



Council Meeting Agenda

MAY 3, 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

INTERIM CITY MANAGER

Jeffrey Epp

CITY CLERK

Diane Halverson

INTERIM CITY ATTORNEY

Michael McGuinness

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

**May 3, 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 LABOR NEGOTIATOR (Government Code §54957.6)**
- a. **Agency Negotiator:** Sheryl Bennett and Jeffrey Epp
Employee Organization: Non-Sworn Police Bargaining Unit
 - b. **Agency Negotiator:** Sheryl Bennett and Jeffrey Epp
Employee Organization: Escondido City Employee Association:
Administrative/Clerical/Engineering Bargaining Unit
 - c. **Agency Negotiator:** Sheryl Bennett and Jeffrey Epp
Employee Organization: Escondido City Employee Association: Supervisory
Bargaining Unit
- II. PUBLIC EMPLOYEE APPOINTMENT AND PERFORMANCE EVALUATION (Government Code §54957)**
- a. City Manager
 - b. City Attorney

ADJOURNMENT



Council Meeting Agenda

**May 3, 2017
4:30 P.M. Meeting**

**Escondido City Council
Mobilehome Rent Review Board**

CALL TO ORDER

MOMENT OF REFLECTION:

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

FLAG SALUTE

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

PROCLAMATIONS: Water Awareness Month and Drinking Water Week
Retirement of Vanita Hartmann

PRESENTATIONS: Be Water Smart Poster Contest Awards

ORAL COMMUNICATIONS

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

CONSENT CALENDAR

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

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

4. **AMENDMENT TO SECTION 12.H OF THE MOBILEHOME RENT REVIEW BOARD GUIDELINES**

Request the City Council approve amending Section 12.H of the "Mobilehome Rent Review Board Guidelines" to allow senior or disabled residents to object to a short-form rent increase application by submitting a signed affidavit in lieu of personally appearing at the hearing.

Staff Recommendation: **Approval (City Attorney's Office: Michael McGuinness)**

RESOLUTION NO. RRB 2017-02

5. **INCREASING LEVEL OF PRE-EMPLOYMENT BACKGROUND CHECKS -**

Request the City Council approve the increase of access level for pre-employment criminal background checks from a California-state level to an FBI-level that includes all states.

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

RESOLUTION NO. 2017-59

6. **DECLARATION OF END OF RESPONSE LEVEL ONE - WATER SHORTAGE WATCH CONDITION**

Request the City Council approve ending the Response Level One - Water Shortage Watch Condition in light of Governor Brown declaring an end to the drought emergency in the San Diego region on April 7, 2017.

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

RESOLUTION NO. 2017-64

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.)

PUBLIC HEARINGS

7. **PUBLIC HEARING FOR CITY OF ESCONDIDO LANDSCAPE MAINTENANCE DISTRICT ZONES 1 THROUGH 38 -**

Request the City Council receive input from property owners in Zones 1 through 38 of the City of Escondido Landscape Maintenance District on the proposed budget and assessments for Fiscal Year 2017/2018. No Council action is required.

Staff Recommendation: **Receive Public Input (Public Works Department: Ed Domingue)**

8. **PUBLIC HEARING REGARDING THE FISCAL YEAR 2017-2018 ONE-YEAR ACTION PLAN FOR USE OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIP (HOME) FUNDS, AND EMERGENCY SOLUTIONS (ESG) GRANT FUNDS, AND RECOMMENDATIONS FOR ALLOCATION OF HOME FUNDS -**

Request the City Council approve authorizing the Director of Community Development to conditionally commit federal HOME funds in an amount not to exceed \$450,000 to Interfaith Community Services (Interfaith) for the acquisition and rehabilitation of four affordable multi-family rental units located at 557-563 Aster Place; authorize the Mayor and City Clerk to execute an Affordable Housing Loan Agreement and all necessary loan and supporting agreements in forms acceptable to the City Attorney; and continue the Public Hearing in regards to the FY 2017-2018 One-Year Action Plan for use of CDBG, HOME, and ESG funds until June 7, 2017.

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

RESOLUTION NO. 2017-66

CURRENT BUSINESS

9. **NOTICE OF COMPLETION AND BUDGET ADJUSTMENT FOR THE FISCAL YEAR 2015/2016 STREET REHABILITATION AND MAINTENANCE PROJECT -**

Request the City Council approve and accept the public improvements; authorize staff to file a Notice of Completion for the FY 2015/2016 Street Rehabilitation and Maintenance Project; and approve a budget adjustment for the use of Asphalt Rubber and Aggregate Membrane with recycled tires.

Staff Recommendation: **Approval (Engineering Services Department: Julie Procopio)**

WORKSHOP

10. **FISCAL YEAR 2017/18 OPERATING BUDGET BRIEFING AND ADOPTION OF BUDGETARY AND FINANCIAL POLICIES -**

Request the City Council provide direction regarding the proposed Fiscal Year 2017/2018 General Fund Operating Budget and approve Resolution No. 2017-67 which will establish written budgetary and financial policies.

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

RESOLUTION NO. 2017-67

FUTURE AGENDA

11. [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 |
|--------|-----------|----------------|-------------------|-----------------------|
| May 10 | Wednesday | 3:30 & 4:30 PM | Regular Meeting | City Council Chambers |
| May 17 | Wednesday | 4:00 PM | Town Hall Meeting | City Council Chambers |
| May 24 | Wednesday | 3:30 & 4:30 PM | Regular Meeting | City Council Chambers |
| May 31 | - | - | No Meeting | - |

TO ADDRESS THE COUNCIL

The public may address the City Council on any agenda item. Please complete a Speaker's form and give it to the City Clerk. 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 COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 4

Date: May 3, 2017

TO: Honorable Mayor and Members of the City Council
FROM: Allegra Frost, Deputy City Attorney
SUBJECT: Amendment to Section 12.H of the Mobilehome Rent Review Board Guidelines

RECOMMENDATION:

It is requested that the Escondido Mobilehome Rent Review Board adopt Resolution No. RRB 2017-02 amending Section 12.H of the "Mobilehome Rent Review Board Guidelines" to allow senior or disabled residents to object to a short-form rent increase application by submitting a signed affidavit in lieu of personally appearing at the hearing.

PREVIOUS ACTION:

The Mobilehome Rent Review Board Guidelines ("Guidelines") were originally adopted on September 28, 1988, shortly after the voters adopted Proposition K, the City's mobile home rent protection initiative. The Guidelines were most recently amended in 1998 to modify the short-form application process in Section 12.H.

BACKGROUND:

In 1997, the Mobilehome Rent Review Board ("Board") adopted changes to the Guidelines that provided for a "short-form" rent increase application process. The short-form application was designed as an alternative to the lengthy and contentious long-form rent increase hearing, and to avoid the large rent increases that sometimes occurred under the long-form process. Under the short-form application process, the focus is on the change in the Consumer Price Index ("CPI") and a park owner may only request a rent increase of up to 75 percent of the change in the CPI for a maximum of a two-year period.

Section 12 of the Guidelines provides the rules applicable to the short-form rent increase application process. Section 12, Subsection E requires the Board to presume that up to 75 percent of the CPI is a fair, just, and reasonable rent increase. However, Subsection H allows residents of the affected mobile home park to object to the proposed rent increase. If residents from a majority of the spaces in the park which are subject to rent control personally appear before the end of the hearing and state their objection to the rent increase application, the Board has the option of denying the short-form application.

Because appearing in person at a rent increase hearing can be a hardship for senior or disabled residents, Staff recommends that the Board amend Subsection H to make it easier for those residents

to object to a short-form rent increase application. Therefore, Staff suggests that Section 12.H of the Guidelines be amended to allow senior or disabled residents who are subject to rent control to submit a signed affidavit stating their objection to the short-form application, in lieu of personally appearing. The affidavit must provide the resident's name, address and a statement that travelling in person to the hearing would be a physical hardship for them. In addition, the affidavit must state the resident's objection to the short-form application. Petitions with multiple signatures will not be accepted.

A redlined version of the Guidelines is attached to this Staff Report as Exhibit A.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Allegra Frost", with a long horizontal flourish extending to the right.

Allegra Frost
Deputy City Attorney

MOBILEHOME RENT REVIEW BOARD GUIDELINES

Adopted by Minute Action September 28, 1988
Amendment by Minute Action January 11, 1989
Amended by Minute Action February 8, 1989
Amended by Resolution RRB 89-5 May 17, 1989
Amended by Resolution RRB 90-7 April 4, 1990
Amended by Resolution RRB 94-05 April 13, 1994
Amended by Resolution RRB 94-12 January 11, 1995
Amended by Resolution RRB 97-05 December 3, 1997
Amended by Resolution RRB 97-07, December 17, 1997
Amended by Resolution RRB 98-07, June 10, 1998
Amended by Resolution No. 2005-132
Amended by Resolution RRB 2017-02, May 3, 2017

CITY OF ESCONDIDO
MOBILEHOME RENT REVIEW BOARD GUIDELINES

Following are the guidelines for the rent review process including staff review, the staff report, and the rent review hearings. Also included are Board rules of order.

Section 1: Staff Review.

When a park owner submits an application for a rent increase request, staff shall review the application to determine whether or not it is complete. If the application is determined to be incomplete, the park owner shall be notified of the deficiencies.

Once an application is determined to be complete, staff will notify all affected residents that they can review the application and any supporting documents and that they have thirty (30) days to respond with written comments or other forms of documentation. The applicant and tenant representative(s) will be provided with a copy of these guidelines at that time.

A thirty (30) day notice is mailed to residents, which informs them of their right to review the park owner's application and all supporting documents. A copy of the application is provided to the park tenant representative(s) for review. A copy is also available at the City Clerk's Department at City Hall.

Any information submitted by the park owner after the application is determined to be complete will not be incorporated into the staff report because the residents may not have had an opportunity to review the information during their thirty (30) day review period. (Please see the "Written Communication" section under "Hearing Process" for other policies concerning the submittal of written information.)

Staff will then compile a report for the Rent Review Board which summarizes the application.

The City's Code Enforcement Division will inspect the common areas of the park and submit a report concerning the condition of the facilities. Also, any past violations and any corrective actions will be reported.

Section 2: Staff Report.

The Rent Review Board members will be given a written staff report which describes the park, summarizes the park owner's application, and analyzes the rent increase request. A copy of the park owner's application and the residents' responses will be attached to the report.

Section 3: Hearing Process.

While the Rent Review Ordinance spells out certain requirements for the hearing process, it is deemed beneficial to further refine the process so that the Board and the parties involved all have a clear understanding of the hearing process, and will know what to expect on the day of the hearing.

Section 4: Notice of Public Hearing.

In accordance with the rent protection ordinance, park residents and the park owner will be noticed at least ten (10) days prior to the hearing date. The Code Enforcement Division report will be available for review ten (10) days in advance of the hearing. The staff report will be available for public review when the report is delivered to the Board for review, and the notice will inform the parties of this fact. A copy of the staff report will either be sent by certified mail or picked up by the park owner, and a designated resident representative(s).

Section 5: Staff Presentation.

On the date of the hearing, staff will give a brief summary of the report and application. The Board members may then ask questions of the staff. A representative from the City Attorney's Office will attend meetings to offer legal assistance as needed. Minutes will be taken by the City Clerk staff.

Section 6: Public Input.

As specified in the ordinance, the park owner and the affected tenants will be given an opportunity to address the Board. Designated representatives for either party will also be allowed to present testimony. Slips indicating a "request to speak" are provided at the meeting. The park owners present their testimony first. As detailed in the ordinance, the applicant and affected residents can only offer written information for the first time at the hearing if good cause is shown as to why such evidence was not previously filed with the City Clerk's Department. The Board encourages the applicant and the affected residents to appoint one or two representatives to present information at the hearing. Time limits for speakers are described in the Guidelines under "Board Rules of Order...Manner of Addressing Board—Time Limit."

If the Board determines that they have sufficient information to reach a decision, they will close the hearing. If they require further information, the hearing will be continued to a specified date to allow the parties or staff an opportunity to collect the necessary data.

Once the Board has all the information they deem necessary, they will close the hearing. Once the hearing is closed the Board has fifteen (15) days to make a determination. The Board may consider the option of making a determination at the hearing in an attempt to resolve the issue as quickly as possible. Whether or not the Board reaches a decision on the day of the hearing, the Board will be required, under the Brown Act, to deliberate and reach a decision at a public meeting rather than in closed session.

Section 7: Policies Governing Board Review.

- A. CPI - The Board will consider increases in the San Diego Metropolitan Area Consumer Price Index, All Items/All Urban Consumers component, as one of the relevant factors, when reviewing an application for rent increase.

In considering increases in the Consumer Price Index, the Board concludes that many components of CPI (such as food, entertainment, medical care, shelter, and apparel & upkeep) do not pertain to the cost of owning and operating a mobilehome park. Therefore, the Board shall take into account no more than 60% of increases in the CPI which portion

of the CPI shall include costs properly associated with the operation of a mobilehome park (such as property taxes, fuel, and utilities).

Section 8: Capital Improvements.

- A. Definition and Examples of Capital Improvements - Capital Improvement is defined by Section 1(b) of the Mobilehome Space Rent Control Ordinance to mean "the installation of new improvements and facilities and/or the replacement or reconstruction of existing improvements and facilities which consist of more than ordinary maintenance and/or repairs."
1. Normal routine maintenance and repair of a park is not a capital improvement. For example, patching of potholes and slurring of asphalt streets and roadways constitute ordinary repairs and are not capital improvements within the meaning of the Ordinance.
 2. Major replacement or major reconstruction of an existing facility or improvement constitute capital improvements. For example, the major replacement and/or reconstruction of streets or roadways, sewer lines, water lines and gas lines constitute capital improvements.
 3. Addition of new facilities in a park, such as a new office or utility room, a sauna, a jacuzzi or an addition to a recreation room, are also examples of capital improvements.
 4. Capital improvements which would otherwise form the basis for a capital improvement rent increase cannot be the basis of such an increase if the park owner charges a fee for the use of the improvement. For example, additional washers and dryers installed for the use of residents cannot be the basis for a capital improvement rent increase if the tenants must pay to use them.
 5. Portable items, such as pool furniture and landscaping or gardening equipment, do not constitute capital improvements.
 6. Rent increase requests based entirely or in part on capital improvements can be brought before the Board prior to the initiation of the proposed work. In these cases, the applicant is encouraged to seek the approval of his/her residents for the improvement, prior to the submittal of an application.
- B. Capital Improvement/Rehabilitation Work - In any case where a park owner submits a rent increase application that is based in part, or entirely on the cost of capital improvements and/or rehabilitation work, the Board shall calculate the cost utilizing the following:

The work is amortized over the expected life of the improvement. Standard depreciation tables used to determine deductions for taxes shall be used to determine the expected life of the work. Any increase that is granted shall be temporary unless otherwise noted by the Board.

At the time an increase is granted, the Board will list separately any increase for capital improvements or rehabilitation work.

Section 9: Code Violations.

No increase granted for any park shall go into effect until any existing code deficiencies are corrected. Such violations shall not be utilized by the Rent Review Board as a reason for not granting an increase or reducing the amount of a requested increase. A provision regarding the effective date of the Rent Review Board's action shall be included in each Resolution of the Board approving a rent-increase.

Section 10: General policies governing the Board's deliberations and determination.

- A. The Park Survey which compares the condition and quality of each park in the City, shall be regularly updated every two years. Park Appraiser shall contact an officer or designee from the organized residents group who shall participate in all inspections of the park.

When periodically conducting the Park Survey, the appraiser shall contact an officer or designee from the organized residents group who shall participate in all inspections of the park.

- B. To assist in determining a reasonable rate of return, the Board always shall be provided with information setting forth the rate of return for the applicant mobilehome park since the date the last application for a rent increase was deemed complete based on return on cash investment, return on book value, and maintenance of net operating income. The Board recognizes that each application must be evaluated on its own facts and that not every rate of return analysis will be relevant in each application. The Board shall consider the facts of each application and, based on those facts and circumstances, may utilize any, all or none of the rate of return analyses in making its determination of what, if any, rent increase may be warranted.
- C. In order to avoid repetitive hearings and unreasonable burdens on City staff and Park residents no application for a rent increase shall be accepted within a period of one year from the date the last application was deemed complete.
- D. The Board generally prefers to avoid continuing hearings. All persons wishing to make presentations to the Board should come to the hearing fully prepared.
- E. All applications for rent increases shall be accompanied by financial statements covering the period from the date the last application for a rent increase was deemed complete.
- F. All applications shall be accompanied by a statement attesting to the truth and accuracy of all information set forth in the application, which statement shall be signed by the applicant and shall be sworn under penalty of perjury.
- G. All applications shall be accompanied by all documents, receipts, invoices and other data which support and substantiate the claims and assertions set forth in the application.
- H. The application, including all its supporting data and documentation and all other information used to form the basis of any staff presentation or recommendation, shall be available for public review during normal business hours.

