



**JULY 17, 2019**  
**CITY COUNCIL CHAMBERS**  
**5:00 P.M. Closed Session; 6:00 P.M. Regular Session**  
**201 N. Broadway, Escondido, CA 92025**

MAYOR	<b>Paul McNamara</b>
DEPUTY MAYOR	<b>Consuelo Martinez</b>
COUNCIL MEMBERS	<b>Olga Diaz</b> <b>John Masson</b> <b>Michael Morasco</b>
CITY MANAGER	<b>Jeffrey Epp</b>
CITY CLERK	<b>Zack Beck</b>
CITY ATTORNEY	<b>Michael McGuinness</b>
DIRECTOR OF COMMUNITY DEVELOPMENT	<b>Bill Martin</b>
DIRECTOR OF ENGINEERING SERVICES	<b>Julie Procopio</b>

**ELECTRONIC MEDIA:**

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

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

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

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



# Council Meeting Agenda

**July 17, 2019  
5:00 P.M. Meeting**

**Escondido City Council**

## **CALL TO ORDER**

**ROLL CALL:** Diaz, Martinez, Masson, Morasco, McNamara

## **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/RRB)**

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

a. **Case Name:** John Fryday v. City of Escondido  
**Case No:** ADJ #9018583

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

a. **Property:** 210 South Broadway (APN 233-091-02)  
**City Negotiator:** Jeffrey Epp, City Manager  
**Negotiating Parties:** Dr. Schaeffer  
**Under Negotiation:** Price and Terms of Agreement

b. **Property:** 480 North Spruce Street (APN 232-091-28-00)  
**City Negotiator:** Jeffrey Epp, City Manager  
**Negotiating Parties:** TransPower  
**Under Negotiation:** Price and Terms of Agreement

c.      **Property:**                   455 North Quince Street (APN 232-091-27-00)  
  525 North Quince Street (APN 232-091-06-00)  
      **City Negotiator:**       Jeffrey Epp, City Manager  
      **Negotiating Parties:** Meridian Properties Real Estate Inc.  
      **Under Negotiation:** Price and Terms of Agreement

**ADJOURNMENT**



# Council Meeting Agenda

**July 17, 2019  
6:00 P.M. Meeting**

**Escondido City Council  
Mobilehome Rent Review Board  
and as Successor Housing Agency to the CDC**

## **CALL TO ORDER**

**MOMENT OF REFLECTION:**

**FLAG SALUTE**

**ROLL CALL:** Diaz, Martinez, Masson, Morasco, McNamara

**PROCLAMATIONS:** San Diego Rose Society Day  
Escondido Community Child Development Center Mural

## **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/RRB)**

2. **APPROVAL OF WARRANT REGISTER (Council)**

Request the City Council approve the City Council and Housing Successor Agency warrant numbers:

- 331512 – 331657, dated June 12, 2019
- 331658 – 331860 dated June 19, 2019
- 331861 – 332231 dated June 26, 2019
- 332232 – 332540 dated July 3, 2019

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

3. **APPROVAL OF MINUTES: A) Regular Meeting of June 12, 2019 B) Regular Meeting of June 19, 2019**

4. **REQUEST FOR PROPOSALS (RFP) FOR COMMUNITY CHOICE AGGREGATION/ENERGY TECHNICAL FEASIBILITY STUDY (MISC 19-0016) -**

Request the City Council approve the Request for Proposals (RFP) for a joint Community Choice Aggregation/Energy (CCA/CCE) technical feasibility study; authorize the City Manager or his designee to negotiate and execute a cost share agreement between the interested cities of Vista and/or San Marcos; and direct staff to release the RFP document, subject to approval of other partner cities.

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

RESOLUTION NO. 2019-94

5. **REQUEST FOR AUTHORIZATION TO PROCESS OUT-OF-AGENCY SEWER SERVICE AGREEMENTS AND IRREVOCABLE OFFERS TO ANNEX FOR TWO (2) UNINCORPORATED COUNTY OF SAN DIEGO PROPERTIES EXPERIENCING SEPTIC FAILURE LOCATED AT 903 HAMILTON LANE AND 2517 FELICITA ROAD -**

Request the City Council approve authorizing staff to process Out-of-Agency Sewer Service Agreements for connection to the City's sewer system, and to process Irrevocable Offers to Annex, for two (2) unincorporated county properties experiencing septic failure located at 903 Hamilton Lane (APN 238-360-05-00) and 2517 Felicita Road (APN 238-360-19-00).

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

RESOLUTION NO. 2019-101

6. **APPROVAL OF CALPERS INDUSTRIAL DISABILITY FOR POLICE OFFICE JOSEPH LEFFINGWELL -**

Request the City Council approve the California Public Employees' Retirement System (CalPERS) Industrial Disability Retirement for Police Officer Joseph Leffingwell.

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

RESOLUTION NO. 2019-90

7. **SETTING SPECIAL TAX LEVY FOR COMMUNITY FACILITIES DISTRICT NO. 2006-01 (EUREKA RANCH) -**

Request the City Council approve setting the Special Tax Levy for Community Facilities District No. 2006-01 (Eureka Ranch) for Fiscal Year 2019-20.

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

RESOLUTION NO. 2019-95

**8. SETTING SPECIAL TAX LEVY FOR COMMUNITY FACILITIES DISTRICT NO. 2000-01 (HIDDEN TRAILS) -**

Request the City Council approve setting the Special Tax Levy for Community Facilities District No. 2000-01 (Hidden Trails) for Fiscal Year 2019-20.

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

RESOLUTION NO. 2019-96

**9. CAL OES AUTHORIZED AGENT SIGNATURE FORM 130 FOR NON-STATE AGENCIES -**

Request the City Council approve authorizing the Mayor and City Clerk to execute a State of California Governor's Office of Emergency Services Designation of Subrecipient's Agent Resolution Form 130 ("Cal OES Form 130") appointing and authorizing the Fire Chief, the Director of Public Works, and the Assistant Director of Finance as authorized agents of the City of Escondido to file and engage with the Federal Emergency Management Agency and the State of California Governor's Office of Emergency Services for grants and disaster assistance applied for by the City.

Staff Recommendation: **Approval (Public Works Department: Joseph Goulart)**

RESOLUTION NO. 2019-103

**10. NOTICE OF COMPLETION FOR THE ESCONDIDO CREEK BIKEWAY MISSING LINK PROJECT**

Request City Council approve authorizing the City Engineer to file a Notice of Completion for the Escondido Creek Bikeway Missing Link Project.

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

RESOLUTION NO. 2019-100

**11. PAYMENT TO SDG&E FOR UTILITIES DESIGN AND CONSTRUCTION FOR THE CITRACADO PARKWAY EXTENSION PROJECT -**

Request the City Council approve authorizing payment to SDG&E in the amount of \$511,921 for the Citracado Parkway Extension Project utility design and construction.

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

RESOLUTION NO. 2019-106

**12. FISCAL YEAR 2019 CALIFORNIA IDENTIFICATION SYSTEMS REMOTE ACCESS NETWORK USER AGREEMENT (CAL-ID) -**

Request the City Council approve authorizing the Escondido Police Department to enter into a Cal-ID User Agreement with the County of San Diego and authorize the Chief of Police or his designee to submit agreement documents on behalf of the City.

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

**13. FISCAL YEAR 2019-2024 COUNTY OF SAN DIEGO CALIFORNIA IDENTIFICATION (CAL-ID) PROGRAM SPECIALIST FUNDING AND BUDGET ADJUSTMENT -**

Request the City Council approve accepting funding from the County of San Diego for the Fiscal Year 2019-2024 California Identification (Cal-ID) Program Specialist; authorize the Chief of Police or his designee to execute contract documents on behalf of the City; and approve budget adjustments related to reimbursement funding.

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

RESOLUTION NO. 2019-110

## CONSENT RESOLUTIONS AND ORDINANCES (COUNCIL/RRB)

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

**14. ELECTRONIC AND PAPERLESS FILING OF CAMPAIGN STATEMENTS AND STATEMENTS OF ECONOMIC INTEREST -**

Approved on June 19, 2019 with a vote of 5/0

ORDINANCE NO. 2019-07 (Second Reading and Adoption)

**15. DEVELOPMENT AGREEMENT AND MASTER AND PRECISE DEVELOPMENT PLAN FOR "THE IVY" MIXED-USE DEVELOPMENT (PHG 19-0010) -**

Approved on June 19, 2019 with a vote of 5/0

ORDINANCE NO. 2019-08 (Second Reading and Adoption)

## PUBLIC HEARINGS

**16. SHORT-FORM RENT INCREASE APPLICATION FOR CAREFREE RANCH MOBILEHOME PARK**

Request the City Council consider for approval the Carefree Ranch Mobilehome Park short-form rent increase application, and if approved, grant an increase of 75 percent of the change in the Consumer Price Index, or 2.783 percent (an average of \$14.40) for the period of December 31, 2017 to December 31, 2018. The Short-Form Rent Increase Application for Carefree Ranch Mobilehome Park meets all of the eligibility criteria for submittal of a short-form rent increase application.

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

RRB RESOLUTION NO. 2019-03

**17. ALLOCATION OF AFFORDABLE HOUSING FUNDS -**

Request the City Council approve authorizing the Director of Community Development to commit federal HOME Investment Partnership Program (HOME) funds, and Low and Moderate Incoming Housing Funds (SHA) (together Affordable Housing Funds); and authorize the Mayor and City Clerk to execute Affordable Housing Loan Agreements and all necessary loan and supporting agreements in forms acceptable to the City Attorney. SHA funds will be committed to Veterans Village of San Diego (VVSD) for the new construction of 54 units at 1540 S. Escondido Boulevard. A conditional commitment for Affordable Housing Funds will be made to National Community Renaissance of California (National CORE) for the acquisition and rehabilitation of 71 units at 1825 East Valley Parkway; when conditions have been met, an Affordable Housing Loan Agreement will be executed. A HOME Habitat for Humanity (San Diego Habitat) for the study of 245 E. El Norte Parkway in order to facilitate a future homebuyer development of up to 10 units.

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

RESOLUTION NO. 2019-102



## CURRENT BUSINESS

**18. REPORT AND RECOMMENDATIONS OF THE AD HOC SUBCOMMITTEE ON CITY COUNCIL RULES & POLICIES -**

Request the City Council receive, consider, and adopt the recommendations of the Ad Hoc Subcommittee on City Council Rules and Policies contained in Resolution No. 2019-65 that revise in part and restate in part the Council Rules and Policies adopted in Resolution No. 2014-21.

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

RESOLUTION NO. 2019-65

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

Request the City Council approve designating the Voting Delegate and up to two alternates for the League of California Cities Annual Conference in Long Beach, California on October 16-18, 2019.

Staff Recommendation: **None (City Clerk's Office: Zack Beck)**

## FUTURE AGENDA

**20. 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: Zack Beck)**

## COUNCIL MEMBERS SUBCOMMITTEE REPORTS

## CITY MANAGER'S WEEKLY ACTIVITY REPORT

The most current information from the City Manager regarding Economic Development, Capital Improvement Projects, Public Safety and Community Development. This report is also available on the City's website, [www.escondido.org](http://www.escondido.org).

- **WEEKLY ACTIVITY REPORT -**

## ORAL COMMUNICATIONS

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

## ADJOURNMENT

### UPCOMING MEETING SCHEDULE

<b>Date</b>	<b>Day</b>	<b>Time</b>	<b>Meeting Type</b>	<b>Location</b>
July 24	-	-	No Meeting	-
July 31	-	-	No Meeting	-
August 7	Wednesday	5:00 & 6:00 PM	Regular Meeting	Council Chambers
August 14	Wednesday	5:00 & 6:00 PM	Regular Meeting	Council Chambers

## TO ADDRESS THE COUNCIL

The public may address the City Council on any agenda item. Please complete a Speaker's form and give it to the City Clerk. Submission of Speaker forms prior to the discussion of an item is highly encouraged. Comments are generally limited to 3 minutes.

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

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

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

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

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

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

### LIVE BROADCAST

Council meetings are broadcast live on Cox Cable Channel 19 and U-verse Channel 99 – Escondido Gov TV. They can also be viewed the following Sunday and Monday evenings at 6:00 p.m. on those same channels. The Council meetings are also available live via the Internet by accessing the City's website at [www.escondido.org](http://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 5:00 in Closed Session and 6:00 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.*



**AFFIDAVITS**

**OF**

**ITEM**

**POSTING**



## CITY COUNCIL STAFF REPORT

Consent Item No. 2

July 17, 2019

File No. 0400-40

SUBJECT: Approval of Warrants

DEPARTMENT: Finance Department

RECOMMENDATION:

Request approval for City Council and Housing Successor Agency warrant numbers:

331512 – 331657 dated June 12, 2019

331658 – 331860 dated June 19, 2019

331861 – 332231 dated June 26, 2019

332232 – 332540 dated July 3, 2019

FISCAL ANALYSIS:

The total amount of the warrants for the following periods are as follows:

June 6 – June 12, 2019, is \$1,535,961.61

June 13 – June 19, 2019, is \$3,998,989.48

June 20 – June 26, 2019, is \$2,161,557.29

June 27 – July 3, 2019, is \$1,648,410.76

BACKGROUND:

The Escondido Municipal Code Section 10-49 states that warrants or checks may be issued and paid prior to audit by the City Council, provided the warrants or checks are certified and approved by the Director of Finance as conforming to the current budget. These warrants or checks must then be ratified and approved by the City Council at the next regular Council meeting.

**CITY OF ESCONDIDO**  
**June 12, 2019**  
**6:00 P.M. Meeting Minutes**

**Escondido City Council**

**CALL TO ORDER**

The Regular Meeting of the Escondido City Council was called to order at 6:00 p.m. on Wednesday, June 12, 2019 in the City Council Chambers at City Hall with Mayor McNamara presiding.

**MOMENT OF REFLECTION**

Zack Beck, City Clerk, led the Moment of Reflection.

**FLAG SALUTE**

Councilmember Masson led the flag salute.

**ATTENDANCE:**

The following members were present: Councilmember Olga Diaz, Deputy Mayor Consuelo Martinez, Councilmember John Masson, Councilmember Michael Morasco, and Mayor Paul McNamara. Quorum present.

Also present were: Jeffrey Epp, City Manager; Michael McGuinness, City Attorney; Bill Martin, Director of Community Development; Julie Procopio, Director of Engineering Services; Zack Beck, City Clerk.

**ORAL COMMUNICATIONS**

**Kevin Velazquez, Escondido**, shared information regarding Youth Advocacy Coalition.

**CONSENT CALENDAR**

**MOTION:** Moved by Councilmember Diaz and seconded by Councilmember Masson to approve all Consent Calendar items with the exception of item 5. Motion carried unanimously.

**1. AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/RRB)**

**2. APPROVAL OF WARRANT REGISTER (Council)**

Request the City Council approve the City Council and Housing Successor Agency warrant numbers:

- 331118 – 331318, dated May 29, 2019

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

**3. APPROVAL OF MINUTES: Regular Meeting of May 15, 2019**

**4. DEPOSIT AND REIMBURSEMENT AGREEMENT TO EVALUATE A COMMUNITY FACILITIES DISTRICT FOR THE VILLAGES PROJECT -**

Request the City Council approve authorizing the Mayor and City Clerk to execute a Deposit and Reimbursement Agreement with New Urban West (NUWI Country Club, LLC) to evaluate a request to form a Community Facilities District for The Villages project. (File No. 0600-10 [A-3304])

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

RESOLUTION NO. 2019-83

**5. AWARD OF CONTRACT FOR LEGAL ADVERTISING FOR FISCAL YEAR 2019-20 -**

Request the City Council approve awarding the bid for the City's legal advertising for a one-year period to The Daily Journal. (File No. 0600-10 [A-3300])

Staff Recommendation: **Approval (City Clerk's Office: Zack Beck)**

RESOLUTION NO. 2019-77

**THIS ITEM WAS REMOVED AND MOVED TO JUNE 19, 2019.**

**CONSENT RESOLUTIONS AND ORDINANCES (COUNCIL/RRB)**

The following Resolutions and Ordinances were heard and acted upon by the City Council/RRB at a previous City Council/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**

**6. ADOPTION OF FISCAL YEAR 2019/20 ANNUAL OPERATING BUDGET AND THE APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2019/20 -**

Request the City Council approve the Fiscal Year 2019/20 Annual Operating Budget and approve the Appropriations Limit (GANN Limit) for Fiscal Year 2019/20. (File No. 0430-30)

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

A) RESOLUTION NO. 2019-81 B) RESOLUTION NO. 2019-82

Sheryl Bennett, Deputy City Manager/Administrative Services, Joan Ryan, Assistant Director of Finance, and Jodi Coco, Budget Manager, presented the staff report utilizing a PowerPoint presentation.

Mayor McNamara opened the public hearing and asked if anyone wished to speak on this issue in any way. No one asked to be heard; therefore, he closed the public hearing.

**MOTION:** Moved by Councilmember Morasco and seconded by Councilmember Diaz to approve the Fiscal Year 2019/20 Annual Operating Budget and adopt Resolution No. 2019-81. Ayes: Martinez, Masson, Morasco, McNamara. Noes: None. Absent: Diaz. Motion carried.

**MOTION:** Moved by Councilmember Morasco and seconded by Councilmember Masson to approve the Appropriations Limit (GANN Limit) for Fiscal Year 2019/20 and adopt Resolution No. 2019-82. Ayes: Martinez, Masson, Morasco, McNamara. Noes: None. Absent: Diaz. Motion carried.

**MOTION:** Moved by Councilmember Morasco and seconded by Councilmember Masson to authorize the initiation of the community survey on service priorities. Ayes: Martinez, Masson, Morasco, McNamara. Noes: None. Absent: Diaz. Motion carried.

**7. THE FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM, THE FISCAL YEAR 2019/20 CAPITAL IMPROVEMENT PROGRAM BUDGET, AND AMENDMENT TO THE 2018 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM -**

Request the City Council approve adopting the Fiscal Years 2019/20-2023/24 Five-Year Capital Improvement Program and Fiscal Year 2019/20 Capital Improvement Program Budget; and adopt an amendment to the Regional Transportation Improvement Program for Fiscal Years 2019 through 2023. (File No. 0430-30)

Staff Recommendation: **Approval (Finance Department Sheryl Bennett and Engineering Services Department: Julie Procopio)**

A) RESOLUTION NO. 2019-92 B) RESOLUTION NO. 2019-93

Michelle Collett, Senior Accountant, Angela Morrow, Deputy Director of Utilities/Construction & Engineering, and Matt Souttere, Associate Engineer, presented the staff report utilizing a PowerPoint presentation.

Mayor McNamara opened the public hearing and asked if anyone wished to speak on this issue in any way. No one was asked to be heard; therefore, he closed the public hearing.

**MOTION:** Moved by Councilmember Masson and seconded by Deputy Mayor Martinez to approve adopting the Fiscal Years 2019/20-2023/24 Five-Year Capital Improvement Program and Fiscal Year 2019/20 Capital Improvement Program Budget; and adopt an amendment to the Regional Transportation Improvement Program for Fiscal Years 2019 through 2023 and adopt Resolution No. 2019-92 and Resolution No. 2019-93. Ayes: Martinez, Masson, Morasco, McNamara. Noes: None. Absent: Diaz. Motion carried.

## **FUTURE AGENDA**

**8. 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: Zack Beck)**

## **COUNCIL MEMBERS SUBCOMMITTEE REPORTS**

Councilmember Masson attended a San Diego County Water Authority meeting and reported regarding the Authority's budget.

Councilmember Morasco attended the High School/Elementary School Districts Council Subcommittee meeting and reported regarding school safety concerns, library accessibility, and a potential aquatic facility.

Mayor McNamara attended a SANDAG Transportation Subcommittee meeting.

## **CITY MANAGER'S WEEKLY ACTIVITY REPORT**

The most current information from the City Manager regarding Economic Development, Capital Improvement Projects, Public Safety and Community Development. This report is also available on the City's website, [www.escondido.org](http://www.escondido.org).

- **WEEKLY ACTIVITY REPORT -**



**ORAL COMMUNICATIONS**

**ADJOURNMENT**

Mayor McNamara adjourned the meeting at 8:07 p.m.

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MAYOR

\_\_\_\_\_  
CITY CLERK

**CITY OF ESCONDIDO**  
**June 19, 2019**  
**5:00 P.M. Meeting Minutes**  
**Escondido City Council**

**CALL TO ORDER**

The Regular Meeting of the Escondido City Council was called to order at 5:00 p.m. on Wednesday, June 19, 2019 in the City Council Chambers at City Hall with Mayor McNamara presiding.

**ATTENDANCE:**

The following members were present: Councilmember Olga Diaz, Deputy Mayor Consuelo Martinez, Councilmember John Masson, Councilmember Michael Morasco, and Mayor Paul McNamara. Quorum present.

**ORAL COMMUNICATIONS**

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

**MOTION:** Moved by Deputy Mayor Martinez and seconded by Councilmember Morasco to recess to Closed Session. Motion carried unanimously.

- I. CONFERENCE WITH LEGAL COUNSEL-- EXISTING LITIGATION (Government Code 54956.9(d)(1))**
- a. **Case Name:** Citizens Development Corporation v. County of San Diego, et al., U.S. District Court  
**Case No:** 12-CV-0334 GPC (KSC)
- II. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code §54956.8)**
- a. **Property:** 1600 West 9th Avenue, APN 232-542-13-00 (Windsor Gardens)  
**City Negotiator:** Jeffrey Epp, City Manager  
**Negotiating Parties:** Community Housing Works  
**Under Negotiation:** Price and Terms of Agreement

**ADJOURNMENT**

Mayor McNamara adjourned the meeting at 5:30 p.m.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

**June 19, 2019  
6:00 P.M. Meeting**

**Escondido City Council**

**CALL TO ORDER**

The Regular Meeting of the Escondido City Council was called to order at 6:00 p.m. on Wednesday, June 19, 2019 in the City Council Chambers at City Hall with Mayor McNamara presiding.

**MOMENT OF REFLECTION**

Zack Beck, City Clerk, led the Moment of Reflection.

**FLAG SALUTE**

Guillermo Gonzales, Recreation Leader I, led the flag salute.

**ATTENDANCE:**

The following members were present: Councilmember Olga Diaz, Deputy Mayor Consuelo Martinez, Councilmember John Masson, Councilmember Michael Morasco, and Mayor Paul McNamara. Quorum present.

Also present were: Jeffrey Epp, City Manager; Michael McGuinness, City Attorney; Bill Martin, Director of Community Development; Julie Procopio, Director of Engineering Services; Zack Beck, City Clerk.

**PROCLAMATIONS:**

Guillermo Gonzales, Recreation Leader I, received the proclamation for Parks & Recreation Month - July 2019

Arturo Velasco received the proclamation for Arturo Velasco Day - Escondido Education COMPACT 2019 Outstanding Youth of the Year.

**PRESENTATIONS:**

Felicity Vaughn, volunteer, and Melissa Navarrete, volunteer, presented regarding Operation Underground Railroad (O.U.R.).

**ORAL COMMUNICATIONS**

**CONSENT CALENDAR**

**MOTION:** Moved by Deputy Mayor Martinez and seconded by Councilmember Diaz to approve all Consent Calendar items with the exception of items 5, 6, 8, 9, and 11. Motion carried unanimously.

**1. AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/RRB)**

**2. APPROVAL OF WARRANT REGISTER (Council)**

Request the City Council approve the City Council and Housing Successor Agency warrant numbers: (File No. 0400-40)

- 331319 – 331511, dated June 5, 2019

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

**3. APPROVAL OF MINUTES: A) Regular Meeting of May 22, 2019 B) Regular Meeting of June 5, 2019**

**4. NOTICE OF COMPLETION FOR EAST VALLEY PARKWAY/VALLEY CENTER ROAD STREET WIDENING PROJECT -**

Request the City Council approve authorizing the City Engineer to file a Notice of Completion for the East Valley Parkway/Valley Center Road Widening Project. (File No. 0600-95)

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

RESOLUTION NO. 2019-71

**5. NOTICE OF COMPLETION FOR THE CENTRE CITY SHOPPING CENTER -**

Request the City Council approve authorizing the City Engineer to file a Notice of Completion for Centre City Shopping Center. (File No. 0600-95)

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

RESOLUTION NO. 2019-88

Julie Procopio, Director of Engineering Services, was available for questions.

**MOTION:** Moved by Councilmember Diaz and seconded by Councilmember Morasco to approve authorizing the City Engineer to file a Notice of Completion for Centre City Shopping Center and adopt Resolution No. 2019-88. Motion carried unanimously.

**6. CONTRACT AMENDMENT FOR THE CITRACADO PARKWAY EXTENSION PROJECT -**

Request the City Council approve authorizing a Seventh Amendment to the Consultant Agreement with AECOM in the amount of \$357,325 for the Citracado Parkway Extension Project. (File No. 0600-10 [A-3059])

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

RESOLUTION NO. 2019-97

Julie Procopio, Director of Engineering Services, presented the staff report utilizing a PowerPoint presentation.

**MOTION:** Moved by Councilmember Morasco and seconded by Councilmember Masson to approve authorizing a Seventh Amendment to the Consultant Agreement with AECOM in the amount of \$357,325 for the Citracado Parkway Extension Project and adopt Resolution No. 2019-97. Motion carried unanimously.

**7. SECOND AMENDMENT TO THE PUBLIC SERVICES AGREEMENT FOR RIGHT OF WAY LANDSCAPE MAINTENANCE SERVICES WITH STEVEN SMITH LANDSCAPING INC. -**

Request the City Council approve authorizing the Mayor and City Clerk to execute a Second Amendment to the Public Services Agreement, exercising option period two (2) of the Right of Way Landscape Maintenance Services Request for Proposal No. 18-02, extending the Agreement through June 30, 2020, in an amount not to exceed \$275,388.80. (File No. 0600-10 [A-3256])

Staff Recommendation: **Approval (Public Works Department: Joseph Goulart)**

RESOLUTION NO. 2019-86

**8. AWARD PURCHASE OF FUELS FOR FISCAL YEAR 2020 -**

Request the City Council approve the purchase of unleaded gasoline and diesel fuel from SC Fuels, Inc. in the amount of \$1,200,000 utilizing a Cooperative Purchase Agreement with the City of San Diego, RFP No. 10089315-18-K, pursuant to Escondido Municipal Code Chapter 10, Article 5, Section 10-90. (File No. 0470-35)

Staff Recommendation: **Approval (Public Works Department: Joseph Goulart)**

RESOLUTION NO. 2019-89

Joseph Goulart, Director of Public Works, was available for questions.

**MOTION:** Moved by Councilmember Masson and seconded by Councilmember Diaz to approve the purchase of unleaded gasoline and diesel fuel from SC Fuels, Inc. in the amount of \$1,200,000 utilizing a Cooperative Purchase Agreement with the City of San Diego, RFP No. 10089315-18-K, pursuant to Escondido Municipal Code Chapter 10, Article 5, Section 10-90 and adopt Resolution No. 2019-89. Motion carried unanimously.

**9. SECOND AMENDMENT TO A CONSULTING AGREEMENT FOR THE CONTINUATION OF PLANNING SERVICES FOR THE SAFARI HIGHLANDS RANCH PROJECT, AND RELATED BUDGET ADJUSTMENT (SUB 15-0019 AND ENV 15-0009) -**

Request the City Council approve a Second Amendment to a Consulting Agreement with John Helmer DBA Quercus Land Use Planning for the sum of \$76,700 to continue providing professional planning services on the project as a contracted extension of City staff and approve the related budget adjustment. Authorizing this request does not have any legally binding effect on any possible future discretionary action related to the proposed project. (File No. 0600-10[A-3198])

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

RESOLUTION NO. 2019-91

Bill Martin, Director of Community Development, was available to answer questions.

**Scott Graves, Escondido,** requested language be added to the agreement regarding advocating on the City's behalf.

**Patricia Borchmann, representative for Escondido Chamber of Citizens,** requested this item be postponed until the July 17, 2019 City Council Meeting and the agreement be suspended until that time.

**MOTION:** Moved by Councilmember Morasco and seconded by Councilmember Masson to approve a Second Amendment to a Consulting Agreement with John Helmer DBA Quercus Land Use Planning for the sum of \$76,700 to continue providing professional planning services on the project as a contracted extension of City staff and approve the related budget adjustment. Authorizing this request does not have any legally binding effect on any possible future discretionary action related to the proposed project and adopt Resolution No. 2019-91. Ayes: Martinez, Masson, Morasco, McNamara. Noes: Diaz. Motion carried.

**10. INNOVATE78 MEMORANDUM OF UNDERSTANDING (MOU) -**

Request the City Council approve a Memorandum of Understanding (MOU) involving the City of Escondido and the cities of Carlsbad, Oceanside, San Marcos, and Vista; and authorize continued funding for Escondido's annual share (\$38,000) of the Consultant Services Agreement with San Diego Regional Economic Development Corporation (EDC) to continue the work of the "Innovate78" regional economic development initiative. Each of the five cities pays an equal share for the contract, which totals \$190,000 per year. (File No. 0865-60)

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

RESOLUTION NO. 2019-98

Michelle Gellar, Economic Development Manager, and Matt Sanford, Director of Economic Development for San Diego Regional Economic Development Corporation, presented the staff report utilizing a PowerPoint presentation.

**11. ELECTRONIC AND PAPERLESS FILING OF CAMPAIGN STATEMENTS AND STATEMENTS OF ECONOMIC INTEREST -**

Request the City Council approve amending Chapter 2, Article 7 of the Escondido Municipal Code by adding Section 2-109.1 to require electronic and paperless filing of campaign statements of economic interest. (File No. 0680-10)

Staff Recommendation: **Approval (City Clerk's Office: Zack Beck)**

ORDINANCE NO. 2019-07 (First Reading and Introduction)

Zack Beck, City Clerk, presented the staff report utilizing a PowerPoint presentation.

