



Council Meeting Agenda

MARCH 8, 2017
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	John Masson
COUNCIL MEMBERS	Olga Diaz Ed Gallo Michael Morasco
CITY MANAGER	Graham Mitchell
CITY CLERK	Diane Halverson
CITY ATTORNEY	Jeffrey Epp
DIRECTOR OF COMMUNITY DEVELOPMENT	Bill Martin
DIRECTOR OF ENGINEERING SERVICES	Julie Procopio

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

**March 8, 2017
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 Escondido v. Allan F. Heath, III, et al.
Case No: 37-2015-00038261-CU-EI-NC

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

a. **Property:** 3400 Valley Center Road, Horse Arena
City Negotiator: Graham Mitchell, City Manager
Negotiating Parties: Sergio Contreras, President, Association de Charros de El Caballo Park
Under Negotiation: Lease Renewal Terms

ADJOURNMENT



Council Meeting Agenda

**March 8, 2017
4:30 P.M. Meeting**

Escondido City Council

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

PRESENTATIONS: Alliance for Regional Solutions Update

ORAL COMMUNICATIONS

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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: Special Meeting of February 22, 2017](#)**

4. **[APPROVAL AND AUTHORIZATION FOR RELEASE OF REQUEST FOR PROPOSALS FOR AFFORDABLE HOUSING PURPOSES -](#)**

Request the City Council approve authorizing Housing Division staff to release a Request for Proposals (RFP) for the provision of long-term affordable housing through acquisition or rehabilitation or redevelopment of blighted properties. The RFP will include a total of \$450,000 in federal HOME funds.

Staff Recommendation: **Approval (City Manager's Office: Jay Petrek)**

5. **[ANNUAL PROGRESS REPORT ON THE IMPLEMENTATION OF THE GENERAL PLAN AND ANNUAL HOUSING ELEMENT REPORT -](#)**

Request the City Council receive the General Plan Annual Progress Report; review the 2016 Annual Housing Report documenting the City's progress and compliance with State housing law on implementing the 2013-2020 Housing Element of the General Plan; and authorize submittal of the report to the State Office of Planning and Research, the State Department of Housing and Community Development, and SANDAG.

Staff Recommendation: **Approval (Community Development Department: Bill Martin)**

6. **[AMENDMENTS TO A CONSULTING AGREEMENT FOR PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT AND RELATED BUDGET ADJUSTMENT \(ENV 15-0001 AND SUB 15-0002\) -](#)**

Request the City Council approve authorizing amendments to a Consulting Agreement for Design Professionals with Harris & Associates, Inc., and approve a Planning Division budget adjustment of \$56,688.

Staff Recommendation: **Approval (Community Development Department: Bill Martin)**

RESOLUTION NO. 2017-28

7. **[CHANGE ORDER FOR THE EMERGENCY REPAIR OF THE SEWER PIPELINE ON NORTH HALE AVENUE -](#)**

Request the City Council approve authorizing Change Order No. 1 to the public improvement agreement with Shaw Equipment Rentals, Inc. The value of this change order is for an amount not exceed \$147,000.

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

RESOLUTION NO. 2017-33

8. **MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF ESCONDIDO AND THE ESCONDIDO POLICE OFFICERS' ASSOCIATION - SWORN PERSONNEL AND BUDGET ADJUSTMENT -**

Request the City Council approve the execution of a Memorandum of Understanding between the City of Escondido and the Escondido Police Officers' Association - Sworn Personnel, for a one-year term commencing January 1, 2017 through December 30, 2017; and approve a budget adjustment appropriating \$78,480 to cover increase contract costs. The Fiscal Year 2016-17 General Fund Operating Budget did not allocate funds for contract increases, but it is anticipated that budgetary saving at year end will cover these increased costs.

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

RESOLUTION NO. 2017-34

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. **UPDATE AND AMENDMENT TO THE ESCONDIDO MUNICIPAL CODE CHAPTER 28 (TRAFFIC), ARTICLE 1 AND ARTICLE 5, SECTION 142 -**

Approved on March 1, 2017 with a vote of 5/0

ORDINANCE NO. 2017-04 (Second Reading and Adoption)

PUBLIC HEARINGS

10. **REVIEW AND RE-AFFIRM COMMUNITY DEVELOPMENT AND HOMELESS PRIORITIES OF THE FISCAL YEARS 2015-2019 CONSOLIDATED PLAN AND APPROVE THE ALLOCATION PROCESS FOR FISCAL YEAR 2017-2018 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDING -**

Request the City Council review and re-affirm the community development priorities adopted in the Amended 2015-2019 Five-Year Consolidated Plan for CDBG; approve an allocation process for FY 2017-2018 CDBG funds to utilize the maximum 15 percent allowable for public service activities to address the priorities of the Consolidated Plan, and the maximum 20 percent allowable for administration of the CDBG program; authorize the release of a Request for Proposals (RFP) for public services and community redevelopment activities; review and re-affirm the homelessness and homelessness prevention priorities adopted in the Amended 2015-2019 Five-Year Consolidated Plan for ESG; and authorize the release of an RFP for organizations providing assistance to persons experiencing homelessness or at-risk of homelessness within the City.

Staff Recommendation: **Approval (City Manager's Office: Jay Petrek)**

CURRENT BUSINESS

- 11. [LIBRARY AUTOMATED MATERIALS HANDLING AND RADIO FREQUENCY IDENTIFICATION PROJECTS: BID AWARD FOR PURCHASE AND INSTALLATION -](#)**
Request the City Council approve the bid award to mk Solutions, Inc., a contract in the amount of \$269,120.04 for the purchase and installation of the Automated Materials Handling and Radio Frequency Identification systems.

Staff Recommendation: **Approval (Community Services Department: Loretta McKinney and Finance Department: Sheryl Bennett)**

RESOLUTION NO. 2017-19
- 12. [FLEET VEHICLE LEASING PILOT PROGRAM -](#)**
Request the City Council approve authorizing the Director of Administrative Services or her designee to enter into a five (5) year lease agreement with Enterprise Fleet Management of Dallas, Texas, for three (3) 2017 Ford F-150 trucks in the amount of \$130,860.90; and enter into a five (5) year Ford Municipal lease purchase agreement with National Fleet Auto Group of Watsonville, California, for three (3) 2017 Ford F-150 trucks in the amount of \$102,,872.85 as a fleet vehicle leasing pilot program.

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

RESOLUTION NO. 2017-30
- 13. [UPDATE FROM THE SAN DIEGO REGIONAL ECONOMIC DEVELOPMENT CORPORATION ON THE INNOVATE 78 REGIONAL ECONOMIC DEVELOPMENT INITIATIVE -](#)**
Request the City Council receive and file the update on Innovate 78 activities over the last year.

Staff Recommendation: **Receive and File (City Manager's Office: Jay Petrek)**

FUTURE AGENDA

- 14. [FUTURE AGENDA -](#)**
The purpose of this item is to identify issues presently known to staff or which members of the City 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
March 15	Wednesday	3:30 & 4:30 PM	Regular Meeting	Council Chambers
March 22	Wednesday	3:30 & 4:30 PM	Regular Meeting	Council Chambers
March 29	-	-	No Meeting	-
April 5	Wednesday	3:30 & 4:30 PM	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
SPECIAL MEETING OF THE CITY COUNCIL
8:00 A.M. WEDNESDAY, FEBRUARY 22, 2017
CALIFORNIA CENTER FOR THE ARTS, ESCONDIDO
STATE OF THE CITY
MINUTES**

CALL TO ORDER

The Special Meeting of the City Council of the City of Escondido, California, was called to order at 8:00 a.m. on Wednesday, February 24, 2016 at the California Center for the Arts, Escondido with Mayor Abed presiding.

MASTER OF CEREMONIES

Craig Carter, Chief of Police, welcomed everyone to the annual State of the City Address and introduced Mayor Abed, Deputy Mayor John Masson, and Councilmembers Olga Diaz, Ed Gallo, and Michael Morasco.

INVOCATION

Pastor Dennis Keating led the Invocation.

FLAG SALUTE AND PLEDGE OF ALLEGIANCE

Escondido Police and Fire Color Guard led the Flag Salute and Pledge of Allegiance.

NATIONAL ANTHEM

Erica Champagne, STAR Repertory Theatre, performed the National Anthem.

CHAMBER OF COMMERCE REMARKS

Linda Bailey, Board of Directors, reported on the Chamber of Commerce sponsored activities that were held in the City.

ATTENDANCE

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

CITY COUNCIL AWARDS

Escondido City Council Awards were presented by Mayor Abed and members of the City Council to the following:

<u>Recipient</u>	<u>Category</u>
<i>Dan Forster and Heather Moe</i>	<i>Business</i>
<i>Barbara Preston</i>	<i>Arts</i>
<i>Margie Ballard</i>	<i>Compassion</i>
<i>Robert Barrientos</i>	<i>Community</i>
<i>Don Piller</i>	<i>Education</i>
<i>Keith Roynon</i>	<i>Youth</i>
<i>Dominic Polito</i>	<i>Public Safety</i>
<i>Escondido Charitable Foundation</i>	<i>Mayor's Leadership Award</i>

STATE OF THE CITY ADDRESS

Mayor Abed noted the many achievements made in the past year in the areas of Economic Development, Financial Stability, Public Safety, and Neighborhood Improvement. Mayor Abed noted the challenges facing our city today: Poverty, Homelessness, and Pension Reform. Mayor Abed also shared the top priorities for 2017: Future Business Park, Neighborhood Improvement, Improved Water Infrastructure, and Smart City Innovation.

ORAL COMMUNICATIONS

ADJOURNMENT

Mayor Abed adjourned the meeting at 9:14 A.M.

MAYOR

CITY CLERK

DEPUTY CITY CLERK

CITY OF ESCONDIDO
February 22, 2017
9:15 A.M. Meeting Minutes
City Manager's Conference Room

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 9:15 a.m. on Wednesday, February 22, 2017 in the City Manager's Conference Room at City Hall with Mayor Abed presiding.

ATTENDANCE:

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

City Manager Graham Mitchell, City Attorney Jeffrey Epp, and Assistant City Attorney Michael McGuinness were also 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. Motion carried unanimously.

I. PUBLIC EMPLOYMENT PERSONNEL MATTERS (Government Code §54957(b)(1))

- a. City Manager
- b. City Attorney

The Council announced the following actions taken during their closed session today: The City Council received notification from current City Manager Graham Mitchell of his resignation effective at the conclusion of the City Council meeting on March 8, 2017. The City Council appointed City Attorney Jeffrey Epp to serve as Interim City Manager while their recruitment process continues, and the City Council appointed Assistant City Attorney Michael McGuinness to serve as Interim City Attorney. Formal action on these appointments is expected to occur at the March 1, 2017 City Council meeting.

ADJOURNMENT

Mayor Abed adjourned the meeting at 9:28 A.M.

MAYOR

CITY CLERK

DEPUTY CITY CLERK

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 4

Date: March 8, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Jay Petrek, Assistant City Manager
Karen Youel, Housing & Neighborhood Services Manager

SUBJECT: Approval and Authorization for Release of Request for Proposals for Affordable Housing Purposes (Case No 0873-01-25)

RECOMMENDATION:

It is requested that City Council authorize Housing Division staff to release a Request for Proposals (RFP) for the provision of long-term affordable housing through acquisition or rehabilitation or redevelopment of blighted properties. The RFP will include a total of \$450,000 in federal HOME funds.

FISCAL ANALYSIS:

There will be no impact on the General Fund.

The City of Escondido receives an annual allocation of HOME Program funding from the U.S. Department of Housing and Urban Development (HUD). The RFP will include HOME program income and FY 2015-16 and FY 2016-17 funds which can be used for projects developed by Community Housing Development Organizations (CHDOs), non-profit developers, or for-profit developers. By regulation, HOME funds must be committed to a specific project within two years and expended within four years. FY 2015-16 funds must be committed and contracts must be executed by June 30, 2017. Recaptured funds and program income must be committed before new allocations (FY 2015-16 and FY 2016-17) may be spent.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item relates to the City Council's Action Plan regarding Neighborhood Improvement.

PREVIOUS ACTION:

The City Council approved the HOME budget with funds reserved for housing development on April 22, 2015.

Approval and Authorization for Release of Request for Proposals for Affordable Housing Purposes
(Case No 0873-01-25)

March 8, 2017

Page 2

The City Council approved the HOME budget with funds reserved for housing development on May 4, 2016.

BACKGROUND:

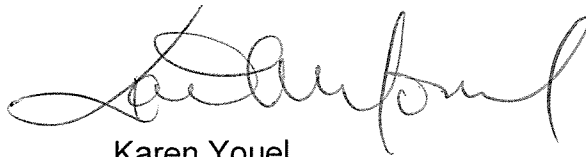
The RFP offers funding for the development of long-term affordable housing (with 45- or 55-year affordability restrictions). The RFP solicits proposals from CHDO's, for-profit and non-profit developers of affordable housing that will provide long-term affordable rental housing or first-time homebuyer opportunities through rehabilitation or redevelopment of blighted properties. Projects would be required to serve residents earning less than 80% of area median income. The final structure of the agreement(s) will be in a form approved by the City Attorney's office.

Staff has prepared the draft RFP (included as Exhibit A) for the use of the available HOME funds. Upon authorization of the City Council, staff will distribute the RFP to prospective applicants immediately. After staff review of the applications received, it is anticipated that recommendations to City Council for award of projects would occur in May, 2017.

Respectfully submitted,



Jay Petrek
Assistant City Manager



Karen Youel
Housing & Neighborhood Services Manager

Exhibit "A"



CITY OF ESCONDIDO
HOUSING & NEIGHBORHOOD SERVICES DIVISION

REQUEST FOR PROPOSALS (RFP)

FROM

For-Profit Corporations, Non-Profit Corporations, and Certified Community Housing Development Organizations (CHDOs) seeking to provide long-term affordable rental housing or first-time homebuyer opportunities

RFP RELEASE DATE:

March 9, 2017

PROPOSAL SUBMITTAL DATE:

April 5, 2017

City of Escondido
Housing & Neighborhood Services Division
201 N. Broadway, Escondido, CA
(760) 839-4356

REQUEST FOR PROPOSALS (RFP)

INTRODUCTION

The Housing & Neighborhood Services Division of the City of Escondido is pleased to request proposals to provide affordable long-term rental housing or first-time homebuyer opportunities for low-income residents through the rehabilitation of blighted properties or acquisition of long-term affordability covenants. The City's Housing Division has \$450,000 available in federal Home Investment Partnerships (HOME) Program funds to award through this Request for Proposals (RFP). An additional \$69,170 is available for organizations that qualify as a Community Housing Development Organization (CHDO).

For-Profit, Non-Profit and CHDO organizations are encouraged to submit proposals. Non-profit organizations who intend to participate as a CHDO, as defined by the HOME Program (see Eligible Applicant(s)), should submit completed certification applications and supporting documentation to the City along with their proposal.

In releasing this RFP, the Housing Division's goal is to provide quality, affordable housing, rental or homeownership, for Escondido's low-income families through rehabilitation or redevelopment of blighted properties.

Program targeting restrictions for assisted homeownership units: 100 percent (100%) of HOME must be used to assist families with incomes at or below 80 percent (80%) of the area median income. Program targeting restrictions for assisted rental units: 90 percent (90%) of households assisted with units funded by HOME program funds must be households with incomes of sixty percent (60%) or less of the area median income. Additionally, in rental developments containing five or more units, a minimum of 20 percent (20%) of the units must be occupied by families who have an annual income of 50 percent (50%) or less of the area median income, adjusted for family size. Priority will be given for proposals which include a higher percentage of units for families that have an annual income of 50 percent (50%) or less of area median.

The City will require a minimum 45-year period of affordability for all owner-occupied units or 55-year period for rental housing.

	2016 MAXIMUM INCOME LEVELS (Effective June 6, 2016)			
Household Size	30%	50%	60%	80%
1	17,850	29,750	35,700	47,600
2	20,400	34,000	40,800	54,400
3	22,950	38,250	45,900	61,200
4	25,500	42,500	51,000	68,000
5	27,550	45,900	55,080	73,450
6	29,600	49,300	59,160	78,900
7	31,650	52,700	63,240	84,350
8	33,700	56,100	67,320	89,800

- HUD published HOME income limits for San Diego County found at: <https://www.huduser.gov/portal/datasets/il/il16/FY16-IL-ca.pdf>

A minimum number of units to be constructed using these funds has not been established. However, the total number of units proposed for the program constitutes one of the criteria affecting overall evaluation points (see Rating Sheet Criteria, page 19 of the RFP).

The Cranston – Gonzales National Affordable Housing Act of 1990 (NAHA) and any amendments thereto provides for the administration of the HOME Program. Projects must comply with the 2013 HOME Program Final Rule. In the event that Congress or the Department of Housing and Urban Development (HUD) adds or changes any statutory or regulatory requirements concerning the use or management of these funds, program participants shall comply with such requirements.

Enforceable regulatory agreements acceptable to the City and allowable under the HOME program regulations will be imposed upon first-time homebuyer and rental units newly constructed and/or rehabilitated through this program.

Interested and qualified For-Profit and Non-Profit Corporations are encouraged to submit proposals. Questions regarding submittal packages should be submitted in writing to Karen Youel, Housing & Neighborhood Services Manager, at KYouel@escondido.org by Monday, March 27, 2017. Responses will be posted to the City website by Wednesday, March 29, 2017 at <http://www.escondido.org/housing-division.aspx>.

Sealed submittals marked “City of Escondido Housing & Neighborhood Services Division: Proposal for Delivery of Affordable Housing” will be accepted until Wednesday, April 5, 2017 at 5:00 p.m. at the Housing and Neighborhood Services Division office. No late proposals will be accepted. Respondents must include one (1) unbound original, three (3) bound copies, and one electronic version.

No additional information, whether written or oral, of any type (unless requested by the City) will be accepted or considered after this deadline. It is the applicant’s responsibility to ensure that submitted proposals are complete, accurate and clearly understandable in all respects. Evaluation factors used in ranking proposals are identified in the “Evaluation Criteria” section of this RFP.

The City reserves the right to negotiate and award contracts to multiple respondents, to reject any or all submittals, to waive any irregularities in the submittals, and/or to cancel, in whole or part, this RFP if it is in the best interest of the City to do so.

Funding allocations available through this RFP are made contingent upon sufficient funding availability. Actual award of HOME funds may depend on funds being made available from the U.S. Department of Housing and Urban Development. Should such funds not be granted to the City, the City reserves the right to cancel any contract. Further, any such agreement for HOME funds will be conditional in nature until the environmental review process is satisfactorily completed. Such an agreement will provide that the agreement to provide funds to the project is conditioned on the City’s determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review (24 CFR Part 58).

1. ANTICIPATED TIMELINE

Staff will evaluate submitted proposals and anticipates presenting recommendations to the Escondido City Council on **Wednesday, May 3, 2017 at 4:30 pm.** Staff’s recommendation will not be made public prior to that date. Following the City Council’s decision, the City will finalize a contract with the selected applicant(s). Funding for the

selected applicant(s) will proceed following the completion of the Environmental Review and/or other mandatory requirements including contracts and documents, as directed by funding source. **Please note that this is a tentative schedule subject to change.**

It is recommended that the individuals identified in the proposal as responsible for the proposed activities be present at the **May 3, 2017** City Council meeting. Access to the staff report and Council Agenda will be available 72 hours prior to the meeting on the following website: <http://www.escondido.org/meeting-agendas.aspx>.

2. ELIGIBLE APPLICANT(S)

2.1. For-profit

For-profit applicant(s) must have been incorporated or established as a partnership for one or more years.

2.2. Non-Profit

Non-Profit applicant(s) must have achieved Internal Revenue Code 501(c)(3) non-profit status and must have been in existence as an IRC 501(c)(3) for one or more years.

2.3. Community Housing Development Organizations (CHDOs)

Community Housing Development Organizations (CHDOs) are private nonprofit corporations that have been certified by the City as meeting the HOME Program CHDO eligibility requirements. In order to submit a proposal(s) for CHDO funding, a CHDO should submit a completed application with all attachments for CHDO certification along with its proposal response.

2.4. Requirements For All Applicant(s)

2.4.1. Preliminary Planning Review

In order to ensure that project proposals are viable from a land use standpoint and in compliance with the City of Escondido Zoning Ordinance and General Plan, it is necessary for the applicant to submit a completed planning review form with the proposal (Appendix A, see page 20). Contact Kristina Owens, Associate Planner/Housing and Neighborhood Services Division at KOwens@escondido.org or 760-839-4519 with questions.

2.4.2. Relocation Requirements

Assisted projects are subject to federal relocation requirements. In general, all reasonable steps must be taken to minimize displacement as a result of an assisted project. If your project proposal involves the acquisition/rehabilitation of existing occupied rental units, you must contact the Housing and Neighborhood Services Division prior to taking any action in regard to the site, including, but not limited to, taking an option on the site, for noticing requirements. Failure to do so could result in your application being disqualified.

2.5. Requirements for Approved Applicant(s)

2.5.1. Environmental Review

Prior to the formal commitment of any assistance, all HOME assisted projects must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA). All NEPA assessments will be prepared by the City of Escondido and submitted to HUD for review and approval. **Please note that HUD Notice CPD 01-11 and 24 CFR Part 58 prohibit an individual or agency from incurring costs related to a project or activity once that individual or agency begins pursuit of federal assistance for that project or activity. Costs cannot be incurred until after the environmental review has been completed and HUD has issued a Release of Funds. If you incur costs for your project prior to the Release of Funds, you will not be reimbursed for those costs and your application may be disqualified.** All required state and federal environmental review, including compliance with California Environmental Quality Act (CEQA) Statutes and Guidelines, must be completed before project approval.

If you incur costs for your project prior to obtaining environmental clearance, they will not be reimbursed.

2.5.2. Insurance

Approved applicant(s) will be required to obtain comprehensive general liability and property damage insurance in the amount of \$3 million, with the City of Escondido named as an additional insured. The City of Escondido will also require property insurance in the amount equal to 100 percent of the replacement cost of the structure, with a lender's loss payable endorsement in favor of the City of Escondido. The general contractor for the project must obtain comprehensive general liability insurance in the amount of \$3 million, with the City of Escondido named as an additional insured. Insurance coverage must be provided by an A.M. Best's A-rated, class V carrier or better, admitted in California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.

2.5.3. Nondiscrimination

Approved applicant(s) must agree not to discriminate against any person on the basis of any protected classification, including but not limited to, race, religion, color, national origin, ancestry, physical or mental disability, medical condition, familial status, sex, military or veteran status, age, sexual orientation, gender identity or gender expression, ancestry, marital status or any other arbitrary basis.

2.5.4. Affirmative Marketing

Approved applicant(s) are required to market all units in assisted projects in accordance with the City of Escondido's Affirmative Fair Marketing Procedures and all State and Federal Fair Housing Laws.

2.5.5. State and/or Federal Labor Standards/Prevailing Wages

Assisted projects will be required to comply with all federal and state regulations pertaining to labor standards, including the prevailing wage requirements as determined pursuant to the Davis-Bacon Act (40 U.S.C. 276a-5) and State Labor Code (Section 1720, et seq.). State prevailing wage provisions apply for any construction and construction-related tasks done under contract and paid for in whole, or in part, with public funds. Federal Davis-Bacon Act provisions apply if federal HOME funds are used for **any** project costs, including construction and non-construction costs, of housing with 12 or more HOME-assisted units.

Approved applicant(s) will be required to utilize a consultant, approved by the City, to ensure that prevailing wage obligations are correctly carried out. Prevailing wage costs will be charged to the project and must be included in the project development budget. Proposals should be prepared assuming prevailing wage will be required.

2.5.6. Contractors

Approved applicant(s) must certify that neither they nor their principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the covered transaction. In addition, contractors and subcontractors must hold a valid contractor's license from the State of California and must obtain a business license from the City of Escondido Community Development Department.

2.5.7. Relocation Requirements

Approved applicant(s) proposing to acquire and rehabilitate existing occupied units will be required to utilize a consultant, approved by the City, to ensure that relocation obligations are correctly carried out. **Relocation costs will be charged to the project and must be included in the project development budget.**

2.5.8. Removal of Physical Barriers/Section 504 of the Rehabilitation Act of 1973

Section 504 applies when HOME funds are used on a new construction housing or public facility project. Qualified housing projects are required to have a certain percentage of the units designed and made accessible to persons with mobility and sensory impairments. For new construction or rehabilitation of multifamily rental properties, five percent (5%) of the units (at least 1 unit) in the project must be accessible to individuals with mobility impairments, and an additional two percent (2%) of the units (at least 1

unit) must be accessible to individuals with sensory impairments. Any housing units newly constructed or rehabilitated for purchase or single family (including semi-attached and attached) units shall be made accessible upon request of the prospective buyer if the nature of the handicap of an expected occupant so requires.

2.5.9. Minority and Women Business Enterprise Participation

The City encourages the use of minority and women business enterprises (MWBE). Approved applicant(s) will be required to use their best efforts to carry out the City's Minority/Women Business Enterprise Policy.

2.5.10 Lead-based Paint Evaluation and Control

Approved applicant(s) will be required to utilize a consultant to ensure that lead-based paint hazard evaluation and control measures are correctly carried out. Lead based paint evaluation and abatement costs will be charged to the project and must be included in the project development budget.

2.5.11 Procurement Requirements

All goods and services procured in connection with an assisted project shall be procured in a manner that provides full and open competition and in the absence of conflicts of interest. In general, proposals should not include certain pre-selected members of the development team (such as the general contractor, management company, architectural firm, etc.), unless they have been selected through a competitive process that can be documented.

2.5.12 Section 3 Requirements

Section 3 of the HUD Act of 1968 applies to all recipients of HUD funds (including their contractors and subcontractors). All applications must certify that they will follow Section 3 requirements, which are outlined in brief at <http://www.hud.gov/offices/ftheo/progdesc/emp-lowr.cfm>.

3. ELIGIBLE PROJECTS

The City of Escondido invests its housing funds consistent with two major policy documents: the Housing Element of the General Plan and the Consolidated Plan. These documents address the affordable housing needs of the City of Escondido.

The City of Escondido has a number of established housing policies that guide the City's decision-making with regard to City-assisted housing programs and projects. Current housing policies for the City were established in the most recently adopted Housing Element and identified in the City's Five-year Strategic Plan (within the Consolidated Plan FY 2015 through FY 2019). These Housing Element goals include:

- Expand the stock of all housing while preserving the health, safety, and welfare of residents and maintaining the fiscal stability of the City.
- Pursue a balance of jobs to housing.
- Channel residential growth to areas where the concurrent provision of services and facilities, including schools, parks, fire and police protection, and street improvements can be assured.
- Encourage a compact, efficient urban form that conserves land and other natural and environmental resources, and that promotes transit, supports nearby commercial establishments, and takes advantage of infrastructure improvements installed to accommodate their intended intensities.
- Encourage creative residential developments and partnerships that result in desirable amenities and contribute to infrastructure needs.
- Incorporate smart growth principles in new residential subdivisions, multi-family projects, and Mixed Use Overlay areas.
- Accommodate the regional share of housing for all income groups.
- Increase homeownership in the City through education, availability and affordability.
- Apply criteria demonstrating appropriateness for converting mobilehome parks to ownership or alternative uses.
- Seek ways to eliminate all forms of discrimination based on race, ancestry, national origin or color, religion, sex, familial or marital status, disability, medical condition, age, sexual orientation, or source of income in obtaining housing.
- Maintain and enhance the existing housing stock as a source of low- and moderate-cost housing and as a conservation measure.
- Seek ways to eliminate substandard housing through continued enforcement of the Health and Safety Code and the provision of programs which facilitate the maintenance and rehabilitation of housing.
- Utilize code enforcement measures and incentive programs as necessary to ensure that building and safety regulations are met and to promote property maintenance.

The primary purpose of this RFP is to provide low-income families with long-term affordable housing through acquisition, rehabilitation and/or redevelopment of deteriorated or obsolete dwellings or buildings.

HOME-assisted affordable project rents shall consist of the actual rent plus a utility allowance for tenant-paid utilities. The 2013 HOME Final Rule established revised utility allowance requirements for the HOME Program. HUD requires that PJs establish, and update annually, a per project Utility Allowance. The HOME rule allows PJs to require owners to complete initial utility allowances and send them to the PJ for review and

approval. Acceptable methods include the HUD Utility Schedule Model (HUSM); Multifamily Housing Utility Allowance as outlined in Notice H-2015-4; Utility Company estimate; LIHTC Agency estimate; or Energy Consumption Model (Engineer Model).

No. of Bedrooms	Current affordable HOME (maximum) rents (before utility allowance)	
	Affordable Rent (Low HOME Rent)	Affordable Rent (High HOME Rent)
Studio	\$743	\$979
1	\$796	\$1,050
2	\$956	\$1,262
3	\$1,105	\$1,450
4	\$1,232	\$1,598

Rehabilitated units must be rehabilitated to meet, at minimum, HUD's Housing Quality Standards (HQS) and local building code standards. Proposals which include rehabilitation of existing dwelling units must include provisions for acceptable hazard reduction of any asbestos and/or lead-based paint present in the structure. Any asbestos present and any lead-based paint must be addressed to the satisfaction and compliance of local, state and federal laws.

4. **ELIGIBLE COSTS**

The following is a list of eligible costs under HOME Program regulations:

- Development hard costs, such as site preparation, on- and off-site improvements, demolition, construction, major housing systems replacement, lead-based paint and asbestos abatement and utility connections.
- Costs of acquiring improved or unimproved real property for the inclusion in a project which will begin construction within a 12-month period.
- Development soft costs, such as architectural, engineering or related professional services, costs necessary to obtain financing, development fees, impact fees, certain limited legal costs associated with the development of the proposed project, costs to provide information on fair housing and affirmative marketing to prospective tenants or homeowners, and relocation costs.

HOME funds may not receive final commitment from the City of Escondido until all necessary financing is secured, a budget and production schedule is established, underwriting, market assessment and subsidy layering is complete, and construction is expected to start within 12 months.

Costs must be necessary and must be consistent with the lowest reasonable cost, taking into consideration a project's scope and area. The minimum HOME investment in rental housing or homeownership is \$1,000 times the number of HOME-assisted units in the project. The minimum only relates to the HOME funds, and not to any other funds that might be used for project costs.

The maximum amount of HOME funds invested in a project shall not exceed the per unit dollar limits established by HUD as follows:

<u>No. Of Bedrooms</u>	<u>HOME Maximum Subsidy (Pursuant to CPD-2016-04)</u>
0 Bedrooms	\$140,107
1 Bedrooms	\$160,615
2 Bedrooms	\$195,304
3 Bedrooms	\$252,662
4 Bedrooms	\$277,344

The City will give priority to projects which propose a subsidy amount less than the allowable maximum.

5. **PROHIBITED COSTS**

The following is a list of ineligible costs under HOME Program regulations:

- Project reserve accounts (except for initial operating deficit reserves) or operating subsidies.
- Assistance to a completed project previously assisted with City of Escondido HOME funds.
- Pay-off or reduction of existing debt on a property, unless refinancing is undertaken in conjunction with rehabilitation.

6. **PROPOSAL REQUIREMENTS**

Proposal requirements are outlined in the attached application.

7. **EVALUATION CRITERIA**

7.1. Threshold Criterion for All Applicants

See paragraphs 2.1, 2.2 and 2.3 under Eligible Applicants.

7.2. Criteria for Proposal Evaluation

- The applicant's ability to perform the administrative, managerial, and operational functions and to oversee the services necessary for the successful completion of the proposed project.
- Reasonableness of the applicant's timeline to receive commitments of leveraged funds in order to meet HOME fund commitment deadlines.
- The effectiveness of the proposed project in contributing to neighborhood improvement, stability, and elimination of blight.
- The effectiveness of the financing plan developed by the applicant for the long-term operation of the project.

- The effectiveness of the marketing plan and relocation plan (if applicable) developed by the applicant.
- The number of residents to be served as well as project cost on a per-bedroom basis.
- Reasonableness of the applicant's proposed timeline for project completion and achievement of full occupancy, and demonstrated ability to meet the timeline.
- The effectiveness of the proposed project in addressing identified housing priorities and in addressing the demonstrated needs of target residents.

8. **SELECTION PROCESS**

All submittals will be reviewed by Housing & Neighborhood Services Division staff to determine responsiveness to the submittal requirements. Proposals deemed to be responsive will then be reviewed by Staff and ranked in accordance with the evaluation criteria. Staff will prepare recommendations for the City Council and finalists may be invited to make a presentation to the City Council.

The Housing & Neighborhood Services Division reserves the right to request additional information on proposals submitted and may reject any and all proposals at its discretion.

9. **TIMELINE FOR LOAN CLOSING AND DISBURSEMENT OF FUNDS**

Proposals which receive favorable staff review and are recommended for funding will be presented to the City Council for conceptual approval. Upon approval by the City Council, the City of Escondido anticipates that agreement(s) for the use of funds be executed by June 30, 2017.

HOME funds will be formally committed once all preconditions have been met. These conditions may include submittal to the City of Escondido of the following items:

- Phase I Environmental Assessment;
- NEPA and CEQA Environmental Clearance;
- Evidence of commitments for all other financing for the project including a description of the terms and conditions of such financing;
- Updated preliminary title report; and
- Final plans and specifications.

The HOME Program requires that projects which include the acquisition of improved or unimproved real property must reasonably be expected to accomplish transfer of title within 6 months of the time that the City and the applicant enter into a legally binding agreement. Projects for the rehabilitation of existing rental units or the new construction of rental units shall reasonably be expected to start construction within 12 months of the time the City and the applicant enter into a legally binding agreement. The City reserves the right to cancel funding commitments, if projects are not proceeding satisfactorily towards commencement of the proposed activity.

Recipients will be required to execute a loan agreement, promissory note, deed of trust, regulatory agreement and related loan and construction documents. No funds will be

disbursed until the loan has been closed. Following loan closing, funds will be disbursed only for work completed, and only upon presentation of payment requests in a form prescribed by the City, with supporting documentation attached.

The Housing & Neighborhood Services Division will monitor and certify compliance with the provisions of contracts resulting from this RFP.

10. TIMELINE FOR COMPLETION OF WORK

HOME funds must be under contract by June 30, 2017. Projects must be completed, and occupancy by lower-income households achieved, by June 30, 2021. HOME Projects must be completed within 4 years of commitment. HOME-assisted rental units must be occupied by income-eligible households within 18 months of project completion. HOME-assisted homebuyer units must have a ratified sales contract within 9 months of construction completion.

11. CLARIFICATIONS AND ADDENDA

Requests for clarifications regarding this Request for Proposals should be directed to Karen Youel, Housing & Neighborhood Services Manager, at (760) 839-4518 or by email at KYouel@escondido.org. Substantive changes in the submittal requirements, if any, will be made and issued in the form of an addendum that will be posted electronically on the Housing Division's website, located at <http://www.escondido.org/housing-division.aspx>. **Applicants are encouraged to check this website frequently as this will be the only manner in which Addendums (if any) will be released; no further Notices will be provided.**

12. CONDITIONS

By the act of submitting a proposal, respondent acknowledges and agrees to the terms and conditions of this RFP. All proposals become the property of the Housing & Neighborhood Services Division.

APPLICATION FORM

Name of Organization/Corporation: _____

Address: _____

Contact Person: _____

Title: _____

Phone number: _____

Email address: _____

President, Board of Directors: _____

OR General Partner: _____

Number of Years Organization/Corporation in Existence: _____

COMPLETED PROPOSALS MUST INCLUDE ALL OF THE FOLLOWING THAT APPLY:

- *Application Form*
- *Project Summary Form*
- *Preliminary Planning Review Certification (Appendix A)*
- *Development Budget (Appendix B or C)*
- *Photographs of proposed site*
- *Most recent financial audit of year-end financial statement*
- *Organization Chart*
- *Certification Page*
- *List of Board of Directors with affiliations*
- *Copy of tax exemption ruling*
- *Articles of Incorporation*
- *Partnership Agreement*

Certified CHDOs and Nonprofit Applicants:

I hereby certify that I have been authorized by action of the Board of Directors to submit an application to the Housing Division of the City of Escondido in response to the Request for Proposals released by the City of Escondido, Housing & Neighborhood Services Division, to provide long-term affordable rental housing or first-time homebuyer opportunities through rehabilitation and/or redevelopment of deteriorated housing.

I hereby certify that this organization achieved 501(c)(3) status at least one year ago.

Executive Director

Date

For-Profit Applicants:

I hereby certify that I have been authorized by action of the Board of Directors to submit an application to the Housing Division of the City of Escondido in response to the Request for Proposals released by the City of Escondido, Housing & Neighborhood Services Division, to provide long-term affordable rental housing or first-time homebuyer opportunities through rehabilitation and/or redevelopment of deteriorated housing.

I hereby certify that this organization received its status as a corporation/partnership at least one year ago.

President

Date

PROJECT SUMMARY:

Name of Organization _____

Project Address _____

Assessor's Parcel Number(s) (APNs) _____

Number of Units (by bedroom/bath mix) _____

Amount of Affordable Housing Funds Requested \$ _____

Total Project Cost \$ _____

Expected Date of:

Acquisition _____

Rehabilitation/Redevelopment _____

Occupancy _____

Date of Certification of Preliminary Planning Review _____

Number of Subsidized Units (by bedroom/bathroom mix) _____

Total Per Unit Cost \$ _____

Total Per Bedroom Cost \$ _____

Total Per Unit Subsidy \$ _____

Total Per Bedroom Subsidy \$ _____

Percentage of Households Served: Under 30% AMI _____

Under 50% AMI _____

Under 60% AMI _____

Total _____

Expected Rent Range Per Unit For: 1 Bedroom _____ Estimated Sq. Ft. _____

2 Bedrooms _____ Estimated Sq. Ft. _____

3 Bedrooms _____ Estimated Sq. Ft. _____

4 Bedrooms _____ Estimated Sq. Ft. _____

Other (specify) _____

Type of Site Control _____

Number of Currently Occupied Units _____

Income Level of Current Households _____

Number of Potential Relocation Households _____

Date Relocation Notices Sent _____

1. ORGANIZATION:

- a. State your organization's/corporation's mission.
- b. Describe the past activities/experience of your organization/corporation.
- c. Describe how the activities you are proposing under this program fit with your organization's/corporation's current and planned future activities.
- d. Describe the administrative structure of your organization/corporation.
- e. Describe your organization/corporation's long term stability, including succession planning and ownership of developments.
- f. List the names and phone numbers of 3 persons that can provide references regarding your organization's/corporation's past activities.

2. PROJECT DESCRIPTION:

- a. Describe the project to be developed, including a narrative scope of work.
- b. Describe how the project will address issues related to blight.
- c. Attach a chart showing the anticipated timeline for the following activities: site acquisition, obtaining required planning approvals, funding availability from all sources, relocation activities, start and finish of rehabilitation and redevelopment activities, marketing, rent-up, full occupancy, and any other important activities associated with your project.

3. TECHNICAL CAPACITY:

- a. Describe your capability to administer a First-time Homebuyer, development, redevelopment and/or rehabilitation program.
- b. Describe your capability to maintain long-term (45 or 55 year) affordability restrictions.
- c. Describe the experience of the development team in real estate development, redevelopment and/or rehabilitation. Attach resumes of staff and consultants specifically assigned to this project.

4. MARKETING AND MANAGEMENT:

- a. Describe how the units will be marketed to low-income renters.
- b. Describe fair housing activities you will pursue.
- c. Describe how you will qualify potential renters.
- d. Property management:
 1. Will property management be in-house? If not, do you have a company selected?
 2. Describe previous property management experiences, including, if applicable, with rent-restricted dwelling units.
 3. Provide names and phone numbers of at least two references for property management.