- I. Where it determines that an applicant has knowingly falsified any information in the application for a rent increase, the Rent Review Board immediately shall suspend further proceedings on the application and no new application for a rent increase shall be accepted for processing for a period of one year from the date of such action.
- J. The applicant shall be required to deposit the sum of \$5,800 at the time of filing the application with the City. This amount will be used to reimburse the City for costs associated with evaluation of the application and preparation of information regarding the rate of return for the park under criteria established by the Board and to defray the costs of any supplementary work which may be required to insure that the application is complete. This deposit will also be available to pay for analysis of any claims set forth in the application or materials supplied to substantiate claims made in the application to determine their validity and veracity.

Where the deposit is exhausted prior to completion of the review of the rent increase application, no further work on the application shall be conducted until further amounts are deposited, as the Rent Review Board may deem appropriate.

- K. In its evaluation of information submitted to support any application for a rent increase, the Board shall take into account only information, facts and circumstances arising from the date the last application for a rent increase was deemed complete.
- L. The applicant shall bear the burden of proof of establishing, on the basis of substantial evidence, all claims set forth in the application including, without limitation, all claims for expenses, depreciation and other costs incurred in connection with the operation of the subject mobilehome park. Invoices, receipts and other similar documents shall not, by themselves, necessarily establish that such expenses were properly incurred.

Section 11: Written Communication.

- A. If a park owner or any affected resident wishes to submit written information after their respective cutoff dates, said information must be received by the City Clerk's Department at least seven (7) days prior to the hearing.

City staff will distribute the information to the Board members and the affected parties no later than five (5) days prior to the hearing. Any information going to the residents will be given to the designated resident representative.

- B. At the rent review hearing concerning the application, the party submitting said written information shall explain in the course of his/her oral testimony why the Board should consider the late presented material, and why it was not presented earlier. Said party shall ask the Board to consider the late presented written material. If the Board wishes to consider such late presented material, the Board shall:
1. Give the opposing party an opportunity to object to the introduction of such new material.
 2. After considering any opposition, determine if "good cause exists" to permit the late presented material be made part of the hearing record, and

3. Give the opposing parties and staff an opportunity to respond orally at the hearing to the new material. Depending upon the type of written material presented, the Board may also decide to keep the hearing open for a limited period of time in order to permit the opposing party or staff an opportunity to further review and comment in writing upon the new written material.
- C. At a particular hearing, the Board may decide that additional written evidence or testimony is required, and ask that a party or staff submit it to the Board. In those circumstances, it is recommended that the Board:
1. Continue the hearing to a date certain by which time the additional information will be available.
 2. Require that the party preparing the additional material give copies of the material to staff at least seven (7) calendar days prior to the date of the continued hearing. City staff will distribute the information to the Board members and the affected parties. Any information going to the residents will be given to the designated resident representative, and
 3. Give the opposing parties and staff an opportunity to respond in writing at least three (3) days before the hearing. Depending upon the type of written material, the Board may also decide to keep the hearing open for a limited period of time in order to permit the opposing party or staff more opportunity to review and comment in writing upon the new written material.

Section 12: The Short-Form Rent Increase Application.

- A. In lieu of using the hearing process and policies set forth in Sections 1 through 9, a park owner may request an increase using the “short form” process. The following principles for the application review and public hearing process will apply only to the “short form” application:
- B. The park owner must use the standard short-form application prepared by the City of Escondido.
- C. A short-form application will only be considered if the park owner’s request applies to 100% of all spaces in the park which are subject to rent control.
- D. The park owner’s request for a rent increase must be based solely on the change in the San Diego Metropolitan Area Consumer Price Index, All Items/All Urban Consumers component ("CPI") since the last increase granted by the Board. The requested increase may not exceed 75% of the increase in CPI since the last increase granted by the Board, or 8% of the current rent, whichever is less, subject to the two year limit in Section J.
- E. The Board will consider the short-form application at a public hearing. The staff report will not contain analysis of any of the factors required by Section 29-104(g) of the Rent Protection Ordinance other than the change in CPI. In determining whether the amount of the park owner’s requested increase is appropriate, the Board must presume that up to 75% of the Consumer Price Index is a fair, just, and reasonable rent increase. However, the

Board may consider any of the other Ordinance factors at the request of either the park owner or the affected residents in determining that a lesser increase is fair, just, and reasonable.

- F. No application fee is required for a short-form application. Any park owner granted any increase as a result of using the short-form application is exempt from the annual per space administration fee imposed by the City pursuant to Resolution No. 2005-132, or any successor resolution. The period of exemption applies to those spaces for which the rent level was set as a result of the short-form application process, and lasts until another increase is granted by the Board.
- G. The City must notify the residents of the park owner's request for a short-form rent increase at least 30 days prior to the hearing. The park owner must provide to the City the names, addresses, and mailing labels for all individuals affected by the application, and the City will mail notice of the application and the date of the hearing to the affected residents.
- H. Any interested person will be allowed to speak at the public hearing on their own behalf, and the Board's consideration of their comments will be limited to the factors set forth in Section 29-104(g) of the Rent Protection Ordinance. If residents from a majority of the spaces in the park which are subject to rent control personally appear at any time prior to the close of the public hearing and state their objection to the short-form application, the Board shall have the option (after verifying the residency status of those objecting) not to approve the short-form application. In lieu of personally appearing, senior and disabled residents may submit a signed affidavit to the City Clerk before the close of the public hearing stating their objection to the short-form application. The affidavit must also include the resident's name, address, and a statement that appearing in person at the hearing would be a physical hardship. Petitions or letters with multiple signatures will not be accepted.
- I. If the Board denies a short form application or grants an increase less than the amount requested in the short-form application, the owner must be permitted to submit a regular application pursuant to Sections 1 through 10. The park owner shall have 30 days from the date of the board's decision on the short-form application to notify the City whether or not they are accepting the decision from the short form application, or whether they wish to file a regular application. The filing of a regular application shall render all of the proceedings from the short form application null and void.
- J. The short form process may not apply to any period in excess of 2 years.
- K. No application for a short-form rent increase will be accepted within a period of one year from the date the last application was submitted.
- L. The City's Code Enforcement Division will inspect the common areas of the park for health and safety violations, and submit a report concerning the condition of the facilities. No increase shall go into effect until any existing code deficiencies are corrected.

Section 13: Board Rules of Order for Hearings.

A. Time of Regular Meetings

The Board shall hold regular meetings at 4:00 p.m. on Wednesdays at the City Hall as scheduled by the Board.

If any regular meeting falls on a holiday, such meeting shall be held on the next business day or on such other day as the Board may designate.

B. Matters Covered

The Board shall not consider any resolution, motion or matter which does not affect the conduct of the business of the City of Escondido or its corporate powers or duties as a municipal corporation nor shall the Board consider any resolution or motion supporting or disapproving any legislation or action pending in the Legislature of the State of California, the Congress of the United States or before any officer or agency of said State or nation unless such proposed legislation or action, if adopted, will affect the conduct of the municipal business or the powers and duties of the City of Escondido or its offices or employees as such. Such communications shall be provided to the Board on an information basis only.

C. Order of Business

Regular business of the Board shall be taken up for consideration in substantially the following order, except as may be otherwise ordered by the Chair or Boardmembers:

1. Roll Call
2. Consent Calendar
3. Ordinances and Resolutions
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11. City Manager and Staff
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Those items on the Board agenda which are considered routine by the City Manager, e.g., approval of minutes, resolutions affirming rent increases granted by the Board, and various leases and agreements are listed on the "Consent Calendar" and shall be adopted by one motion unless the Board, staff or the public requests specific items to be discussed and/or removed for separate action. Those items so approved under the heading "Consent Calendar" will appear in the Board minutes in their proper form, i.e. resolution affirming rent increase, approval of minutes, etc.

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Time has been reserved on each regular meeting agenda to provide an opportunity for members of the public to directly address the Board on items of interest to the public.

Comments on an item already appearing on the agenda shall be reserved for discussion of that agenda item. Action will not be taken by the Board on items discussed under Oral Communications.

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Requests for work, information or assistance from City staff by individual members of the Board which will require anything other than a nominal expenditure of staff time, as determined by the City Manager, shall be placed on the next available Board agenda for action by the full Board.

F. Boardmembers

"Boardmembers" provides members of the Board an opportunity to introduce items not currently before the Board for consideration. Any Boardmember may submit "Boardmember" items on a regular meeting agenda to the City Manager prior to the deadline for submitting items for that meeting Selection of Chair. The Mayor shall be the Chair of the Rent Review Board.

G. Board Action

Upon motion being made by any Boardmember except the presiding officer, a roll call vote using the voting machine shall be taken. A motion that fails to obtain a majority vote shall die.

H. Manner of Addressing Board --Time Limit

1. Each person addressing the Board shall step up to the microphone, shall give their name and address in an audible tone of voice for the record and, unless further time is granted by concurrence of the Board, shall limit their address to five (5) minutes. One applicant or their representative, and one affected resident or their representative shall be given fifteen (15) minutes to address the Board.
2. Whenever any group of persons wishes to address the Council on the same subject matter, it shall be proper for the presiding officer to request that a spokesperson be chosen by the group to address the Board and, in case additional matters are to be presented at the time by any other member of the said group, to limit the number of persons so addressing the Board so as to avoid unnecessary repetitions before the Board.
3. Any member of the Board may require any person giving testimony to respond to questions or clarify any portions of their testimony.

I. Posting of Agenda

At least seventy-two (72) hours before a regular meeting the City Manager shall post a certified copy of the agenda specifying the time and location of the regular meeting. Said agenda shall be posted near the Council Chambers.

J. Closing Time of Board Meetings

No agenda item may be introduced after the hour of 10:30 p.m.; however, the meeting may be extended beyond 10:30 p.m. upon a majority vote of the Boardmembers.

K. Processing of Motions

1. When a motion is made, it shall be stated clearly and concisely by its mover. After a motion is made, it shall be stated by the presiding officer before debate. A motion may be withdrawn by the mover without consent of the Boardmembers.
2. The presiding officer shall at any time by majority consent of the Boardmembers, permit a Boardmember to propose the reordering of agenda items.
3. If the question contains two or more divisionable propositions, the presiding officer may, upon request of a Boardmember, divide the same.

L. Precedence of Motions

1. When a motion is before the Board, no motion shall be entertained except (precedence in order indicated):
 - (a) to adjourn
 - (b) to fix hour of adjournment
 - (c) to lay on the table
 - (d) for the previous question
 - (e) to postpone to a certain day
 - (f) to refer
 - (g) to amend
 - (h) to postpone indefinitely
2. A motion to adjourn shall be in order any time, except as follows:
 - (a) when repeated without intervening business or discussion
 - (b) when made as an interruption of a member while speaking
 - (c) when the previous question has been ordered
 - (d) while a vote is being taken
3. A motion to adjourn "to another time" is debatable only as to the time to which the meeting is adjourned.
4. A motion to table or lay on the table is not debatable and shall preclude all amendments or debate of the subject under consideration. If the motion shall prevail, the matter may be "taken from the table" only by adding it to the agenda of the next regular meeting, to be discussed at the following regular meeting.

5. A motion for previous question shall close debate on the main motion and shall be undebatable. The statement by Boardmember of "question" does not accomplish the same purpose. If a motion fails, debate is reopened, if motion passes, then vote shall be taken on the main motion.
6. A motion to amend shall be in order and is debatable only as to amendment. A motion to amend an amendment shall not be in order. An amendment modifying the intention of a motion shall be in order but an amendment relating to a different matter shall not be in order. A substitute motion on the same subject shall be acceptable and amendments are to be voted first, then the main motion is amended.
7. A motion to postpone indefinitely shall be fully debatable and if the same is adopted the principal motion shall be declared lost. A motion postponed to a definite time shall be amendable and debatable as to propriety of postponement and time set.
8. A motion to refer shall not be debatable except for the propriety of referring.

M. Administrative Mandamus

Persons who are dissatisfied with a decision of the Mobilehome Rent Review Board may have the right to seek review of that decision by a court. In addition, the City has adopted Section 1094.6 of the Code of Civil Procedure which generally limits to ninety (90) days the time within which the decision of City boards and agencies may be judicially challenged.

N. Reconsideration

Any member of the Board not voting in the minority on any action of the Board may, at the same meeting, or at any subsequent meeting, move to reconsider such action. A reconsideration motion--made by a member of the Board voting in the minority shall not be allowed except when made more than one (1) year after the date of the original action.

Written requests for reconsideration of a Board action shall be provided to each Boardmember on an informational basis. Requests for reconsideration shall be submitted by Boardmembers to the City Manager and shall be placed on a Board agenda under "Boardmembers." At the Board meeting, the request shall be introduced at which time the Board, by majority vote, shall determine if the action is to be reconsidered. If the action is to be reconsidered, the procedure as specified above will be followed.

O. Personal Privilege

The right of any Boardmember to address the Board on a question of personal privilege shall be limited to cases in which his/her integrity, character or motives are questioned.

P. Board Conduct

No member of the Board shall act in such a manner as to call into disrepute the public image of the Board or which is discourteous to or results in the constant interruption of other members of the Board or members of the public.

Q. Parliamentarian

The City Attorney shall decide all questions of interpretations of these rules and any other questions of a parliamentary nature which may arise at a Mobilehome Rent Review Board meeting.

RESOLUTION NO. RRB 2017-02

A RESOLUTION OF THE ESCONDIDO
MOBILEHOME RENT REVIEW BOARD
AMENDING SECTION 12.H OF THE
MOBILEHOME RENT REVIEW BOARD
GUIDELINES

WHEREAS, the Mobilehome Rent Review Board of the City of Escondido, State of California, has adopted "Mobilehome Rent Review Board Guidelines"; and

WHEREAS, the "Mobilehome Rent Review Board Guidelines" were originally adopted on September 28, 1988, and most recently amended on June 10, 1998, to modify Section 12.H concerning the short-form application; and

WHEREAS, Staff has recommended that the Mobilehome Rent Review Board amend Section 12.H of the "Mobilehome Rent Review Board Guidelines"; and

WHEREAS, the Mobilehome Rent Review Board desires to amend Section 12.H of the "Mobilehome Rent Review Board Guidelines" pertaining to the short-form application.

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

1. That the above recitations are true.
2. That the "Mobilehome Rent Review Board Guidelines" are amended to read as attached and incorporated by this reference as Exhibit "A".

MOBILEHOME RENT REVIEW BOARD GUIDELINES

Adopted by Minute Action September 28, 1988

Amendment by Minute Action January 11, 1989

Amended by Minute Action February 8, 1989

Amended by Resolution RRB 89-5 May 17, 1989

Amended by Resolution RRB 90-7 April 4, 1990

Amended by Resolution RRB 94-05 April 13, 1994

Amended by Resolution RRB 94-12 January 11, 1995

Amended by Resolution RRB 97-05 December 3, 1997

Amended by Resolution RRB 97-07, December 17, 1997

Amended by Resolution RRB 98-07, June 10, 1998

Amended by Resolution No. 2005-132

Amended by Resolution RRB 2017-02, May 3, 2017

CITY OF ESCONDIDO
MOBILEHOME RENT REVIEW BOARD GUIDELINES

Following are the guidelines for the rent review process including staff review, the staff report, and the rent review hearings. Also included are Board rules of order.

Section 1: Staff Review.

When a park owner submits an application for a rent increase request, staff shall review the application to determine whether or not it is complete. If the application is determined to be incomplete, the park owner shall be notified of the deficiencies.

Once an application is determined to be complete, staff will notify all affected residents that they can review the application and any supporting documents and that they have thirty (30) days to respond with written comments or other forms of documentation. The applicant and tenant representative(s) will be provided with a copy of these guidelines at that time.

A thirty (30) day notice is mailed to residents, which informs them of their right to review the park owner's application and all supporting documents. A copy of the application is provided to the park tenant representative(s) for review. A copy is also available at the City Clerk's Department at City Hall.

Any information submitted by the park owner after the application is determined to be complete will not be incorporated into the staff report because the residents may not have had an opportunity to review the information during their thirty (30) day review period. (Please see the "Written Communication" section under "Hearing Process" for other policies concerning the submittal of written information.)

Staff will then compile a report for the Rent Review Board which summarizes the application.

The City's Code Enforcement Division will inspect the common areas of the park and submit a report concerning the condition of the facilities. Also, any past violations and any corrective actions will be reported.

Section 2: Staff Report.

The Rent Review Board members will be given a written staff report which describes the park, summarizes the park owner's application, and analyzes the rent increase request. A copy of the park owner's application and the residents' responses will be attached to the report.

Section 3: Hearing Process.

While the Rent Review Ordinance spells out certain requirements for the hearing process, it is deemed beneficial to further refine the process so that the Board and the parties involved all have a clear understanding of the hearing process, and will know what to expect on the day of the hearing.

Section 4: Notice of Public Hearing.

In accordance with the rent protection ordinance, park residents and the park owner will be noticed at least ten (10) days prior to the hearing date. The Code Enforcement Division report will be available for review ten (10) days in advance of the hearing. The staff report will be available for public review when the report is delivered to the Board for review, and the notice will inform the parties of this fact. A copy of the staff report will either be sent by certified mail or picked up by the park owner, and a designated resident representative(s).

Section 5: Staff Presentation.