**MOTION:** Moved by Councilmember Diaz and seconded by Councilmember Masson to approve amending Chapter 2, Article 7 of the Escondido Municipal Code by adding Section 2-109.1 to require electronic and paperless filing of campaign statements of economic interest and introduce Ordinance No. 2019-07. Motion carried unanimously.

**12. AWARD OF CONTRACT FOR LEGAL ADVERTISING FOR FISCAL YEAR 2019-20 -**

Request the City Council approve the bid and award the contract for the City's legal advertising for a one-year period to Escondido Times-Advocate. (File No. 0600-10 [A-3300])

Staff Recommendation: **Approval (City Clerk's Office: Zack Beck)**

RESOLUTION NO. 2019-77R

## CONSENT RESOLUTIONS AND ORDINANCES (COUNCIL/RRB)

The following Resolutions and Ordinances were heard and acted upon by the City Council/RRB at a previous City Council/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

**13. DEVELOPMENT AGREEMENT, AND MASTER AND PRECISE DEVELOPMENT PLAN FOR "THE IVY" MIXED-USE DEVELOPMENT (PHG 19-0010) -**

Request the City Council approve a Development Agreement to allocate density from the Downtown Density Transfer Program; approve a Master and Precise Development Plan including a Density Bonus Application; and adopt a Class 32 Exemption in accordance with the California Environmental Quality Act (CEQA) for a proposed mixed-use development known as "The Ivy" located at 343 East Second Avenue. (File No. 0600-15)

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

ORDINANCE NO. 2019-08 (First Reading and Introduction)

Bill Martin, Director of Community Development, presented the staff report utilizing a PowerPoint presentation. Mayor McNamara opened the public hearing and asked if anyone wished to speak on this issue in any way.

**Oscar Medina, Project Manager for Circulate San Diego**, voiced support for the proposed project.

**Aisha Wallace-Palomares, Escondido**, voiced support for the proposed project and shared concerns regarding affordable housing.

Mayor McNamara asked if anyone else wished to speak on this item in any way. No one asked to be heard; therefore, he closed the public hearing.

**MOTION:** Moved by Councilmember Masson and seconded by Councilmember Morasco to remove \$300,000 funding for fencing at Kit Carson Park; approve a Development Agreement to allocate density from the Downtown Density Transfer Program; approve a Master and Precise Development Plan including a Density Bonus Application; and adopt a Class 32 Exemption in accordance with the California Environmental Quality Act (CEQA) for a proposed mixed-use development known as "The Ivy" located at 343 East Second Avenue and introduce Ordinance No. 2019-08. Ayes: Masson, Morasco. Noes: Diaz, Martinez, McNamara. Motion failed.

**MOTION:** Moved by Deputy Mayor Martinez and seconded by Councilmember Diaz to approve a Development Agreement to allocate density from the Downtown Density Transfer Program; approve a Master and Precise Development Plan including a Density Bonus Application; and adopt a Class 32 Exemption in accordance with the California Environmental Quality Act (CEQA) for a proposed mixed-use development known as "The Ivy" located at 343 East Second Avenue and introduce Ordinance No. 2019-08. Motion carried unanimously.

**14. REPORT ON DRINKING WATER PUBLIC HEALTH GOALS -**

Request the City Council receive and file the Drinking Water Public Health Goals (PHG) Report for years 2016-2018 and accept public comment on the report. (File No. 1320-90)

Staff Recommendation: **Receive and File (Utilities Department: Christopher W. McKinney)**

Christopher W. McKinney, Director of Utilities, and Reed Harlan, Water Treatment Plant Superintendent presented the staff report utilizing a PowerPoint presentation.

Mayor McNamara opened the public hearing and asked if anyone wished to speak on this issue in any way. No one was asked to be heard; therefore, he closed the public hearing.

**NO COUNCIL ACTION NECESSARY ON THIS ITEM.**

**CURRENT BUSINESS**

**15. ESCONDIDO DISPOSAL INCORPORATED (EDI) WASTE & RECYCLING FRANCHISE AGREEMENT AMENDMENT -**

Request the City Council approve adopting the Waste and Recycling Franchise Agreement with EDI, amending the existing Franchise Agreement pertaining to residential and non-residential solid waste and recycling terms, provisions, conditions, rates, and fees. (File No. 0600-10 [A-2340])

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

RESOLUTION NO. 2019-61

Jay Petrek, Assistant City Manager, presented the staff report utilizing a PowerPoint presentation.

**MOTION:** Moved by Councilmember Morasco and seconded by Councilmember Masson to approve adopting the Waste and Recycling Franchise Agreement with EDI, amending the existing Franchise Agreement pertaining to residential and non-residential solid waste and recycling terms, provisions, conditions, rates, and fees and adopt Resolution No. 2019-61. Motion carried unanimously.

**FUTURE AGENDA**

**16. 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: Zack Beck)**

**COUNCIL MEMBERS SUBCOMMITTEE REPORTS**

Councilmember Masson attended San Diego County Water Authority Budget Subcommittee meeting and shared information regarding rate increases.

Councilmember Diaz and Deputy Mayor Martinez attended ad hoc subcommittee meeting with City Attorney Mike McGuinness regarding Council policies.

## **CITY MANAGER'S WEEKLY ACTIVITY REPORT**

The most current information from the City Manager regarding Economic Development, Capital Improvement Projects, Public Safety and Community Development. This report is also available on the City's website, [www.escondido.org](http://www.escondido.org).

- **WEEKLY ACTIVITY REPORT -**

## **ORAL COMMUNICATIONS**

## **ADJOURNMENT**

Mayor McNamara adjourned the meeting at 8:40 p.m.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK



## CITY COUNCIL STAFF REPORT

**Consent Item No. 4**

**July 17, 2019**

**File No. 0470-32**

SUBJECT: Request for Proposals (RFP) for Community Choice Aggregation/Energy Technical Feasibility Study (MISC 19-0016)

DEPARTMENT: Community Development Department, Planning Division

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2019-94 to approve the RFP for a joint Community Choice Aggregation/Energy (CCA/CCE) technical feasibility study, authorize the City Manager or his designee to negotiate and execute a cost share agreement between the interested cities of Vista and/or San Marcos, and direct staff to release the RFP document, subject to approval of other partner cities.

FISCAL ANALYSIS:

There is no direct fiscal impact associated with the staff recommendation. City staff will present the results of the RFP process to the City Council following an evaluation of all proposals received.

Releasing an RFP or developing a technical feasibility study to evaluate the possibility of forming a CCA/CCE program in no way binds or otherwise obligates the City of Escondido to participate in the actual program, unless it so chooses by passage of a City ordinance. If the City opts to develop a joint CCA/CCE program, the total cost of the feasibility study may be repaid to all participating cities from the revenues generated by the CCA/CCE program. On June 12, 2019, the City Council approved the FY 2019/2020 operating budget, which included among other things, a \$50,000 allocation to prepare the CCA/CCE technical feasibility study. The contract and payment of a professional consultant is anticipated to be around \$100,000 based on other similar studies completed to date, to which the City of Escondido would be responsible for paying its share of the total cost.

PREVIOUS ACTION:

City staff presented certain climate action measures to the City Council on January 16, 2019, in an effort to narrow down the final measures to be included in the Climate Action Plan Update. The CCA/CCE program is a measure proposed to be included in the CAP Update in order to meet the City's 2030 greenhouse gas emissions target.

BACKGROUND:

In 2006, the Legislature passed the California Global Warming Solutions Act of 2006 [Assembly Bill 32 (AB 32)], which created a comprehensive, multi-year program to reduce greenhouse gas emissions, statewide. In 2016, Senate Bill 32 (SB 32) put into law a statewide goal to reduce greenhouse gas emissions 40 percent below 1990 levels by 2030. Altogether, the state is making progress and California is well on its way to meeting the 2020 target, but despite these efforts much more action is needed. The new 2030 requirement is much more ambitious. As a result of the 2030 goal, California cities and counties are seeking out new ways to reduce greenhouse gas emissions and address the impact of climate change by cutting energy consumption. One of the more common methods of mass-switching to renewable energy sources is through a CCA/CCE program or similar program. CCA/CCE is an alternative to the investor owned utility energy supply system to secure alternative energy supply contracts. CCA/CCE is a mechanism that enables cities and counties to procure electricity and reduce energy consumption for residents and local businesses. Determining the technical and financial feasibility of CCA/CCE requires obtaining and analyzing San Diego Gas and Electric energy load data and conducting a technical feasibility study.

ANALYSIS:

California is experiencing the emergence of community choice aggregators, a new type of utility. There are currently nineteen (19) operational CCA/CCE programs in the State of California, and another twelve (12) emerging joint agencies considering the same. Under a CCA/CCE, these communities are in control over where their electricity will come from, whether to purchase electricity on the market, or more importantly, to build local renewable energy resources in their respective communities. A local CCA/CCE, if determined to be technically and financially feasible, would procure energy from renewable sources and reduce greenhouse gas emissions generated by residential and commercial sectors of the Escondido community. Furthermore, a CCA/CCE could provide substantial environmental and economic co-benefits and provide the opportunity to fund and implement a wide variety of energy related programs of interest to the community.

The CCA/CCE technical feasibility study would evaluate the best approach to developing an affiliation with existing CCA/CCEs, other cities exploring CCA/CCEs, and/or a third party. The draft RFP, provided as Exhibit "1" to draft Resolution No. 2019-94, requests analyses of multiple factors including load forecasts, rate analysis and comparisons, supply scenarios, pro-forma analysis, sensitivity analysis, regulatory and risk analysis, management and funding models, and economic impacts. Staff further requested an analysis of revenue generated under a CCE model versus franchise fee revenue generated under existing franchise agreements. The cities of Vista and San Marcos have been discussing the prospect of an inland cities/78 corridor partnership for technical feasibility study procurement. Staff from the cities of Vista and San Marcos have reviewed the RFP and are presenting the RFP to their respective councils for approval prior to distribution of the RFP. As of this writing, the City of Vista has been identified as willing to serve as lead agency and will likely administer preparation of a CCE technical feasibility study for the joint cities including contracting and

payment of a professional consultant. The City Council for the City of Vista approved the RFP and its release on June 25, 2019.

ENVIRONMENTAL REVIEW:

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a "project" under Section 15378(b)(5) of CEQA Guidelines. The action involves an organizational or administrative activity of government that will not result in the direct or indirect physical change in the environment. This item is related to the forthcoming Climate Action Plan Update. A CCA/CCE program is likely to be included as a draft city action or measure and would help the city meet greenhouse gas emissions reduction targets and goals established in the Climate Action Plan Update.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Mike Strong*, Assistant Director of Planning  
7/10/2019 3:54 p.m.

ATTACHMENTS:

- 1 Resolution No. 2019-94
- 2 Resolution No. 2019-94 – Exhibit A

RESOLUTION NO. 2019-94

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, TO APPROVE A REQUEST FOR PROPOSALS TO DEVELOP A TECHNICAL FEASIBILITY STUDY TO EVALUATE THE POSSIBILITY OF FORMING A COMMUNITY CHOICE ENERGY PROGRAM.

Planning Case No.: MISC 19-0016

WHEREAS, Community Choice Aggregation/Energy (“CCA/CCE”) is a mechanism by which local governments assume responsibility for purchasing and providing electrical power for residential and commercial customers in their jurisdiction in partnership with San Diego Gas & Electric Company (“SDG& E”); and

WHEREAS, CCA/CCE, if determined to be technically and financially feasible, would procure energy from renewable sources and reduce greenhouse gas emissions generated by the Escondido community; and

WHEREAS, determining the technical and financial feasibility of a CCA/CCE requires obtaining and analyzing SDG& E energy load data and conducting a technical feasibility study.

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 of the City of Escondido authorizes the City Manager, or his designee, to develop and release a Request for Proposals in substantial conformance to that as set forth in the attached Exhibit “A,” which is incorporated by this reference as though fully set forth herein, for a CCA/CCE technical feasibility study along with other formally committed cities, including but not limited to the cities of Vista and San Marcos.

3. That the City of Escondido commits to leading or allowing another partner city to lead the development of a CCA/CCE technical feasibility study by providing project management and contract administration services and by hiring a consultant to complete the study.

4. That the City Council of the City of Escondido authorizes the City Manager, or her designee, to negotiate and execute a Cost Share Agreement between the interested, partner cities to prepare a CCA/CCE technical feasibility study, with a total City contribution limit that reflects an amount not-to-exceed the City's fair share or \$50,000, whichever is less.

5. Adoption of this Resolution in no way binds or otherwise obligates the City of Escondido to participate in a Community Choice Energy Program, unless it so chooses by passage of a City ordinance.

## THE CITY OF VISTA REQUEST FOR PROPOSAL

Notice is hereby given that proposals will be received until 12:00 P.M. on [Date], Pacific Standard Time (PST), furnishing the City of Vista ("the City") with:

### COMMUNITY CHOICE AGGREGATION TECHNICAL FEASIBILITY STUDY SERVICES

Prospective respondents are hereby referred to the proposal instructions, general provisions and terms and conditions contained in this request for proposal. All proposals must be submitted by the due date and time. Late proposals will not be considered.

Questions related to the proposal must be submitted to [staff contact]. Questions must be received by 3:00 pm on [Date]. Answers will be uploaded as an addendum no later than 5:00 pm on [Date].

The City reserves the right to reject any or all proposals received, any portion of any proposal and to waive any irregularities or informalities in proposals or the RFP process. Any addenda that are issued through this RFP must be signed and returned with your submittal.

[Staff Contact and phone number]

### Schedule

Activity	Date
RFP Posted	TBD
Pre-Bid Meeting (not mandatory)	
Question Submittal	
Response to Questions Released	
RFP Response and Proposal Due	
Presentations/Interviews	
Notice of Intent to Award	
Council Adoption	
Contract Inception	

### Objective & Background

The City of Vista is located in northern San Diego County with a population of approximately 103,000 and covers approximately 18 square miles. It is surrounded by the cities of San Marcos, Carlsbad and Oceanside, as well as unincorporated County territory. Vista is known for its ideal climate and semi-rural residential neighborhoods, but has recently seen significant growth in the industrial, commercial, and multi-family sectors.

The City of Escondido is located in northeastern San Diego County with a population of approximately 151,000, with about 47,000 homes and covers approximately 37.5 square miles. The cities of San Marcos and Vista are to the west of Escondido, along State Route-78 (SR-78). Escondido is known for having a strong mix of small town friendliness and big-city buzz as the "City of Choice."

The City of San Marcos is located in central portion of northern San Diego County, approximately 40 miles north of downtown San Diego. The City is bound by the cities of Vista and Carlsbad to the west, the City of Escondido to the east and unincorporated areas within the County of San Diego to the north and south. The City is roughly 24.37 square miles with an estimated population of 98,369 in 2019 (California's Department of Finance). San Marcos's population is projected to be 101,238 by year 2020 and 121,447 by 2030 (General Plan-2012).

## **Scope of Work**

### **A. Project Summary**

The City, on behalf of the cities of Vista, San Marcos and Escondido (Partners) is requesting proposals for a Community Choice Aggregation (CCA) Technical Feasibility Study (Study). The Partners seek to understand the feasibility of CCA, including various options for development and implementation, as well as potential costs, risks and benefits. It is the goal of the Partners to determine whether a CCA program(s) could be established for our communities that would meet the greenhouse gas emissions goals of the Partner cities while keeping electricity rates comparable to or lower than those of the local utility, San Diego Gas & Electric (SDG&E).

### **B. Study Goals**

The Study shall:

1. Determine whether the cities of Vista, San Marcos, and Escondido could reasonably expect to establish and operate a successful CCA program based upon a set of electricity supply scenarios;
2. Determine to what extent the CCA program could offer renewable energy to residents and businesses and help achieve each city's greenhouse gas (GHG) reduction goals;
3. Provide options as to how a CCA program could be structured, managed and successfully implemented; and
4. Evaluate the potential risks and benefits associated with forming a CCA program, including the environmental, financial, economic, legal and technical implications. The study must provide adequate detail to inform the possible future preparation of a CCA Implementation Plan that could be certified by the California Public Utilities Commission (CPUC) regardless of which formation option is selected (i.e. independent or partner with other jurisdictions in the region).

### **C. Background**

1. Community Choice Aggregation (CCA)

State legislation regarding CCAs allows local governments or groups of local governments to procure electricity on behalf of customers within their jurisdiction. Through CCAs (also called Community Choice

Energy), local jurisdictions may choose to procure higher levels of renewable energy for their constituents than what is available from the local utility, further reducing GHG emissions. Under a CCA, the local utility, SDG&E, would continue to deliver, meter and bill electricity to all customers and would maintain grid infrastructure and local distribution systems, including those in the CCA.

There are currently more than 17 active CCA programs in California including Marin Clean Energy, Sonoma Clean Power, Lancaster Choice Energy, Peninsula Clean Energy, Silicon Valley Clean Energy, Apple Valley Choice Energy, Solana Energy Alliance, and Redwood Coast Energy Authority. Many other local jurisdictions, including some in San Diego County, are also exploring the feasibility of developing CCAs.

## 2. Study Area

The study area includes the San Diego County cities of Vista, San Marcos and Escondido.

### **D. Scope of Services**

Through the scope of work, the consultant will conduct a CCA Technical Feasibility Study for the Partners that meet the goals stated in the Project Summary.

The selected consultant shall perform the following scope of work.

#### 1. Load Study and Forecast

The consultant shall prepare a utility load forecast that reviews historical usage and projects future electric energy requirements and peak demand individually for each participating jurisdiction and collectively for the Partners, across all customer classes, taking into account growth in renewables (e.g. solar), storage (e.g. batteries) and other appropriate factors such as compensation for line losses and resource adequacy requirements (RAR). This task will also entail the development of class-specific forecasts which could be aggregated to comprise a composite of expected electrical energy requirements. This forecast shall account for current direct access accounts and customers who take service at the distribution level, as identified in customer data provided by the utility. The load study will estimate the number of megawatts that will be required to serve the electric energy requirements of the CCA(s) year by year during the first ten years of operation. The load study will estimate the number or percentage of customers in each customer class that would need to participate to make the CCA viable. In order to provide a thorough and consistent analysis, the consultant shall reconcile any data discrepancies that may arise from the electricity load data received from SDG&E.

In support of this study, the consultant shall assist the Partners in acquiring two years of aggregated load data for customers in their respective jurisdictions in accordance with SDG&E tariffs. The consultant will assist in the preparation of each Partner's load data request so that the appropriate and necessary data for the analysis is received for all Partners.

*The successful consultant will be required to fully comply with all SDG&E confidentiality provisions. All consultant personnel having access to confidential information shall be required to sign applicable non-disclosure agreement(s) with respect to the Partners' request for confidential information from SDG&E.*



## 2. Rate Analysis and Comparison

The consultant shall prepare a CCA and utility rate analysis with reasonable estimates of future utility rate changes based on historical prices and factors that may affect future rate changes (e.g. local generation and storage construction, spot market pricing, renewable energy mandates and changes in the cost of renewables, etc.). Other factors may also include, but are not limited to ancillary services, transmission congestion impacts and transmission scheduling coordination costs. This analysis shall be presented in a scenario analysis, with high, medium and low estimates of future CCA and SDG&E pricing for all rate classes. The analysis must include:

- a) Identification of factors that may affect rate comparison such as changes in utility portfolio structure and rate restructuring;
- b) Utility costs, departing load charges, and surcharges embedded in rate forecast for direct comparison to CCA costs;
- c) The impacts on CCA customers' bills and CCA viability as a result of the Power Charge Indifference Adjustment (PCIA), which is imposed on CCA customers to account for the costs of stranded power contract costs. For analysis, the PCIA should be projected year by year up to 10 years and the study should explain how these numbers were derived; and
- d) Consideration of any other factors that may affect rate comparison, such as varying natural gas prices, rate restructuring, PCIA changes, Net Energy Metering (NEM) costs, battery storage, electric vehicles, demand response capabilities, etc., including consideration of a NEM program that pays solar owners wholesale rates for power generated in excess of usage.

The analysis shall include rate projections and comparisons at program launch, as well as five years and ten years after establishment.

## 3. Supply Scenario Analysis

The consultant shall develop multiple scenarios for the CCA's energy procurement requirements. Each scenario will forecast rates and competitiveness with SDG&E for all products, estimate GHG reductions compared to SDG&E and estimate Net Energy Metering or equivalent program costs. Each scenario will provide differentiated energy service options with a variety of renewable power mix offerings (e.g. 35%, 50%, 75%, 90% and 100%), increasing over time to help meet each Partner's respective GHG emissions reduction goals. The "high" scenario should include 100% renewable energy content by 2030. The renewable portion of the baseline scenario should be equivalent to or better than the renewable portion of SDG&E's current power mix in terms of quantity and resource classification. Each scenario must meet or exceed the California Renewable Portfolio Standard (RPS) and describe the cost associated. The analysis shall describe the resource mix necessary to achieve each scenario, specifying the type of resources [local, in-state, in-county, international, renewable vs. fossil fueled, bundled vs. unbundled renewable energy certificates (RECs), energy credits, technology preferences]. The analysis shall include a supply scenario that does not include any unbundled Renewable Energy Credits (RECs) (Category 3 renewables).

## 4. Pro-Forma Analysis

The consultant shall provide a financial model that permits assessments of CCA viability under a variety of governance and operational structures and makes clear the minimum number of customers that will

need to participate in order to maintain economic viability. The consultant shall assess the overall cost-benefit potential to support a threshold decision regarding moving forward with a CCA. Costs in the model shall include those associated with program development and implementation as well as net ratepayer costs over the forecast period. Quantifiable impacts shall include potential for: annual and net savings to CCA customers compared to those remaining with SDG&E, net GHG reductions, expanded use of renewable energy resources and local economic development (e.g. job-years created and indirect economic impacts). The pro-forma analysis shall include:

- a) Cash flow analysis, detailing costs and projected benefits under the electric supply scenarios outlined under "Supply Scenario Analysis" above;
- b) Reports detailing costs and projected benefits under sensitivity case assumptions;
- c) Reports detailing costs and projected benefits of phasing in customer load over time;
- d) Variations of relative costs and benefits for phasing in customer load over differing time periods; and
- e) Standard cost-of-service variables including:
  - i. Energy costs - Variable inputs for resource portfolio mixes to include:
    1. Forecast spot market prices
    2. Long-term and short-term power contracts
    3. Market pricing relative to peak and off-peak demand
    4. Renewable Energy Portfolio requirements or better
  - ii. Start-up costs
  - iii. Cost of capital
  - iv. Operating and maintenance costs, including administrative, staffing, legal, billing, metering, customer service, outreach, etc.
  - v. Uncollected accounts
  - vi. CCA customer responsibility charges and terms
  - vii. Program reserves
  - viii. CCA bonding for re-entry fees
  - ix. SDG&E surcharges, in particular the impacts of the PCIA
  - x. Power supply costs that assume CCA feed-in tariff and NEM programs

The consultant's pro-forma analysis shall be performed in at least five different geographic scenarios (including stand-alone analyses for each of the participating cities, a combined analysis including all participating jurisdictions and potential analysis looking at joining other local regional programs). Cost proposals should include a contingency for pro-forma analysis to be performed on one or more additional geographic areas. The geographic areas to be studied will be decided prior to the commencement of the consultant contract. The consultant shall provide a fully functional model that can be used by the Partners for future analysis as inputs or market conditions change.

#### 5. Sensitivity Analysis

The consultant's model shall be designed to accommodate sensitivity analyses reflecting changes in the following variables:

- a) Market prices for conventional and renewable energy resources;
- b) Program phase-in at varying supply levels;
- c) Changes in SDG&E generation rates, the PCIA and customer surcharges;

- d) Changes in policies affecting local renewables development, including possible net metering policy changes, possible reduction or elimination of the federal solar tax credit and production tax credit for wind power;
- e) The possibility that not all cities listed as a Partner in this study will join the CCA initially (or at any point in the future). The consultant shall examine to what extent rates may change depending on varying levels of participation. If 25% of the eligible load joins a CCA, if 50%, 80%, etc., is it possible—based on previous experience—that rates and resource availability would materially change? In other words, would lower levels of participation potentially translate into higher prices given reductions in volume?
- f) The inclusion in the supply portfolio of renewable energy resources at levels that exceed state RPS requirements;
- g) The inclusion in the supply portfolio of local and distributed renewable resources, energy efficiency, demand response and demand reduction programs;
- h) Program viability under various customer opt-out rate scenarios (i.e., 2%, 5% and 10% opt-out rates);
- i) Program viability if other cities opt to join the CCA. Identify the factors that should be considered when adding a new jurisdiction;
- j) Range of potential IOU exit fees and their potential impact on CCA long-term solvency.
- k) CCAs compete with IOU for energy procurement. Analyze the anticipated changes in future market prices and IOU/CCA procurement contracts in consideration of the number of cities moving towards CCA in the San Diego region; and
- l) Analysis and/or disclosure of impacts and potential costs for any cities wishing to opt out of CCA after its establishment.

#### 6. Regulatory and Risk Analysis

The consultant shall analyze the potential risks to the program, as well as outline risk mitigation measures. Such risks could include, but are not limited to:

- a) Financial risk to the participating jurisdictions in the event of program failure or loss, including credit risk;
- b) Impacts on customers in the event of program failure or loss;
- c) The financial risk associated with supply-demand mismatches and changes in market pricing under various portfolio scenarios, including both short-term (e.g., 5 years) and long-term (e.g., 20+ years);
- d) Regulatory and legislative risk due to rule changes at the CPUC or changes in state law that affect CCA competitiveness, including PCIA regulations;
- e) Ability to procure renewable energy in compliance with RPS standards, because of changes in state law under SB 350; and
- f) Grid stability.

#### 7. Governance, Management and Funding Models

The consultant shall evaluate various governance and management models for achieving program objectives, management efficiency and effectiveness, minimizing risk to participating communities, minimizing financial impacts and allowing for decision-making autonomy and discretion. Specifically, the analysis shall assess whether the program can be managed as a Joint Powers Authority (JPA), by individual cities or another arrangement and will describe the pros and cons of each option. The analysis shall also assess the potential for the Partners to join an already existing or currently forming CCA. The consultant

shall also consider options that would allow member agencies to implement programs tailored to their individual priorities regarding rates and renewable mix.

Whether a JPA model or otherwise, the study shall outline management options, including internal management, external vendors or third parties, in whole or in part. The consultant shall prepare a conceptual program funding plan, including an analysis of common CCA program financing models and anticipated repayment scenarios for each. The study shall assess and describe potential future program opportunities that the CCA may implement, including but not limited to: energy conservation and energy efficiency programs, promotion of local renewable energy development, increased community resilience to power outages and natural disasters, programs promoting local jobs, programs targeted to the low-income and disadvantaged communities and economic and business development.

## 8. Economic Impacts

For the scenarios presented in the study, the consultant shall examine effects on the local economy, including effects on direct and indirect employment, with reliance on existing economic development models such as the Jobs and Economic Development Impact (JEDI) model from the National Renewable Energy Laboratory or other industry-standard models to quantify potential economic impacts of various supply scenarios. The consultant shall also assess the potential economic impacts of the CCA on local businesses, consumer cost, the local renewable energy industry and any multiplier effect that might result within the local economy.

## 9. Deliverables and Reports

The selected firm will be expected to provide the following deliverables and reports:

- a) Bi-weekly updates with assigned project staff and Partner staff, either written or verbal, on the status of the project;
- b) Coordination with Partners to finalize load data request to SDG&E. Verification and finalization of load data from SDG&E, assessment and reconciliation of any data discrepancies, and execution of a Non-Disclosure Agreement, if required, for individuals who will be analyzing data;
- c) Verification and finalization of study scope, analytic assumptions and the power supply scenarios to be considered;
- d) Summary of communications with and vetting of study assumptions and findings by SDG&E and/or Sempra Services Corporation;
- e) Draft technical study in Microsoft Word (plus additional drafts, as necessary, at the request of the Partners);
- f) Draft pro-forma model in Microsoft Excel (plus additional drafts, as necessary, at the request of the Partners);
- g) At the discretion of the Partners, the draft feasibility study may be reviewed by a third party (or parties), including SDG&E and/or Sempra Services Corporation, and the consultant shall be required to provide responses to any comments received as a result of such review.
- h) Final version of study will be submitted after review by assigned project staff, Partner staff and possible third-party reviewer. The final draft shall include all appendices, pro-forma analyses, Excel spreadsheets and documentation that was utilized in the development of the study;
- i) Final pro-forma model which can be used by the Partner(s) staff (or designee) for future analysis as inputs or market conditions change in Excel format;
- j) Presentation of study findings and results to all Partner staff, Councils, advisory boards and/or other public meetings (up to six presentations – two in each of the Partner cities); and

- k) Outreach to the public to support the study, including but not limited to, preparation of web content, fliers, social media blasts and press releases for each of the six public meetings.

It is not expected that the consultant will recreate analysis that has already been performed for other jurisdictions. For the sake of economy, the consultant may submit public documents or portions of them in lieu of original analysis, provided that the consultant has conducted an independent review for accuracy and applicability.

#### 10. Project Timeline

The study shall lay out an estimated implementation and start-up timeline for the CCA. It is anticipated that the load data request will take eight to ten weeks to fulfill from the date SDG&E receives load data requests from the consultant and/or participating jurisdictions.

#### E. References

Provide a list of two (2) customers for whom you have provided similar services. Please indicate as follows:

Customer Name & Address	Contact Person & Phone	Date of Service
1. _____	_____	_____
2. _____	_____	_____

#### Proposal Form and Content

The City of Vista will accept proposals on behalf of the Partners in accordance with the instructions and specifications in this Request for Proposal (RFP).