5. NEIGHBORHOOD:

- a. Identify the neighborhood you will serve. Attach a map and identify boundaries.
- b. Attach census data for the census tract of the project site and describe how your project will serve the housing needs of the neighborhood.
- c. Summarize the condition of the housing stock in the neighborhood.
- d. Estimate the number of deteriorated dwelling units in the neighborhood.
- e. Document the sales prices of recent sales of units within the neighborhood.
- f. Document neighborhood services (public transportation, food stores, child care, etc.).
- g. Complete the following chart:

A. Location and Description of Property			
1. Street No.(s)	2. Street Name(s)	3. Census Tract	4. Assessor Parcel No.
5. Current Zoning (if recently changed, submit evidence)			
B. Type of Project/ Mark all that apply		Acq./Rehab () Redevelopment ()	Ownership () Rental ()
1. Single Family () No. of Units	2. Multi-Family () No. of Units	3. No. of Stories	4. No. of Buildings
5. Detached () 6. Attached ()	7. Manufactured ()	8. Modules ()	9. Site Built ()
C. Building Information			
1. Year Built	2. Occupied Tenant () Owner ()	3. Vacant ()	4. Accessory Buildings
5. Foundation slab on grade () full bsmt. () partial bsmt. () crawl space ()	6. Utilities Water () Public () Private () Distance from site: _____ Sewer () Public () Private () Distance from site: _____	7. Site size	

6. DESCRIPTION OF LAND USE:

- a. Does your site/proposed project require any land use changes (i.e. density bonus, conditional use permit, variance)?
- b. Site Control:
 - 1. Current owner.
 - 2. Type of options and length of time the owner will allow.
- c. Attach preliminary planning review certification received from the Planning Division.
- d. State how many units are currently occupied on the proposed site. Provide information on experience with state and/or federal relocation law. Be sure to include relocation costs, if applicable, in your initial development budget.
- e. Attach copies of relocation notices provided to residents of currently occupied units, if any.

7. PROJECT FINANCING:

- a. Provide a development budget using one of the two provided financial pro forma templates (Attachment B or C)
- b. Identify proposed sources of funds (both private and public) and the dollar amounts for each respective source, and all uses of funds associated with the project. Please be specific about your source of funds and whether they are committed or uncommitted. If committed, attach evidence of commitments, including a description of the terms and conditions. Provide the name and phone number of a contact person to confirm committed sources of funds.
- c. Provide an operating budget for the project.
- d. Estimate the percentages of owner's equity, and public and private funds you will use for the initial property acquisition.
- e. State whether your project would be feasible with a lower amount of City funding than requested in this proposal.
- f. State the number of units by bedroom size and AMI that will be HOME-assisted. Estimate the amount of HOME subsidy per HOME-assisted unit.

8. PROJECT TIMELINE:

- a. Attach a chart showing the anticipated timeline for the following activities: site acquisition, obtaining required planning approvals, funding availability from all sources, relocation activities, start and finish of development or rehabilitation, marketing, rent-up, full occupancy, and any other important activities associated with your project.

9. OTHER:

- a. State anything else you would like us to know about the proposed project or your organization/corporation that is pertinent to this application. Please limit comments to one page.

Following is the rating sheet that the review panel will use to evaluate proposals.

**RATING SHEET
CRITERIA**

Name of Applicant: _____

Project Site Address: _____

Applicant meets threshold? ___ yes ___ no

THRESHOLD	YES	NO
Applicant in existence for at least one year		
Preliminary Planning Review		
EVALUATION CRITERIA	MAXIMUM POINTS	THIS APPLICATION
The applicant's ability to perform the administrative, managerial, and operational functions, and to oversee the services necessary for the successful completion of the proposed project.	19	
Reasonableness of the applicant's timeline to receive commitments of leveraged funds in order to meet HOME fund commitment deadlines	15	
The effectiveness of the proposed project in contributing to neighborhood improvement and stability.	15	
The applicant's proposed timeline for acquiring sites and beginning construction or rehabilitation.	15	
The effectiveness of the financing plan developed by the applicant for the long-term operation of the project.	12	
The effectiveness of the marketing plan and relocation plan (if applicable) developed by the applicant.	12	
The number of units to be acquired, rehabilitated, or constructed and rented or sold to low-income households as well as per bedroom cost.	12	
SUB-TOTAL	100	
Bonus Section	MAXIMUM POINTS	SCORE
Non-profit sponsor	4	
Redevelopment of Significant Blight	4	
Percentage of units (exceeding required 20%) to be occupied by households with an annual income at 50% or less of the area	4	
Percentage of units to be occupied by households with an annual income at 30% or less of the area	4	
Percentage of units with 3 or more bedrooms per units	4	
SUB-TOTAL	20	
TOTAL	120	

Reviewer: _____

City of Escondido, Housing & Neighborhood Services Division
Appendix A

PRELIMINARY PLANNING REVIEW

Applicant's Information:

Name of Organization: _____

Address: _____

Contact Person: _____

Phone: _____ FAX: _____

Project Information:

Project Address: _____

Assessor's Parcel Number (APN): _____

Project Description: _____

Does project propose any physical changes to the existing site plan? If so, please specify and attach site plan. _____

Are there any proposed exterior changes to existing structures? If so, please specify.

If this is an acquisition and rehabilitation project, please fill out BOTH columns. If this is a new construction project, please fill out column (2) only.

(1) Existing Unit Mix:

____ 1 Bd Units
____ 2 Bd Units
____ 3 Bd Units
____ 4 Bd Units
____ Total Units

(2) Proposed Unit Mix:

____ 1 Bd Units
____ 2 Bd Units
____ 3 Bd Units
____ 4 Bd Units
____ Total Units

Parking Conformance:

Acquisition and Rehabilitation Proposal

____ Parking spaces currently provided

New Construction Proposal

____ Parking spaces proposed

Open Space Conformance:

Acquisition and Rehabilitation Proposal

____ SF Open space currently provided

New Construction Proposal

____ SF Open space proposed

For Staff Use Only

		Notes and Comments
Zoning		
Is any discretionary or administrative permit required?		
Is design review required?		
Does project comply with zoning requirements?		
No. of Units _____	Permitted _____	Proposed _____
Density _____	Permitted _____	Proposed _____
Parking _____	Required _____	Proposed _____
Height _____	Permitted _____	Proposed _____
Setbacks		
Front _____	Permitted _____	Proposed _____
Street side _____	Permitted _____	Proposed _____
Interior side _____	Permitted _____	Proposed _____
Rear _____	Permitted _____	Proposed _____
General Plan Land Use Designation		
Floodplain		FEMA Panel # _____
Not in floodplain _____		
100 yr floodplain _____		
500 yr floodplain _____		
General Plan Designation		
General Plan Overlay		
Zoning Designation		
Zoning Overlays		
Historic Significance		
Year Built		

Reviewed by Planning Staff: _____ Date: _____

RESOURCES

City of Escondido

<http://www.escondido.org/>

DRAFT Consolidated Annual Performance and Evaluation Report For Fiscal Year 2012-2013

http://www.escondido.org/Data/Sites/1/media/PDFs/Housing/2012-2013_Draft_CAPER.pdf

Escondido General Plan

Adopted by the Escondido City Council May 23, 2012

<http://www.escondido.org/general-plan.aspx>

HOUSING ELEMENT (within the General Plan)

<http://www.escondido.org/Data/Sites/1/media/PDFs/Planning/GPUpdate/GeneralPlanChapterIV.pdf>

Annual Housing Element Progress Report For 2013

<http://www.escondido.org/Data/Sites/1/media/PDFs/Housing/AnnualHousingElementReport.pdf>

Home Investment Partnerships (HOME) Program

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm>

Home Investment Partnerships (HOME) Program

Program Regulations: 2013 Final Rule 24CFR Part 92

<https://www.onecpd.info/home/home-final-rule/>

Senate Bill No. 341: An Act to Amend Section 34176 of, and to Add Section 34176.1 to, the Health and Safety Code, Relating to Redevelopment

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB341

San Diego Association of Governments (SANDAG)

<http://www.sandag.org/>

Additional links may be found on the City of Escondido's website

<http://www.escondido.org>



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 5
Date: March 8, 2017

TO: Honorable Mayor and Members of City Council
FROM: Bill Martin, Community Development Director
SUBJECT: Annual Progress Report on the Implementation of the General Plan and Annual Housing Element Report (Case No: MISC 17-0001)

RECOMMENDATION:

It is requested that the City Council receive the General Plan Annual Progress Report and review the attached 2016 Annual Housing Report documenting the City's progress and compliance with State housing law on implementing the 2013-2020 Housing Element of the General Plan, and authorize submittal of the report to the State Office of Planning and Research, the State Department of Housing and Community Development, and SANDAG.

FISCAL ANALYSIS:

None. Opportunities for State Housing & Community Development and Smart Growth grants (SANDAG, transit-oriented development, etc.) rely upon the City's demonstration of its compliance with the Housing Element's objectives and deadlines.

GENERAL PLAN ANALYSIS:

The reporting requirements are consistent with the General Plan.

BACKGROUND:

Government Code Section 65400 mandates that cities and counties submit an annual report on the status of their General Plan and progress in its implementation. The annual report is required to be submitted to the Office of Planning and Research (OPR) and the State Department of Housing and Community Development (HCD). The annual report is provided to OPR to help identify statewide trends in land use decision-making and how local planning and development activities relate to statewide planning goals. Providing a copy of the annual report to the State Department of Housing and Community Development (HCD) fulfills statutory requirements to report certain housing information. This includes information on the progress in meeting the jurisdiction's share of regional housing needs determined pursuant to Government Code Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to Government Code Section 65583(c)(3).

The City Council adopted a comprehensive update to the General Plan, as well as a new Housing Element for the 2013-2020 reporting cycle, on December 12, 2012. This staff report documents the first annual review of the 2012 General Plan, and the fourth annual review of the current Housing Element. In order to demonstrate compliance with the Housing Element, each city must report on the annual building activity of affordable units (Table A), the annual activity for units rehabilitated, preserved or acquired (Table A2), the annual activity of above-moderate income units (Table A3), the city's progress in meeting its Regional Housing Needs Allocation (RHNA) (Table B), and the city's progress in its implementation of the Housing Element programs during calendar year 2016 (Table C).

Senate Bill 341, and amendments in Senate Bill 107, require Housing Successor Agencies to prepare an additional report containing information on their housing activities. This information is attached to this staff report (as SB 341 Annual Report) and is required to be submitted to HCD by the City (as the Housing Successor Agency) at the same time as the Housing Element Annual Report.

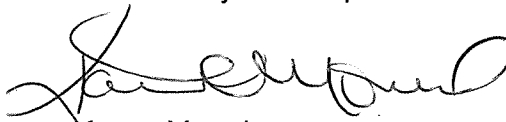
ANNUAL REPORT FINDINGS:

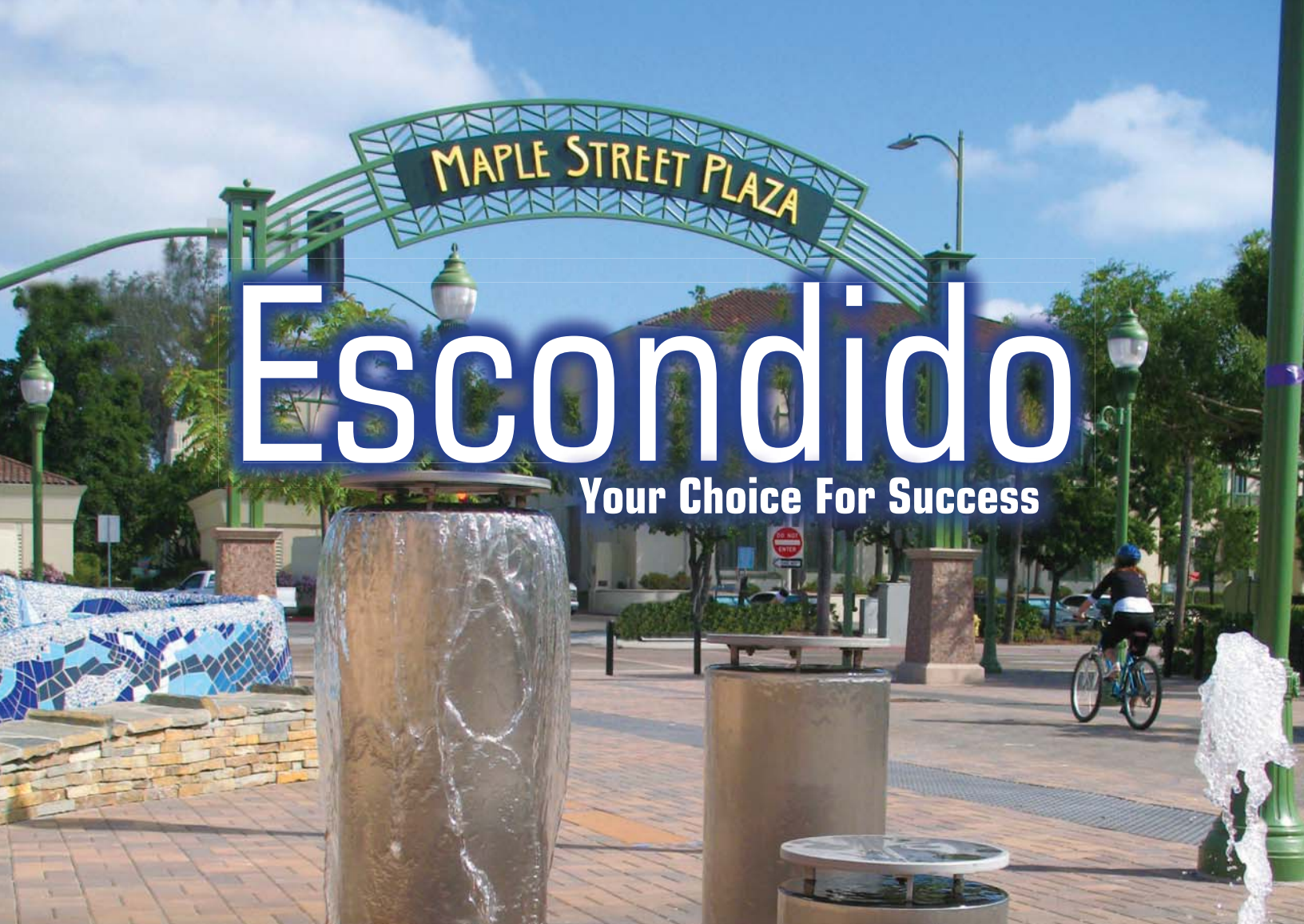
The Annual Progress Report provides information for City Council to assess how the Escondido General Plan was implemented during the previous 12-month reporting period. The APR could help identify necessary "course adjustments" or modifications to the General Plan, and means to improve local implementation. The Housing Element portion of the Annual Report substantiates that the City is in compliance with State Housing Law, as detailed in the attached information. Table A delineates that no affordable units were completed in Escondido in 2016. A few affordable projects are currently in the entitlement process or under construction, and it is anticipated that several affordable units will be completed in the upcoming two years. Other Housing Element implementation items documented in Table C include the status of Zoning Code updates, the issuance of first time homebuyer loans, and the continuation of the rental subsidy program for seniors and the disabled.

Respectfully Submitted,


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Escondido

Your Choice For Success

General Plan Annual Report 2016





City of Escondido

General Plan Annual Progress Report (2016)

I. Introduction

This report has been prepared pursuant to the requirements of Government Code Section 65400 (Appendix A). Guidance for preparation of the report is provided by the Governor's Office of Planning and Research (OPR). The report discusses what was implemented during the 12-month reporting period and provides a means to determine if changes are needed in the plan or its implementation programs. The document was provided to the Planning Commission on February 28, 2017 and City Council on March 8, 2017.

It was submitted to OPR and the Department of Housing and Community Development (HCD) on *[DATE]*.

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II. Purpose of the General Plan

The General Plan is mandated by California Government Code Section 65300, which requires each city and county to adopt a comprehensive plan for the physical development of the jurisdiction. It addresses land use, transportation routes, population growth, open space, resource preservation and utilization, air and water quality, noise, safety issues and other related physical, social and economic development factors. Through the identification of goals, objectives, and policies, a General Plan creates a strategy framework for implementation. In addition to serving as a basis for local decision making, the General Plan establishes a clear set of development rules for citizens, developers, decision-makers, neighboring cities and counties, and provides the community with an opportunity to participate in the planning and decision-making process.

III. Status of the Adopted Elements

State law requires that general plans include seven (7) elements which must cover the following topics: Land Use, Circulation, Housing, Safety, Noise, Conservation, and Open Space. The elements may be combined or renamed, but basic requirements must be included. The City of Escondido General Plan has ten (10) chapters. The relationship between the seven elements and the chapters provided in the City of Escondido General Plan is described in more detail in Appendix B.

State law does not provide a mandatory minimum timeframe for revisions of elements, except for a Housing Element. State requirements for Housing Elements are more detailed and specific than for the other portions of a General Plan, and Housing Elements are updated every eight (8) years according to a schedule set by the State. Other elements may be updated less frequently and typically have a 15 to 20-year horizon. None of the General Plan elements were amended during the 2016 calendar year.

City Council Action Plan

The City Council puts together an Action Plan that helps advance the goals, policies, and/or implementation measures contained in the general plan. The Action Plan represents the City Council's collective vision for Escondido's future and the key activities that will be used to achieve that vision. It is developed biannually following a workshop in which key policy interests are identified and discussed by the City Council, city staff, and the public. This keeps relevant General Plan policy-related issues, such as financial stability, economic development, image and appearance on the forefront and relevant for systematic implementation through Action Plan direction on Capital Improvement Plan, economic development planning, municipal administrative services, maintenance and operations, etc.

General Plan Update Work Program

Escondido's General Plan was comprehensively updated in 2012. General Plans that have not been revised within the past five (5) years are not necessarily legally inadequate. In fact, the adopted General Plan continues to serve as a relevant and useful document to guide the use of public and private lands within the community.

The CA Supreme Court has stated that local governments have an implied duty to keep their plans current (*DeVita v. County of Napa, 9 cal. 4th 763 (1995)*), so there is a need to systematically look ahead and plan on how the City will keep the General Plan document up to date. It will need to adequately address and respond to emerging land use activities, use of space, multi-modal trends, regulations, and other matters that affect the City’s desirability to live, work, and play. As aforementioned, most of the elements typically have a 15 to 20-year horizon, excepting the Housing Element. The following schedule proposes when the next suggested update would occur, ensuring continuous improvement to the City's land use and regulatory framework.

General Plan Element	Last Update	Next Suggested Update
Mobility and Infrastructure	2012	2018-2020
Housing*	2012	2019-2021
Land Use and Community Form*	2012	2023-2025
Community Protection*	2012	2023-2025
Resource and Conservation*	2012	2023-2025
Economic Prosperity	2012	2026-2027
Growth Management	2012	2026-2027
Community Health and Services	2012	2029-2030
Vision and Purpose	2012	---as needed---
Implementation Program	2012	---as needed---

** State law requires certain information be included in General Plan elements at the time a jurisdiction next revises a Housing Element. This invariably involves land use-related policies. Furthermore, Government Code Section 65302 requires all cities and counties to amend the safety and conservation elements of their General Plan to include analysis and policies regarding hazard information upon the next revision of the Housing Element, which is scheduled to cover the 2021-2028 planning period. For this reason, these elements have been grouped together or sequenced in a logical manner to ensure that the City’s policy framework is updated in a timely manner to continue to guide growth and development in a beneficial direction, while satisfying all state mandates.*

IV. Progress in the General Plan's Implementation

Generally, all of the existing parcels of land that have been developed have been purposed with land uses consistent with the General Plan. Residential land use currently accounts for 70.8 percent of all land area in the City, more than any other land use. Commercial, office, and industrial uses account for 2,890 acres or approximately 5.7 percent of total land area in the City. Public land and open space accounts for 15.1 percent of the total land area in the City (7,686 acres), which are generally dispersed throughout the City. Most of the streets and highways described in the General Plan are developed to their planned capacity, or have capacity to be fully implemented in time. Some of the roadways could be downgraded and repurposed to achieve other General Plan objectives. The entire infrastructure needed to serve the planned land uses is in place with sufficient capacity to accommodate the planned land uses and population, except for localized drainage and/or outfall-related issues.

There was one applicant-driven General Plan amendment that was processed and approved in the 2016 calendar year. The request was the change the General Plan Land Use designation from General Commercial (GC) to Planned Commercial (PC). Refer to Planning Case No. 16-0006, which was approved by Ordinance 2016-11.

A. Land Use and Community Form

The Land Use Element is one of seven elements required by state law to be included in California General Plans. The Element guides the desired pattern of growth, development, and change in the community. The purpose is to ensure that a balance of residential, employment, commercial, recreational, civic/cultural and open space land uses are provided at appropriate intensities, locations and combinations to enhance community sustainability. Goals identified in the Land Use / Community Form Element foster Escondido's role as an urban center. The Plan emphasizes the revitalization of the downtown area and established neighborhoods, promotes economic development in the form of attractive, sustainable, economically viable industrial and commercial areas, and concentrates high intensity activities in the urban core. Topics or policy issue areas covered in the Land Use and Community Form Element include the following:

- Community Character
- Land Use Zoning
- Residential Development
- Residential Clustering
- Planned Development
- Mixed Use Overlay Zones
- Commercial Land Uses
- Office Land Use
- Industrial Land Use
- Specific Plan Area Land Use
- Open Space/Park Land Use
- Public Facility Overlay
- Tribal Area Land Use
- Development Agreements
- Annexation
- General Plan Review and Amendments
- Environmental Review

Indicators and General Plan Implementation (2016)

- 47,190 total housing units – 23,196 were detached single-family homes
 - 45,041 total housing units occupied
 - 2,149 vacant (or 4.6 percent prevailing vacancy rate)
- Major pipeline projects (initiated, in progress, or completed during the reporting period)
 - 1,826 new single-family and multi-family units
 - 147,500 square feet of new retail commercial space
 - 86,000 square feet of new medical office space
 - 189,000 square feet of new industrial space and an additional 10 new industrial lots
 - 497 new hotel units (keys)
 - *Major pipeline projects are listed in Appendix C*
- Approved and/or processed planning projects or administrative activities:
 - 2 Adjustment Plats
 - 4 Administrative Adjustments
 - 63 Certificates of Appropriateness
 - 3 Certificates of Compliance
 - 3 Comprehensive Sign Programs
 - 6 CUP – Minor
 - 1 CUP – Major
 - 10 Daley Ranch mitigation bank credit purchases
 - 37 Design Review
 - 7 Local Register listings
 - 8 Mills Act
 - 2 Minor Development Applications
 - 5 ND/MNDs
 - 0 EIRs
 - 3 Master/Precise Plans
 - 11 Plot Plan – Minor
 - 8 Plot Plan – Major
 - 1 Regional Market Sign
 - 1 Rezone
 - 7 Second Unit
 - 98 Sign permits
 - 116 Temporary Banners
 - 18 Temporary Use Permits
 - 1 Tentative Parcel Maps
 - 3 Tentative Subdivision Maps
 - 4 Zoning Code Amendments
 - 22 Zoning Consistency Letters
- 3 Annexations approved by LAFCO – allows for 126 new residential units
- 3,590 total building permits issued:
 - 3,624 permits were issued in 2015, a year-over decrease of 0.9 percent
 - 2,652 permits were issued in 2014, a two year-over increase of 35.4 percent
 - *Building permits issued:*
 - 81 new single-family homes
 - 88 new multi-family homes
 - 17 new commercial structures

- 2 new industrial buildings
- 3,406 code enforcement cases received – 3,140 closed
 - 2,709 code enforcement cases received in 2015, a year-over increase of 25.7 percent
 - 47 average number of days that code enforcement cases were open
- 6,713 total code enforcement inspections performed
 - 504 graffiti removal requests open and closed
 - 122 code enforcement parking citations
- Adopted CEQA Thresholds
- *Working Together to Get to Yes*: Approved code amendments simplifying CUP reviews, eliminated outdated processes, and changed review authorities
- Preparation of the South Center City Area Plan underway
- Initiated work on the Draft EIR the Safari Highlands Ranch and Bear Valley Parkway
- Initiated an Omnibus Code clean-up to ensure the Zoning Code is internally consistent and serves as an effective regulatory tool for decision-making bodies, City staff, and the public. (The Omnibus Code clean-up process will be conducted annually.)
- Initiated Part of Phase 2 code amendments in the *Working Together to Get to Yes* program.

Anticipated Implementation Activities (0-3 Years):

1. Amend Article 47 to include appropriate features, thresholds, and objectives that reduce environmental impacts when considering pedestrian or transit-oriented development
2. Amend Zoning Ordinance to establish new zones for Urban V and Planned Office
3. Amend Zoning Ordinance to establish new Overlay designations for Public Facilities, Mixed Use, Tribal Lands
4. Amend Zoning Ordinance to include the implementation of smart growth principles
5. Prepare a mobilehome park study
6. Prepare a Building and Permit Processing Guide
7. Update the Sign Ordinance

B. Mobility and Infrastructure

The Circulation Element is one of seven mandated elements that each local government must maintain in its General Plan. The Circulation Element must include the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, and other local public utilities and facilities. Circulation and utility improvements must also correlate with the land use-related policies. The purpose is to identify the types, locations and extent of existing and proposed transportation and utility facilities, and to establish goals and guiding policies for implementing improvements necessary to serve existing and future residents. The element introduces planning tools essential for achieving the community's transportation and utility goals and policies with the intent of providing a sustainable system to serve residents and

businesses. Topics or policy issue areas covered in the Mobility and Infrastructure Element include the following:

- Regional Transportation Planning
- Complete Streets
- Pedestrian Network
- Bicycle Network
- Transit System
- Transportation Demand Management
- Street Network
- Parking
- Traffic Calming
- Goods and Services Transport
- Aviation
- Water System
- Wastewater System
- Storm Drainage
- Solid Waste and Recycling
- Energy
- Telecommunications

Indicators and General Plan Implementation (2016)

- Commute Travel:
 - 78.9 percent of commuters drove alone
 - 12 percent of commuters carpooled
 - 2.6 percent of commuters walked or used a bicycle
 - 1.9 percent used public transportation
- Mean travel time to work – 26.1 minutes
- 39.2 percent of workers had three or more vehicles available
- Water-related:
 - 30,945 acre feet produced (5.3 percent local and 94.7 imported)
 - 19,162 acre feet to Escondido Water District and 11,578 acre feet to VID
- Recycle water-related: 3,253 acre feet produced and 3,142 acre feet sold to Escondido, Rincon, and Palomar Energy Plant
- Wastewater-related:
 - Influent – 4,370 MG
 - Effluent – 3,132 MG
 - Outfall capacity – 20.15
 - Plant capacity – 18 MGD
 - We are at 42.6 percent of our outfall capacity
- 67 lane miles of streets with new overlays
- 46 new street trees planted, 34 dead removed
- Traffic model update underway to account for new regional forecasting
- County of San Diego, Department of Environmental Health awarded \$414,000 of Vector Remediation Program funds for the Southern Spruce Street Channel Improvements
- \$337,385 was awarded from IRWM Grant for our Recycled Water Easterly Mains and Tank project
- \$877,588 was awarded from Prop 1E Grant for our Lake Wohlford Dam project
- Water-related infrastructure:
 - Bear Valley Parkway Waterline. Replacement of approximately 5,000 feet of water lines ranging in size from 8 inch to 24 inch, between Boyle Avenue and

San Pasqual Valley Road. The waterline replacement was done in conjunction with the Bear Valley Parkway road widening project. Construction completed in September 2016.

- Cemetery Area Waterline Replacement of approximately 13,000 feet of deteriorated water lines ranging in size from 8 inch to 24 inch. Currently in construction.
- Escondido-Vista Water Treatment Plant Disinfection & Electrical System Upgrades. Replace the existing disinfection system at the Water Treatment Plant with a new onsite sodium hypochlorite generation disinfection system, upgrade the chlorine dioxide system, and upgrade the 35-year old plant electrical systems. Currently in construction.
- Vista Verde Reservoir – Phase 2. Construct two pre-stressed concrete reservoirs, valve structure, associated piping, site improvements, demolition of the existing Vista Verde Reservoir and salvage the temporary bolted steel tank. Currently in construction.
- Initiated design of modifications to A-3 and A-11 Reservoirs
- Emergency Treated Water Connection. Adding a treated water connection from the San Diego County Water Authority treated water pipeline for use in the event that there is an emergency that limits or eliminates the ability of the Water Treatment Plant to produce treated water. Currently in design.
- Lindley Reservoir Replacement. Replace the existing 2 MG steel reservoir constructed in 1950 with two 1.5 MG pre-stressed concrete reservoirs. Currently in design.
- Completed MND for San Pasqual Undergrounding (Escondido Canal through the San Pasqual Reservation as per the Settlement Agreement with the Indian Bands).
- Draft EIR was released for the Wohlford Dam Replacement Project.
- Wastewater-related infrastructure:
 - Hale Avenue Resource Recovery Facility (HARRF). Work included installation of recycled water bypass line and retaining wall along northern boundary of HARRF property; and modifying the primary sedimentation tanks, replacing the sludge and scum collection system, replacing the odor control facility, and replacing the grit storage facility. All projects are currently in construction.
 - Sewer line realignments and extensions. Construction of sewer mains and manholes from Sewer Lift Station 9 southeast to Felicita Road; from Sewer Lift Station 6 south along Felicita Road to Via Rancho Parkway; then continuing southeast to Sewer Lift Station 1. Currently in design on a brine pipeline from Broadway to HARRF.
 - Recycled water. Installed recycled water pipeline along the creek channel from Broadway to Citrus. Currently in design on pipeline from Citrus Avenue and Washington to the agricultural area of Cloverdale and Mountain View.
 - Membrane Filtration Reverse Osmosis Facility (MFRO). Design of a MFRO facility and pump station to improve recycled water quality for agricultural uses. Approved by the Planning Commission in 2016. The Commission's

action was appealed to City Council. City Council considered the appeal request and re-affirmed the Commission's decision.

Anticipated Implementation Activities (0-3 Years):

1. Prepare a comprehensive Pedestrian Master Plan and Complete Streets Program
2. Develop and implement a Transportation Demand Management Program
3. Define Urban Code Area for establishing traffic Levels of Service areas
4. Develop standards for telecommunications in the public right-of-way

C. Housing

The Housing Element assesses the housing needs of all economic segments of the City of Escondido. In addition, the Housing Element defines the goals and policies that will guide the City's approach to resolving those needs and recommends a set of programs that would implement policies over the next few years. Topics or issue areas covered in the Housing Element include the following:

- Plan for quality, managed, and sustainable growth
- Provide a range of housing opportunities
- Enhance the quality of housing and preserve character

Indicators and General Plan Implementation (2016)

- The primary existing housing type in the City was single-family homes detached homes (23,196 total housing units)
- Two-family and multi-family condominiums, townhomes, and apartments comprised 17,149 total housing units
- 3,305 total mobilehomes
- 5.2 median rooms per housing unit, citywide
- 49.3 percent of all housing is owner-occupied
- The average size of an owner-occupied unit – 3.12 persons per household
- The average size of a renter occupied unit – 3.40 persons
- 164 permits finalized in 2016 for new housing units, including 76 condominium units, 49 single-family units, two duplex units, one second dwelling units and 36 mobilehomes
- Two affordable residential developments in the pipeline:
 - A new 33-unit rental project, and
 - Acquisition/rehabilitation of a 200-unit affordable rental project (11 units using City HOME funds)
- Four loans funded (and several others in the pipeline) in a new, owner-occupied rehabilitation program for low-income households, funded from a CalHOME grant
- 42 very-low income seniors and disabled households were assisted in mobilehomes and apartments with a monthly rental subsidy while waiting for HUD Section 8 eligibility
- During 2016, 1,284 Escondido residents received Housing Choice Vouchers (Section 8) from the Housing Authority of San Diego County.
 - There are 12,594 households on the wait list.

- The City conducted 14 mobilehome rent control hearings (13 short form and 1 long form)
- In 2016, 18 neighborhood groups were supported, including neighborhood clean-ups, neighborhood leadership forum meetings, and participation of multiple departments at neighborhood group meetings.
- In FY 2016-17 the City received \$1,515,995 in CDBG funds. \$261,300 supported public service and fair housing activities supporting the six local CDBG priorities: Youth, Economic Development, Seniors, Neighborhood Revitalization, Homelessness and ADA Improvements.
- Initiated a planning process to update the Zoning Code to address recent changes to State Density Bonus Law and Accessory Dwelling Unit Law

Anticipated Implementation Activities (0-3 Years):

1. Amend the code to address transitional/supportive housing
2. Amend the code to address senior housing

D. Community Health and Services

The Community Health and Services Element establishes policies that influence good land use planning in order to enhance community health and welfare. Policies supporting access to healthy foods, availability of parks, recreational opportunities, libraries and cultural services, as well as promoting educational advancement and civic engagement all aim to improve economic, physical, and social conditions. The Community Health and Services Element promotes a community-based and private sector approach for establishing a sustainable and healthy community. Topics or issue areas covered in the Community Health and Services Element include the following:

- Health and Wellness
- Parks and Recreation
- Library Services
- Cultural Enrichment
- Schools and Education
- Civic Engagement
- Childcare
- Older Adult, Disabled, and Disadvantaged

Indicators and General Plan Implementation (2016)

- Median age – 33.5 years
- The population number that is 65 years and older – 15,756 (10.4 percent)
- The number of children 18 years old in households – 38,422 (25.3 percent)
- 179 school days in 2016 (Escondido Union School District)
- 6,556.3 acres of parkland
 - The City's first four-year university, John Paul the Great Catholic University, completed its third full year of operation

- Public Art funds were utilized for repairs/maintenance of Vinehenge in Grape Day Park and a portion of Pillars of the Community on Escondido Boulevard; and funds were utilized for ongoing maintenance/refurbishment and repairs of Queen Califia, the sculpture garden in Kit Carson Park
- The State Department of Housing and Community Development Parks Program awarded \$161,600 in grant funds to the City to improve parks and community centers
- 9 new upgraded parks or facilities:
 - Hockey arena roof vents,
 - Hockey arena floors,
 - Washington Park pool re-plaster,
 - Oak Hill Activity Center upgrades,
 - Train Depot upgrades,
 - Park Avenue Community Center (PACC) upgrades,
 - East Valley Community Center (EVCC) monument sign replacement, and
 - Grape Day Park new play structure
- 844 recreational programs:
 - 8,354 total students participating
 - 6 youth soccer, pop warner, and baseball leagues with 3,866 participants.
 - 223 adult softball teams with 2,676 participants
 - 14 soccer and 7 softball tournaments with 25,000 participants
- No. of new miles of trails in 2016 – none
- New improvements to libraries in 2016 – none
- Library circulation:
 - 537,796 items circulated
 - 172,528 items
- Childcare programs:
 - Number of Day Camp programs conducted – 12
 - Pre-school programs – 107
 - After School programs (City) – 2
 - After School Education and Safety (ASES), EUSD programs – 10
- Elderly/disabled/disadvantaged programs:
 - 63 programs for seniors
 - 19,185 meals served to seniors
 - 11,246 rides provided to seniors from home to the Park Avenue Community Center (PACC) to eat and enjoy the programs

Anticipated Implementation Activities (0-3 Years):

1. Conduct a study to determine the feasibility of a park development fee structure
2. Update the master plan of trails to include Pedestrian Master Plan elements.
3. Various neighborhood improvement initiatives, as established by the City Council Work Plan from time to time.

E. Community Protection

Escondido's Community Protection Element addresses such issues as flood and fire hazards, geologic and seismic activity, and hazardous materials. Sections regarding Emergency Preparedness, Police and Fire service are also included. The Element also includes a section addressing Noise, which is a required component for General Plans. The purpose of the Community Protection Element is to identify and address the most relevant public safety issues affecting the community. In addition, the Element offers possible solutions and establishes standards and policies for proactively addressing threats to life and property. Topics or issue areas covered in the Community Protection Element include the following:

- Disaster Preparedness and Emergency Response
- Fire Protection
- Police Services
- Code Enforcement Policies
- Noise
- Flood Protection
- Solis and Seismicity
- Hazardous Materials

Indicators and General Plan Implementation (2016)

- No. of calls for service in 2016:
 - 53,115 police calls for service
 - 63,074 9-1-1 calls
 - 104,579 incidents reported
- No. of parking citations in 2016 - 6,356
- No. of reported accidents (by type):
 - 699 injury collisions
 - 9 fatal collisions
 - 281 non-injury collisions
- No. of noise complaints received/closed in 2016 - 1,565
- No. of arrests (felony, misdemeanor) in 2016:
 - 1,388 felony arrests
 - 3,718 misdemeanor arrests
 - 236 other detentions
- No. of police officers - 159
- In 2016, the Police Department upgraded its Dispatch Center to meet statewide interoperability requirements. The Police Department also used approximately \$1.7 million in grant funds to purchase equipment and increase community safety through proactive police operations.
- Major fire hazard events in 2016:
 - Talones Meat Packaging Plant – structure fire
 - Green Crest Mobilehome Park – double fatality fire
- No. of fire stations – 7

- No. of Fire Department personnel
 - 87 Firefighters
 - 18 Non-Safety Paramedics
 - 6 Chief Officers
 - 5 Prevention Officers
 - 1 Emergency Preparedness Manager
- No. of Firetrucks:
 - 7 Type 1 Frontline Fire Engines, 3 Type 1 Reserve Engines
 - 4 Type 3 Brush Engines
 - 1 Type 6 Brush Engine
 - 1 Frontline Truck
 - 1 Reserve Truck
 - 5 Frontline Ambulances
 - 4 Reserve Ambulances
- Average response time of Fire Department: 6 minutes and 29 seconds
 - Met Quality of Life Standard Goal 92 percent of the time

Anticipated Implementation Activities (0-3 Years):

1. Various public safety initiatives, as established by the City Council Work Plan from time to time.

F. Resource Conservation

Escondido's Resource Conservation Element satisfies state requirements for the Open Space and Conservation Elements as stated in the Government Code. Community Goals and Objectives call for creating an aesthetically pleasing environment, as well as conserving Escondido's natural and scenic resources. The Element's purpose is to identify areas for conserving open space as well as other important resources including air and water quality, cultural, agricultural, mineral and energy resources, as well as protecting hillside and ridgeline view corridors with particular emphasis on ridgelines, unique landforms and visual gateways. Topics or issue areas covered in the Resource Conservation Element include the following:

- Biological and Open Space
- Trails
- Visual Resources
- Agricultural Resources
- Historical Resources
- Water Resources and Quality
- Air Quality and Climate Protection

Indicators and General Plan Implementation (2016)

- 1,312 new solar PV units installed
- 3,370 MS4 catch basins and inlets were inspected
 - 428 catch basins/inlets were identified as needing cleaning

- 311 were cleaned
- 1,081 feet of MS4 pipe was cleaned
- 262 tons of debris (sediment and trash) was removed from the MS4 storm drain system
- Worked with other cities, the County, and RWQCB to develop approved Water Quality Improvement Plans for the Carlsbad Watershed
- Completed CEQA analysis and resource agency permits for the restoration of a tributary to Escondido Creek (Spruce St Channel Improvement Project)
- Removed 5,229 tons of debris (sediment/trash/green waste) from 6.65 miles of open channel under recently-approved environmental permits. Additionally, 8 tons of trash/debris removed from sea curtains and 162.5 tons of trash and vegetation was removed from channel bank areas
- City staff recorded visual observations at 106 major storm drain outfalls and analyzed water quality at 6 sites, twice in 2016
- Completed 4.4-acre wetland habitat mitigation project in Kit Carson Park, removing 67 exotic trees and invasive vegetation; and planting 742 native riparian container trees and applying 22 pounds of cottonwood-willow woodland seed mix
- Transitioned our industrial commercial inspection program into the City's asset management program, allowing real-time data entry of inspections.

Anticipated Implementation Activities (0-3 Years):

1. Prepare a Master Plan that identifies gateways and visual quality guidelines
2. Conduct a study to determine the feasibility of expanding the city's recycling program

G. Growth Management

The purpose of the Growth Management Element is to establish policies for balancing the timing of infrastructure improvements with current and anticipated demands for service through the adoption of specific implementation techniques. A goal of growth management is to phase capital facility improvements concurrent with population growth so that new development does not compound existing service shortfalls, or result in critical infrastructure deficiencies. Effective growth management also establishes parameters for periodically monitoring the impacts that growth has on the community and defines the methods by which impacts are addressed, allowing decision makers to efficiently prioritize capital improvements. Topics or issue areas covered in the Resource Conservation Element include the following:

- Quality of Life Thresholds
- Public Facility Master Plans
- Public Facility Financing
- Public Facility Phasing
- Public Facility Deficiencies
- Growth Management Monitoring

Indicators and General Plan Implementation (2016)

- Total population – 151,451
 - Population increase from 2015 – 0.7 percent
 - Population increase from 2010 – 5.2 percent
- Total fees collected through building permits
 - Parkland fees – \$247,740
 - Traffic fees – \$308,417
 - Sewer fees – \$503,166
 - Water fees – \$892,543
- Monitored and reported on the performance of development activity
- Working with LAFCO to complete a Sphere of Influence Update to confirm properties appropriate to re-zone
- City Council established a target Reserve balance of 25 percent
- Various fiscal impact initiatives, as established by the City Council Work Plan from time to time.