On the date of the hearing, staff will give a brief summary of the report and application. The Board members may then ask questions of the staff. A representative from the City Attorney's Office will attend meetings to offer legal assistance as needed. Minutes will be taken by the City Clerk staff.

Section 6: Public Input.

As specified in the ordinance, the park owner and the affected tenants will be given an opportunity to address the Board. Designated representatives for either party will also be allowed to present testimony. Slips indicating a "request to speak" are provided at the meeting. The park owners present their testimony first. As detailed in the ordinance, the applicant and affected residents can only offer written information for the first time at the hearing if good cause is shown as to why such evidence was not previously filed with the City Clerk's Department. The Board encourages the applicant and the affected residents to appoint one or two representatives to present information at the hearing. Time limits for speakers are described in the Guidelines under "Board Rules of Order...Manner of Addressing Board—Time Limit."

If the Board determines that they have sufficient information to reach a decision, they will close the hearing. If they require further information, the hearing will be continued to a specified date to allow the parties or staff an opportunity to collect the necessary data.

Once the Board has all the information they deem necessary, they will close the hearing. Once the hearing is closed the Board has fifteen (15) days to make a determination. The Board may consider the option of making a determination at the hearing in an attempt to resolve the issue as quickly as possible. Whether or not the Board reaches a decision on the day of the hearing, the Board will be required, under the Brown Act, to deliberate and reach a decision at a public meeting rather than in closed session.

Section 7: Policies Governing Board Review.

- A. CPI - The Board will consider increases in the San Diego Metropolitan Area Consumer Price Index, All Items/All Urban Consumers component, as one of the relevant factors, when reviewing an application for rent increase.

In considering increases in the Consumer Price Index, the Board concludes that many components of CPI (such as food, entertainment, medical care, shelter, and apparel & upkeep) do not pertain to the cost of owning and operating a mobilehome park. Therefore, the Board shall take into account no more than 60% of increases in the CPI which portion of

the CPI shall include costs properly associated with the operation of a mobilehome park (such as property taxes, fuel, and utilities).

Section 8: Capital Improvements.

- A. Definition and Examples of Capital Improvements - Capital Improvement is defined by Section 1(b) of the Mobilehome Space Rent Control Ordinance to mean "the installation of new improvements and facilities and/or the replacement or reconstruction of existing improvements and facilities which consist of more than ordinary maintenance and/or repairs."
1. Normal routine maintenance and repair of a park is not a capital improvement. For example, patching of potholes and slurring of asphalt streets and roadways constitute ordinary repairs and are not capital improvements within the meaning of the Ordinance.
 2. Major replacement or major reconstruction of an existing facility or improvement constitute capital improvements. For example, the major replacement and/or reconstruction of streets or roadways, sewer lines, water lines and gas lines constitute capital improvements.
 3. Addition of new facilities in a park, such as a new office or utility room, a sauna, a jacuzzi or an addition to a recreation room, are also examples of capital improvements.
 4. Capital improvements which would otherwise form the basis for a capital improvement rent increase cannot be the basis of such an increase if the park owner charges a fee for the use of the improvement. For example, additional washers and dryers installed for the use of residents cannot be the basis for a capital improvement rent increase if the tenants must pay to use them.
 5. Portable items, such as pool furniture and landscaping or gardening equipment, do not constitute capital improvements.
 6. Rent increase requests based entirely or in part on capital improvements can be brought before the Board prior to the initiation of the proposed work. In these cases, the applicant is encouraged to seek the approval of his/her residents for the improvement, prior to the submittal of an application.
- B. Capital Improvement/Rehabilitation Work - In any case where a park owner submits a rent increase application that is based in part, or entirely on the cost of capital improvements and/or rehabilitation work, the Board shall calculate the cost utilizing the following:

The work is amortized over the expected life of the improvement. Standard depreciation tables used to determine deductions for taxes shall be used to determine the expected life of the work. Any increase that is granted shall be temporary unless otherwise noted by the Board.

At the time an increase is granted, the Board will list separately any increase for capital improvements or rehabilitation work.

Section 9: Code Violations.

No increase granted for any park shall go into effect until any existing code deficiencies are corrected. Such violations shall not be utilized by the Rent Review Board as a reason for not granting an increase or reducing the amount of a requested increase. A provision regarding the effective date of the Rent Review Board's action shall be included in each Resolution of the Board approving a rent-increase.

Section 10: General policies governing the Board's deliberations and determination.

- A. The Park Survey which compares the condition and quality of each park in the City, shall be regularly updated every two years. Park Appraiser shall contact an officer or designee from the organized residents group who shall participate in all inspections of the park.

When periodically conducting the Park Survey, the appraiser shall contact an officer or designee from the organized residents group who shall participate in all inspections of the park.

- B. To assist in determining a reasonable rate of return, the Board always shall be provided with information setting forth the rate of return for the applicant mobilehome park since the date the last application for a rent increase was deemed complete based on return on cash investment, return on book value, and maintenance of net operating income. The Board recognizes that each application must be evaluated on its own facts and that not every rate of return analysis will be relevant in each application. The Board shall consider the facts of each application and, based on those facts and circumstances, may utilize any, all or none of the rate of return analyses in making its determination of what, if any, rent increase may be warranted.
- C. In order to avoid repetitive hearings and unreasonable burdens on City staff and Park residents no application for a rent increase shall be accepted within a period of one year from the date the last application was deemed complete.
- D. The Board generally prefers to avoid continuing hearings. All persons wishing to make presentations to the Board should come to the hearing fully prepared.
- E. All applications for rent increases shall be accompanied by financial statements covering the period from the date the last application for a rent increase was deemed complete.
- F. All applications shall be accompanied by a statement attesting to the truth and accuracy of all information set forth in the application, which statement shall be signed by the applicant and shall be sworn under penalty of perjury.
- G. All applications shall be accompanied by all documents, receipts, invoices and other data which support and substantiate the claims and assertions set forth in the application.
- H. The application, including all its supporting data and documentation and all other information used to form the basis of any staff presentation or recommendation, shall be available for public review during normal business hours.

- I. Where it determines that an applicant has knowingly falsified any information in the application for a rent increase, the Rent Review Board immediately shall suspend further proceedings on the application and no new application for a rent increase shall be accepted for processing for a period of one year from the date of such action.
- J. The applicant shall be required to deposit the sum of \$5,800 at the time of filing the application with the City. This amount will be used to reimburse the City for costs associated with evaluation of the application and preparation of information regarding the rate of return for the park under criteria established by the Board and to defray the costs of any supplementary work which may be required to insure that the application is complete. This deposit will also be available to pay for analysis of any claims set forth in the application or materials supplied to substantiate claims made in the application to determine their validity and veracity.

Where the deposit is exhausted prior to completion of the review of the rent increase application, no further work on the application shall be conducted until further amounts are deposited, as the Rent Review Board may deem appropriate.

- K. In its evaluation of information submitted to support any application for a rent increase, the Board shall take into account only information, facts and circumstances arising from the date the last application for a rent increase was deemed complete.
- L. The applicant shall bear the burden of proof of establishing, on the basis of substantial evidence, all claims set forth in the application including, without limitation, all claims for expenses, depreciation and other costs incurred in connection with the operation of the subject mobilehome park. Invoices, receipts and other similar documents shall not, by themselves, necessarily establish that such expenses were properly incurred.

Section 11: Written Communication.

- A. If a park owner or any affected resident wishes to submit written information after their respective cutoff dates, said information must be received by the City Clerk's Department at least seven (7) days prior to the hearing.

City staff will distribute the information to the Board members and the affected parties no later than five (5) days prior to the hearing. Any information going to the residents will be given to the designated resident representative.

- B. At the rent review hearing concerning the application, the party submitting said written information shall explain in the course of his/her oral testimony why the Board should consider the late presented material, and why it was not presented earlier. Said party shall ask the Board to consider the late presented written material. If the Board wishes to consider such late presented material, the Board shall:
 - 1. Give the opposing party an opportunity to object to the introduction of such new material.
 - 2. After considering any opposition, determine if "good cause exists" to permit the late presented material be made part of the hearing record, and

3. Give the opposing parties and staff an opportunity to respond orally at the hearing to the new material. Depending upon the type of written material presented, the Board may also decide to keep the hearing open for a limited period of time in order to permit the opposing party or staff an opportunity to further review and comment in writing upon the new written material.
- C. At a particular hearing, the Board may decide that additional written evidence or testimony is required, and ask that a party or staff submit it to the Board. In those circumstances, it is recommended that the Board:
1. Continue the hearing to a date certain by which time the additional information will be available.
 2. Require that the party preparing the additional material give copies of the material to staff at least seven (7) calendar days prior to the date of the continued hearing. City staff will distribute the information to the Board members and the affected parties. Any information going to the residents will be given to the designated resident representative, and
 3. Give the opposing parties and staff an opportunity to respond in writing at least three (3) days before the hearing. Depending upon the type of written material, the Board may also decide to keep the hearing open for a limited period of time in order to permit the opposing party or staff more opportunity to review and comment in writing upon the new written material.

Section 12: The Short-Form Rent Increase Application.

- A. In lieu of using the hearing process and policies set forth in Sections 1 through 9, a park owner may request an increase using the “short form” process. The following principles for the application review and public hearing process will apply only to the “short form” application:
- B. The park owner must use the standard short-form application prepared by the City of Escondido.
- C. A short-form application will only be considered if the park owner’s request applies to 100% of all spaces in the park which are subject to rent control.
- D. The park owner’s request for a rent increase must be based solely on the change in the San Diego Metropolitan Area Consumer Price Index, All Items/All Urban Consumers component (“CPI”) since the last increase granted by the Board. The requested increase may not exceed 75% of the increase in CPI since the last increase granted by the Board, or 8% of the current rent, whichever is less, subject to the two year limit in Section J.
- E. The Board will consider the short-form application at a public hearing. The staff report will not contain analysis of any of the factors required by Section 29-104(g) of the Rent Protection Ordinance other than the change in CPI. In determining whether the amount of the park owner’s requested increase is appropriate, the Board must presume that up to 75% of the Consumer Price Index is a fair, just, and reasonable rent increase. However, the Board may

consider any of the other Ordinance factors at the request of either the park owner or the affected residents in determining that a lesser increase is fair, just, and reasonable.

- F. No application fee is required for a short-form application. Any park owner granted any increase as a result of using the short-form application is exempt from the annual per space administration fee imposed by the City pursuant to Resolution No. 2005-132, or any successor resolution. The period of exemption applies to those spaces for which the rent level was set as a result of the short-form application process, and lasts until another increase is granted by the Board.
- G. The City must notify the residents of the park owner's request for a short-form rent increase at least 30 days prior to the hearing. The park owner must provide to the City the names, addresses, and mailing labels for all individuals affected by the application, and the City will mail notice of the application and the date of the hearing to the affected residents.
- H. Any interested person will be allowed to speak at the public hearing on their own behalf, and the Board's consideration of their comments will be limited to the factors set forth in Section 29-104(g) of the Rent Protection Ordinance. If residents from a majority of the spaces in the park which are subject to rent control personally appear at any time prior to the close of the public hearing and state their objection to the short-form application, the Board shall have the option (after verifying the residency status of those objecting) not to approve the short-form application. In lieu of personally appearing, senior and disabled residents may submit a signed affidavit to the City Clerk before the close of the public hearing stating their objection to the short-form application. The affidavit must also include the resident's name, address, and a statement that appearing in person at the hearing would be a physical hardship. Petitions or letters with multiple signatures will not be accepted.
- I. If the Board denies a short form application or grants an increase less than the amount requested in the short-form application, the owner must be permitted to submit a regular application pursuant to Sections 1 through 10. The park owner shall have 30 days from the date of the board's decision on the short-form application to notify the City whether or not they are accepting the decision from the short form application, or whether they wish to file a regular application. The filing of a regular application shall render all of the proceedings from the short form application null and void.
- J. The short form process may not apply to any period in excess of 2 years.
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H. Manner of Addressing Board --Time Limit

1. Each person addressing the Board shall step up to the microphone, shall give their name and address in an audible tone of voice for the record and, unless further time is granted by concurrence of the Board, shall limit their address to five (5) minutes. One applicant or their representative, and one affected resident or their representative shall be given fifteen (15) minutes to address the Board.
2. Whenever any group of persons wishes to address the Council on the same subject matter, it shall be proper for the presiding officer to request that a spokesperson be chosen by the group to address the Board and, in case additional matters are to be presented at the time by any other member of the said group, to limit the number of persons so addressing the Board so as to avoid unnecessary repetitions before the Board.
3. Any member of the Board may require any person giving testimony to respond to questions or clarify any portions of their testimony.

I. Posting of Agenda

At least seventy-two (72) hours before a regular meeting the City Manager shall post a certified copy of the agenda specifying the time and location of the regular meeting. Said agenda shall be posted near the Council Chambers.

J. Closing Time of Board Meetings

No agenda item may be introduced after the hour of 10:30 p.m.; however, the meeting may be extended beyond 10:30 p.m. upon a majority vote of the Boardmembers.

K. Processing of Motions

1. When a motion is made, it shall be stated clearly and concisely by its mover. After a motion is made, it shall be stated by the presiding officer before debate. A motion may be withdrawn by the mover without consent of the Boardmembers.
2. The presiding officer shall at any time by majority consent of the Boardmembers, permit a Boardmember to propose the reordering of agenda items.
3. If the question contains two or more divisionable propositions, the presiding officer may, upon request of a Boardmember, divide the same.

L. Precedence of Motions

1. When a motion is before the Board, no motion shall be entertained except (precedence in order indicated):
 - (a) to adjourn
 - (b) to fix hour of adjournment
 - (c) to lay on the table
 - (d) for the previous question
 - (e) to postpone to a certain day
 - (f) to refer
 - (g) to amend
 - (h) to postpone indefinitely
2. A motion to adjourn shall be in order any time, except as follows:
 - (a) when repeated without intervening business or discussion
 - (b) when made as an interruption of a member while speaking
 - (c) when the previous question has been ordered
 - (d) while a vote is being taken
3. A motion to adjourn "to another time" is debatable only as to the time to which the meeting is adjourned.
4. A motion to table or lay on the table is not debatable and shall preclude all amendments or debate of the subject under consideration. If the motion shall prevail, the matter may be "taken from the table" only by adding it to the agenda of the next regular meeting, to be discussed at the following regular meeting.
5. A motion for previous question shall close debate on the main motion and shall be undebatable. The statement by Boardmember of "question" does not accomplish the same purpose. If a motion fails, debate is reopened, if motion passes, then vote shall be taken on the main motion.

6. A motion to amend shall be in order and is debatable only as to amendment. A motion to amend an amendment shall not be in order. An amendment modifying the intention of a motion shall be in order but an amendment relating to a different matter shall not be in order. A substitute motion on the same subject shall be acceptable and amendments are to be voted first, then the main motion is amended.
7. A motion to postpone indefinitely shall be fully debatable and if the same is adopted the principal motion shall be declared lost. A motion postponed to a definite time shall be amendable and debatable as to propriety of postponement and time set.
8. A motion to refer shall not be debatable except for the propriety of referring.

M. Administrative Mandamus

Persons who are dissatisfied with a decision of the Mobilehome Rent Review Board may have the right to seek review of that decision by a court. In addition, the City has adopted Section 1094.6 of the Code of Civil Procedure which generally limits to ninety (90) days the time within which the decision of City boards and agencies may be judicially challenged.

N. Reconsideration

Any member of the Board not voting in the minority on any action of the Board may, at the same meeting, or at any subsequent meeting, move to reconsider such action. A reconsideration motion--made by a member of the Board voting in the minority shall not be allowed except when made more than one (1) year after the date of the original action.

Written requests for reconsideration of a Board action shall be provided to each Boardmember on an informational basis. Requests for reconsideration shall be submitted by Boardmembers to the City Manager and shall be placed on a Board agenda under "Boardmembers." At the Board meeting, the request shall be introduced at which time the Board, by majority vote, shall determine if the action is to be reconsidered. If the action is to be reconsidered, the procedure as specified above will be followed.

O. Personal Privilege

The right of any Boardmember to address the Board on a question of personal privilege shall be limited to cases in which his/her integrity, character or motives are questioned.

P. Board Conduct

No member of the Board shall act in such a manner as to call into disrepute the public image of the Board or which is discourteous to or results in the constant interruption of other members of the Board or members of the public.

Q. Parliamentarian

The City Attorney shall decide all questions of interpretations of these rules and any other questions of a parliamentary nature which may arise at a Mobilehome Rent Review Board meeting.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 5

Date: May 3, 2017

TO: Honorable Mayor and Members of the City Council
FROM: Sheryl Bennett, Director of Administrative Services
SUBJECT: Increasing Level of Pre-Employment Background Checks

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2017-59, approving the increase of access level for pre-employment criminal background checks from a California-state level to an FBI-level that includes all states.

FISCAL ANALYSIS:

Additional annual cost to the General Fund for this additional service is approximately \$3,000.

PREVIOUS ACTION:

None

BACKGROUND:

Currently, the City of Escondido conducts pre-employment criminal background checks at a California-state level. With an ever increasing pool of candidates coming from other states, augmenting the level of criminal background checks will expand criminal history results to include convictions that have occurred outside of California and within the United States for both out of state and local candidates. This will provide a more thorough and consistent criminal background check of all candidates taking part in the pre-employment process and is consistent with hiring practices at other local agencies in San Diego County.