- A. Provide one (1) electronic copy of your proposal.
- B. The Partners reserve the right to amend, alter or revoke this Request for Proposal at or before the due date and time of proposal. Any modifications, clarifications or additions will be distributed via email as an addendum.
- C. Consultants may withdraw their proposal, either personally or by written request, at any time prior to the scheduled closing time of proposals. Such requests should be directed to [Staff contact].
- D. If, in the course of the Request for Proposal process or in the administration of the resulting contract, the Partners determine that the contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the Partners,

consultant may be terminated from the Request for Proposal process or in the event a contract has been awarded, the contract may be immediately terminated.

- E. The Partners will not be liable for any costs associated with the preparation or transmittal of any proposal or material submitted in response to this RFP. The Partners are not obligated to explain any deficiencies in a proposal, nor accept requests for justification from bidders not selected. All responses and documentation become the property of the Partners.
- F. The Partners reserve the right to conduct interviews or require oral presentations of any or all consultants prior to selection.
- G. By submitting a proposal, consultant certifies that he/she has fully read and understands the Request for Proposal and has full knowledge of the scope, nature, quantity and quality of service to be performed.
- H. If the Consultant does not execute a contract with the Partners within sixty (60) days after notification of award, the Partners may give notice to the Consultant of the City's intent to select from the remaining respondents or to call for new proposals, whichever the Partners deem appropriate.
- I. Proposals should expressly state that the offer, including all pricing proposals, will remain in effect through the duration of the contract.
- J. The Partners are under no obligation to award this project and under no obligation to award this project to the proposal that represents the lowest cost. The contract may be awarded on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.
- K. The Partners reserve the right to reject any or all proposals or to accept any proposal deemed to be in its best interest. All answers supplied to questions asked in this RFP are subject to verification. Misleading and inaccurate answers will be grounds for disqualification at any stage in the evaluation and procurement process.
- L. The relationship between the Partners and the consultant selected to conduct the services outlined in this RFP shall be governed by a contract that must be approved by the Partners. Upon the Partners' acceptance of a proposal, the successful Consultant will be required to negotiate and execute the Contract. Any proposed waiver or change in the Contract must be identified in your proposal and will be subject to the Partners' sole approval.
- M. The consultant will have thirty (30) calendar days from "Notification of Selection" in which to provide required insurance forms and bond as outlined in the Standard Professional Services Agreement (Attachment xxx) and to provide three (3) signed copies of the agreement. The Partners will provide the contractor with three (3) sets of the Agreement of which all sets must be executed and returned promptly. Services may not commence until the Agreement is fully executed and approved by each of the Partner cities.

## Evaluation Criteria

A review committee comprised of representatives from each of the Partner cities will judge the merit of proposals received in accordance with the general criteria defined herein. Failure of proposers to provide in their proposal any information requested in this RFP may result in disqualification of the proposal. The sole objective of the review committee will be to select the proposal that is most responsive to the Partners' needs. The contract award, if any, will be made to the proposer whose proposal best serves the interests of the Partners as they determine in their sole discretion. This is not a low bid solicitation, and the scoring criteria set forth below are not determinative of the successful proposer.

### Experience of proposed staff – 25%

- Experience of project staff with similar scope of services. Level of education, training, licensing and certification of staff. In particular, proposed staff should have long-term experience in energy commodities and extensive knowledge of energy regulatory issues.
- Ability to complete work within deadlines. Availability and continuity of staff during the course of the agreement, if selected. Unsatisfactory past performance with any of the Partner cities may be considered as determined by the Partner cities in their sole and absolute discretion.
- Experience in performing similar services for organizations of similar size to the Partner cities. Experience with public agencies. Years of experience with these types of services.

### Approach to the project – 30%

- Demonstrated understanding of the Partners' needs and solicitation requirements. Approach is well organized and presented in a clear, concise and logical manner. Availability and proposed use of technology and methodologies. Quality control and thoroughness is well defined.
- Innovative ideas on the development of a CCA Technical Feasibility Study.

### Fair and Reasonable Cost – 25%

- Reasonableness of total cost and labor rates submitted and competitiveness of the cost and rates with other cost and rates submitted.

### References – 20%

## CITY COUNCIL STAFF REPORT

**Consent Item No. 5**

**July 17, 2019**

**File No. 0600-80**

**SUBJECT:** Request for Authorization to Process Out-of-Agency Sewer Service Agreements and Irrevocable Offers to Annex for two (2) Unincorporated County of San Diego Properties Experiencing Septic Failure Located at 903 Hamilton Lane and 2517 Felicita Road.

**DEPARTMENT:** Community Development Department, Planning Division

**RECOMMENDATION:**

It is requested that the City Council adopt Resolution No. 2019-101, authorizing staff to process Out-of-Agency Sewer Service Agreements for connection to the City's sewer system, and to process Irrevocable Offers to Annex, for two (2) unincorporated county properties experiencing septic failure located at 903 Hamilton Lane (APN 238-360-05-00) and 2517 Felicita Road (APN 238-360-19-00).

**FISCAL ANALYSIS:**

The property owners will be required to pay fees to cover all administrative costs and staff time for processing the extension of sewer service. The applicant(s) would pay a fair share cost of future annexation. Public roads adjacent to both parcels are not improved to City standards, so staff recommends the City Council impose an obligation on the property owners to financially participate in construction of any future road improvements.

**ENVIRONMENTAL REVIEW:**

The action before the City Council is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities (a)(b).

**BACKGROUND:**

The two (2) subject properties lie immediately adjacent to the City's boundary and are currently developed with single-family residences on aging septic systems. The first property is .35 acre in size and located at 903 Hamilton Lane (APN 238-360-0500). The second property is .27 acre in size and located at 2517 Felicita Road (APN 238-360-1900). These are both shown on the maps in attachments 1 & 2. The San Diego County Department of Environmental Health has verified that both properties are experiencing septic system failure. The owners have begun the annexation process and are asking for emergency connections to existing City's sewer mains in the roadways adjacent to each residence. Both property owners have agreed to execute Irrevocable Offers of Annexation as shown in Exhibits 1 and 2 to Resolution No. 2019-101.



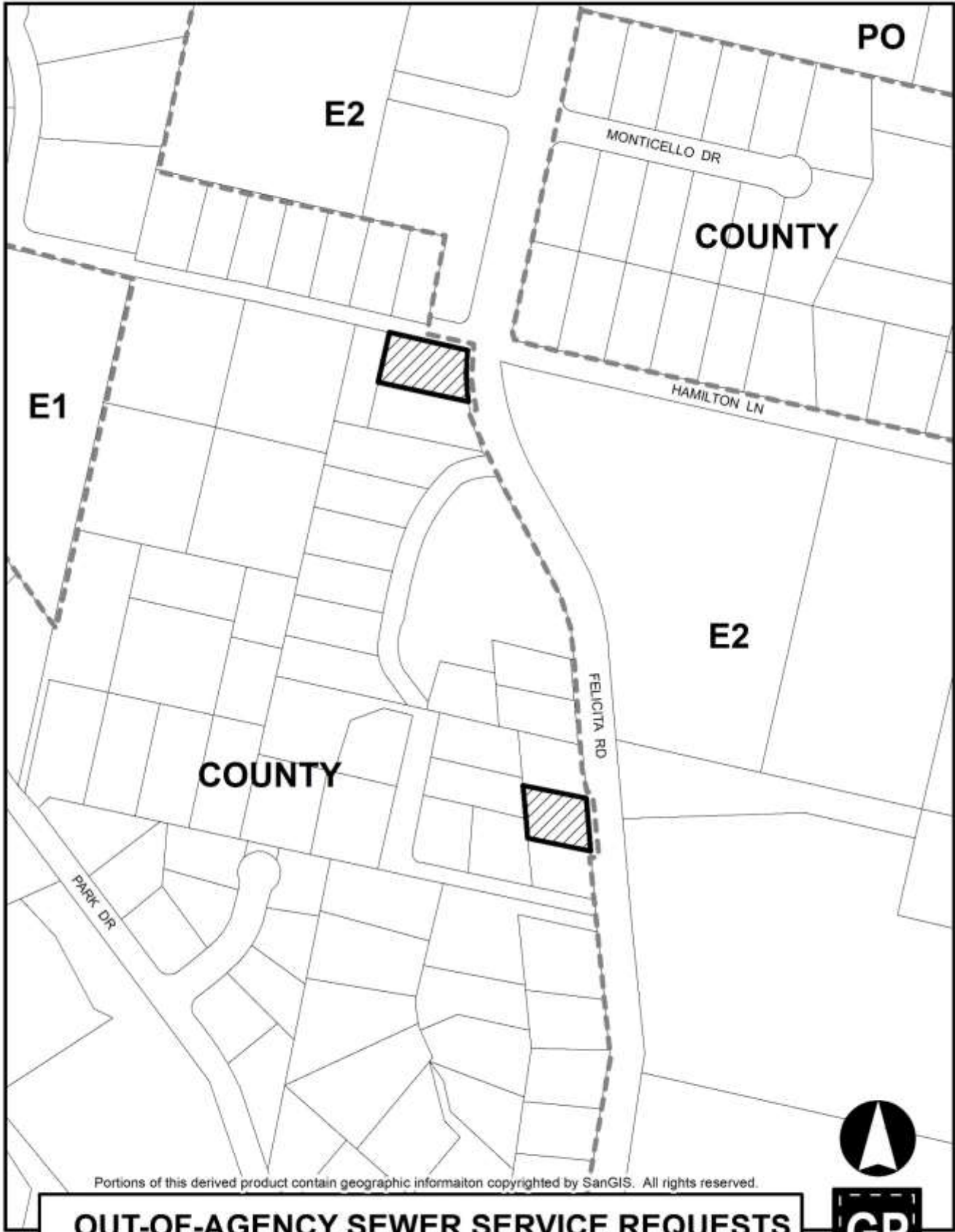
Planning Division staff believes that other properties in the area may also be experiencing septic problems and may come forward with similar requests. These include other properties on Felicita Road, which lacks street improvements to City standards. As such, staff recommends incorporating language into Irrevocable Offers of Annexation that would obligate the property owners to participate in any future Assessment District that might be established for public improvements in the area.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Mike Strong*, Assistant Director of Planning  
7/11/2019 11:49 a.m.

ATTACHMENTS:

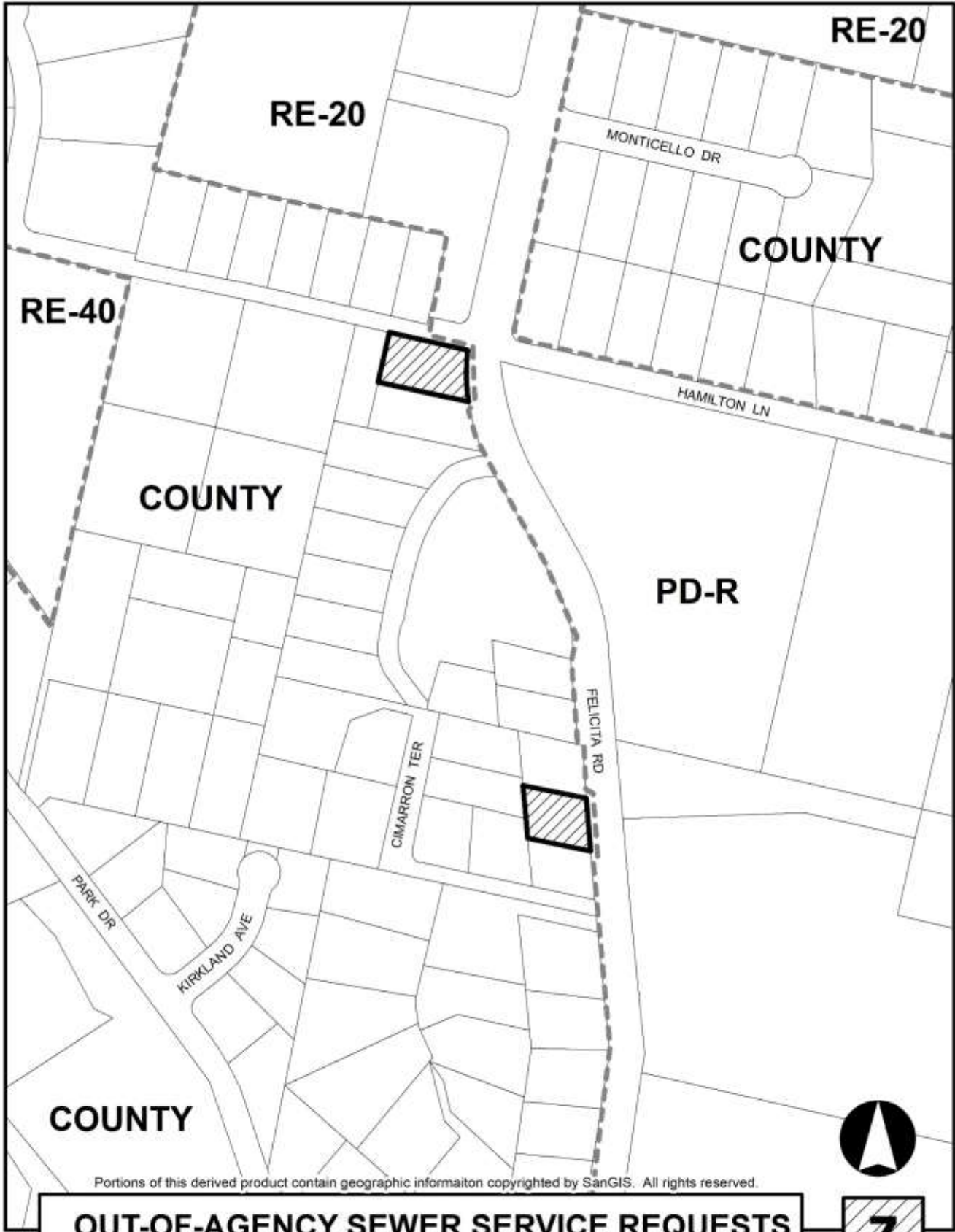
1. Attachment 1 – General Plan Map
2. Attachment 2 – Zoning Map
3. Resolution No. 2019-101
4. Resolution No. 2019-101 – Exhibit 1: Draft Sewer Service and Offer of Annexation Agreement for 903 Hamilton Lane
5. Resolution No. 2019-101 – Exhibit 2: Draft Sewer Service and Offer of Annexation Agreement for 2517 Felicita Road



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**OUT-OF-AGENCY SEWER SERVICE REQUESTS  
PHG 19-0030**





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**OUT-OF-AGENCY SEWER SERVICE REQUESTS  
PHG 19-0030**



RESOLUTION NO. 2019-101

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING STAFF TO PROCESS OUT-OF-AGENCY SEWER SERVICE AGREEMENTS, IRREVOCABLE OFFERS OF ANNEXATION, AND AUTHORIZING AGREEMENTS FOR PROVIDING SUCH SERVICE FOR TWO PROPERTIES ADDRESSED AS 903 HAMILTON LANE, APN 238-360-0500 AND 2517 FELICITA ROAD, APN 238-360-1900

Planning Case No. PHG 19-0030

WHEREAS, the City Council of the City of Escondido desires to submit an application for the hereafter described out-of-agency service agreement and irrevocable offer of annexation; and

WHEREAS, Pursuant to CEQA Section 15301 (a)(b), "Existing Facilities," the project is Categorically Exempt.

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

1. That the above recitations are true.
2. That the proposal is hereby made to the Local Agency Formation Commission of the County of San Diego for the following out-of-agency service agreement and irrevocable offer of annexation:
  - a. This proposal is made pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with section 56000 of the Government Code of the State of California.
  - b. The following changes of organization are proposed:
    - 1) Out-of-agency service agreements; and

2) Irrevocable offers of annexation of territory legally described in the agreements, which are attached to this Resolution and incorporated by these references.

c. This out-of-agency service agreement and irrevocable offer of annexation is necessary in order for the area to receive urban services available from the City of Escondido.

d. The Local Agency Formation Commission of the County of San Diego is hereby requested to undertake proceedings for the out-of-agency service agreement and irrevocable offer of annexation proposed herein.

3. That the City Council of the City of Escondido hereby requests the Local Agency Formation Commission of the County of San Diego to designate the City of Escondido as conducting agency, and that the City of Escondido be authorized to order the proposed out-of-agency service agreement and irrevocable offer of annexation.

4. That the Director of Utilities or his designee is authorized to execute the agreements attached as Exhibit "1" and Exhibit "2" providing for future annexation, as well as any other agreements necessary for future participation in assessment districts and other details regarding service, subject to approval as to form by the City Attorney.

RECORDING REQUESTED BY AND  
PLEASE RETURN TO:

Name City of Escondido  
Address 201 North Broadway  
City & Escondido, CA 92025  
State [X] *This document benefits permittee.*  
*Recording fee required.*

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Affects Assessor's Parcel No. 238-360-0500

File No. PHG19-0030

### **AGREEMENT FOR SEWER SERVICE AND OFFER OF ANNEXATION**

This Sewer Service and Offer of Annexation Agreement is hereby made this \_\_\_\_\_ day of \_\_\_\_\_, 2019 effective as of the date last executed by the parties, between Jayme Lynae Ingram (hereinafter referred to as "Owner") and the City of Escondido (hereinafter referred to as "City"), individually referred to as "Party" and collectively, the "Parties." ("Agreement").

#### **RECITALS**

WHEREAS, the Owner owns certain real property commonly located on the southwestern corner of the intersection of Hamilton Lane and Felicita Road, which is identified by the San Diego County Tax Assessor as parcel number shown in the upper left hand corner of this page, the legal description of which is more fully set forth in Exhibit "A", which is incorporated by reference ("Property"). Property is in the unincorporated territory adjacent or proximal to the City boundary; and

WHEREAS, the Owner desires and requests that the City provide sewer service to the Property in anticipation of a future annexation, subject to the terms and conditions in the Agreement; and

WHEREAS, the Owner has submitted a request to the Director of Utilities for permission to connect to City's sewer system and a copy of the plans and specifications and accompanying maps designating the proposed sewer connection ("Proposed Connection") has been submitted to the Director of Utilities.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

#### **ARTICLE I General Provisions**

1. Conditions for Connection and Service. Owner shall strictly comply with all of the terms and conditions of this Agreement in order for the City to allow for the connection and sewer service of the Property.

2. No Duty to Serve. Owner acknowledges that the City is under no duty to serve the Owner's property with sewer service because it is outside the jurisdictional responsibility of City. If the Property is not annexed into the City, any connection to the City's sewer system may be disconnected at the sole option of City.

3. Authority to Connect. Construction to implement the Proposed Connection may proceed upon execution of this Agreement by the City and upon City's receipt of LAFCO approval of the provision of services, subject to the following additional provisions:

a. Owner agrees to construct the Proposed Connection in conformance with all applicable Federal, State, County, and City laws and regulations, including, without limitation, building and health and safety codes;

b. No construction of the Proposed Connection and related Improvements shall be undertaken without the written approval of the Director of Utilities and a plumbing permit from the agency in whose jurisdiction the Property is located, and a permit from the Agency owning the right-of-way in which the sewer main is located; and

c. No sewer service shall be provided to any property beyond the City's boundary until written approval of that specific service has been received by the Director of Utilities.

## **ARTICLE II**

### **Fees and Costs**

1. LAFCO Filing Fees. Owner shall be responsible, at their sole cost, for all LAFCO filing fees, if any.

2. City Filing Fees. Owner shall be responsible, at their sole cost, for all City imposed fees.

3. Payment of Costs. Owner agrees to pay all costs associated with complying with any or all Federal, State, County, or City laws and regulations, including, without limitation, the cost of obtaining any permits and certificates. Owner further agrees to pay any and all fines imposed by any governmental entity for any reason. Owner also agrees to pay any and all costs associated with the construction and attachment to City's sewer system for the Proposed Connection and related construction and/or improvements shall be borne solely by Owner. If a connection is disconnected for any reason, Owner agrees to pay the full cost for such disconnection and to bear the full cost of any damages and injuries resulting from such disconnection.

4. Payment of Charges. At and during such time that the Property is connected to the City's sewer system, Owner agrees to pay any and all current and future charges related to the Proposed Connection, and all fees and charges for sewer service.

## **ARTICLE III**

### **Applications and Annexation**

1. Application for Pre-zoning. Owner understands that as a condition to annexation, Owner must apply to the City to have the property pre-zoned, a discretionary act which will require environmental review. Owner agrees to file a formal application for pre-zoning with the

City ("Pre-zone Application") and comply with all other rules and regulations of the City. Owner agrees to diligently and in good faith prosecute the Pre-zone Application to completion.

2. Annexation Application. Upon completion of pre-zoning and associated environmental review, Owner shall file an application to annex the Property to the City of Escondido with the Local Agency Formation Commission (LAFCO) and pay associated fees ("Annexation Application").

3. Resolution of Application or Annexation Petition. At such time as the City determines that annexation of the property is logical and likely to succeed, City shall, at its discretion, adopt a resolution of application to annex the property, or direct the Owner to file a petition with LAFCO for annexation of the Property. If directed to file a petition, Owner agrees to reasonably cooperate and to promptly file a formal petition for annexation. Upon such notification, Owner agrees to diligently and in good faith prosecute petition to completion with the goal of obtaining the annexation of the Property to the City.

4. Failure of Annexation. Owner acknowledges and agrees that if the City determines that the annexation failed or was unreasonably delayed because the Owner failed to exercise good faith and best efforts to cause or assist in permitting the annexation to occur, any connection to the City's sewer system permitted or authorized by this agreement may be disconnected at the sole option of City and upon reasonable notice to the Owner to provide for alternative service.

5. Owner's Irrevocable Offer of Annexation. Owner hereby makes an Irrevocable Offer of Annexation to City and Owner agrees to waive any right of protest in the annexation of the property to the City provided for under the annexation laws of the State of California. This waiver shall be binding on the Owner, and on Owner's heirs, successors-in-interest, and assigns.

6. Merger, Consolidation or Establishment of a District. Property Owner hereby consents, for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, California Government Code §§ 56000 et. seq., to any petition or order for the merger of Rincon with the City of Escondido or any petition or order for the establishment of Rincon as a subsidiary district of the City. This consent shall be binding on the Owner, and on Owner's heirs, successors-in-interest, and assigns.

#### **ARTICLE IV Indemnification**

The City and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "Indemnitees") shall have no liability to Owner, and Owner shall indemnify, defend, protect and hold harmless, to the fullest extent of the law, Indemnitees from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "Claims"), which Indemnitees may suffer or incur or to which Indemnitees may become subject to by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, or economic loss resulting from any construction performed under or otherwise related to performance of this Agreement. If any action or proceeding is brought against Indemnitees by reason of any of the matters against which Owner has agreed to indemnify Indemnitees as



provided above, Owner, upon notice from City, shall defend Indemnitees at Owner's expense, by counsel acceptable to City, such acceptance not to be unreasonably withheld. Indemnitees need not have first paid for any of the matters to which Indemnitees are entitled to indemnification in order to be so indemnified.

## **ARTICLE V**

### **Miscellaneous Provisions**

1. Agreement and Covenants Run with the Land. The burden of the covenants herein contained to be performed by the Owner are for the benefit of interests in land owned by the City, including interests in sewer easements and public rights-of-way that are adjacent and proximal to the Property. The burden of such covenants touch and concern the Property. It is the intent of the parties, and the parties hereby agree, that these covenants shall be binding upon Owner, and upon all successors, heirs, transferees and assigns of the Owner, and shall run with the Ownership of the land which said covenants burden.

2. Remedy. Among such other remedies as are available to the Parties, this Agreement shall be specifically enforceable by the Parties.

3. Dedications. Owner shall irrevocably dedicate to the City a sewer easement to the extent that the Proposed Connection requires extending the sewer main onto Owner's Property. The location and description of such easement shall be memorialized in a future grant deed.

4. Future Connections and Annexations. Owner agrees to reasonably cooperate and to not oppose or file a written or oral protest petition, or otherwise protest any existing or future connections into the sewer lateral or the City's sewer system for any other adjacent property. Owner further agrees to reasonably cooperate and to not oppose or file a written or oral protest petition, or otherwise protest any current or future procedures to annex their property or an other adjacent property at the conducting authority level of annexation proceedings.

5. Future Sewer Service. Upon connection to the City's sanitary sewer system, Owner agrees to accept service from City subject to any appropriate ongoing City sewer service charges and/or sewage pumping charges.

6. Amendment. This Agreement may only be amended by the written consent of all of the Parties at the time of such amendment.

7. Authority. City and Owner represent that the individuals signing this Agreement have full right and authority to bind their respective Party to this Agreement.

8. Entire Agreement. This Agreement supersedes any prior agreement and contains the entire agreement of the Parties on the matters covered. No other agreement, statement or promise made by any Party or by any employee, officer or agent of any Party that is not in writing and signed by all Parties shall be binding.

9. Exhibits and Recitals. All Recitals set forth above and all exhibits to which reference is made are deemed incorporated in this Agreement, whether or not actually attached.

10. Further Assurances. Each party hereto agrees to perform any further acts and to execute and deliver any further documents which may be reasonably necessary to carry out the provisions of this Agreement.

11. Governing Law. This Agreement has been executed in and shall be governed by the laws of the State of California.

12. Invalidity. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

13. Notices. All notices and demands shall be given in writing by personal delivery or first-class mail, postage prepaid. Notices shall be addressed as appears below for the respective Party provided that, if any Party gives notice of a change of name or address, notices to the giver of that notice shall thereafter be given as demanded in that notice. Notices shall be deemed received seventy-two (72) hours after deposit in the United States mail.

14. Waivers. The waiver by the City of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered a waiver by City of any other covenant, condition or promise.

15. Attorneys' Fees and Costs. In the event legal action is brought to enforce the terms of this Agreement, the unsuccessful Party shall pay all of the successful Party's costs of such action, together with reasonable attorney's fees, in an amount to be fixed by the court.

*(SIGNATURES ON FOLLOWING PAGE)*

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

CITY OF ESCONDIDO

Date: \_\_\_\_\_

\_\_\_\_\_  
Christopher W. McKinney, Director  
of Utilities City of Escondido

Jayme Lynae Ingram

903 Hamilton Lane

Escondido, CA 92029  
(Property Owner's names & address)

Date: \_\_\_\_\_

\_\_\_\_\_  
(Property owner's signature)

(Attach notary acknowledgment for signatories, acknowledgments 8 ½" X 11")

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY  
Michael R. McGuinness, City Attorney

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

- NOTES:
- a. Each owner as reflected on the preliminary title report must sign.
  - b. Owner(s) are to submit a check or money order payable to the County of San Diego in the amount appropriate to recording these seven (7) agreement pages plus the number of notary acknowledgment pages necessary for all signatories.
  - c. Exhibits are as follows: Exhibit A is the legal description.

**Exhibit "A"**  
**Legal Description**

APN: 238-360-0500

Real property in the unincorporated area of the County of San Diego, State of California, described as follows:

THE NORTHERLY 90.00 FEET (EXCEPTING THEREFROM THE WESTERLY 495.00 FEET THEREOF) OF LOT 1 IN BLOCKS OF HOMELAND ACRES ADDITION TO ESCONDIDO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 1205, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, SEPTEMBER 1, 1909. TOGETHER WITH THAT PORTION OF THE WESTERLY HALF OF SAN DIEGO BOULEVARD AS VACATED AND CLOSED TO PUBLIC US IMMEDIATELY ADJOINING THE ABOVE DESCRIBED LAND ON THE EAST.

EXCEPTING FROM SAID WEST HALF OF SAID VACATED BOULEVARD THAT PORTION LYING WITHIN COUNTY ROAD SURVEY NO. 1532. AS DESCRIBED IN DEED TO THE COUNTY OF SAN DIEGO, RECORDED FEBRUARY 10, 1958, IN BOOK 6944 PAGE 33 OF OFFICIAL RECORDS.

RECORDING REQUESTED BY AND  
PLEASE RETURN TO:

Name City of Escondido  
Address 201 North Broadway  
City & Escondido, CA 92025  
State [X] *This document benefits permittee.*  
*Recording fee required.*

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Affects Assessor's Parcel No. 238-360-1900

File No. PHG19-0030

### **AGREEMENT FOR SEWER SERVICE AND OFFER OF ANNEXATION**

This Sewer Service and Offer of Annexation Agreement is hereby made this \_\_\_\_\_ day of \_\_\_\_\_, 2019 effective as of the date last executed by the parties, between The Shaw Family Trust (hereinafter referred to as "Owner") and the City of Escondido (hereinafter referred to as "City"), individually referred to as "Party" and collectively, the "Parties." ("Agreement").

#### **RECITALS**

WHEREAS, the Owner owns certain real property commonly located on the western side of Felicita Road, north of the intersection of Felicita Road and Cimarron Terrace, which is identified by the San Diego County Tax Assessor as parcel number shown in the upper left hand corner of this page, the legal description of which is more fully set forth in Exhibit "A", which is incorporated by reference ("Property"). Property is in the unincorporated territory adjacent or proximal to the City boundary; and

WHEREAS, the Owner desires and requests that the City provide sewer service to the Property in anticipation of a future annexation, subject to the terms and conditions in the Agreement; and

WHEREAS, the Owner has submitted a request to the Director of Utilities for permission to connect to City's sewer system and a copy of the plans and specifications and accompanying maps designating the proposed sewer connection ("Proposed Connection") has been submitted to the Director of Utilities.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

#### **ARTICLE I General Provisions**

1. Conditions for Connection and Service. Owner shall strictly comply with all of the terms and conditions of this Agreement in order for the City to allow for the connection and sewer service of the Property.

2. No Duty to Serve. Owner acknowledges that the City is under no duty to serve the Owner's property with sewer service because it is outside the jurisdictional responsibility of City. If the Property is not annexed into the City, any connection to the City's sewer system may be disconnected at the sole option of City.