Anticipated Implementation Activities (0-3 Years):

1. Prepare an Annexation Procedures Manual
2. Monitor Growth Management Measure

H. Economic Prosperity

The purpose of the Economic Prosperity Element is to establish policies that promote the long-term vitality of Escondido's local economy by developing and guiding employment and business opportunities and encouraging appropriate economic and business development in the city. Policies in this element promote a sustainable local economy to benefit current and future generations without compromising resources, and are intended to favorably influence the balance between employment and housing. Topics or issue areas covered in the Resource Conservation Element include the following:

- Employment Acreage
- Wage and Job/Housing
- Small Business
- Twenty-First Century Industries
- Tourism and Recreation
- Existing Economic Districts
- Marketing and Image
- Long-Term Economic Wellbeing
- Minimizing Infrastructure Impediments
- Strengthening Workforce Qualifications
- City Leadership
- Economic Development Monitoring

Indicators and General Plan Implementation (2016)

- Civilian employed population – 66,225

- Service occupations – 16,074 (24.3 percent)
- Sales and office – 15,512 (23.4 percent)
- Management/business sector – 7,246 (10.9 percent)
- Education – 2,627 (3.9 percent)
- Healthcare practitioner – 2,569 (3.9 percent)
- Major pipeline projects (initiated, in progress, or completed during the reporting period)
 - 147,500 square feet of new retail commercial space
 - 86,000 square feet of new medical office space
 - 189,000 square feet of new industrial space and an additional 10 new industrial lots
 - 497 new hotel units (keys)
- Grand total receipts for all business license accounts - \$1,772,260.51
- Evaluating an Enhanced Infrastructure Financing District as a tool to finance infrastructure projects
- Worked with property owners of vacant stores and the San Diego Children’s Museum to install posters and other artwork in shop windows
- Distributed the mural policy to all downtown businesses as a way to encourage more business-related murals
- Working with Palomar Hospital and local stakeholders to promote the redevelopment of the site
- Continued implementing the *Working Together to Get to Yes* initiative
- Continued to coordinate the Innovate 78 cities and North San Diego Business Chamber regarding strategies to expedite permit processing and improve overall customer service

Anticipated Implementation Activities (0-3 Years):

1. Prepare an update to the City’s comprehensive economic development strategy
2. Various economic development initiatives, as established by the City Council Work Plan from time to time.

V. Degree to which the General Plan complies with the Adopted Office of Planning and Research (OPR) Guidelines

The Governor's Office of Planning and Research (OPR) is responsible for updating the resources for drafting and amending a general plan. OPR also monitors general plan implementation with annual progress reports from cities and counties, and grants general plan extensions for qualified cities and counties. OPR adopted General Plan Guidelines (GPG) in 2003 for use by local jurisdictions in the preparation of their general plans. Also, a December 2010 GPG update to the guidelines provided guidance on how to address the Complete Streets Act and modify the Circulation Element to plan for a balanced, multimodal transportation network. It is important to note that the Guidelines are permissive, not mandatory.

Staff has prepared an analysis of the Escondido General Plan compared to the general criteria included in State law, along with an evaluation of the degree to which the Escondido General Plan complies with the OPR Guidelines.

The GPG contain ten chapters and three appendices of requirements and references, in the following basic areas:

1. General Plan Basics: The General Plan generally complies with the basic requirements in that it is comprehensive, internally consistent, and has a long-term perspective.
2. Sustainable Development and Environmental Justice: The General Plan complies with guidelines for sustainable development and environmental justice. General plan policies and programs generally discuss inclusive public participation, social and economic well-being, jobs/housing balance, managed and balanced growth, livable communities and quality of life, and responsible resource conservation.
3. Preparing and Amending the General Plan: The City complied with the Guidelines in the preparation and adoption of the General Plan (2012) and continues to comply with the Guidelines, CEQA, and the Government Code in the processing of any General Plan amendments.
4. Required Elements: The General Plan contains all of the required elements (Appendix B).
5. Format and Element Integration: The format of the General Plan complies with the Guidelines in that all of the required elements are present and no one element takes precedence over any other (equal legal status). The document is posted on the City's website and available for public review at City Hall and the Library.
6. Optional Elements: The General Plan includes optional elements that are either individual sections or are consolidated with other elements.
7. CEQA and the General Plan: The General Plan preparation, adoption, and amendments comply with all requirements of the California Environmental Quality Act.
8. Public Participation: The preparation, adoption, and administration of the General Plan all include public participation, to the extent required by the General Plan Guidelines, CEQA, and the Government Code.
9. Implementing the General Plan: To date, the implementation of the General Plan has complied with all applicable Guideline requirements, including consistency with zoning, subdivisions, redevelopment, building code administration, financing mechanisms, and the preparation of this Annual Progress Report.
10. Special General Plan Considerations: The General Plan preparation and administration comply with the applicable Acts.

OPR has been engaged in a thorough update of the GPG. The new GPG will include resources, data, tools, and model policies to help cities and counties update their General Plans. A public draft of the

update to the GPG for the State of California is available at the link below. Future amendment to elements of the General Plan will follow the framework of the GPC, as amended.

https://www.opr.ca.gov/s_generalplanguidelines.php

VI. Plans, Projects, and Accomplishments

The Planning and Building Divisions processed a variety of planning permits during 2016, including conditional use permits (CUP), subdivision map requests, and associated environmental reviews. The breakdown in applications received is as follows:

- 2 Adjustment Plats
- 4 Administrative Adjustments
- 63 Certificates of Appropriateness
- 3 Certificates of Compliance
- 3 Comprehensive Sign Programs
- 6 CUP – Minor
- 1 CUP – Major
- 10 Daley Ranch mitigation bank credit purchases
- 37 Design Review
- 7 Local Register listings
- 8 Mills Act
- 2 Minor Development Applications
- 5 ND/MNDs
- 0 EIRs
- 3 Master/Precise Plans
- 11 Plot Plan – Minor
- 8 Plot Plan – Major
- 1 Regional Market Sign
- 1 Rezone
- 7 Second Unit
- 98 Sign permits
- 116 Temporary Banners
- 18 Temporary Use Permits
- 1 Tentative Parcel Maps
- 3 Tentative Subdivision Maps
- 4 Zoning Code Amendments
- 22 Zoning Consistency Letters

Progress in meeting the City's Share of Regional Housing Needs Government Code Section 65400(a)(2)(B) provides: "*The Housing Element portion of the Annual Progress Report shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development ...*" The tables provided in Appendix D demonstrates the progress made in meeting the City's share of regional housing needs. HCD requires a report format that consists of six Excel spreadsheets. Therefore, Appendix D also addresses the progress in meeting housing goals and objectives specified in the Housing Element, adopted in 2012.

VII. Conclusion

The General Plan is the City's guiding vision. Upkeep and maintenance of the General Plan is a continuous process. As noted in this Annual Progress Report, the City implements the General Plan's vision on a day-to-day basis, in its many planning projects, and strives to include the public in the decision-making process.

APPENDIX A
GOVERNMENT CODE SECTION 65400

Government Code Section 65400

a) After the legislative body has adopted all or part of a general plan, the planning agency shall do both of the following:

1) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan, so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open-space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan.

2) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes all of the following:

A) The status of the plan and progress in its implementation.

B) The progress in meeting its share of regional housing needs determined pursuant to Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583. The housing element portion of the annual report, as required by this paragraph, shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development pursuant to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2). Prior to and after adoption of the forms, the housing element portion of the annual report shall include a section that describes the actions taken by the local government towards completion of the programs and status of the local government's compliance with the deadlines in its housing element. That report shall be considered at an annual public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments.

C) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.

b) If a court finds, upon a motion to that effect, that a city, county, or city and county failed to submit, within 60 days of the deadline established in this section, the housing element portion of the report required pursuant to subparagraph (B) of paragraph (2) of subdivision (a) that substantially complies with the requirements of this section, the court shall issue an order or judgment compelling compliance with this section within 60 days. If the city, county, or city and county fails to comply with the court's order within 60 days, the plaintiff or petitioner may move for sanctions, and the court may, upon that motion, grant appropriate sanctions. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment is not carried out within 60 days, the court may issue further orders as provided by law to ensure that the purposes and policies of this section are fulfilled. This subdivision applies to proceedings initiated on or after the first day of October following the adoption of forms and definitions by the Department of Housing and Community Development pursuant to paragraph (2) of subdivision (a), but no sooner than six months following that adoption.

APPENDIX B
GENERAL PLAN RELATIONSHIP TO STATE LAW REQUIREMENTS

State law requires that general plans include seven elements. The elements may be combined or renamed, but basic requirements must be included. Elements for other topics of local concern may also be included. The relationship between State mandated elements and the Escondido General Plan are illustrated below.

Mandatory Element	Escondido General Plan	Element Description
Land Use	Land Use and Community Form	Designates the proposed distribution and location of the uses of land for housing, business, industry, open space, and other categories of public and private land use activities.
Circulation	Mobility and Infrastructure	Specifies the general location of existing and proposed major thoroughfares, transportation routes, and other local public utilities and facilities.
Conservation	Resource and Conservation	Addresses the conservation, development, and utilization of natural resources including water and its hydraulic force, soils, rivers and other waters, wildlife, minerals, and other natural resources.
Open Space	Resource and Conservation	Addresses the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life.
Safety	Community Protection	Identifies variety of risks and hazards. This includes any unreasonable risks associated with the effects of seismically induced surface rupture and tsunami, slope instabilities, flooding, and fire hazards.
Noise	Community Protection	Identifies noise problems and analyzes current and projected noise levels for highways, roadways, transit systems, and ground stationary noise sources.
Housing	Housing	Develops a plan to meet current and future housing needs of all people within the

Optional Element	Community Health and Services	community, regardless of socio-economic status. Develops a policy framework for recreational services, library services, schools and education, cultural enrichment, and public health and wellbeing.
Optional Element	Growth Management	Develops quality of life standards and establishing public facility planning strategies.
Optional Element	Economic Prosperity	Provides a policy framework to promote the City's long-term viability and to advance the City's position as a "economic hub" with employment and business opportunities.

APPENDIX C PIPELINE PROJECTS

Pipeline Project Map:

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/DevelopmentActivity/MajorActivity2017.jpg>

Pipeline Project List:

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/DevelopmentActivity/DevelopmentProjectTracking2017.pdf>

APPENDIX D
2016 HOUSING ELEMENT REPORT

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

Jurisdiction City of Escondido
 Reporting Period 1/1/2016 - 12/31/2016

Table A
Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information						Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions			
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development See Instructions	Deed Restricted Units See Instructions	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income					
(9) Total of Moderate and Above Moderate from Table A3					1	163					
(10) Total by income Table A/A3			0	0	1	163	Total:	164			
(11) Total Extremely Low-Income Units*											

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

Jurisdiction City of Escondido
Reporting Period 1/1/2016 - 12/31/2016

Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity				0	
(2) Preservation of Units At-Risk				0	
(3) Acquisition of Units				0	
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	0	1	0	1	
No. of Units Permitted for Above Moderate	49	2	76	0	36	163	

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

Jurisdiction City of Escondido
Reporting Period 1/1/2016 - 12/31/2016

Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2013	2014	2015	2016	2017	2018	2019	2020		Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8			
Very Low	Deed Restricted	1,042	7	0	0	0					7	1,035
	Non-deed restricted											
Low	Deed Restricted	791	28	0	11	0					39	751
	Non-deed restricted		1								1	
Moderate	Deed Restricted	733	0	0	0	0					0	732
	Non-deed restricted					1					1	
Above Moderate		1,609	108	56	7	163					334	1,275
Total RHNA by COG. Enter allocation number:		4,175										
Total Units ▶ ▶ ▶ ▶			144	56	18	164					382	3,793
Remaining Need for RHNA Period ▶ ▶ ▶ ▶ ▶												

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

Jurisdiction City of Escondido

Reporting Period 1/1/16-12/31/16

Table C
Program Implementation Status

Program Description (By Housing Element Program Names)		Housing Programs Progress Report - Government Code Section 65583 Describe progress of all programs including progress in removing regulatory barriers.	
Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-16
1.1: Project Development Create increased supply of affordable housing units for lower income households, including those households with extremely low incomes. Every effort will be made to accomplish this through redevelopment and acquisition/rehabilitation.	Anticipated impact: Increased supply of rental units for extremely low-, very low- and low-income residents 300 units	Ongoing	The City recently contracted with both Community HousingWorks and Urban Housing Communities to develop affordable rental projects consisting of acquisition/rehabilitation of existing units. UHC completed rehabilitation of 44 affordable units in September 2015. The CHW units are expected to be completed within the next year (11 HOME affordable units out of 200 total in the project). Additionally, the City has been working with Solutions for Change on a new, affordable rental project consisting of 33 units, anticipated to be completed during 2017. No new affordable units were completed in 2016.
1.2: Lot Consolidation Encourage consolidation of small lots to utilize land more efficiently and facilitate the development of mixed use and affordable multi-family developments	Anticipated impact: Facilitate development as envisioned in the General Plan.	Ongoing	A ministerial process is utilized for basic lot consolidation. The City continues to encourage consolidation of lots to facilitate mixed-use and affordable developments.
1.3 Infill New Construction Support new construction of homeownership and rental units and redevelopment/revitalization on infill sites. The City also encourages recycling and revitalizing of sites for a variety of housing types and income levels.	Anticipated impact: New housing opportunities for homeownership and rental for low- and moderate-income households.	Ongoing	Solutions for Change is currently under construction on an affordable rental project of 33 units on an infill site on Escondido Boulevard, which is anticipated to be completed in 2017. No new affordable infill units were completed in 2016.

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-16
<p>1.4 City-owned Sites Facilitate the redevelopment/development of affordable housing on City-owned sites</p>	<p>Anticipated impact: Sites for affordable housing. Use City-ownership as a potential inducement for rehabilitation of more affordable housing</p>	<p>Ongoing</p>	<p>The Housing and Neighborhood Services Division, the Engineering Services Department and the City's Real Property Agent continue to review City-owned properties when they become available as potential sites for redevelopment.</p>
<p>1.5 Density Bonus Amend Density Bonus Ordinance to be consistent with State law</p>	<p>Anticipated impact: Additional housing opportunities for low- and moderate-income households.</p>	<p>0-3 years from HE adoption</p>	<p>City Planning staff is working on an amendment to the Zoning Code to modify the Density Bonus provisions so they are in conformance with State law. It is anticipated that the City Council will review the changes within 2017. In the meantime, the City utilizes the State density bonus requirements when processing a request for a density bonus.</p>
<p>2.1 Housing Rehabilitation: Renter Occupied Continue to explore potential rental rehabilitation programs</p>	<p>Anticipated impact: Increase rental rehabilitation for lower income households (25 units).</p>	<p>Ongoing</p>	<p>Staff will continue to explore funding opportunities for a new renter-occupied rehabilitation program. Funding from a CalHOME grant allowed the City to re-establish an owner-occupied rehabilitation program for low-income households in single-family residences and mobilehomes in 2015. 4 loans were funded in 2016. Several more in are various stages of the process and are expected to be completed within the next year.</p>
<p>2.2 Acquisition/Rehabilitation Continue to explore ways to encourage the recycling of deteriorated and older structures for affordable housing opportunities</p>	<p>Anticipated impact: Additional affordable housing opportunities for lower income households. (200 Units)</p>	<p>Ongoing</p>	<p>Recycling of existing, dilapidated structures continues to be a priority. An RFP was sent out in August 2014 for affordable housing developers. Contracts were signed with both Community HousingWorks (11 units within a 200-unit development) and Urban Housing Communities (44 units) to develop affordable rental projects consisting of acquisition/rehabilitation of existing units. UHC's 44 units were completed in September 2015. Completion of CHW's units is expected during 2017.</p>

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-16
<p>2.3 Focus on Neighborhoods Collaborate with departments to channel resources and efforts into improvement of neighborhood quality of life, including code enforcement, housing rehabilitation and capital improvements.</p>	<p>Anticipated impact: The concentration of City resources to one neighborhood and the opportunity for significant community impact both in physical improvement and improvement in quality of life for neighborhood residents. (Low- and moderate-income categories). Continue collaborative efforts through funding resources, policies and community outreach.</p>	<p>Ongoing</p>	<p>Project NEAT was started in 2010 to assist residents in solving their own neighborhood problems at a neighborhood (rather than Code Enforcement) level, such as maintenance, graffiti, minor repairs and trash. This effort utilizes Community Development Block Grant (CDBG) funding. Currently there are 18 recognized neighborhood groups.</p> <p>The joint efforts to combine resources in targeted neighborhoods, including CDBG funding, grants, and outside financing, will continue, including coordination of public improvements with proposed affordable developments, and neighborhood oriented clean-up projects. Neighborhood collaboration also will be coordinated with the Police Department and other City Departments through the Neighborhood Transformation Project (NTP).</p> <p>In 2015 the City Council approved the 2015-2016 City Council Action Plan, which included a Neighborhood Improvement element. This element included strategies for improving aging neighborhoods, including increasing code enforcement activity, addressing issues related to homelessness, improving traffic flow, improving park, pool and Escondido library facilities, and developing more recreation opportunities for youth. The 17-18 City Council Action Plan will be drafted in Spring 2017, and is expected to again include a Neighborhood Improvement element.</p>

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-16
<p>2.4 Preservation of at-Risk Housing Continue to explore means to continue housing affordability for lower income households that would be impacted by the conversion of subsidized projects to market-rate housing</p>	<p>Anticipated impact: Continued affordability of subsidized housing developments.</p> <p>If owner wishes to sell, contact potential buyers who would want to extend affordability and, if unsuccessful, follow-up with Section 8 and relocation potential</p>	Ongoing	<p>The City will continue to monitor at-risk units, particularly those identified in the Housing Element. The City began work with the owners of Las Casitas I (6 affordable units) in 2016 to possibly extend the affordability period. This effort is ongoing. No at-risk units were lost or specifically preserved in 2016.</p>
<p>3.1: First-Time Homebuyer/Home Entry Loan Program (HELP) Provide low-interest loans to lower income households for closing costs and down payment, of lesser of 5% of purchase price or \$25,000, using federal HOME loans.</p>	<p>Anticipated impact: Increased homeownership opportunities for lower income households (150 households).</p>	Ongoing	<p>0 HELP loans funded during 2016 4 HELP loans funded during 2015 2 HELP loans funded during 2014 3 HELP loans funded during 2013 9 Total</p>
<p>3.2 First-Time Homebuyer/Mortgage Credit Certificates Provide mortgage credit certificates to first-time homebuyers to reduce federal income taxes and more easily qualify for a loan.</p>	<p>Anticipated impact: Additional homeownership opportunities for low- and moderate-income households (20 households).</p>	Ongoing	<p>Four MCCs were issued to lower income homebuyers during 2013-2014. Although MCCs will remain available to Escondido residents, the local MCC administrator retired and MCCs will not be reported locally.</p>

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-16
<p>3.3 Rental Subsidy Provide households with affordable rents through rent subsidy programs for households with incomes not exceeding 50% of the Area Median Income.</p>	<p>Collaborate with HUD (and the Housing Authority of San Diego County) toward the provision of Section 8 Rental Subsidy to households earning 50% or less of the median income</p> <p>Provide rental subsidy to low-income seniors and persons with disabilities in mobilehomes parks and apartments</p> <p>Anticipated impact: Rental Assistance for very low-income households, 1,200 households, with Housing Choice Vouchers. 110 very low income senior/disabled households for rent subsidies</p>	<p>Ongoing</p>	<p>Ongoing. During 2016, 1,284 Escondido households were assisted with a Section 8 Rental Subsidy (Housing Choice Voucher). An additional 12,594 are on the wait list in Escondido.</p> <p>During 2016, 28 senior households (or persons with a disability) in mobilehome parks, and another 14 in apartments, for a total of 42, were receiving a monthly rental subsidy while waiting for HUD Section 8 eligibility. Eligibility for the Rental Subsidy program was tightened in 2012 due to the loss of redevelopment funds. Continuation of the program in the future is uncertain.</p>
<p>3.4 Mobilehome Park Conversion Provide technical assistance to mobilehome resident groups in the conversion of existing parks to resident ownership</p>	<p>Anticipated impact: Continued mobilehome resident ownership opportunities for lower income residents. Continue to work with City policies and procedures to assist in conversion</p>	<p>Ongoing</p>	<p>The City continues to provide technical assistance to mobilehome parks considering conversions to resident ownership. No recent conversions have been requested. The City continues to manage the remaining city-owned spaces in Escondido Views (5 lots) and Mountain Shadows (24 lots).</p>
<p>3.5 Mobilehome Rent Review Rent review via the Rent Review Board of applications for increases in mobilehome parks</p>	<p>Anticipated impact: Stabilized rents for mobilehome residents, many of whom are lower income.</p>	<p>Ongoing</p>	<p>During 2016, 13 short-form rent review hearings and one long-form rent review hearing were held. Average monthly increases approved for short form applications ranged from \$6.58 to \$16.81. The monthly increase for the one long-form application was \$102.22 per space.</p>

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-16
<p>3.6: Fair Housing Actively engage in furthering fair housing for all residents through specific education outreach and monitoring activities</p>	<p>Anticipated impact: Continued enforcement of the Fair Housing Plan which will prevent discrimination in housing and disputes between landlords and tenants</p>	<p>Ongoing</p>	<p>In 2016 the City contracted with the Legal Aid Society of San Diego, Inc. to provide fair housing services to Escondido residents, including counseling, mediation in landlord/tenant disputes, and bilingual assistance.</p> <p>City staff continues to disperse information at public counters, review potential impediments to fair housing, and meet with other jurisdictions to discuss and address potential regional impediments. The City of Escondido has been working collaboratively with other jurisdictions in the San Diego County region to address the new requirements for Affirmatively Furthering Fair Housing.</p>
<p>4.1 Emergency Shelters Amend the Zoning Code to permit emergency shelters by right, consistent with State law.</p>	<p>Anticipated impact: Provision of shelter for families/individuals with special needs. Consistency with state law.</p>	<p>Within one year of Housing Element adoption</p>	<p>The City's Emergency Shelter Overlay, in compliance with State law, was approved by the City Council on October 23, 2013. Although staff was asked to re-evaluate the location and size of the Overlay in 2015, the City Council left the overlay unchanged and the City is in compliance. A year round shelter operated by Interfaith Community Services currently operates outside the Overlay area.</p>
<p>4.2: Transitional/Supportive Housing Amend the Zoning Code to differentiate transitional/supportive housing operated as group quarters versus a regular housing development. Uses will be permitted where housing is otherwise permitted.</p>	<p>Anticipated impact: Increased housing opportunities for special needs persons.</p>	<p>0-3 years from HE adoption</p>	<p>An amendment to the Zoning Code is currently underway to define transitional and supportive units as specified in State law, and to permit them where residential units are otherwise permitted. It is anticipated that the City Council will review the changes in 2017.</p>
<p>4.3: Senior Housing Ordinance Amend the Zoning Code to permit senior housing by right where housing is permitted.</p>	<p>Anticipated impact: Increased housing opportunities for seniors</p>	<p>0-3 years from HE adoption</p>	<p>An amendment to the Zoning Code is currently underway to permit senior housing by right where housing is permitted. It is anticipated that the City Council will review the changes in 2017.</p>
<p>4.4: Monitoring of Growth Management Measure Periodically monitor and evaluate Proposition S for its impacts on the cost, supply and timing of affordable housing. Analyze the ability to accommodate the city's regional housing need, constraints on supply and affordability of housing.</p>	<p>Anticipated impact: Increased public awareness of the City's housing needs and obligations under state law.</p>	<p>Ongoing</p>	<p>The Housing Element shows that the City's RHNA can be accommodated. In 2016 it does not appear that existence of Proposition "S" discouraged or prevented construction of market or affordable units. City will continue to monitor RHNA progress annually to determine whether growth management policies impact the city's ability to accommodate the affordable housing need.</p>

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-16
<p>5.1: Affordable Housing Financing Continue to pursue a variety of funding sources to support affordable housing in the community.</p>	<p>Anticipated impact: Acquisition, rehabilitation, preservation or construction of affordable housing for lower and moderate income households.</p>	<p>Ongoing</p>	<p>Staff continues to pursue opportunities to utilize additional funding sources for potential projects and programs, including tax credits and grants.</p>
<p>5.2: Housing Information and Referral Update public information in many formats identifying the City's housing programs and provide opportunities to market those programs.</p>	<p>Anticipated impact: More effective and targeted housing programs (especially for lower income households).</p>	<p>Ongoing</p>	<p>Housing program and project information is updated as needed and is distributed via a variety of avenues, such as the City web-site, brochures, mailers, referral cards and at City Hall. The city website was updated in late 2010 and updates to the website are ongoing as needed. In 2016 the Housing and Neighborhood Services Divisions were merged into the Housing and Neighborhood Services Division under the Housing and Neighborhood Services Manager. This allows for streamlined assistance to the public. Staff continues to seek additional ways to distribute information to the public.</p>

CONSTRAINTS

The 2013-2020 Housing Element listed the following governmental constraints. The specific issue, page number, action and status are listed below.

Issue	Page #	Action	Status
Land Use Controls Residential designations, specific plans, growth management controls, overlay zones/districts, and the density bonus ordinance	IV-67	Evaluate land use issues for direct impact on provision of housing for all economic sectors of the community.	The City's General Plan comprehensive update was completed in 2012, including increasing densities with a new Urban V designation and introducing minimum floor densities. The Downtown Specific Plan was updated in 2013, including increasing residential densities (up to 100 du/ac) in the downtown core, which should lead to an increase in production of multi-family units. The City is currently working with a consultant to update the South Escondido Boulevard Area Plan, which will incorporate smart growth principles, allowing additional opportunities for mixed-use and transit oriented development.
Residential Development Standards	IV-76	Evaluate residential development standards to ensure they are not unreasonably limiting the number of units that may be constructed.	Development standards and parcel requirements offer flexibility to encourage development. With the adoption of the revised density bonus and residential incentive ordinance in 2017 more flexibility will be available to affordable housing developers. Escondido has one of the lowest parking requirements in north county, and some additional flexibility is built into the Zoning Code. Development standards will continue to be reviewed.

<p>Provision for a Variety of Housing Opportunities</p>	<p>IV-80</p>	<p>A jurisdiction must encourage the development of a variety of housing types for all economic segments of the population.</p>	<p>The General Plan calls for establishing a minimum density for each district, to promote efficient use of land. The Escondido Zoning Code has provisions for SDUs, mobilehomes, multi-family dwellings, and residential care facilities. Also, SROs and farmworker housing. In 2013, the City approved a zoning overlay where emergency shelters are permitted by right, in accordance with state law. Similar code amendments will be completed in 2017 for transitional/supportive housing, farmworker housing, and some clean-up language for senior housing. There are no other known policies or regulations that constrain development of housing for persons with disabilities.</p>
<p>Development Conditions and Fees Fees and exactions to process permits and provide services and facilities can be a constraint to the development of housing due to the additional cost borne by developers.</p>	<p>IV-90</p>	<p>The City periodically reviews fees to ensure they reflect current impacts and necessary impacts.</p>	<p>Escondido's residential development fees have been reviewed and have not been found to act as a constraint to the development of housing. They are lower than those of many other north county cities. The development fees will continue to be reviewed periodically and modified as needed.</p>
<p>On- and Off-Site Improvements Existing infrastructure, development standards for new infrastructure, requirements for on-and off-site improvements.</p>	<p>IV-92</p>	<p>Requirements for on- and off-site improvements vary depending on the presence of existing improvements, as well as the size and nature of the proposed development.</p>	<p>Requirements are reviewed as necessary.</p>
<p>Building Codes and Enforcement</p>	<p>IV-94</p>	<p>The 2016 California Building Codes and Green Building Standards Code have been adopted by the City.</p>	<p>The City has no local ability to waive provisions of State building codes. However, there is an appeal process to challenge interpretations of the building code requirements.</p>
<p>Permits and Processing Times Certainty and consistency in permit processing procedures and reasonable processing times to ensure that developers are not discouraged.</p>	<p>IV-95</p>	<p>The existing design review and conditional use permit processes have been streamlined, and do not serve to constrain housing development.</p>	<p>The City continues to explore ways to streamline processing of applications and reduce fees for affordable, fair market and mixed use housing. Recently, the Design Review Board was consolidated into the Planning Commission in an effort to streamline processing.</p>

**SB 341 Annual Report
Housing Successor Agency of the Community Development Commission of the City of Escondido
Fiscal Year End June 30, 2016**

The dissolution of the California redevelopment agencies in 2012 resulted in a dramatic change to property tax finance. It eliminated the major source of local publically generated dollars earmarked for affordable housing.

The City of Escondido established a Successor Housing Agency (“SHA”) to the City of Escondido Community Development Commission (“CDC”) on January 25, 2012 by the adoption of Resolution No. 2012-16. The majority of the SHA’s assets were transferred from the CDC when it dissolved pursuant to the Dissolution Act (enacted by Assembly Bills x1 26 and 1484). All “rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the agency, excluding any amount in the Low and Moderate Income Housing Fund” were transferred from the CDC to the SHA. The transferred assets consisted of loans made to the CDC and land owned by the CDC. Proceeds from these assets will be deposited into the Low and Moderate Income Housing Asset Fund (“Housing Asset Fund”).

On January 1, 2014, Senate Bill 341 (“SB 341”) became effective. Senate Bill 341 (chapter 796, Statutes of 2013) previously amended Health and Safety Code (“HSC”) Section 34176 to address particular provisions and functions relating to former “redevelopment agencies” and new “housing successor” entities allowed to elect and assume particular functions of redevelopment agencies (RDAs) dissolved in 2012. SB 341 eliminated the former redevelopment agency annual report requirement due to both the Department of Housing and Community Development (“HCD”) and State Controller while RDAs were active. All successor housing entities, starting with the fiscal year ending in 2014, are required to comply with different annual report requirements. In accordance with HSC Section 34176.1(f), specific data must now be reported annually for the Housing Asset Fund. Senate Bill 107 (chapter 325, Statutes of 2015, effective January 2016) amended HSC Section 34176.1(f) to add a new reporting item and revise one reporting item.

1	The amount the city, county, or city and county received pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4.
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The Department of Finance has not approved any loan repayments pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4.

2	The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing between amounts deposited pursuant to subparagraphs (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4, amounts deposited for other items listed on the Recognized Obligation Payment Schedule, and other amounts deposited.
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SB 341 Annual Report
Housing Successor Agency of the Community Development Commission of the City of Escondido
Fiscal Year End June 30, 2016

The SHA deposited \$2,263,507 into the Housing Asset Fund during fiscal year 2015-16. This consisted of rents, promissory note and loan repayments, reimbursements and interest income.

Revenue Source	Amount
Escondido Views/Mountain Shadows Rents	\$188,628
Former CDC Promissory Note Repayments	\$1,067,111
SERAF Repayment	\$1,371,088
Sale of Real Property	\$94,349
Interest Income	\$34,117
Other Revenues	<u>\$29,370</u>
	\$2,784,663

3	A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the Recognized Obligation Payment Schedule from other amounts.
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Low and Moderate Housing Funds (as of July 1, 2016)	\$42,596,115
Land Held for Resale	(\$2,127,717)
Loans Receivable	(\$36,464,452)
SERAF Loans	<u>(\$1,333,226)</u>
Available Funds	\$2,670,720

4	A description of expenditures from the fund by category, including, but not limited to, expenditures: (A) for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a), (B) for homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a), and (C) for the development of housing pursuant to paragraph (3) of subdivision (a).
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The SHA spent \$2,484,951 in FY 2015-16.

Administrative Expenses	\$694,951
Homeless Prevention and Rapid Rehousing	\$0
Development of Housing	<u>\$1,790,000</u>
	\$2,484,951

**SB 341 Annual Report
Housing Successor Agency of the Community Development Commission of the City of Escondido
Fiscal Year End June 30, 2016**

5	As described in paragraph (1) of subdivision (a), the statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.
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Real Property

Individual mobile home lots at Mountain Shadows and Escondido Views
And property located at 542 W 3rd Avenue & 201 N Pine Street (\$2,127,717)

Loans Receivable

Developer loans and homeowner loans (\$36,464,452)

6	A description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.
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N/A – no transfers made.

7	A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project
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The Successor Housing Agency does not receive or hold property tax revenue pursuant to the ROPS.

8	For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.
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All real property was acquired prior to February 1, 2012. The Successor Housing Agency must initiate development activities on property acquired by the former redevelopment agency within five years after the Department of Finance confirmed the property as a housing asset (February 15, 2018).

9	A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include a report posted on its Internet Web Site the implementation plans of the former redevelopment agency.
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**SB 341 Annual Report
Housing Successor Agency of the Community Development Commission of the City of Escondido
Fiscal Year End June 30, 2016**

The City of Escondido, as the housing successor agency of the Community Development Commission of the City of Escondido, has no unmet obligations pursuant to Section 33413.

10	The information required by subparagraph (B) of paragraph (3) of subdivision (a).
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Not applicable until 2019.

11	The percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.
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26% of the affordable units developed in the past 10 years (7/1/2006 – 6/30/2016) by the former redevelopment agency (Community Development Commission of the City of Escondido), housing successor agency, and the City of Escondido (predominantly using federal HOME funds) have been restricted to seniors (130 of 498 units).

Project Name	Afford. Housing Agreement Date	Number of Units	Age Restrictions
The Crossings	05/01/2010	55	None
Windsor Gardens	11/18/2010	130	62+
Avocado Court	03/07/2012	36	None
Crossings @ Escondido Manor	04/15/2015	44	None
Cypress Cove	08/06/2015	200	None
Solutions Escondido (not yet in service)	12/17/2015	33	None

12	The amount of any excess surplus, the amount of time that the successor agency has had excess surplus and the housing successor's plan for eliminating the excess surplus.
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None.

13	An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low and
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SB 341 Annual Report
Housing Successor Agency of the Community Development Commission of the City of Escondido
Fiscal Year End June 30, 2016

	<p>Moderate Income Housing Fund pursuant to subdivision (f) of Section 33334.3. This inventory shall include all of the following:</p> <ul style="list-style-type: none">(A) The number of those units(B) In the first report pursuant to this subdivision, the number of units lost to the portfolio after February 1, 2012, and the reason or reasons for those losses. For all subsequent reports, the number of the units lost to the portfolio in the last fiscal year and the reason for those losses.(C) Any funds returned to the housing successor as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund(D) Whether the housing successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.
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See attached Successor Housing Agency Homeownership Inventory.

SUCCESSOR HOUSING AGENCY HOMEOWNERSHIP INVENTORY

Fiscal Year	LOANS CLOSED PRIOR TO FEB 2012										LOANS CLOSED AFTER FEB 2012			LOANS CLOSED FY 2015/16							
	1121 FTHB LOANS (>80% AMI)										02/2012 through 06/2015			07/2015 through 06/2016							
	Loans Issued	Paid in Full		Voided	Foreclosure	Short-Sale		Paid in Full	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale								
1992-93	178,050	10	10	(178,050)																	
1996-97																					
1999-00	216,000	36	34	(204,000)	1	(6,000)															
2000-01	276,000	46	46	(276,000)																	
2001-02	90,000	15	12	(72,000)	2	(12,000)															
2002-03	290,000	29	23	(230,000)	4	(40,000)															
2003-04	150,000	15	10	(100,000)	2	(20,000)	1	(10,000)													
2004-05	50,000	2															1	(25,000)			
2005-06	50,000	2								1	(25,000)										
2006-07	400,000	16			1	(25,000)				(13,000)	7	(175,000)	2	(37,000)		(12,000)			1	(13,000)	
2007-08	1,350,000	54	1	(25,000)	4	(100,000)				7	(175,000)	2	(50,000)			5	(125,000)				
2008-09	1,592,365	128	9	(104,600)	13	(145,750)				41	(473,885)	3	(41,250)	2	(30,000)	12	(141,890)				
2009-10	840,732	71			6	(71,875)				20	(251,755)			1	(7,857)	8	(80,599)				
2010-11	634,605	50			2	(31,740)				18	(215,995)					6	(75,050)				
Totals	6,117,752	474	145	(1,189,650)	35	(452,365)	1	(10,000)	0	86	(1,129,635)	14	(301,250)	5	(74,857)	31	(434,539)	1	(25,000)	1	(13,000)

155 **2,487,456**

	1106 FTHB LOANS (<80% AMI)					02/2012 through 06/2015			07/2015 through 06/2016			
	Loans Issued	Paid in Full		Voided	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale
1996-97	51,310	20	19	(48,310)								
2008-09	375,000	15			2	(50,000)				3	(75,000)	
Totals	426,310	35	19	(48,310)	2	(50,000)	0	0	0	3	(75,000)	0

11 **253,000**

	1131 ESC VIEWS/MTN SHADOW LOTS					02/2012 through 06/2015			07/2015 through 06/2016			
	Loans Issued	Paid in Full		Voided	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale
2002-03	380,536	8	6	(284,315)								
2003-04	946,833	19	8	(391,039)			3	(147,488)				
2004-05	422,024	7	4	(238,003)								
Totals	1,749,393	34	18	(913,357)	0	0	3	(147,488)	0	0	0	0

13 **688,548**

	1102 MTN SHADOWS MPROP LOANS					02/2012 through 06/2015			07/2015 through 06/2016			
	Loans Issued	Paid in Full		Voided	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale
1991-1994	1,164,676	53	38	(856,606)	1	(11,100)	2	(23,137)	3	(83,385)		
Totals	1,164,676	53	38	(856,606)	1	(11,100)	2	(23,137)	3	(83,385)	1	(4,800)

8 **185,648**

LOANS CLOSED PRIOR TO FEB 2012

LOANS CLOSED AFTER FEB 2012

LOANS CLOSED FY 2015/16

1101 ESCONDIDO VIEWS MPROP LOANS											02/2012 through 06/2015						07/2015 through 06/2016					
Loans Issued		Paid in Full			Voided	Foreclosure		Short-Sale		Paid in Full		Foreclosure	Short-Sale		Paid in Full		Foreclosure	Short-Sale				
1991-1994	1,335,678	69	43	(854,671)		5	(67,251)	1	(1,244)	6	(141,462)				1	(22,566)						
	1,335,678	69	43	(854,671)	0	5	(67,251)	1	(1,244)	(141,462)	0	0	0	0	(22,566)	0	0	0	0			

13 **248,484**

1127 RANCHO ESCONDIDO MPROP LOANS											02/2012 through 06/2015						07/2015 through 06/2016					
Loans Issued		Paid in Full			Voided	Foreclosure		Short-Sale		Paid in Full		Foreclosure	Short-Sale		Paid in Full		Foreclosure	Short-Sale				
1987	355,224	32	25	(276,614)		5	(51,973)	1	(4,302)													
	355,224	32	25	(276,614)	0	5	(51,973)	1	(4,302)	0	0	0	0	0	0	0	0	0	0			

1 **22,335**

1104/1103 REHAB LOANS (SINGLE FAMILY/MOBILEHOME)											02/2012 through 06/2015						07/2015 through 06/2016					
Loans Issued		Paid in Full			Voided	Foreclosure		Short-Sale		Paid in Full		Foreclosure	Short-Sale		Paid in Full		Foreclosure	Short-Sale				
1989-90	404,806.64	43	29	(311,079)		7	(31,924)	1	(434)	1	(4,500)											
1990-91	418,423.46	38	27	(320,415)		4	(18,593)	2	(7,437)			2	(25,400)									
1991-92	268,848.68	25	16	(170,831)		3	(16,963)					1	(5,500)									
1992-93	219,191.37	18	13	(124,808)		2	(11,761)			1	(24,754)			1	(15,247)							
1993-94	181,124.44	14	9	(109,500)		2	(11,624)			1	(20,000)											
1994-95	105,512.00	12	8	(81,466)		3	(17,536)															
1995-96	200,315.27	17	9	(120,489)		4	(25,999)			1	(19,883)											
1996-97	185,254.00	19	16	(165,044)		2	(12,835)							1	(6,500)							
1997-98	343,104.00	27	21	(275,989)		1	(6,500)			3	(47,690)											
1998-99	404,884.75	28	25	(379,174)				1	(4,500)					1	(14,711)							
1999-00	651,318.82	37	32	(584,267)																		
2000-01	315,696.00	24	13	(190,001)		1	(8,000)			1	(23,411)	1	(7,050)		1	(4,819)						
2001-02	350,881.00	18	14	(272,881)						1	(25,000)											
2002-03	240,008.00	15	10	(175,852)				1	(5,495)	2	(32,451)											
2003-04	108,439.72	6	4	(60,267)						1	(23,314)											
2004-05	76,795.00	9	2	(10,922)						2	(15,570)											
2005-06	710,667.00	34	6	(148,355)	1	(34,022)	1	(19,971)		3	(63,800)	4	(76,355)	2	(45,519)	1	(20,000)					
2006-07	637,495.00	27	4	(101,365)		1	(20,000)			3	(99,840)											
2007-08	519,613.00	23	rfds	(6,619)								1	(19,697)		2	(39,953)						
2008-09	489,723.00	21	1	(37,521)						2	(53,978)	3	(57,247)	1	(498)							
2009-10	247,671.00	13	rfds	(1,831)								4	(75,000)		1	(19,990)						
2010-11	449,191.00	21	rfds	(12,981)	1	(20,000)				1	(33,500)	1	(20,000)	1	(6,500)	1	(13,518)					
Totals	7,528,963	489	259	(3,661,655)	2	(54,022)	(201,706)	(17,866)		(487,690)	(286,249)	(67,764)	(119,491)	0	0	0	0	0	0			

139 **2,632,520.23**

PLANNING COMMISSION

Agenda Item No.: I.2
Date: February 28, 2017

CASE NUMBER: MISC 17-0001
APPLICANT: City of Escondido
LOCATION: Citywide
TYPE OF PROJECT: Miscellaneous Informational Report
PROJECT DESCRIPTION: Annual Progress Report on the implementation of the General Plan.