Respectfully submitted,


Sheryl Bennett
Director of Administrative Services

RESOLUTION NO. 2017-59

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ESCONDIDO,
CALIFORNIA, AUTHORIZING THE CITY
OF ESCONDIDO TO ACCESS STATE
AND FEDERAL LEVEL SUMMARY
CRIMINAL HISTORY INFORMATION FOR
EMPLOYMENT PURPOSES

WHEREAS Penal Code Sections 11105(b)(11) and 13300(b)(11) authorize cities, counties, districts and joint powers authorities to access state and local summary criminal history information for employment, licensing or certification purposes; and

WHEREAS Penal Code Section 11105(b)(11) authorizes cities, counties, districts and joint powers authorities to access federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation; and

WHEREAS Penal Code Sections 11105(b)(11) and 13300(b)(11) require that there be a requirement or exclusion from employment, licensing, or certification based on specific criminal conduct on the part of the subject of the record; and

WHEREAS Penal Code Sections 11105(b)(11) and 13300(b)(11) require the city council, board of supervisors, governing body of a city, county or district or joint powers authority to specifically authorize access to summary criminal history information for employment, licensing, or certification purposes.

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 of Escondido is hereby authorized to access state and

federal level summary criminal history information for employment (including volunteers and contract employees) purposes and may not disseminate the information to a private entity.



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 6

Date: May 3, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Christopher W. McKinney, Director of Utilities

SUBJECT: Declaration of End of Response Level One – Water Shortage Watch Condition

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2017-64 to end Response Level One – Water Shortage Watch Condition in light of Governor Brown declaring an end to the drought emergency in the San Diego region on April 7, 2017.

FISCAL ANALYSIS:

No additional funds will be used to support this declaration.

PREVIOUS ACTION:

On August 13, 2014, the City Council adopted Resolution No. 2014-122, declaring a Level Two – Water Shortage Alert Condition, which included limiting the number of outdoor watering days to three per week.

On June 10, 2015, the City Council adopted Resolution No. 2015-98R, modifying Level Two restrictions by reducing the length of outdoor watering from ten minutes per station to seven minutes per station.

On August 17, 2016, the City Council adopted Resolution No. 2016-118, declaring a Level One – Water Shortage Watch Condition and removing the restrictions on length and frequency of outdoor watering, but retaining a focus on outreach and education.

BACKGROUND:

On April 7, 2017, the Governor of California issued Executive Order B-40-17, lifting the drought emergency in the San Diego region and most of California. Removing Level One – Water Shortage Watch Condition is in line with this change. Escondido will continue to focus on the everyday water efficiency measures outlined in the City's Municipal Code.

Using water wisely remains a priority for California, the San Diego region, and the City of Escondido. Residents, businesses, and visitors are encouraged to be as efficient as possible in their water habits. As a reminder, water conservation best management practices are required by the Municipal Code at all times, regardless of drought conditions (Chapter 31, Article 5, Section 31-230).

The following water uses are prohibited at all times:

- Watering or irrigating lawns or landscape areas in a manner causing significant runoff.
- Operating a fountain or other water feature that does not recirculate water.
- Washing any vehicle with a hose not having a water shut-off nozzle.
- Allowing water to run continuously from a hose while washing any vehicle.
- Washing driveways, sidewalks, parking areas, patios, or other hardscape areas with water, except when necessary to alleviate safety or sanitation hazards.
- Using water (unnecessarily) for construction operations, receiving water from a construction meter or water truck for any purpose other than those required by regulatory agencies.
- Watering or irrigating outdoor landscaping with potable water during a measurable rainfall event or within forty-eight (48) hours of measurable rainfall.
- The installation of single pass cooling systems in buildings requesting new water connections.
- The installation of non-recirculating systems in new or remodeled conveyor or automatic car wash systems.
- The installation of non-recirculating systems in new commercial laundry systems.

The following water use restrictions are required at all times:

- The loss or escape of water by means of breaks, leaks, or other malfunctions in the water user's plumbing or distribution system must be repaired within five (5) days of notification by the Utilities Department, or within such other time as determined by the Director of Utilities or his designee.
- Golf courses, parks, school grounds, landscapes, and recreational fields must only be watered between the hours of 6:00 p.m. and 10:00 a.m., except for very short periods of time for the express purpose of adjusting or repairing the irrigation system. Tees and greens may be watered at any time. New plantings, including grass, may be watered as needed until established.
- Recycled water must be used, after the department has provided to the customer an analysis showing that recycled water, if available, is a cost-effective alternative to potable water and the customer has had a reasonable amount of time, as determined by the Director or the Director's designee, to make the conversion to recycled water.
- A hotel or motel must provide guests the option of refusing daily laundering of towels and linens. The hotel or motel shall prominently display notice of this option in each bathroom and sleeping room using clear and easily understood language.
- Restaurants or other public places where food is served, sold, or offered for sale, will not serve drinking water to any customer unless expressly requested by the customer.

The recent drought governance began on January 17, 2014, when the Governor issued Proclamation No. 1-17-2014, declaring a State of Emergency for California due to severe drought conditions. On April 25, 2014, the Governor issued an Executive Order which called on Californians to increase their efforts to conserve water. Many agencies declared a Level One – Water Shortage Watch Condition. This level encourages customers to conserve voluntarily and increases the agencies' water

End of Level I – Water Shortage Watch Condition

May 3, 2017

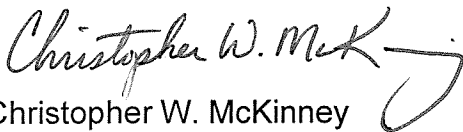
Page 3

conservation outreach. The City of Escondido's Water Conservation Ordinance already listed water restrictions and measures that are enforced at all times regardless of a current drought condition; therefore, no additional action was taken by the City at that time.

Water Code Section 1058.5 grants the State Water Board the authority to adopt emergency regulations in drought years. Therefore, in response to additional Executive action, on July 15, 2014, the State Water Board adopted an emergency regulation which required water suppliers to institute mandatory outdoor irrigation restrictions. On August 13, 2014, the City Council declared a Response Level Two – Water Shortage Alert Condition by Resolution No. 2014-122, in which additional outdoor restrictions are mandatory. This increased response level allowed water customers to irrigate three times per week for no more than ten minutes per watering station. On May 14, 2015, the San Diego County Water Authority (SDCWA) Board of Directors adopted an ordinance that specified restrictions on water deliveries to its member agencies. This ordinance was passed in response to California's emergency drought regulations, which included unprecedented mandates for retail water deliveries, and in response to the Metropolitan Water District's allocation of 15 percent less water to the SDCWA. In response to that action, the City Council adopted Resolution No. 2015-98R to limit outdoor watering to seven minutes per station while continuing to allow three watering days per week.

On May 18, 2016, the State Water Board amended its emergency declarations to allow water suppliers to self-certify the availability of water supplies. With the participation of Escondido and other member agencies, the SDCWA submitted a self-certification for the region in June 2016. In line with those actions, the City Council adopted Resolution No. 2016-118 to move the City from a Level Two to a Level One Response, which removed the three days per week, seven minutes per station outdoor watering restrictions. A Level One Water Shortage Watch declaration was consistent with declarations from other water suppliers within San Diego County at that time. Ending this Level One declaration is the action before the City Council today, and is consistent with the most recent Executive Order B-40-17 issued by Governor Brown, lifting the drought emergency in the San Diego region and most of California.

Respectfully submitted,

A handwritten signature in black ink that reads "Christopher W. McKinney". The signature is written in a cursive style with a large, sweeping flourish at the end.

Christopher W. McKinney

RESOLUTION NO. 2017-64

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
ENDING THE RESPONSE LEVEL ONE-
WATER SHORTAGE WATCH CONDITION

WHEREAS, the City Council previously adopted Escondido Municipal Code Chapter 31, Article 5, Section 31-232 as part of the Escondido Municipal Code in 2008, authorizing the City Council to declare Water Alert Conditions in response to water shortages within Southern California by duly adopted resolution; and

WHEREAS, the City Council declared a "Water Shortage Response Level One- a Water Shortage Watch Condition" on August 17, 2016, by Resolution No. 2016-118 in response to drought conditions at that time; and

WHEREAS, the Governor of California issued Executive Order B-40-17 on April 7, 2017, declaring an end to the drought emergency in most of California, including the Escondido region.

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

1. That the above recitations are true.
2. That the City Council hereby declares an end to the Response Level One-Water Shortage Watch Condition pursuant to the terms therein Escondido Municipal Code Chapter 31, Article 5, Section 31-232.
3. That the Response Level One did not institute any water use restrictions, so there are no restrictions to remove.
4. That the requirements of Escondido Municipal Code Chapter 31, Article 5, Section 31-230 "Water use restrictions and measures (at all times)," continue to be the

minimum level of water conservation required by code, and therefore remain in effect at all times regardless of drought conditions

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 7

Date: May 3, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Edward N. Domingue, Public Works Director
Gabrielle Restivo, Management Analyst

SUBJECT: Public Hearing for City of Escondido Landscape Maintenance District Zones 1 Through 38

RECOMMENDATION:

It is requested that the City Council receive input from property owners in Zones 1 through 38 of the City of Escondido Landscape Maintenance District (LMD) (map attached) on the proposed budget and assessments for Fiscal Year 2017/2018. No Council action is required.

FISCAL ANALYSIS:

The LMD, through special-benefit property assessments, reimburses the City of Escondido for costs associated with maintaining all landscaped areas in the LMD zones. The City is also an assessed property owner in Zone 12 for property purchased adjacent to Reidy Creek. Additionally, the City contributes to Zone 13 for the maintenance of median landscaping in Centre City Parkway south of Felicita Avenue, north of Montview Drive.

PREVIOUS ACTION:

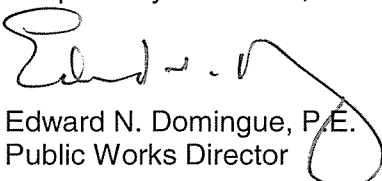
On April 5, 2017, the City Council approved the preliminary Assessment Engineer's Report for Fiscal Year 2017/2018 and set a public hearing date of May 3, 2017, for Zones 1 through 38.

BACKGROUND:

Each year the City Council reviews and approves the LMD budget and assessment for each zone. As part of the approval process, a public hearing is held to give property owners within the LMD an opportunity to comment on the proposed budget and assessment. This is the purpose of the public hearing today. The LMD budget and assessments addressed in this public hearing are for LMD Zones 1 through 38. No City Council action is required.

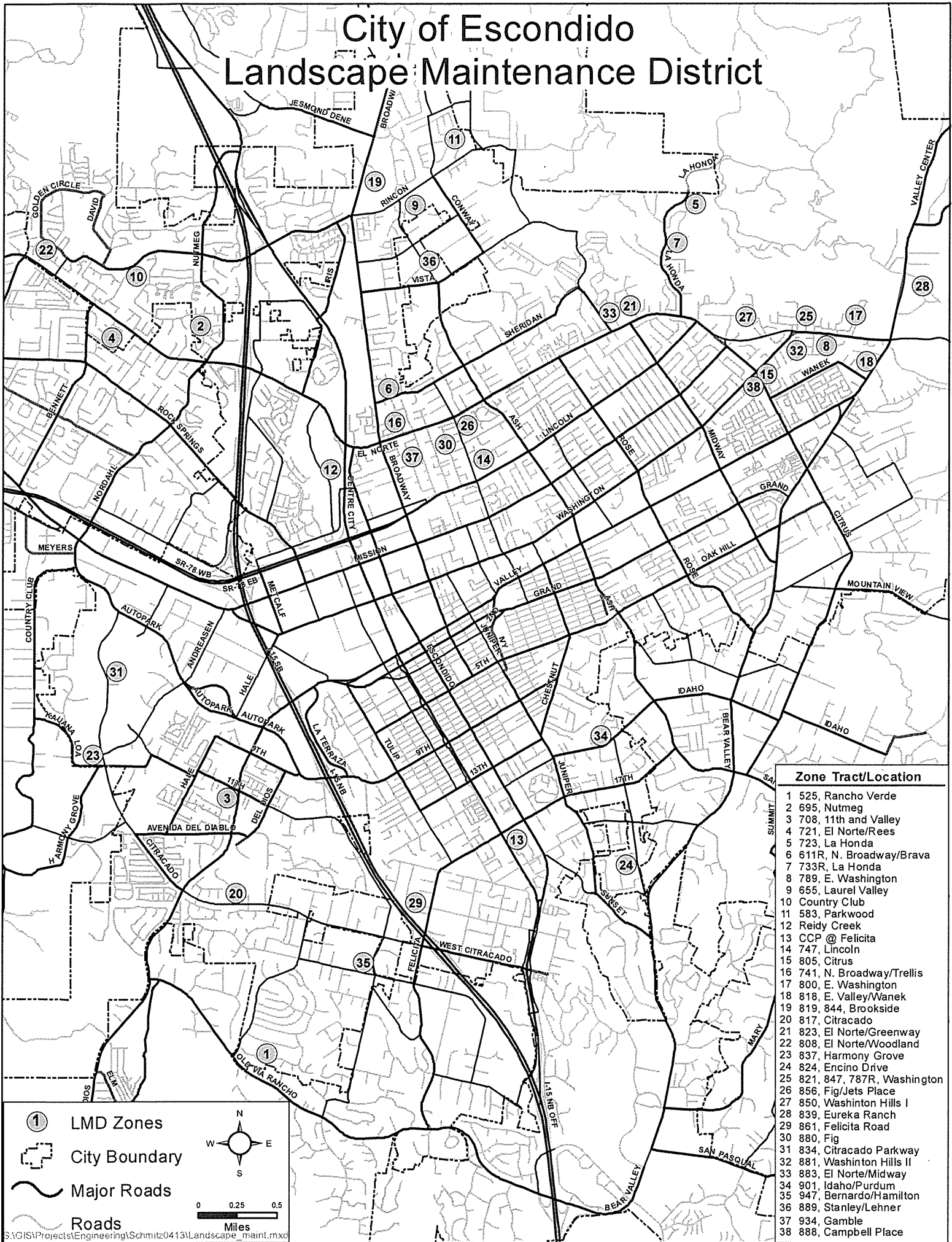
Staff will request approval of the final Assessment Engineer's Report, setting assessments for Fiscal Year 2017/2018, on June 7, 2017, at the City Council meeting.

Respectfully submitted,


Edward N. Domingue, P.E.
Public Works Director


Gabrielle Restivo
Management Analyst

City of Escondido Landscape Maintenance District



| Zone | Tract/Location |
|------|----------------------------|
| 1 | 525, Rancho Verde |
| 2 | 695, Nutmeg |
| 3 | 708, 11th and Valley |
| 4 | 721, El Norte/Rees |
| 5 | 723, La Honda |
| 6 | 611R, N. Broadway/Brava |
| 7 | 733R, La Honda |
| 8 | 789, E. Washington |
| 9 | 655, Laurel Valley |
| 10 | Country Club |
| 11 | 583, Parkwood |
| 12 | Reidy Creek |
| 13 | CCP @ Felicity |
| 14 | 747, Lincoln |
| 15 | 805, Citrus |
| 16 | 741, N. Broadway/Trellis |
| 17 | 800, E. Washington |
| 18 | 818, E. Valley/Wanek |
| 19 | 819, 844, Brookside |
| 20 | 817, Citracado |
| 21 | 823, El Norte/Greenway |
| 22 | 808, El Norte/Woodland |
| 23 | 837, Harmony Grove |
| 24 | 824, Encino Drive |
| 25 | 821, 847, 787R, Washington |
| 26 | 856, Fig/Jets Place |
| 27 | 850, Washinton Hills I |
| 28 | 839, Eureka Ranch |
| 29 | 861, Felicity Road |
| 30 | 880, Fig |
| 31 | 834, Citracado Parkway |
| 32 | 881, Washinton Hills II |
| 33 | 883, El Norte/Midway |
| 34 | 901, Idaho/Purdum |
| 35 | 947, Bernardo/Hamilton |
| 36 | 889, Stanley/Lehner |
| 37 | 934, Gamble |
| 38 | 888, Campbell Place |

LMD Zones
 City Boundary
 Major Roads
 Roads

0 0.25 0.5
 Miles

S:\GIS\Projects\Engineering\Schmitz\0413\Landscap_maint.mxd

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 8

Date: May 3, 2017

TO: Honorable Mayor and Members of the City Council

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

SUBJECT: Public Hearing Regarding the Fiscal Year (FY) 2017-2018 One-Year Action Plan for Use of Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) Funds, and Emergency Solutions Grant (ESG) Funds, and Recommendations for Allocation of HOME Funds (File Number: 0873-01)

RECOMMENDATION:

1. Adopt City Council Resolution No. 2017-66, authorizing the Director of Community Development to conditionally commit federal HOME funds in an amount not to exceed \$450,000 to Interfaith Community Services (Interfaith) for the acquisition and rehabilitation of four affordable multi-family rental units located at 557-563 Aster Place, and authorizing the Mayor and City Clerk to execute an Affordable Housing Loan Agreement and all necessary loan and supporting agreements in forms acceptable to the City Attorney; and
2. Continue the Public Hearing in regards to the FY 2017-2018 One-Year Action Plan for use of CDBG, HOME, and ESG funds until June 7, 2017.