3. Authority to Connect. Construction to implement the Proposed Connection may proceed upon execution of this Agreement by the City and upon City's receipt of LAFCO approval of the provision of services, subject to the following additional provisions:

a. Owner agrees to construct the Proposed Connection in conformance with all applicable Federal, State, County, and City laws and regulations, including, without limitation, building and health and safety codes;

b. No construction of the Proposed Connection and related Improvements shall be undertaken without the written approval of the Director of Utilities and a plumbing permit from the agency in whose jurisdiction the Property is located, and a permit from the Agency owning the right-of-way in which the sewer main is located; and

c. No sewer service shall be provided to any property beyond the City's boundary until written approval of that specific service has been received by the Director of Utilities.

## **ARTICLE II**

### **Fees and Costs**

1. LAFCO Filing Fees. Owner shall be responsible, at their sole cost, for all LAFCO filing fees, if any.

2. City Filing Fees. Owner shall be responsible, at their sole cost, for all City imposed fees.

3. Payment of Costs. Owner agrees to pay all costs associated with complying with any or all Federal, State, County, or City laws and regulations, including, without limitation, the cost of obtaining any permits and certificates. Owner further agrees to pay any and all fines imposed by any governmental entity for any reason. Owner also agrees to pay any and all costs associated with the construction and attachment to City's sewer system for the Proposed Connection and related construction and/or improvements shall be borne solely by Owner. If a connection is disconnected for any reason, Owner agrees to pay the full cost for such disconnection and to bear the full cost of any damages and injuries resulting from such disconnection.

4. Payment of Charges. At and during such time that the Property is connected to the City's sewer system, Owner agrees to pay any and all current and future charges related to the Proposed Connection, and all fees and charges for sewer service.

## **ARTICLE III**

### **Applications and Annexation**

1. Application for Pre-zoning. Owner understands that as a condition to annexation, Owner must apply to the City to have the property pre-zoned, a discretionary act which will require environmental review. Owner agrees to file a formal application for pre-zoning with the

City ("Pre-zone Application") and comply with all other rules and regulations of the City. Owner agrees to diligently and in good faith prosecute the Pre-zone Application to completion.

2. Annexation Application. Upon completion of pre-zoning and associated environmental review, Owner shall file an application to annex the Property to the City of Escondido with the Local Agency Formation Commission (LAFCO) and pay associated fees ("Annexation Application").

3. Resolution of Application or Annexation Petition. At such time as the City determines that annexation of the property is logical and likely to succeed, City shall, at its discretion, adopt a resolution of application to annex the property, or direct the Owner to file a petition with LAFCO for annexation of the Property. If directed to file a petition, Owner agrees to reasonably cooperate and to promptly file a formal petition for annexation. Upon such notification, Owner agrees to diligently and in good faith prosecute petition to completion with the goal of obtaining the annexation of the Property to the City.

4. Failure of Annexation. Owner acknowledges and agrees that if the City determines that the annexation failed or was unreasonably delayed because the Owner failed to exercise good faith and best efforts to cause or assist in permitting the annexation to occur, any connection to the City's sewer system permitted or authorized by this agreement may be disconnected at the sole option of City and upon reasonable notice to the Owner to provide for alternative service.

5. Owner's Irrevocable Offer of Annexation. Owner hereby makes an Irrevocable Offer of Annexation to City and Owner agrees to waive any right of protest in the annexation of the property to the City provided for under the annexation laws of the State of California. This waiver shall be binding on the Owner, and on Owner's heirs, successors-in-interest, and assigns.

6. Merger, Consolidation or Establishment of a District. Property Owner hereby consents, for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, California Government Code §§ 56000 et. seq., to any petition or order for the merger of Rincon with the City of Escondido or any petition or order for the establishment of Rincon as a subsidiary district of the City. This consent shall be binding on the Owner, and on Owner's heirs, successors-in-interest, and assigns.

#### **ARTICLE IV Indemnification**

The City and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "Indemnitees") shall have no liability to Owner, and Owner shall indemnify, defend, protect and hold harmless, to the fullest extent of the law, Indemnitees from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "Claims"), which Indemnitees may suffer or incur or to which Indemnitees may become subject to by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, or economic loss resulting from any construction performed under or otherwise related to performance of this Agreement. If any action or proceeding is brought against Indemnitees by reason of any of the matters against which Owner has agreed to indemnify Indemnitees as

provided above, Owner, upon notice from City, shall defend Indemnitees at Owner's expense, by counsel acceptable to City, such acceptance not to be unreasonably withheld. Indemnitees need not have first paid for any of the matters to which Indemnitees are entitled to indemnification in order to be so indemnified.

## **ARTICLE V**

### **Miscellaneous Provisions**

1. Agreement and Covenants Run with the Land. The burden of the covenants herein contained to be performed by the Owner are for the benefit of interests in land owned by the City, including interests in sewer easements and public rights-of-way that are adjacent and proximal to the Property. The burden of such covenants touch and concern the Property. It is the intent of the parties, and the parties hereby agree, that these covenants shall be binding upon Owner, and upon all successors, heirs, transferees and assigns of the Owner, and shall run with the Ownership of the land which said covenants burden.

2. Remedy. Among such other remedies as are available to the Parties, this Agreement shall be specifically enforceable by the Parties.

3. Dedications. Owner shall irrevocably dedicate to the City a sewer easement to the extent that the Proposed Connection requires extending the sewer main onto Owner's Property. The location and description of such easement shall be memorialized in a future grant deed.

4. Future Connections and Annexations. Owner agrees to reasonably cooperate and to not oppose or file a written or oral protest petition, or otherwise protest any existing or future connections into the sewer lateral or the City's sewer system for any other adjacent property. Owner further agrees to reasonably cooperate and to not oppose or file a written or oral protest petition, or otherwise protest any current or future procedures to annex their property or an other adjacent property at the conducting authority level of annexation proceedings.

5. Future Sewer Service. Upon connection to the City's sanitary sewer system, Owner agrees to accept service from City subject to any appropriate ongoing City sewer service charges and/or sewage pumping charges.

6. Amendment. This Agreement may only be amended by the written consent of all of the Parties at the time of such amendment.

7. Authority. City and Owner represent that the individuals signing this Agreement have full right and authority to bind their respective Party to this Agreement.

8. Entire Agreement. This Agreement supersedes any prior agreement and contains the entire agreement of the Parties on the matters covered. No other agreement, statement or promise made by any Party or by any employee, officer or agent of any Party that is not in writing and signed by all Parties shall be binding.

9. Exhibits and Recitals. All Recitals set forth above and all exhibits to which reference is made are deemed incorporated in this Agreement, whether or not actually attached.

10. Further Assurances. Each party hereto agrees to perform any further acts and to execute and deliver any further documents which may be reasonably necessary to carry out the provisions of this Agreement.



11. Governing Law. This Agreement has been executed in and shall be governed by the laws of the State of California.

12. Invalidity. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

13. Notices. All notices and demands shall be given in writing by personal delivery or first-class mail, postage prepaid. Notices shall be addressed as appears below for the respective Party provided that, if any Party gives notice of a change of name or address, notices to the giver of that notice shall thereafter be given as demanded in that notice. Notices shall be deemed received seventy-two (72) hours after deposit in the United States mail.

14. Waivers. The waiver by the City of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered a waiver by City of any other covenant, condition or promise.

15. Attorneys' Fees and Costs. In the event legal action is brought to enforce the terms of this Agreement, the unsuccessful Party shall pay all of the successful Party's costs of such action, together with reasonable attorney's fees, in an amount to be fixed by the court.

*(SIGNATURES ON FOLLOWING PAGE)*

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

CITY OF ESCONDIDO

Date: \_\_\_\_\_

\_\_\_\_\_  
Christopher W. McKinney, Director  
of Utilities City of Escondido

Shaw Family Trust, with Trustees  
William R. Shaw & Sharon K. Shaw

2517 Felicita Road

Escondido, CA 92029  
(Property Owner's names & address)

Date: \_\_\_\_\_

\_\_\_\_\_  
(Trustee's signature)

Date: \_\_\_\_\_

\_\_\_\_\_  
(Trustee's signature)

(Attach notary acknowledgment for signatories, acknowledgments 8 1/2" X 11")

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY  
Michael R. McGuinness, City Attorney

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

- NOTES:
- a. Each owner as reflected on the preliminary title report must sign.
  - b. Owner(s) are to submit a check or money order payable to the County of San Diego in the amount appropriate to recording these seven (7) agreement pages plus the number of notary acknowledgment pages necessary for all signatories.
  - c. Exhibits are as follows: Exhibit A is the legal description.

**Exhibit "A"**  
**Legal Description**

APN: 238-360-1900

Real property in the unincorporated area of the County of San Diego, State of California,  
described as follows:

ALL THAT PORTION OF LOT 2 IN BLOCK 8 OF HOMELAND ACRES ADDITION TO ESCONDIDO, ACCORDING TO MAP THEREOF NO. 1205 FILED IN THE OFFICE OF THE RECORDER OF SAID SAN DIEGO COUNTY, SEPTEMBER 1, 1909, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID LOT 2; THENCE NORTH  $77^{\circ} 59'$  WEST ALONG THE SOUTHERLY LINE THEREOF, 125 FEET; THENCE NORTH  $5^{\circ} 34' 50''$  WEST, 131.47 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH  $5^{\circ} 34' 50''$  WEST, 100 FEET; THENCE SOUTH  $77^{\circ} 59'$  EAST 125 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT 2; THENCE SOUTH  $5^{\circ} 34' 50''$  EAST ALONG SAID EASTERLY LINE 100 FEET; THENCE NORTH  $77^{\circ} 59'$  WEST 125 FEET TO THE TRUE POINT OF BEGINNING.

## CITY COUNCIL STAFF REPORT

Consent Item No. 6

July 17, 2019

File No. 0170-57

SUBJECT: Approval of CalPERS Industrial Disability for Police Officer Joseph Leffingwell

DEPARTMENT: Human Resources Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2019-90, approving the California Public Employees' Retirement System (CalPERS) Industrial Disability Retirement for Police Officer Joseph Leffingwell.

BACKGROUND:

Mr. Leffingwell filed for Industrial Disability Retirement, on May 17, 2019, as a 54-year-old Police Officer. He has been employed by the City of Escondido for 15 years. The basis for Mr. Leffingwell's Industrial Disability Retirement application is confirmed by medical reports from Dr. James McSweeney. Mr. Leffingwell's condition is orthopedic in nature. Accordingly, Mr. Leffingwell is incapacitated within the meaning of the Public Employees' Retirement Law for performance of his usual and customary duties in the position of Police Officer.

Under State Law, the City Council is required to adopt a Resolution determining that competent medical evidence supports the granting of an Industrial Disability Retirement. Based on medical evidence, staff recommends the City Council adopt Resolution No. 2019-90, approving the CalPERS Industrial Disability Retirement for Joseph Leffingwell to be effective July 19, 2019.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Sheryl Bennett*, Deputy City Manager/Administrative Services  
7/10/2019 4:27 p.m.

ATTACHMENTS:

1. Resolution No. 2019-90

RESOLUTION NO. 2019-90

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
APPROVING THE CALPERS INDUSTRIAL  
DISABILITY RETIREMENT FOR POLICE  
OFFICER JOSEPH LEFFINGWELL

WHEREAS, the City of Escondido (“City”) is a contracting agency of the California Public Employees’ Retirement System (“CalPERS”); and

WHEREAS, the California Public Employees’ Retirement Law (Govt. Code § 20000 et seq.) (“California law”) requires that the City determine whether an employee classified as a local safety member is disabled for purpose of the California law and whether such disability is “industrial” within the meaning of such law; and

WHEREAS, Joseph Leffingwell (“Employee”) filed an application with CalPERS on May 17, 2019, for an industrial disability retirement due to orthopedic injuries; and

WHEREAS, the Employee, is employed by the City in the position of Police Officer; and

WHEREAS, the City Council of the City of Escondido has reviewed the medical and other evidence relevant to this industrial disability.

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

1. That the above recitations are true.
2. That the City Council of the City of Escondido, California does hereby find and determine that Employee is incapacitated within the meaning of the California Public Employees’ Retirement Law for performance of his duties in the position of Police Officer.

3. That the City Council certifies, in accordance with Govt. Code § 21156, that this determination was made on the basis of competent medical opinion, and was not used as a substitute for the disciplinary process.

4. That the Employee had filed a Workers' Compensation claim for his disabling conditions. The City accepted the Employee's Workers' Compensation claim.

5. That neither the Employee nor the City of Escondido has applied to the Worker's Compensation Appeals Board for a determination pursuant to Government Code section 21166 whether such disability is industrial.

6. That the Employee's retirement date will be effective July 19, 2019, and his last day on paid status is July 18, 2019.

7. That there is not a possibility of third party liability.

8. That the City will make monthly Advanced Disability Pension Payments of \$4,271.88, beginning August 1, 2019, until CalPERS begins making retirement payments. The City will also make a one-time advance disability payment of \$1,791.43, for the remaining thirteen days of July 2019.

9. That the primary disabling condition is an orthopedic injury to his cervical and lumbar spine, and arose out of and in the course of employment.

10. That there is competent medical opinion certifying the disabling condition to be permanent.

11. That based on information and belief, and on the information provided by City staff, the City Council certifies under penalty of perjury that all statements in this Resolution are true and correct.



## CITY COUNCIL STAFF REPORT

Consent Item No. 7

July 17, 2019

File No. 0685-20

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

DEPARTMENT: Finance Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2019-95, setting the Special Tax Levy for Community Facilities District No. 2006-01 (Eureka Ranch) (the "District") for Fiscal Year 2019-20.

FISCAL ANALYSIS:

A Special Tax is levied annually on land within Community Facilities District No. 2006-01 (Eureka Ranch) and collected through the County of San Diego Treasurer-Tax Collector's Office. The funds from the Special Tax are used to meet debt service obligations from the issuance of bonds for the District.

PREVIOUS ACTION:

The City Council approved the establishment of Community Facilities District No. 2006-01 (Eureka Ranch) on September 27, 2006, and has annually adopted a resolution setting the annual Special Tax Levy. Prior year's Resolution No. 2018-87 was adopted on June 20, 2018.

BACKGROUND:

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

A Maximum Special Tax Rate was established for developed residential property and undeveloped property. Attached as Exhibit "A" of Resolution No. 2019-95 is the amount of the Maximum Special Tax and Proposed Actual Special Tax for Fiscal Year 2019-20.

A comparative analysis of the annual Special Tax Levy Calculation for Fiscal Year 2019-20 is presented on Attachment A. As noted in the analysis, the 2019-20 Special Tax Levy requirement increased by 0.75% in the amount of \$7,864.58 or an average of \$23.27 per parcel. Explanation of the levy increase for the 2019-20 Fiscal Year is listed below:

- (1) Delinquency Contingency provision for the 2019-20 levy calculation has been increased by a total of \$2,129.10. This increase was due to realization of an increase in the actual Fiscal Year 2018-19 delinquency rate (from 0.72% to 0.92%).
- (2) Net available beginning cash resources for the 2019-20 levy calculation are \$6,735.48 less than the prior year.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Sheryl Bennett*, Deputy City Manager/Administrative Services  
7/10/2019 4:27 p.m.

ATTACHMENTS:

1. Attachment A CFD 2006-01 (Eureka Ranch) Special Tax Levy Comparative Analysis
2. Resolution No. 2019-95 Approving the Special Tax Rate for CFD 2006-01 (Eureka Ranch)
3. Resolution No. 2019-95 – Exhibit A Special Tax Rates for FY 2019-20



City of Escondido CFD 2006-01 (Eureka Ranch)  
Analysis of Special Tax Levy Requirement  
Tax Year 2019-20

Description	Prior Tax Year 2017-18	Prior Tax Year 2018-19	Current Tax Year 2019-20	Change from Tax Year 2018-19	
				\$	%
<b>Calculation of Annual Special Tax Levy</b>					
<b>Annual Resource Requirements:</b>					
Debt Service on Bond Issue :					
Interest Due	09/01	\$ 296,000.00	\$ 291,550.00	\$ 284,650.00	
Principal Due	09/01	445,000.00	460,000.00	470,000.00	
Interest Due	03/01	291,550.00	284,650.00	277,600.00	
Interest Due	09/01	291,550.00	284,650.00	277,600.00	
Principal Due	09/01	460,000.00	470,000.00	480,000.00	
Total Principal and Interest Due for Annual Levy		\$1,784,100.00	\$1,790,850.00	\$1,789,850.00	(\$1,000.00) -0.06%
Estimated Annual Administrative Expense Requirements		47,803.70	47,803.70	47,803.70	0.00 0.00%
Contingency for Delinquency		11,291.71	7,474.78	9,603.88	2,129.10 28.48%
Total Estimated Annual Requirements		1,843,195.41	1,846,128.48	1,847,257.58	1,129.10 0.06%
<b>Available Resources:</b>					
Estimated Available Cash Account Balances at Start of Tax Year		(776,603.36)	(800,489.71)	(793,754.23)	6,735.48 -0.84%
<b>Annual Special Tax Levy Requirement</b>		<u>\$1,066,592.05</u>	<u>\$1,045,638.77</u>	<u>\$1,053,503.35</u>	<u>\$7,864.58</u> 0.75%
Proposed Levy as Allocated among 338 Parcels		<u>\$1,066,590.32</u>	<u>\$1,045,637.36</u>	<u>\$1,053,501.24</u>	<u>\$7,863.88</u> 0.75%
Average Levy per Dwelling Unit		<u>\$3,155.59</u>	<u>\$3,093.60</u>	<u>\$3,116.87</u>	<u>\$23.27</u> 0.75%
Difference to Required Levy		(\$1.73)	(\$1.41)	(\$2.11)	

RESOLUTION NO. 2019-95

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
ACTING AS LEGISLATIVE BODY OF  
COMMUNITY FACILITIES DISTRICT NO.  
2006-01 (EUREKA RANCH), PROVIDING FOR  
THE LEVY OF AN ANNUAL SPECIAL TAX  
FOR SUCH COMMUNITY FACILITIES  
DISTRICT FOR FISCAL YEAR 2019-20

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

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

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

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

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

1. That the above recitations are true.
2. That this legislative body hereby authorizes and provides for the levy of the Special Tax within the District on those Taxable Properties (as such term is defined in the Ordinance) within the District for Fiscal Year 2019-20 so long as the rates of such Special Tax are the same rates or lower rates than the rates provided for in the Ordinance. The Proposed Special Tax Rates for the District for Fiscal Year 2019-20 are contained on Exhibit “A” attached to this Resolution and incorporated by this reference. After adoption of this Resolution, the Deputy City Manager of Administrative Services of the City, or Deputy City Manager of Administrative Service’s designee, may make any necessary modifications to these Special Tax Rates to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amounts to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the Special Tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the County Auditor.
3. That the Deputy City Manager of Administrative Services is hereby designated and directed to prepare and submit a Certified Parcel List to the County Auditor on or before August 10, 2019, or such later date to which the County Auditor may

agree, setting forth the amount of the Special Tax to be levied on each Taxable Property within the District calculated pursuant to the Ordinance and subject to the limitations set forth in Section 2 above.

4. That the Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Treasurer-Tax Collector of the County of San Diego is hereby authorized to deduct reasonable administrative costs incurred in collecting any said Special Tax. Any Special Taxes that may not be collected on the County of San Diego ( "County") tax roll shall be collected through a direct billing procedure by the Treasurer of the City of Escondido, acting for and on behalf of the District.

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

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

**Exhibit "A"**

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

**Special Tax Rates for Fiscal Year 2019-20**

<b>Tax</b>	<b>Building Square Footage ("BSF")</b>	<b>Assigned Special Tax</b>	<b>Proposed Actual Special Tax*</b>
<b>Residential Property:**</b>			
Tax Class 1	> 3,600	\$1.214 per BSF	\$0.9223 per BSF
Tax Class 2	3,251 – 3,600	\$1.275 per BSF	\$0.9687 per BSF
Tax Class 3	2,851 – 3,250	\$1.350 per BSF	\$1.0257 per BSF
Tax Class 4	2,551 – 2,850	\$1.407 per BSF	\$1.0690 per BSF
Tax Class 5	≤ 2,550	\$1.526 per BSF	\$1.1594 per BSF
<b>Non-Residential Property:**</b>			
Tax Class 6	NA	\$20,750.00 per Acre	\$15,765.11 per Acre
Undeveloped Property	NA	\$20,750.00 per Acre	\$0.00 per Acre

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

\*\* The Proposed Actual Special Tax shown above is the authorized levy for the current fiscal year. The submitted actual levy may be reduced as directed by the Deputy City Manager of Administrative Services.



## CITY COUNCIL STAFF REPORT

**Consent Item No. 8**

**July 17, 2019**

**File No. 0685-20**

**SUBJECT:** Setting Special Tax Levy for Community Facilities District No. 2000-01 (Hidden Trails)

**DEPARTMENT:** Finance Department

**RECOMMENDATION:**

It is recommended that the City Council adopt Resolution No. 2019-96, setting the Special Tax Levy for Community Facilities District No. 2000-01 (Hidden Trails) (the "District") for Fiscal Year 2019-20.

**FISCAL ANALYSIS:**

A Special Tax is levied annually on land within Community Facilities District No. 2000-01 (Hidden Trails) and collected through the County of San Diego Treasurer-Tax Collector's Office. The funds from the Special Tax are used to meet debt service obligations from the issuance of bonds for the District.

**PREVIOUS ACTION:**

The City Council approved the establishment of Community Facilities District No. 2000-01 (Hidden Trails) on September 20, 2000, and has annually adopted a resolution setting the annual Special Tax Levy. Prior year's Resolution No. 2018-88 was adopted on June 20, 2018.

**BACKGROUND:**

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

A Maximum Special Tax Rate was established for developed residential property and undeveloped property. Attached as Exhibit "A" of Resolution No. 2019-96 is the amount of the Maximum Special Tax and Proposed Actual Special Tax for Fiscal Year 2019-20.

A comparative analysis of the annual Special Tax Levy Calculation for Fiscal Year 2019-20 is presented on Attachment A. As noted in the analysis, the 2019-20 Special Tax Levy requirement increased by .85% in the amount of \$1,700 or an average of \$5.86 per parcel. Explanation of the levy increase for the 2019-20 Fiscal Year is listed below:

- (1) The Debt Service Requirement for the 2019-20 levy calculation, which consists of required principal and interest payments for the period from September 1, 2019, through September 1, 2020, increased by a total of \$375 over the prior year.
- (2) Beginning cash resources used in the calculation for the 2019-20 levy are \$1,375 less than the cash resources used in the prior year calculation. Actual cash resources available for the 2019-20 levy are estimated to be approximately \$14,685.39 greater than the amount of \$160,003.13 used in the calculation of the 2019-20 tax levy. The additional \$14,685.39 of available cash is not used in the current year levy calculation, as the use of all available cash for the 2019-20 levy would result in very large variances in the levy from this year to next (a large levy decrease in current year (8.25%) and then a subsequent year large levy increase). The additional \$14,685.39 in available cash resources will be used in the levy calculations of the future tax years. The increase in the available cash resources is primarily a result of the July 2013 refunding of the 2001 Series Bonds and arose due to additional interest earnings, elimination of the reserve fund and unexpended cost of issue funds.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Sheryl Bennett*, Deputy City Manager/Administrative Services  
7/10/2019 4:27 p.m.

ATTACHMENTS:

1. Attachment A CFD 2000-01 (Hidden Trails) Special Tax Levy Comparative Analysis
2. Resolution No. 2019-96 Approving the Special Tax Rate for CFD 2000-01 (Hidden Trails)
3. Resolution No. 2019-96 – Exhibit A Special Tax Rates for FY 2019-20

City of Escondido CFD 2000-01 (Hidden Trails)  
Analysis of Special Tax Levy Requirement  
Tax Year 2019-20

Description	Prior Tax Year 2017-18	Prior Tax Year 2018-19	Current Tax Year 2019-20	Change from Tax Year 2018-19		
				\$	%	
<b>Calculation of Annual Special Tax Levy</b>						
<b>Annual Resource Requirements:</b>						
<b>Debt Service on Bond Issue :</b>						
Interest Due	09/01	\$42,615.63	\$ 41,378.13	\$ 40,003.13		
Principal Due	09/01	110,000.00	110,000.00	110,000.00		
Interest Due	03/01	41,378.13	40,003.13	38,353.13		
Interest Due	09/01	41,378.13	40,003.13	38,353.13		
Principal Due	09/01	110,000.00	110,000.00	115,000.00		
Total Principal and Interest Due for Annual Levy		\$345,371.89	\$341,384.39	\$341,709.39	\$325.00	0.10%
Estimated Annual Administrative Expense Requirements		<u>20,808.00</u>	<u>20,808.00</u>	<u>20,808.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Estimated Annual Requirements		366,179.89	362,192.39	362,517.39	325.00	0.09%
<b>Available Resources:</b>						
Estimated Available Cash Account Balances at Start of Tax Year		<u>(165,115.63)</u>	<u>(161,378.13)</u>	<u>(160,003.13)</u>	<u>1,375.00</u>	<u>-0.85%</u>
<b>Annual Special Tax Levy Requirement</b>		<u><u>\$201,064.26</u></u>	<u><u>\$200,814.26</u></u>	<u><u>\$202,514.26</u></u>	<u><u>\$1,700.00</u></u>	<u><u>0.85%</u></u>
Proposed Levy as Allocated among 290 Parcels		<u>\$201,063.10</u>	<u>\$200,813.90</u>	<u>\$202,513.36</u>	<u>\$1,699.46</u>	<u>0.85%</u>
Average Levy per Dwelling Unit		<u>\$693.32</u>	<u>\$692.46</u>	<u>\$698.32</u>	<u>\$5.86</u>	<u>0.85%</u>
Difference to Required Levy		(\$1.16)	(\$0.36)	(\$0.90)		



RESOLUTION NO. 2019-96

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
ACTING AS LEGISLATIVE BODY OF  
COMMUNITY FACILITIES DISTRICT NO.  
2000-01 (HIDDEN TRAILS), PROVIDING FOR  
THE LEVY OF AN ANNUAL SPECIAL TAX  
FOR SUCH COMMUNITY FACILITIES  
DISTRICT FOR FISCAL YEAR 2019-20

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

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

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

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

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

1. That the above recitations are true.
2. That this legislative body hereby authorizes and provides for the levy of the Special Tax within the District on those Taxable Properties (as such term is defined in the Ordinance) within the District for Fiscal Year 2019-20 so long as the rates of such Special Tax are the same rates or lower rates than the rates provided for in the Ordinance. The Proposed Special Tax Rates for the District for Fiscal Year 2019-20 are contained on Exhibit “A” attached to this Resolution and incorporated by this reference. After adoption of this Resolution, the Deputy City Manager of Administrative Services of the City, or Deputy City Manager of Administrative Service’s designee, may make any necessary modifications to these Special Tax Rates to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amounts to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the Special Tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the County Auditor.
3. That the Deputy City Manager of Administrative Services is hereby designated and directed to prepare and submit a Certified Parcel List to the County Auditor on or before August 10, 2019, or such later date to which the County Auditor may

agree, setting forth the amount of the Special Tax to be levied on each Taxable Property within the District calculated pursuant to the Ordinance and subject to the limitations set forth in Section 2 above.

4. That the Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Treasurer-Tax Collector of the County of San Diego is hereby authorized to deduct reasonable administrative costs incurred in collecting any said Special Tax. Any Special Taxes that may not be collected on the County of San Diego ("County") tax roll shall be collected through a direct billing procedure by the Treasurer of the City of Escondido, acting for and on behalf of the District.

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

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

**Exhibit "A"**

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

**Special Tax Rates for Fiscal Year 2019-20**

Land Use Categories	Description	Assigned Special Tax	Proposed Actual Special Tax*
Category 1**	Residential Property	\$0.39 per sq. ft.	\$0.26043 per sq. ft.
Category 2**	Other Property	\$2,861 per net acre	\$1,910.53 per net acre
Category 3	Undeveloped Property	\$3,290 per net acre	\$0.00 per net acre

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

\*\* The Proposed Actual Special Tax shown above is the authorized levy for the current fiscal year. The submitted actual levy maybe reduced as directed by the Deputy City Manager of Administrative Services.

## CITY COUNCIL STAFF REPORT

**Consent Item No. 9**

**July 17, 2019**

**File No. 0220-05**

**SUBJECT:** Cal OES Authorized Agent Signature Form 130 for Non-State Agencies

**DEPARTMENT:** Public Works Department

**RECOMMENDATION:**

It is requested that the City Council adopt Resolution No. 2019-103, authorizing the Mayor and City Clerk to execute a State of California Governor's Office of Emergency Services Designation of Subrecipient's Agent Resolution Form 130 ("Cal OES Form 130") appointing and authorizing the Fire Chief, the Director of Public Works, and the Assistant Director of Finance as authorized agents of the City of Escondido ("City") to file and engage with the Federal Emergency Management Agency ("FEMA") and the State of California Governor's Office of Emergency Services ("Cal OES") for grants and disaster assistance applied for by the City.

**FISCAL ANALYSIS:**

Adoption of the Resolution allows staff to seek Cal OES grant opportunities and apply for State and/or Federal funding for disaster assistance.

**BACKGROUND:**

Cal OES requires non-state agencies to execute a Cal OES Form 130 to receive State grants, certain financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and State financial assistance under the California Disaster Assistance Act. Cal OES Form 130 must be approved by resolution of the Governing Body, authorizing agents of the agency to file and engage with FEMA and Cal OES for State grants and disaster assistance. The Cal OES Form 130 will be in effect for three (3) years, following the date of Council approval, for all open and future disaster assistance.

Staff recommends completing the CAL OES Form 130 with titles of authorized agents only, which will require a cover letter accompanying the Cal OES Form 130 naming the authorized agents by name and title. This method allows the CAL OES Form 130 to be valid for three (3) years. If an authorized agent leaves the position and is replaced by another individual with the same title, a revised cover letter can be completed by any authorized person within the agency.