BACKGROUND/SUMMARY OF ISSUES:

Government Code Section 65400 mandates that cities and counties submit an annual report on the status of their General Plan and progress in its implementation. The annual report is required to be submitted to the Office of Planning and Research (OPR) and the State Department of Housing and Community Development (HCD). The annual report is provided to OPR to help identify statewide trends in land use decision-making and how local planning and development activities relate to statewide planning goals. Providing a copy of the annual report to the State Department of Housing and Community Development (HCD) fulfills statutory requirements to report certain housing information. This includes information on the progress in meeting the jurisdiction's share of regional housing needs determined pursuant to Government Code Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to Government Code Section 65583(c)(3).

While there is a standard format for the housing element portion of the annual report, there is no standardized format for the preparation of the annual progress report for the rest of the general plan. The form and content of the report may vary based on the circumstances, resources, and constraints of each jurisdiction. Each jurisdiction should determine what locally relevant issues are important to include in the General Plan annual report. Notwithstanding, annual reports must explain how land use decisions of an agency relates to adopted goals, policies, and implementation measures of the General Plan.

The last annual report that the City of Escondido prepared was for the 2008 calendar year. After such time, the City was engaged in a multi-year effort to update the City's General Plan. This work program was completed in 2012. In the past, the Governor's Office of Planning and Research (OPR) did not require an annual report from cities or counties undertaking a comprehensive General Plan update. Instead, OPR accepted a brief letter describing the status of the update, description of the scope of work, and an anticipated completion date, in lieu of the annual report. Now that the City of Escondido has completed the General Plan update process, work must begin on its implementation. Therefore, it is appropriate to resume the annual reporting practice and provide this service on an annual basis moving forward.

The City of Escondido APR is provided as Attachment "1" and covers planning activities for the 2016 calendar year.

REASONS FOR STAFF RECOMMENDATION: Staff recommends for the Planning Commission to receive the report for the following reasons:

1. General law cities, applicable charter cities, and counties are required to file APRs on the implementation of their General Plan with their local legislative body, OPR and HCD. These reports are due April 1st of each year. The Planning Commission serves as an advisory role on planning-related and legislative-related activities pursuant to Chapter 20 of the Escondido Municipal Code.

2. Annual reports help inform the State of California of local planning activities.
3. A general plan can be measured by how well its objectives, policies, and programs are implemented. The APR provides information for decision makers to assess how the Escondido General Plan was implemented during the previous 12-month reporting period. The APR could help identify necessary "course adjustments" or modifications to the General Plan, and means to improve local implementation.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "MDS". The letters are stylized and connected.

Mike Strong
Assistant Planning Director

ANALYSIS

ENVIRONMENTAL STATUS:

The General Plan Annual Progress Report is a reporting document, and does not create or alter policy. The content is provided for informational purposes only, and is exempt from the requirements of the California Environmental Quality Act (CEQA) per Guidelines Section 15378(b)(5), which exempts organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment. This informational item provides a means to monitor the success of implementing the General Plan and review what was implemented during the 12-month reporting period.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 6

Date: March 8, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Bill Martin, Director of Community Development

SUBJECT: Amendments to a Consulting Agreement for Preparation of an Environmental Impact Report and Related Budget Adjustment (Case No. ENV 15-0001 and SUB 15-0002)

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2017-28, authorizing amendments to a Consulting Agreement for Design Professionals (Agreement) with Harris & Associates, Inc., and approve a Planning Division budget adjustment of \$56,688.

DESCRIPTION OF REQUEST:

The Planning Division is requesting the authorization of a contract amendment for a budget increase in the amount of \$36,688 related to the Wohlford - 661 Bear Valley Parkway Project Environmental Impact Report (EIR). The Planning Division is also asking City Council to authorize a future amendment in an amount not to exceed \$20,000 for out-of-scope services that are anticipated to be needed to finalize the EIR.

FISCAL ANALYSIS:

The First Amendment increased the Consultant fee for environmental services from \$129,060 to \$133,715. The Second Amendment increased the Consultant fee from \$133,715 to \$165,748. The services to be provided under the original agreement and the First Amendment and Second Amendment is fully funded by the project applicant, with no cost to the City.

The project applicant, Spieth & Wohlford, Inc., has already deposited the full contract fee amount of \$165,748 into a holding account. A total budget adjustment of \$56,688 to Project 138601-229 is being requested to fund the existing amendments to the EIR contract, as well as the anticipated third contract amendment.

BACKGROUND:

Previously, the City entered into an Agreement with Harris & Associates, Inc. based on the qualifications of the consultant, and prospective reliability and quality of service. A copy of the original Agreement is provided in Exhibit A to Resolution No. 2017-28. The Agreement was executed on February 3, 2016. Since then, two contract amendments have been processed. In accordance with the City's purchasing policy, any amendments can be approved by the City Manager or his designee if they are under \$100,000 and within 25 percent of the original contract amount.

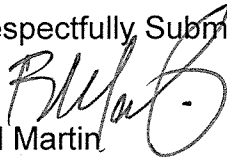
Amendment to a Consulting Agreement for Preparation of an Environmental Impact Report and Related Budget Adjustment March 8, 2017

Page 2

The First Amendment was needed to provide additional services of approximately \$4,655, increasing the overall contract budget for professional services from \$129,060 to \$133,715. This amendment was necessary to cover additional scope of work and costs associated with cultural resources and archeological evaluation. A Second Amendment, in an amount not to exceed \$32,033, increased the total contract budget to \$165,748. The Second Amendment was necessary to cover out-of-scope tasks required to address the environmental impacts of full-width improvements associated with the Bear Valley Parkway Specific Alignment Plan.

Since the funding for the agreement(s) had been previously approved and the expenditure of such funds were authorized by City Council, the Community Development Director was authorized to execute the amendments. Resolution No. 2017-28 has been submitted to City Council to formally acknowledge the two contract amendments and to authorize the amount that exceeds 25 percent of the original contract amount (which is \$4,423). In consideration of the total scope, budget fee, and remaining level of effort, a third contract amendment will likely be needed to finalize the EIR and to allocate enough resources to respond to comments. Resolution No. 2017-28 allows a future contract amendment to occur, in an amount not to exceed \$20,000. This out-of-scope fee would be fully funded by the project applicant.

Respectfully Submitted,



Bill Martin
Director of Community Development



Ann Dolmage
Associate Planner

RESOLUTION NO. 2017-28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, TO AUTHORIZE AMENDMENTS TO A CONSULTING AGREEMENT FOR DESIGN PROFESSIONALS WITH HARRIS & ASSOCIATES FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT ANALYZING IMPACTS OF THE PROPOSED RESIDENTIAL DEVELOPMENT AT 661 BEAR VALLEY PARKWAY

Case No.: ENV 15-0001, SUB 15-0002

WHEREAS, the applicant for the residential project at 661 Bear Valley Parkway is proposing a Tentative Subdivision Map; Rezone; Preliminary, Master, and Precise Development Plan; Grading Exemption; and Specific Alignment Plan; to develop 55 single-family residential lots, seven open space lots, one recreation lot, and two private street lots on a 40.62-acre property near the intersection of Bear Valley Parkway and Encino Drive; and

WHEREAS, on July 2, 2015, the applicant submitted a written request for the preparation of an Environmental Impact Report ("EIR") for the project, stating that the technical studies prepared for the project supported this approach to satisfying California Environmental Quality Act ("CEQA") requirements; and

WHEREAS, after issuing a Request for Qualifications seeking qualified consulting firms to prepare the EIR and receiving proposals from four qualified consultants, staff deemed Harris & Associates the most qualified consulting firm to prepare the EIR; and

WHEREAS, on February 3, 2016, the City Council approved the execution of a

Consulting Agreement for Design Professionals (“Agreement”) in the amount of \$129,060 with Harris & Associates (“Consultant”) to complete the EIR, and the Mayor and City Clerk executed the Agreement (attached as Exhibit “C” and incorporated by this reference) in accordance with the Scope of Work (identified as Attachment “A” to the Agreement);

WHEREAS, in accordance with the City’s purchasing policy, if the funding for an agreement or a contract has been previously approved and the expenditure of such funds authorized by the City Council, the City Manager or his or her designee shall have the authority to execute change orders or amendments for any such contract in an amount not to exceed twenty-five (25) percent of the original price up to a limit of one hundred thousand additional dollars (\$100,000.00); and

WHEREAS, on May 20, 2016, the Interim Director of Community Development and Consultant signed Amendment 1 to the Agreement (attached as Exhibit “B”), in an amount to not exceed \$4,655, to increase the scope of environmental services for a total Agreement amount of \$133,715; and

WHEREAS, on August 30, 2016, the Director of Community Development and Consultant signed Amendment 2 to the Agreement (attached as Exhibit “A”), in an amount to not exceed \$32,033, to increase the scope of environmental services for a total Agreement amount of \$165,748; and

WHEREAS, a trust account was set up by staff and the applicant has deposited funds into that account to cover all EIR-related preparation fees; and

WHEREAS, the City Council must formally acknowledge the two contract amendments and authorize the amount that exceeds 25 percent of the original contract amount, which is \$4,423; and

WHEREAS, in consideration of the total scope, budget fee, and remaining level of effort, a third contract amendment will likely be needed. Further, projected work to be completed includes additional work to finalize the EIR; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to authorize the amount of the total contract fee that exceeds 25 percent of the original contract amount and authorize a third amendment to finalize the EIR, should it be needed, in an amount to not exceed \$20,000.

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 of the City of Escondido does, hereby, authorize the Harris & Associates contract fee amount that exceeds 25 percent of the original contract amount, which is \$4,423.
3. That the City Council of the City of Escondido does, hereby, authorize the City Clerk and the Mayor to execute a third amendment to the existing Agreement, in an amount to not exceed \$20,000 to the Agreement with Harris and Associates, for out-of-scope services that are anticipated to be needed to finalize the EIR. Professional services shall be billed on a time and material basis, to be fully funded by the project applicant.



Harris & Associates

July 20, 2016

Ms. Ann Dolmage
Associate Planner
City of Escondido
201 North Broadway
Escondido, CA 92025

RE: Contract Amendment 2 for the 661 Bear Valley Parkway EIR

Dear Ms. Dolmage,

The following presents Harris & Associates (Harris) request for an amendment to the 661 Bear Valley Parkway Residential Project contract to address out of scope tasks required to address the environmental impacts of full-width improvements associated with the Bear Valley Parkway Specific Alignment Plan (SAP). This project change has been requested by the City and the applicant, and was not included in Harris' original scope of work to prepare the environmental impact report (EIR). The additional tasks include: 1) Initial Study revisions; 2) additional technical study reviews; 3) additional air quality, greenhouse gas and noise analyses; 4) additional cultural resources study; 5) visual simulation revisions; 6) Draft EIR revisions including the clear separation of impacts/mitigation required for the development project from those required for the SAP improvements; 7) graphics revisions; and 8) additional meetings and management to required due to project changes that have extended the project schedule. These tasks are described further in the attached scope of work.

Should you have any questions regarding this proposal, please contact me at 619.236.1778, ext. 2526 or diane.sandman@weareharris.com.

Sincerely,
Harris & Associates

Diane Sandman, AICP
Director, Environmental Services

**AMENDMENT 2
TO CONSULTING AGREEMENT FOR DESIGN PROFESSIONALS**

This Second Amendment to the Agreement is made and entered on 30th day of August, 2016, by and between the City of Escondido (CITY) and Harris & Associates, Inc. (CONSULTANT) with respect to the Consulting Agreement for Design Professional (AGREEMENT) entered by them on February 3rd, 2016.

CITY and CONSULTANT mutually agree to amend the AGREEMENT in the following respects:

1. **Services:** Provide additional services for the CITY's 661 Bear Valley Parkway Project, as described in the attached Exhibit A.
2. **Compensation:** Increase the Consultant fee by \$32,033.00, for a total AGREEMENT amount of \$165,748.00.

All other terms and provisions of the AGREEMENT shall remain the same.

In WITNESS WHEREOF, the parties hereto have entered into this Second Amendment on the day and year first above written.

CITY OF ESCONDIDO
By: [Signature]
Name: Bill Martin
Title: Dir. of Community Development

HARRIS & ASSOCIATES, INC.
By: [Signature]
Name: Diane Sandman
Title: Director, Env. Services

Exhibit A
661 Bear Valley Parkway Project
July 20, 2016

1. Scope of Work

The following out-of-scope tasks must be conducted in order to evaluate the full-width Bear Valley Parkway Specific Alignment Plan (SAP) in the CEQA Initial Study and EIR for the project. The decision to include the entire SAP in the scope of the CEQA analysis was made in June 2016. The analysis of the full SAP was not included in the original EIR scope of work; it only included the evaluation of half-width, project frontage roadway improvements. It is assumed that the following updated technical studies will be provided by the applicant, which will then need to be incorporated into the Initial Study and EIR.

- Biological Resources Technical Report
- Geotechnical Investigation
- Drainage Study
- Storm Water Quality Management Plan
- Traffic Impact Analysis

A. Initial Study Revisions to Address the SAP

After Harris's second submittal of the Draft Initial Study to the City on June 9, 2016, the Bear Valley Parkway SAP was added to the CEQA scope of analysis. Harris will prepare one additional revision to the Initial Study to address the impacts from the SAP. This will include updates based on the revised applicant-prepared technical reports, revised cultural resources study to be prepared by ASM Affiliates, updated air quality, greenhouse gas analysis (GHG), and noise analyses to be prepared by Harris, and the inclusion of up to four additional graphics describing the SAP. It is assumed that the SAP analysis will not change the conclusions previously identified in the Initial Study, such that a topic which was previously eliminated from further review (i.e.: air quality, greenhouse gas emissions, hydrology and water quality) will now require analysis in the EIR. In the unlikely event that this situation occurs, an additional contract amendment may be requested.

B. Additional Technical Study Reviews

Harris completed additional review and coordination with the City regarding changes to the applicant-prepared technical studies. The original contract included review and comments for one iteration of each traffic study. While Harris attempted to reduce additional technical review work by providing comments via email and conference call, Harris completed additional rounds of review and comments beyond one review iteration for the air quality, noise, and greenhouse gas reports.

C. Air Quality, GHG and Noise Analyses to Address the SAP

Harris will conduct air quality, greenhouse gas emissions (GHG) and noise analyses to address construction impacts associated with the additional SAP roadway improvements. Because the additional roadway improvements would not directly increase vehicle trips, no change to the operational analyses are proposed.

1. The additional air quality analysis will include a qualitative analysis of roadway construction emissions based on the Air Quality Conformity Assessment (ISE 2016). Anticipated construction intensity for the additional roadway improvements will be compared to the

- modeled project construction emissions estimate in the Air Quality Conformity Assessment to determine whether a significant impact would occur during construction.
2. The additional GHG analysis will include a qualitative assessment of additional GHG emissions from roadway construction based on the results of the GHG Assessment (ISE 2016). Similar to air quality, anticipated construction intensity for the additional roadway improvements will be compared to the modeled project construction emissions estimate in the GHG Assessment to determine whether the additional emissions would cause the project to exceed the Climate Action Plan screening level. It is assumed that the additional emissions will not cause the project to exceed the screening level requiring the preparation of a Screening Table for the project. In the unlikely event that this situation occurs, an additional contract amendment may be requested.
 3. The additional noise analysis will include quantitative modeling of estimated roadway improvement construction noise levels using the Federal Highway Administration Roadway Construction Noise Model. If necessary, a mitigation measure will be prepared outlining construction best management practices for future construction compliance with the City's Noise Ordinance.

D. Cultural Resources Study to Address the SAP

Harris will sub contract with ASM Affiliates, Inc. (ASM) to conduct a cultural resource study of the SAP area. The tasks are as follows:

1. Conduct a one-day pedestrian field survey for the area of potential effect (APE) to determine the presence/absence of cultural resources that could potentially be impacted from implementation of the SAP. The entire footprint for the road improvement will be surveyed, which effectively are the shoulders of the road, using linear transects spaced 15 meters apart. Deviations from this design will occur at the discretion of the Principal Investigator (PI) in response to vegetation or other obstructions on the project site. One Luiseño Native American tribal monitor will accompany the survey team.
2. Cultural resources will be mapped and thoroughly documented on California Department of Parks and Recreation (DPR) 523-series forms. The site records will be subsequently submitted to the Southern California Information Center (SCIC) for assignment of permanent trinomial designators. Previously recorded sites will be relocated and their documentation updated with the SCIC. It is assumed that no more than one historic resource will require preparation of site documentation. Should it be determined that additional sites require evaluation for CEQA or National Historic Preservation Act (NHPA) Section 106 compliance, an additional contract amendment may be requested.
3. Prepare a draft letter report suitable for an addendum to the prior cultural resources survey report that summarizes the field survey and provides an assessment of potential eligibility of resources within the APE with regard to the National Register of Historic Places (NRHP), California Register of Historic Resources (CRHR), and the City of Escondido Local Register of Historic Places or as a Local Historical Landmark, if applicable. The report will make recommendations for any additional work required for CEQA compliance, including site evaluation and/or construction monitoring, as appropriate.
4. Submit an electronic version of the draft cultural resources survey report to the City for review and comment.
5. Incorporate one set of comments from the City and finalize the cultural resources survey report. Submit an electronic version of the final report to City staff. A map with any site locations within the boundaries of the APE, along with site records, shall be included in the final report as a confidential appendix. Site locations and DPR forms for sites outside of the APE will not be provided, as this would breach ASM's contract of confidentiality with the SCIC.

6. The results of these investigations will also be presented in a NHPA Section 106 compliant cultural resources report for the U.S. Army Corp of Engineers (ACOE) to submit to the California State Historic Protection Office (SHPO). It is assumed that the ACOE will not require ASM to prepare Section 106 consultation letters. The report will also assess cultural resource eligibility under CEQA.

Assumptions: This estimate assumes the following:

- A new records search is not required for this effort;
- ASM will not conduct or provide assistance in government to government consultation;
- A paid Native American monitor will accompany the qualified archaeologists; and
- Only the one known resource (can scatter) within the property will need a DPR update. No other cultural resources are anticipated as ASM did not relocate another can scatter during an earlier survey.

E. Visual Simulation Revisions to Address the SAP

Harris will update the three visual simulations prepared for the project to show full width improvement associated with the Bear Valley Parkway SAP. This includes widening Bear Valley Parkway to four lanes and addition of center median, curb, gutter and sidewalk improvements.

F. Draft EIR Revisions to Address the SAP

Harris will revise the Draft EIR to address the impacts associated with full-width Bear Valley Parkway SAP improvements. Harris will use separate headings in each section to clearly distinguish the impacts/mitigation required for the development project from those required for the SAP improvements. This will require reorganization of the existing section discussions to accommodate the revised format. The additional work will include one additional set of revisions and quality control review for the following sections:

- Introduction
- Project Description
- Aesthetics
- Agricultural Resources
- Biological Resources
- Cultural Resources
- Geology and Soils
- Hazards and Hazardous Materials
- Land Use and Planning
- Noise
- Transportation/Traffic
- Other CEQA Considerations
- Alternatives

G. Graphics Revisions to Address SAP

This scope includes 12 hours to complete revisions to 10 EIR graphics (6 project description, 3 aesthetics and 1 biological resources) and prepare 4 new project description graphics for the SAP. Graphics will be based on revised plans and technical reports provided by the applicant.

H. Additional Meetings and Management

The original scope of work for the project included meeting, teleconference and management time to complete the EIR within a 10 month schedule (Feb to Dec 2016). Due to changes in the project that have extended the schedule by approximately three months, Harris anticipates the need for one additional meeting and six additional teleconferences to complete the project. In addition, approximately three months of additional project management time (coordination with project team, invoicing, etc.) is needed to complete the project.

2. Cost

The cost to perform the tasks described above is \$32,033. A cost breakdown by task is provided below.

A.	Initial Study Revisions	\$3,395
B.	Additional Technical Study Reviews	\$1,390
C.	Air Quality, GHG and Noise Analyses	\$2,575
D.	Cultural Resources Study (ASM).....	\$4,073
E.	Visual Simulation Revisions	\$3,875
F.	Draft EIR Revisions	\$10,445
G.	Graphics Revisions	\$1,380
F	Additional Meetings and Management	
	Meetings (1)	\$780
	Teleconferences (6).....	\$2,100
	Coordination/Management.....	\$2,020
	Total Cost	\$32,033

3. Schedule

A revised e project schedule is attached, based on receipt of the notice to proceed for this contract amendment on July 25, 2016. Once approved, Harris will update the schedule based on the actual notice to proceed date.

651 Bear Valley Parkway Residential Development
EIR Schedule
July 20, 2016

ID	Task Name	Duration	Start	Finish	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May
1	Project Start Up	14 days	Wed 2/3/16	Tue 2/23/16																
2	City Council Approve Contract	0 days	Wed 2/3/16	Wed 2/3/16																
3	Kickoff Meeting	0 days	Wed 2/10/16	Wed 2/10/16																
4	Notice to Proceed	0 days	Tue 2/23/16	Tue 2/23/16																
5	Technical Studies	35 days	Tue 2/23/16	Mon 4/11/16																
6	Prepare New Cultural Report	6 wks	Tue 2/23/16	Mon 4/4/16																
7	Conduct EIR-Level Review and Prep Memos	2 wks	Tue 2/23/16	Mon 3/7/16																
8	City Review Memos	1 wk	Tue 3/8/16	Mon 3/14/16																
9	Conference Call to Discuss Memo Comments	0 days	Tue 3/15/16	Tue 3/15/16																
10	Applicant's Consultants Revise Tech Studies	4 wks	Tue 3/15/16	Mon 4/11/16																
11	Project Description/Initial Study/NOP	149 days	Tue 2/23/16	Sun 9/18/16																
12	Prepare PD/IS/NOP	3 wks	Tue 2/23/16	Mon 3/14/16																
13	City Review PD/IS/NOP	2 wks	Tue 3/15/16	Mon 3/28/16																
14	Prepare Public Review IS/NOP	2 wks	Tue 3/29/16	Mon 4/11/16																
15	NOP Public Review	30 edays	Fri 8/19/16	Sun 9/18/16																
16	SAP Project Addition	20 days	Mon 7/25/16	Fri 8/19/16																
17	NTP for SAP Analysis	0 days	Mon 7/25/16	Mon 7/25/16																
18	Revise Applicant Tech Studies for SAP	2 wks	Mon 7/25/16	Fri 8/5/16																
19	Additional cultural resources study of SAP	2 wks	Mon 7/25/16	Fri 8/5/16																
20	Revise IS/NOP for SAP	1 wk	Mon 8/8/16	Fri 8/12/16																
21	City Review Revised IS/NOP	5 days	Mon 8/15/16	Fri 8/19/16																
22	1st Screencheck EIR	114 days	Tue 4/12/16	Fri 9/16/16																
23	Prepare 1st Screencheck EIR	8 wks	Tue 4/12/16	Mon 6/6/16																
24	Additional SAP Analysis	3 wks	Mon 8/8/16	Fri 8/26/16																
25	City Review	3 wks	Mon 8/29/16	Fri 9/16/16																
26	2nd Screencheck EIR	30 days	Mon 9/19/16	Fri 10/28/16																
27	Prepare 2nd SC EIR	4 wks	Mon 9/19/16	Fri 10/14/16																
28	City Review	2 wks	Mon 10/17/16	Fri 10/28/16																
29	Public Review Draft EIR	41 days	Mon 10/31/16	Mon 12/26/16																
30	Prepare PR Draft EIR and Notices	2 wks	Mon 10/31/16	Fri 11/11/16																
31	Draft EIR Public Review	45 edays	Fri 11/11/16	Mon 12/26/16																
32	Draft Findings/SOCs	3 wks	Mon 11/14/16	Fri 12/2/16																
33	Draft MMRP	1 wk	Mon 12/5/16	Fri 12/9/16																
34	Final EIR/Response to Comments/MMRP	30 days	Tue 12/27/16	Mon 2/6/17																
35	Prepare RTC/Final EIR	2 wks	Tue 12/27/16	Mon 1/9/17																
36	City Review RTC/Final EIR	2 wks	Tue 1/30/17	Mon 1/23/17																
37	Final MMRP	1 wk	Tue 1/24/17	Mon 1/30/17																
38	Final Findings/SOC	1 wk	Tue 1/24/17	Mon 1/30/17																
39	Final EIR Print	1 wk	Tue 1/31/17	Mon 2/6/17																
40	Hearings	26 days	Mon 2/6/17	Tue 3/14/17																
41	10 Day Notice Commenting Agencies	10 edays	Mon 2/6/17	Thu 2/16/17																
42	Planning Commission (tentative)	0 days	Tue 2/28/17	Tue 2/28/17																
43	City Council (tentative)	0 days	Wed 3/8/17	Wed 3/8/17																
44	File NOD	5 days	Wed 3/8/17	Tue 3/14/17																

Project: Bear Valley Schedule 06.2
Date: Wed 7/20/16

Task	Summary	External Milestone	Inactive Summary	Manual Summary Rollup	Finish-only
Split	Project Summary	Inactive Task	Manual Task	Manual Summary	Deadline
Milestone	External Tasks	Inactive Milestone	Duration-only	Start-only	Progress

Resolution No. 2017-08
 Exhibit A
 Page 7 of 7



Harris & Associates

Resolution No. 2017-28
Exhibit B
Page 1 of 3

May 5, 2016

Ms. Ann Dolmage
Associate Planner
City of Escondido
201 North Broadway
Escondido, CA 92025

RE: Contract Amendment 1 for the Consulting Agreement for Design Professionals - 661 Bear Valley Parkway

Dear Ms. Dolmage:

Attached is the draft Harris & Associates (Harris) amendment to the Consulting Agreement for Design Professionals, dated February 3, 2016, for the 661 Bear Valley Parkway Project. This amendment identifies the additional scope of work and cost associated with the cultural resources evaluation of an archaeological site recorded on the property (CA-SDI-21808). The additional amendment cost of \$4,655 would bring the total contract agreement amount to \$133,715.

Should you have any questions regarding this proposed contract amendment, please contact me at 619.236.1778, ext. 2526 or diane.sandman@weareharris.com.

Sincerely,
Harris & Associates

Diane Sandman, AICP
Director, Environmental Services

**AMENDMENT 1
TO CONSULTING AGREEMENT FOR DESIGN PROFESSIONALS**

This First Amendment to the Agreement is made and entered on 20th day of May, 2016 by and between the City of Escondido (CITY) and Harris & Associates, Inc. (CONSULTANT) with respect to the Consulting Agreement for Design Professional (AGREEMENT) entered by them on February 3rd, 2016.

CITY and CONSULTANT mutually agree to amend the AGREEMENT in the following respects:

1. Services: Provide additional services for the CITY's 661 Bear Valley Parkway Project, as described in the attached Exhibit A.
2. Compensation: Increase the Consultant fee by \$4,655.00, for a total AGREEMENT amount of \$133,715.00.

All other terms and provisions of the AGREEMENT shall remain the same.

In WITNESS WHEREOF, the parties hereto have entered into this First Amendment on the day and year first above written.

CITY OF ESCONDIDO
By: [Signature]
Name: BILL MANTON
Title: INTERIM DIR. OF COMMUNITY DEVELOPMENT

HARRIS & ASSOCIATES, INC.
By: [Signature]
Name: GARY H. YAGADE
Title: VICE PRESIDENT

Exhibit A

661 Bear Valley Parkway Project
May 5, 2016

Cultural Resources Evaluation of Site CA-SDI-21808

1. Scope of Work: The scope of work consists of an archaeological evaluation by a qualified archaeologist of site CA-SDI-21808 to confirm the presence or absence of additional deposits. This effort includes three shovel test pits within the site to test for subsurface materials, with two crew members and one Luiseño tribal monitor for one day of fieldwork. Once the fieldwork is completed, the qualified archaeologist will update the Department of Parks and Recreation (DPR) forms to identify that the site was evaluated, and will produce an Archaeological Resources Management Report (ARMR) in a letter format to document the findings. The report will be Section 106 compliant for the U.S. Army Corp of Engineers (ACOE) to submit to the California State Historic Protection Office (SHPO) as part of the Clean Water Act Section 404 permit process. It is assumed that the ACOE will not require the preparation of Section 106 consultation letters. The report will also assess cultural resource eligibility under CEQA. ASM Affiliates will complete the above scope of work as a subconsultant to Harris & Associates. Harris & Associates will provide a review of the document to ensure it is satisfactory to support the CEQA documentation.
2. Cost: The estimated cost to perform the evaluation study, including a Native American monitor, and prepare draft and final reports is \$4,655.
3. Assumptions: This estimate assumes the following:
 - A new records search is not required for this effort;
 - ASM will not conduct or provide assistance in government to government consultation;
 - A paid Native American monitor will accompany the qualified archaeologists;
 - The results of the subsurface testing effort will be negative;
 - An ARMR format will be required for Section 106 compliance;
 - One round of minor edits (e.g., typo corrections, clarifications, etc.) based on City comments and one round of minor edits based on ACOE comments, and
 - Work is completed in year 2016.



CITY OF ESCONDIDO
CONSULTING AGREEMENT FOR DESIGN PROFESSIONALS

(ONLY for licensed architects, landscape architects, professional engineers, and professional land surveyors who are performing design services for the City)

This Agreement is made this 3rd day of February, 2016.

Between: CITY OF ESCONDIDO
a Municipal Corporation
201 N. Broadway
Escondido, California 92025
Attn: Ann Dolmage, Associate Planner
760-4548
("CITY")

And: Harris & Associates
750 B Street, Suite 1800
San Diego, CA 92101
Attn: Diane Sandman, AICP
(619) 236-1778 ext. 2526
("CONSULTANT")

Witness that whereas:

- A. It has been determined to be in the CITY's best interest to retain the professional services of a consultant to prepare an Environmental Impact Report (EIR) for the residential project at 661 Bear Valley Parkway; and
- B. The CONSULTANT is considered competent to perform the necessary professional services for CITY;

NOW, THEREFORE, it is mutually agreed by and between CITY and CONSULTANT as follows:

1. Services. The CONSULTANT will furnish all of the services as described in "Attachment A" which is attached and incorporated by this reference.
2. Compensation. The CITY will pay the CONSULTANT in accordance with the conditions specified in "Attachment A," in the sum of \$129,060. Any breach of this Agreement will relieve CITY from the obligation to pay CONSULTANT, if CONSULTANT has not corrected the breach after CITY provides notice and a reasonable time to correct it.
3. Scope of Compensation. The CONSULTANT will be compensated for performance of tasks specified in "Attachment A" only. No compensation will be provided for any other tasks without specific prior written consent from the CITY.

4. Duties. CONSULTANT will be responsible for the professional quality, technical accuracy, timely completion, and coordination of all reports and other services furnished by the CONSULTANT under this Agreement, except that the CONSULTANT will not be responsible for the accuracy of information supplied by the CITY.
5. Personnel. The performance of services under this Agreement by certain professionals is significant to the CITY. CONSULTANT will assign the persons listed on "Attachment B," which is attached and incorporated by this reference, to perform the Services described in Paragraph 1, and will not add or remove persons from the list without the prior written consent of the CITY. CONSULTANT will not subcontract any tasks under this Agreement without obtaining the advance written consent of the CITY.
6. Termination. Either CONSULTANT or the CITY may terminate this Agreement with thirty (30) days advance written notice.
7. City Property. All original documents, drawings, electronic media, and other material prepared by CONSULTANT under this Agreement immediately becomes the exclusive property of the CITY, and may not be used by CONSULTANT for any other purpose without prior written consent of the CITY.
8. Insurance.
 - a. The CONSULTANT shall secure and maintain at its own costs, for all operations, the following insurance coverage, unless reduced by the City Attorney:
 - (1) General liability insurance. Occurrence basis with minimum limits of \$1,000,000 each occurrence, \$2,000,000 General Aggregate, and \$1,000,000 Products/Completed Operations Aggregate; and
 - (2) Automobile liability insurance of \$1,000,000 combined single-limit per accident for bodily injury and property damage, unless waived as provided in 8(b) below; and
 - (3) Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole proprietorship; and
 - (4) Errors and Omissions professional liability insurance with minimum coverage of \$1,000,000.
 - b. It is the parties' understanding that the use of a motor vehicle is not a primary subject of this Agreement. CONSULTANT acknowledges that operating a motor vehicle is outside the scope of this Agreement and occurs only at the convenience of the CONSULTANT. A waiver of automobile liability insurance is only effective if both sets of initials appear below, otherwise such insurance is required.

Acknowledged by CONSULTANT GLK

Waiver appropriate by CITY _____
 - c. Each insurance policy required above must be acceptable to the City Attorney:
 - (1) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A- rated, class V carrier or better, admitted in California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.

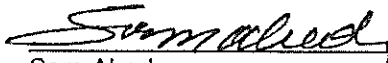
- (2) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.
 - (3) Both the General Liability and the Automotive Liability policies must name the CITY specifically as an additional insured under the policy on a separate endorsement page. The endorsement must be ISO Form CG2010 11/85 edition or its equivalent for General Liability endorsements and CA 20-01 for Automobile Liability endorsements.
 - (4) The General Liability policy must include coverage for bodily injury and property damage arising from CONSULTANT's work including its ongoing operations and products-completed operations hazard.
 - (5) The General Liability policy must be primary and noncontributory and any insurance maintained by CITY is excess.
- d. In executing this Agreement, CONSULTANT agrees to have completed insurance documents on file with the CITY within fourteen (14) days after the date of execution. Failure to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.
9. Indemnification. CONSULTANT (which in this paragraph 9 includes its agents, employees and subcontractors, if any) agrees to indemnify, defend, and hold harmless the CITY from all claims, lawsuits, damages, judgments, loss, liability, or expenses, including attorneys' fees, for any of the following:
- a. Any claim of liability arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of CONSULTANT in the performance of this Agreement, excepting only those claims resulting from the sole negligence, active negligence or intentional misconduct of CITY, its employees, officials, or agents, not including CONSULTANT;
 - b. Any personal injuries, property damage or death that CONSULTANT may sustain while using CITY-controlled property or equipment, while participating in any activity sponsored by the CITY, or from any dangerous condition of property; or
 - c. Any injury or death which results or increases by any action taken to medically treat CONSULTANT.
10. Anti-Assignment Clause. The CONSULTANT may not assign, delegate or transfer any interest or duty under this Agreement without advance written approval of the CITY, and any attempt to do so will immediately render this entire Agreement null and void.
11. Costs and Attorney's Fees. In the event that legal action is required to enforce the terms and conditions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs.
12. Independent Contractor. CONSULTANT is an independent contractor and no agency or employment relationship, either express or implied, is created by the execution of this Agreement.
13. Merger Clause. This Agreement and its Attachments, if any, are the entire understanding of the parties, and there are no other terms or conditions, written or oral, controlling this matter. In the event of any conflict between the provisions of this Agreement and any of its Attachments, the provisions of this Agreement must prevail.

14. Anti-Waiver Clause. None of the provisions in this Agreement will be waived by CITY because of previous failure to insist upon strict performance, nor will any provision be waived by CITY because any other provision has been waived, in whole or in part.
15. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.
16. Choice of Law. This Agreement is governed by the laws of the State of California. Venue for all actions arising from this Agreement must be exclusively in the state or federal courts located in San Diego County, California.
17. Multiple Copies of Agreement/Counterparts. Multiple copies and/or counterparts of this Agreement may be executed, including duplication by photocopy or by computerized scanning device. Each duplicate will be deemed an original with the same effect as if all the signatures were on the same instrument. However, the parties agree that the Agreement on file in the office of the Escondido City Clerk is the copy of the Agreement that shall take precedence should any differences exist among copies or counterparts of the document.
18. Provisions Cumulative. The foregoing provisions are cumulative and in addition to and not in limitation of any other rights or remedies available to the CITY.
19. Notices to Parties. Any statements, communications or notices to be provided pursuant to this Agreement must be sent to the attention of the persons indicated below. Each party agrees to promptly send notice of any changes of this information to the other party, at the address first above written.
20. Business License. The CONSULTANT is required to obtain a City of Escondido Business License prior to execution of this Agreement.
21. Compliance with Applicable Laws, Permits and Licenses. CONSULTANT shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, and rules in effect during the term of this Agreement. CONSULTANT shall obtain any and all licenses, permits, and authorizations necessary to perform services set forth in this Agreement. Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.
22. Immigration Reform and Control Act of 1986. CONSULTANT shall keep itself informed of and comply with the Immigration Reform and Control Act of 1986. CONSULTANT affirms that as an employer in the State of California, all new employees must produce proof of eligibility to work in the United States within the first three days of employment and that only employees legally eligible to work in the United States will be employed on this public project. CONSULTANT agrees to comply with such provisions before commencing and continuously throughout the performance of this Agreement.

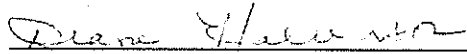
IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations, and have executed this Agreement as of the date set forth below.

CITY OF ESCONDIDO

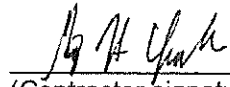
Date: 2-22-16


Sam Abed
Mayor

Date: 2-22-16


Diane Halverson
City Clerk

Date: 2/10/2016

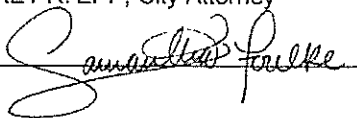

(Contractor signature)

VICE PRESIDENT
Title

(The above signature must be notarized)

APPROVED AS TO FORM:

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

By: 

THE CITY OF ESCONDIDO DOES NOT DISCRIMINATE AGAINST QUALIFIED PERSONS WITH DISABILITIES.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

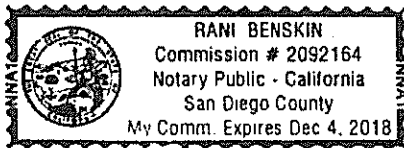
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)
On February 10, 2016 before me, Rami Benskin - Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Gary Yagade
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Rami Benskin
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Consulting Agreement Document Date: 2-3-2016
Number of Pages: 5 Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name: <u>Gary Yagade</u>	Signer's Name: _____
<input checked="" type="checkbox"/> Corporate Officer — Title(s): <u>Vice President</u>	Corporate Officer — Title(s): _____
<input type="checkbox"/> Partner — Limited General	Partner — Limited General
<input type="checkbox"/> Individual Attorney in Fact	Individual Attorney in Fact
<input type="checkbox"/> Trustee Guardian or Conservator	Trustee Guardian or Conservator
<input type="checkbox"/> Other: _____	Other: _____
Signer Is Representing: _____	Signer Is Representing: _____



Attachment A
Scope of Work
661 Bear Valley Parkway Residential Project
Environmental Impact Report
January 20, 2016

Scope of Work

Harris & Associates (Harris) will carry out the following scope of work in support of the Environmental Impact Report (EIR) for the 661 Bear Valley Parkway Residential Project.