FISCAL ANALYSIS:

The City of Escondido receives CDBG, HOME, and ESG federal entitlements annually from the U.S. Department of Housing and Urban Development (HUD) for housing and community development activities. The Five-Year Consolidated Plan provides guidance for the expenditure of these funds for FY 2015-2019. Annually, a One-Year Action Plan is developed to designate the use of each fiscal year's funds. CDBG projects will be funded solely by grant money received. HOME funds can only be used for the development of affordable housing. ESG funds can only be used to provide homeless services.

HOME funds reserved in the various budgets have been aggregated and are available for commitment. Based on HOME requirements, a portion of the aggregated funds must be committed by the City each budget year or returned to the federal government. The City

Public Hearing to Approve the Fiscal Year 2017-2018 One-Year Action Plan and
Recommendations for Allocation of HOME Funds (File Number: 0873-01)

May 3, 2017

Page 2

has \$450,000 available for commitment to an affordable housing project. Due to repayment requirements of the HOME program, \$111,705 will have to be returned to HUD if not fully committed for local housing purposes by June 30, 2017.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

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

PREVIOUS COUNCIL ACTION:

On April 22, 2015, the City Council held a public hearing and approved the FY 2015-2019 Five-Year Consolidated Plan. The Plan established priorities for the use of federal funds (including HOME and CDBG) over the five-year period, ending June 30, 2020, to benefit low-income residents and neighborhoods in the City of Escondido.

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

On March 8, 2017, the City Council held a public hearing and reaffirmed the community development priorities adopted in the FY 2015-2019 Five-Year Consolidated Plan and approved an allocation process for FY 2017-2018 CDBG and ESG funds. Council authorized the release of Requests for Proposals (RFPs)/Notice of Funding Availability (NOFA) for HOME (existing funds), CDBG (new funds), and ESG (new funds) funds.

BACKGROUND:

On March 9, 2017, the Housing & Neighborhood Services Division released an RFP inviting for-profit, non-profit and Community Housing Development Organizations (CHDOs) to submit requests for funding for the provision of affordable rental housing or first-time homebuyer opportunities through the rehabilitation of blighted properties or acquisition of long-term affordability covenants. The RFP included a total of \$450,000 in federal HOME Program funds, plus an additional \$69,170 available for CHDOs. One response to the RFP was received by Interfaith and has been reviewed in detail by staff. No responses were received from a CHDO.

By regulation, HOME funds must be committed to a specific project within two years and expended within four or five (for CHDO projects) years. Housing projects must have all financing committed, a budget and schedule established, underwriting and subsidy layering completed before HOME funds may be committed. Construction must be scheduled to begin within 12 months of the commitment of HOME funds. HOME development funds will be provided in the form of a loan to the project.

DISCUSSION OF RECOMMENDED HOME PROJECT AND ANALYSES:

Developer: Interfaith Community Services (Interfaith)

Interfaith was established in 1979 to empower people in need to stabilize and improve their lives through comprehensive programs, in partnership with diverse faith communities and people of compassion. Interfaith offers a continuum of programs and services that provide the tools and resources people in crisis need to stabilize and rebuild their lives. Programs include: social services, housing and shelter, nutrition and basic needs, veterans' assistance program, North County Labor Connections, addiction recovery services, transitional youth services and senior services.

There are a total of 28 four-plexes on Aster Street, Interfaith owns 17 of the 28 properties. Interfaith bought its first Aster Street property in 1993 and has been working to improve a blighted neighborhood that was plagued with drugs, gangs and crime. Interfaith has used City HOME funds to purchase two of the other 17 four-plexes. There have not been significant management or monitoring issues at the Interfaith-owned properties. In 2015, Interfaith and Sustainable Heroes brought together 220 community and corporate partners to create a safe and serene outdoor landscape, garden, and congregating space for the parents, children, and veterans served by Interfaith.

Financing Plan:

Interfaith has requested an allocation from the City's HOME funds of \$450,000 to assist with the acquisition and rehabilitation of the units. Acquisition of the four-plex is budgeted at \$870,830 (including a purchase price of \$830,000, closing costs of \$2,500, and estimated relocation costs of \$38,330). Based on rehabilitation of similar four-plexes on Aster Street, Interfaith estimates a rehabilitation budget of \$50,000. Work will include repairs and replacement in the kitchens and bathrooms, new flooring, roof repairs, and safety improvements. Interfaith will contribute \$470,830 in unrestricted assets to the project. These funds are already received by Interfaith, removing a barrier to commit funds before the June 30, 2017 HOME funds expiration date. If approved, this allocation of funds will provide an average subsidy of approximately \$112,500 per unit.

Planning and Affordability Analysis:

The site is adjacent to the East Valley Parkway Target Area and has a General Plan designation of Urban III allowing for multi-family residential up to 18 units per acre. This project will not add any new units to the project but will address deferred maintenance in the building and landscaping. The development will be regulated by requirements set forth in the City's loan documents restricting affordability. All four units will be rented to

Public Hearing to Approve the Fiscal Year 2017-2018 One-Year Action Plan and
Recommendations for Allocation of HOME Funds (File Number: 0873-01)

May 3, 2017

Page 4

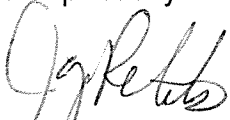
families earning less than 60 percent of the Area Median Income (AMI) at high HOME rents, units are anticipated to be available to lower income households with Housing Vouchers.

An allocation of HOME funds for acquisition and rehabilitation is recommended based on the strength of the proposal submitted.

DISCUSSION OF RECOMMENDED PUBLIC HEARING CONTINUATION FOR FY 2017-2018 ACTION PLAN:

On December 15, 2016, HUD issued Community Planning and Development (CPD) Notice 16-18: Guidance on Submitting Consolidated Plans and Annual Action Plans for Fiscal Year (FY) 2017. Congress has not completed the appropriations process for HUD's FY 2017-2018 appropriation. HUD has not been able to provide estimated FY 2017-2018 allocation amounts for grantees to use for planning purposes in developing annual Action Plans. HUD has therefore permitted grantees to delay the submission of an Action Plan to HUD until 60 days after the date allocations are announced, or until August 16, 2017, whichever comes first. Due to the uncertainty at the federal level, staff recommends delaying finalization of the Action Plan and requests a continuance of the discussion of FY 2017-18 funds until June 7, 2017.

Respectfully submitted,



Jay Petrek
Assistant City Manager



Karen Youel
Housing & Neighborhood Services Manager

RESOLUTION NO. 2017-66

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING ALLOCATION HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM FUNDING IN THE AMOUNT OF \$450,000 AND AUTHORIZING THE DIRECTOR OF COMMUNITY DEVELOPMENT TO CONDITIONALLY COMMIT FUNDS, AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE, ON BEHALF OF THE CITY, ALL NECESSARY AGREEMENTS, LOAN DOCUMENTS AND DEEDS

(557-563 ASTER PLACE, File Number: 0873-01)

WHEREAS, the City of Escondido ("City") has approved final FY 2015-16 and FY 2016-17 HOME Budgets which included funds available for the development of affordable housing; and

WHEREAS, on March 8, 2017, the City Council authorized the release of a Request for Proposals ("RFP") for the provision of long-term affordable housing, utilizing available HOME funds; and

WHEREAS, on May 3, 2017, at a Public Hearing, the City Council approved an allocation of \$450,000 in HOME funds to Interfaith Community Services ("Interfaith") for affordable housing purposes; and

WHEREAS, the City desires at this time, and deems it to be in the best public interest, to approve the allocations, to defer payment of the City's development fees to the end of the construction of the project, and to authorize the execution of all agreements, loan documents and deeds necessary to provide such funds for the provision of affordable housing.

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 approves an allocation of an amount not to exceed \$450,000 in HOME funds to Interfaith for the provision of affordable housing units.
3. That the amount designated for this project is appropriate.
4. That the Director of Community Development is hereby authorized to execute, on the behalf of the City, in a form approved by the City Attorney, a conditional letter of commitment.
5. That the Mayor and City Clerk are hereby authorized to execute, on behalf of the City, in a form approved by the City Attorney, any agreements, loan documents, and deeds necessary to provide such funds for the development of the above affordable housing projects.



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 9
Date: May 3, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Julie Procopio, Director of Engineering Services/City Engineer
Dan Higbee, Construction Project Manager

SUBJECT: Notice of Completion and Budget Adjustment for the Fiscal Year 2015/2016 Street Rehabilitation and Maintenance Project

RECOMMENDATION:

It is requested that the City Council approve and accept the public improvements and authorize staff to file a Notice of Completion for the FY 2015/2016 Street Rehabilitation and Maintenance Project ("Project"). Staff is also requesting that the City Council approve a budget adjustment for the use of Asphalt Rubber and Aggregate Membrane (ARAM) with recycled tires.

FISCAL ANALYSIS:

The contract was awarded to PAL General Engineering, Inc. The total cost of the Project was \$3,760,000. The City of Escondido was awarded a \$145,981 grant by CalRecycle for the improvement of City streets through this project.

PREVIOUS ACTION:


The City Council awarded the contract to PAL General Engineering, Inc. on May 25, 2016. On October 22, 2014 the City Council adopted Resolution No. 2014-164, authorizing the Public Works Director to submit applications to CalRecycle for the Rubberized Pavement Grant Program, and if awarded, accept the grant funds.

BACKGROUND:

The FY 2015/2016 Street Rehabilitation and Maintenance Project was part of the City's annual street improvement program. The Project resurfaced 67 lane-miles of roadway and replaced 0.76 miles of damaged sidewalk. See the attached list of improved streets. The Project also included replacement of trees in the parkway, installation of new pedestrian ramps, and additional striping of bike lanes to conform with the City's Bicycle Master Plan.

Respectfully submitted,


Julie Procopio, P.E.
Director of Engineering Services/City Engineer


Matthew Souttere
Associate Engineer

2015 - 2016 STREET REHAB / MAINT. PROJECT

Various Locations

6th AVENUE
7th AVENUE
8th AVENUE
9th AVENUE
10th AVENUE
11th AVENUE
13th AVENUE
14th AVENUE
15th AVENUE
ALLEY BETWEEN 5th AND 6th
ALLEY BETWEEN 6th AND 7th
ALLEY BETWEEN 7th AND 8th
ALLEY BETWEEN 8th AND 9th
ALLEY BETWEEN 9th AND 10th
ALLEY BETWEEN 10th AND 11th
AUTO PARK WAY
BEACON PLACE
BROADWAY
BROADWAY PLACE
CENTRE CITY PARKWAY

EL NORTE PARKWAY
ESCONDIDO
FELICITA AVENUE
FELICITA PLACE
FELICITA COURT
GRAPE STREET
HALECREST DRIVE
HICKORY STREET
IVY STREET
KALMIA STREET
KHAYYAM ROAD
MAPLE STREET
OMAR DRIVE
ORANGE PLACE
ORANGE STREET
REDWOOD AVENUE
EAST VALLEY PARKWAY
WASHINGTON AVENUE



NOTICE OF COMPLETION
CITY COUNCIL MEETING 05-03-2017





CITY OF ESCONDIDO
BUDGET ADJUSTMENT REQUEST

Date of Request: May 3, 2017
Department: Engineering Services
Division:
Project/Budget Manager: Julieanne Procopio x4001
Name Extension
Council Date (if applicable): May 3, 2017
(attach copy of staff report)

For Finance Use Only
Log # BA 05-01
Fiscal Year 2017
Budget Balances
General Fund Accts
Revenue
Interfund Transfers
Fund Balance

Table with 4 columns: Project/Account Description, Account Number, Amount of Increase, Amount of Decrease. Includes entries for FY 17 Pavement Maintenance and State Grant.

Explanation of Request:

Increase the FY 17 Pavement Maintenance project for grant funding received from the CalRecycle program for using asphalt rubber and aggregate membrane.

APPROVALS

Signatures and dates for Department Head, Finance, City Manager, and City Clerk.

Distribution (after approval): Original: Finance



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 10
Date: May 3, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Sheryl Bennett, Director of Administrative Services
Joan Ryan, Assistant Director of Finance

SUBJECT: Fiscal Year 2017/18 Operating Budget Briefing and Adoption of Budgetary and Financial Policies

RECOMMENDATION:

It is requested that the City Council review and offer comments regarding the proposed Fiscal Year 2017/18 General Fund Operating Budget. It is also requested that Council adopt Resolution No. 2017-67 which will establish written budgetary and financial policies.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item implements several provisions in the City Council's Action Plan regarding Fiscal Management. The formal adoption of written financial and budgetary policies safeguard our resources to ensure the City's fiscal stability, establish fiscal integrity and provide guidance for the development and administration of the operating budget and long-term financial plan.

FISCAL ANALYSIS:

Staff is pleased to present the City Council with a proposed 2017/18 General Fund sources and uses of funds which is balanced, preserves all City operations, emphasizes a safe, sound, and clean City and leaves reserves undisturbed. Overall sources and uses are as follows:

Sources of Funds:

| | |
|---------------------------|-----------------------------------|
| Estimated Revenue | \$97,071,505 |
| Transfer from Gas Tax | 2,055,000 |
| Transfer from Hegyi Trust | 1,000 |
| Transfer from Wastewater | 25,000 |
| Deposit – PEG Fees | 11,000 |
| TOTAL, Sources | <u><u>\$99,163,505</u></u> |

Uses of Funds:

| | |
|---|---------------------|
| General Fund Operating Budget | \$98,459,785 |
| Transfer to ASES | 67,290 |
| Transfer to Reidy Creek Golf Course-Debt Service | 368,850 |
| Transfer to Reidy Creek Golf Course-Operations | 102,150 |
| Transfer to Vehicle Parking District | 95,430 |
| Transfer to Successor Agency-Housing | 25,000 |
| Advance Payback to Public Facilities Fund-Principal | 45,000 |
| TOTAL, Uses | \$99,163,505 |

REVENUE PROJECTIONS

The proposed Fiscal Year 2017/18 General Fund revenue estimate is \$97.1 million. This represents an increase of \$2.9 million or 3 percent over the Fiscal Year 2016/17 amended revenue projection.

The following are the basic premises underlying revenue projections in Fiscal Year 2017/18:

| <u>Revenue</u> | <u>2016/17 Revised</u> | <u>2017/18 Projected</u> | <u>Change</u> | <u>% Change</u> |
|---|----------------------------|------------------------------|--------------------|---------------------|
| Sales Tax | \$37,218,000 | \$38,064,000 | \$ 846,000 | 2% |
| Property Tax | 11,991,000 | 12,337,000 | 346,000 | 3 |
| Property Tax in Lieu of VLF | 12,316,000 | 12,809,000 | 493,000 | 4 |
| Other Taxes | 12,176,000 | 12,782,000 | 606,000 | 5 |
| Permits and Licenses | 1,097,000 | 1,097,000 | 0 | 0 |
| Fines and Forfeitures | 1,402,000 | 1,291,000 | (111,000) | -8 |
| Intergovernmental | 2,893,573 | 2,812,000 | (81,573) | -3 |
| Charges for Services | 11,295,954 | 11,581,000 | 285,046 | 3 |
| Investment and Rental Income | 3,335,000 | 3,470,505 | 135,505 | 4 |
| Other Revenue | 457,710 | 828,000 | 370,290 | 81 |
| One-time Revenue | 615,735 | 0 | (615,735) | -100 |
| Total with One-time Revenue | \$94,797,972 | \$97,071,505 | \$2,273,533 | 2% |
| Total excluding One-time Revenue | \$94,182,237 | \$97,071,505 | \$2,889,268 | 3% |

- Sales tax is the largest General Fund revenue source at 39 percent of total revenue. Sales tax revenue is projected to grow in Fiscal Year 2017/18 by 2 percent. Prior year sales tax growth was projected at 4.4 percent and the City remains on target to meet this projection. This 2 percent projected increase in sales tax for 2017/18 is based primarily on projected growth in new and used auto sales of 3.3 percent as well as projected growth in sales tax collected from construction materials, at 4.2 percent. The City's sales tax consultant (who is MuniServices) advises that the projected increases in auto sales and construction sales, combined with other projections, results in the overall 2 percent sales tax revenue projection.