If names and titles of authorized agents are listed on the Cal OES Form 130 and an authorized agent is replaced or leaves the position, a new Cal OES Form 130 would be required and would need to be approved by resolution of the Governing Body.

Cal OES Form 130 for Non-State Agencies  
July 17, 2019  
Page 2

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Joseph Goulart, Director of Public Works  
7/10/2019 3:56 p.m.

ATTACHMENTS:

1. Resolution No. 2019-103
2. Resolution No. 2019-103 Exhibit "1" – Cal OES Form 130

RESOLUTION NO. 2019-103

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE MAYOR AND CITY CLERK, TO EXECUTE, ON BEHALF OF THE CITY, A STATE OF CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES DESIGNATION OF SUBRECIPIENT'S AGENT RESOLUTION FORM 130

WHEREAS, the State of California Governor's Office of Emergency Services ("Cal OES") requires non-state agencies to execute a Designation of Subrecipient's Agent Resolution Form 130 ("Cal OES Form 130"); and

WHEREAS, the Cal OES Form 130 must be approved by resolution from the non-state agency Governing Body; and

WHEREAS, an executed Cal OES Form 130 allows the City of Escondido ("City") to file and engage with the Federal Emergency Management Agency ("FEMA") and Cal OES for grants and disaster assistance applied for by the City; and

WHEREAS, the Cal OES Form 130 allows for three (3) titles as authorized agents of the non-state agency; and

WHEREAS, the City Council authorizes the Fire Chief, and or the Director of Public Works, and or the Assistant Director of Finance as its agents to execute for and on the behalf of the City; and

WHEREAS, an executed Cal OES Form 130 is effective for all open and future disasters and grants up to three (3) years following the date of approval.

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 is authorized, on behalf of the City, to empower the Fire Chief, and/or the Director of Public Works, and/or the Assistant Director of Finance as its agents to execute for and on the behalf of the City of Escondido with the State of California Governor's Office of Emergency Services for State grants and disaster assistance.
3. That the Mayor and the City Clerk are authorized to execute, on behalf of the City, a State of California Governor's Office of Emergency Services Designation of Subrecipient's Agent Resolution Form 130, which is attached and incorporated to this Resolution as Exhibit "1" – Cal OES Form 130.



**DESIGNATION OF SUBRECIPIENT'S AGENT RESOLUTION  
Hazard Mitigation Grant Program and Pre-Disaster Mitigation Program**

BE IT RESOLVED BY THE \_\_\_\_\_ OF THE \_\_\_\_\_  
(Governing Body) (Name of Applicant)

THAT \_\_\_\_\_, OR  
(Title of Authorized Agent)

\_\_\_\_\_, OR  
(Title of Authorized Agent)

\_\_\_\_\_  
(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the \_\_\_\_\_, a public entity  
(Name of Subrecipient)

established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Service. for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the \_\_\_\_\_, a public entity established under the laws of the State of California,  
(Name of Subrecipient)

hereby authorizes its agent(s) to provide to the California Governor's Office of Emergency Service for all matters pertaining to such state disaster assistance the assurances and agreements required.

**Please check the appropriate box below:**

This is a universal resolution and is effective for all open and futures Disasters/Grants up to three (3) years following the date of approval below.

This is a Disaster/Grant specific resolution and is effective for only Disaster/Grant name/number(s) \_\_\_\_\_

Passed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
(Name and Title of Governing Body Representative)

\_\_\_\_\_  
(Name and Title of Governing Body Representative)

\_\_\_\_\_  
(Name and Title of Governing Body Representative)

**CERTIFICATION**

I, \_\_\_\_\_, duly appointed and \_\_\_\_\_ of  
(Name) (Title)

\_\_\_\_\_, do hereby certify that the above is a true and correct copy of a  
(Name of Applicant)

Resolution passed and approved by the \_\_\_\_\_ of the \_\_\_\_\_  
(Governing Body) (Name of Applicant)

on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
(Signature)

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

## **Cal OES Form 130** **Instructions**

**A new Designation of Applicant's Agent Resolution is required if the previously submitted document is older than three (3) years from the last date of Board/Council approval.**

When completing the Cal OES Form 130, Subrecipients should fill in the blanks on page 1. The blanks are to be filled in as follows:

### **Resolution Section:**

**Governing Body:** This is the individual or group responsible for appointing and approving the Authorized Agents. Examples include: Board of Directors, City Council, Board of Supervisors, etc.

**Name of Subrecipient:** This is the official name of the non-profit, agency, city, county or special district that has applied for the grant. Examples include: City of Sacramento; Sacramento County; or Los Angeles Unified School District.

**Authorized Agent:** These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the California Governor's Office of Emergency Service regarding grants applied for by the subrecipient. There are two ways of completing this section:

1. **Titles Only:** If the Governing Body so chooses, the titles of the Authorized Agents should be entered here, not their names. This allows the document to remain valid if an Authorized Agent leaves the position and is replaced by another individual. If "Titles Only" is the chosen method, this document must be accompanied by a cover letter naming the Authorized Agents by name and title. This cover letter can be completed by any authorized person within the agency (e.g.; City Clerk, the Authorized Agent, Secretary to the Director) and does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names and titles of the Authorized Agents should be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document or their title changes.

**Governing Body Representative:** These are the names and titles of the approving board members. Examples include: Chairman of the Board, Superintendent, etc. The names and titles cannot be one of the designated Authorized Agents.

### **Certification Section:**

**Name and Title:** This is the individual that was in attendance and recorded the Resolution creation and approval. Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person cannot be one of the designated Authorized Agents to eliminate "Self Certification."

## CITY COUNCIL STAFF REPORT

**Consent Item No. 10**

**July 17, 2019**

**File No. 0600-95**

SUBJECT: Notice of Completion for the Escondido Creek Bikeway Missing Link Project

DEPARTMENT: Engineering Services Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2019-100, authorizing the City Engineer to file a Notice of Completion for the Escondido Creek Bikeway Missing Link ("Project").

FISCAL ANALYSIS:

Staff has approved contract change orders in the amount of \$95,446.04 for replacement of additional sidewalk, an added signal pole for improved visibility, extension of conduit and other minor work totaling 9% of the original contact amount. Staff is working with the contractor to resolve a claim related to a deductive change order in the amount of \$33,750 for late completion of the Project.

PREVIOUS ACTION:

On February 14, 2018, the City Council adopted Resolution No. 2018-19, authorizing the Mayor and City Clerk to execute a Public Improvement Agreement with Eagle Paving Company, Inc., the lowest responsible bidder, in the amount of \$1,042,200.00 for construction of the Project.

BACKGROUND:

The Project constructed a new separated Class IV Bikeway (Cycle Track) and a Class I Bike Path through the core of the City of Escondido to fill a gap between the Escondido Creek Trail on North Broadway at Woodward Avenue, and the Inland Rail Trail on Quince Street just north of the Escondido Transit Center. Some key features of the project included the bollard-separated two-way Class IV Bikeway (Cycle Track); a new bike bridge over the Escondido Creek adjacent to the existing North Broadway bridge; a new traffic signal at North Broadway and Woodward Avenue; and a new traffic signal for the crosswalk on North Broadway next to Grape Day Park.

The Project was funded in part with a \$1,092,000.00 TransNet Active Transportation Program Grant. The Project was selected to be featured at the 2019 Institute of Transportation Engineers (ITE) Western District Annual Meeting in Monterey, California in June 2019.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Julie Procopio*, Director of Engineering Services  
7/10/2019 4:37 p.m.

ATTACHMENTS:

1. Resolution No. 2019-100

RESOLUTION NO. 2019-100

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE CITY ENGINEER, ON  
BEHALF OF THE CITY, TO FILE A NOTICE OF  
COMPLETION FOR THE ESCONDIDO  
CREEK BIKEWAY MISSING LINK PROJECT

WHEREAS, on February 14, 2018, the City Council adopted Resolution No 2018-19, authorizing execution of the Public Improvement Agreement for the construction of the Escondido Creek Bikeway Missing Link Project ("Project") in the amount of \$1,042,200.00; and

WHEREAS, the construction for Escondido Creek Bikeway Missing Link Project was completed by Eagle Paving Company, Inc.; and

WHEREAS, the City of Escondido staff and the City Engineer deems the filing of the Notice of Completion to be valid and recommends approval; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to approve the filing of the Notice of Completion.

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

1. That the above recitations are true.
2. That the City Council accepts the recommendation of the City Engineer.
3. That the City Council hereby approves the request to file a Notice of Completion for the Escondido Creek Bikeway Missing Link Project.

## CITY COUNCIL STAFF REPORT

**Consent Item No. 11**

**July 17, 2019**

**File No. 0145-90**

**SUBJECT:** Payment to SDG&E for Utilities Design and Construction for the Citracado Parkway Extension Project

**DEPARTMENT:** Engineering Services Department

**RECOMMENDATION:**

It is requested that the City Council adopt Resolution No. 2019-106, authorizing payment to SDG&E in the amount of \$511,921 for the Citracado Parkway Extension (“Project”) utility design and construction.

**FISCAL ANALYSIS:**

The estimated total project cost is \$31.6-Million. Funds in the amount of \$27.5-Million have been budgeted for the Project, including a \$12.5-Million Local Partnership Program grant, and a competitive grant of SB-1 funds selected by Caltrans. A construction cost estimate, updated in May 2019, shows the anticipated costs of construction to be approximately \$26.3-Million. The approved Capital Improvement Program (“CIP”) budget programmed TransNet and Traffic Impact Fee funds in the amount of \$2.8-Million in FY19/20, with additional programming in the amount of \$1.3-Million anticipated in FY20/21. The approved budget includes funds for utility design and construction as necessary to accommodate the Project.

**BACKGROUND:**

In June 2015, the City of Escondido (“City”) entered into an Electric Transmission Facility Relocation Agreement with SDG&E to initiate design for relocation of the existing 69kV overhead transmission power lines to accommodate the Project. The existing infrastructure is required to be relocated as it lies within the future extended roadway. It is not feasible to place these facilities underground. Design costs in the amount of \$45,000 were paid to SDG&E. The agreement requires the City to pay for final design and construction costs upon final route approval.

SDG&E has completed the design for the relocation of the transmission electric facilities. Staff requests authorization to make payment to SDG&E in the amount of \$511,921. The new steel poles are being fabricated and are expected to be shipped for installation in Fall 2019. The Project construction is anticipated to begin in early 2020, and requires approximately 18-months to complete.

Payment to SDG&E for the Citracado Parkway Improvement Project  
July 17, 2019  
Page 2

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Julie Procopio*, Director of Engineering Services  
7/10/2019 4:37 p.m.

ATTACHMENTS:

1. Resolution No. 2019-106
2. Resolution No. 2019-106 - Exhibit "1" SDG&E Remittance and Material and Engineering Fee Request for Electric Transmission – TL679/TL6930 Citracado Pkwy Improvements Relocation (WO# 2982857)
3. Resolution No. 2019-106 - Exhibit "2" City / SDG&E Agreement

RESOLUTION NO. 2019-106

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE MAYOR AND CITY CLERK  
TO APPROVE, ON BEHALF OF THE CITY, A  
PAYMENT TO SDG&E FOR THE CITRACADO  
EXTENSION PROJECT

WHEREAS, the City Council has allocated funding in the adopted Capital Improvement Program Budget for the Citracado Extension Project (“Project”); and

WHEREAS, design and construction services are requested of SDG&E to accommodate the Project in the amount of \$511,921.00.

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 Mayor and City Clerk are authorized to approve, on behalf of the City, a payment to SDG&E, in which a copy of the Remittance invoice and Material Fee forms are attached and incorporated to this Resolution as Exhibit “1.”
3. A copy of the previously signed and referenced Electric Transmission Facility Relocation Agreement with SDG&E, which is attached as Exhibit “2” and incorporated by this reference, has been included as information only.



**CUSTOMER PAYMENT REMITTANCE**

	<b>Invoice/CR #</b>	<b>305566</b>
	<b>Project #</b>	<b>250924</b>
	<b>Date</b>	<b>June 10, 2019</b>
	<b>Preparer</b>	<b>Nelson, Brianne</b>

<b>Customer/Project Name:</b>	<b>TL679/TL6930 CITRICADO PKWY RELO</b>		
<b>Project Location:</b>	<b>ESCONDIDO AREA</b>		
<b>SDG&amp;E Contact:</b>	<b>Agustin, Rowena</b>	<b>Telephone:</b>	<b>619-441-3837</b>
	<b>PAYMENT DUE:</b>		
			<b>\$511,921.00</b>
			<b>- Make checks payable to SDG&amp;E -</b>

**MAIL TO:**  
Customer Payment Services - CP61C  
San Diego Gas & Electric  
PO Box 129831  
San Diego, CA 92112-9831

**THIS REMITTANCE MUST BE RETURNED WITH PAYMENT**





June 11, 2019

Matthew Souttere  
City of Escondido – Engineering Services  
201 North Broadway  
Escondido, CA 92025

**SUBJECT: MATERIAL AND ENGINEERING FEE REQUEST FOR ELECTRIC TRANSMISSION – TL679/TL6930 Citricado Pkwy Improvements Relocation (WO# 2982857)**

Dear Matthew Souttere:

San Diego Gas & Electric (SDG&E) has completed the design for the TL679/6930 Citricado Parkway Improvements Relocation Project, and a material fee and engineering fee is required.

Material Costs:

The estimated Material Fee is **\$232,865**, and in addition, the associated Contribution in Aid of Construction (CIAC) tax (if applicable) is **\$59,056**.

The total Estimated Materials Fee payment required is **\$291,921**.

This fee will provide for major long lead-time materials required to complete the Project. In the event that the scope of the project changes, the schedule and cost could be impacted.

Material List:

The following list of materials is to be procured under this Material Fee:

1. SP-2424 113' SW Engineered Pole
2. SP-2425 112' SW Engineered Pole
3. Anchor Cage SP2424
4. Anchor Cage SP2425

Engineering Costs:

The estimated Engineering Fee for project completion is **\$220,000**.

**Total Due: \$511,921**

This is an estimate only; the customer will pay **Actual Cost Billing**.



## Electric Transmission Facility Relocation Agreement ("Agreement")

Date Prepared June 23, 2015

SDG&E Work Order No. 292857

Name and Address of Applicant:

Billing/Notice Address for Applicant  
(If Different)

Matthew Souttere, Project Engineer

City of Escondido

201 North Broadway

Escondido, California 92025

Telephone: (760) 839-4574

E-mail: msouttere@escondido.org

Fed. Tax ID# 2

EIN 95-6000708

Project Address: Per the attached

Engineering Fee Request

### 1.0 Scope of Work.

1.1 Scope. Applicant requests San Diego Gas & Electric Company ("SDG&E") to modify or relocate certain of its electric transmission facilities. Applicant acknowledges that such relocations can be complex, lengthy processes. Applicant has investigated other alternatives, but believes the Project to be the only practical alternative. Applicant requests SDG&E to perform the engineering services necessary for the Project, as defined in the accompanying Engineering Fee Request (See Section 2.2.1.). It is understood and agreed that the description of the Project is general in nature, that this Agreement is intended to cover all work necessitated by the Project, and that deviation from that description may be made by SDG&E in its discretion and business judgment to meet the practical requirements of the Project, including, but not limited, to matters of safety, avoidance of substructures, and compliance with federal, state or local government requirements, including Environmental Impact Reports when required.

1.2 Purpose. This Agreement sets forth the terms and conditions under which SDG&E will perform the engineering services for the Project. It is an offer, which must be accepted by Applicant within thirty (30) days ("Acceptance Time Period") of the date shown above. Acceptance shall be by Applicant signing and returning the Agreement to SDG&E along with payment of the Engineering Fee Estimate within the Acceptance Time Period. If the Agreement has not been accepted by the end of the Acceptance Time Period, the offer shall automatically terminate without any further action on SDG&E's part. If Applicant requests SDG&E to continue with the Project after the Acceptance Time Period has passed, SDG&E, at its sole option, may prepare a new Agreement with a new Conceptual Cost Estimate or may use this Agreement, in either case making appropriate adjustments to the expected Project completion date.

## 2.0 Costs.

2.1 Total Actual Cost. Customer shall pay SDG&E its Total Actual Cost (Section 2.3 below) for the engineering services necessary for the Project, in accordance with the payment provisions below. Initial payments by Applicant are based upon estimates, but shall be trued-up in accordance with Section 2.3.

2.2 Conceptual Cost Estimate. The Conceptual Cost Estimate for the Project is \$450,000 to \$600,000. This estimate is furnished only for the convenience of Applicant to give Applicant a general idea of the order of magnitude of the expected Total Actual Cost, including the applicable gross-up of various components necessary to reimburse SDG&E for tax it is required to pay on the payments made by Applicant ("CIAC Tax"). It is intended to reflect SDG&E's general past experience of the cost of similar work under favorable conditions. Because of unforeseen contingencies and other factors, the Total Actual Cost may be considerably higher or lower than the Conceptual Cost Estimate. Therefore, the Conceptual Cost Estimate is not a warranty by SDG&E of the Total Actual Cost. The Conceptual Cost Estimate includes the Engineering Fee Estimate, Materials Fee Estimate, and Construction Fee Estimate and must be paid to SDG&E in advance, in accordance with the schedule set out in the subsections below. All Estimates will include applicable CIAC Tax. Although the Conceptual Cost Estimate includes the Engineering Fee Estimate, the Materials Fee Estimate and the Construction Fee Estimate, no materials will be ordered or construction begun until a separate procurement and construction agreement is agreed upon and executed by SDG&E and Applicant ("Procurement/Construction Agreement").

2.2.1 Engineering Fee Estimate. SDG&E's Engineering Fee Estimate is set forth on the separate Fee Request, which is being provided to Applicant with this Agreement. The Engineering Fee covers SDG&E's costs incurred in route selection and design of the Project, (including support functions such as surveying, right-of-way processing, construction cost estimates, etc.). The Engineering Fee Request must be paid by Applicant to SDG&E within the Acceptance Time Period. If Applicant does not so pay it, the provisions of Section 1.2 shall apply.

2.2.2 Materials Fee Estimate. Certain long lead-time materials may be necessary for the Project. If so, SDG&E may notify Applicant of the estimated cost for these materials. Applicant shall pay the Materials Fee Estimate within thirty (30) days of receipt of SDG&E's Fee Request. SDG&E shall have no obligation to order such materials until it has received payment. As noted above, SDG&E shall not procure any materials or submit a Materials Fee Estimate to Applicant until and only if the Procurement/Construction Agreement is executed by the parties.

2.2.3 Construction Fee Estimate. SDG&E may include its estimated costs for its own necessary permits, approvals, recording fees and other miscellaneous charges as well as estimated construction costs in the Construction Fee Estimate. The Construction Fee Estimate shall be paid within thirty (30) days of receipt of SDG&E's Fee Request. SDG&E shall have no obligation to proceed with the Project until it has received payment. As noted above, SDG&E shall not submit a Construction Fee Estimate to Applicant until and only if the Procurement/Construction Agreement is executed by the parties.

2.2.4 Payment of Fee Requests. If Applicant does not pay the Materials or Construction Fee Estimates within thirty (30) days of execution of the Procurement/Construction Agreement, the delay will cause at least a corresponding delay in SDG&E's ordering of the materials and/or completion of the Project. Failure to pay either the Materials or Construction Fee Estimates when due may be considered by SDG&E to be a termination of the Procurement/Construction Agreement. The Fee Requests for the Engineering Fee Estimate, the Materials Fee Estimate, and the Construction Fee Estimate are a part of this Agreement and are incorporated by reference; samples of each are attached hereto.

2.2.5 Revisions to Estimates. SDG&E may, but shall not be required to, revise any of the components of the Engineering Fee Estimates, if it has reason to believe such estimates are no longer accurate. SDG&E may then send a revised Engineering Fee Request, and the additional amount shall be paid within thirty (30) days of receipt of the Fee Request. SDG&E shall have no obligation to proceed with the engineering services necessary for the Project until it has received payment, but it may choose to proceed before payment is received. If Applicant does not pay the additional Fee within thirty (30) days of receipt of the Fee Request, such failure may be considered by SDG&E to be a termination of the Agreement.

2.3 Total Actual Cost. After the design for the Project is complete, SDG&E will determine the Total Actual Cost for the engineering services portion of the Project, including labor, fees, and overheads. If the Total Actual Cost is less than the payments Applicant has previously made pursuant to Section 2.2 above, SDG&E shall refund the difference (without interest). If the Total Actual Cost is greater, SDG&E shall invoice Applicant for the difference. Payment shall be due and payable within thirty (30) days of receipt of the invoice. If not so paid, a late charge of 5% per annum of the balance due shall be imposed beginning with the 31st day and continuing until paid. SDG&E will attempt to determine the Total Actual Cost within ninety days of completion of the Project design, but shall have no obligation to do so or liability for failure to do so. Applicant's liability for payment of any additional Total Actual Cost shall continue for the time set forth in the applicable statute of limitations.

3.0 No Warranty. **SDG&E's Conceptual Cost Estimate shall not be deemed a warranty, express or implied, as to the Total Actual Cost. Field conditions, changes in the scope of the Project, delays, factors such as those set forth in Section 4, and other factors may cause the Total Actual Cost to substantially exceed the estimates.**

4.0 Schedule. SDG&E will attempt to accommodate Applicant's schedule, to the extent reasonably possible. SDG&E shall have no liability, however, due to its inability to meet Applicant's schedule or for delays in the Project's schedule. The ability to meet Applicant's schedule and SDG&E's Project schedule is contingent on many factors, including, but not limited to site availability, other workloads, material delivery, outage approval by the Independent System Operator ("ISO"), SDG&E's utility operating needs, timely receipt of payments and Route Approval from Applicant, factors affecting Applicant's schedule such as its obtaining of all required permits and easements, and approval of any required Environmental Impact Report, obtaining of any required CPUC approval for the Project, and other events or circumstances. SDG&E may notify Applicant of SDG&E's estimated schedule for completion of Project design at the time it provides the Engineering Fee Request, but it need not do so. SDG&E will attempt to notify Applicant if it becomes aware that the Project schedule has changed, but shall have no liability to Applicant for failure to so notify Applicant.

5.0 Compliance with California Environmental Quality Act. Applicant shall be responsible, at its sole cost and expense, for ensuring that the Project (including, without limitation, the new transmission facilities and any associated access roads and construction pads) fully complies with all applicable provisions of the California Environmental Quality Act ("CEQA"). Applicant shall evaluate the environmental impacts associated with the Project and shall determine appropriate mitigation measures for any such impacts. Applicant shall be responsible for implementing any and all mitigation measures and/or permit conditions associated with the Project under CEQA and/or as required by any permit or approvals granted for the Project.

6.0 Applicant's Other Responsibilities.

6.1 Route Approval. Applicant shall review SDG&E's preliminary design for the Project and give its Route Approval by executing and returning to SDG&E the Route Approval letter, in the form attached hereto. If approval is not given within thirty (30) days from the date of the letter, SDG&E may terminate the Agreement.

6.2 Permits, Licenses and Easements. Except as provided below in the next section, Applicant shall obtain, at its cost, all permits, licenses and easements required for the Project. All rights and easements shall be equal to or better than existing rights and easements. The Project shall allow ultimate development of the land rights and include full access to, from and along SDG&E's facilities. The terms of such permits, licenses and easements must be satisfactory to SDG&E in its sole discretion. SDG&E's land management department will provide Applicant with the form of any necessary easement or license, but it shall be Applicant's responsibility to contact third party property owners to obtain the execution of the permits, licenses and easements (and any necessary subordination of other encumbrances) and deliver them to SDG&E (for recording, if applicable). Applicant shall be responsible to obtain any Storm Water Pollution Prevention Permit ("SWPPP"). Applicant shall be responsible to make arrangements for the relocation of telecommunications and TV cables.

7.0 California Public Utility Commission Approval. SDG&E will be responsible for the filing of any necessary documents with the California Public Utilities Commission ("CPUC"), at Applicant's expense, and Applicant shall be responsible to cooperate fully with SDG&E. If an exemption is requested from the CPUC, then a waiting period of 45 days, from the day the request is filed with the CPUC, will be necessary before construction of the Project can commence, assuming no protests are filed. SDG&E shall have no liability to Applicant for the CPUC's failure to issue such approval or exemption, for any terms or conditions upon which it issues such approval, for delays in issuing such approval or exemption, or for any other matter associated with the requirement of CPUC action (or SDG&E's belief that CPUC action is necessary).

8.0 Notices. Notices to Applicant shall be mailed or hand delivered to Applicant at the address first shown above. Notices to SDG&E shall be mailed or hand delivered to SDG&E at the following address:

San Diego Gas & Electric Company  
8316 Century Park Court, CP-52B  
San Diego, CA 92123-1582  
Attention: Transmission Engineering and Design

If mailed, notices shall be deemed delivered 48 hours after mailing. Either party may give written notification to the other party, in the manner specified above, of any change of address for the sending of notices.

9.0 General Indemnity. Applicant shall indemnify, defend and hold SDG&E harmless from, and against any and all liability, claims, demands, damages and costs of every kind and nature, including reasonable attorneys fees (of in-house and outside counsel), for injury to or death of any and all persons, including, without limitation, employees, representatives of SDG&E, Applicant or any other person or persons, and for damage, destruction, or loss to or of any and all property, real or personal, including without limitation, property of SDG&E, Applicant or of any other person or persons, resulting from or in any manner arising out of or in connection with the performance of the work to complete the Project. Applicant shall also, upon request by SDG&E, and at no expense to SDG&E, defend SDG&E in any and all suits, concerning such injury to or death of any and all persons, and concerning such damage, destruction or loss, consequential or otherwise, to or of any and all property, real or personal, including, without limitation, suits by employees or representatives of SDG&E, Applicant or any other person or persons. Excluded from this paragraph are only those injuries to or deaths of persons and damage, destruction or loss to or of property arising from the sole negligence or willful misconduct of SDG&E or its employees or representatives.

10.0 Environmental Indemnity. Applicant shall indemnify, defend and hold SDG&E harmless from and against any and all liability (including attorneys' fees incurred in defending against such liability or in enforcing this provision) arising out of or in any way connected with the violation of or compliance with any local, state or federal environmental law or regulation as a result of pre-existing conditions at the Project site, release or spill of any pre-existing hazardous materials or waste, or out of the management and disposal of any pre-existing contaminated soils or groundwater, hazardous or non-hazardous, removed from the ground as a result of any work for the Project ("Pre-Existing Environmental Liability"), including but not limited to liability for the costs, expenses and legal liability for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial work, penalties, and fines arising from the violation of any local, state or federal law or regulation, attorneys' fees, disbursements, and other response costs. As between Applicant and SDG&E, Applicant agrees to accept full responsibility for and bear all costs associated with Pre-Existing Environmental Liability. Applicant agrees that SDG&E may stop the Project, terminate the Project, redesign it to a different location or take other action reasonably necessary to complete the Project without incurring any Pre-Existing Environmental Liability.

11.0 Termination.

11.1 By Applicant. Applicant shall have the right to terminate the Agreement (for any reason or no reason) at any time, upon ten days prior written notice to SDG&E. Applicant shall reimburse SDG&E for its Total Actual Cost incurred through the date the termination is effective plus all other unavoidable items of Total Actual Cost.

11.2 By SDG&E. SDG&E shall have the right to terminate the Agreement immediately upon written notice to Applicant, if: (i) if Applicant does not pay any Fee Requests within the time frames set forth above in Section 2; (ii) if the CPUC, the California legislature, the Federal Energy Regulatory Commission, United States Congress, or any other governmental,

regulatory or judicial body having jurisdiction over Applicant, SDG&E or the Project, issues an order or decision or enacts a law that significantly increases the Total Actual Cost of the Project, or that significantly changes the structure or function of the Project in a materially adverse way; (iii) if Applicant suffers a material adverse financial change or SDG&E reasonably believes that Applicant will experience a material adverse financial change, and Applicant fails to provide SDG&E reasonable assurance, within 30 days of its request, that Applicant will be able to fulfill its financial or other obligations under the Agreement; (iv) if within one year of the date first written above or such other time period as may be set forth in writing by SDG&E, Applicant is unable to obtain any necessary permits, approvals or easements, SDG&E is unable to obtain any needed CPUC approval on terms and conditions acceptable to SDG&E or the CPUC has not acted upon the application filed by SDG&E; (v) or if Applicant makes assignment, without the prior written consent of SDG&E. Upon such termination, SDG&E shall have the right to recover the entire Total Actual Cost incurred through the date of termination plus all other items of unavoidable Total Actual Cost, and to exercise any other remedy at law or equity.

12.0 Excavations. Applicant agrees that any excavation made by Applicant that is to be entered by SDG&E employees, agents or subcontractors in performing the work covered by this Agreement shall conform to all requirements of State of California Construction Safety Orders, particularly the provisions of Article 6, Sections 1539 through 1547, which relate to the safe construction of trenches and excavations.

13.0 Reasonable Care. Applicant agrees to take all reasonable care in protecting SDG&E's facilities from damage, including the use of procedures which will not place undue strain on SDG&E's facilities during excavation and backfill or cause damage to SDG&E's facilities, including any pipe protective coatings.

14.0 Attorneys' Fees. In the event of any litigation between the parties hereto arising out of or relating to this Agreement or any breach hereof, the prevailing party shall be entitled to recover its reasonable attorneys' fees (whether or not of salaried employees) and costs incurred, in addition to such other relief as may be granted.

15.0 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

16.0 No Assignment by Applicant. Applicant shall not assign its rights or delegate its duties under this Agreement (either voluntarily, involuntarily or by operation of law), without the prior written consent of SDG&E, which shall not be unreasonably withheld.