Task 1. Kickoff meeting

The Harris management team will attend one project kickoff meeting with representatives from the City of Escondido (City) and the applicant. In preparation for the meeting, Harris will prepare an agenda and updated project schedule based on the notice to proceed date. The purpose of the kickoff meeting will be to collect relevant project information; clearly define the proposed project for the purposes of the environmental analysis; begin to compile a list of cumulative projects; discuss the project schedule and important assumptions for achieving the schedule; identify all anticipated discretionary actions; establish early communication among various project team members, as well as the protocols for ongoing communication; and familiarize the Harris project team with the issues and concerns that the City and the applicant determine to be important for analysis in the environmental document.

Task 2. EIR-Level Review of Applicant-Prepared Studies

Harris will conduct an EIR-level review of the applicant-prepared technical reports, which consist of the following:

- Acoustical Site Assessment (Investigative Science & Engineering, Inc.)
- Air Quality Conformity Assessment (Investigative Science & Engineering, Inc.)
- Arborist Report (Dudek)
- Biological Resources Technical Report (Dudek)
- Drainage Study (Hunsaker & Associates)
- Fire Protection Plan (Dudek)
- Geotechnical Investigation (Vinje & Middleton Engineering, Inc.)
- Geotechnical Update Report ((Vinje & Middleton Engineering, Inc.)
- Greenhouse Gas Emissions Assessment (Investigative Science & Engineering, Inc.)
- Limited Phase II Environmental Site Assessment (Vinje & Middleton Engineering, Inc.)
- Phase I Environmental Site Assessment (Vinje & Middleton Engineering, Inc.)
- Preliminary Water System Analysis (Dexter Wilson Engineering, Inc.)
- Report of Soil Removal Action (Vinje & Middleton Engineering, Inc.)
- Traffic Impact Analysis (Linscott Law & Greenspan Engineers)
- Water Quality Technical Report (Hunsaker & Associates)

Harris will review each report for project description accuracy, discrepancies in data, and adequate analysis of all applicable Appendix G issues. Harris will prepare a memorandum for



each report that lists our questions and comments on the report. Applicant-prepared technical reports will be considered usable for analysis following receipt of the revised report in response to the Harris memorandum.

Task 3. Notice of Preparation/Initial Study

Harris will prepare the EIR Notice of Preparation (NOP) and accompanying Initial Study and submit a copy to the City for review. Harris will prepare an Initial Study consistent with Appendix G of the California Environmental Quality Act (CEQA) Guidelines that incorporates information from the applicant-prepared technical reports and available secondary information including the City's General Plan to identify issues that would result in a less than significant impact and would not require a stand-alone section in the EIR. It is anticipated the following environmental issues will be eliminated from further analysis in the EIR:

- Air Quality
- Greenhouse Gas Emissions
- Hydrology and Water Quality
- Mineral Resources
- Population and Housing
- Public Services
- Recreation
- Utilities

The analysis of environmental topics to be eliminated from further analysis in the EIR will include a summary of existing conditions, applicable regulations, and/or project characteristics that support the less-than-significant conclusion. Topics that will be evaluated further in the EIR will include a brief summary of the potential impact and a statement that the topic will be analyzed in detail in the EIR.

Based on comments received from City staff, Harris will prepare one set of revisions to the draft NOP and Initial Study. An electronic version of the final NOP and Initial Study will be provided to the City. Harris will submit the NOP and Initial Study to the State Clearinghouse. It is assumed that the City will be responsible for publication and distribution of the NOP to interested agencies, organizations and individuals, including Responsible Agencies. Harris will assist the City in developing the distribution list for the NOP.

At the conclusion of the 30-day public review period of the NOP, Harris will prepare a table summarizing the comments received and include it in the appendix of the EIR, along with the NOP and NOP comment letters received by the City.

Task 4. Draft EIR

Harris will prepare the Draft EIR in full compliance with CEQA (Public Resources Code Section 21000 et seq.), CEQA Guidelines (California Code of Regulations Section 15000 et seq.), and CEQA case law. The EIR will examine all phases of the project including construction and operation. Harris will subcontract with ASM Affiliates, Inc. (ASM) to prepare a Cultural Resources Survey Report, which will serve as the basis for preparation of the Cultural Resources EIR section. The remaining EIR Sections are anticipated to be addressed based on existing available public data and technical reports prepared by the applicant, and are not expected to require preparation of a technical report. The technical reports will be included as appendices to the EIR. Where



possible, the Project EIR will also tier from the existing Escondido General Plan Update Program EIR by using applicable analysis and mitigation provided in this document. However, due to the programmatic nature of the Program EIR, Harris will need to prepare stand-alone project-specific analyses to adequately evaluate the proposed project's impacts in accordance with CEQA. The following provides a scope of work to prepare the major components of the Draft EIR.

Executive Summary

The Executive Summary will contain all of the elements required in CEQA Guidelines Section 15123, including a brief description of the project and the project alternatives evaluated in the EIR. It will also discuss the areas of controversy known to the lead agency and issues to be resolved by the decision-making body, including how to mitigate the significant effects of the proposed project and the option to select a project alternative. This section will include three tables. The first table will provide a summary of the project's direct impacts and the second will provide a summary of the project's cumulative impacts. These summary tables will include level of significance before mitigation, mitigation measures, and level of significance after mitigation. The third table will consist of a matrix identifying the comparative impacts of the project alternatives.

Introduction

Harris will prepare an Introduction to the EIR, describing the background of the 661 Bear Valley Parkway Residential Project, including a description of existing and past use of the site; environmental approval process and timing; and organization of the EIR. Background information pertaining to the project will be based on the information provided by the applicant and the City.

Project Description

The Project Description section will be prepared to comply with all the requirements of CEQA Guidelines Section 15124 and will include a discussion of the project's location and boundaries; objectives; primary features including proposed land uses, on-site utilities and infrastructure, on-site circulation network, and off-site improvements; general aspects of project construction and operation; and features proposed as part of the project that would reduce or eliminate potential environmental impacts. The project description, including graphic materials, will be based solely on information provided by City staff and the applicant. The project objectives will be developed in consultation with City staff and the project applicant. These objectives are a key element of the project description because they set the parameters for developing the project alternatives. Accompanying the project description will be a complete list of all responsible and trustee agencies and necessary discretionary actions, including permits, characterized by agency. Harris will review the project information provided by City staff and the project applicant and identify any inconsistencies between the project application materials as part of preparing the project description. Should the project description change during the course of preparing the EIR, an amendment to the EIR scope of work and an adjustment to the project schedule may be required.

Environmental Setting, Impacts, and Mitigation

The following environmental topic areas will be analyzed in detail in the EIR.

- Aesthetics
- Agriculture and Forestry Resources
- Biological Resources
- Cultural Resources



- Energy
- Geology and Soils
- Hazards and Hazardous Materials
- Land Use and Planning
- Noise
- Transportation and Traffic

Each environmental topic addressed in this chapter of the EIR will be subdivided into the following subsections:

1. **Introduction.** Description of background information specific to each environmental topic area.
2. **Existing Conditions.** Description of existing conditions of the project site, specific to each environmental topic area.
3. **Regulatory Framework.** Applicable regulations promulgated by federal, state, regional, and local agencies that apply to the specific environmental topic area.
4. **Thresholds of Significance.** Methodology for impact analysis and thresholds of significance based on City standards and Appendix G of the CEQA Guidelines.
5. **Impacts.** Potential direct and indirect and cumulative impacts of the proposed project.
6. **Mitigation Measures.** Measures necessary to reduce the project's significant impacts, and the secondary impacts of such mitigation measures, if applicable.
7. **Cumulative Impacts.** Analysis of the proposed project as well as related past, present, and probable future projects that would contribute to the degradation of the environment in each topic area. The following four questions specific to each of the EIR environmental topics will be addressed in the analysis:
 - What is the geographic context of the analysis?
 - Does a significant cumulative impact exist?
 - If so, what is the project's contribution before implementation of project-level mitigation measures?
 - What is the project's contribution after implementation of project-level mitigation measures?

The scope of work for each environmental topic below includes the analysis of impacts based on the significance thresholds identified either by the City or provided in Appendix G to the CEQA Guidelines, Environmental Checklist Form.

Aesthetics

Harris will prepare the aesthetics analysis for the EIR. Tasks are as follows:

1. Conduct a site visit to document, through photographs and text, the existing commercial visual character of the project site. Information on the visual characteristics of the project site and



- surrounding area will be summarized from the Escondido General Plan Program EIR and updated as appropriate.
2. Describe the prominent scenic resources in the vicinity of the project site. Provide photographs of up to four key viewpoints in the vicinity of the project site.
 3. Review and describe the existing policies that guide the design of future development on the project site including, but not limited to, the City of Escondido General Plan.
 4. Evaluate the project's potential to result in:
 - a. Impacts associated with project development, including substantial adverse effects to scenic resources as defined in the General Plan Resource Conservation Element. The project's consistency with Resource Conservation Element Visual Resources policies will be addressed.
 - b. Changes to scenic vistas from public view points, particularly views for motorists along Bear Valley Parkway.
 - c. Substantial degradation of the existing visual character of the site and its surroundings. The analysis will focus on the project's consistency with the Land Use and Community Form Element Community Character policies.
 - d. Creation of new sources of substantial light and glare, including compliance with the City's Outdoor Lighting Ordinance.
 5. Develop mitigation measures and strategies to address any identified significant impacts, such as lighting requirements, taking take into account the City's design review process.

Visual Simulations

A Harris registered architect will prepare up to three visual simulations of key views of the proposed project. The visual simulations will be based on site plans, design graphics, and descriptions of the visual elements of the project provided by the applicant. The visual simulations will include a "before" photo from the site visit and an "after" graphic that displays the developed project on the photograph. The simulations of the project will show key architectural elements and project scale, but will not be photorealistic.

Agriculture and Forestry Resources

Harris will prepare the agriculture and forestry resources analysis for the EIR. Tasks are as follows:

1. Review U.S. Department of Agriculture (USDA) and California Department of Forestry and Fire Protection maps to identify existing resources on the project site.
2. Utilize the California Department of Conservation Land Evaluation and Site Assessment (LESA) methodology and information provided in the geotechnical evaluations to evaluate the site for agricultural suitability based on soil resource quality, water resource availability, and surrounding agricultural use.
3. Review and describe the existing policies that guide the future agricultural use in Escondido including, but not limited to, the City of Escondido General Plan.
4. Incorporate the results of the map review and LESA to evaluate the project's potential to result in:



- a. Conversion or loss of farmland or forest land to non-agricultural or non-forestry use.
 - b. Conflict with existing agricultural zoning or Williamson Act contracts.
 - c. Changes to the existing environment which could result in the conversion of farmland or forest land to non-agricultural or non-forestry use.
5. Develop mitigation measures and strategies to address any identified significant impacts, such as.

Biological Resources

Harris will prepare the biological resources analysis for the EIR based on the Biological Resources Technical Report (BTR) provided by the applicant. Tasks are as follows:

1. Summarize the information in the BTR to describe the biological resources that currently exist on the site and their protection status, if applicable. Sensitive species, habitats, riparian resources, and wildlife movement corridors will be discussed.
2. Summarize applicable regulations that pertain to biological resources.
3. Based on the analysis in the BTR, determine if the project would:
 - a. Have a substantial adverse effect on any candidate, sensitive, or special status species.
 - b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community.
 - c. Have a substantial adverse effect on federally protected wetlands.
 - d. Interfere substantially with wildlife movement or wildlife nursery sites.
 - e. Conflict with any local policies or ordinances protecting biological resources or an adopted habitat conservation plan.
4. Incorporate the mitigation measures identified in the BTR to reduce project impacts.

Cultural Resources

Harris will prepare the cultural resources section of the EIR based primarily on the Cultural Resources Survey Report to be prepared by ASM. ASM's tasks are as follows:

Cultural Resources Survey Report

1. Conduct background research including a records search, literature review, and Native American Heritage Commission (NAHC) Sacred Lands Files (SLF) search. This task will include conducting a detailed records search with the South Coastal Information Center (SCIC) at San Diego State University to determine the number and type of historical resources that have been previously recorded within a one-mile radius of the project site boundary. For the purposes of this proposal, it is assumed that the Area of Potential Effects (APE) is equal to the footprint of the proposed project (approximately 41 acres). Previous research in and/or within a one-mile radius of the APE will be reviewed. Data pertaining to this review will be sought during the records search.



2. Request a search of the SLF held at the NAHC. This search will identify whether or not any of the tribes have registered sacred areas with the NAHC. The NAHC will respond with a list of Native American contacts who have expressed interest in the general area of the project. This information will be made available to the City if requested. ASM will not conduct any consultation, or assist with consultation for this project, although this task may be authorized under a contract amendment.
3. Conduct a one-day pedestrian field survey for the APE to determine the presence/absence of cultural resources that could potentially be impacted by the proposed project. The project's entire APE will be surveyed using linear transects spaced 15 meters apart. Deviations from this design will occur at the discretion of the Principal Investigator (PI) in response to vegetation or other obstructions on the project site. One Luiseño tribal monitor will accompany the survey team.
4. Perform an on-site intensive survey of the built environment (existing residence and ancillary structures) within the project area. During the site visit, ASM will photograph the exteriors and interiors (if possible), and take detailed field notes of any possible historic properties within the project area. ASM will conduct a title search for the property to confirm the chain of ownership for the property, and will conduct archival research necessary to confirm the buildings' date of construction and the general history of the property through building permits (if available), Assessor's Records (if available), historical society records, and newspaper searches. This research will also confirm if any individuals associated with the property are historically significant, and the extent of their association with this property. ASM will also conduct a reconnaissance survey of the immediate neighborhood and similar resources (agricultural complexes) in Escondido to identify comparable properties. ASM will then evaluate the building's significance within the context of community development and agriculture to both the National Register of Historic Places (NRHP), California Register of Historic Resources (CRHR) and the City of Escondido Local Register of Historic Places or as a Local Historical Landmark. ASM will also consider whether or not this building is eligible as a potential contributor to a historic district.
5. Map cultural resources and thoroughly document them on California Department of Parks and Recreation (DPR) 523-series forms. The site records will be subsequently submitted to the Southern California Information Center (SCIC) for assignment of permanent trinomial designators. Previously recorded sites will be relocated and their documentation updated with the SCIC. It is assumed that no more than the two historic resources will require preparation of site documentation. Aside from evaluating the structure on the property, should it be determined that additional sites require evaluation for CEQA or NHPA Section 106 compliance, a contract amendment will be requested.
6. Prepare a draft cultural resources survey report that summarizes the results of the record search, literature review, and field survey, and provides an assessment of potential eligibility of resources within the APE with regard to the NRHP, CRHR, and the City of Escondido Local Register of Historic Places or as a Local Historical Landmark, if applicable. The report will make recommendations for any additional work required for CEQA compliance, including site evaluation and/or construction monitoring, as appropriate. A map with any site locations within



the boundaries of the APE, along with site records, shall be included in the final report as a confidential appendix. Site locations and DPR forms for sites outside of the APE will not be provided as this would breach ASM's contract of confidentiality with the SCIC.

7. Prepare one set of revisions to the draft cultural resources survey report based on City and Harris comments.
8. Present the results of the above investigations in a Section 106 compliant cultural resources report for the U.S. Army Corp of Engineers (ACOE) to submit to the California State Historic Protection Office (SHPO). It is assumed that the ACOE will not require ASM to prepare Section 106 consultation letters. The report will also assess cultural resource eligibility under CEQA.

Cultural Resources EIR Section

1. Summarize the information provided in the cultural resources survey report related to the archaeological and historical setting of the site.
2. Review the information provided in the site-specific geotechnical investigations and General Plan Program EIR to evaluate the potential for paleontological resources to occur on the project site.
3. Summarize applicable regulations that pertain to cultural and paleontological resources.
4. Based on the analysis in the cultural resources survey report and the General Plan Program EIR, Harris will determine if the project would:
 - a. Result in a substantial adverse change in the significance of historical resource.
 - b. Result in a substantial adverse change in the significance of an archaeological resource.
 - c. Directly or indirect destroy a unique paleontological resource or unique geologic feature.
 - d. Disturb any human remain, including those interred outside of formal cemeteries.
5. Incorporate any mitigation measures identified in the cultural resource survey report, if applicable, to reduce project impacts. If necessary, identify mitigation measures to reduce potential paleontological resources impacts.

Energy

Harris will conduct the energy analysis based on Appendix F of the CEQA Guidelines. The tasks are as follows.

1. Utilize the results of the air quality and greenhouse gas technical reports modeling to quantify the proposed project's annual electricity and natural gas consumption.
2. Describe the environmental setting related to energy resources, including identification of energy supplies that will serve the project.



3. Prepare a list of regulations related to energy use on the project site, such as state Title 24 energy requirements and the City's Climate Action Plan.
4. Describe the energy consuming equipment and processes which will be used during construction and operation of the project. Any energy conservation features that are proposed as project features will be identified.
5. Conduct an impact analysis which addresses the project's effect on regional energy supply and resources, including peak energy demand; the degree to which the project complies with existing energy standards; and the project's projected transportation energy use requirements and use of efficient transportation alternatives. In accordance with Section II (F) of Appendix F, the project would be considered to have a significant energy impact if it would result in wasteful, inefficient, or unnecessary consumption of energy.
6. Identify any potentially significant impacts and develop and describe mitigation measures, as appropriate. Mitigation measures, if required, would be based on the recommended measures in CEQA Guidelines Appendix F.

Geology and Soils

Harris will prepare the geology and soils section of the EIR based on the Geotechnical Investigation and Geotechnical Update, Drainage Study, and Water Quality Technical Report provided by the applicant. The tasks are as follows.

1. Summarize the information in the geotechnical reports to describe the geotechnical setting of the site, including geological formations and potential for geotechnical related hazards, including ground shaking, landslides, expansive or unstable soils, and liquefaction. Incorporate relevant information from the Drainage Study and Water Quality Technical Report related to runoff.
2. Summarize applicable legislation that pertains to geology and soils.
3. Based on the analysis in the geotechnical, drainage, and water quality reports, Harris will determine if the project would:
 - a. Expose people or structures to potential adverse effects from risks related to fault rupture, seismic ground shaking, seismic-related ground failure, liquefaction, or landslides.
 - b. Result in substantial soil erosion or topsoil loss.
 - c. Be located on unstable soil with the potential for landslides, lateral spreading, subsidence, liquefaction, collapse, or expansion.
4. Incorporate the recommendations in the geotechnical, drainage, and water quality reports as mitigation measures, as necessary, to reduce project impacts.

Hazards and Hazardous Materials

Harris will utilize the Phase I ESA, Limited Phase II ESA, and Fire Protection Plan provided by the applicant as the basis for the analysis of hazardous materials in the EIR. The tasks are as follows.



1. Summarize the information provided in the Phase I ESA, Limited Phase II ESA, and Fire Protection Plan reports as a section in the Draft EIR.
2. Conduct research with respect to the risk of upset, hazardous emissions, proximity to airports, and potential interference with emergency response plans, and include this information in the existing conditions section of the hazards/hazardous materials discussion.
3. Conduct an analysis to determine whether the project would:
 - a. Result in a hazardous materials impact either from contaminated soils (based on the Phase I ESA and Limited Phase II ESA) or through the risk of upset.
 - b. Result in hazardous emissions within 0.25 mile of an existing or proposed school.
 - c. Result in a conflict with a nearby airport.
 - d. Result in a conflict with implementation of an emergency response plan.
 - e. Expose people or structures to a significant risk of loss, injury, or death involving wildland fires.
4. Incorporate recommendations from the Phase I ESA, Limited Phase II ESA, and Fire Protection Plan as mitigation measures as applicable to address any significant impacts.

Land Use and Planning

Harris will prepare the Land Use and Planning Section of the EIR based on information provided in the General Plan Program EIR and City's Zoning Code. The tasks are as follows.

1. Describe the existing land use setting for the project area including a description of on-site and surrounding uses, and existing zoning and General Plan designations.
2. Utilize the General Plan Program EIR to describe the applicable land use regulations and plans that apply to the project site, such as the City's General Plan and San Diego Association of Governments Plans such as the Regional Transportation Plan.
3. Conduct an impact analysis of proposed uses within the project area based on conformance with applicable plans. Address whether the project would:
 - a. Physically divide an established community.
 - b. Conflict with any applicable land use plan, policy or regulation.
 - c. Conflict with any applicable habitat conservation plan.

Impacts related to biological resources will refer to the Biological Resources EIR section and will be based on information in the applicant-provided BTR.

4. Identify mitigation measures and strategies to mitigate any potential impacts.



Noise

Harris will prepare the noise EIR section based on the acoustical assessment provided by the applicant. The tasks are as follows.

1. Summarize information from the acoustical assessment to provide a general description of the contributors to the existing local noise environment including transportation and operational sources.
2. List the relevant standards and policies in the City's General Plan Community Protection Element, including the exterior noise level standards listed in Figure VI-12, Land Use Noise Exposure Levels; Chapter 17, Article 12 of the City of Escondido Municipal Code, which identifies exterior/interior noise standards and restrictions; as well as any other policies identified in the acoustical assessment applicable to the specific project.
3. Summarize information from the acoustical assessment to address whether the project would:
 - a. Expose people to or generate noise levels in excess of the General Plan, Noise Ordinance, or other applicable standards.
 - b. Expose people to or generate excessive groundborne vibration or groundborne noise levels.
 - c. Result in a substantial permanent or temporary increase in ambient noise levels.
 - d. Expose people to excessive noise levels from a public or private airport.
4. Identify project-specific mitigation measures, if necessary, for any potential impacts.

Transportation and Traffic

Harris will prepare the Transportation and Traffic section of the EIR based on the applicant-provided traffic impact analysis. The tasks are as follows.

1. Describe the existing regional transportation and traffic conditions within the project area, including roadways and intersections that serve the project site.
2. Discuss the applicable regulatory framework, including relevant policies contained within the City's General Plan Mobility and Circulation Element and other relevant regulations.
3. Address the project's potential to:
 - a. Conflict with an applicable plan, ordinance, or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit.
 - b. Conflict with an applicable congestion management program, including but not limited to level-of-service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways.



- c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks.
 - d. Substantially increase hazards due to a design feature or incompatible uses, specifically line of sight at project entrances, as addressed in the traffic analysis.
 - e. Result in inadequate emergency access, based on the analysis of project access and internal circulation provided in the traffic analysis.
 - f. Conflict with applicable policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities, based on a review of the project compared to applicable General Plan Mobility and Infrastructure Element policies.
4. Identify mitigation measures and strategies from the traffic impact analysis to address any identified significant impacts.

Effects Found Not to be Significant

In accordance with CEQA Guidelines Section 15125, the EIR will contain a brief discussion of issues that were determined not to be significant in the Initial Study and therefore not discussed in detail in the EIR. Issues that are anticipated to be included in this section are Air Quality, Greenhouse Gas Emissions, Hydrology and Water Quality, Mineral Resources, Population and Housing, Public Services, Recreation, and Utilities. For each issue determined to be less than significant, this section will include a summary of the analysis provided in the Initial Study, and refer to the Initial Study for additional information.

Growth Inducement

In accordance with CEQA Guidelines Section 15126(d), this section of the EIR will identify the potential for the proposed project to induce growth by providing new residential units, and will be primarily based on the project's compliance with the City's General Plan. In addition, the EIR will address whether the proposed project will remove any known obstacles to growth in the region or involve the extension of utilities that would allow for growth to occur where there is currently a lack of utilities to serve development.

Unavoidable and Irreversible Significant Environmental Effects

In accordance with CEQA Guidelines Sections 15126(b) and 15126(c), this section will discuss uses of nonrenewable resources, long-term commitments of resources, and potential irreversible environmental damage that may result from the proposed project. Generally, the project would result in significant irreversible environmental changes if one of the following occurs:

- The primary and secondary impacts would generally commit future generations to similar uses.
- The project would involve a large commitment of nonrenewable resources.
- The project would involve uses in which irreversible damage would result from any potential environmental accidents associated with the project.
- The proposed consumption of resources is not justified (e.g., involves the wasteful use of energy).



Alternatives Analysis

Harris will prepare the alternatives analysis in accordance with CEQA Guidelines Section 15126.6 addressing the No Project Alternative and up to two additional alternatives to the proposed project, to be determined in consultation with City staff. As stated in Section 15126.6 of the CEQA Guidelines, an EIR shall describe a range of reasonable alternatives to the project, or the location of project, which would feasible attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project. The EIR will provide sufficient information to allow meaningful evaluation of the alternatives compared to the proposed project.

Options for alternatives may include a reduced density alternative, consistency with existing zoning alternative or a reduced footprint alternative. Any graphics needed to support the alternatives discussion will be provided by the applicant. The project alternatives will be analyzed to determine potential impacts and to compare these to the proposed project impacts. CEQA does not require the alternatives analysis to be at the same level of detail as the proposed project, and therefore this information will be more general in nature. The summary of project alternative impacts will be illustrated in a matrix identifying the differences in impacts between the alternatives. In addition, as required by the CEQA Guidelines, the Environmentally Superior alternative will be identified. If this is determined to be the No Project alternative, the next environmentally superior alternative will be identified.

Task 4.1 Administrative Draft EIR

Harris will prepare two administrative draft EIRs (ADEIR) for the proposed project. It is assumed that all comments received on the first ADEIR from the City, as well as those from the project applicant, will be collated in no more than two EIR copies and submitted to Harris for review and incorporation into the EIR. Comments on the second ADEIR are anticipated to require minimal additional revisions and will be combined into no more than two EIR copies. After receipt and incorporation of comments on the second ADEIR, Harris will submit the Draft EIR electronically to the City for a print-check review before public review distribution. Harris will submit 5 paper copies and 5 CD copies of the first and second ADEIR.

Graphics

Harris will incorporate graphics into the EIR as necessary to define the project, specifically in the project description, and to convey geographical limits, such as a traffic study area map. In order to reduce costs, Harris will provide graphics that are 8.5 inches by 11 inches and in black and white where possible. High-quality color prints and larger 11 inch by 17 inch graphics will be included when necessary.

Draft EIR Publication and Distribution

The Draft EIR will undergo a 45-day public review period. Harris will produce 15 paper copies of the Draft EIR Executive Summary and 15 CDs of the Draft EIR and distribute them to the State Clearinghouse. Harris will also produce 15 paper copies and 15 CD copies in PDF format of the Draft EIR, which will be submitted to the City. Harris will also submit two paper copies of the Draft EIR appendices to the City. The City will be responsible for distribution of the Draft EIR to appropriate agencies, organizations, and individuals.

Task 4.2 Notice of Completion/Notice of Availability

Harris will prepare the Notice of Completion (NOC) and Notice of Availability (NOA) per CEQA Guidelines Sections 15085 and 15087 and provide electronic copies to the City. The City will be



responsible for printing and distribution of the NOA to appropriate agencies, organizations, and individuals, including the County Clerk's office. Harris will distribute the NOC to the State Clearinghouse. The City will be responsible for the advertisement of the NOA in a newspaper of general circulation.

Task 5. Final EIR

Task 5.1 Responses to Comments

Harris will respond to up to 50 written comments (not comment letters) on the Draft EIR within the limits of a 32-hour professional time budget, excluding those where no response is required. This will entail reading and numbering all comments, as well as assigning comments to members of the Harris team and possibly to City staff. In addition, the effort to respond to these comments is not expected to require new fieldwork or substantial new analysis. The response to comments will be presented in side-by-side format, with a reduced version of the comment letter on the left side of the page and the responses on the right side of the page. This format allows the reader to easily correlate the responses to the various comments. Harris will submit an electronic copy of the draft response to comments document to the City for review and prepare one set of revisions based on City comments.

Task 5.2 Revisions or Clarifications to the Draft EIR

Harris will revise the text of the Draft EIR, as necessary, based on public review comments received. A summary of any changes or clarifications (errata) made to the Draft EIR that were incorporated into the Final EIR will be included in the Final EIR. Harris will submit the administrative final EIR electronically to the City for review and prepare one set of revisions based on City comments.

Task 5.3 Final EIR

Harris will produce 15 paper copies and 15 CD copies in PDF format of the Final EIR, all of which will be submitted to the City for distribution. Harris will also submit two paper copies of the Final EIR appendices to the City.

Task 6. Mitigation Monitoring and Reporting Program

Harris will prepare the Mitigation Monitoring and Reporting Program (MMRP) consistent with CEQA Guidelines Section 15097 based on the mitigation measures in the EIR. The MMRP will be prepared in tabular format and will identify the following: (1) mitigation measure; (2) monitoring effort; (3) time frames for implementing the mitigation and verifying that the mitigation has been implemented; (4) persons/agencies responsible for carrying out the mitigation and verification; and (5) dates when the mitigation and monitoring activities have been completed. The MMRP will be submitted electronically to City staff.

Task 7. CEQA Findings/Statement of Overriding Considerations

Harris will prepare the draft CEQA Findings and Statement of Overriding Considerations, if necessary, for the EIR and submit these documents to the City for review and comment, pursuant to the requirements of Sections 15091(a) and 15093 of the CEQA Guidelines, respectively. Harris will make one set of revisions to the draft Findings and Statement of Overriding Considerations



based on comments received from the City. The final Findings and Statement of Overriding Considerations will be submitted electronically to the City.

Task 8. Notice of Determination

Harris will prepare the Notice of Determination (NOD) and submit this document to the City. The City will be responsible for filing the NOD with the San Diego County Clerk's office and State Clearinghouse within five days of EIR certification and project approval.

Filing Fees

Filing fees are not included in the cost estimate for this proposal. It is assumed that the project applicant will pay all fees, including the fees for filing the NOP, NOA, and NOD with the County Clerk's office, and the fee required for California Department of Fish and Wildlife review, which is due upon filing the NOD.

Task 9. Meetings and Hearings

The Harris project manager will attend up to two meetings, in addition to the kickoff meeting, with the project applicant or City staff to facilitate the exchange of information and enhance coordination among team members. Harris will be responsible for producing agendas for these meetings.

The Harris project manager will attend up to two hearings on the proposed project. It is assumed that the City will prepare the presentation for each hearing and the Harris project manager will be available to answer questions on the EIR.

Task 10. Telephone Conferencing

Harris will hold biweekly conference calls with City staff and other key members of the project team to provide a forum to discuss project issues, schedule, and progress during the course of the EIR process. The calls will commence two weeks following the kickoff meeting and proceed until the beginning of the Draft EIR public review period, as deemed necessary by Harris and City staff. After the 45-day public review period, the biweekly conference calls will resume on an as-needed basis. A total of 12, one-hour conference calls are included in the scope of work. Harris will send out an agenda to all participants prior to each call. Following each call Harris will prepare and distribute an action item list in table format, identifying each action item, responsible individual, date due, and status.

Task 11. Project Management

Diane Sandman will be the project manager and will act as the principal point of contact for the project, and will be responsible for all aspects of EIR preparation, including management oversight and quality control. Sharon Toland will be the assistant project manager with responsibility for day-to-day activities associated with preparing and processing the EIR and related documents. Ms. Sandman, with Ms. Toland's assistance, will organize the project in terms of technical scope of work, budget, scheduling, and resource allocation; oversee its implementation; organize and oversee report preparation; and participate in client, and public meetings. The project manager will be responsible for completing the project on time and within the contracted budget, while ensuring that the product meets the City's expectations. The project manager will track the budget, schedule and scope of work to ensure efficient use of resources.



Quality Control

Quality products associated with the project EIR will be achieved through a quality control program that includes technical study and document reviews continuously throughout document preparation, and at key milestones in the document preparation. Throughout the preparation of the EIR, quality control will be achieved by various management techniques implemented by the project manager or assistant project manager. These techniques include a review of draft materials before production and frequent discussions with the task managers to assess the status of the project and maintain direct control over work priorities. Suggested revisions will be implemented to ensure the documents are legally defensible and CEQA compliant.

Budget Control

The project manager will be responsible for timely completion of the contract work within the confines of the assigned budget. Standard company fiscal controls and regular computerized fiscal reporting are designed to maximize the efficiency and accuracy of project budget management. The project manager has access to bi-monthly summaries by job and task, including information on the individuals who have charged to a task, the number of hours they have charged, the total dollar value of the labor charged against the task, non-labor charges, and the estimated remaining budget. Weekly summaries, which provide labor and non-labor charges by project and task for each billing period, are the basis for preparing monthly invoices. In the event that Harris has reason to believe that the tasks set forth in this Scope of Work cannot be performed within the time frames that are budgeted for said work, the project manager shall immediately notify the City.

Schedule Control

Harris agrees to complete the EIR for potential certification by the City within a time frame that achieves a schedule agreed upon by Harris, the City and the applicant at the project kick-off meeting. A draft schedule is provided as part of this scope of work, but is subject to change prior to project kick-off based on the date of the kick-off and availability of project information and technical reports. The project manager is responsible for assuring overall adherence to the project schedule. To accomplish this, internal milestones and deadlines for deliverables will be established with emphasis on maintaining the integrity of the critical path for achieving the specified project completion date. The City will be involved in this process and will have responsibility for meeting specific milestones. Where possible, milestones will be established such that minor changes will not impact the overall project schedule.

On a regular basis, the project manager will compare actual progress and milestone achievement to the project schedule. Significant deviations or problems in meeting the schedule will be identified and any necessary corrections or modifications will be made. All actual or potential conflicts with other project requirements will be resolved through discussions with the City and project team. The regular review of work completed versus schedule milestones will facilitate schedule management.



Cost

The total cost for the above-described scope of work is \$129,060. Harris proposes to complete each task on a time and materials basis. Changes to the scope of work or assumptions used in this proposal may result in changes to individual task costs. Harris and its subconsultant, ASM, will not exceed the estimated cost without prior written authorization by the City, and will immediately inform the City of any project changes that may impact the estimated cost.

Task	Cost
Kickoff Meeting	\$1,205
EIR-Level Review of Applicant-Prepared Studies	\$9,170
Initial Study	\$7,720
Notice of Preparation	\$2,560
Cultural Resources Survey Report (ASM).....	\$15,150
Visual Simulations	\$7,500
First Administrative Draft EIR.....	\$32,190
Second Administrative Draft EIR.....	\$10,660
Public Review Draft EIR.....	\$5,650
Notice of Availability/Notice of Completion	\$780
Responses to Comments.....	\$5,680
Final EIR.....	\$3,960
Mitigation Monitoring and Reporting Program	\$1,485
Findings/Statement of Overriding Considerations	\$3,000
Notice of Determination	\$390
Meetings, Hearings and Teleconferences	
EIR Meetings (2)	\$1,560
Teleconferences (12)	\$4,200
Public Hearings (2).....	\$2,340
Project Management/Coordination.....	\$6,540
EIR Printing	\$6,320
Reimbursable Expenses	\$1,000
Total	\$129,060



Attachment B
Personnel
661 Bear Valley Parkway Residential Project
Environmental Impact Report
January 20, 2016

The following Harris & Associates (Harris) personnel will be assigned to the 661 Bear Valley Parkway Residential project for the duration of the contract. Harris will not make any changes to personnel listed below without prior authorization from the City.

Principal-in-Charge	Lisa Larrabee
Project Manager	Diane Sandman
EIR Author	Sharon Toland
EIR Author	Dawna De Mars



CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 7
Date: March 8, 2017

TO: Honorable Mayor and Members of the City Council
FROM: Christopher W. McKinney, Director of Utilities
SUBJECT: Change Order for the Emergency Repair of the Sewer Pipeline in North Hale Avenue

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2017-33, authorizing Change Order No. 1 to the public improvement agreement (Agreement) with Shaw Equipment Rentals, Inc. The value of this change order is for an amount not to exceed \$147,000.

FISCAL ANALYSIS:

Funding for this emergency sewer pipeline work is available in the Wastewater Fund. The Agreement is for time and materials, meaning that the contractor will bill for staff time, equipment, and construction materials necessary to complete the repairs. The original Agreement value is not to exceed \$350,000 without further City Council approval. Change Order No. 1 would increase the total agreement value to a not to exceed amount of \$497,000.

PREVIOUS ACTION:

On February 1, 2017, the City Council adopted Resolution No. 2017-22, approving an emergency public improvement agreement with Shaw Equipment Rentals, Inc. to immediately begin repairs on the 24-inch sewer pipeline on North Hale Avenue.

On March 1, 2017, City Council adopted Resolution No. 2017-26, authorizing the continuation of the emergency action for the repair of the sewer pipeline in North Hale Avenue.

BACKGROUND:

This sewer pipeline conveys raw sewage from approximately 30 percent of the City of Escondido to the Hale Avenue Resource Recovery Facility. Emergency action is required to replace approximately 300 feet of damaged and deteriorated sewer pipeline.

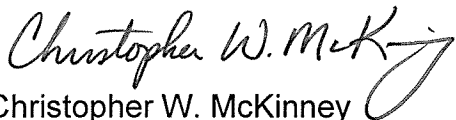
Due to the nature of this emergency project, a detailed engineering analysis was not completed for the project. Therefore, the initial "not to exceed" value was based on a preliminary construction

estimate of the work required. Approximately \$250,000 in repair costs have been incurred on the project to date. As the work has progressed, significant unforeseen challenges have been encountered, and it is anticipated that an additional \$147,000 will be needed to complete construction. Challenges faced on this project include the following:

1. Requirements for multiple, continuous bypass pumping operations to provide dry conditions for connecting to both the downstream and upstream manholes.
2. Unmarked or mismarked utility crossings (4" gas main, fiber optic conduit, unknown sewer pipe).
3. A corroded storm drain pipe crossing.
4. Added time and costs related to North County Transit District (NCTD) permitting, and work restrictions required to work within NCTD right-of-way. NCTD work restrictions include NCTD Roadway Worker Protection Safety Training for the contractor, and requirements for traffic controllers at the railroad crossings, bombardier flagman, and railroad insurance.

Repair work is progressing and completion on the project is expected in March 2017. This Change Order No. 1 is necessary to cover the anticipated costs required to complete construction of this emergency project without delay.

Respectfully submitted,



Christopher W. McKinney
Director of Utilities

RESOLUTION NO. 2017-33

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE DIRECTOR OF UTILITIES TO EXECUTE, ON BEHALF OF THE CITY, CHANGE ORDER NO. 1 TO THE PUBLIC IMPROVEMENT AGREEMENT WITH SHAW EQUIPMENT RENTALS, INC. FOR THE EMERGENCY REPAIR OF THE ESCONDIDO SEWER PIPELINE IN NORTH HALE AVENUE

WHEREAS, the City Council recognizes that a portion of the 24-inch sewer pipeline on North Hale Avenue between North Tulip Avenue and the railroad tracks has suffered a catastrophic failure; and

WHEREAS, the sewer flows are temporarily bypassing the damaged pipeline with mobile pumps and above ground temporary pipelines in order to avoid a sewer spill; and

WHEREAS, pursuant to Resolution No. 2017-22, the City Council previously found that the damage to the 24-inch sewer pipeline was an emergency and approved a Public Improvement Agreement ("Agreement") with Shaw Equipment Rentals, Inc. in an amount not to exceed three hundred fifty thousand dollars (\$350,000); 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, pursuant to Resolution No. 2017-26, the City Council found it to be in the best public interest to continue the emergency action; and

WHEREAS, the Utilities Director recommends authorization of Change Order No. 1 to the Agreement with Shaw Equipment Rentals, Inc., in the amount of \$147,000, bringing the total not to exceed contract value to \$497,000, to fund anticipated costs to complete the emergency project; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to approve the said Change Order No. 1;

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 accepts the recommendation of the Director of Utilities.
3. That the Mayor and City Council hereby approves Change Order No. 1 to the Agreement with Shaw Equipment Rentals, Inc.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 8

Date: March 8, 2017

TO: Honorable Mayor and Members of the City Council
FROM: Sheryl Bennett, Director of Administrative Services
SUBJECT: Memorandum of Understanding between the City of Escondido and the Escondido Police Officers' Association – Sworn Personnel

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2017-34, approving the execution of a Memorandum of Understanding between the City of Escondido and the Escondido Police Officers' Association – Sworn Personnel, for a one-year term commencing January 1, 2017 through December 30, 2017.

It is also requested that the City Council approve a budget adjustment appropriating \$78,480 to cover increased contract costs. The Fiscal Year 2016-17 General Fund Operating Budget did not allocate funds for contract increases, but it is anticipated that budgetary saving at year end will cover these increased costs.