- Property tax revenue is projected to increase by 3 percent, with projected revenue of \$12.3 million. Prior year property tax growth was estimated at 4 percent and the City is on target to meet this projection. The major factors influencing property tax revenue are the California Consumer Price Index (CCPI), number of home sales, and increased median home prices. Proposition 13, passed by voters in 1979, specifies that a property's assessed value may increase at the rate of the CCPI, but cannot exceed 2 percent per year unless the property is improved or sold to establish a new assessed value. The State Board of Equalization determined that the CCPI increased by 2.619 percent; the Proposition 13 inflation factor for Fiscal Year 2017/18 is 2 percent. This means that the assessed valuation of properties not improved or sold will increase by 2 percent in Fiscal Year 2017/18. In addition, the median price for a home in Escondido for calendar year 2016 averaged \$450,000, which is an increase of 3.3 percent from the calendar year 2015 average monthly median home price. As homes sell this increased price will become the new assessed value for property tax purposes. For these reasons, a reasonable projection for next year's property tax revenue is an increase of 3 percent.
- Property tax in lieu of Vehicle License Fees (VLF) is estimated to increase by 4 percent to reach projected revenue of \$12.8 million. Growth in this revenue is based on the change in assessed value of taxable property in the City from the prior year. Prior year assessed value on taxable property was up 5 percent.
- There are a variety of other taxes, which include franchise fees, transient occupancy tax, business license fees, property transfer tax and the Redevelopment Property Tax Trust Fund (RPTTF) residual payment. These other taxes are projected to increase by 5 percent to reach projected revenue of \$12.8 million. This increase in revenue from other taxes is primarily based upon projected increases in the franchise fee collected from SDG&E. This change is attributable to a change in the methodology used to calculate the franchise fee payment. Staff and consultants have been closely tracking the methodology approved by the California Public Utilities Commission. In addition, the RPTTF residual payment is projected to increase by \$321,000. This is the result of the former Redevelopment Agency's reduction in outstanding debt service payments, which results in a larger ending residual balance. The larger ending residual balance is shared among all the taxing entities, and the City of Escondido receives a share.
- Permits and licenses that are collected for building, plumbing, electrical, mechanical, fire code and mobile-home permits are projected to remain stable for the upcoming year at a projected revenue of \$1.1 million.
- Fines and forfeitures are actually projected to decrease by 8 percent with a projected revenue of \$1.3 million. The majority of this decrease is from lower collection of vehicle code fines, which in turn is because of Police Department staffing realignment and a reduction in "non-directed" patrol.
- Intergovernmental revenue includes the Rincon Fire Services Agreement, state mandated cost claims, and various grants. This is projected to decrease by 3 percent, to reach projected revenue of \$2.8 million. This projected decrease is largely based on reductions in expected

grant funding. The City often does not know the amount of grant funding we will be receiving in the coming year. Using the conservative approach to budgeting, grants are not budgeted until the City is awarded the grant.

- Charges for services are projected to increase by 3 percent, to reach projected revenue of \$11.6 million. Charges for services include developer processing fees, paramedic fees, and recycling fees. In addition, moving the Recreation Department to the General Fund means that revenue also moves. Of the overall increase in charges for services, the majority of the increase is attributable to a projected increase in paramedic fees due to a fee increase that went into effect July 1, 2016.
- Income from interest and property includes rent received from leased City property and interest income on City investments. This revenue is projected to increase by approximately \$135,000 compared to the prior year to reach projected revenue of \$3.5 million. This increase is coming from increased rental income from City owned property.
- Other revenue is projected to increase by approximately \$370,000. This increase is due to fees that will be collected from project applicants to pay Planning Department costs for outside professional services to assist with project review and case file management.
- One-time revenue of \$615,735 that was budgeted in Fiscal Year 2016/17 will not be included in the revenue projection for Fiscal Year 2017/18. This revenue consisted of payments and reimbursements the City received to cover costs for Fire Department strike team incidents.

OPERATING BUDGET

The proposed 2017/18 General Fund Operating Budget is \$98,459,785. The proposed Operating Budget has increased approximately \$5.8 million compared to the Fiscal Year 2016/17 Operating Budget adopted on June 8, 2016. The following specific items contributed to this increase:

Employee Services - \$3.1 Million:

- Salaries (including overtime) - \$1,700,000
- CALPERS - \$1,100,000
- Workers' Compensation Insurance - \$220,000
- Other Employee Overhead - \$80,000

Maintenance and Operations (M&O) - \$2 Million:

- Radio Replacement and Regional Communication System Financing – \$640,000
- Recreation M&O Added to General Fund – \$530,000
- Planning Project Review and Case File Management Services – \$360,000
- M&O Increases in Police Department, including Patrol and Field Supplies, Safety Equipment, Training, Cell Phone Service, and Laptop Upgrades – \$210,000
- Streets Asphalt and Bear Valley Parkway Maintenance – \$90,000
- Other Maintenance & Operations – \$170,000

Capital Outlay – \$160,000:

- Fire Station Alerting System Replacement and Radios – \$190,000
- Other Capital Outlay – (\$30,000)

Internal Service Charges - \$900,000:

- Recreation Internal Service Charges added to General Fund – \$590,000
- Radio Communications – \$540,000
- Fleet Services – \$140,000
- General Liability Insurance – (\$370,000)

The \$6.2 million increase in expenditures listed above is offset by a \$400,000 increase in the total amount allocated out to other funds.

Eight General Fund full-time positions have been added in the Operating Budget. These are not “new” positions in the traditional sense but simply the result of moving the Recreation department into the General Fund.

The following “Other Funds” which had an increase or decrease of more than 10 percent as compared to the prior year are as follows:

CDBG

This operating budget is projected to decrease by approximately \$38,000. This is due to uncertainty in the Federal budget and because the Department of Housing and Urban Development (HUD) has recommended that jurisdictions plan on a 10 percent decrease in the grant allocation. One full-time position will be eliminated from this budget. The United States President’s proposed budget included the elimination of CDBG funding.

Successor Agency-Housing

This fund is proposing a \$70,000 decrease to its operating budget primarily because one grant-funded position is anticipated to be eliminated. Due to the winding down of the Redevelopment Agency, this fund’s primary focus has shifted to monitoring existing projects rather than expanding services.

HOME

The proposed operating budget of this fund is anticipated to decrease by \$58,000 due to a decrease in allocations in from the Successor Agency-Housing fund. Similar to CDBG, this is due to uncertainty in the Federal budget and HUD recommending that jurisdictions plan on a 10 percent decrease in the grant allocation. The United States President’s proposed budget included the elimination of HOME funding.

Successor Agency-Redevelopment

This fund proposes a decrease in the operating budget of approximately \$230,000, primarily due to a decrease in the amount of bond interest due during 2017/18.

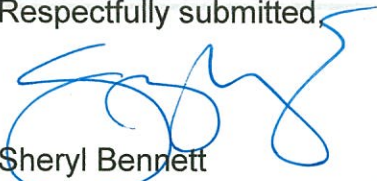
After School Education & Safety (ASES)

One full-time position is being requested to be added to the ASES grant fund: Recreation Coordinator.

Budgetary and Financial Policies

In addition to review and input on the proposed General Fund matters, the Finance Department is requesting that Council adopt a resolution which will formally establish budgetary and financial policies for the City. The City has a long standing practice of following these policies, however it is the better practice to memorialize the City's budgetary and financial best practices. These financial policies assist in ensuring long-term planning and fiscal stability. These policies provide direction to manage City finances and to provide for the delivery of quality public services; ensure a balanced budget; establish reserves necessary to meet known and unknown future obligations and create overall financial integrity. These financial policies will be included in the City's budget on a routine basis and become an essential component of our City's long-term forecasts and contingency plans.

Respectfully submitted,



Sheryl Bennett
Director of Administrative Services



Joan Ryan
Assistant Director of Finance

RESOLUTION NO 2017-67

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
ESTABLISHING THE CITY OF ESCONDIDO
BUDGETARY AND FINANCIAL POLICIES

WHEREAS, the Government Finance Officers Association recommends that governments adopt financial policies; and

WHEREAS, financial policies are central to a strategic, long-term approach to financial management; and

WHEREAS, the proposed City of Escondido Budgetary and Financial Policies were reviewed by the City Council at its May 3, 2017 meeting; and

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 of Escondido Budgetary and Financial Policies as set forth on Exhibit A, which is attached and incorporated by this reference, is hereby established as the policy of the City of Escondido, and shall be duly administered by the City's Finance and Treasury Departments acting under the authority of the Administrative Services Director.

CITY OF ESCONDIDO BUDGETARY AND FINANCIAL POLICIES

1. The Budget Will Be Structurally Balanced

Background – A budget is structurally balanced if it does not spend more on ongoing costs than it receives in ongoing revenues. A structurally balanced budget is a necessary component of good financial management and financial discipline and will help sustain the consistent delivery of services to residents. An unbalanced budget (spending more than is received) undermines the City's ability to deal with financial problems. It may lead to reduced services in the future and inhibit the City's ability to take advantage of opportunities that will periodically occur.

Policy - The budget for the General Fund will be structurally balanced for the fiscal year. It is not a violation of this policy to have a planned use of funds available to fund one-time items, including capital, equipment, land or transitional costs for operations (starting up or termination of a service element). It is also not a violation of this policy to use funds previously set aside to mitigate temporarily higher costs or lower revenues.

2. Multi-Year Financial Projections Will Be Incorporated in to The Budget Process

Background – The City's financial situation and projected future status are important factors in the financial and economic decisions the City Council may make. To support the City's budgetary planning and financial decision-making process, the City needs to analyze its financial situation and the key factors impacting its economic and financial status.

Policy - At a minimum, the proposed annual budget should include a three-year General Fund projection (the fiscal year plus two additional years). Major assumptions should be identified. It is desirable that the budget should include similar projections of key funds and potentially all funds.

3. The Budget Process Is Based On an Annual Cycle with Minimal Mid-Cycle Adjustments

Background - The service plan for the City is based on an annual budget and by good financial and operational practice. Budgeting on an annual basis provides time to review all revenue sources, develop solutions to previously identified problems, and to discuss and decide on policies and priorities. An annual budget process also provides time for management to plan and more efficiently and effectively implement changes incorporated into the budget. Shortening or interrupting the process with significant mid-cycle changes can lead to poor decision-making due to incomplete information and to inefficient and ineffective operations or expenditures.

Policy

- a. The annual budget process will be the general method used by the City to develop its annual service priorities and the level and type of resources to fund those services.
- b. Changes to the budget and to service levels during the fiscal year will be minimized. Changes during the fiscal year will generally be limited to technical adjustments, emergency funding, time sensitive opportunities or issues, or new grants or awards that are intended to be spent during the year. The creation of a new program, a higher service level, or other expenditures during mid-budget cycle is discouraged.
- c. Unexpected revenue shortfalls or other significant issues that may create a budget shortfall during the fiscal year are to be reported to the City Council with recommendations by the City Manager as to whether a mid-year budget adjustment should be made.

4. User Fees and Charges Will Be Set at The Cost of the Service

Background - Fees and associated charges are associated with recovering the cost of providing a service. The City can charge up to the full cost of providing a service.

Policy – Fees will be set at a level to fully recover costs, except where there is a greater public benefit through use of a lower fee, such as where full recovery may adversely impact overall revenue or may discourage participation in programs where the participation benefits the overall community.

5. One-Time Resources Will Be Used Only for One-Time Purposes

Background – One-time resources are revenues that only occur once, for a very limited time, or are too unpredictable or unstable to fund operations. One-time revenues are not suited to fund ongoing operations because they are not available in the future or cannot be relied on from year-to-year to pay the ongoing costs of operations.

Policy - One-time resources will not be used to fund ongoing operations. They will be used for one-time uses, including capital and other one-time expenditures, transitional funding of operations (for a limited time period with a planned ending date), increasing reserves, or paying down unfunded liabilities.

6. Capital Projects Will Be Budgeted and Funded for Both Capital and Operating Costs

Background – Expenditures for capital and infrastructure often have an impact on operating costs. New capital projects typically increase costs while repairs may lower costs. When capital and infrastructure funding decisions are made, it is important to provide information to the City Council about future operating costs as a result of the expenditures. For capital

expenditure decisions, both the one-time capital costs and the ongoing net operating costs should be considered.

Policy – Before approving any capital expenditure, the City Council shall consider both the capital (one-time) and operating (ongoing) components of costs, including the full capital cost of the project, regardless of funding sources, and all City incurred site, design, overhead costs and start-up costs. Site costs for land already owned by the City do not need to be reported. Projected operating costs through any stabilization period, as well as projected future operating and maintenance costs, are to be identified. If the project has a limited economic life, the fiscal impact information should discuss proposed end of life actions and costs. The method for funding the projected operating costs is to be included in any funding description.

7. Adequate General Fund Reserves Will Be Maintained

Background – Maintaining adequate reserves is a basic component of a financially strong City. Adequate reserves help sustain City operations when adverse or unexpected circumstances impact the City. Maintaining a reserve balance allows a city to continue operations while responding to short-term problems, eliminating the need to reduce service levels when these temporary fluctuations occur. It also provides an organization time to address longer term problems while comprehensive response plans are developed.

Policy

- a. The City Council established a target General Fund Reserve balance of 25 percent of General Fund operating revenues in order to maintain adequate levels of fund balance to mitigate current and future risks and adequately provide for cash flow requirements and contingencies for unseen operating or capital needs of the City.
- b. The Reserve balance is available to fund one-time unanticipated expenditure requirements, local disasters, or when actual revenue received is less than the amount budgeted resulting in an operating deficit in the General Fund.
- c. If Reserves are used the method for replenishing deficiencies including the source of funding and time period of replenishment to occur will be defined in the resolution. Generally, the replenishment will come from future surpluses or one-time resources.
- d. The City may establish and maintain special purpose operating reserves (in addition to the operating reserve described above). Special purpose operating reserves are intended to be used for specific revenue and expense variations and will generally be formulaic and automatic in nature in terms of when the reserves will be added and when they will be used.

- e. A Pension Rate Smoothing Reserve was established to provide economic relief during recessionary cycles and/or rate increases that are significantly above anticipated projected employee rate increases. Increases or decreases to this reserve will be included in the proposed annual operating budget.
- f. The City may establish and maintain other reserves.

8. Revenues Will Be Projected Using a Methodology That Is Reasonably Conservative

Background - Revenue projections are critical to budget decisions, particularly a budget that is intended to be structurally balanced. Unfortunately, many of the City's key revenues are subject to material variation depending on the economy. No revenue projection is likely to be accurate" when the economy is changing direction or moving quickly. As a result, it is important to have a consistent approach to projecting revenues and for decision-makers to understand the basis used to project the resources available for the budget. Revenue should be projected in a way not likely to lead to a revenue shortfall and not be so conservative that the projection is always substantially under revenues.

Policy - Revenue projections are to be objectively prepared using a conservative approach. That approach should result in overall budgeted revenues for a fund being set at a level such that it is reasonably unlikely that actual revenues will be lower than budgeted.

9. Fiscal Analysis Will Be Included with All City Council Staff Reports Which Involve Decisions for Spending, Revenues, Debt, Investments, Or Other Potential Economic Impact

Background – The City Council should receive information on the actual or potential fiscal impact of its potential actions to aid in making decisions.

Policy – For any expenditure, the funding source must be identified as well as whether the expenditure has been budgeted. In addition, for any proposed City Council action impacting City finances or its economic situation, the projected or potential fiscal impact on current and future revenues and expenditures, and the projected or potential impact on the City's financial position shall be analyzed. A discussion on any overall economic impacts to the City, if relevant, will also be included.

10. The Budget Will Fund Costs Incurred in The Current Year or Will Identify the Costs That Have Not Been Fully Funded

Background – Governments sometimes have financial issues because they do not budget for or fund costs that are incurred in a budget year, but not paid out until a future year. This practice can lead to higher costs to taxpayers in the future if they have to pay for the services provided in the past. Typically, these costs are for employee benefits, but may also be associated with other costs. Funding current year costs is not the same as funding unfunded

liabilities. Paying current costs does not have any impact on existing unfunded liabilities, but it does have an impact on keeping unfunded liabilities from occurring or growing in dollar amount. Current costs, whether paid in the current year or not, are a component of structural balance.

Policy – The budget will include funding for the costs for services for the current year. If that is determined not to be appropriate for a given year, the budget will disclose that and include a discussion of those costs that were not fully funded.

11. Financial Status and Financial Issues Will Be Reported

Background – Annual audited financial statements are an essential component of financial control and management. In addition, the City prepares interim quarterly financial reports that give the City Council more up to date financial information on the City's fiscal status.

Policy

- a. The City's comprehensive annual financial report (CAFR) will be made available to the City Council, the general public, bond holders and rating agencies after completion of the annual audit. In addition, there will be periodic reporting on the budgetary status of the City, particularly the General Fund and other funds that have unusual or problematic status. Any major or critical issue will be reported as soon as it is practical.

- b. The City presents quarterly financial reports to the City Council that provide a financial update on the General Fund and other major City funds. These reports include budgetary information, along with actual resources received to date, in addition to the use of these resources in fulfilling each fund's financial plan. Any major or critical issues will be reported as soon as it is practical.

12. Grants Will Be Actively Sought, But Only as Appropriate and with Suitable Oversight to Ensure Compliance

Background - Grants are an essential component of City resources. All grants have rules and regulations that must be followed, including but not limited to the use of the awarded funds. Failure to follow the rules and regulations may require a return of the funds, even after they have been spent. Grants often come with matching funds requirements. Grant applications must be carefully reviewed to determine if the grant is appropriate for the City. Appropriateness shall be determined based on type of match requirements (cash or in-kind), dollar amount of match required, ability to recover administrative costs, excessive restrictions on expenditures, compliance risk, and/or incompatibility with other City priorities.

