24/2015, officers responded to Palomar Medical Center on a report of a shooting victim. It is later determined to be an accidental shooting that occurred at a party. Injuries are not life threatening.

Events

- On 7/22/2015, the Escondido Police Department hosted a Senior Disaster Resource Recovery meeting. The purpose of the meeting was to address the senior population during times of crisis such as fires, earthquakes, or disasters.
- Thursday, July 23rd, marked one year after losing Officer Laura Perez. Officer Perez was tragically lost during a domestic violence incident involving her husband. During a ceremony in front of the Police and Fire Headquarters, fellow officers, family and members of the community gathered in remembrance. Following the ceremony, members of the department traveled with Laura's family to the burial site for a moment of reflection.



- The Escondido Police Department purchased its first Automated External Defibrillator or AED for deployment in the field. The unit has been assigned to Officer Buan, who will respond to emergency calls where an AED may be needed.
- On 7/23/2015, Detective Pat Hall was honored as the Escondido Police Department's nomination for the Scottish Rite Officer of the Year. Detective Hall was selected due to

City Manager's WEEKLY UPDATE to City Council

his tireless work on each case he is assigned, and his tenacious follow up on all leads regardless of how trivial or time consuming. One case of note was in September 2014 in which a student, who had been walking home from school, had been shot down on the sidewalk. The victim, a teenager suffering from cerebral palsy, was transported to the hospital where he later died from his injuries. Detective Hall used the few witness statements he had, as well as the physical evidence to build a case against the gunman. The case was presented to the District Attorney's Office for prosecution and murder charges were filed. The case is currently awaiting trial.

- PD has achieved its goal of getting to 5,000 Facebook likes by summer of 2015.
- On 07/24/2015, a DUI checkpoint was conducted at Valley Pkwy and Avenida Del Diablo. During the event, 1,192 vehicles drove through the checkpoint, 922 vehicles were screened in primary, 43 vehicles were sent to secondary (drivers who could not provide a driver's license or who were suspected of DUI), 3 Field Sobriety Tests were administered resulting in 1 DUI arrest (The arrest was a felony as the driver had three prior DUI convictions), 19 citations were issued (6 for suspended license, 11 for unlicensed driver, and 6 for no insurance), and 11 vehicles were impounded.

Fire:

The fire department has apparatus and personnel on many of the vegetation fires burning in the State. Division Chief Rick Vogt and FF/PM Dominic Polito are currently assigned to the Wragg Fire near Vacaville. On Tuesday the fire appeared to be winding down, so FF/PM Polito was released and was on his way home. Apparently there was a wind change and the fire jumped the control line and once again threatened homes in the area. FF/PM Polito was requested to return to the incident, so he and DC Vogt are still assigned and expected to be there through the weekend.

Brush 1365 with three personnel and OES 8632 with four personnel were sent to the vegetation on Palomar Mountain last Saturday on two different strike teams. Battalion Chief John Tenger and Captain Chip Paulson were sent as the leaders of the OES Strike Team. Fortunately the Palomar Fire was quickly contained and units were released for reassignment. The State quickly reassigned the OES Strike Team to the Willows Fire near Bass Lake north of Fresno. The OES Strike Team is still assigned to the Willows Fire, we do not have expected date of release for those personnel yet. Brush 1365 and crew were released from the Palomar Fire on Monday and returned to Escondido.

At this time all fire stations and apparatus are in service for our day to day operations.

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Status update for the CCP Recycled Irrigation Transition Project for the week of July 31st, 2015. The anticipated completion date of this project has been revised to August 7th.

The segments from 2nd to 9th Ave have been completed and passed necessary testing. These segments of the project are ready to go operational.

Approximate number of repairs on CCP from 5th to 9th on west side center median and east side

1. Broken irrigation risers = 21
2. Replaced irrigation bubblers = 17
3. Replaced irrigation valve solenoids = 1
4. Replaced irrigation valve diaphragms = 3
5. Repaired leaking 2 ½ inch main line = 1
6. Repaired broken leaking laterals = 4
7. Re-wired irrigation valves = 7
8. Replaced 6 inch sprinklers = 18
9. Replaced broken sprinkler heads = 26
10. Installed pressure regulators = 3
11. Installed reclaimed water signs with post = 8
12. Replaced 10 inch round valve covers = 5
13. Replaced square valve box cover = 1
14. Reprogrammed irrigation clocks = 3
15. Made irrigation sprinkler head adjustments = 51

Approximate number of repairs on CCP from 9th to 13th on west side center median and east side

1. Broken irrigation risers = 16
2. Replaced irrigation bubblers = 7
3. Replaced irrigation valve solenoids = 2
4. Repaired broken leaking laterals = 3
5. Replaced 6 inch sprinklers = 12
6. Replaced broken sprinkler heads = 17
7. Re-wired irrigation valves = 3
8. Made irrigation sprinkler head adjustments = 44
9. Replaced irrigation valve diaphragms = 2
10. Installed pressure regulators = 2

Approximate numbers of repairs on CCP from 13th to Felicita on west side center median and east side

1. Broken irrigation risers = 13
2. Replaced irrigation bubblers = 5
3. Replaced battery operated single station valve box clocks = 3

4. Re-wired irrigation valves = 3
5. Installed pressure regulators = 1

Remaining work to be completed:

- 2nd to 9th Complete, ready to turn on.
- 9th to 13th tested last night didn't pass possible cross connection. Will retest today.
- 13th to Felicita, still making repairs. Once repaired and complete will test for cross contamination. We are looking to complete project by August 4th or sooner.