FISCAL ANALYSIS:

Cost to the General Fund for this one-year contract:

FY 2016-17	\$78,480
FY 2017-18	<u>\$78,480</u>

Total contract cost: \$156,960

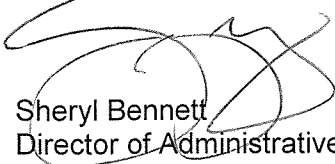
PREVIOUS ACTION:

On November 6, 2014, the City Council voted to adopt a Memorandum of Understanding between the Escondido Police Officers' Association – Sworn Personnel, and the City of Escondido, for a three-year term that expired on December 31, 2016.

BACKGROUND:

City staff has met with the Escondido Police Officers' Association – Sworn Personnel, regarding terms and conditions of employment that expired on December 31, 2016. The attached Resolution No. 2017-34 outlines changes to working conditions and compensation that the Bargaining Unit has agreed to during this negotiation process. Members of the Escondido Police Officers' Association – Sworn Personnel voted in support of the agreement.

Respectfully submitted,


Sheryl Bennett
Director of Administrative Services

RESOLUTION NO. 2017-34

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE EXECUTION OF
MEMORANDUM OF UNDERSTANDING WITH
THE ESCONDIDO POLICE OFFICERS'
ASSOCIATION – SWORN PERSONNEL

JANUARY 1, 2017 – DECEMBER 31, 2017

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

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

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

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

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

1. That the above recitations are true.
2. The City's negotiating team is authorized to execute, on behalf of the City, the MOU with a term from January 1, 2017 through December 31, 2017, to include the terms as set forth in Exhibit "A" attached to this Resolution and incorporated by this reference.

**City of Escondido
Escondido Police Officers' Association – Sworn Personnel
Memorandum of Understanding
January 1, 2017 – December 31, 2017**

1. **Term:** January 1, 2017 – December 31, 2017. None of the terms are retroactive. All changes take effect upon the agreed effective date after City Council adoption of the Memorandum of Understanding (MOU).

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

Effective pay period beginning March 12, 2017, the salary range for all represented classifications shall be increased by 0.50%.

3. **Article 2, Salaries and Compensation, Section 2.14, Special Weapons and Tactics (SWAT) Pay:**

Effective pay period beginning March 12, 2017, increase SWAT pay from \$75 to \$100 per month.

4. **Article 2, Salaries and Compensation, Section 2.04, Bilingual Pay:**

Effective pay period beginning March 12, 2017, compensate officers and sergeants who score a minimum of level 4 on the City's bilingual testing criteria with "advanced" verbal bilingual pay of an additional \$50 per month, for a total of \$250 per month for advanced verbal bilingual skills.

5. **Article 2, Salaries and Compensation, Section 2.10, Tuition Reimbursement:**

Reinstatement of the Tuition Reimbursement Program with the following supplemental language:

A maximum of \$25,000 will be allotted annually for the use of tuition reimbursement for all POA members, as outlined within this Article.

6. **Other MOU Provisions:**

All other provisions, including any cleanup language which has been mutually agreed upon by both the City and the POA in the January 1, 2014 – December 31, 2016 MOU, remain in effect and in addition to the revised language as set forth in this Exhibit.

ORDINANCE NO. 2017-04

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
UPDATING ARTICLE 1 AND AMENDING
ARTICLE 5, SECTION 142 OF CHAPTER 28
(TRAFFIC) OF THE ESCONDIDO MUNICIPAL
CODE

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

SECTION 1. That Escondido Municipal Code Chapter 28, Article 1 is hereby
repealed and replaced as follows:

ARTICLE 1. IN GENERAL

Sec. 28-1. General definitions.

As used in this chapter, the following words and phrases shall have the meanings
set forth below.

(a) Central traffic district shall include all of the following named streets and
portions of streets:

(1) Grand Avenue, from the easterly right-of-way line of Spruce Street to the
westerly right-of-way line of Hickory Street;

(2) Valley Parkway, from the easterly right-of-way line of Centre City Parkway
to the westerly right-of-way line of Valley Boulevard;

(3) Second Avenue, Third Avenue and Fourth Avenue, from the easterly right-
of-way line of Centre City Parkway to the westerly right-of-way line of Ivy Street;

(4) Broadway Avenue, from the northerly right-of-way line of Fifth Avenue to
the southerly right-of-way line of Woodward Avenue;

(5) Ivy Street, from the northerly right-of-way line of Second Street to the
southerly right-of-way line of Pennsylvania Avenue;

(6) Juniper Street, Kalmia Street, Broadway, Escondido Boulevard and, all from
the northerly right-of-way line of Fifth Avenue to the southerly right-of-way line of

A COMPLETE COPY OF THIS ORDINANCE
IS ON FILE IN THE OFFICE OF THE CITY
CLERK FOR YOUR REVIEW.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 10

Date: March 8, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Jay Petrek, Assistant City Manager
Karen Youel, Housing and Neighborhood Services Manager

SUBJECT: Review and Re-affirm Community Development and Homeless Priorities of the Fiscal Years 2015-2019 Consolidated Plan and Approve Allocation Process for Fiscal Year 2017-2018 for Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) Funding

RECOMMENDATION:

It is requested that the City Council conduct a public hearing to:

1. Review and re-affirm the community development priorities adopted in the Amended 2015-2019 Five-Year Consolidated Plan for CDBG.
2. Approve an allocation process for Fiscal Year 2017-2018 CDBG funds to utilize the maximum 15 percent allowable for public service activities to address the priorities of the Consolidated Plan, and the maximum 20 percent allowable for administration of the CDBG program.
3. Authorize the release of a Request for Proposals (RFP) for public services and community redevelopment activities.
4. Review and re-affirm the homelessness and homelessness prevention priorities adopted in the Amended 2015-2019 Five-Year Consolidated Plan for ESG.
5. Authorize the release of an RFP for organizations providing assistance to persons experiencing homelessness or at-risk of homelessness within the City.

FISCAL ANALYSIS:

CDBG and ESG activities and related administrative costs will be funded solely by grant funds and will not impact the General Fund.

The specific amount of funding to be received from HUD for FY 2017-2018 has not yet been decided by Congress. However, the current state of the national economy will most likely have an impact on the final funding levels. In 2016-2017, the City of Escondido received approximately \$1.5 million in CDBG entitlement funds and \$135,000 in ESG funds from the U.S. Department of Housing and Urban Development (HUD) for Fiscal Year 2016-2017. HUD has recommended that jurisdictions budget based on last year's allocations.

Specific recommendations for allocations of CDBG and ESG funds will be brought to the City Council on May 3, 2017, for adoption in the Fiscal Year 2017-2018 One-Year Action Plan.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item relates to the City Council's Action Plan regarding Neighborhood Improvement.

PREVIOUS ACTION:

On April 22, 2015, the City Council approved the Fiscal Year 2015-2019 Five-Year Consolidated Plan for CDBG funds, which includes six community development priorities as outlined in this report.

On July 20, 2016, the City Council approved an amended FY 2016-2019 Consolidated Plan, which included priorities for ESG funds.

BACKGROUND:

Based on community needs assessments and public participation, six community development priorities and five priorities for assisting persons experiencing homelessness or at-risk of homelessness were identified and adopted as part of the Fiscal Year 2015-2019 Five-Year Consolidated Plan for CDBG and ESG. Each year, prior to adoption of the One-Year Action Plan for CDBG, the City Council is asked to review and re-affirm these priorities and may choose to adopt changes at that time.

Past Performance of the City of Escondido CDBG Program

A comprehensive review of Fiscal Year 2015-2016 CDBG funded activities is included in the Consolidated Annual Performance and Evaluation Report (CAPER), which was submitted to HUD in September 2016 and available on the Neighborhood Services Division Web page at: <https://www.escondido.org/neighborhood-services.aspx>. HUD's overall assessment of the program rated the City of Escondido's performance as 'Satisfactory'.

HUD Regulations for CDBG

CDBG regulations place limitations on the amount of funding grantees may use for administration and public services. No more than 15 percent of a grantee's annual CDBG allocation may be used for public service activities and no more than 20 percent of a grantee's annual CDBG allocation may be used for program administration (including fair housing counseling). There is no cap on the percentage of a grantee's annual CDBG allocation that may be used for capital and other special activities in low and moderate income neighborhoods.

CDBG-funded activities must meet at least one of three national objectives set forth by HUD: 1) Benefit low and moderate income persons; 2) aid in the elimination of slum and blight; or 3) meet a particular urgent community need because existing conditions pose a serious threat and no other source of funds is available. Historically, all CDBG funded activities in the City of Escondido have focused on the first national objective of benefitting low and moderate income persons.

City of Escondido's Community Development Priorities

The community development priorities approved for the Fiscal Year 2015-2019 Five-Year Consolidated Plan for CDBG are:

1. Youth: Increase quality-of-life opportunities for low and moderate income students and their families by improving their social and physical environment.
2. Economic Development: Provide economic development opportunities for low and moderate income residents.
3. Seniors: Explore and develop coordinated, low-cost, flexible transportation alternatives and related services for seniors.
4. Neighborhood Revitalization: Identify and improve low income neighborhood areas appropriate for revitalization through direct citizen involvement.
5. Homelessness: Support comprehensive, integrated service systems to transition local homeless families and individuals to permanent or residential housing and self-sufficiency.
6. ADA Improvements: Continue to utilize CDBG and General Fund resources, as they become available, to address the public facility needs identified in the City's ADA Transition Plan.

CDBG Funded Activities in Escondido

Progress continues to be made towards addressing the community development priorities of the Fiscal Year 2015-2019 Five-Year Consolidated Plan. Additional efforts are still required to improve the quality of life for Escondido's low and moderate income residents. Such activities are currently underway for Fiscal Year 2016-2017, the second year of the Consolidated Plan period, and are listed in Attachment A. Priorities of the Consolidated Plan and their corresponding activities also address

the current City Council Action Plan priorities, specifically Neighborhood Improvement and Economic Development.

For Fiscal Year 2017-2018, the third year of the Five-Year Consolidated Plan, it is recommended that the City Council re-affirm the community development priorities. The City's and the community's efforts in addressing these priorities, to date, support the continuation of services directed toward targeted low and moderate income neighborhoods. City sponsored activities continue to build upon previous successes in neighborhoods such as West Side Involved Neighbors, South Tulip, and Park Place in the Mission Park Area.

In the alternative, the City Council may direct that the community development priorities of the Consolidated Plan be amended to include new or additional priorities.

Allocation Process for Fiscal Year 2016-2017 CDBG-Funded Activities

In keeping with HUD regulation, the City of Escondido has used the allowable 15 percent public service allocation to provide services in targeted low and moderate income neighborhoods to address the Five-Year Consolidated Plan priorities. The City conducts two public hearings in accordance with its Consolidated Plan policy, and utilizes a streamlined allocation process for CDBG. Staff has prepared the draft CDBG RFP (included as Attachment B) for the use of FY 2017-2018 CDBG funds. Upon authorization of the City Council, staff will distribute the RFP to prospective applicants immediately. A public hearing to approve the Fiscal Year 2017-2018 One-Year Action Plan for CDBG, allocating the Fiscal Year 2017-2018 funds, is scheduled for May 3, 2017.

HUD Regulations for ESG

2017-2018 will be the second year in which the City of Escondido receives ESG funds. The ESG program provides funding to meet the following objectives: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless. ESG regulations place limitations on the amount of funding grantees may use for administration and program delivery. No more than 7.5 percent of a grantee's annual ESG allocation may be used for program administration. No more than 60 percent of the total fiscal year grant for street outreach and emergency shelter activities combined.

City of Escondido's Homelessness and Homelessness Prevention Priorities

Based on community needs assessments and public participation, eligible ESG objectives were prioritized to meet the greatest needs in the City of Escondido:

1. Rapid re-housing for homeless individuals and families,
2. Homelessness prevention,
3. Emergency shelters,
4. Essential services to shelter residents, and
5. Engagement of homeless individuals and families.

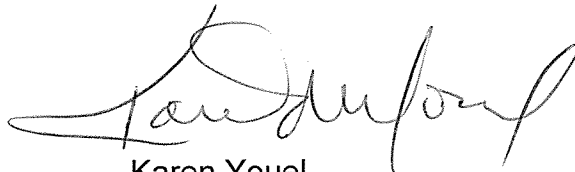
In the alternative, the City Council may direct that the objectives be re-prioritized.

Staff has prepared the draft ESG RFP (included as Attachment C) for the use of FY 2017-2018 ESG funds. Upon authorization of the City Council, staff will distribute the RFP to prospective applicants immediately. A public hearing to approve the Fiscal Year 2017-2018 One-Year Action Plan for ESG, allocating the Fiscal Year 2017-2018 funds, is scheduled for May 3, 2017.

Respectfully submitted,



Jay Petrek
Assistant City Manager



Karen Youel
Housing and Neighborhood Services Manager

Attachment A

City of Escondido, Fiscal Year 2016-2017 Proposed CDBG Allocations
 Estimated Allocation: \$1,514,995

FY 16-17

Administration - 20% cap of allocation (\$302,999 max.)	
CDBG Administration	\$ 268,954
Fair Housing	\$ 34,045
Total	\$ 302,999
Public Service - 15% cap of total available (\$227,249 max.)	
Learn to Swim	\$ 24,500
Senior Transportation	\$ 24,000
Senior Nutrition	\$ 45,500
Senior CARE	\$ 13,000
In Home Meal Delivery	\$ 30,000
Angels Depot	\$ 0
Winter Shelter	\$ 33,000
Neighbor-to-Neighbor	\$ 30,989
Solutions for Change	\$ 26,280
Total	\$ 227,249
Uncapped Capital Improvement & Other Neighborhood Revitalization Activities - (No max.)	
Multi Neighborhood Street Light Project	\$ 75,000
Code Enforcement	\$ 92,487
Grants to Blocks	\$ 87,751
Project Neat	\$ 50,000
Graffiti Removal	\$ 90,000
**Tulip St. Improvements (West Hillside)	\$ 561,983
Street Light LED Retrofit Program	\$ 150,000
Escondido Community Child Care Development Center	\$ 25,000
Center for Community Solutions	\$ 52,526
Total	\$ 1,184,747

Total CDBG Allocations \$ 1,714,995

Attachment "B"



CITY OF ESCONDIDO
HOUSING & NEIGHBORHOOD SERVICES DIVISION

NOTICE OF FUNDING AVAILABILITY (NOFA)
for the U.S. Department of Housing and Urban Development
Emergency Solutions Grant (ESG) Programs: CFDA – 14.231

RFP RELEASE DATE:
March 9, 2017

PROPOSAL SUBMITTAL DATE:
April 12, 2017

City of Escondido
Housing & Neighborhood Services Division
201 N. Broadway, Escondido, CA
(760) 839-4356



It is the intention of the City of Escondido to comply with the Americans with Disabilities ACT (ADA). To request this document in alternate formats, or to request special assistance at a City meeting, please contact Nancy Melander at (760) 839-4579 or via e-mail at NMelander@escondido.org.

Section One - Notice of Funding Availability (NOFA)

INTRODUCTION

Under this NOFA:

- The City of Escondido (City) Housing and Neighborhood Services Division (HNS) is accepting proposals from eligible organizations providing assistance to persons experiencing homelessness or at-risk of homelessness within the City.
- Funds to be used for this NOFA are from the federal Emergency Solutions Grant (ESG) Program.
- The ESG program provides funding to meet the following objectives: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless.
- Homeless Management Information System (HMIS) participation is required by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act).

BACKGROUND

The HEARTH Act, enacted into law on May 20, 2009, consolidated three separate homeless assistance programs, administered by HUD under the McKinney-Vento Homeless Assistance Act, into a single grant program. One of the main revisions in the HEARTH Act was the revision of the existing federal Emergency Shelter Grant program into the new Emergency Solutions Grant (ESG) Program. The ESG regulations can be found at 24 Code of Federal Regulations (CFR), Part 576.

FUNDING AVAILABILITY: Up to \$125,173

The City anticipates receiving ESG funds through the U.S. Department of Housing and Urban Development (HUD). The specific amount of funding to be received from HUD for FY 2017-2018 has not yet been decided by Congress, however the City anticipates being able to commit up to \$125,00 in **one-time** ESG funds available under this NOFA. These funds are available to non-profit organizations and/or public entities sponsoring projects within the City. Funds under this NOFA must be implemented and fully expended during Fiscal Year 2017-18 (July 1, 2017 - June 30, 2018). The contract term will be limited to 12 months, ending June 30, 2018.

PRIORITIZATION OF ESG OBJECTIVES

For this NOFA, the following ESG objectives have been prioritized in the order below:

1. Rapid re-housing for homeless individuals and families,
2. Homelessness prevention,
3. Emergency shelters,
4. Essential services to shelter residents, and
5. Engagement of homeless individuals and families.

Proposals for projects that will address higher priority objectives will be receive priority ranking.

NOTE: Due to the limited amount of ESG funds available, applications for rehabilitation, renovation or conversion will not be accepted at this time.

CONDITIONS

The City reserves the right to determine which funding source will be used to fund specific proposals, negotiate and award contracts to multiple applicants, and request additional information from applicants. By the act of submitting a proposal, applicants acknowledge and agree to the terms and conditions of this NOFA and to the accuracy of the information they submit in response. The City reserves the right to reject any and all submittals, waive any irregularities in the submittal requirements, or cancel this NOFA at any time. All submittal packages become the property of the City.

All requirements of the ESG Program apply under this NOFA. The HEARTH Act significantly revised the ESG Programs regulations at [24 CFR Part 576](#) and established new requirements for the ESG Program. HNS recommends that all organizations applying for funding review ESG Program eligibility criteria carefully.

PROPOSAL REVIEW

Proposals are subject to preliminary review for threshold criteria. Applicants providing incomplete or ineligible proposals will be so notified. A determination will be made concerning the consistency of the proposal with the priorities outlined in the City of Escondido 2015-2019 Consolidated Plan with amendments.

Following the above review, the proposal and HNS staff comments will be considered by a NOFA Review Panel. The NOFA Review Panel will make funding recommendations to the Escondido City Council at for consideration on May 3, 2017 (tentative date). Applicants are encouraged to attend and participate at this public meeting.

TECHNICAL ASSISTANCE, CLARIFICATION AND ADDENDA

Requests for clarifications regarding this NOFA should be directed to Karen Youel at (760) 839-4518, or by email at KYouel@escondido.org by March 27, 2017. Responses will be posted on the City's website at www.escondido.org/neighborhood-services.aspx.

Substantive changes in the submittal requirements, if any, will be made and issued in the form of an addendum posted on the City of Escondido website and sent to all organizations requesting a NOFA package.

SUBMITTALS

Applications must be received no later than **5:00 p.m. on Wednesday, April 12, 2017**, at City of Escondido Housing & Neighborhood Services Counter at the address listed below.

Submit an original set and three (3) copies and 1 electronic copy:

City of Escondido
Housing & Neighborhood Services Division
Attn: Housing & Neighborhood Services Manager
201 N Broadway
Escondido, CA 92025

Faxed and/or emailed applications will not be accepted.

Section Two - NOFA Funding Source

EMERGENCY SOLUTIONS GRANT PROGRAM

- The federal ESG Program regulations are located at [24 CFR Part 576](#).
- Under this NOFA, ESG funds will be awarded to non-profit organizations and/or public entities sponsoring projects within the City of Escondido.
- ESG funds will be awarded for a maximum of twelve months.
- All funds awarded under this NOFA must be fully expended by June 30, 2018.

SUMMARY OF ESG ELIGIBLE PROJECT COMPONENTS

Project Component	Main Eligible Activities
Emergency Shelter*	Renovation (Major Rehabilitation and Conversion), Essential Services, Shelter Operations, and Assistance required under URA. See 24 CFR 576.102 .
Rapid Re-Housing Assistance	Housing Relocation and Stabilization Services Financial Assistance: Moving Costs, Rent Application Fees, Security Deposits, Last Month's Rent, Utility Deposit and Utility Payment. Assistance may also include a one-time payment of rental arrears for up to 6 months. Services: Housing Search, Housing Placement, Housing Stability, Mediation, Legal Services, Credit Repair, Budgeting, Money Management. Rental Assistance: Short - Up to 3 months, Medium – 4-24 months. See 24 CFR 576.103 , 576.105 and 576.106 .
Street Outreach*	Essential Services necessary to reach out to unsheltered homeless individuals and families, connect them with emergency shelter, housing, or critical services, and provide them with urgent, non-facility-based care. Component services generally consist of engagement, case management, emergency health and mental health services, and transportation. For specific requirements and eligible costs, see 24 CFR 576.101 .
Homelessness Prevention	Same activities as Rapid Re-Housing
HMIS**	Grant funds may be used for certain HMIS and comparable database costs, as specified at 24 CFR 576.107 .

* ESG regulations limit street outreach and emergency shelter activities (combined) to no more than 60% of the fiscal year grant.

** HMIS participation is required as a project component within all proposals, but may not be the sole project component.

See HUD's [ESG Program Components Quick Reference](#) for more information.

NOTE: Due to the limited amount of ESG funds available, applications for rehabilitation, renovation or conversion will not be accepted at this time.

ELIGIBLE COSTS:

As of December 5, 2011, the Department of Housing and Urban Development issued an interim in regards to Emergency Solutions Grant funding. Please refer to Federal Register Notice Vol. 76, No. 233.

http://www.hudhre.info/documents/HEARTH_ESGInterimRule&ConPlanConformingAmendments.pdf

<http://www.hudhre.info/index.cfm?do=viewResource&ResourceID=4517>

<http://www.hudhre.info/documents/EmergencySolutionsGrantsProgramFactSheet.pdf>

COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REGULATIONS:

Projects that are awarded ESG, funding must act in accordance with all relative federal, State of California, and City of Escondido laws, rules, and regulations. These include but are not limited to the following:

- **24 CFR Part 1 and 6, Public Law 90-284, Fair Housing Act** – The regulations issued following Title VI of the 1964 Civil Rights Act and Section 109 of the 1975 Housing and Community Development Act that prohibits discrimination in HUD programs based on sex, race, color, national origin, and religion and requires all programs and activities to be administered in a manner to affirmatively further the policies of the Fair Housing Act.
- **24 CFR Part 107 and 108** – The regulations issued following Executive Order 11063 and Executive Order 12892 which prohibit discrimination and promote equal opportunity in housing.
- **Section 504 of the Rehabilitation Act of 1973, 24 CFR Part 40 and 41** – The regulations that set forth policies and procedures for the enforcement of standards and requirements for disabled accessibility. The Architectural Barriers Act of 1968 and the Americans with Disabilities Act provide additional laws on accessibility and civil rights to individual with disabilities.
- **Age Discrimination Act of 1975 (42 U.S.C. 6101)** – The regulations that prohibit discrimination on the basis of age.
- **29 CFR Parts 3 and 5** – The regulations on labor standard provisions that include the payment of prevailing wages on federally assisted projects as mandated by the Davis-Bacon Act and Contract Work Hours and Safety Standards Act. 24 CFR Part 70 provides information on the use of volunteers.
- **Copeland “Anti-Kickback” Act (18 U.S.C. 874 and 40 U.S.C. 276c)** – The regulations on contracts for construction or repair awarded by subrecipients shall include a provision for compliance.
- **24 CFR Part 58** – The regulations prescribing the Environmental Review procedure under the National Environmental Policy Act of 1969.
- **National Flood Insurance Act of 1968, 24 CFR Part 55 under Executive Order 11988** – The regulations for proposed projects and properties located in a floodplain.
- **36 CFR Part 800** – The regulations outlining the procedures for the protection of historic and cultural properties.
- **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970** – the policies for displacement, relocation assistance, and real property acquisition as defined by 42 U.S.C. 4601 (URA) and implementing regulations issued by the Department of Transportation at 49 CFR part 24 and section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(d)).
- **24 CFR Part 7 and 41 CFR Part 60** – The regulations outlining equal employment opportunity without regard to race, sex, color, religion, age, national origin, and disability in federally assisted construction contracts.

- **24 CFR 135** – Regulations outlining requirements of Section 3 of the Housing and Urban Development Act of 1968 providing for economic opportunities for low and very low local residents. All projects must, to the greatest extent feasible, provide opportunities for training and employment for low and moderate income persons residing within the City of Escondido, and contracts or work in connection with the project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the City of Escondido.
- **Residential Lead Based Paint Hazard Reduction Act of 1992** – The regulations implemented by 24 CFR Part 35, Subpart B imposes certain requirements on disclosure of lead based paint hazards.
- **24 CFR Part 24** – The regulations that prohibit use of debarred or suspended contractors on federally assisted projects and Drug Free Workplace requirements, issued according to Executive Order 12459.
- **24 CFR Part 84 and OMB Circular A-110** – Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Nonprofit Organizations. These regulations include Conflict of Interest provisions under 24 CFR 84.42 and 570 as it applies to procurement.
- **OMB Circular A-122** – The regulations that identify cost principals for nonprofits.
- **OMB Circular A-133** – The regulations concerning annual audits.
- **24 CFR Part 49** – The regulations on eligibility restrictions for certain resident aliens.
- **24 CFR Part 87 and Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)** – The regulations for restrictions on lobbying and required certifications.
- **Executive Order 13170** – The regulations on increasing opportunities and access for Disadvantaged Businesses.
- **HUD Requirements** – All other applicable required reports, circulars, and procedures.
- **Administrative Procedures** – The rules issued by the City of Escondido in relation to contracts, process, and procedures.
- **Clean Air Act (42 U.S.C. 7401) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.)** – The regulations that require compliance with all applicable standards, orders, or regulations issued following the rule.

The following resources are available on HUD's website for your use:

- ESG Regulations: Interim Rule:
http://www.hudhre.info/documents/HEARTH_ESGInterimRule&ConPlanConformingAmendments.pdf
- "Monitoring Checklists": <http://www.hud.gov/offices/cpd/library/monitoring/handbook.cfm>
- The Code of Federal Regulations (CFR) and Executive Orders may be found at:
CFR: www.gpoaccess.gov/cfr/index.html
Executive Orders: <http://www.archives.gov/federal-register/index.html>
- Emergency Solutions Grant: <http://www.hudhre.info/index.cfm?do=viewEsgProgram>
- Limited English Proficiency Requirements:
<http://www.hud.gov/offices/fheo/promotingfh/lep-faq.cfm>

Section Three - Proposal Parameters

REQUIREMENTS FOR SUBMITTAL

To be responsive, a complete NOFA Application must contain the following items:

A. Affordability

Attachment A outlines income eligibility levels.

- “Extremely-Low Income” households are households whose adjusted household income is at or below 30% of the area median income (“AMI”).
- “Very-Low Income” households are households whose adjusted household income is between 31% and 50% of AMI.
- “Low-income” households are defined here as households whose adjusted household income is between 51% and 80% of AMI.
- “Median income” is defined and published periodically by HUD for the San Diego Standard Metropolitan Statistical Area.

B. Project Location

Projects must be located within the jurisdiction of the City of Escondido or serve residents of the City. Describe the project location and service area in as much detail as possible, including the street address, cross streets and Assessor Parcel Number. All homeless prevention activities must assist households within the incorporated areas of the City of Escondido.

C. Consistency with the FY 2015-2019 City of Escondido Consolidated Plan

Applicants are required to demonstrate that their project is consistent with the City of Escondido’s current HUD-approved Consolidated Plan and proposed amendments. Item 5 in the NOFA application addresses this requirement.

D. Match Requirements

[Section 576.201](#) of ESG regulations requires a 100 percent funding match. For this NOFA, applicants must match dollar-for-dollar the ESG funding provided by the City with funds from other public or private sources.

Qualifying project match includes, but is not limited to cash and value of donated materials and labor. Proposed match sources must be approved and consistent with program regulations.

E. Board Resolution

An applicant must submit a resolution of its Board of Directors authorizing the submittal of a proposal and identifying who is authorized to execute documents. Use EXHIBIT 2.

F. Articles of Incorporation and By-Laws

All proposals must include current Articles of Incorporation and By-Laws for the organization.

G. Audited Financial Statements - Submit the following information for the last two (2) fiscal years:

- Audited financial statements of the entire organization with the applicable notes;
- Independent Auditor’s Report on Compliance and Internal Control over Financial Reporting based on an Audit of the Financial Statements in Accordance with Government Accounting Standards.
- Independent Auditor’s Statement of Findings and Questioned costs.

H. Evidence of Funding Commitments

Applicants must demonstrate reasonable and efficient costs of operations and project implementation. The proposal must identify secured matching funds. Letters from other funding sources must include the name, title, and telephone number of the responsible contact person and funding amount.

I. Cost Allocation Plan

All applicants must submit a cost allocation plan that clearly demonstrates how direct and indirect costs are shared between the project and other agency projects.

J. Position Descriptions

Provide a position description for all proposed staffing positions funded by the project.

K. Organizational/Staffing Chart

Applicants must include an organizational/staffing chart that describes the overall organization and illustrates the relationship of the proposed program with other organizational divisions, programs and sections. Indicate the lines of organizational management, authority, and responsibility. The staffing chart identifies program staff positions (by name and title, if known) and reporting responsibility.

L. Project/Program Description

Applicant must describe the proposed project/program (work to be performed, components to be undertaken, or services to be provided) and also describe specifically how the requested ESG funds will be used. Describe how this project will benefit persons experiencing homelessness or at risk of homelessness. Describe the problem or need that the proposed project is intended to address.

M. Homeless Management of Information System Participation

ESG recipients will assure compliance with all HUD record-keeping provisions, including use of the **HMIS for clients served by ESG-funded programs**. The cost of complying with this requirement must be reflected in the project budget.

N. Recordkeeping

Under ESG, programs are also required to keep a record of all clients that are screened and classified as ineligible. The ESG recordkeeping and reporting requirements state that for each individual and family determined ineligible to receive ESG assistance, the record must include documentation of the reason for that determination. (See 24 CFR § 576.500(d)).

REQUIREMENTS FOR FUNDING

The following items must be completed prior to funding:

A. Environmental Review

From the time the application has been submitted, the contractor must not commit funds or take any choice limiting actions (including option agreements or contracts for site purchase, excavation, filling, construction, rehabilitation, renovation, conversion or other physical activities) until completion of the environmental processing and HUD's formal Release-of-Funds, regardless of whether the work would be accomplished with federal funds or other matching funds. Failure to comply will jeopardize the availability of HUD funds for the project. An environmental review must be completed before the City will execute a contract. City staff conducts this review using information provided in the application.

B. Insurance Requirements

Proof of insurance meeting these requirements must be submitted to the City ten (10) days prior to contract execution.

General Liability Insurance: Funding recipients will be required to obtain and provide evidence of general liability insurance in the amount of \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The General Aggregate limit shall be \$2,000,000, and \$1,000,000 Products/Completed Operations Aggregate.

Automobile Liability Insurance: Funding recipients will be required to obtain and provide evidence of automobile liability insurance in the amount of \$1,000,000 combined single-limit per accident for bodily injury and property damage.

Endorsement to General Liability and Automobile Insurance: Each Contractor is required to name the City of Escondido as an additional insured on their general liability and automobile insurance policies.

Workers' Compensation and Employer's Liability Insurance: as required by the State of California.

PROJECT ADMINISTRATION AND MONITORING

The City is the administrative and monitoring agency for projects awarded through this NOFA. Note the following project funding conditions:

A. Disbursement of Funds

It is estimated that it will take up to two months before contract documents are executed. The actual time will vary according to the complexity of the approved project(s), environmental constraints, and contract negotiations. HNS expects to execute one-time ESG contract(s) effective July 1, 2017.

Under this NOFA, City will award ESG funds in the form of grants. City distributes funds through a reimbursement program. Expenses incurred prior to the effective date of the executed contracts are not eligible for reimbursement. Billings for reimbursement must be submitted in accordance with contract specifications, [24 CFR Part 84](#) and [OMB Circulars A-110, A-122, A-133](#).

B. Funding Reallocations

City reserves the right to reallocate funds from one approved project to another or to a new activity, or to cancel fund reservations at its discretion if projects are not proceeding satisfactorily (in the sole opinion of City) towards commencement of the proposed activity.

Section Four – Project Proposal Ranking

Each proposed project is rated on the merits of the application using criteria for need, feasibility, fiscal, and project management capacity. A minimum score of 70 (seventy) out of 100 (one hundred) points is required for a project to be recommended for funding by the review panel.

All proposals will be reviewed for completeness and threshold criteria. All proposals must meet the threshold criteria to be forwarded for further review by a NOFA review panel. The threshold criteria for ESG NOFA proposals are as follows:

Threshold Criteria

- _____ Serves residents whose incomes are at or below 30% of the AMI
- _____ Serves persons experiencing homelessness or at risk of homelessness
- _____ City of Escondido Benefit
- _____ Consistent with the 2015-2019 Consolidated Plan and amendments
- _____ 100% match funding is proposed and funding source is identified
- _____ All submittal requirements have been met

Once proposals have been screened for threshold criteria and have been forwarded for competitive review, a NOFA Review Panel will be convened. The next page contains scoring criteria that will be used for the NOFA process. Funding recommendations will then be made to the Escondido City Council for consideration.

PROJECT PROPOSAL RANKING

Maximum Possible Points	
A. Project Need	
1. Target Population – Does the applicant describe the target population or subpopulation and how they are accessed? Does it address the needs of the population? Does it describe challenges and barriers?	5
2. Geographic Area – Does the applicant describe the location? Does the project benefit the needs of City Residents?	15
3. Consolidated Plan – Does the applicant demonstrate how the proposal meets with the priorities outlined in the City of Escondido 2015-2019 Consolidated Plan?	10
30	
B. Project Description	
1. Project Goals/Objectives/Activities – Does the applicant provide a complete description of program?	10
2. How does the project benefit persons experiencing homelessness or at risk of homelessness? Proposals for projects that will address higher priority objectives will be receive priority ranking (See Section One, Subsection IV).	20
30	
C. Experience, Management and Staffing	
1. Agency/Program Experience – Does the applicant describe in detail the agency/program experience in developing, implementing and evaluating the proposed project or comparable project?	9
2. Government Contracts – Does the applicant have any experience with government contracts for similar projects? Have there been any corrective actions and were they resolved? If none, does the applicant have other contracts for similar projects?	6
3. Organizational/Staffing Chart – Did the applicant include an organizational/staffing chart? Does the chart illustrate organizational management, authority, and responsibility? Does the chart identify program staff (including title and FTE) and demonstrate the lines of accountability and reporting responsibility for the proposed project?	2
4. Position Descriptions – Does the applicant provide a position description for all the proposed staffing of the project? Does the position description reflect the proposed project? Does the applicant provide a résumé for the Executive Director/Chief Executive Officer? Does the résumé demonstrate capacity/experience to support the project?	3
20	
D. Fiscal Capacity	
1. Match – Does the applicant provide evidence of at least 100% Match?	5
2. Audited Financials – Does the applicant provide last two (2) fiscal years' Audited Financial Statements of the entire organization with the applicable notes, Independent Auditor's Report on Compliance and Internal Control over Financial Reporting based on an Audit of the Financial Statements in Accordance with Government Accounting Standards and Independent Auditor's Statement of Findings and Questioned costs?	5
3. ESG Cost Allocation Plan – Does the applicant provide a detailed cost allocation plan that clearly demonstrates how direct and indirect costs are shared between the project and other agency projects? Is it consistent with OMB Circular A-122?	10
20	
E. Total	100

APPLICATION CHECK LIST

Please complete the following checklist and submit this form with the application.

All pages 8.5 x 11 inches

One master copy (no staples or binders) and three copies; both signed.

One CD/portable drive with electronic file copies.

Requirements for Submittal

- NOFA Application with Exhibits (pages 10-15)

ATTACHMENTS:

- Articles of Incorporation and By-Laws
- Audited Financial Statements/Single Audit (last two (2) fiscal years)
- Board Resolution
- For non-profit organizations, proof of 501(c)(3) status
- Evidence of Funding Source Commitments (evidence of 100% match)

Requirements for Funding

- Environmental Review
- General Liability Insurance, Automobile Liability Insurance and Workers Compensation Insurance.

The proposal and its submittals have been reviewed for completeness using the checklist above.

Authorized Signature: _____ Title: _____ Date: _____

NOFA
APPLICATION

DRAFT

**City of Escondido
Housing and Neighborhood Services Division**

Emergency Solutions Grant (ESG)

1. PROJECT TITLE: _____

2. APPLICANT: _____

Contact Person: _____

Contact Person's Title: _____ Telephone _____

Email: _____

Organization Address: _____

Phone: _____ Fax: _____

3. ORGANIZATIONAL STATUS (Check all that apply):

___ Non-profit Organization ___ Public Entity

Does your organization expend \$500,000 or more a year in federal funds? ___ Yes ___ No

4. SUMMARY OF FUNDING REQUEST (List by funding activity):

<i>Activity</i>	ESG
<i>TOTAL REQUEST</i>	\$

5. GENERAL PROJECT INFORMATION

NOTE: Due to the limited amount of ESG funds available, applications for rehabilitation, renovation or conversion will not be accepted at this time.

Attach pages as necessary to describe the following:

Describe how your project is consistent with the priorities outlined in the City of Escondido 2015-2019 Consolidated Plan and amendments. Identify which of the Consolidated Plans goal(s) and objective (s) your project will help accomplish. Identify which special needs and disabled population(s) will be served in accordance with the Consolidated Plan and amendments.

Describe how your project aligns with the regional 25 Cities North County initiative.

Describe how your project aligns with the regional Project One For All initiative.

Describe how your project aligns with the San Diego Continuum of Care goals and objectives.

Provide a summary description of project proposed, including the projected number of clients or units/beds to be served.

6. TARGETING

Attach pages as necessary to describe the following:

Describe the characteristics of the population to be served (e.g. youth, seniors, persons with disabilities, etc.) and the geographic area to be benefited. It is important to also attach a map (e.g. Thomas Bros. Map) showing the project location and draw a line on the map outlining the boundaries of the geographic area served.

- (1) Total number of housing units/beds upon project completion: _____
- (2) Total number of assisted units/beds upon project completion: _____
- (3) Total number of extremely low-income households
(at or below 30% of AMI) to be served: _____
- (4) Total number of very low-income households
(31-50% of AMI) to be served: _____
- (5) Total number of low income households
(51-80% of AMI) to be served: _____
- (6) Total number of persons experiencing homelessness to be served: _____
- (7) Total number of persons at risk of homelessness to be served: _____
- (8) Other project objectives:

Median income is defined and published periodically by the United States Department of Housing and Urban Development (HUD) for the San Diego Standard Metropolitan Statistical Area. Please refer to Attachment A.

7. APPLICANT EXPERIENCE

Attach pages as necessary to describe the following:

A. Organization

Describe the following for the organization:

- (1) Mission Statement
- (2) Past activities/experience
- (3) Administrative structure

(4) Cost Allocation Plan

B. Technical Capacity

- (1) Describe the organization's capability to administer the project proposed.
- (2) Attach resumes of staff and consultants specifically assigned to this project and describe contractual relationship.

8. OTHER

State anything else pertinent about the proposed project.

9. CERTIFICATION

The undersigned certifies under penalty of perjury that all statements made in this proposal are true and correct to the best of the undersigned's knowledge.

Authorized Signature [Board Officer]

Typed Name

Title

Date Signed

Submit an original set and three (3) sets of hard copies for a total of four (4) sets of your application and two (2) CDs (or thumb drive) in WORD or PDF Format prior to the date and time specified in the cover letter.

City of Escondido
Housing & Neighborhood Services Division
Attn.: Housing & Neighborhood Services Manager
201 N Broadway
Escondido, CA 92025

Faxed and/or emailed applications will not be accepted.

EXHIBIT 1
ESG PROGRAM BUDGET 2017-2018

APPLICANT: _____

PROGRAM NAME: _____

Sources of Funds:	ESG Funds:	Applicant's Funds:	Other Sources: (List each separately)	TOTAL:
Street Outreach ¹ : Service Activity:				
Service Activity:				
Service Activity:				
Emergency Shelter ² : Operational Activity:				
Operational Activity:				
Operational Activity:				
Homelessness Prevention: Activity:				
Activity:				
Activity:				
Rapid Re-Housing Assistance Activity:				
Activity:				
Activity:				
HMIS ³ : Activity:				
TOTAL:				

¹: Limited up to 60% of the total fiscal year grant for street outreach and emergency shelter activities combined

²: Limited up to 60% of the total fiscal year grant for street outreach and emergency shelter activities combined.