Policy - The City will pursue grants that are consistent with City priorities and when the benefit to the City substantially outweighs the cost of application and administration, and the risk of

unintentional non-compliance. The City will not seek grants if the purpose does not provide a significant net benefit to the City for existing priorities. Before applying for any grant, staff shall ensure that the above conditions have been met. The City shall maintain the necessary administrative support and training to ensure compliance with grant terms and requirements.

13. Debt and Capital Leases Will Be Maintained at Appropriate Levels

Background - Debt (borrowing) is a valuable and necessary tool for financing major infrastructure and other capital assets. However, misuse of debt or poor debt management, including excessive debt and poor choices for the structure of debt, can contribute to financial weakness and compromise the City's ability to deliver services over the long-term.

Policy – Limits on the amount of debt shall be defined in the Debt Management Policy which has been adopted by the City Council. The term of debt will generally not exceed the life of the asset being acquired. Capital leases for vehicle replacement or other recurring costs should be part of a comprehensive strategy that provides for ongoing replacement of the equipment. Debt will not be used to fund operations. Incurring short-term debt (less than one year) to provide for cash flow in anticipation of revenues is not a violation of this policy. A separate Debt Management Policy has been adopted by the City Council and is located on the City website.

14. Cash and Investments Will Be Effectively Managed

Background – The primary objective of the City's cash and investment management system is to safeguard government funds while providing adequate liquidity to meet the daily cash flow demands of the City.

Policy – All funds that are not required for immediate expenditures shall be invested in accordance with State and Federal laws as outlined in the City's Investment Policy. Cash management shall be performed daily to determine how much of the cash balance is available for investment. The priorities for investment decisions shall be (in order of importance):

1. Safety – preserving the principal of investments by mitigating the two types of risk: credit risk and market risk.
2. Liquidity – structuring the investment portfolio with sufficient liquidity to enable the City to meet expected cash requirements.
3. Yield – generating a market rate of return on the portfolio within the investment constraints to provide income to the City.

A separate policy on Cash and Investment management has been adopted by the City Council and is located on the City website.

15. Capital Assets Will Be Inventoried and Their Conditions Assessed Periodically

Background- An effective capital asset accounting system is important to safeguard and manage the City's capital asset investment. Periodic review of the City's assets and infrastructure is necessary to ensure that the items are still in service. This also allows the departments to determine what assets can be maintained and what needs to be replaced.

Policy - It shall be the responsibility of the City's finance department to record capital asset transactions, tag assets, and change records as necessary. It shall be the responsibility of the various City departments that maintain the assets to provide custodial responsibility, safeguard the assets from damage and theft, inventory assets, and assess the condition of the assets periodically.

16. Delinquent Accounts Will Be Written Off When Deemed Uncollectible

Background – The timely identification of losses is an essential element in appropriately measuring the value of the City's assets. The write-off process is a critical component of that measurement. The policy is intended to enable the City to reflect the value of its receivables and ensure that resources are used efficiently and not devoted to the recovery of uncollectible receivables.

Policy - Delinquent accounts are reviewed by the Collections Officer and when appropriate, unpaid accounts will be assigned to the collections agency. Accounts deemed uncollectible will be written off as bad debt. No less than annually, the Director of Administrative Services and the Assistant Director of Finance will present to the City Council all proposed write offs above \$5,000 where collection efforts have been exhausted. Amounts due under \$5,000 will be written off if requested by the Revenue Manager and approved by the Assistant Director of Finance.

A separate policy on writing off bad debt has been adopted by the City Council and is located on the City website at.

17. A Long-Term General Financial Plan Will Be Maintained

Background - The long-term financial health of the City and the ability to provide services and a quality of life for the City's residents depends on the actions that City officials take. To help guide the decisions of City officials where the decisions impact the long-term finances of the City, a plan that identifies adopted general strategies for the long-term financial strength of the City is helpful, if not essential, to the long-term financial success of the City. The general financial plan would be specific enough to determine whether or not a particular proposal is consistent with the plan.

Policy - The City will continue to develop and update our long-term financial plan. The plan will outline general approaches the City should follow over the long-term to maintain and

increase the ability of the City to provide services through maintaining and increasing revenues, growing the City's economy for the purpose of revenue generation, and controlling and managing the cost of services and the method of delivery of services. This plan will identify and discuss unfunded liabilities and other deferred costs such as maintenance. A plan or options will be identified to address them. This plan is not intended as a general statement of overall City strategies and goals, but rather a focused approach to long-term finances and to enhancing the economic strength of the City to generate more revenues and resources for services. The plan may be integrated into an overall set of goals and strategies for the City such as the City Council Action Plan. The City Council will modify the plan as it desires and adopt it as a general guideline for future financial and economic direction. The plan is to be reviewed and updated no less frequently than every five years.

18. Financial Policies Will Be Periodically Reviewed

Background - Financial policies need to be periodically reviewed to ensure that they do not become out-of-date and also to help reinforce compliance with the policies.

Policy – Financial policies will be reviewed by the City Council every three years or more frequently, if appropriate. The City Manager will report annually on any noncompliance with the policies.

19. Procedures and Practices Are to Be Consistent with Financial Policy

Background – Financial policies are high level expressions of direction. Implementation of policies requires detailed procedures and practices.

Policy – Policy implementation procedures and practices designed and implemented by the City Manager and any associated administrative procedures and practices shall be consistent with the adopted City Council policies.



FUTURE CITY COUNCIL AGENDA ITEMS
Updated April 27, 2017

*AGENDA ITEMS AND CITY COUNCIL MEETING DATES ARE SUBJECT TO CHANGE.
CHECK WITH THE CITY CLERK'S OFFICE AT 839-4617*

| | |
|--|--|
| May 10, 2017 4:30 p.m. | |
| PROCLAMATIONS | |
| Historic Preservation Month – May 2017 | |
| National Public Works Week – May 21-27, 2017 | |
| PRESENTATIONS | |
| Presentation of Historic Preservation Awards | |
| CONSENT CALENDAR | |
| Financial Report for Quarter Ended March 31, 2017 and Budget Adjustment (S. Bennett) | |
| <i>Quarterly financial reports present written financial updates to Council concerning certain funds of the City based on the most recent financial information available. These quarterly financial reports include budgetary information for each fund, along with the actual resources received to date. Funds included in this report are the General Fund, Reidy Creek Golf Course Fund, Recreation Fund, Water and Wastewater Funds.</i> | |
| First Quarter 2017 Treasurer's Report (D. Shultz) | |
| <i>In accordance with the City's Investment Policy, the City Treasurer is required to submit an investment report to the City Council for review on a quarterly basis. The report will include the type of investment, issuer, date of maturity, par value, book value, and market value for each security held by the City.</i> | |
| PUBLIC HEARINGS | |
| Amendment to Article 67 (Density Bonus and Residential Incentives) of the Escondido Zoning Code (AZ 16-0001) (B. Martin) | |
| <i>The State Legislature has made recent changes in State law to clarify the intent of Density Bonus Law and/or expand the ways in which developers may create affordable dwelling units through Density Bonus applications. The proposed Zoning Code amendment represents the bare minimum necessary to ensure that the City's Zoning Code is consistent with State code requirements for Density Bonus project applications.</i> | |
| Amendment to Article 66 (Sign Ordinance) of the Escondido Zoning Code (AZ 17-0001) (B. Martin) | |
| <i>Signage in Escondido is regulated by Article 66 of the Zoning Code (also referred to as the Sign Ordinance). It recently has come to staff's attention that the sign regulations for private schools and charter schools do not provide adequate messaging opportunities for those uses when located in residential areas. The proposed amendment would provide more balanced sign standards for accredited public, private, and charter schools.</i> | |

May 10, 2017
Continued

CURRENT BUSINESS

WORKSHOP

Preliminary Five-Year Capital Improvement Program and Project Budgets for Fiscal Year 2017/18
(S. Bennett)

Per the City Council's direction, preliminary meeting to discuss staff recommended capital project requests for the 2017/18 Capital Improvement Program and Budget.

FUTURE AGENDA ITEMS (D. Halverson)

May 17, 2017
4:00 p.m.

Town Hall Meeting

Weekly Activity Report



April 27, 2017

ECONOMIC DEVELOPMENT

The City of Escondido will host its annual Wine & Craft Beer Tasting at Cruisin' Grand on Friday, May 19 from 5-9 p.m. on Maple Street Plaza in Downtown Escondido. The wine industry in Escondido has grown tremendously over the last several years, and this event is a great way to sample vintages from a variety of wineries in one festive, unique setting.

Featured wineries, all local to Escondido, include [BK Cellars Urban Winery & Tasting Lounge](#), [Espinosa Vineyards](#), [Forgotten Barrel](#), [Highland Valley Vineyards](#), [Hungry Hawk Vineyards](#), [Keys Creek Winery](#), [Stehleon Vineyards](#), [Vesper Vineyards](#), plus [SIP Wine and Beer](#), [Jacked Up Brewery](#) and [Stone Brewing](#).

Proceeds from the event will benefit [ArtHatch](#), an Escondido-based, arts-focused nonprofit offering a free teen program which gives studio space, exhibition space, professional art supplies, and workshops to North County teens aged 15-19.

Go to www.escondido.org/cruisin-grand.aspx for more information and to purchase tickets.

INFORMATIONAL ITEMS

Utility Bill System

The City is in the process of setting up a new online payment system for paying utility bills. Proposals from companies that provide this service are due back to the City by April 28. The Request for Proposal is on the City's home page www.escondido.org.

PUBLIC WORKS

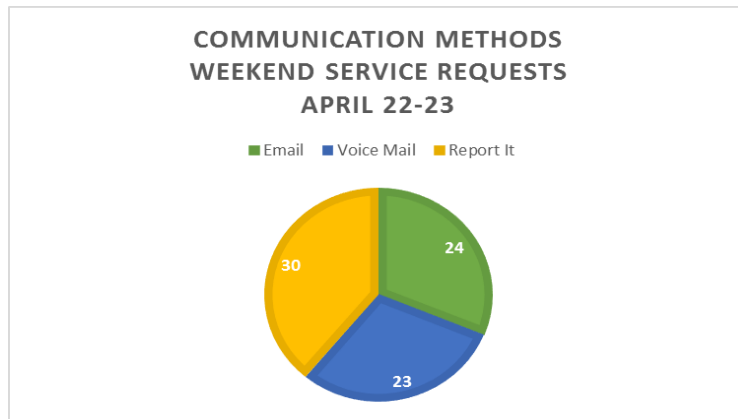
Recycling

On Saturday, April 22 (Earth Day) Recycling Division staff hosted the Dixon Lake cleanup event as part of the county-wide Creek to Bay Cleanup. A total of 70 participants volunteered at Dixon Lake including youth from Cub Scouts, mini Girl Scouts and Ameri-Corps. Volunteers collected 100 pounds of trash and 100 pounds of recyclable material. At Reidy Creek, 25 volunteers removed 20 cubic yards of materials from the creek.

Building Maintenance

The first City dumpster enclosure located in public parking lot #3, has been completed. This dumpster is used by the downtown businesses on the north side of E Grand Avenue and the south side of Valley Parkway, between Broadway and Kalmia. The enclosure is completely screened in to prevent unauthorized dumping and intruders. It will also prevent unwanted runoff into the City's storm drain system.

Maintenance & Operations



COMMUNITY DEVELOPMENT

Major Projects Update

The following major projects are currently being reviewed and coordinated with Planning, Engineering, Fire, Building and Utilities staff. A complete description of each project can be viewed [here](#). Updates provided below cover project milestones that occurred last week.

Commercial / Office:

1. Escondido Research and Technology Center – East (ERTC) (Developer: James McCann) – Project review and communications with the applicant are on-going but there are no new milestones to report this week. A grading plan for a temporary parking lot to serve the hospital was approved June 13, 2016, and the parking lot is now under construction.
2. Escondido Research and Technology Center – West (ERTC) (Developer: James McCann) – A revised grading plan recently has been approved and construction is underway on the approximately 76,000 square foot medical office building with a linear accelerator. PPH hosted a groundbreaking ceremony last week for their new outpatient center to be constructed adjacent to the site at 2185 Citracado Parkway.

3. Centerpointe 78 Commercial (Developer: Lars Andersen, Pacific Development) – A building permit for the supermarket is ready to issue once the grading plan is approved and fee credits are verified. Engineering provided comments on the storm water management plan on April 18, 2017 and has noted the grading permit is nearing approval.
4. Westfield Theater (Developer: Kim Brewer, Westfield) – *This project has been placed on hold by Westfield while they finalize lease negotiations so there is no change from the following update reported last week:* No grading, building or improvement plans have been submitted by the developer at this time.
5. Felicita Development, LLC (Developer: Katherine Park, Creative Design Associates) – *This project is on hold pending further direction and submittal of information from the applicant.* Follow-up meetings conducted by the applicant with staff and the wildlife agencies lead staff to believe a revised project is forthcoming.
6. Springhill Suites (Developer: Raj Patel, San Bernardino Hospitality LLC) – *The applicant is cleared to start construction so there is no change from the following update reported last week:* Construction is expected to commence within the next month.
7. Escondido Auto Park Association Freeway Sign (Developer: Tim Brecht, Escondido Auto Park Association) – *The applicant is cleared to start construction so there is no change from the following update reported last week:* A building permit for the sign was issued on January 19, 2017.
8. Centre City Commercial Center (Developer: Todd Dwyer) - *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* A Plot Plan and Tentative Parcel Map were submitted on January 31, 2017, and staff review is underway. The applicant recently notified Engineering that they have hired a local traffic engineer to provide third-party review of their traffic study to evaluate mitigation options.

Industrial

1. StorQuest (Developer: The William Warren Group, Inc.) – Revised building plans for this approved self-storage facility at 220 W. Mission Ave. were submitted to the Building Division on March 22, 2017 and routed to Esgil for re-check. Revised grading plans were received by Engineering last week.
2. Victory Industrial Development (Developer: Scott Merry, Badiie Development) – The applicant has secured his permits from the Army Corps, Regional Board, and CA Fish and Wildlife and the grading permit should be issued soon. Boundary adjustments with three adjoining property owners have been signed and are ready for recordation. Signal plans have been approved and street improvement plans also are nearing approval.
3. Escondido Self-Storage Facility (Developer: Brandywine Homes, Inc.) – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* Building plans grading plans, landscape plans and the final map have been submitted and comments have been provided by staff and Esgil.

4. Innovative Industrial Development (Developer: Scott Merry, Badiie Development) – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* Grading plans were submitted for plan check on February 27, 2017 and comments have been provided back to the applicant. Building plans were submitted on March 29, 2017 and are being reviewed by Esgil.
5. North American Self-Storage (Developer: Russ Colvin) – The demo permit has been issued. Plans for the underground water service for fire suppression were submitted on April 17, 2017. The applicant submitted a 2nd plan check for the grading plan on April 13, 2017. Planning has completed its review of the 2nd plan check. A boundary adjustment to combine the two lots on the site is ready to record.

City Projects

1. Micro-Filtration Reverse Osmosis (Developer: City of Escondido Utilities Department) – *No further updates to this item will be provided while litigation is in progress:* 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, and affirmed the Planning Commission’s decision to approve the project.
2. Wastewater Collections Yard Expansion (Developer: City of Escondido Utilities Department) – Grading, building and landscape plans are now being reviewed by staff. Utilities staff is assessing value engineering options in an effort to reduce the cost of the facility.
3. HARRF Biogas to Energy Project (Developer: City of Escondido Utilities Department) – *Communications with the applicant are on-going but no construction plans have been submitted since the project was approved and there are no new milestones to report this week:* A Conditional Use Permit for the project was approved by the Planning Commission December 13, 2016.
4. Lake Wohlford Replacement Dam (Developer: City of Escondido Utilities Department) – 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. A field visit with the permitting agencies will take place on May 11, 2017.

Institutional

1. Escondido United Reformed Church (Developer: Brent Cooper) – A revised grading plan has been approved. Building plans have gone through one round of plan check and the applicant is now discussing with Planning the possibility of modifying the CUP to add floor area to the sanctuary and classroom building.
2. Emmanuel Faith Community Church (Developer: Jim North, EFCC) - *The first phase is now under construction and no other building phases have been submitted for permits so there is no change from the following update reported last week:* The building permit for the children’s building was issued on February 28, 2017. Construction is now underway.