17.0 Insurance. During the construction of the Project, Applicant shall provide and maintain at Applicant's expense, any or all of following types of insurance, as requested by SDG&E, in at least the following amounts: workers' compensation insurance as required by applicable law and employer's liability insurance coverage in an amount of not less than \$1,000,000 per accident and per employee for disease; commercial general liability insurance (insuring against liability arising from bodily injury, property damage, personal and advertising injury, independent contractor's liability, products and completed operations and contractual liability) in an amount of not less than \$1,000,000, per occurrence; and pollution liability insurance, insuring against liability for environmental activities contemplated under this Agreement and as may be required by federal, state, regional, municipal and local laws, in an amount not less than \$1,000,000 each claim. Applicant shall provide SDG&E with certificates of all requested insurance, executed by

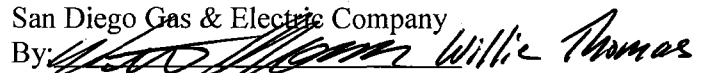


a duly authorized representative of each insurer, as evidence of all required insurance policies. No insurance policy may be canceled, materially revised or subject to non-renewal without at least thirty (30) days prior written notice being given to SDG&E. SDG&E shall be named as additional insured in each requested insurance policy (except for workers' compensation). The commercial general liability insurance shall include a severability of interest or cross-liability clause. The required policies shall provide that coverage is primary for all purposes and that Applicant shall seek no contribution from any insurance or self-insurance maintained by SDG&E. Each required policy shall contain a waiver of subrogation in favor of SDG&E and shall be written by a company or companies having an A.M. Best rating of "A-" or better, or equivalent. The insurance required shall not in any way affect the amount or scope of liability of Applicant under this Agreement, including but not limited to liability under Sections 9 or 10.

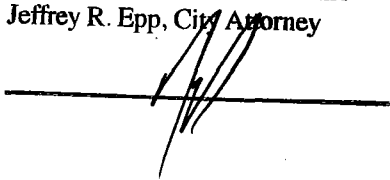
**18.0 Limitation of SDG&E's Liability. Projects can be very complex and lengthy and should be requested by Applicant only when no practical alternatives exist. SDG&E is performing the Project for the sole convenience of the Applicant. Because of this, and because of the complexity involved in relocations of electric transmission facilities, SDG&E shall have NO LIABILITY TO APPLICANT FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES ARISING OUT OF SDG&E'S PERFORMANCE OF, OR FAILURE TO PERFORM, THE PROJECT, AGREEMENT OR ANY OF ITS OBLIGATIONS HEREUNDER.**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates set forth below their signature.

  
By: Edward N. Domingue, P.E.  
Title: Public Works Director / City Engineer  
Date: 7/16/15

San Diego Gas & Electric Company  
By:   
Title: Mgr Trans Engr  
Date Accepted: 9-1-15

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY  
Jeffrey R. Epp, City Attorney





## CITY COUNCIL STAFF REPORT

**Consent Item No. 12**

**July 17, 2019**

**File No. 0430-80**

**SUBJECT:** Fiscal Year 2019 California Identification Systems Remote Access Network User Agreement (Cal-ID)

**DEPARTMENT:** Police Department

**RECOMMENDATION:**

It is requested that the City Council authorize the Escondido Police Department to enter into a Cal-ID User Agreement with the County of San Diego; authorize the Chief of Police or his designee to submit agreement documents on behalf of the City of Escondido.

**FISCAL ANALYSIS:**

The total cost of the Cal-ID User Agreement has been budgeted in the Police Department General Fund Budget under the Professional Services Category.

**PREVIOUS ACTION:**

On November 19, 2014, the City Council approved the FY 2014 Cal-ID User Agreement.

**BACKGROUND:**

The State of California Department of Justice maintains an automated system, called Cal-ID, for retaining and identifying fingerprints, palm prints, and photos. Local law enforcements agencies are eligible to use this system through a Remote Access Network (RAN). The San Diego County Sheriff's Department is the County's proprietary agency for local access to the information retained by Cal-ID.

Your action to authorize the Escondido Police Department to execute the Cal-ID User Agreement will allow eligible police department staff members to continue to access the Cal-ID system.

**APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:**

*Justin Murphy*, Police Captain  
7/9/2019 1:35 p.m.



## CITY COUNCIL STAFF REPORT

**Consent Item No. 13**

**July 17, 2019**

**File No. 0600-10**

**SUBJECT:** FY 2019-2024 County of San Diego California Identification (Cal-ID) Program Specialist Funding and Budget Adjustment

**DEPARTMENT:** Police Department

**RECOMMENDATION:**

It is requested that the City Council adopt Resolution No. 2019-110; accept funding from the County of San Diego for the FY 2019-2024 California Identification (Cal-ID) Program Specialist; authorize the Chief of Police or his designee to execute contract documents on behalf of the City of Escondido; and approve budget adjustments related to reimbursement funding.

**FISCAL ANALYSIS:**

This action will have no impact on the General Fund Budget. The San Diego County Sheriff's Department will fund all costs associated with the FY 2019-2024 California Identification (Cal-ID) Program Specialist.

**PREVIOUS ACTION:**

On April 22, 2015, the City Council accepted \$417,600 from the County of San Diego for the FY 2015-2019 California Identification (Cal-ID) Program Specialist.

**BACKGROUND:**

The Cal-ID Network is a law enforcement resource that allows access to fingerprints, palm prints, and photos. The Cal-ID Program Specialist manages county-wide operations, training, and hardware maintenance of the Cal-ID Network. Cal-ID Program costs for FY 2019-2024 will total \$421,875. All costs will be fully reimbursed by the County of San Diego.

Your authorization of Resolution No. 2019-110 and approval to accept FY 2019-2024 County of San Diego California Identification (Cal-ID) Program Funding will ensure local and regional access to law enforcement information.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Justin Murphy*, Police Captain  
7/9/2019 1:35 p.m.

ATTACHMENTS:

1. Budget Adjustment
2. Resolution No. 2019-110
3. Resolution No. 2019-110 – Exhibit “A”



RESOLUTION NO. 2019-110

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE CHIEF OF POLICE TO  
EXECUTE, ON BEHALF OF THE CITY, A  
CONSULTING AGREEMENT FOR CAL-ID  
SPECIALIST SERVICES

WHEREAS, the City of Escondido Police Department (“City”) participates in the San Diego County California Identification (Cal-ID) Program; and

WHEREAS, the City and the County of San Diego executed an Memorandum of Agreement (MOA) which provides funding to the City for a Cal-ID Program Specialist; and

WHEREAS, the City desires to enter into a Consulting Agreement with a Cal-ID Specialist to provide services funded by the MOA.

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

1. That the above recitations are true.
2. That the City Council authorizes the Chief of Police to execute the Cal-ID Program Specialist Consulting Agreement, which is attached as Exhibit “A” and is incorporated by this reference.



CITY OF ESCONDIDO  
CONSULTING AGREEMENT

This Agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Between: CITY OF ESCONDIDO  
a Municipal Corporation  
201 N. Broadway  
Escondido, California 92025  
Attn: Craig Carter  
760-839-4706  
("CITY")

And: J. Walker Consultants  
1856 Rancho Judith  
Alpine, CA 91901  
Attn: James Walker  
619-871-1659  
("CONSULTANT")

Witness that whereas:

- A. It has been determined to be in the CITY's best interest to retain the professional services of a consultant to provide technical expertise and training to the Escondido Police Department in the use of automated fingerprint technologies, including AFIS, Mobile ID, Rapid ID, and Livescan technologies, and additionally to provide these services and Cal-ID support service on a regional (countywide) basis; and
- B. The CONSULTANT is considered competent to perform the necessary professional services for CITY;

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

- 1. Services. The CONSULTANT will furnish all of the services as described in "Attachment A" which is attached and incorporated by this reference.
- 2. Compensation. The CITY will pay the CONSULTANT in accordance with the conditions specified in "Attachment A," in the sum not to exceed \$421,876. Any breach of this Agreement will relieve CITY from the obligation to pay CONSULTANT, if CONSULTANT has not corrected the breach after CITY provides notice and a reasonable time to correct it. If this Agreement is amended at any time, additional compensation of CONSULTANT contained in subsequent amendment(s) shall not exceed a cumulative total of twenty-five percent (25%) of the maximum payment provided for in this Section 2.



3. Scope of Compensation. The CONSULTANT will be compensated for performance of tasks specified in "Attachment A" only. No compensation will be provided for any other tasks without specific prior written consent from the CITY.
4. Duties. CONSULTANT will be responsible for the professional quality, technical accuracy, timely completion, and coordination of all reports and other services furnished by the CONSULTANT under this Agreement, except that the CONSULTANT will not be responsible for the accuracy of information supplied by the CITY.
5. Personnel. The performance of services under this Agreement by certain professionals is significant to the CITY. CONSULTANT will assign the persons listed on "Attachment B," which is attached and incorporated by this reference, to perform the Services described in Paragraph 1, and will not add or remove persons from the list without the prior written consent of the CITY. If no designation is made, then CONSULTANT may not assign services without obtaining the advance written consent of the CITY. CONSULTANT will not subcontract any tasks under this Agreement without obtaining the advance written consent of the CITY.
6. Termination. Either CONSULTANT or the CITY may terminate this Agreement with thirty (30) days advance written notice.
7. City Property. All original documents, drawings, electronic media, and other material prepared by CONSULTANT under this Agreement immediately becomes the exclusive property of the CITY, and may not be used by CONSULTANT for any other purpose without prior written consent of the CITY.
8. Insurance.
  - a. The CONSULTANT shall secure and maintain at its own cost, for all operations, the following insurance coverage, unless reduced by the City Attorney:
    - (1) General liability insurance. Occurrence basis with minimum limits of \$1,000,000 each occurrence, \$2,000,000 General Aggregate, and \$1,000,000 Products/Completed Operations Aggregate; and
    - (2) Automobile liability insurance of \$1,000,000 combined single-limit per accident for bodily injury and property damage, unless waived as provided in 8(b) below; and
    - (3) Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole proprietorship; and
    - (4) Errors and Omissions professional liability insurance with minimum coverage of \$1,000,000.
  - b. It is the parties' understanding that the use of a motor vehicle is not a primary subject of this Agreement. CONSULTANT acknowledges that operating a motor vehicle is outside the scope of this Agreement and occurs only at the convenience of the CONSULTANT. A waiver of automobile liability insurance is only effective if both sets of initials appear below, otherwise such insurance is required.

Acknowledged by CONSULTANT \_\_\_\_\_

Waiver appropriate by CITY \_\_\_\_\_

- c. Each insurance policy required above must be acceptable to the City Attorney.
    - (1) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A- rated, class V carrier or better, admitted in California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.
    - (2) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.
    - (3) Both the General Liability and the Automobile Liability policies must name the CITY specifically as an additional insured under the policy on a separate endorsement page. The CITY includes its officials, employees, and volunteers. The endorsement must be ISO Form CG 20 10 11 85 edition or its equivalent for General Liability endorsements and CA 20 01 for Automobile Liability endorsements.
    - (4) The General Liability policy must include coverage for bodily injury and property damage arising from CONSULTANT's work, including its on-going operations and products-completed operations hazard.
    - (5) The General Liability policy must be primary and noncontributory and any insurance maintained by CITY is excess.
  - d. In executing this Agreement, CONSULTANT agrees to have completed insurance documents on file with the CITY within fourteen (14) days after the date of execution. Failure to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.
9. Indemnification. CONSULTANT (which in this paragraph 9 includes its agents, employees and subcontractors, if any) agrees to indemnify, defend, and hold harmless the CITY from all claims, lawsuits, damages, judgments, loss, liability, or expenses, including attorneys' fees, for any of the following:
- a. Any claim of liability arising out of the negligence or any acts or omissions of CONSULTANT in the performance of this Agreement;
  - b. Any personal injuries, property damage or death that CONSULTANT may sustain while using CITY-controlled property or equipment, while participating in any activity sponsored by the CITY, or from any dangerous condition of property; or
  - c. Any injury or death which results or increases by any action taken to medically treat CONSULTANT.
10. Anti-Assignment Clause. The CONSULTANT may not assign, delegate or transfer any interest or duty under this Agreement without advance written approval of the CITY, and any attempt to do so will immediately render this entire Agreement null and void. Unless CONSULTANT assigns this entire Agreement, including all rights and duties herein, to a third party with the CITY'S written consent, CONSULTANT shall be the sole payee under this Agreement. Any and all payments made pursuant to the terms of this Agreement are otherwise not assignable.
11. Costs and Attorney's Fees. In the event that legal action is required to enforce the terms and conditions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs.

12. Independent Contractor. CONSULTANT is an independent contractor and no agency or employment relationship, either express or implied, is created by the execution of this Agreement.
13. Merger Clause. This Agreement and its Attachments, if any, are the entire understanding of the parties, and there are no other terms or conditions, written or oral, controlling this matter. In the event of any conflict between the provisions of this Agreement and any of its Attachments, the provisions of this Agreement must prevail.
14. Anti-Waiver Clause. None of the provisions in this Agreement will be waived by CITY because of previous failure to insist upon strict performance, nor will any provision be waived by CITY because any other provision has been waived, in whole or in part.
15. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.
16. Choice of Law. This Agreement is governed by the laws of the State of California. Venue for all actions arising from this Agreement must be exclusively in the state or federal courts located in San Diego County, California.
17. Multiple Copies of Agreement/Counterparts. Multiple copies and/or counterparts of this Agreement may be executed, including duplication by photocopy or by computerized scanning device. Each duplicate will be deemed an original with the same effect as if all the signatures were on the same instrument. However, the parties agree that the Agreement on file in the office of the Escondido City Clerk is the copy of the Agreement that shall take precedence should any differences exist among copies or counterparts of the document.
18. Provisions Cumulative. The foregoing provisions are cumulative and in addition to and not in limitation of any other rights or remedies available to the CITY.
19. Notices to Parties. Any statements, communications or notices to be provided pursuant to this Agreement must be sent to the attention of the persons indicated below. Each party agrees to promptly send notice of any changes of this information to the other party, at the address first above written.
20. Business License. The CONSULTANT is required to obtain a City of Escondido Business License prior to execution of this Agreement.
21. Compliance with Applicable Laws, Permits and Licenses. CONSULTANT shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, and rules in effect during the term of this Agreement. CONSULTANT shall obtain any and all licenses, permits, and authorizations necessary to perform services set forth in this Agreement. Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.
22. Immigration Reform and Control Act of 1986. CONSULTANT shall keep itself informed of and comply with the Immigration Reform and Control Act of 1986. CONSULTANT affirms that as an employer in the State of California, all new employees must produce proof of eligibility to work in the United States within the first three days of employment and that only employees legally eligible to work in the United States will be employed on

this public project. CONSULTANT agrees to comply with such provisions before commencing and continuously throughout the performance of this Agreement.

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

CITY OF ESCONDIDO

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Craig Carter,  
Chief of Police

Date: \_\_\_\_\_

J. WALKER CONSULTANTS

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name & Title (please print)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY  
MICHAEL R. MCGUINNESS, City Attorney

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

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

Attachment "A"  
Scope of Services

**Public Service Agreement – J. Walker Consultants**

**A. GENERAL.**

J. Walker Consultant ("CONSULTANT") shall provide consulting services related to automated fingerprint technologies for the City of Escondido Police Department ("CITY").

**B. SERVICES.**

Consultant shall provide the following services:

1. The CONSULTANT shall provide training, troubleshoot, and act as field representative regarding the use of Livescan, Mobile ID, Rapid ID (for rapid identification of subjects at the jail) and the countywide Mugshot system for CITY Police Officers;
2. The CONSULTANT shall act in the capacity of liaison between CITY and 3M Cogent Systems (the vendor for the countywide Automated Fingerprint Identification System, "AFIS");
3. The CONSULTANT shall expand the use of Mobile ID technology within the CITY. Mobile ID technology enhances the officers' ability to positively identify subjects in the field through the use of a portable device that will search fingerprints in AFIS;
4. The CONSULTANT shall maintain and upgrade as necessary the Livescan instruments for digital collection of fingerprints from adult and juvenile subjects, which are kept in the possession of the CITY, but owned and maintained by the County of San Diego ("COUNTY"); and
5. On a regional (countywide) basis, the CONSULTANT shall:
  - a. Act as liaison with the San Diego County Sheriff's Department Data Services Division on countywide law enforcement database issues;
  - b. Train law enforcement agencies throughout the region on the use of Cal-ID equipment;
  - c. Act as liaison between the Cal-ID program and its sworn customers;
  - d. Act as liaison between the Cal-ID program and California Department of Justice on issues regarding Livescan;
  - e. Act as liaison between the Cal-ID program and hardware and software vendors;
  - f. Perform physical inventories of Cal-ID equipment for region;
  - g. Arrange for transfer or disposal of Cal-ID equipment;
  - h. Review Requests for Proposals for new Cal-ID equipment;
  - i. Troubleshoot issues relating to AFIS, Livescan, Mobile ID and Rapid ID;

- j. Attend meetings relating to biometric identification; and
- k. Attend Cal-ID staff meetings.

C. **CONTINGENCY.**

The COUNTY, by and through the COUNTY's Sheriff's Department, is providing funding from the Sheriff's Fingerprint ID Trust Fund to reimburse the CITY for the actual cost of the contract for CONSULTANT. Reimbursement to the CITY is dependent on continuing receipt of funding from the State of California pursuant to California Vehicle Code 9250.19. Should funding from the COUNTY cease, the CITY may terminate this agreement with CONSULTANT.

D. **AGREEMENT TERM.**

The term of this agreement will be effective for a period of one five-year period starting in July 2019 and ending June 2024.

E. **COMPENSATION.**

CITY shall compensate CONSULTANT for no more than 960 hours of work per year. The total payment to CONSULTAT shall be in the amount of no more than \$421,876 over the five-year agreement term.

The amount due to CONSULTANT for July 2019 through June 2020 shall not exceed \$80,266, with yearly percentage increases as follows:

- July 2020 - June 2021: 3% of annual contract amount effective July 1, 2020
- July 2021 - June 2022: 2% of annual contract amount effective July 1, 2021
- July 2022 - June 2023: 2% of annual contract amount effective July 1, 2022
- July 2023 - June 2024: 3% of annual contract amount effective July 1, 2023

Payment to CONSULTANT will be processed on a monthly basis and within 30 days from receipt of monthly invoice, which shall include an explanation of the work CONSULTANT has provided and the number of hours worked. Each invoice shall list CONSULTANT'S name, address, phone number, invoice number, amount to be paid, and descriptions of services rendered.

Payment to CONSULTANT is dependent of continued funding by the San Diego County Sherriff's Department from funding by the State of California pursuant to California Vehicle Code 92050.19.

ORDINANCE NO. 2019-07

AN ORDINANCE OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AMENDING CHAPTER TWO, ARTICLE VII OF  
THE ESCONDIDO MUNICIPAL CODE BY THE  
ADDITION OF SECTIONS 2-109.1 TO  
REQUIRE ONLINE OR ELECTRONIC FILING  
OF CAMPAIGN CONTRIBUTIONS AND  
EXPENDITURES AND STATEMENTS OF  
ECONOMIC INTEREST REPORTS

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

SECTION 1. That California Government Code Section 84615 provides that a legislative body of a local government agency may adopt an ordinance that requires an elected officer, candidate, or committee, required to file statements, reports, or other documents required by Chapter 4 of the Political Reform Act to file such statements, reports or other documents online or electronically with the City Clerk.

SECTION 2. That in any instance in which the original statement is required to be filed with the Secretary of State and a copy of that statement is required to be filed with the local government agency, the ordinance requires that the copy be filed online or electronically.

SECTION 3. That the City Council expressly finds and determines that the City Clerk's web-based system contains multiple safeguards to protect the integrity and security of the data, and will operate securely and effectively and will not unduly burden filers; and the City Clerk will operate the electronic filing system in compliance with the requirements of California Government Code Section 84615 and any other applicable laws.

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

ORDINANCE NO. 2019-08

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING A MASTER AND PRECISE DEVELOPMENT PLAN AND DEVELOPMENT AGREEMENT FOR "THE IVY" MIXED-USE DEVELOPMENT CONSISTING OF 127 APARTMENT UNITS AND 1,175 SF OF COMMERCIAL SPACE IN A FIVE-STORY STRUCTURE AND AUTHORIZING THE FILING OF A NOTICE OF EXEMPTION

APPLICANT: Addison Garza, Touchstone Communities  
CASE NO.: PHG 19-0010

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

SECTION 1. The City Council makes the following findings:

a) Addison Garza of Touchstone Communities ("Applicant") submitted a verified land use development application on a property located on a 1.002-acre property bounded on all four sides by public streets including 2<sup>nd</sup> Avenue to the north, 3<sup>rd</sup> Avenue to the south, Ivy Street to the east and a public alley on the western boundary. The site is addressed as 343 East 2<sup>nd</sup> Avenue, Escondido, California 92025, legally described as Exhibit "A", attached to this Ordinance and incorporated herein by this reference as though fully set forth. Said verified application was submitted to, and processed by, the Planning Division of the Community Development Department as Planning Case No. PHG 19-0010 and seeks approval of a Master and Precise Development Plan including a Density Bonus Application and Development Agreement to allocate density from the Downtown Density Transfer Program all relating to the Project site. A site plan for the application is attached as Exhibit "D" and incorporated herein by this reference as though fully set forth.

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



## MOBILEHOME RENT REVIEW BOARD

**Public Hearing Item No. 16**

**July 17, 2019**

**File No. 0697-20-10201**

**SUBJECT:** Short-Form Rent Increase Application for Carefree Ranch Mobilehome Park  
(File No. 0697-20-10201)

**DEPARTMENT:** Community Development Department, Housing & Neighborhood Services  
Division

**RECOMMENDATION:**

It is requested that the City Council adopt Rent Review Board Resolution No. 2019-03 granting an increase of 75 percent of the change in the Consumer Price Index, or 2.783 percent (an average of \$14.40) for the period of December 31, 2017, to December 31, 2018. The Short-Form Rent Increase Application for Carefree Ranch Mobilehome Park meets all of the eligibility criteria for submittal of a short-form rent increase application.

**BACKGROUND:**

On June 8, 1988, the voters of Escondido approved an initiative Ordinance to enact Mobilehome Rent Control (Proposition K). Under Proposition K, if a park owner wants to increase rent, they must first obtain approval from the Mobilehome Park Rent Review Board ("Board"). As prescribed by the Ordinance, the Escondido City Council sits as the Rent Review Board. To request an increase, the park owner must file an application with the City. At a public hearing, eleven nonexclusive factors are considered: (1) changes in the Consumer Price Index ("CPI"); (2) the rent charged for comparable mobilehome spaces in Escondido; (3) the length of time since the last rent increase; (4) the cost of any capital improvements related to the spaces at issue; (5) changes in property taxes; (6) changes in any rent paid by the park owner for the land; (7) changes in utility charges; (8) changes in operating and maintenance expenses; (9) the need for repairs other than for ordinary wear and tear; (10) the amount and quality of services provided to the affected tenant; and (11) any lawful existing lease. (Escondido Municipal Code section 29-104(g)). Over time, this application became known as the "Long-form" application. In 1997, the Board adopted changes to the Guidelines that allow for a "Short-form" application that focuses on the change in the CPI. To qualify for a Short-form hearing, a park owner may only request up to 75 percent of the change in the CPI for a maximum of a two-year period. The Board must presume an increase up to 75 percent of the CPI is fair, just and reasonable, but may consider other factors found in Escondido Municipal Code section 29-104(g). Additionally, a short-form application must apply to 100 percent of all spaces in the park that are subject to rent control.

**INTRODUCTION:**

Carefree Ranch ("Park"), located at 211 N. Citrus Avenue, has filed a short-form rent increase application. The Board is asked to accept the staff report, hear public testimony, and make a determination concerning the request in accordance with the Escondido Rent Protection Ordinance and the short-form procedures as outlined in the Rent Review Board Guidelines. The application

and the staff report have been made available to the Board for review and consideration prior to the hearing.

THE RENT INCREASE APPLICATION:

Carefree Ranch is a senior park with a total of 184 spaces with 63 spaces subject to rent control. The Park is requesting an increase for the 63 rent controlled spaces. The other spaces not included in this application are on long-term leases, occupied as rentals or by management, or are vacant. The amenities available for the residents include a furnished clubhouse with kitchen, a pool with spa, shuffleboard court, a guesthouse, exercise room, library and coin laundry facilities.

Since the last application, the Park has completed renovations of the clubhouse, resurfaced and slurry sealed streets in August 2018 and resolved issues with trash collection that caused overflowing.

PARK OWNER'S REQUEST:

The Park is requesting an increase of 75 percent of the change in CPI for the period of December 31, 2017, to December 31, 2018. Seventy-five percent of the change in the CPI for the period of consideration is 2.783 percent. The average monthly rent for the residents that are affected by this application is \$517.51. The average monthly increase requested for the ten spaces is \$14.40 per space, per month.

This is the twenty-third rent increase request filed by this Park since the Ordinance was implemented. The last increase was granted in July 2018 for an average amount of \$10.70 per space, per month.

RESIDENT MEETING AND COMMENTS:

Individual notices were sent to each affected resident notifying them of the rent increase application and the hearing date. The notice included information about a resident meeting scheduled at the Park's clubhouse on June 10, 2019. Nine residents, Park management and City staff attended the meeting. The application and the short-form hearing procedures were discussed with the residents in attendance. Wayne Louth volunteered to act as the resident representative. There was a discussion about the number of spaces on rent control, if the park has ever been denied and increase, and the use of CPI as the measurement for increases. There were also questions for park management about the maximum number of residents in a unit and potential underage roommates. No code issues were reported at the resident meeting, nor by the resident representative before or at the inspection. Management and the resident representative were encouraged to meet to discuss conditions at the park and resolve any management issues.

CODE ENFORCEMENT INSPECTION:

An inspection of the common areas of the Park by the Code Enforcement Division found no lighting violations and no health and safety violations. A copy of the Code Report ("Report") is attached as

“Attachment A.” The owner, resident manager and resident representative received a copy of the Report. No rent increase may take effect until all code violations are corrected. Since no violations were found at the Park, this condition has been met.

ADDITIONAL FACTORS AFFECTING THE APPLICATION:

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

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Mike Strong*, Assistant Director of Planning  
7/10/2019 3:54 p.m.


ATTACHMENTS:

1. Attachment A - Code Inspection Report
2. Rent Review Board Resolution No. 2019-03



**DATE: JUNE 24, 2019**

**TO: HONORABLE CHAIRMAN AND MEMBERS OF THE RENT CONTROL BOARD**

**FROM: MARK CASS, CODE ENFORCEMENT MANAGER** 

**SUBJECT: CAREFREE RANCH MOBILEHOME PARK RENT CONTROL**

Carefree Ranch Mobilehome Park was inspected on June 20, 2019, with the lighting inspection conducted the same evening. This inspection was a result of an application for a rent increase having been filed. No general violations and no lighting violations were found and noted in the attached inspection report.

The resident meeting was held June 10, 2019 and was attended by nine residents, park manager, and City staff. A resident representative was appointed for this park and given the paperwork to complete. No code issues were brought forth.

There was one code enforcement case in this park during the past year.

Cc: Bill Martin, Director of Community Development  
Belinda Rojas, Rent Control Administration



June 24, 2019

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

**Park Name:** Carefree Ranch Mobile Home Park  
211 N. Citrus Ave.  
Escondido, CA. 92027

**Park Owner:** Carefree Ranch LLC  
C/o Bart J. Thomsen  
8 Pinehurst Ln.  
Newport Beach, Ca. 92660

**Park Manager:** Jim Younce                      **Phone:** (760) 207-9727

**Inspection Date:** 6/20/2019                      **Inspector:** Monica Pinaglia

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

**General Violations:**

1. There were no general park violations found. (25 CCR)

**Areas of the park requiring illumination per 25 CCR 1108:  
(Lighting Inspection conducted the evening of 6-20-2019)**

1. There were no lighting inspections found.

RESOLUTION NO. RRB 2019-03

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

(File Number: 0697-20-10101)

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

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

WHEREAS, a short-form Rent Increase Application was filed pursuant to Section 12 of the Rent Review Board Guidelines and accepted on May 8, 2018, by Bart Thomsen/Carefree Ranch LLC, the owner of Carefree Ranch Mobilehome Park ("Park"). The Park is located at 211 N. Citrus in Escondido. The rent increase applies to 63 of the 184 spaces in the Park; and

WHEREAS, this is the twenty-third rent increase application filed by the Park since the Ordinance became effective in 1988. The last rent increase was granted by the board at a Rent Review Board Hearing held on July 11, 2018, and formally adopted by Rent Review Board Resolution 2018-08. The increase requested was for 2.066 percent, or approximately \$10.70 per space, per month; and

WHEREAS, at the time of the current application, the average monthly space rent was \$517.51 for the 63 spaces subject to rent control. The Park owner requested a rent

increase based on 75 percent of the change in the Consumer Price Index (“CPI”) for the period of December 31, 2017, through December 31, 2018, in accordance with the Rent Review Board short-form policy guidelines. The application estimated this amount to be an average of \$14.40 (2.783 percent) per space, per month; and

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

WHEREAS, on June 20, 2019, a Mobilehome Park Rent Control Code Enforcement Inspection Report ("Inspection Report") was completed. The Inspection Report noted no Health and no Safety Code violations in the common areas of the Park; and

WHEREAS, on July 17, 2019, the Board held its public hearing. After an initial presentation, the Board invited testimony from Park ownership, residents of the Park and other residents of the community at large; and

WHEREAS, after all present had been given an opportunity to speak, the hearing was closed. Following an opportunity for discussion among the Board members and clarifying questions to the parties and staff, the Board voted to grant an average rent increase of \$14.40 per space, per month, for the 63 spaces receiving rent increases under this application.

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

1. That the above recitations are true.
2. That the Board has heard and considered all of the reports and testimony



presented, and has considered the facts as outlined in the short-form Guidelines (“Guidelines”).