³: HMIS participation is required by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act).

Exhibit 2
Board Resolution

RESOLUTION OF BOARD OF DIRECTORS
OF

WHEREAS, this entity has a minimum of four directors who constitute a quorum for conducting organization business; the organization conducts quarterly board meetings; quarterly financial statements are reviewed by the board; and, the executive director and other paid staff do not serve as voting board members;

WHEREAS, _____ is a _____ [Status of Corporation; i.e., A Non-profit Public Benefit Corporation, qualified pursuant to the provisions of Internal Revenue Code Section 501 (c) (3), etc.];

WHEREAS, _____, recognizes that the community at large, and especially low-income residents have many diverse needs for social, housing, education and other services;

WHEREAS, _____, is committed to effectively serving the communities referenced in the prior recital; and

NOW THEREFORE BE IT RESOLVED as follows:

1. That _____ is committed to providing safe, decent and affordable housing for persons of very low, low and moderate-income levels;
2. That on or about _____, 20____, the Board of Directors voted to authorize the _____ [title of person authorized], or his designee, to apply for and accept assistance of the _____ Project, for the purpose of obtaining a grant to provide for the _____ [purpose; i.e., service provision, etc.] of the Project, in an amount not to exceed _____ (\$ _____) from the City of Escondido.
3. That the Board of Directors further voted to authorize the _____ [title of person], or his designee, to execute any and all documents required by the City of Escondido, Housing and Neighborhood Services Division to document and secure its grant.
4. That the Board of Directors further authorized the _____ [title of person], or his designee, to perform all acts and to do all things necessary, in the opinion of the City of Escondido, Housing and Neighborhood Services Division to implement the funding and making of the grant.

I, the undersigned, certify that this Resolution was adopted at regularly or specially noticed meeting of the Board of Directors on _____, 20____, at which a quorum of the Board of Directors was present, and at which the requisite percentage of the quorum voted to adopt the Resolution and that the Resolution has not been rescinded, modified or canceled as of the date of my execution of the same and that it remains in full force and effect as of this date. I further understand that the City of Escondido, Housing and Neighborhood Services Division is relying on the validity of this Resolution in taking the actions to process and approve the application. I declare under penalty of perjury, under the laws of the State of California that the foregoing is true and correct.

Executed this ____ day of _____, 20____, at _____, California.

By: _____

Title: _____

DRAFT

**NOFA
ATTACHMENTS**

DRAFT

ATTACHMENT A
HUD Income Limits for the County of San Diego
Effective June 6, 2016

The following are the annual income limits for moderate, low and extremely low-income families, adjusted for family size.								
	FAMILY SIZE							
Income	1	2	3	4	5	6	7	8
Low Income (80% of AMI)	47,600	54,400	61,200	68,000	73,450	78,900	84,350	89,800
Very Low Income (50% of AMI)	29,750	34,000	38,250	42,500	45,900	49,300	52,700	56,100
Extremely Low Income (30% of AMI)	17,850	20,400	22,950	25,500	27,550	29,600	31,650	33,700

ATTACHMENT "C"



Housing & Neighborhood Services Division

FY 2017-2018 Community Development Block Grant (CDBG) Program

CFDA 14.218

(FOR PUBLIC SERVICES AND PUBLIC FACILITIES APPLICATIONS AND PROPOSALS)

Submission Deadline:
Wednesday, April 12, 2017, 4:00 p.m.

201 N Broadway
Escondido, CA 92025

Introduction & Community Development Block Grant Program Overview

Funding for the federal Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act. The US Department of Housing and Urban Development (HUD) provides grants on a formula basis to entitled cities and counties, including the City of Escondido, to develop viable urban communities through the provision of decent housing, a suitable living environment, and by expanding economic opportunities for lower income persons.

These Guidelines are for projects seeking funding during the fiscal year beginning on July 1, 2017. The specific amount of funding to be received from HUD for FY 2017-2018 has not yet been decided by Congress. However, the current state of the national economy will most likely have an impact on the final funding levels.

In FY 2017-2018, the City anticipates receiving approximately \$1,515,000 in CDBG funds. Of that amount, a maximum of 15% of the total allocation (approximately \$227,250) may be made available for public service programs and projects to be administered by the City or by subrecipients. Another 20% of the CDBG allocation is reserved for administration and mandatory fair housing requirements; the remainder will be available for public facilities and infrastructure projects, to be administered by the City or by subrecipients. The City may choose to reserve funding for City administered programs including senior and youth services, graffiti remediation and code enforcement activities.

For FY 2017-2018, two types of activities will be considered for funding through this application process: 1) Public Services projects and programs; and 2) Public Facilities/ Capital Improvement projects.

APPLICANT ELIGIBILITY

The following organizations are eligible to apply for this funding:

- Non-profit organizations, City departments, neighborhood organizations, schools, and faith-based organizations may apply for this funding. Non-profit organizations must be granted non-profit status under the internal Revenue Code (Section 501(c)(3), (c)(4) or (c)(5)), and must be incorporated for at least one (1) year by the application submittal date.

Faith-based organizations cannot use CDBG funds to support worship, religious instruction or proselytization. Religious activities must be offered separately from the CDBG supported activity. Faith-based organizations that participate in the CDBG program will retain independence from federal, state, and local governments and may carry out its mission provided CDBG funds are not used to support religious activities. Faith-based organizations that participate in the CDBG program shall not discriminate against a program beneficiary on the basis of religion or religious belief.

NOTE: The City of Escondido does not directly fund individuals through this program.

PROJECT ELIGIBILITY

In order to qualify for CDBG funding, federal regulations require that all programs and projects must (A) meet one of three national Objectives; (B) address one or more of the local Consolidated Plan Goals and Priorities; (C) be an eligible activity as set forth in 24 CFR §570.201; and D) not be ineligible as set forth in 24 CFR §570.207, among other requirements. **Projects that fail to meet these applicable tests will NOT BE considered for CDBG funding.**

A. **National Objectives.** CDBG projects must meet one of the National Objectives:

- 1) **Benefit a majority of low and moderate-income (LMI) residents.** "Low and moderate-income" is defined as those persons and households who earn at or below 80% of the Area Median Income (AMI) adjusted for family size for the San Diego Metropolitan Service Area (MSA) as defined in Section 102 of the Housing and Community Development Act of 1974, as amended. Income limits are adjusted annually by HUD. (See Attachment B of these Guidelines for current AMI limits. Documentation of benefit to LMI persons is required for all CDBG-funded projects; or
- 2) Meet a community need having a particular urgency because existing conditions pose a serious and immediate threat to the health and/or welfare of the community and no other financial resources are available to meet the need; or
- 3) Aid in the prevention or elimination of conditions of slum and blight.

B. **Consolidated Plan Goals and Priorities.** In addition, the City has adopted local Goals and Priorities for allocation of CDBG funding. The Goals and Priorities, summarized below, are more fully described in the FY 2015-2019 Five-Year Consolidated Plan which is available for review at the Housing & Neighborhood Services public counter, located at 201 N Broadway, Escondido, CA 92025. The FY 2015-2019 Consolidated Plan is also available for review on the City's website at https://www.escondido.org/Data/Sites/1/media/pdfs/Neighborhood/FY_2015-2019_Five-Year_Consolidated_Plan.pdf. CDBG projects must address one or more of the local Goals/Priorities to qualify for funding:

Goal 1: Youth

Priority Need: Providing educational and recreational programs

Goal 2: Neighborhood revitalization

Priority Need: Improve the livability of neighborhoods

Goal 3: Homeless services

Priority Need: Support homeless shelter and other services when feasible

Goal 4: ADA improvements

Priority Need: Incorporate ADA assessable features in all CDBG public improvement projects and address public facility needs as they are identified

Goal 5: Economic Development
Priority Need: Support adult education and training

Goal 6: Senior Assistance
Priority Need: Support Senior Services

C. Eligible Activities. Further, CDBG Projects and activities must be eligible as set forth in 24 CFR §570.201:

Public Service Activities: Eligible programs under the Public Services category include services concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation and others.

Examples of services and programs potentially eligible under this category include:

- Crime awareness and prevention programs serving low-income residents
- Programs providing services to homeless and non-homeless special needs persons, such as disabled persons, the elderly and other persons with special needs
- Neighborhood revitalization services - programs that support neighborhood revitalization efforts in targeted areas

Public Facilities/Capital Improvement Activities: Eligible projects under this category include public facilities, community facilities, and public improvement projects, including but not limited to all facilities that are publicly-owned or privately-owned (by an organization or school) and open to the general public, and provide a benefit to low income residents or low income areas that are primarily residential.

Examples of projects potentially eligible under this category include:

- Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, including Americans with Disabilities Act (ADA) improvements
- Infrastructure improvements (construction or installation) including but not limited to streets, curbs, and water and sewer lines
- Neighborhood facilities including libraries, recreational facilities, community centers, parks, playgrounds
- Facilities for persons with special needs such as senior centers, facilities for the homeless, or group homes for the disabled

D. Ineligible Activities. CDBG projects must not be ineligible as set forth in 24 CFR §570.207.

Examples of activities that will render a project ineligible include:

- Programs or services that primarily serve non-Escondido residents
- Projects or programs that do not serve primarily LMI persons
- New housing construction
- Political activities
- Income payments, stipends, marketing and fundraising
- Purchase of equipment, furnishings or personal property

- Services that promote religious activities
- Payment of debt or pre-award expenses
- Entertainment, furnishings and personal property

DOCUMENTATION OF BENEFIT TO LOW AND MODERATE-INCOME BENEFICIARIES

As noted above, all programs and projects funded with CDBG funds must benefit primarily LMI individuals and families (the primary national objective). In order to determine whether and how a project benefits LMI persons, the applicant must clearly define who will be served by the project or service (the “target population”). Documentation of benefit to LMI persons is required for all CDBG-funded projects.

Once the target population is determined, the proposed project will be categorized as either Area Benefit or Limited Clientele. Housing & Neighborhood Services staff will make the final determination of which category a project or program will fall into and the level of documentation required.

- A. **Area Benefit.** If the program or project serves all residents of a particular area that contains primarily LMI persons, the project may qualify as an Area Benefit activity. For these activities:
1. The boundaries of the service area must be clearly defined. Applicants must attach a map showing the project location and draw lines on the map outlining the boundaries of the geographic Area served; and
 2. At least 51% of the residents in the service area must be LMI.
- B. **Limited Clientele.** If the project serves a particular clientele that is primarily LMI (but serves the whole city), the project may qualify as a Limited Clientele activity. For these activities:
1. Intake and/or qualification procedures must be in place (or be developed) that capture demographic information from each participant, including race, ethnicity, household size and the income levels of all persons being served; AND
 2. At least 51% of the persons served by the proposed program must be LMI (see Attachment B – Area Median Income Limits); OR
 3. Presumed benefit: If the program exclusively serves clientele that are “presumed” to be LMI, information about income does not need to be collected; however, information about race, ethnicity, etc. must still be collected. “Presumed benefit” populations include abused children, battered spouses, elderly persons (age 62 and

older), severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers.

HUD’S DEFINITION OF DISABLED PERSON:

A person who is determined to:

- A. Have a physical, mental, or emotional impairment that:
 - Is expected to be of long-continued and indefinite duration;
 - Substantially impedes his or her ability to live independently; and
 - Is of such a nature that the ability could be improved by more suitable housing conditions; or
- B. Have a developmental disability, as defined in section 102(7) of the Developmental Disabilities Assistance and Bill or Rights Act (42 U.S.C. 6001-6007); or
- C. Be the surviving member or members of any family that had been living in an assisted unit with the deceased member of the family who had a disability at the time of his or her death.

HUD’S DEFINITION OF ELDERLY PERSON / HOUSEHOLD:

A household where either the head of the household, or spouse/co-head, is age 62 or older.

ENVIRONMENTAL REVIEW REQUIREMENTS

An Environmental Review is required for each project or program that receives CDBG funding. Premature commitment or expenditures of any funds prior to completion of the environmental review will jeopardize the eligibility of the project. This includes use of an agency’s matching funds from other sources. Environmental reviews are required to comply with National Environmental Policy Act (NEPA) and HUD’s enforcement measures. The review includes analysis of 13 federal laws designed to protect certain environmental areas. If the Application is funded, City staff will initiate the review and the agency will be kept informed about the estimated length of time to clear the project.

The environmental review process for Public Service programs usually (but not always) requires a lower level review, normally can be completed at no cost, and can usually be cleared quickly so as not delay the program start up. However, especially for Public Facilities projects, if an Environmental Assessment or higher level of review is required, the project applicant may be required to engage a qualified professional from an outside environmental consulting organization whose qualifications must be approved by the City prior to engagement, at its own cost. Depending upon the project location and environmental conditions, projects involving

construction, rehabilitation and demolition can take up to 120 days to obtain an environmental clearance.

ADA ACCESSIBILITY FOR PERSONS WITH DISABILITIES

The Americans with Disabilities Act (ADA), State Title 24, and the Fair Housing Act prohibit discrimination based on disability. Please be advised that your project will be reviewed for compliance with federal and state laws as they relate to accessibility. Accessibility includes such things as: entrance ramps, parking with universal logo signage, grab bars around commodes and showers, required height for toilet seats, space for wheelchair maneuverability, accessible water fountains and counters, and other improvements needed to assure full access for the disabled, including the blind and deaf. Additional information can be found at www.ada.gov.

FINGERPRINTING

CDBG-funded staff working with children, persons with disabilities, and the elderly must be fingerprinted. This is an eligible CDBG cost and should be reflected in the budget. Contact AAA Livescan ((760) 480-6900), located at 431 W. Grand Ave., Escondido, CA 92025.

CONFLICT OF INTEREST

Conflicts of interest (or appearance thereof) can plague activities supported with federal funds. The general rule is that no employee, board member, officer, agent, consultant, elected official, or appointed official of the recipients or sub-recipients that are receiving funds under a CDBG-assisted program who have responsibilities with respect to the CDBG activities or are in a position to participate in decision making processes or have access to inside information with regard to the activities can obtain a financial interest or benefit from a CDBG assisted activity during their tenure or for one year thereafter (Federal Regulation 24 CFR 570.611). Agencies should maintain a written code of standards of conduct governing the purchase of materials, product, supplies, and services and awarding and administering sub-recipient contracts. Personnel involved in the procurement process must be trained to recognize situations that create conflicts of interest, or the appearance of a conflict of interest.

The agency personnel should:

- Be familiar with the agency's code of ethics and potential conflict of interest issues.
- Not take gifts or gratuities from persons or organizations associated with the procurement process.

DAVIS-BACON LABOR STANDARDS

Construction work that is financed in whole or in part with CDBG funds is most likely subject to the Federal labor standards requirements, including the Davis-Bacon and Related Acts, for payment of prevailing wages. Additional information is available in the publication Contractor's Guide to Davis-Bacon: Prevailing Wage Requirements for Federally-Assisted Construction Projects. A copy of this publication may be obtained from the HUD Labor Relations website located at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/labor_standards_enforcement , which contains additional labor compliance resources that may be of assistance. Triggering of Davis-Bacon and Related Acts may increase the project costs.

If construction work is proposed, contact CDBG Program staff at (760) 839-4579 for assistance in determining whether your project is subject to Davis-Bacon requirements.

LEAD-BASED PAINT REGULATIONS

HUD has issued final regulations on notification, evaluation, and reduction of lead-based paint hazards in some facilities receiving federal assistance. Rehabilitation of facilities where children are served may be affected by this new regulation resulting in testing the painted surfaces that will be disturbed to determine the presence of lead-based paint. If paint surfaces are not lead-free, safe work practices will be required along with possible methods of removal.

ASBESTOS TESTING

An asbestos survey (AHERA) will be required on all renovation projects to determine the presence of asbestos. The agency should include the cost of the survey and provide for contingency funds for remediation if asbestos is present. The survey will visually review all suspect asbestos containing materials (ACMs) associated with the building's interior and will collect samples for laboratory analysis prior to the Public Facilities renovation project. The survey will identify whether asbestos containing materials were found and what classification.

SECTION 3 REQUIREMENTS

All housing construction, demolition, rehabilitation and other public construction projects funded with CDBG funds must comply with Section 3 requirements to the greatest extent feasible. The City is committed to improving economic conditions in our community. The City will actively implement Section 3 regulations to direct work paid for by federal funds to Section 3 Residents and to Section 3 Business Concerns. Under the federal regulations, Contractors will satisfy the "greatest extent feasible" requirements by meeting the following numerical goals:

- 1) 30% of all New Hires shall be Section 3 Residents. A New Hire is defined as a new, full-time employee hired on a permanent, temporary or seasonal basis for a position that is generated from the expenditure of HUD funds covered by the Section 3 regulations. New Hire refers to a person who is not on the Contractor's payroll at the time of award of a Section 3 Covered Contract or at the time of receipt of Section 3 Covered Assistance.
- 2) 30% of the total dollar amount of all covered construction contracts and subcontracts shall be awarded to Section 3 Business Concerns; and
- 3) 3% of the total dollar amount of all covered non-construction contracts shall be awarded to Section 3 Business Concerns. This includes professional service agreements provided that the work to be performed by the professional is for work generated by the expenditure of the Section 3 Covered Assistance or for work arising in connection with a Section 3 Covered Project.

VOLUNTEERS

The use of volunteers on a Public Facilities project, who are not otherwise employed by the agency or contractor, requires City approval. Depending on the work the volunteers will perform, state-licensing requirements will apply. For example, volunteers performing trade work (electrical, plumbing) must be licensed. To determine in-kind volunteer contributions requested in the budget, use the estimated amount of what a paid worker would earn doing the same type of work.

MATCHING OR LEVERAGED FUNDS (COST SHARING)

Matching or leveraged funds are those other agency resources (non-CDBG) immediately accessible and firmly committed that are to be applied to the program or project. Leveraged funds can include a combination of cash, grants, loans, or in-kind resources available to finance the program costs. Program costs can be shared among all leveraged funding sources. In-kind contributions must have a specific dollar value established in accordance with generally accepted accounting principles. The basis of determining the value for personal services and donated materials and supplies must be identified and documented in the Application. Volunteer services may be counted if the service is an integral and necessary part of an approved CDBG-funded program. Rates for hours should be consistent with those paid for similar work in the labor market in which the applicant competes for the services involved. The value assigned to donated materials and supplies should be reasonable and should not exceed market value at the time of donation.

CDBG APPLICATION REVIEW PROCESS

The City of Escondido's CDBG funds will be allocated annually through an Application process to the maximum extent practicable within the City of Escondido. To encourage public participation in the development of the CDBG program, the City has adopted a Citizen Participation Plan which outlines the procedures to be followed by public officials and private citizens to establish projects to be funded for a given program year that address identified needs in the Five Year Consolidated Plan. The complete Citizen Participation Plan is available for review in the City of Escondido's Housing & Neighborhood Services Division, 201 N Broadway, Escondido, CA 92025.

A summary of the Application Review Process is provided below for applicants and/or private citizens who wish to participate in the City's CDBG program:

- Upon receipt of an Application received prior to the deadline, Housing & Neighborhood Services staff will log the Application and mark it with the date and time received.
- Staff will initially review all Applications for completeness, conformance with technical criteria as listed in these Guidelines and the Application itself, and if appropriate, will transmit a copy of the Application submittal to appropriate City departments for additional review. Criteria for review will include, but not be limited to:
 - Eligibility of the activity under CDBG regulations;
 - Compliance with a CDBG national objective;
 - Consistency with the priorities and specific Goals established in the Five-Year Consolidated Plan;
 - Prior experience with CDBG and/or other grant programs;
 - Prior experience in the community;
 - Agency administrative and financial capacity to carry out the proposed activity;
 - Feasibility and appropriateness of the project budget; and
 - Appropriateness of the design of the proposed project or program delivery approach.
- Staff may request additional information from applicants for further clarification as required. This review summarizes the project and notes any concerns with the proposal.
- An internal review committee may be utilized. If utilized, review committee members will be provided with the Applications, the technical review summaries, and any agency response, if additional information was requested.
- Staff (and the review committee, if any) will review each eligible Application, and will forward recommendations to City Council at the first Public hearing. Staff will make copies of all eligible Applications available for City Council and public review 72 hours prior to the Public hearing(s).
- The City Council will review and adopt final allocations to projects and programs at a Public Hearing (typically held in April/May). These final allocations will be included in the One Year Action Plan that will be submitted to HUD on or before May 15, 2017.
- Once the One Year Action Plan is approved by HUD and all other stated conditions are met (including completion of the required Environmental Review), project activities may begin (but no earlier than July 1, 2017).

TECHNICAL ASSISTANCE AVAILABLE

The CDBG program staff are available to provide technical assistance in determining project/program eligibility and to ensure proposed projects are in compliance with the CDBG National Objectives and other regulations established by HUD. Staff cannot provide assistance in developing a program or writing the Application.

Technical assistance is available from 8:00 a.m. to 5:00 p.m. Monday through Friday. Please call Housing and Neighborhood Services staff at (760) 839-4579 for assistance by telephone or to make an appointment in the office.

SUMMARY OF ADDITIONAL CDBG PROGRAM REQUIREMENTS

- Congress created the CDBG program and numerous federal regulations apply. Agencies that are funded (subrecipients) will be required to execute a contract with the City listing their responsibilities for meeting all federal requirements along with the City.
- Affirmative action, nondiscrimination in services and employment practices and ADA requirements apply; certification of a Drug Free Work Place is required.
- Subrecipients and contractors must not be de-barred.
- Funded agencies cannot be indebted to the IRS or to the City of Escondido nor have judgments or liens.
- The City's Section 3 and MBE/WBE goals must be met to the greatest extent feasible.
- Subrecipients and contractors must have a verifiable DUNS number.
- City and HUD shall have access to the project records and payroll records as set forth in the funding agreement.
- Subrecipients are responsible for Worker's Compensation benefits, or claims by employees and must indemnify and hold the City harmless against any and all claims.
- CDBG funds are reimbursed monthly and based upon required source documentation, i.e. timecards, cancelled checks, receipts, bank statements, etc.
- Quarterly and Annual performance reports are required (see Attachment C for additional information).
- Proof of Insurance is required if funding is awarded (see Attachment D for additional information).
- Organizations are strongly discouraged from applying for funds unless they are ready to implement the activity proposed for funding. If contracts are not signed within 6 months of the start of the fiscal year (December 31, 2017), funds are subject to cancellation. CDBG Public Service projects must be implemented by July 1, 2017 and must start providing services effective July 1, 2017.

PREMATURE COMMITMENT OR EXPENDITURE OF FUNDS PROHIBITED

IMPORTANT: Program expenses that have been committed or expended prior to HUD approval of the One Year Action Plan, City Council approval of the project allocation, NEPA environmental clearance, and execution of the CDBG contract are not eligible for reimbursement.

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Attachment B – Area Median Income Limits for San Diego County

(subject to annual revisions)

ELIGIBLE INCOME LIMITS CHART 2016									
HOUSEHOLD SIZE									
		1	2	3	4	5	6	7	8
30%	Extremely low	\$0 to \$17,850	\$0 to \$20,400	\$0 to \$22,950	\$0 to \$25,500	\$0 to \$28,440	\$0 to \$32,580	\$0 to \$36,730	\$0 to \$40,890
50%	Low	\$17,851 to \$29,750	\$20,401 to \$34,000	\$22,951 to \$38,250	\$25,501 to \$42,500	\$28,441 to \$45,900	\$32,581 to \$49,300	\$36,731 to \$52,700	\$40,891 to \$56,100
80%	Moderate	\$29,751 to \$47,600	\$34,001 to \$54,400	\$38,251 to \$61,200	\$42,501 to \$68,000	\$45,951 to \$73,450	\$49,301 to \$78,900	\$52,701 to \$84,350	\$56,101 to \$89,800
Income Limits effective March 28, 2016									

Attachment C – Reporting Requirements for Funded Agencies

Applicants receiving FY 2017-2018 City of Escondido Community Development Block Grant (CDBG) funding must be aware of the following additional reporting requirements.

Why Accurate Reports are Necessary:

CDBG funds are allocated to projects and programs throughout the City of Escondido; however the funds originate at the federal level, through the U.S. Department of Housing and Urban Development (HUD). The City of Escondido is required to report to HUD the accomplishments of each grant given to agencies.

How long will CDBG-Funded Agencies be required to report:

Agencies funded for Public Services programs: Agencies will be required to submit Quarterly and Annual performance reports on forms provided by the City **for the entire fiscal year in which the program is funded.**

Agencies funded for Public Facility improvement projects: Pursuant to the CDBG regulations, any real property acquired or improved in whole or in part with CDBG funds in excess of \$25,000 shall be used to meet one of the national objectives (benefit low/moderate income persons) **until five years after expiration of the contract with the City.** Therefore, agencies receiving this category of funding will be required to submit Quarterly and Annual performance reports on forms provided by the City for the duration of the contract and **for five years after completion of the project.**

What reports will be required of CDBG-Funded Agencies:

All projects that provide benefit to LMI residents (except those providing an Area Benefit) will be required to collect, and keep records of specific demographic data about their program participants, and to report that data quarterly and annually on forms provided by the City (the Periodic Performance Report). Intake and/or qualification procedures must be in place (or be developed) to capture demographic data and other information from **each participant**. Required report measures include:

- The number of persons assisted;
- Income levels of all persons assisted (30, 50, or 80% of the median income, adjusted for household size; see Attachment B – Area Median Income Limits table);
- Race and ethnicity of the persons assisted;
- The number of persons assisted that are homeless;
- The number that are disabled; and
- The number that female heads-of-household.

In addition, a narrative report must accompany each Periodic Performance Report and can be tailored to report progress on the objectives of the contract with the City, as well as analyze the benefits of the program to the community. Report measures will be negotiated and may include:

- The progress of the activity (include at least one performance measurement: progress of construction, % of completion, etc.);
- Amount of Other funds leveraged for the program (how and to what extent CDBG funds were helpful in attracting other grant or donor funds);
- Additional measures of success that were volunteered in the original project Application to attract CDBG funding (number of parents attending meetings, number of new jobs created, etc.)

Reimbursement Claims:

This is a cost reimbursement program. No funds will be provided to grantees upfront. Back-up documentation will be required for all costs submitted for reimbursement. Only those items included in the approved budget, or through an approved budget amendment, will be eligible for reimbursement.

Attachment D – Insurance Requirements for Public Service Proposals

If the Application is funded, the agency will enter into a contract with the City of Escondido. All City contracts require insurance and indemnification language so that the responsibility for paying claims is established with the agency and ensures that financial resources are available to pay claims. The subrecipient shall agree to provide an acceptable certificate of insurance and endorsements evidencing coverage as specified in *El Cajon City Council Policy D-3, Insurance Requirements which is available from the City, by calling (619) 441-1786*, and is made a part of these Guidelines. The insurance requirements listed are minimum requirements and the City in no way warrants that the minimum limits are sufficient to protect the agency from liabilities that might arise from carrying out the funded program. The agency is free to purchase additional insurance, as they deem necessary.

Depending upon the program activities and the program beneficiaries, several types of insurance coverage will be required. This information is provided to help in the development of the overall operating cost of the proposed program and to ensure sufficient funds are set aside for insurance.

Minimum Scope and Limits of Insurance - coverage with limits of liability not less than those stated below are required for funded CDBG Public Service programs.

Commercial General Liability

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000

Automobile Liability - Combined Single Limit \$1,000,000

- Required only if activities involve the use of transportation in the provision of services
- Bodily Injury and Property Damage for any owned, hired, and non-owned vehicles used in the performance of this Contract.

Worker's Compensation and Employers' Liability

- Workers' Compensation
- Statutory
- Employers' Liability
- Each Accident \$100,000
- Disease – Each Employee \$100,000 Disease - Policy Limit \$500,000

Professional Liability - Errors and Omissions Liability

- Required only if activities involve providing professional services

- Each Claim \$1,000,000
- Annual Aggregate \$2,000,000

NOTICE OF CANCELLATION: Insurance policies must be the appropriate coverage for and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits.

ACCEPTABILITY OF INSURERS: Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of California and with an “A.M. Best” rating of not less than B+ VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Agency from potential insurer insolvency.

VERIFICATION OF COVERAGE: The City must receive certificates of insurance (ACORD form or equivalent approved by the City) as required. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage. The City of El Cajon must be listed as an additional insured (to the extent City is indemnified pursuant to the Indemnity Provisions herein) on all certificates of insurance.

PROFESSIONAL LIABILITY INSURANCE: Professional liability insurance protects against losses that occur when a "professional" fails to practice his or her art to the usual and customary standards of that profession.

Therefore, there can be risks to the Agency associated with errors (or allegations of errors) in the professional’s work product or judgment. In order to determine if your proposed program will need professional liability insurance, ask yourself:

- Will the program employ professional licensed or certified workers (i.e. accountants, teachers, medical professionals, psychologists, etc.)?
- Will the information developed by the professional be used in a decision-making process within the Agency that could create a liability?

If the answer is **yes** to either of these questions, then professional liability insurance would be required.

The types of losses that can occur under such circumstances are often excluded under general liability policies. They can be covered through separate professional liability insurance policies, also known as “**errors and omissions**” (E&O) liability insurance.

Examples of services that would require professional liability coverage include but are not limited to:

Accountants	Childcare workers	Consultants
Auditors	Financial consultants	Teachers
Attorneys	Medical professionals	Social Workers

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 11

Date: March 8, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Loretta McKinney, Director of Library and Community Services
Sheryl Bennett, Director of Administrative Services

SUBJECT: Library Automated Materials Handling and Radio Frequency Identification Projects: Bid Award for Purchase and Installation

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2017-19 awarding mk Solutions, Inc. a contract in the amount of \$269,120.04 for the purchase and installation of the Automated Materials Handling (AMH) and Radio Frequency Identification (RFID) systems.

FISCAL ANALYSIS:

The Automated Materials Handling CIP (#406601) currently has an available balance of \$300,000. The total cost for the purchase and installation of the AMH is \$132,664.44.

The Radio Frequency Identification CIP (#406602) currently has an available balance of \$240,000. The total cost for the purchase and installation of the RFID is \$136,455.60.

Remaining funds from both projects will be used to remodel to the Library's lobby to accommodate the new equipment.

Estimated annual hardware and software maintenance cost for years two through five is \$46,625.30 and it will be included in the Library's annual operating budget.

BACKGROUND:

The purpose of the Automated Materials Handling and Radio Frequency Identification systems are to improve library customer service by: streamlining and simplifying patron self-checkout with faster systems that are capable of simultaneously checking out multiple items; enhancing customer experience by reducing the amount of time it takes for checked-in items to be available for subsequent checkout to someone else; and improve materials security through the use of RFID technology and the installation of state-of-the-art security gates. Both systems promote operational efficiencies and increase productivity through improved workflow processes that will reduce the

Library Automated Materials Handling and Radio Frequency Identification Projects: Bid Award for Purchase and Installation

March 8, 2017

Page 2

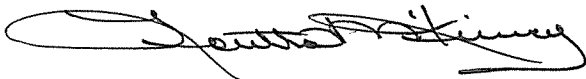
amount of time staff spend handling physical materials, decrease the number of tasks to be performed, reduce the frequency of repetitive motion tasks, and improve inventory accuracy.

Automated Materials Handling and RFID technologies have been used in public libraries nationwide for at least ten years and have proven to be highly cost-effective. Once purchased, the AMH and RFID equipment can be moved to a new library facility in the future.

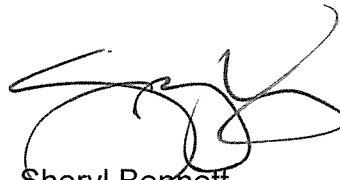
Requests for Bids were sent to ten vendors on November 7, 2016. Four bids were received by the bid closing date of November 21, 2016. Two of the four bids were considered responsive and responsible bidders. The two bidders provided demonstrations of their respective hardware and responded to Library and Purchasing staff questions in December. After reviewing both bids, the Library administration team determined mk Solutions, Inc., to be a responsive bidder who conformed to the City's bid specifications and requirements and is the lowest bidder for both systems. Therefore, staff is recommending the bid be awarded to mk Solutions, Inc.

Library staff evaluated the vendor qualifications by conducting a site visit at a Southern California library and contacting existing mk Solutions, Inc. customers. The customers were satisfied with the quality of the mk Solutions Inc. products and had no complaints about the quality, access, or availability of professional field service technicians.

Respectfully submitted,



Loretta McKinney
Director of Library and Community Services



Sheryl Bennett
Director of Administrative Services

RESOLUTION NO. 2017-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AWARDING A BID FOR THE PURCHASE AND INSTALLATION OF AN AUTOMATED MATERIALS HANDLING AND RADIO FREQUENCY IDENTIFICATION SYSTEMS PROJECT AND AUTHORIZING THE MAYOR AND CITY CLERK, TO EXECUTE, ON BEHALF OF THE CITY, A PUBLIC SERVICE AGREEMENT WITH MK SOLUTIONS, INC.

WHEREAS, the Automated Materials Handling (“AMH”) system will enhance the customer experience by reducing the amount of time it takes for checked-in items to be available for subsequent checkout to someone else; and

WHEREAS, the Radio Frequency Identification (“RFID”) system will streamline and simplify patron self-checkout by simultaneously checking out multiple items and will improve materials security through the use of RFID technology and the installation of security gates; and

WHEREAS, both Automated Materials Handling and Radio Frequency Identification will promote operational efficiencies and increase productivity through improved workflow processes; reducing the amount of time staff handle physical materials, reducing repetitive motion tasks, and improving inventory accuracy; and

WHEREAS, the City Council approved funding in the 2016 Capital Improvement Program budget for the purchase and installation of Automated Materials Handling and Radio Frequency Identification systems; and

WHEREAS, the City of Escondido solicited bids for the purchase and installation of Automated Materials Handling and Radio Frequency Identification systems (the "Project"); and

WHEREAS, four (4) bids were received on November 21, 2016, and thoroughly evaluated by Library and Purchasing staff; and

WHEREAS, mk Solutions, Inc. was determined to be the lowest responsive and responsible bidder who conformed to the City's bid specifications and requirements; and

WHEREAS, staff recommends awarding the bid in the amount of \$269,120.04 to mk Solutions Inc.; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to award a Public Service Agreement ("Agreement") to mk Solutions, Inc. for the Project.

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 accepts the recommendation of staff and finds mk Solutions, Inc. to be the lowest responsive and responsible bidder who conformed to the City's bid specifications and requirements.
3. That the City Council hereby awards the bid in the amount of \$269,120.04 to mk Solutions Inc. for the AMH and RFID systems.

4. That the Mayor and City Clerk are authorized to execute, on behalf of the City, a Public Service Agreement ("Agreement") with mk Solutions, Inc., for the ancillary installation and maintenance of the AMH and RFID systems in a form approved by the City Attorney.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 12
Date: March 8, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Edward N. Domingue, Public Works Director
Joseph Goulart, Fleet Maintenance Superintendent

SUBJECT: Fleet Vehicle Leasing Pilot Program

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2017-30, authorizing the Director of Administrative Services or her designee to enter into a five (5) year lease agreement with Enterprise Fleet Management of Dallas, Texas, for three (3) 2017 Ford F-150 trucks in the amount of \$130,860.90, and to enter into a five (5) year Ford Municipal lease purchase agreement with National Fleet Auto Group of Watsonville, California, for three (3) 2017 Ford F-150 trucks in the amount of \$102,872.85 for a fleet vehicle leasing pilot program.

FISCAL ANALYSIS:

Sufficient funds are available in Fleet Services vehicle replacement fund.

BACKGROUND:

The City Manager, Graham Mitchell, tasked the Fleet Services Division to investigate vehicle purchasing alternatives and pilot these alternatives against our existing vehicle purchase/replacement methodology. Two leasing models will be used in this pilot program; an open-end equity lease with Enterprise Fleet Management and a Ford Municipal lease purchase through National Auto Fleet Group. These two leasing models will be evaluated against three (3) 2017 Ford F-150 trucks purchased in Bid #17-03, at a cost of \$91,929.18, previously approved by the City Council on February 1, 2017. A total of nine (9) 2017 Ford F-150 trucks ordered to the same build specifications will be evaluated in this pilot program. Escondido Municipal Code Chapter 10, Article 5, Section 10-93, authorizes the City Manager and/or the purchasing officer as authorizing authorities for all leasing agreements.

The City of Escondido will utilize current cooperative purchase agreements with The Interlocal Purchasing System ("TIPS"), Contract No. 2072816, for Enterprise Fleet Management and the National Joint Powers Alliance ("NJPA"), Contract No. 120716, for National Fleet Auto Group. Escondido Municipal Code Chapter 10, Article 5, Section 10-90, authorizes the purchase of supplies and equipment utilizing cooperative purchase programs.

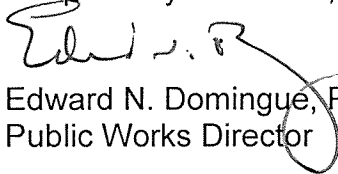
BACKGROUND: (Continued)

All nine (9) vehicles will be outfitted with the same emergency lighting package. Enterprise Fleet Management will outfit three (3) trucks at an outfitting cost of \$3,319.50 per truck. City staff will outfit three (3) trucks acquired in Bid #17-03 along with three (3) lease purchase trucks from National Fleet Auto Group at an estimated outfitting cost of \$2,500 per vehicle.

Trucks leased through Enterprise Fleet Management and National Fleet Auto Group will contain a preventative maintenance contract that covers all routine preventative maintenance for the five (5) year lease term. The City will still be responsible for consumable items, such as tires, alignment, brakes, bulbs, wiper blades, abnormal use, damage, accidents, additional fluids, etc., that are not covered under the preventative maintenance agreements. Trucks purchased in Bid #17-03 will be maintained by City staff at our fleet maintenance facility. All nine (9) trucks will contain a powertrain warranty to cover major component failure for the lease term.

This pilot leasing program should determine the most advantageous method for the City to acquire vehicles and possible alternatives to preserve the use of vehicle replacement reserve funds in economic downturns. Staff will evaluate the pilot program on overall cost of vehicle ownership for all nine (9) trucks. We will not know the actual benefit or final costs of the pilot leasing program until completion of lease term. At that time, City staff will evaluate the feasibility of leasing vehicles.

Respectfully submitted,



Edward N. Domingue, P.E.
Public Works Director



Joseph Goulart,
Fleet Maintenance Superintendent

RESOLUTION NO. 2017-30

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE LEASE AGREEMENTS
WITH ENTERPRISE FLEET MANAGEMENT
AND THE NATIONAL FLEET AUTO GROUP,
BY UTILIZING COOPERATIVE PURCHASE
CONTRACTS FOR A FLEET VEHICLE
LEASING PILOT PROGRAM

WHEREAS, the Fleet Services Division is replacing six (6) existing trucks due to exceeding their standard life expectancy of ten (10) years and overall condition; and

WHEREAS, the City Manager tasked the Fleet Services Division to evaluate our current vehicle purchasing and replacement methodology; and

WHEREAS, two (2) leasing options will be evaluated against our current purchasing/replacement cycle for a fleet vehicle pilot leasing program; and

WHEREAS, Escondido Municipal Code Chapter 10, Article 5, Section 10-93 authorizes the City Manager and/or the purchasing officer as authorizing authorities for all leasing agreements; and

WHEREAS, the City is utilizing a cooperative purchasing agreement with the National Joint Powers Alliance ("NJPA"), Contract No. 120716, for trucks lease purchased from Nation Fleet Auto Group; and

WHEREAS, a Ford Municipal lease purchase for three (3) Ford F-150 trucks through National Fleet Auto Group of Watsonville, California in the amount of \$102,872.85; and

WHEREAS, the City is utilizing a cooperative purchasing agreement with The Interlocal Purchasing System (“TIPS”), Contract No. 2072816, for trucks acquired from Enterprise Fleet Management; and

WHEREAS, an open-end equity lease for three (3) Ford F-150 trucks through Enterprise Fleet Management of Dallas, Texas in the amount of \$130,860.90; and

WHEREAS, the City of Escondido is a current member of both NJPA and TIPS cooperative purchasing organizations; and

WHEREAS, Escondido Municipal Code Chapter 10, Article 5, Section 10-90 authorizes the purchase of supplies and equipment utilizing cooperative purchase programs; and

WHEREAS, sufficient funds for the fleet vehicle leasing pilot are available in the Fleet Services replacement fund; and

WHEREAS, the Director of Public Works recommends the fleet vehicle leasing pilot program; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to authorize entering into leasing agreements with Enterprise Fleet Management and the National Fleet Auto Group, for a fleet vehicle leasing pilot program.