3. Self-Realization Fellowship Center (Developer: John Pyjar, Domusstudio Architecture – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* 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) – *This project has been placed on hold by the developer while the City completes construction of the Southwest Sewer Project so there is no change from the following update reported last week:* No grading or improvement plans have been submitted by the developer at this time.
2. Amanda Estates (Developer: Jason Han, New Urban West) – *This project has been placed on hold by the developer while the City completes construction of the Southwest Sewer Project so there is no change from the following update reported last week:* No grading or improvement plans have been submitted by the developer at this time.
3. Pradera (Developer: Moses Kim, Lennar Homes) – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* Another phase of six homes received building permits on April 3, 2017.
4. Lexington (Zenner) (Developer: Eric Johnston, KB Homes) – The applicant received building permits for 10 new homes on April 18, 2017. Planning is completing the final review of the remaining precise grading plans so the builder can pull the remaining building permits this week or next.
5. Stella Park Condominiums (Developer: Edward Kaen, ETP, LLC) – A precise grading plan was submitted on March 28, 2017. A final map, street improvement plans and landscape plans were also submitted on April 17, 2017. Building plans were submitted into plan check on April 6. The rough grading permit is nearing approval allowing construction to start on the project.
6. Wohlford (Developer: Jack Henthorne) – The Draft EIR has been posted on the city website and released for a 45-day public review period commencing on March 27, 2017 and ending on May 12, 2017. Potential Development Agreement terms are now being considered.
7. Latitude II (Developer: Peter Zak, Lyon/NCA) – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* A grading permit has been issued and grading is back underway. Building plans are nearing approval pending approval of the final map.
8. Canyon Grove Estates Tract 932 (Developer: John Vance, Shea Homes) – Several phases have already received building permits with two additional phases (19 homes) being issued on April 5, 2017. A precise grading plan for the remainder of the development was submitted to Engineering last week.
9. Safari Highlands Ranch (SHR) (Developer: Jeb Hall, Concordia Homes) – A revised tentative map depicting the site plan changes was submitted on October 17, 2016. Staff

comments on the Fire Management Plan were sent to the applicant the week of March 13, 2017. Initial staff review of Draft EIR sections is underway.

10. High Pointe Tract 693-J (Developer: Russell Schaeffer, True Life Communities) – *The applicant continues to actively market the property and there is no change from the following update reported last week:* 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) – *Communications with the applicant are on-going but there are no new milestones to report this week:* No grading or improvement plans have been submitted by the developer at this time.
12. 701 San Pasqual Valley Rd (Developer: Bob Stewart) – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* Staff has met several times with the applicant to help work through project design and storm water issues. A Draft Mitigated Negative Declaration has been submitted and staff has provided comments to the applicant on the draft and technical studies.
13. Veterans Village (Developer: Veterans Village of San Diego) – Demolition has been completed. Grading is underway. Building permits were issued on March 31, 2017.
14. Escondido Gateway (Developer: Greg Waite, Integral Communities) – The builder (Lyon Homes) is coordinating with city staff to resolve ownership and title issues regarding three strips of land under existing excess right-of way that is proposed to be vacated for the applicant's use. Engineering provided comments on the rough grading plan and street improvement plans on April 18, 2017.
15. The Villages at Escondido Country Club (Developer: Jason Han, New Urban West, Inc.) – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* A project resubmittal in response to the city's November 30, 2016 letter was received on March 16, 2017. Planning staff has provided a location 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) – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* The applicant has indicated that grading and building plans are expected to be submitted into plan check soon. Utilities staff is currently working on a reimbursement agreement for new water infrastructure that will be installed by the project in the adjoining alley.
17. North Avenue Estates (Developer: Casey Johnson) – *Project review and communications with the applicant are on-going but there are no new milestones to report this week:* An application to re-entitle aspects of the previously approved project that have expired and modify the project design to reflect new storm water requirements was submitted to the Planning Division on March 7, 2017. A first round of comments has been provided back to the applicant.

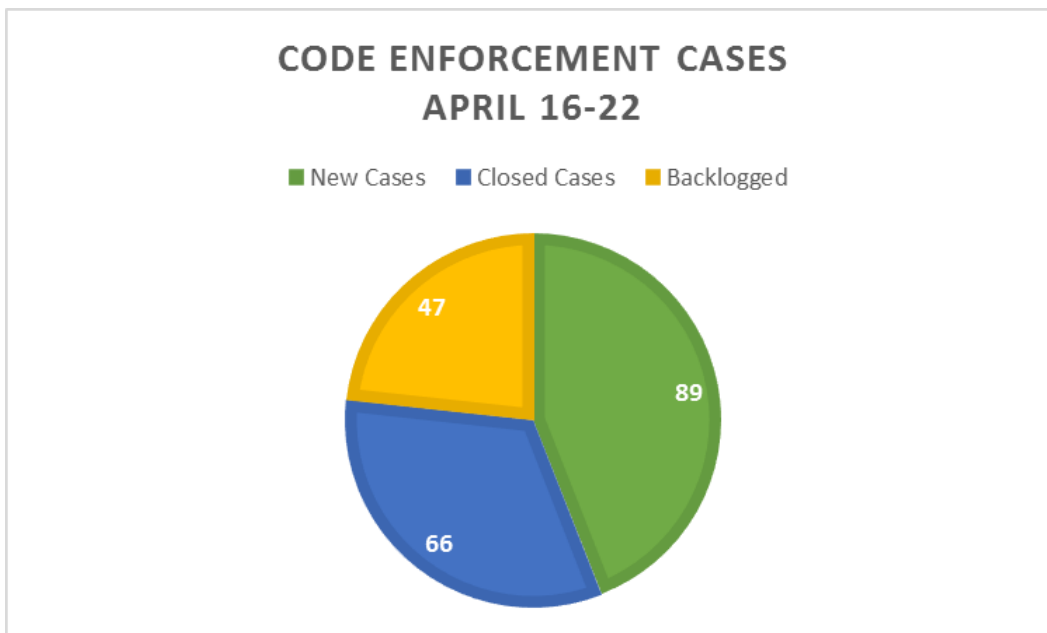
Building Division

| Building Permits Issued Last Week | Total Valuation |
|-----------------------------------|-----------------|
| 67 | \$2,807,609 |

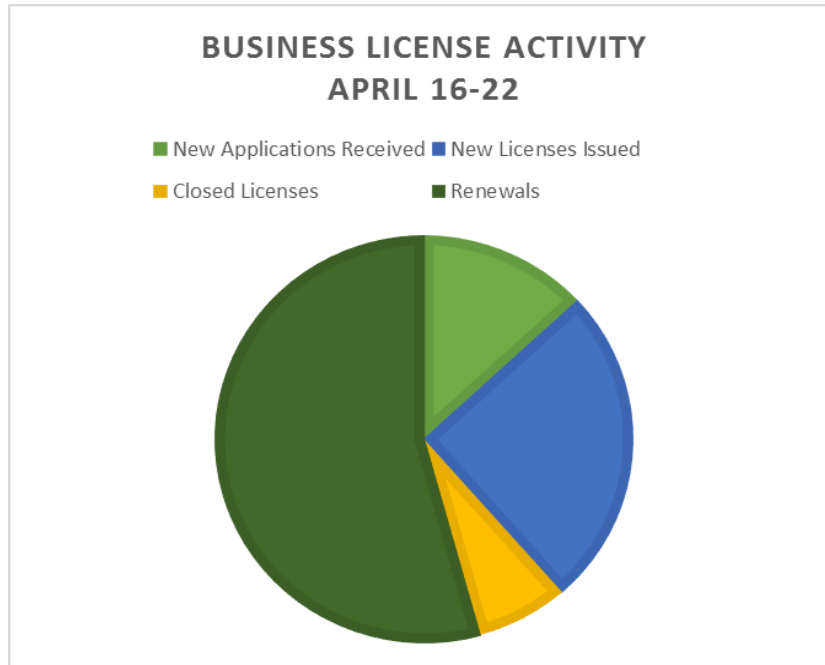
1. Issued permits included ten single-family homes for the Lexington residential development (KB Homes) on Vista Avenue.
2. Sixteen (16) solar permits were issued for the week. The Building Division has issued 301 solar permits this year compared to 443 issued for the same time last year.
3. Building inspectors responded to 198 inspection requests for the week.
4. The total building valuation for all issued permits issued this year through April 22, 2017 is \$32,240,685 compared with \$11,950,133 for the same time last year. Building has processed 931 projects to date compared with 1,123 projects for the same time period in 2016.
5. The Building Division has issued 57 single-family dwelling permits this year and permits for 112 multi-family units. This compares with 21 single-family dwellings and zero multi-family dwellings for the same time last year.
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. Three new apartment buildings (nine units) at 917 W. Lincoln Avenue.
 - c. 43,885 square foot retail building at the former Toyota dealership location – 999 North Broadway.
7. The construction of the City Plaza three-story mixed use building at 300 S. Escondido Blvd. has completed the podium slab and fourth floor wall framing is progressing.
8. The Solutions for Change affordable housing project at 1560 S. Escondido Blvd. is preparing the building for final inspection.
9. Roof framing is proceeding at The Meadowbrook three-story apartment building with underground garage at 2081 Garden Valley Glen.
10. Escondido Disposal is proceeding with the tenant improvement for the existing building and has completed the drywall. Roof framing on their new transfer building also has been completed.
11. Demolition is nearing completion at the former bank building at 444 S. Escondido Blvd.
12. The Popeye's restaurant at 1541 E. Valley Parkway has received rough framing inspection.

- 13. The medical office building at 2125 Citracado Parkway has received partial foundation approval and underground plumbing.
- 14. The Westminster Seminary has received foundation approval for three of their nine buildings.
- 15. The children's building at the Emmanuel Faith Community Church has received partial foundation inspection and underground plumbing inspection.
- 16. Plans have been submitted for review of a remodel for the Holiday Inn Express at 1250 W. Valley Parkway.
- 17. Plans have been submitted for review for a new three-story office building at 300 La Terraza Blvd.
- 18. The eight model homes at the Canyon Grove development (Shea Homes) are nearing completion and will soon open to the public.

Code Enforcement



Business Licensing



ENGINEERING

Capital Improvement Projects

The City will be receiving a \$429,095 reimbursement from the State UST Clean Up fund for remediation activities conducted at the former Union 76 service station located at 470 N. Escondido Blvd, what is now the Center for the Arts Parking lot. The City began remediation activities in 1989 when the lot was purchased. In late 2014, staff was notified that funding had become available for Priority 4 clean-up sites on a first-come first-served basis. Staff quickly gathered and submitted the required paperwork and the site was the first to receive a Letter of Commitment from the State. Since that time, staff has worked with the State to provide all back up necessary to justify the reimbursement.

2015/2016 Street Rehabilitation and Maintenance Project:

The project is now complete and will be presented at next Wednesday's Council meeting.

Neighborhood Parking District:

No changes from that reported last week: The project signs were installed this past week. Permits will go on sale at the May 4 neighborhood meeting, after that time all additional permit requests must be made at the Police Department front desk. The enforcement is scheduled to go into effect on June 1, 2017.

Jim Stone Pool:

The demolition portion of the pool project is now complete; the pump house building is wrapped in building material in preparation for the first course of stucco later this week.

Indian Creek Channel Repair:

The project is complete, the contractor replaced the 29' section of concrete channel wall, installed a 120' subsurface drain. The drain will aid in preventing water from building up behind the remaining wall segments adjacent to this property.

East Valley Pkwy/Valley Center Road Widening Project:

This project will widen the bridge over Escondido Creek north of Lake Wohlford Road, widen Valley Center Road, add medians and landscaping, and construct sidewalk from Beven Drive to the northern City limit. Staff is preparing all documents to advertise the project this week. It is anticipated that bids will be opened in May with construction to begin this summer.

Neighborhood Streetlight Project:

This project will add new streetlights to meet current lighting standards, and retrofit existing streetlights with LED fixtures at five established communities throughout the City (Cedar-Cedar Brook, Mission Grove, RTF, Rustic Village, The Elms). Once Federal forms are approved, they will be added to the bid documents for final approval. Staff anticipates advertising for bids in May 2017.

East Valley Pkwy /Date and El Norte Parkway / Fig Street Traffic Signals:

This project will add new signals at both of these intersections. Designs for both projects are complete. The City has received Authorization to Construct approval from Caltrans. Staff is making minor updates to the specifications, and anticipates advertising this project for bids in late May 2017.

PRIVATE DEVELOPMENT**Pradera - Lennar Communities:**

Vertical framing has now begun on the final phase of 16 homes.

Lexington Model Homes - KB Homes:

The construction of the new roadway along Vista Avenue between Ash Street and Lehner Avenue is now substantially complete, the roadway has reopened to all vehicle traffic prior to the school being in session this week.

Escondido Boulevard @ 3rd Avenue

No changes from that previously reported. The contractor is using a crane to deliver materials to the third floor, lane closures along 3rd Avenue will be a regular occurrence to allow for the lifting of construction materials to the newly completed third floor.

Tract 932 - Canyon Grove Shea Homes Community:

New pedestrian ramps were constructed at the two signal locations along Ash Street and El Norte Parkway this past week. Offsite paving will be completed this week along Vista Avenue with onsite paving being placed along a new segment of Vista Avenue. The 8 model homes are expected to open on April 29, 2017.

Latitude II Condominiums by a Lyon Homes Partnership: Washington Avenue @ Centre City Parkway

The new concrete box culvert is being constructed through the project to convey storm water under the project site.

Veterans Village:

The contractor has begun installation of a new onsite sewer main this week.

Tract 877 – Bernardo Ave. by Ambient Communities:

The project is a 13 lot single family residential project located at the cul-de-sac end of Bernardo Ave. The construction of the 16' high sound wall along the freeway is complete. The developer is expected to resume grading of the site later this week.

Palomar Medical Center:

The onsite sewer main is substantially complete which allowed for the reopening of the southerly driveway to the campus. With the expected impact to vehicle parking along Citracado Parkway from the installation of the new reclaimed water main, the hospital has arranged for the construction of a temporary 160 space parking lot on an available pad located adjacent to Stone Brewery. This location will be added to the existing shuttle surface.

Rincon Water/ Ash Street By-Pass project:

The contractor is continuing to install the new 24" water main along Ash Street at Vista Avenue, the work is being done between 8 a.m. and 2 p.m. to avoid impacting school traffic.

FIRE**Free Community Event**

On Saturday, June 3rd from 10 a.m. – 2 p.m. join the Escondido Fire Department and the Rincon del Diablo Fire Protection District for their annual open house at Fire Station 4 located at Kit Carson Park, 3301 Bear Valley Parkway.

The Fire & Water Expo titled, "*The Art of Living Safely*" is free to the public. Activities for the event will include Fire Station tours, vehicle displays, activities for kids, Dr. Bonner's Magic Foam Experience, and much more!

For more information go to www.rinconwater.org.

POLICE**Incidents**

- On 4/16/17 at 23:40 hours, a patrol officer located a stolen Honda Civic (originally a San Diego Sherriff's Office case) in the area of Midway and Valley Pkwy. Units coordinated a high risk vehicle stop, with K-9 assisting. The suspect was taken into custody without incident and charged with auto theft.
- On 4/17/17 at 02:34 hours, officers respond to a roll-over traffic collision in the area of Ash St. and El Norte Pkwy. Officers arrived on scene a short time later and discover a hit & run had occurred. The victim vehicle's occupants sustained minor injuries. The suspect vehicle was located approximately 4 blocks from the scene, unoccupied.
- On 4/18/17 at 16:55 hours, two male juveniles engaged in an argument over text and then agreed to meet at Kit Carson Park to fight it out. During the fight, one juvenile produces a knife and stabs the other juvenile 3 times. The wounds were all non-life

threatening and he was self-transported to Palomar Medical Center. Later the other Juvenile turned himself in at the Police Department and was arrested for felony assault.

- On 4/18/17 at 21:30 hours, officers responded to a report of someone pointing a gun near the location of 1220 N. Ivy St. Officers discovered a male subject lying down inside a stolen red Mercury Voyager parked along the curb. Once discovered, the subject began moving around and was not compliant to officers' instructions. The subject exited the vehicle and a .22 caliber handgun fell onto the ground. The subject was detained and later booked for auto theft and firearms charges.
- On 4/19/17 at 14:00 hours, a male and female were contacted near a teal Dodge Ram by an officer who was assisting another agency. The female is an active 4th waiver, and a search of her purse disclosed heroin. She was booked into the Vista Detention Facility. The male had a bank robbery warrant and was identified as the suspect in the bank robbery at 1509 E. Valley on 4/15/17. He was booked into jail on various felony charges.
- On 4/21/17 at 08:16 hours, dispatch received calls of a possible suicidal subject standing on the overpass of Highway 78 and northbound Center City Parkway. Officers arrived and confirmed that the subject was standing on the exterior overpass ledge and holding the railing and it appeared that he wanted to jump. California Highway Patrol arrived and contacted the subject; then requested Escondido Police for additional assistance and the Emergency Negotiations Team (ENT). Police ENT activated and successfully negotiated the subject from the ledge. The subject was transported to Palomar Medical Center and placed on 5150 hold. Incident lasted approximately 4 hours.
- On 4/22/17 at 22:38 hours, a subject failed to stop his motorcycle for a DUI saturation patrol unit. A pursuit ensued around the Northern part of Escondido before entering northbound I-15. Speeds upward of 100 MPH were reached. The suspect yielded on his own at Gopher Canyon and I-15. He was unlicensed.

EVENTS:

- 4/20/17 – “Please help me congratulate Jeff Udvarhelyi for being honored today as the 2016 Crime Stopper’s Enough is Enough award recipient. Jeff was recognized specifically for making an arrest of an online sexual predator for possession of child pornography. This particular predator established online communication with over 100 juveniles, and undoubtedly, Jeff’s quick response and diligence prevented multiple serious sex crimes involving children. This case is one of many that Jeff has worked with passion in order to keep our community safe.” - Captain Eric Skaja



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