3. That following the Guidelines, an increase based on 75 percent of the change in the Consumer Price Index (CPI) for San Diego County from December 31, 2017, through December 31, 2018, amounted to 2.783 percent, which averaged \$14.40 per space, per month, for the 63 spaces subject to rent control.

4. The Board concluded that an average increase of \$14.40 per space, per month, is consistent with the Guidelines, and is a fair, just, and reasonable increase in light of the information presented by all parties.

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

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

## CITY COUNCIL STAFF REPORT

**Public Hearing No. 17**

**July 17, 2019**

**File No. 0875-21**

SUBJECT: Allocation of Affordable Housing Funds

DEPARTMENT: Community Development Department, Housing & Neighborhood Services Division

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2019-102 authorizing the Director of Community Development to commit federal HOME Investment Partnerships Program (“HOME”) funds and Low and Moderate Income Housing Funds (“SHA”) (together “Affordable Housing Funds”); and authorizing the Mayor and City Clerk to execute Affordable Housing Loan Agreements and all necessary loan and supporting agreements in forms acceptable to the City Attorney. SHA funds will be committed to Veterans Village of San Diego (“VVSD”) for the new construction of 54 units at 1540 S Escondido Boulevard. A conditional commitment for Affordable Housing Funds will be made to National Community Renaissance of California (“National CORE”) for the acquisition and rehabilitation of 71 units at 1825 East Valley Parkway, and when conditions have been met, an Affordable Housing Loan Agreement will be executed. A HOME Community Housing Development Organization (“CHDO”) seed money loan will be made to San Diego Habitat for Humanity (“San Diego Habitat”) for the study of 245 E. El Norte Parkway in order to facilitate a future homebuyer development of up to 10 units.

FISCAL ANALYSIS:

There will be no impact on the General Fund. Federal HOME and SHA funds can only be used for the development of affordable housing. Approximately \$1,200,000 in federal HOME and HOME/CHDO funds have been aggregated and are available for commitment. Approximately \$4,500,000 in SHA funds have been received in repayments from former redevelopment loans and can be committed to new affordable housing projects. The funding request associated with the Resolution is \$4,178,015.

PREVIOUS ACTION:

On March 20, 2019, the City Council authorized the release of Requests for Proposals (“RFP”) for the provision of long-term affordable housing through acquisition or rehabilitation or redevelopment of blighted properties.

BACKGROUND:

On March 21, 2019, Housing & Neighborhood Services Division released an RFP inviting for-profit, non-profit, and 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 \$3,000,000 in a combination of federal

HOME and SHA funds. Three responses to the RFP were received. Staff rated the three projects based on criteria stated in the RFP. Veterans Villas and Parkway Village received similar high scores outranking the proposed Habitat for Humanity project. All project financials were reviewed by Keyser Marston Associates (“KMA”). The KMA analyses of Veterans Villas and Parkway Village are provided as Attachments 1 and 2.

Veterans Villas, 1540 S Escondido Blvd – Developer: VVSD

VVSD has a 38-year history serving veterans in overcoming homelessness and related challenges. Each year, VVSD provides services to more than 2,000 military veterans throughout San Diego County, including service, which have been offered in Escondido since 1995. Developing permanent affordable housing with accompanying supportive services has become a critical component of VVSD’s mission. VVSD has successfully redeveloped their San Diego property to include non-residential services, emergency shelter, transitional housing, and permanent supportive housing.

In 2013, VVSD began the processes of converting New Resolve, a 44-bed sober living center, into Veterans Villas, a 54-unit affordable housing complex serving homeless and low-income veterans and their families. Twenty-five units are identified as permanent supportive housing, with comprehensive supportive services provided on site. The development includes 12 one-bedroom, 37 two-bedroom and 5 three-bedroom units in four buildings and new community amenities. Buildings #3 (six residential units) and #4 (office, community space, including a common area kitchen) are existing historic buildings, which were not rehabilitated as part of the current project. Buildings #1 and #2 contain 48 units of new construction and 1,500 square feet of commercial space. New construction was completed on the development in March 2019. Total development costs, excluding acquisition costs, for the project were \$14,214,000

The project was fully funded by VVSD and other financing partners during the course of processing the development application. During development, an on-going subsidy was lost, destabilizing the long-term viability of the project. VVSD has worked with their other funders, and all other funding remains committed to the project. However, to remain viable, VVSD has requested an affordable housing loan of \$1,000,000 from the City in order to fill this gap. Staff recommends approving an Affordable Housing Loan for \$1,000,000 in SHA funds. If approved, 10 units will bear California Redevelopment Law restrictions (four units for households earning up to 30 percent of the Area Median Income (“AMI”), three units for households earning up to 50 percent of AMI, and three units for households earning up to 60 percent of AMI). This will provide a subsidy of \$100,000 per unit and will stabilize the project for 55 years.

Parkway Village, 1825 E Valley Parkway – Developer: National CORE

National CORE has a 27-year history constructing sustainable developments, leveraging community resources to combine quality housing with life-enhancing social services. National CORE owns 9,000 rental units, 7,500 of which are in the Southern California region. National CORE owns and operates two affordable housing developments in Escondido: Cobblestone Village, a 44-unit family complex that National CORE first purchased and rehabilitated in 2000-2002, and Juniper Senior Village, a 60-

unit new construction senior development completed in 2011. National CORE's services aspire to respond to the needs of their community to transform lives. For example, when children chose not to attend at the after-school programming at Cobblestone, management discovered that they were choosing to spend time with friends in unsupervised situations. Management opened up to the programming to friends of residents (space permitting), dramatically increasing attendance, and the reach of children accessing tutoring and enrichment activities. National CORE is eligible to be designated a CHDO for this project.

Parkway Village Apartments were built in 1986 and now needs significant rehabilitation. The apartment complex consists of 12, two-story garden style residential buildings containing 71 one-, two-, and three-bedroom units. National CORE proposes acquiring the property for \$16,500,000, and applying for Multifamily Housing Program, County No Place Like Home, and County Innovative Housing Trust Fund, and an allocation of 4 Percent Low Income Housing Tax Credits to fund a \$8,632,800 rehabilitation. Improvements will include site work, exterior repairs and improvements (including new siding and roof replacement), and interior rehab (including kitchen, bathroom, ADA, plumbing, HVAC and electrical improvements). The site does not currently have ADA compliant access. National CORE will also ensure that the site is ADA compliant and implement green building/energy efficiency upgrades.

The project will ultimately serve households earning less than 60% of AMI. Households earning more than this amount will be offered relocation assistance in accordance with federal and state law. Additionally, 11 units (8 one-bedroom and 3 two-bedroom) will be set-aside as permanent supportive housing for people experiencing homelessness utilizing the coordinated entry system ("CES").

Staff recommends approving conditional commitment for an amount not to exceed \$3,178,000 in a combination of HOME and SHA funds. The final loan amount will be determined as leveraged financing is confirmed and as the relocation budget is finalized. If less than \$3,178,000 is required (based on an analysis by KMA), the loan amount will be decreased. If approved, 70 units will bear either federal HOME restrictions or California Redevelopment Law restrictions. The unit restriction mix will be determined when the precise funding determination is finalized. This will provide a subsidy of \$44,800 per unit and will restrict the project for 55 years. Once conditions are satisfied, staff will develop an Affordable Housing Loan Agreement to the satisfaction of the City Attorney's office. The affordable housing loan will not be brought to City Council for further approvals.

#### Homeownership Development, 245 East El Norte Parkway – Developer: San Diego Habitat

San Diego Habitat has built new homes, rehabilitated existing homes and made affordable homeownership a reality for over 30 years. Since its inception, San Diego Habitat has built, repaired and rehabbed over 300 homes, and has served thousands of families through its neighborhood revitalization programs, leveraging community partnerships, sweat equity and volunteer labor. San Diego Habitat has constructed four new construction communities in Escondido at Elm Street, S Orange Street and 6th Avenue, Milane Lane, and Hickory Street and Washington Avenue, as well as building and/or rehabbing five scattered site homes in their early years. San Diego Habitat has a strong record of assisting their partner families through the initial stresses of the transition into

homeownership and intervening if their partner family cannot maintain homeownership or decides to sell a restricted home to maintain a 45-year deed restriction. San Diego Habitat is eligible to be designated a CHDO for this project.

San Diego Habitat proposed a 10-home development at 245 East El Norte Parkway. This development would develop a vacant property with new, energy-efficient, affordable homes for low-income households. All units would be 3-bedroom and would be semi-attached. While the project as proposed satisfies preliminary screen, there are multiple questions about the feasibility of the project as proposed. Specifically, San Diego Habitat will have to study the stormwater requirements of the site and what can be built within those restrictions. San Diego Habitat will also have to develop a complete pro forma and fundraising plan for review. When staff is satisfied that a project can go forward in a timely manner, staff will bring the final project with funding recommendations for City Council approval. Staff believes that a viable homeownership project can be developed by San Diego Habitat on this site. However, the project is not ready for a commitment of project funds at this time.

HOME funds may be used to provide technical assistance or a project-specific seed money loan to CHDOs in the early stages of site development for an eligible project. These loans may not exceed amounts that the participating jurisdiction determines to be customary and reasonable project preparation costs, and may not exceed 10% of the jurisdiction's CHDO reserves. All costs must be related to the specific eligible project. If a project is not developed, the seed loan may be forgiven; if a project is developed, the loan will be incorporated into the final HOME loan amount. The City received \$648,968 in HOME allocation in FY 2018-19, of which \$97,344 was set aside as CHDO funds. Staff anticipates setting aside a minimum of an additional \$52,656 for the National CORE project. Staff recommends entering into a \$15,000 seed money loan agreement for this project to define a developable project.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Mike Strong*, Assistant Director of Planning  
7/10/2019 4:59 p.m.

ATTACHMENTS:

1. Attachment 1: KMA Analysis of Veterans Villas
2. Attachment 2: KMA Analysis of Parkway Village
3. Resolution No. 2019-102
4. Resolution No. 2019-102 - Exhibit 1: Conditional Letter of Commitment for Parkway Village

**TABLE 1**

**PROJECT DESCRIPTION  
VETERAN VILLAS  
CITY OF ESCONDIDO**

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**I. Site Area** 1.81 Acres

**II. Gross Building Area**

Net Residential Area	40,440 SF	91%
Common Areas	SF	0%
Circulation	<u>3,929</u> SF	<u>9%</u>
Total Residential Area	44,369 SF	100%
Add: Retail	<u>1,500</u> SF	
Total Gross Building Area	45,869	

**III. Number of Stories/Construction Type** 3 Stories /Type V

	Number of Units		Average Unit Size
<b>IV. Unit Mix</b>			
One Bedroom	12 Units	22%	515 SF
Two Bedroom	37 Units	69%	780 SF
Three Bedroom	<u>5</u> Units	<u>9%</u>	<u>1,080</u> SF
Total/Average	54 Units	100%	749 SF

**V. Target Population** Permanent Supportive Housing  
Homeless Veteran Preference

**VI. Density** 30 Units/Acre

	<b>Total</b>		<b>City Restricted Units</b>	
<b>VII. Affordability Mix</b>				
Units @ 30% of AMI	19 Units	35%	4 Units	40%
Units @ 50% of AMI	14 Units	26%	3 Units	30%
Units @ 60% of AMI	20 Units	37%	3 Units	30%
Manager	<u>1</u> Unit	<u>2%</u>	<u>0</u> Units	<u>0%</u>
Total/Average	54 Units	100%	10 Units	100%
Average Affordability (excluding Manager units)	47% of AMI			

**VIII. Parking** Surface

Total Parking Spaces	84 Spaces	1.56 Spaces/Unit
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TABLE 2

**ESTIMATED DEVELOPMENT COSTS  
VETERAN VILLAS  
CITY OF ESCONDIDO**

	<u>Totals</u>	<u>Per Unit</u>	<u>Comments</u>
<b>I. Direct Costs</b> (1)(2)			
Off-Site Improvements (3)	\$0	\$0	\$0 Per SF Site
Demolition/Remediation	\$139,182	\$2,577	\$2 Per SF Site
On-Sites/Landscaping	\$0	\$0	\$0 Per SF Site
Parking	\$0	\$0	\$0 Per Space
Shell Construction	\$10,518,661	\$194,790	\$229 Per SF GBA
FF&E/Amenities	\$40,300	\$746	Allowance
Contingency	<u>\$8,202</u>	<u>\$152</u>	0.1% of Directs
Total Direct Costs	\$10,706,345	\$198,266	\$233 Per SF GBA
<b>II. Indirect Costs</b>			
Architecture & Engineering	\$867,880	\$16,072	8.1% of Directs
Permits & Fees (3)	\$1,219,245	\$22,579	\$27 Per SF GBA
Legal & Accounting	\$269,510	\$4,991	2.5% of Directs
Taxes & Insurance	\$0	\$0	0.0% of Directs
Developer Fee	\$0	\$0	0.0% of Directs
Marketing/Lease-Up	\$6,600	\$122	0.1% of Directs
Contingency	<u>\$0</u>	<u>\$0</u>	0.0% of Indirects
Total Indirect Costs	\$2,363,235	\$43,764	22.1% of Directs
<b>III. Financing Costs</b>			
Loan Fees	\$159,175	\$2,948	1.5% of Directs
Interest During Construction/Lease-up	\$809,631	\$14,993	7.6% of Directs
Title/Recording/Escrow	\$0	\$0	0.0% of Directs
Transition Reserves	\$0	\$0	0.0% of Directs
Operating Lease-Up/Reserves	<u>\$176,000</u>	<u>\$3,259</u>	1.6% of Directs
Total Financing Costs	\$1,144,806	\$21,200	10.7% of Directs
<b>IV. Total Development Costs - Excl. Acquisition</b>	<b>\$14,214,386</b>	<b>\$263,229</b>	<b>\$310 Per SF GBA</b>
<b>V. Add: Acquisition Costs</b> (4)	<u>\$1,930,000</u>	<u>\$35,741</u>	\$24 Per SF Site
<b>VI. Total Development Costs - Incl. Acquisition Or Say (Rounded)</b>	<b>\$16,144,386</b> <b>\$16,144,000</b>	<b>\$298,970</b>	<b>\$352 Per SF GBA</b>

(1) Assumes payment of prevailing wages.

(2) Includes pro rata share of general conditions and contractor fee.

(3) Developer estimate. Not verified by KMA or City.

(4) Per CBRE appraisal dated May 31, 2016.

**TABLE 3**

**NET OPERATING INCOME  
VETERAN VILLAS  
CITY OF ESCONDIDO**

<b>I. Gross Scheduled Income</b>	<b># of Units</b>	<b>\$/Month <sup>(1)</sup></b>	<b>Total Annual</b>
One Bedroom @ 30% AMI	8	\$601	\$57,696
One Bedroom @ 30% AMI - CRL	1	\$518	\$6,215
One Bedroom @ 50% AMI	2	\$1,003	\$24,075
One Bedroom @ 50% AMI - CRL	1	\$863	\$10,358
<hr/>			
Two Bedroom @ 30% AMI	7	\$722	\$60,669
Two Bedroom @ 30% AMI - CRL	2	\$582	\$13,977
Two Bedroom @ 50% AMI	8	\$1,203	\$115,488
Two Bedroom @ 50% AMI - CRL	2	\$971	\$23,295
Two Bedroom @ 60% AMI	15	\$1,444	\$259,920
Two Bedroom @ 60% AMI - CRL	3	\$1,165	\$41,931
<hr/>			
Three Bedroom @ 30% AMI - CRL	1	\$647	\$7,767
Three Bedroom @ 50% AMI	1	\$1,391	\$16,695
Three Bedroom @ 60% AMI	2	\$1,669	\$40,056
Three Bedroom @ Manager	1	\$0	\$0
<hr/>			
Total/Average	54	\$1,047	\$678,141
<hr/>			
Add: Other Operating Subsidies		\$374 /Unit/Month	\$242,621 <sup>(4)</sup>
Add: Other Income		\$8 /Unit/Month	<u>\$5,088</u>
Total Gross Scheduled Income (GSI)			\$925,850
<b>II. Effective Gross Income (EGI)</b>			
(Less) Vacancy	5.0% of GSI <sup>(2)</sup>		<u>(\$34,161)</u>
Total Effective Gross Income (EGI)			\$891,689
<b>IV. Operating Expenses</b>			
(Less) Operating Expenses		\$6,053 /Unit/Year	(\$326,866) <sup>(4)(5)</sup>
(Less) Property Taxes/Assessments <sup>(3)</sup>		\$0 /Unit/Year	\$0
(Less) Replacement Reserves		\$500 /Unit/Year	(\$27,000)
(Less) Tenant Services		\$4,299 /Unit/Year	(\$232,120) <sup>(4)</sup>
(Less) Monitoring Fee		<u>\$65 /Unit/Year</u>	<u>(\$3,500)</u>
Total Expenses		\$10,916 /Unit/Year	(\$589,486)
		66.1% of EGI	
<b>V. Net Operating Income (NOI)</b>			<b>\$302,203</b>

(1) Unless otherwise noted, reflects 2019 TCAC rents (owner pays for all utilities).

(2) Excludes income from "operating subsidies".

(3) Assumes that the project will qualify for tax-exempt status.

(4) Per Developer correspondence dated June 18, 2019.

(5) KMA reduced stated operating expenses by \$2,500; expenses accounted for in commercial component (see Table 4).



**TABLE 4**

**NET OPERATING INCOME - RETAIL  
VETERAN VILLAS  
CITY OF ESCONDIDO**

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	<u>SF</u>	<u>Rent/SF</u>	<u>Total Annual</u>
<b>I. Gross Scheduled Income (GSI)</b>			
Retail Rent - Year 1	1,500	\$1.20 /SF/Month/NNN	\$21,600
<b>II. (Less) Vacancy - Stabilized Year</b>		50.0% of GSI - Retail	<u>(\$10,800)</u>
<b>III. Total Effective Gross Income (EGI)</b>			\$10,800
(Less) Retail Unreimbursed Expenses		23.1% of EGI - Retail	<u>(\$2,500)</u>
<b>IV. Net Operating Income (NOI) - Retail</b>			<b>\$8,300</b>

**TABLE 5**

**FINANCING DEFICIT  
VETERAN VILLAS  
CITY OF ESCONDIDO**

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<b>I. Sources of Funds</b>	<b><u>Total</u></b>	<b><u>Per Unit</u></b>
Supportable Permanent Loan (1)	\$4,612,000	\$85,000 **
Multifamily Housing Program (MHP) (2)	\$1,786,000	\$33,000
Veterans Housing and Homelessness Prevention (VHHP) (3)	\$4,525,000	\$84,000 ***
Affordable Housing Program (AHP)	\$1,080,000	\$20,000
Donations from VVSD	\$671,000	\$12,000 **
Home Depot Foundation	\$500,000	\$9,000
LISC Northrup Grumman Grant	<u>\$40,000</u>	<u>\$1,000</u>
Total Sources of Funds	\$13,214,000	\$245,000
<b>II. (Less) Development Costs - Excluding Acquisition Costs</b>	<b><u>(\$14,214,000)</u></b>	<b><u>(\$263,000)</u></b>
<b>III. Financing Deficit *</b>	<b><u>(\$1,000,000)</u></b>	<b><u>(\$19,000)</u></b>

\* Assumes Developer contributes land at no cost to the Project.

\*\* Per Developer correspondence dated June 18, 2019.

\*\*\* Per Developer, reflects actual VHHP award.

**TABLE 5 (CONT'D.)**

**FINANCING DEFICIT  
VETERAN VILLAS  
CITY OF ESCONDIDO**

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(1) Supportable Permanent Loan

Residential NOI	\$302,203
Commercial NOI	<u>\$8,300</u>
Total NOI	\$310,503
Interest Rate	3.375%
Term (years)	30
Debt Coverage Ratio	1.27
Annual Debt Service	\$244,696 *
Supportable Permanent Loan	\$4,612,420

---

(2) Multifamily Housing Program (MHP)

Total Loan Amount	\$1,786,000
Annual Debt Service	\$7,499
Percent of Loan	0.42%
Debt Coverage Ratio (Cumulative)	1.23

---

(3) Veterans Housing and Homelessness Prevention (VHHP)

Total Loan Amount	\$4,524,595
Annual Debt Service	\$19,003 *
Percent of Loan	0.42%
Debt Coverage Ratio (Cumulative)	1.14

\* Per Developer correspondence dated June 18, 2019.

**WORKSHEET A**

**RESTRICTED RENTS - 30% AMI, 2019**

**VETERAN VILLAS**

**CITY OF ESCONDIDO**

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<b>Number of Bedrooms</b>	<b>1</b>	<b>2</b>	<b>3</b>
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**A. California Redevelopment Law**

Percent of AMI	30%	30%	30%
Assumed Family Size	2.0	3.0	4.0
Household Income	\$20,715	\$23,295	\$25,890
Income Allocation to Housing	30%	30%	30%
Monthly Housing Cost	\$518	\$582	\$647
(Less) Utility Allowance (1)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<b>Maximum Monthly Rent</b>	<b>\$518</b>	<b>\$582</b>	<b>\$647</b>
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**B. Low Income Housing Tax Credit (LIHTC) Program**

Percent of AMI	30%	30%	30%
Assumed Family Size	1.5	3.0	4.5
Household Income	\$24,075	\$28,890	\$33,390
Income Allocation to Housing	30%	30%	30%
Monthly Housing Cost	\$601	\$722	\$834
(Less) Utility Allowance (1)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<b>Maximum Monthly Rent</b>	<b>\$601</b>	<b>\$722</b>	<b>\$834</b>
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(1) All utilities paid by Developer.

**WORKSHEET B**

**RESTRICTED RENTS - 50% AMI, 2019**

**VETERAN VILLAS**

**CITY OF ESCONDIDO**

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<b>Number of Bedrooms</b>	<b>1</b>	<b>2</b>	<b>3</b>
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**A. California Redevelopment Law**

Percent of AMI	50%	50%	50%
Assumed Family Size	2.0	3.0	4.0
Household Income	\$34,525	\$38,825	\$43,150
Income Allocation to Housing	30%	30%	30%
Monthly Housing Cost	\$863	\$971	\$1,079
(Less) Utility Allowance (1)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<b>Maximum Monthly Rent</b>	<b>\$863</b>	<b>\$971</b>	<b>\$1,079</b>
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**B. Low Income Housing Tax Credit (LIHTC) Program**

Percent of AMI	50%	50%	50%
Assumed Family Size	1.5	3.0	4.5
Household Income	\$40,125	\$48,150	\$55,650
Income Allocation to Housing	30%	30%	30%
Monthly Housing Cost	\$1,003	\$1,203	\$1,391
(Less) Utility Allowance (1)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<b>Maximum Monthly Rent</b>	<b>\$1,003</b>	<b>\$1,203</b>	<b>\$1,391</b>
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(1) All utilities paid by Developer.

**WORKSHEET C**

**RESTRICTED RENTS - 60% AMI, 2019**

**VETERAN VILLAS**

**CITY OF ESCONDIDO**

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<b>Number of Bedrooms</b>	<b>2</b>	<b>3</b>
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**A. California Redevelopment Law**

Percent of AMI	60%	60%
Assumed Family Size	3.0	4.0
Household Income	\$46,590	\$51,780
Income Allocation to Housing	30%	30%
Monthly Housing Cost	\$1,165	\$1,295
(Less) Utility Allowance (1)	<u>\$0</u>	<u>\$0</u>

<b>Maximum Monthly Rent</b>	<b>\$1,165</b>	<b>\$1,295</b>
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**B. Low Income Housing Tax Credit (LIHTC) Program**

Percent of AMI	50%	50%
Assumed Family Size	3.0	4.5
Household Income	\$57,780	\$66,780
Income Allocation to Housing	30%	30%
Monthly Housing Cost	\$1,444	\$1,669
(Less) Utility Allowance (1)	<u>\$0</u>	<u>\$0</u>

<b>Maximum Monthly Rent</b>	<b>\$1,444</b>	<b>\$1,669</b>
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(1) All utilities paid by Developer.

TABLE 1

**PROJECT DESCRIPTION**  
**PARKWAY VILLAGE APARTMENTS**  
**CITY OF ESCONDIDO**

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<b>I. Site Area</b>	3.15 Acres		
<b>II. Gross Building Area (GBA)</b>			
Net Residential Area	48,998 SF	95%	
Common Area/Circulation	<u>2,412</u> SF	<u>5%</u>	
Total Gross Building Area	51,410 SF	100%	
<b>III. Construction Type</b>	Type V - Garden Apartments Acquisition/Rehabilitation		
<b>IV. Number of Stories</b>	2 Stories		
<b>V. Unit Mix</b>	<u>Number of Units</u>		<u>Average Unit Size</u>
One Bedroom	26 Units	37%	538 SF
Two Bedroom	39 Units	55%	750 SF
Three Bedroom	<u>6</u> Units	<u>8%</u>	<u>960</u> SF
Total/Average	71 Units	100%	690 SF
<b>VI. Density</b>	23 Units/Acre		
<b>VII. Affordability Mix</b>			
Units @ 25% of AMI	11 Units	15%	
Units @ 30% of AMI	14 Units	20%	
Units @ 50% of AMI	19 Units	27%	
Units @ 60% of AMI	26 Units	37%	
Manager	<u>1</u> Unit	<u>1%</u>	
Total/Average	71 Units	100%	
Average Affordability (excl. Manager unit)	46% of AMI		
<b>VIII. Parking Spaces</b>	Surface/Carport		
Surface Parking	67 Spaces		
Carport	<u>71</u> Spaces		
Total Spaces	138 Spaces	1.94 Spaces/Unit	

TABLE 2

**ESTIMATED DEVELOPMENT COSTS  
PARKWAY VILLAGE APARTMENTS  
CITY OF ESCONDIDO**

	<u>Totals</u>	<u>Per Unit</u>	<u>Comments</u>
<b>I. Direct Costs <sup>(1)</sup></b>			
Off-Site Improvements <sup>(2)(3)</sup>	\$0	\$0	\$0 Per SF Site
Relocation <sup>(4)</sup>	\$1,000,000	\$14,085	Allowance
On-Site Improvements/Landscaping	\$838,972	\$11,817	\$6 Per SF Site
Parking	\$0	\$0	Included Above
Rehabilitation	\$6,292,286	\$88,624	\$122 Per SF GBA
Amenities/FF&E	\$150,000	\$2,113	Allowance
Contingency	<u>\$351,563</u>	<u>\$4,952</u>	4.2% of Directs
Total Direct Costs	\$8,632,821	\$121,589	\$168 Per SF GBA
<b>II. Indirect Costs</b>			
Architecture & Engineering	\$580,000	\$8,169	6.7% of Directs
Permits & Fees <sup>(3)</sup>	\$100,000	\$1,408	\$2 Per SF GBA
Legal & Accounting	\$270,000	\$3,803	3.1% of Directs
Taxes & Insurance	\$228,108	\$3,213	2.6% of Directs
Developer Fee	\$2,490,000	\$35,070	28.8% of Directs
Marketing/Lease-Up	\$70,000	\$986	0.8% of Directs
Contingency <sup>(5)</sup>	<u>\$100,652</u>	<u>\$1,418</u>	2.7% of Indirects
Total Indirect Costs	\$3,838,760	\$54,067	44.5% of Directs
<b>III. Financing Costs</b>			
Loan Fees	\$445,461	\$6,274	5.2% of Directs
Interest During Construction	\$1,506,713	\$21,221	17.5% of Directs
Other Acquisition Costs <sup>(5)</sup>	\$660,000	\$9,296	7.6% of Directs
Interest During Lease-Up	\$115,000	\$1,620	1.3% of Directs
Title/Recording/Escrow	\$50,000	\$704	0.6% of Directs
TCAC/Syndication Fees	\$68,838	\$970	0.8% of Directs
Transition Reserve	\$263,114	\$3,706	3.0% of Directs
Operating Lease-Up/Reserves	<u>\$175,990</u>	<u>\$2,479</u>	2.0% of Directs
Total Financing Costs	\$3,285,116	\$46,269	38.1% of Directs
<b>IV. Development Costs excluding Acquisition</b>	<b>\$15,756,697</b>	<b>\$221,925</b>	<b>\$306 Per SF GBA</b>
<b>V. Acquisition Cost <sup>(6)</sup></b>	<b>\$16,500,000</b>	<b>\$232,394</b>	<b>\$321 Per SF GBA</b>
<b>VI. Total Development Costs including Acquisition Or Say (Rounded)</b>	<b>\$32,256,697 \$32,257,000</b>	<b>\$454,320</b>	<b>\$627 Per SF GBA</b>

- (1) Includes the payment of prevailing wages.
- (2) Includes pro rata share of general conditions and contractor fee.
- (3) Developer estimate; not verified by City or KMA.
- (4) Pending relocation plan per OPC (initiation of plan pending).
- (5) Reflects interest carry for the acquisition loan (80% LTV at 6% for 10 months).
- (6) Per Kinetic Valuation Group, Inc. appraisal dated March 18, 2019.