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 Director of Administrative Services, or her designee, is authorized to approve on behalf of the City, the cooperative purchase agreements with the National Joint Powers Alliance and The Interlocal Purchasing System, as allowed per Escondido Municipal Code Chapter 10, Article 5, Section 10-90.

3. That the Director of Administrative Services, or her designee, is authorized to approve on behalf of the City, entering into leasing agreements with the National Fleet Auto Group and Enterprise Fleet Management, as allowed per Escondido Municipal Code Chapter 10, Article 5, Section 10-93.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 13
Date: March 8, 2017

TO: Honorable Mayor and Members of the City Council
FROM: Michelle Geller, Economic Development Manager
SUBJECT: Update from the San Diego Regional Economic Development Corporation on the Innovate 78 Regional Economic Development Initiative

RECOMMENDATION:

It is requested that the City Council receive and file this update on Innovate 78 activities over the last year.

FISCAL ANALYSIS:

Funding of \$40,000 per year for Escondido's participation in Innovate 78 is included in the Annual Operating Budget.

PREVIOUS ACTION:

On March 19, 2014, the City Council authorized the Mayor to execute a Memorandum of Understanding (MOU) for business retention and attraction cooperation between the City of Escondido and the cities of Carlsbad, Oceanside, San Marcos and Vista.

On June 18, 2014, the City Council approved an MOU between the five cities for funding of an agreement with the San Diego Regional Economic Development Corporation (EDC) to oversee a regional economic development initiative focused on business retention, expansion and attraction (Innovate 78).

On May 11, 2016, the City Council approved continuing the Innovate 78 work through an MOU with the five cities and a contract with the EDC.

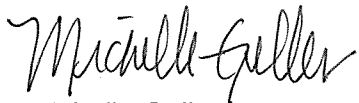
BACKGROUND:

The cities of Carlsbad, Escondido, Oceanside, San Marcos and Vista have been working together over the past few years on a collaborative initiative to promote economic development opportunities along the 78 Corridor. This work has culminated in the creation of the Innovate 78 regional brand, focused on business retention, expansion and attraction and workforce development. The five cities contract with the EDC to manage and carry out the Innovate 78 work plan.

Innovate 78 Update
March 8, 2017
Page 2 of 2

The work plan includes planning and execution of economic development activities that support the retention and expansion of companies along the 78 Corridor, as well as marketing and engagement outside the region to attract new businesses.

Respectfully submitted,

A handwritten signature in black ink that reads "Michelle Geller". The signature is written in a cursive, flowing style.

Michelle Geller
Economic Development Manager



FUTURE CITY COUNCIL AGENDA ITEMS
Updated March 1, 2017

AGENDA ITEMS AND CITY COUNCIL MEETING DATES ARE SUBJECT TO CHANGE.
CHECK WITH THE CITY CLERK'S OFFICE AT 839-4617

March 15, 2017 4:30 p.m.
CONSENT CALENDAR
PUBLIC HEARINGS
<p>Proposed Amendments to the Escondido Zoning Code – Phase 2 Implementation of 2015-2016 City Council Action Plan Goal to Streamline Development Review Processes (AZ 16-0010) (B. Martin)</p> <p><i>This is the second phase of code amendments streamlining conditional use permit processes and the planned development process as part of the implementation of the Council's "Get To Yes" Program to evaluate and streamline development processes and determine appropriate review authorities leading to more efficient project evaluations and approvals.</i></p>
CURRENT BUSINESS
<p>Annual Appointments to Library Board of Trustees and Community Services Commission – Youth Member and Appointments to Fill Regular Vacancies on Personnel Board of Review (D. Halverson)</p> <p><i>Terms will expire on March 31, 2017 for two members on the Library Board of Trustees: Mirek Gorney and Ron Guiles; the Community Services youth member shall serve a one-year term, term expiring March 31, 2017 (EMC 18-18); and two vacancies need to be filled on the Personnel Board of Review.</i></p>
<p>Undergrounding in Lieu Fee Waiver Request for Centerpointe 78 Project (J. Procopio)</p> <p><i>In December 2015, the City Council approved the Environmental Impact Report and Plot Plan for the Centerpointe 78 project. The project conditions require that the project pay development fees in accordance with the latest adopted fee schedule. The project applicant has requested waiver of the undergrounding in lieu fee.</i></p>
FUTURE AGENDA ITEMS (D. Halverson)

March 22, 2017
4:30 p.m.

CONSENT CALENDAR

Lease Agreement with Charros de El Caballo at 3400 Valley Center Road (por.)
(J. Procopio)

The existing lease expires on March 6, 2017 and contains no option to extend. The parties desire to enter into a new three-year lease agreement to allow continued use of the arena.

PUBLIC HEARINGS

CURRENT BUSINESS

Draft of 2017-2018 City Council Action Plan
(J. Petrek)

The City Council Action Plan represents the City Council's collective vision for Escondido's future and the key activities that will be used to achieve that vision. It is developed biennially following a workshop where key policy interests are identified and discussed by the City Council and City Staff.

FUTURE AGENDA ITEMS (D. Halverson)



City Manager's **WEEKLY UPDATE** to City Council

March 2, 2017

SPECIAL EVENTS

- **Cougar Classis High School Softball Tournament**
Monday, March 6 through Tuesday, March 14
The tournament brings 40 Girls CIF Varsity Softball teams to Escondido. Teams will be traveling from all over San Diego County, Temecula and Imperial County. Over 1,100 players and spectators will be visiting the area during the tournament.

COMMUNITY DEVELOPMENT

Major Projects Update

Commercial / Office:

1. Escondido Research and Technology Center – East (ERTC) (Developer: James McCann) –
No change from the following update reported last week: This is a 72,000 square foot medical office building proposed on the east side of Citracado Parkway across from Palomar Medical Center located at 2130 Citracado Parkway. A grading permit has been issued by the Engineering Division. Building plans have been submitted for plan check. The applicant has recently requested to install a temporary paved parking lot in this area to serve the hospital. A grading plan for the temporary parking lot was approved June 13, 2016. Revisions to that plan are currently being reviewed.
2. Escondido Research and Technology Center – West (ERTC) (Developer: James McCann) –
No change from the following update reported last week: This is a 144,000 sq. ft. development involving two medical office buildings proposed on the west side of Citracado Parkway across from Palomar Medical Center located at 2097 – 2175 Citracado Parkway. A grading permit has been issued by the Engineering Division. Esgil and the Planning Division have approved the building plans. A fee deferral agreement has been signed and the building permit was issued June 23, 2016. A tentative parcel map (TPM) for office condominiums was approved on July 12, 2016. A Final Parcel Map was submitted by the applicant on July 25, 2016, and is currently being reviewed by Planning and Engineering. A modified building permit to add a linear accelerator has been approved.
3. Centerpointe 78 Commercial (Developer: Lars Andersen, Pacific Development) –
No change from the following update reported last week: This project is a 45,650 sq. ft. supermarket and restaurant located at 925 N. Broadway. The project was approved by the City Council on December 9, 2015. Demolition of the former auto dealership has been completed down to the foundation. Grading plans have been submitted to Engineering and Planning for review. Building plans for the supermarket were submitted to the Building Division on September 14, 2016 and are being reviewed by Building and Planning staff. A boundary adjustment

City Manager's **WEEKLY UPDATE** to City Council

application to place the two buildings on separate parcels went to Planning on October 14, 2016.

4. Westfield Theater (Developer: Kim Brewer, Westfield) – *No change from the following update reported last week:* This project is a 10-auditorium movie theater totaling 57,600 sq. ft. located on the north side of the Westfield Mall. The project was approved by the City Council on November 4, 2015.
5. Felicita Development, LLC (Developer: Katherine Park, Creative Design Associates) – *No change from the following update reported last week:* This project is a 140-unit hotel, and a gas station or office/residential care facility at the southeast corner of Felicita Rd. and Gamble Lane. The applicant and staff met with the architect to discuss building elevations, five-story height limitations and site design issues given the existing wetland constraints on the property. 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. The applicant met with the wildlife agencies and is responding to technical studies needed to complete the application.
6. Springhill Suites (Developer: Raj Patel, San Bernardino Hospitality LLC) – *No change from the following update reported last week:* This project is a four-story, 105-suite hotel totaling 73,300 sq. ft. located at 200 La Terraza Drive. The hotel includes a small conference room and an enlarged lobby for serving continental breakfast. A revised set of grading plans has been approved since February 2016 and grading for the hotel site has started. Building plans have been approved and permit fees were paid before the end of the year clearing the way for construction to commence. On January 3, 2017, a new ownership group met with the City Council Economic Development Subcommittee and staff to discuss renewing the now-expired Economic Incentive Agreement that had been granted to the original developer. The City Council approved a new Economic Incentive Agreement on January 25, 2017. Construction is expected to commence within the next two months.
7. Escondido Auto Park Association (Developer: Tim Brecht, Escondido Auto Park Association) – *No change from the following update reported last week:* The association is proposing to upgrade the existing electronic message sign along I-15. An application for a new regional market sign and an amendment to the Sign Ordinance to increase the allowable display area for a regional market sign was submitted to the Planning Division on May 6, 2016. The proposed sign would be located in the same location as the existing sign at a slightly lower height (73.5 feet) with approximately the same overall dimensions. The Planning Commission recommended approval of the new regional market sign and amendment to the Sign Ordinance on July 12, 2016. The City Council approved the new regional market sign and amendment to the Sign Ordinance on August 17, 2016. A building permit for the sign was issued on January 19, 2017.

City Manager's **WEEKLY UPDATE** to City Council

8. Downtown Courtyard Marriott Hotel (Developer: Craig Clark) – A modification to a Master Plan and a Precise Plan for a revised downtown hotel design consisting of 154 rooms in four stories over ground-level parking. The majority of the building would be located in the parking lot between City Hall and the CCAE conference center. The primary entry to the hotel would be from a redesigned entry drive with new porte cochere on Escondido Boulevard. The hotel would operate the conference center and would provide a bistro and bar area for guests. The application was submitted on November 18, 2016 for processing and review. During the course of review, City staff transmitted comments incrementally to the applicant. A final letter summarizing all requested revisions and/or corrections was sent to the applicant on December 22, 2016. City staff met with the development team on January 10, 2017 to discuss the staff comment letter. Revised plans are expected to be resubmitted within the next two weeks.
9. Centre City Commercial Center (Developer: Todd Dwyer) - This commercial redevelopment project proposes a 15,870 square foot commercial shopping center on the southeast corner of Centre City Parkway and W. Mission Avenue, addressed as 425 W. Mission Avenue (former Wagon Wheel Restaurant and Palm Tree Lodge). The project would include three buildings, two of which contain drive-thru restaurants along with other retail or restaurant tenant spaces. The third building would be a drive-thru self-serve carwash. A Plot Plan and Tentative Parcel Map were submitted on January 31, 2017 and staff review is underway. The applicant's environmental consultant is currently preparing a Draft Initial Study/MND for initial review by staff. A traffic study prepared by the applicant's traffic consultant is now being reviewed by Engineering staff.

Industrial

1. StorQuest (Developer: The William Warren Group, Inc.) – This proposed project at 220 W. Mission Avenue involves a 102,500 sq. ft., four-story self-storage facility development with three in-line shops and a small office. The Planning Commission voted to recommend approval of the proposed General Plan Amendment, Planned Development and Zone Change on August 9, 2016. The project was approved by the City Council on September 14, 2016. A grading plan was submitted for review on November 3, 2016. Building plans were submitted during the week of December 19, 2016. The applicant is currently proposing some minor design modifications that are being reviewed by staff.
2. Victory Industrial Development (Developer: Scott Merry, Badiie Development) – This project involves two industrial buildings totaling 91,000 sq. ft. (one building 55,500 sq. ft., second building 35,500 sq. ft.) located at 2005 Harmony Grove Road and a zone change from residential to Planned Industrial consistent with the updated General Plan. The Planning Commission voted to recommend approval of the proposed General Plan Amendment, Planned Development and Zone Change on August 9, 2016. It was approved by the City Council on September 14, 2016. Building plans were submitted into plan check the following day and comments have been provided by staff. Boundary adjustment applications with three

City Manager's **WEEKLY UPDATE** to City Council

property owners in the adjacent Harmony Grove Business Park that are needed to implement the project design were submitted to Planning on February 8, 2017.

3. Escondido Self-Storage Facility (Developer: Brandywine Homes, Inc.) – *No change from the following update reported last week:* A modification to a Master and Precise Development Plan for revisions to the design of a previously approved, but not yet constructed, self-storage facility with direct access to Brotherton Road near the intersection with Cranston Drive. The proposed project was submitted on May 11, 2016, and proposes approximately 77,500 sq. ft. of storage area in two buildings. The larger building is two stories over a basement with all interior loading. The smaller building is one-story with some exterior roll-up doors. The project site is also part of a five-lot Tentative Map for four residential lots and one commercial lot (Tract 900) that is concurrently being processed for an extension of time. The project was recommended for approval by the Planning Commission on September 13, 2016, and the City Council approved the project on October 12, 2016. Building plans were submitted the week of December 11, 2016. Grading and landscape plans and the final map have also been submitted and are being reviewed by staff.
4. Innovative Industrial Development (Developer: Scott Merry, Badiie Development) – This project involves a unique proposal in which two potential industrial development scenarios were analyzed for the 5.76-acre site located at 1925 Harmony Grove Road, directly in front of the “Victory Industrial Development” described above. The first development scenario involves a single tenant building with 98,500 square feet and 197 parking spaces. The alternative scenario envisions three industrial buildings roughly within the same footprint as the single tenant proposal. The three industrial buildings would include a total of 86,000 square feet with 234 parking spaces. An industrial planned development application has been submitted along with a zone change from residential to Planned Industrial consistent with the updated General Plan. The Planning Commission voted to recommend approval of this project on December 13, 2016. The City Council approved the proposal as recommended by the Planning Commission on January 11, 2017. The applicant has recently notified staff that he intends to move forward with construction of the three-building design. Grading and building plans are expected to be submitted soon.
5. North American Self-Storage (Developer: Russ Colvin) – This project at 852 Metcalf proposes a 132,556 square foot, self-storage facility consisting of four stories over a full basement level on a 1.12-acre site in the M-1 zone. A Plot Plan application was submitted to Planning on September 14, 2016 and was extensively reviewed by all departments. The Planning Division issued a conditional letter of approval on December 21, 2016. An erosion control and demo permit has been approved. The applicant has submitted grading and landscape plans into plan check under the city’s “expedited plan-check” pilot program. Staff comments on the first plan check are expected to be issued this week approximately 12 working days following the first submittal.

City Manager's **WEEKLY UPDATE** to City Council

City Projects

1. Micro-Filtration Reverse Osmosis (Developer: City of Escondido Utilities Department) – *No change from the following update reported last week:* The proposed project involves a Conditional Use Permit (CUP) for the development of a new City facility to provide advanced treatment for recycled water produced at the City of Escondido's Hale Avenue Resource Recovery Facility (HARRF) for agricultural uses with the capacity for future treatment for indirect potable reuse. The facility would be sized for a total production capacity of 2.0 million gallons per day (mgd). A previous proposal for development of the facility at 2512 East Washington Avenue has now been shelved while staff pursues development of the facility on an alternative site located on the southeastern corner of Washington Avenue and Ash Street. On July 20, 2016, the City Council approved a first-phase design contract with Black and Veatch for the design effort need to bring the new site design to the Planning Commission for CUP consideration. Site and building design concepts have been developed and two neighborhood meetings were held on October 12, 2016 and November 3, 2016. A 30-day public review period for the proposed Mitigated Negative Declaration ended on November 27, 2016. The Planning Commission approved the proposed CUP on December 13, 2016. An appeal of that decision was filed and the City Council denied the appeal on January 11, 2017 and affirmed the Planning Commission's decision to approve the project.
2. Wastewater Collections Yard Expansion (Developer: City of Escondido Utilities Department) – *No change from the following update reported last week:* The project involves development of 1.8 acres of a larger, approximately 15.4-acre site for the construction of a new wastewater collections yard and maintenance facility for the City's Hale Avenue Resource Recovery Facility (HARRF) at 1521 S. Hale Avenue. The proposed facilities will consist of three separate pre-fabricated metal buildings 3,735 sq. ft. - 5,670 sq. ft. for collections; work bays and workshops for regular maintenance of vehicles and equipment. The project would require the processing of a Conditional Use Permit (CUP) and rezone. The Planning Commission held a public hearing and recommended approval on May 10, 2016. It was approved by the City Council on June 15, 2016. Grading, building and landscape plans are now being reviewed by staff for permit issuance.
3. HARRF Biogas to Energy Project (Developer: City of Escondido Utilities Department) – *No change from the following update reported last week:* This project is a proposed Conditional Use Permit that will utilize the existing digester gas created during the sewage treatment process to power two generators with a combined output of 1,200 kW of power. The gas which is currently being flared on the site will be redirected for a useful purpose and used to offset the HARRF's demand on utility natural gas and electricity from SDG&E. A Conditional Use Permit for the project was approved by the Planning Commission December 13, 2016.

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4. Lake Wohlford Replacement Dam (Developer: City of Escondido Utilities Department) – This project consists of the construction of a replacement dam downstream (west) from the existing dam at Lake Wohlford, as well as partial deconstruction of the existing dam. In 1924, hydraulic fill was added to increase the overall height of the original dam from 76 feet to 100 feet. A 2007 seismic analysis of the dam identified a stability concern for the raised portion of the dam in the event of a major earthquake. As a result, the City reduced the reservoir's water level to limit the risk of a potential failure. The water level reduction decreased the reservoir's capacity to approximately 40% of its prior size. To improve the dam's seismic safety and regain the lost water storage capability, the City is planning to construct the replacement dam so the resultant reservoir level and storage capacity are equal to the elevation and capacity prior to the water level restriction, at 1,480 feet elevation and 6,500 acre feet, respectively. AECOM working under contract to the civil engineer (Black & Veatch) was selected to prepare an Environmental Impact Report for the project. A Draft EIR was prepared and issued for a 45-day public review period that began on October 4, 2016 and closed on November 17, 2016. Staff and AECOM are now in the process of coordinating responses to the comments that were received during the public review period.

Institutional

1. Escondido United Reformed Church (Developer: Brent Cooper) – *No change from the following update reported last week:* The project is an expansion for a phased, multi-year, master construction/development plan for a new 12,250 SF two-story sanctuary, conversion of existing buildings to a social hall, demolition of an existing social hall/classroom building (approx. 4,620 SF) and construction of approximately 5,250 SF for a nursery, multi-purpose room, classrooms for Sunday school at 1864 N. Broadway. Revised architectural plans were unanimously approved by the Planning Commission on June 14, 2016. The grading plans are now in plan check.
2. Emmanuel Faith Community Church (Developer: Jim North, EFCC) – The project is a phased, multi-year construction and renovation program for the Emmanuel Faith campus that includes demolishing the existing children's rooms and constructing a new nursery and children's building for up to 200 children, construction of a two-story training center/youth complex, renovation of the existing high school/college building, conversion of the existing education center into an office and meeting room building, demolition of the existing café and construction of a new café, demolition and construction of a new maintenance building, construction of a new gathering plaza with baptismal outdoor water feature, and reconstruction and expansion of the existing worship center from 1,600 seats to 2,000 seats. The Planning Commission approved the proposed modification to the Conditional Use Permit for the campus on June 9, 2015. Grading, building and landscape plans for the first phase (45,414 square foot new children's building) have been reviewed by staff and Esgil. The grading permit has been approved and the building permit for the children's building was issued on February 28, 2017.

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3. Self-Realization Fellowship Center (Developer: John Pyjar, Domusstudio Architecture) – This proposal to modify the Center's existing CUP would expand the campus by constructing a new 7,424 square foot meditation chapel with seating for 200 persons, a 4,278 square foot multi-purpose building, a 3,929 square foot Sunday school classroom and would convert an existing office/residential building to a bookstore. Additional parking would be provided and some existing buildings on the site would be relocated or demolished. The CUP application was submitted on November 14, 2016. Staff reviewed the initial submittal and sent a letter to the applicant on December 14, 2016, indicating that the application was incomplete and specifying the additional information that was necessary to complete the application.

Residential

1. Oak Creek (Developer: Jason Han, New Urban West) – *No change from the following update reported last week:* This project is a 65-unit single family development located at the southeastern corner of Felicita Road and Hamilton Lane approved by the City Council in 2015. The LAFCO Board unanimously approved the annexation on October 5, 2015, and the annexation has been recorded. No grading or improvement plans have been submitted by the developer at this time.
2. Amanda Estates (Developer: Jason Han, New Urban West) – *No change from the following update reported last week:* This project is a 22-unit single family development on Amanda Lane approved by the City Council in 2015. The LAFCO Board approved the reorganization (annexation) at their meeting on August 3, 2015, and the annexation has been recorded. No grading or improvement plans have been submitted by the developer at this time.
3. Pradera (Developer: Moses Kim, Lennar Homes) – *No change from the following update reported last week:* This project consists of a 70-unit single family development located at the northeastern corner of Ash Street and Lehner Avenue. The developer has obtained building permits for six phases involving 52 homes and those phases are under construction. Homebuyer interest in the product remains high and sales are progressing. All five final maps in the project have now recorded. Precise grading plans for all phases have now been approved. Phases 7 and 8 for the construction of 11 additional homes were received on December 12, 2016.
4. Lexington (Zenner) (Developer: Eric Johnston, KB Homes) – *No change from the following update reported last week:* The project is a 40-unit, single-family development at the northeastern corner of Lehner Avenue and Vista Avenue. The three model homes on the eastern side of Ash Street are now open and sales are progressing as expected. A rough grading permit was issued for the project site on August 18, 2016 and grading is underway. The final map has been approved by City Council. The precise grading plan for Phase 1 has been approved. Building plans for Phase 1 were submitted into plan check on December 20, 2016 and permits were issued before the end of the year. On January 24, the Planning Commission approved a variance request from KB Homes to reduce perimeter wall setbacks for five residential lots.

City Manager's **WEEKLY UPDATE** to City Council

5. Stella Park Condominiums (Developer: Edward Kaen, ETP, LLC) – This project is a 63-unit, three-story townhome Planned Development located at 2516 S. Escondido Blvd. The project includes three separate recreation areas for residents. The City Council approved the project on April 27, 2016. A Substantial Conformance Tentative Map (TM) and proposed modification to the Precise Development Plan was filed by Lyon Homes on December 12, 2016. The Planning Commission approved a modification to the Precise Development Plan and the substantial conformance Tentative Map on February 14, 2017.
6. Wohlford (Developer: Jack Henthorne) – *No change from the following update reported last week:* This project is a 55-unit single family development located on Bear Valley Parkway east of Encino Drive. A Specific Alignment Plan for Bear Valley Parkway detailing the proposed roadway design is under review. The EIR consultant has recently submitted a second screen check of the Draft EIR to staff for review. An application for a Development Agreement has been submitted by the applicant.
7. Latitude II (Developer: Peter Zak, Lyon/NCA) – This project is a 112-unit multi-family development, located at the northeastern corner of Centre City Parkway and Washington Avenue, and was approved by the City Council on August 19, 2015. A boundary adjustment for a property exchange with the adjacent motel owner has been approved and will be recorded this week. The Final Map is scheduled for City Council approval on March 15, 2017. Grading and building plans are nearing approval.
8. Canyon Grove Estates Tract 932 (Developer: John Vance, Shea Homes) – *No change from the following update reported last week:* This project is a 179-lot single family residential development on the north side of Vista Avenue east of Conway Drive. The final architectural design and landscaping plans for the Precise Plan application were approved by the Planning Commission on June 14, 2016. Building permits for the construction of eight model homes have been issued and construction is underway. Phase 1 has also received permits. Building permits for 16 additional homes are nearly ready to issue and the remainder of the homes are now in for building plan check. The applicant is coordinating the plan review for off-site street improvements on Ash Street with the County's Department of Public Works.
9. Safari Highlands Ranch (SHR) (Developer: Jeb Hall, Concordia Homes) – *No change from the following update reported last week:* This project is a 550-unit single family development located east of the Rancho San Pasqual community and north of the San Diego Safari Park. The project involves 1,100 acres including annexation and a Sphere of Influence update for a master planned community with parks, trails, recreation center, fire station and open space. Planning and Engineering extensions of staff have been funded by the applicant and retained to assist the City in processing the project. The City Council approved the consultant contract for preparing the EIR on March 23, 2016. The contract planner has been meeting with the consultant, Michael Baker International (MBI), and has started review of first draft sections of the EIR. While the EIR is generally on schedule, there have been some changes to the site plan, which will affect the EIR schedule. The changes include the elimination of the “water factory” for wastewater treatment, elimination of the public park, changes to the

City Manager's WEEKLY UPDATE to City Council

entry road which would now be private instead of public, and relocation of the fire station to the former public park site. These changes will require the applicant's civil engineer to make a number of revisions to the tentative map, but are not anticipated to affect the proposed development envelope or the number of proposed lots. A revised tentative map depicting the site plan changes was submitted on October 17, 2016 and is being reviewed by staff and the contract planner.

10. High Pointe Tract 693-J (Developer: Russell Schaeffer, True Life Communities) – *No change from the following update reported last week:* This project is a custom-home development with 39 estate lots accessed from Mesa Rock Road. Staff has prepared a bond and fee letter based on the proposed grading and landscape plans, and has sent it to the applicant.
11. Del Prado (Developer: Kerry Garza, Touchstone Communities) – *No change from the following update reported last week:* This project is a 113-unit townhome-style Planned Development located at the southwestern corner of Brotherton Road and the Centre City Parkway frontage road. The project includes a recreational facility, pool, and open space areas. Staff worked through various site design and utility issues with the applicant prior to scheduling the project for a public hearing. The City Council approved the project on May 11, 2016. No grading or improvement plans have been submitted by the developer at this time.
12. 701 San Pasqual Valley Rd (Developer: Bob Stewart) – *No change from the following update reported last week:* This project is a 19-unit single family development located at 701 San Pasqual Rd/1201 E. 5th Avenue (formerly Tract 898) on 7.2 acres. The application is under review and a letter detailing additional comments and submittal requirements was forwarded to the applicant. Additional information and revised plans were submitted to the Planning Division on June 13, 2016. Planning Division has reviewed the submittal and informed the applicant that it is still incomplete.
13. Veterans Village (Developer: Veterans Village of San Diego) – *No change from the following update reported last week:* This project is a mixed-use development involving a 54-unit affordable multi-family residential apartment project for military veterans and their families. It includes an on-site administration office, business center, club house and other support spaces for the residents; and a small commercial component to support training opportunities offered at the facility at 1556 S. Escondido Boulevard. Building plans have been submitted for review and comment; the grading plans and landscaping plans have been approved. Demolition has been completed.
14. Escondido Gateway (Developer: Greg Waite, Integral Communities) – *No change from the following update reported last week:* This project is a mixed-use development involving 126 residential units within three, 4-5 story buildings with indoor and outdoor recreational areas and an opportunity for a small (1,000 sq. ft.) commercial/flex space on 2.6 acres (48 dwelling units/acre) located at 700 W. Grand Avenue (former Police Station) across the street from the Escondido Transit Center. Plans were submitted for the project involving a Specific Plan Amendment, Tentative Map, Planned Development and Development Agreement. The City

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Council approved the project on October 12, 2016. The Development Agreement has been recorded. Building plans were submitted into plan check the week of December 11, 2016. Grading plans and final map were resubmitted (2nd review) on January 23 and January 25, 2017 and are currently being reviewed by staff. Comments and corrections on the building plans have been provided to the applicant and are awaiting resubmittal.

15. The Villages at Escondido Country Club (Developer: Jason Han, New Urban West, Inc.) – – *No change from the following update reported last week:* The project would redevelop the former 109.3-acre Escondido Country Club golf course property with a new residential development consisting of 392 dwelling units including single-family detached and attached duplex units. The proposed project density is 3.6 dwelling units per acre with a minimum residential lot size of 2,555 square feet. The development would include 46 acres of open space including a landscaped greenbelt with a four-mile trail system linking park features. Other proposed amenities include a new clubhouse building, swimming pool, gym, tennis/pickle ball court, restaurant and bar and banquet facilities. The proposed General Plan Amendment, Specific Plan, Vesting Tentative Map and Zone Change applications and plans were submitted to the Planning Division on October 31, 2016. The developer has retained Dudek to prepare the Draft EIR for the project. The developer will fund a contract planner working under the direction of the Planning Division to assist the City in processing the project. A kick-off meeting was held on November 15, 2016, to commence project-related discussions between Planning staff and their contract planner, the applicant and the EIR consultant. A letter indicating the project application is incomplete was sent to the applicant on November 30, 2016. City staff met with the applicant on December 22, 2016 to review the comment letter. It was conveyed to City staff that the applicant will resubmit in early 2017. A Notice of Preparation (NOP) for the EIR was issued on January 25 for a 30-day review period ending on February 24, 2017. The NOP includes notification of a public scoping meeting that was held on February 13, 2017. Planning staff has developed a new section on the City's website for ECC project-related documents and plans. The information can be accessed at the following link: [ECC - City of Escondido](#)
16. Ivy/Valley Parkway Mixed-Use Development (Developer: Abad Rahan Pars Inc./ Norm Wieme, Architect – *No change from the following update reported last week:* This project consists of a plot plan application to construct a four-story building with 20 two-bedroom apartment units and approximately 3,000 square feet of commercial space on a vacant 0.5-acre parcel located at 113 N. Ivy Street. The conditional letter of approval for the plot plan was approved and issued on September 19, 2016. The applicant has indicated that grading and building plans are expected to be submitted into plan check soon.

City Manager's **WEEKLY UPDATE** to City Council

Building Division:

1. The Building Division issued 43 permits during the holiday work week with a total valuation of \$236,038. Issued permits were mostly for tenant improvements, reroofs, mechanical and electrical.
2. Fourteen photovoltaic permits were issued for the week. The Building Division has issued 147 solar permits this year compared to 196 issued for the same time last year.
3. Counter technicians assisted, on average, 30 customers per day with 31 customers on Friday.
4. Building inspections averaged 32 inspections per day with 17 inspections on Friday.
5. The total building valuation for all issued permits issued this year through the 25th of February is \$6,852,301 compared with \$7,306,762 for the same time last year. Building has processed 470 projects to date compared with 545 projects for the same time period in 2016.
6. Projects nearing permit issuance are:
 - a. Latitude 2, a 112-unit apartment complex consisting of six, three-story buildings at 610-660 Centre City Pkwy.
 - b. Veterans Village, at 1540 S. Escondido Blvd., a 40,000 square foot, three-story apartment building providing affordable housing for veterans and their families.
7. The construction of the City Plaza three-story mixed use building at 300 S. Escondido Blvd. has completed the podium slab and second floor wall framing is progressing.
8. A building permit was issued on February 28 for the 40,000 square foot children's building on the Emmanuel Faith Church campus.
9. The Solutions for Change affordable housing project at 1560 S. Escondido Blvd. has requested rough framing inspection.
10. Roof framing is proceeding at The Meadowbrook three-story apartment building with underground garage at 2081 Garden Valley Glen.
11. Escondido Disposal is erecting the structural steel and roof on their new transfer building.
12. Demolition is almost complete at the former bank building at 444 S. Escondido Blvd.
13. The Talk of the Town restaurant shell building and carwash building at 400 Brotherton Road are progressing rapidly toward final inspection that is anticipated within the next two

City Manager's WEEKLY UPDATE to City Council

weeks. The plans for the interior of the restaurant building have been submitted and are under review.

14. The 70-lot Pradera (Lennar Homes) single-family development has received final inspection and occupancy for most of Phase 5.
15. The 178-lot Canyon Grove (Shea Homes) development has received drywall and exterior lath approval for the eight model homes.

Code Enforcement:

1. As of February 28, the total number of open code enforcement cases is 548. During the prior week, 69 new cases were opened, and 83 cases were closed, with a backlog of an additional 25 cases not yet opened for assignment and investigation.
2. A total of 85 illegal signs were confiscated during the weekend.
3. Last week, the Business License Division issued 37 new licenses and received 35 new applications, in addition to 200 renewals. Twenty-three businesses closed and/or closed out their business licenses.

ENGINEERING

CAPITAL IMPROVEMENTS

2015/2016 Street Rehabilitation and Maintenance Project

The tree planting has started in the Old Escondido neighborhood this week. The installation of traffic signs and legends is ongoing throughout the project.

Encino Street Emergency Storm Drain Repair

On Wednesday of last week Engineering Services, while monitoring the ongoing failure of a section of 36" storm drain and roadway along Encino Drive near Bear Valley Parkway, determined that more of the roadway section had collapsed effecting the integrity of the 14" water main servicing the south end of the City. Engineering staff coordinated with a local contractor to begin reconstruction of the affected area which began on Thursday and was completed on Friday with the roadway being reopened. The temporary repairs performed to perfection during Mondays 4.5-inch storm. Engineering staff is developing a final design with anticipated construction beginning this week, all work is expected to be completed by March 10, 2017.

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PRIVATE DEVELOPMENT

Pradera - Lennar Communities

Phase 5 unit releases this week will bring to 40 units released to date. Pouring slabs for phase 6 homes has begun, additional striping will be installed this week once the area dries out.

Lexington Model Homes - KB Homes

The installation of the sewer system along Vista Avenue between Lehner Avenue and Broadway is ongoing again this week. The work will include the closure of the roadway between the hours of 8:00 a.m. to 2:00 p.m. Electronic message boards are being used to notify the residences in the area. The contractor is assessing the site from Mondays 4.50" rain event.

Escondido Boulevard at 3rd Avenue

No changes from the following reported last week: The contractor is continuing to deliver material for the construction of the second floor. Lane closures along 3rd Avenue will be a regular occurrence to allow for the lifting of construction materials to the newly completed second floor.

Tract 932 - Canyon Grove Shea Homes Community

The traffic signal for El Norte Parkway at Vista Verde is continuing with the pot holing of utilities to determine conflicts that will need to be addressed. New striping alignments for the Vista Avenue/Ash Street intersection was installed on Monday February, 2017. The striping configuration allows for both through lane and turning lane movements for all four legs of the intersection. The new power poles along Ash Street between Vista Avenue and Hubbard Hill were installed this past Saturday. The power lines were transfer at that time, the relocation of the phone and cable company's lines has not yet been scheduled.

Quantum Academy at Falconer Road

Escondido Elementary School District is continuing to install a new water main to the existing facility. The contractor has completed the installation of the water syphon which is located in Falconer Street this week. The water quality testing is ongoing this week.

Latitude II Condominiums by a Lyon Homes Partnership: Washington Avenue at Centre City Parkway

The required water line retesting started on Tuesday of this week. This project is addressing the 4.5 inches of rain fall from Mondays storm.

Westminster Theological Seminary Graduate Student Housing: Boyle Avenue at Bear Valley Parkway

No changes from the following reported last week: The contractor has completed the installation of the new water main along the Bear Valley Parkway side of the project. Pressure testing and water quality testing is continuing this week.

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Talk of the Town

The contractor completed the construction of the street light foundations along Centre City Parkway this past Saturday.

Tract 877 – Bernardo Ave. by Ambient Communities

No changes from the following reported last week: The project is a 13 lot single family residential project located at the cul-de-sac end of Bernardo Avenue. The project is idled due to the period of rain the area has been experiencing. The utility contractor is continuing to install the water and sewer services this week along 11th Avenue.

Palomar Medical Center

The preconstruction meeting will be held on March 2, 2017 for the first new building on the Palomar Hospital West campus. The construction will be effecting the onsite parking, on street parking was permitted last month and is functioning as expected.

CAPITAL IMPROVEMENT PROJECTS

E. Valley Parkway/Date Street and El Norte Parkway/Fig Street Traffic Signals

This project will add new signals at both of these intersections. The design for both projects is complete. Staff submitted all required documentation to Caltrans for approval of the Authorization to Construct, and the request is with Caltrans's Headquarters for final approval. The Authorization to Construct is required before the City can advertise this project for bids.

Jim Stone Pool

This project will renovate both existing pools and update pool equipment required to meet current County Health standards. On February 16, 2017 the City received five bids to re-plaster the pool and replace failing equipment. Received bids were within the engineer's estimate, so staff will seek Council approval to award the project at the March 1, 2017 City Council meeting. Construction is anticipated to start toward the end of March or early April. The City received one bid for the replacement of the Pool's Mechanical Building. The bid was within the engineer's estimate and is under review by the City Attorney. The installation of the new 6" sewer lateral to service the maintenance of pool water has been delayed a week.

POLICE

INCIDENTS

- On 02/19/17 at 20:33 hours, officers were dispatched to the parking lot of 936 E. Grand Avenue in reference to a fight in progress between two males with someone possibly being stabbed. Officers arrived and observed the subjects actively fighting and the fight broke up. During the fight, the suspect picked up a metal tent stake and attempted to stab the victim with it. The victim did not receive any stab wounds, but sustained a minor complaint of pain and abrasions. The victim further stated the suspect threatened

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to grab a gun from his vehicle. The suspect was ultimately arrested and a stolen handgun was found in the truck.

- On 02/19/17 at 21:14 hours, Communications received a 911 call referencing a vehicle that collided into a house at 851 S. Vine St. Police and Fire units arrived on scene and found a vehicle imbedded into the side of the house. The house in question was abandoned/vacant, and the driver crawled out of the vehicle by his own power. The driver was transported to Palomar Medical Center for evaluation and cited for DUI. A city Building Inspector responded to the scene and deemed the structural integrity of the house was compromised.



- On 02/20/17 just after midnight, several officers responded to a possible DUI crash at 1051 Rock Springs Road. Per witnesses, the driver hit several parked cars but fled on foot once he heard sirens. The extremely intoxicated suspect was ultimately found hiding in some shrubbery near the freeway bridge. The driver was on DUI probation and this was his 3rd DUI arrest.
- On 02/20/17 at 00:43 hours, officers attempted to stop a Toyota Prius at Hemlock and Ivy Street. The Prius stopped and two of the three occupants fled on foot, including the driver. Officers located and detained the driver at Garrick and Lincoln Street. During this incident, there was a beer run report pending at the E. Grand Avenue AMPM with a similar vehicle description and partial plate. Given the plethora of beer containers in the car, it was apparent this was the car and suspects in that case. Due to the clerk declining prosecution, the detained passenger was arrested for drunk in public and the driver was arrested for DUI and Resisting Arrest. It was determined the vehicle was stolen and the driver was also charged with Auto Theft.

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- On 2/21/17 at 02:46 hours, officers were dispatched to a hot-prowl residential burglary in progress at 625 Haven Place. Prior to units arriving on scene, the home owner advised that his step-son, who is not welcome on the property, had smashed a glass slider, forced entry into the home and battered the home owner. The suspect fled the scene prior to officer's arrival, and he was taken into custody at his apartment. The suspect was booked into the Vista Detention Facility for Residential Burglary, Felony Threats, Battery and Vandalism.
- On 02/21/17 a 22-year-old woman sent a text to her father that someone else is in their house located at 119 E. 6th Avenue. Her father called 911 and reported the incident and units arrived and located his daughter. Officers located a male that had entered the home through an unlocked front door, picked up a lighter and left the residence. The male suspect lives down the street in transitional housing and was arrested for Burglary.
- On 02/23/17 at 21:17 hours, dispatch received numerous 911 calls regarding a vehicle vs. motorcycle collision at Broadway and Leslie Lane. Police and the Fire department personnel arrived 4 minutes later and began rendering aid to the injured motorcyclist. According to witnesses and involved parties, a 2002 Honda CBR motorcycle being driven by a 22-year-old male resident of Escondido was traveling northbound on Broadway at a high rate of speed. A 1999 Toyota 4Runner being driven by a 59-year-old resident of Escondido was traveling southbound on Broadway and made a left turn onto Leslie Lane. The motorcycle collided with the 4Runner which ejected the rider and caused the 4Runner to overturn. The driver of the 4Runner was uninjured. The motorcyclist was transported to Palomar Medical Center with severe head trauma. Alcohol or drugs do not appear to be a factor.
- On 02/25/17 at 12:55 hours, officers responded to a disturbance at 1960 E. Grand Avenue #10 regarding a male subject brandishing a knife and breaking windows. Officers respond to the scene and detained a male suspect without further incident, and he was arrested for a Parole Violation.

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