**TABLE 3**

**NET OPERATING INCOME  
PARKWAY VILLAGE APARTMENTS  
CITY OF ESCONDIDO**

		<b># of Units</b>	<b>\$/Month (1)</b>	<b>Vouchers</b>	<b>Total \$/Month</b>	<b>Total Annual</b>
<b>I. Gross Scheduled Income (GSI)</b>						
One Bedroom	@ 25% AMI	8	\$481	\$749	\$1,230	\$118,080
One Bedroom	@ 30% AMI	1	\$481	--	\$481	\$5,771
One Bedroom	@ 50% AMI	7	\$826	--	\$826	\$69,395
One Bedroom	@ 60% AMI	10	\$999	--	\$999	\$119,850
-----						
Two Bedroom	@ 25% AMI	3	\$535	\$1,065	\$1,600	\$57,600
Two Bedroom	@ 30% AMI	11	\$535	--	\$535	\$70,670
Two Bedroom	@ 50% AMI	10	\$924	--	\$924	\$110,835
Two Bedroom	@ 60% AMI	14	\$1,118	--	\$1,118	\$187,782
Two Bedroom	@ Manager	1	\$0	--	\$0	\$0
-----						
Three Bedroom	@ 30% AMI	2	\$589	--	\$589	\$14,142
Three Bedroom	@ 50% AMI	2	\$1,021	--	\$1,021	\$24,498
Three Bedroom	@ 60% AMI	2	\$1,237	--	\$1,237	\$29,676
-----						
Total/Average		71	\$819	\$129	\$949	\$808,298
Add: Other Income			\$10 /Unit/Month			<u>\$8,520</u>
Total Gross Scheduled Income (GSI)						\$816,818
<b>II. Effective Gross Income (EGI)</b>						
Gross Scheduled Income						\$816,818
(Less) Vacancy			5.0% of GSI			<u>(\$40,841)</u>
Total Effective Gross Income (EGI)						\$775,977
<b>III. Operating Expenses</b>						
(Less) Operating Expenses			\$6,340 /Unit/Year			(\$450,171)
(Less) Security			\$282 /Unit/Year			(\$20,000)
(Less) Replacement Reserves			\$500 /Unit/Year			(\$35,500)
(Less) Property Taxes/Assessments			\$28 /Unit/Year			(\$2,000)
(Less) Tenant Services			\$360 /Unit/Year			(\$25,560)
(Less) Affordable Housing Monitoring Fee			<u>\$56 /Unit/Year</u>			<u>(\$4,000)</u>
Total Expenses			\$7,567 /Unit/Year			(\$537,231)
			69% of EGI			
<b>IV. Net Operating Income (NOI)</b>						<b>\$238,746</b>

(1) Reflects 2019 California Redevelopment Law (CRL) rents net of monthly utility allowance (\$37 for one bedroom, \$47 for two bedroom, and \$58 for three bedroom units).

**TABLE 4****FINANCING DEFICIT  
PARKWAY VILLAGE APARTMENTS  
CITY OF ESCONDIDO**

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<b>I. Sources of Funds</b>	<b><u>Total</u></b>	<b><u>Per Unit</u></b>
Supportable Permanent Loan (1)	\$2,502,000	\$35,200
Tax Credit Equity Investment (2)	\$9,435,000	\$132,900
Deferred Developer Fee (3)	\$256,000	\$3,600
Multifamily Housing Program (MHP) (4)	\$11,133,000	\$156,800
County No Place Like Home (NPLH) Loan	\$3,053,000	\$43,000
County IHTF Loan	\$2,000,000	\$28,200
Affordable Housing Program (AHP) Loan	<u>\$700,000</u>	<u>\$9,900</u>
Total Sources of Funds	\$29,079,000	\$409,600
<b>II. (Less) Development Costs - Excluding Acquisition</b>	<b><u>(\$15,757,000)</u></b>	<b><u>(\$221,900)</u></b>
<b>III. Residual Value</b>	<b><u>\$13,322,000</u></b>	<b><u>\$187,600</u></b>
<b>IV. (Less) Acquisition Costs</b>	<b><u>(\$16,500,000)</u></b>	<b><u>(\$232,400)</u></b>
<b>V. Financing Deficit</b>	<b><u>(\$3,178,000)</u></b>	<b><u>(\$44,800)</u></b>

**TABLE 4 (CONT'D.)**

**FINANCING DEFICIT  
PARKWAY VILLAGE APARTMENTS  
CITY OF ESCONDIDO**

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(1) Supportable Permanent Loan

NOI		\$238,746
Interest Rate		5.25%
Term (years)		35
Debt Coverage Ratio		1.53
Annual Debt Service		\$156,349
Supportable Permanent Loan		\$2,502,000

---

(2) Low Income Housing Tax Credits (Federal)

Estimate of Eligible Basis:

Total Development Costs		\$32,256,697
(Less) Subtotal Ineligible Costs	19%	<u>(\$6,056,404)</u>
Eligible Basis		\$26,200,293
Acquisition Basis	48%	\$12,600,000
Rehabilitation Basis	<u>52%</u>	<u>\$13,600,293</u>
Eligible Basis	100%	\$26,200,293

Tax Credit Proceeds:

Maximum Eligible Basis		\$26,200,293
Acquisition Basis/Applicable Factor	100%	\$12,600,000
Impacted Bonus Factor	130%	<u>\$17,680,381</u>
Total Acquisition and Rehabilitation Basis		\$30,280,381
Tax Credit Rate	3.28%	\$993,196
Total Tax Credits @	10	\$9,931,965
Limited Partner Share	99.99%	\$9,930,972
Tax Credit Equity Investment @	95%	\$9,435,367

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(3) Estimate of Deferred Developer Overhead Fee

Eligible Basis		\$26,200,293
(Less) Developer Fee		<u>(\$2,490,000)</u>
Unadjusted Eligible Basis		\$23,710,293
Total Developer Overhead Fee	10.5%	\$2,490,000
Developer Overhead Fee		\$2,490,000
Deferred Developer Overhead Fee		\$255,977
General Partner Equity Contribution		<u>\$0</u>
Total Deferred Developer Overhead Fee	10.3%	\$255,977

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(4) MHP Loan

Total Loan Amount		\$11,133,286
Annual Debt Service	0.42%	\$46,760
Debt Coverage Ratio (Cumulative)		1.18

**TABLE 5**

**CASH FLOW PROJECTION  
PARKWAY VILLAGE APARTMENTS  
CITY OF ESCONDIDO**

		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
<b>I. Gross Scheduled Income (GSI)</b>	2.5%	\$808,298	\$828,505	\$849,218	\$870,448	\$892,209	\$914,514	\$937,377	\$960,812
Other Income	2.5%	\$8,520	\$8,733	\$8,951	\$9,175	\$9,404	\$9,640	\$9,881	\$10,128
(Less) Vacancy	5.0%	<u>(\$40,841)</u>	<u>(\$41,862)</u>	<u>(\$42,908)</u>	<u>(\$43,981)</u>	<u>(\$45,081)</u>	<u>(\$46,208)</u>	<u>(\$47,363)</u>	<u>(\$48,547)</u>
<b>II. Effective Gross Income (EGI)</b>		\$775,977	\$795,376	\$815,260	\$835,642	\$856,533	\$877,946	\$899,895	\$922,392
(Less) Operating Expenses (1)	3.5%	<u>(\$537,231)</u>	<u>(\$555,559)</u>	<u>(\$574,518)</u>	<u>(\$594,131)</u>	<u>(\$614,420)</u>	<u>(\$635,409)</u>	<u>(\$657,121)</u>	<u>(\$679,582)</u>
<b>III. Net Operating Income (NOI)</b>		\$238,746	\$239,817	\$240,742	\$241,511	\$242,113	\$242,537	\$242,774	\$242,810
(Less) Debt Service - Permanent Loan		<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>
(Less) Debt Service - MHP		<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>
(Less) Bond Fee		<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>
<b>IV. Project Cash Flow</b>		\$30,611	\$31,683	\$32,608	\$33,376	\$33,978	\$34,403	\$34,639	\$34,676
<b>V. Asset Management Fees</b>									
(Less) Limited Partner Asset Mgmt. Fee	3.0%	<u>(\$5,000)</u>	<u>(\$5,150)</u>	<u>(\$5,305)</u>	<u>(\$5,464)</u>	<u>(\$5,628)</u>	<u>(\$5,796)</u>	<u>(\$5,970)</u>	<u>(\$6,149)</u>
(Less) General Partner Asset Mgmt. Fee	3.0%	<u>(\$5,000)</u>	<u>(\$5,150)</u>	<u>(\$5,305)</u>	<u>(\$5,464)</u>	<u>(\$5,628)</u>	<u>(\$5,796)</u>	<u>(\$5,970)</u>	<u>(\$6,149)</u>
Total		<u>(\$10,000)</u>	<u>(\$10,300)</u>	<u>(\$10,609)</u>	<u>(\$10,927)</u>	<u>(\$11,255)</u>	<u>(\$11,593)</u>	<u>(\$11,941)</u>	<u>(\$12,299)</u>
<b>VI. Net Cash Flow</b>		\$20,611	\$21,383	\$21,999	\$22,449	\$22,723	\$22,810	\$22,699	\$22,377
<b>VII. Developer Fee Repayment</b>									
Beginning Balance		<u>\$255,977</u>	\$235,366	\$213,983	\$191,984	\$169,535	\$146,812	\$124,002	\$101,304
Interest	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(Less) Cash Flow Credit		<u>(\$20,611)</u>	<u>(\$21,383)</u>	<u>(\$21,999)</u>	<u>(\$22,449)</u>	<u>(\$22,723)</u>	<u>(\$22,810)</u>	<u>(\$22,699)</u>	<u>(\$22,377)</u>
Ending Balance		\$235,366	\$213,983	\$191,984	\$169,535	\$146,812	\$124,002	\$101,304	\$78,927
<b>VIII. Cash Flow Available for Distribution (2)</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

(1) Reflects annual escalation at 3.5% for operating expenses; 3.0% for tenant services and replacement reserves; 2.0% for taxes/assessments; and 0.0% for monitoring fee.

(2) Public agencies to receive pro rata share of 50% of residual receipts.

**TABLE 5**

**CASH FLOW PROJECTION  
PARKWAY VILLAGE APARTMENTS  
CITY OF ESCONDIDO**

		<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>
<b>I. Gross Scheduled Income (GSI)</b>	2.5%	\$984,832	\$1,009,453	\$1,034,689	\$1,060,556	\$1,087,070	\$1,114,247	\$1,142,103
Other Income	2.5%	\$10,381	\$10,640	\$10,906	\$11,179	\$11,458	\$11,745	\$12,039
(Less) Vacancy	5.0%	<u>(\$49,761)</u>	<u>(\$51,005)</u>	<u>(\$52,280)</u>	<u>(\$53,587)</u>	<u>(\$54,926)</u>	<u>(\$56,300)</u>	<u>(\$57,707)</u>
<b>II. Effective Gross Income (EGI)</b>		\$945,452	\$969,088	\$993,316	\$1,018,149	\$1,043,602	\$1,069,692	\$1,096,435
(Less) Operating Expenses (1)	3.5%	<u>(\$702,818)</u>	<u>(\$726,854)</u>	<u>(\$751,720)</u>	<u>(\$777,443)</u>	<u>(\$804,054)</u>	<u>(\$831,583)</u>	<u>(\$860,061)</u>
<b>III. Net Operating Income (NOI)</b>		\$242,634	\$242,234	\$241,596	\$240,705	\$239,548	\$238,110	\$236,374
(Less) Debt Service - Permanent Loan		<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>	<u>(\$156,349)</u>
(Less) Debt Service - MHP		<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>	<u>(\$46,760)</u>
(Less) Bond Fee		<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>	<u>(\$5,025)</u>
<b>IV. Project Cash Flow</b>		\$34,500	\$34,100	\$33,461	\$32,571	\$31,414	\$29,975	\$28,239
<b>V. Asset Management Fees</b>								
(Less) Limited Partner Asset Mgmt. Fee	3.0%	<u>(\$6,334)</u>	<u>(\$6,524)</u>	<u>(\$6,720)</u>	<u>(\$6,921)</u>	<u>(\$7,129)</u>	<u>(\$7,343)</u>	<u>(\$7,563)</u>
(Less) General Partner Asset Mgmt. Fee	3.0%	<u>(\$6,334)</u>	<u>(\$6,524)</u>	<u>(\$6,720)</u>	<u>(\$6,921)</u>	<u>(\$7,129)</u>	<u>(\$7,343)</u>	<u>(\$7,563)</u>
Total		<u>(\$12,668)</u>	<u>(\$13,048)</u>	<u>(\$13,439)</u>	<u>(\$13,842)</u>	<u>(\$14,258)</u>	<u>(\$14,685)</u>	<u>(\$15,126)</u>
<b>VI. Net Cash Flow</b>		\$21,832	\$21,052	\$20,022	\$18,728	\$17,156	\$15,290	\$13,113
<b>VII. Developer Fee Repayment</b>								
Beginning Balance		\$78,927	\$57,095	\$36,043	\$16,021			
Interest	0.0%	\$0	\$0	\$0	\$0			
(Less) Cash Flow Credit		<u>(\$21,832)</u>	<u>(\$21,052)</u>	<u>(\$20,022)</u>	<u>(\$16,021)</u>			
Ending Balance		\$57,095	\$36,043	\$16,021	\$0			
<b>VIII. Cash Flow Available for Distribution (2)</b>		\$0	\$0	\$0	\$2,707	\$17,156	\$15,290	\$13,113

(1) Reflects annual escalation at 3.5% for operating expenses; 3.0% for tenant services and replacement reserves; 2.0% for taxes/assessments; and 0.0% for monitoring fee.

(2) Public agencies to receive pro rata share of 50% of residual receipts.

RESOLUTION NO. 2019-102

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING ALLOCATIONS OF AFFORDABLE HOUSING FUNDS INCLUDING HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING AND LOW AND MODERATE INCOME HOUSING FUNDS FUNDING IN THE TOTAL AMOUNT OF \$4,178,015 AND AUTHORIZING THE COMMUNITY DEVELOPMENT DIRECTOR 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

(1540 S ESCONDIDO BOULEVARD; 1825 E VALLEY PARKWAY; AND 245 E EL NORTE PARKWAY)

Case Number: 0875-21

WHEREAS, the City of Escondido (“City”) has approved the final FY 2016-2017, FY 2017-2018, and FY 2018-2019 HOME Budgets, and the FY 2019-2020 Successor Housing Agency Budget, each of which included funds available for a Request for Proposals for the development of affordable housing; and

WHEREAS, on March 20, 2019, the City Council authorized the release of a Request for Proposals for the provision of long-term affordable housing, utilizing available Affordable Housing Funds including HOME Investment Partnerships Program (“HOME”) and Low and Moderate Income Housing Funds (“SHA”); 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 and property 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 \$1,000,000 in SHA funds to Veterans Village of San Diego (“VVSD”) for the provision of affordable housing at 1540 S Escondido Boulevard.
3. That the City Council authorizes staff to dedicate \$52,656 in FY 2018-2019 HOME funds for use by a Community Housing Development Organization (“CHDO”).
4. That the City Council approves an allocation of an amount not to exceed \$3,178,000 in HOME, HOME/CHDO, and SHA funds to National Community Renaissance of California (“National CORE”) for the provision affordable housing at 1825 E Valley Parkway.
5. That the City Council approves an allocation of \$15,000 in HOME/CHDO funds San Diego Habitat for Humanity (“San Diego Habitat”) for the provision of a HOME seed money loan to develop a potential affordable housing development at 245 E El Norte Parkway.
6. 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 to facilitate National CORE receiving leveraged funding (see Exhibit "1," which is attached and incorporated by this reference).

7. 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.





**Bill Martin, AICP**  
Director of Community Development  
201 North Broadway, Escondido, CA 92025  
Phone: 760-839-4671 Fax: 760-839-4313

July 18, 2019

Mr. John Seymour  
Vice President of Acquisitions and Forward Planning  
National Community Renaissance of California  
8421 Haven Avenue  
Rancho Cucamonga, CA 92730

RE: Commitment of HOME Funds and Low-Moderate Income Affordable Housing funds in the Amount of \$3,000,000  
Parkway Village Apartments  
1825 East Valley Parkway  
Escondido, CA 92027

Dear Mr. Seymour:

On behalf of the City of Escondido ("City"), I am informing you that on July 17, 2019, the City Council approved a commitment to make a loan of HOME Investment Partnership Program (HOME) funds and Low-Moderate Income Affordable Housing funds in the amount of \$3,000,000 to National CORE, a California nonprofit benefit corporation (or an approved affiliate) ("Borrower"), for the acquisition and rehabilitation of 71 units of affordable rental housing ("Project") on the site generally described as 1825 East Valley Parkway, Escondido, CA 92027 via Council Resolution Number 2019-102. As noted below, this commitment is contingent on the Project being awarded 4% Low Income Housing Tax Credits, Multifamily Housing Program, No Place Like Home, and County Innovative Housing Trust Fund, or other acceptable financing, and is subject to the terms and conditions set forth in this letter.

Unless otherwise agreed in writing by the City in its sole discretion, the City's approval of this financing commitment is subject to and contingent upon the following terms and conditions. This commitment will expire on September 30, 2020.

#### TERMS AND CONDITIONS

1. The Project will consist of the acquisition and rehabilitation of 71 units of rental housing to be occupied by and restricted to Extremely Low (30% of Area Median Income or lower), Very Low Income (50% of Area Median Income or lower), and Low Income (60% of Area Median Income or lower) households at affordable rents (with the exception of one management unit), for at least 55 years. All of the units will be designated as either HOME Program or Community Redevelopment Law (CRL) units and the rents on those units will be restricted in conformance with applicable regulations.
2. This \$3,178,000 loan commitment is contingent upon Borrower receiving commitments of Multifamily Housing Program, County No Place Like Home, and County Innovative Housing Trust Fund and an allocation of 4% Low Income Housing Tax Credits from the California Tax Credit Allocation Committee ("TCAC") by the May 2020 TCAC application

Commitment of Affordable Housing Funds  
July 18, 2019  
Page 2

cycle to finance the Project. Borrower may, with Housing staff approval, pursue other acceptable financing mechanisms. The permanent financing for the Project will be approximately as follows (these are current projections and are subject to change):

Sources of Permanent Funds:

Conventional Lender	\$2,502,000
City Affordable Housing funds	\$3,178,000
Deferred Developer Fee	\$256,000
Multifamily Housing Program (MHP)	\$11,133,000
SD County No Place Like Home (NPLH) loan	\$3,053,000
SD County Innovative Housing Trust Funds (IHTF) funds	\$2,000,000
Affordable Housing Program (AHP) loan	\$700,000
Four Percent Tax Credit Equity Investment	<u>\$9,435,000</u>
TOTAL SOURCES	\$32,257,000

3. The City loan will be in the original principal amount of \$3,178,000, with interest at three percent (3.00%) per annum from the date of disbursement. The term of the loan will be 55 years. Loan payments shall be payable exclusively from the City's share of annual residual receipts, net sales proceeds and net refinancing proceeds. The terms of the residual receipts obligation, including identification of all Borrower's obligations having a priority over the City's right to receive residual receipts, will be set forth in the Affordable Housing Loan Agreement ("Loan Agreement").
4. This commitment is based on Borrower's current estimates of total development costs as shown in Paragraph 2. Borrower shall be responsible, without cost to the City, for any additional sources of funds that may be needed to complete the Project.
5. This letter is not intended to describe all of the requirements, terms, conditions and documents necessary for the City loan. A Loan Agreement including the form of promissory note, deed of trust and related documents, will be prepared, and is subject to execution by Borrower prior to its acceptance by the City. The final form of the Loan Agreement approved by Borrower shall include all provisions and attachments customarily included in City loan agreements, including but not limited to conditions precedent to the disbursement of the City loan.
6. The Project shall be constructed in accordance with all applicable Federal, State and local laws, rules and regulations.
7. Borrower shall comply with State Prevailing Wage and/or Federal Davis-Bacon requirements, if applicable.
8. Borrower shall prepare and submit a Sources and Uses Project Budget for approval by the City as an attachment to the Loan Agreement. Line item estimates of the Uses of

Commitment of Affordable Housing Funds  
July 18, 2019  
Page 3

Funds shall be backed up by such documentation, including appraisals and construction cost estimates, as may reasonably be required by City staff. The final Sources and Uses of Funds for the Project shall be consistent with the Project Budget except as otherwise approved by City Staff. The City loan shall be disbursed to reimburse Borrower for payment of costs in the Project Budget in accordance with disbursement procedures and requirements to be included in the Loan Agreement.

9. Borrower shall submit an audited cost certification following completion of construction and, for each year during the term of the City loan after the completion of construction, an annual audited income and expense statement, balance sheet and statement of all changes in financial position, signed by an authorized officer of Borrower.
10. The City loan will be evidenced by a non-recourse promissory note (subject to customary non-recourse carve-outs), and secured by a deed of trust and other customary loan documents, which shall be subordinated to senior construction and permanent loan deeds of trust, provided the senior lender(s) agree to provide City with reasonable notice and cure rights that protect the City's investment in the event of default by Borrower.
11. The City loan documents will contain provisions prohibiting the transfer of Borrower's interests in the site of the Project without the reasonable prior written consent of the City, the admittance and exit of a tax credit partner shall not require the written consent of the City.
12. The City loan documents will describe events of default which will permit the City, after notice and opportunity to cure, to pursue appropriate remedies, including acceleration of the City loan and foreclosure under the deed of trust. These events may include, but are not limited to, failure to complete the construction of the Project as required by the Loan Agreement.
13. At the closing, the City shall receive an ALTA lender's policy of title insurance, showing the City deed of trust junior in priority only to deeds of trust to which the City has agreed to subordinated its interests.
14. The Borrower shall obtain all land use entitlement, approvals, and permits necessary for the construction of the Project and shall pay all City fees in connections therewith.
15. The Borrower's architect and general contractor shall be subject to the reasonable approval of the City.
16. This conditional commitment allows for the commitment of funds or site approval to occur only upon satisfactory completion of environmental review and receipt by the City of a release of funds from the US Department of Housing and Urban development under 24 CFR Park 58, the provision of any funds to the Project is conditioned on the City's determination to proceed with, modify or cancel the Project based on the results of a

Commitment of Affordable Housing Funds  
July 18, 2019  
Page 4

subsequent environmental review. Borrower must not undertake or unconditionally commit any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance. A violation of this provision may result in the denial of any funds under this conditional commitment.

17. Borrower shall prepare and submit a scope of development for approval by the City as an attachment to the Loan Agreement. The City shall have the right to review and approve all design drawings and plans for the Project. All plans for the construction of the Project shall be subject to applicable City design review and approval procedures, and shall be consistent with the logical evolution of the scope of development, except as otherwise approved by the City.
18. Borrower shall prepare and submit a schedule of performance providing for the timely satisfaction of all conditions precedent to the closing and the timely commencement and completion of construction, for approval by the City as an attachment to the Loan Agreement. Except as otherwise approved by the City, failure to comply with the schedule of performance shall be a default under the terms of the Loan Agreement.
19. At the respective times provided in the schedule of performance, Borrower shall submit for approval by the City evidence of financing consistent with the Loan Agreement and sufficient to completely finance the acquisition of the site and construction of the Project.
20. At the closing for acquisition of the site, Borrower shall execute a Regulatory Agreement and Declaration of Covenants and Restrictions ("Regulatory Agreement"), restricting for at least 55 years the maximum income of tenants and the maximum rents that may be charged to tenants, which shall be recorded against Borrower's interest in the property. The Regulatory Agreement shall require City approvals of any housing management company and management plans relating to the management and operations of the Project.
21. Borrower shall indemnify and hold the City harmless for any costs relating to hazardous materials affecting the site. Prior to closing, Borrower shall submit to the City a Phase 1 Environmental Site Assessment and shall conduct such additional environmental testing as may be necessary to determine that hazardous materials are not present on the site, or that any hazardous materials on the site may be remediated without adversely affecting the feasibility of the Project. The Borrower shall execute an environmental indemnity in favor of the City similar to the form of the environmental indemnity used in other City transactions.
22. Borrower shall submit for City review and approval all corporate and partnership or limited liability formation documents for the partnership to be formed and its constituent general partners, certificates of good standing and/or other evidence of current authority for all such entities to conduct business within the State, agreements with the tax credit

Commitment of Affordable Housing Funds  
July 18, 2019  
Page 5

investor, and express partnership consents and corporate resolutions consenting to this transaction, as the City may determine to be applicable.

23. Prior to the closing of construction financing, Borrower shall submit evidence of insurance, evidence of financing commitments, copies of construction loan documents and such other documentation as required by the Loan Agreement.

If you have any questions, please don't hesitate to contact Karen Youel, Housing & Neighborhood Services Manager, at 760-839-4518 or by email at [KYouel@escondido.org](mailto:KYouel@escondido.org).

Sincerely,

Bill Martin  
Director of Community Development

## CITY COUNCIL STAFF REPORT

**Current Business Item No. 18**

**July 17, 2019**

**File No. 0610-55**

SUBJECT: Report and Recommendations of the *Ad Hoc* Subcommittee on City Council Rules and Policies

DEPARTMENTS: City Council *Ad Hoc* Subcommittee and City Attorney's Office

RECOMMENDATION:

It is requested that the City Council receive, consider and adopt the recommendations of the *Ad Hoc* Subcommittee on City Council Rules and Policies contained in Resolution No. 2019-65 that revise in part and restate in part the Council Rules and Policies adopted in Resolution No. 2014-21.

FISCAL ANALYSIS:

None

PREVIOUS ACTION:

On February 12, 2014, the City Council adopted Resolution No. 2014-21 which amended and readopted the then existing Rules of Procedure for City Council Meetings and City Council Policies.

BACKGROUND:

The City Council is a legislative body which may adopt its own rules of procedure for the conduct of its meetings and internal policies associated with how the Council wishes to operate provided that such rules and policies are compliant with state law. Government Code §36813.

In February 2014, the City Council adopted Resolution No. 2014-21 Amending and Readopting Rules of Procedure for City Council Meetings and City Council Policies. The Resolution contains three substantive parts. Section A includes Rules of Order and Procedure primarily related to agenda preparation and how council meetings would be conducted. Section B governs City Council policies on issues such as internal and external council communications; council member salary, expenditures and travel; and communications with city staff. Section C includes the City Council's Ethics Policy. These Rules and Policies have been in place unchanged since 2014.

After the last council election in 2018, Mayor McNamara and other councilmembers have inquired about the rules of procedure for council meetings, agenda inclusion and preparation, use of city staff for in-district councilmember meetings, and related council policies. Additionally, on March 20, 2019, the City Council approved the change of the start times for the Closed and Regular Sessions of the council meetings from 3:30 p.m. and 4:30 p.m. to 5:00 p.m. and 6:00 p.m., respectively. Collectively,

these events prompted interest in a renewed examination of the City Council Rules and Policies which address several of these issues.

On May 1, 2019, Deputy Mayor Consuelo Martinez and Council member Olga Diaz were appointed to an *ad hoc* subcommittee to examine the existing City Council Rules and Policies. The subcommittee met with the City Attorney on two occasions to discuss proposed changes and other updates to existing Resolution No 2014-21.

Drafts of revisions were circulated among the members of the subcommittee and the subcommittee is now prepared to make the following recommendations on substantive changes to the governing rules and procedures:

1. Section A(1):  
Changes the start times for the Closed and Regular Session times to conform to newly enacted Ordinance No. 2019-05.
2. Section A(2):  
Eliminates restrictive language on the types and nature of the matters the Council may consider. The new policy language suggests that the matter *should* relate to City business but does not expressly *prohibit* consideration of matters that do not directly involve the City. The Subcommittee believes that past practice has made the previous rule difficult to enforce and subject to various interpretations.
3. Section A(3)(e):  
Clarifies that the Mayor may limit and/or reorder the time for oral communications. See also Sections A(5) below. Staff presentations are specifically exempt from these provisions.
4. Section A(3)(k)(m):  
Clarifies that Councilmembers may make reports on matters of general interest in addition to Subcommittee Reports after the close of the agenda items. The amendment also formalizes the opportunity for the City Manager to provide highlights from the City Manager Weekly Activity Report.
5. Section A(4):  
Re-orders the reference to the Consent Calendar in the Section.
6. Section A(5):  
Specifies reference to the Mayor's authority to limit times and re-order oral communications. See also Section A(8)(a).
7. Section A(6):  
Specifies reference to Councilmember Reports and prohibits the taking of actions, votes and other discussion on the Report topic to ensure compliance with the Brown Act.

8. Section A(7):  
Provides for presentation, questions and discussion on agenda items prior to the request for a motion from the council to approve the matter.
9. Section A(10):  
Changes the method by which matters may be placed on the agenda from either concurrence of two councilmembers or City staff to now allowing for the placement of an item by (1) the Mayor; (2) an individual councilmember in coordination with the City Manager; or (3) City staff.
10. New Section A(11):  
Includes new section providing that the Mayor or any Councilmember, in coordination with the City Manager, may recommend the public acknowledgement of any person, group, entity or matter of public interest by way of the issuance of a proclamation. Additionally, the Mayor or any Councilmember may request a presentation from persons or groups on issues of interest to the Council or members of the public.
11. New Section A(19):  
Revises former Section A(18) prohibiting behavior bringing the Council into disrepute to now encouraging all councilmembers to allow their fellow councilmembers the opportunity to speak and ask questions without interruption during both closed and open sessions.
12. New Section A(23)(c):  
Revises former Section A(22)(c) to make clear that the use of placards by members of the public in Council chambers is prohibited only when such use disrupts the proceedings.
13. Former Section B(5):  
Recommends the elimination of individual city councilmember credit cards.
14. New Section B(5):  
Provides the explicit allowance for all councilmembers to have equal access to travel and education funds in the City Council budget. This budget is separate from and in addition to the budget set aside for councilmember participation in their assigned subcommittees with other agencies.
15. New Section B(6):  
Provides for the City Manager or City Attorney to designate specific staff to assist the Councilmembers with questions or issues.
16. New Section B(11):  
Provides for the use of City staff to assist councilmembers in publicly announcing events and provide other assistance and services, if available, in coordination with the City Manager. City staff and resources cannot be used for campaign activities.



17. Section C(4):

Allows for communication with members or representatives of labor groups during a period of labor negotiations but does not allow councilmembers to negotiate any terms of employment including salary, benefits or conditions of employment.

18. Section C(5):

Clarifies that prohibited *ex parte* communications relate only to adjudicatory matters and proceedings.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Michael R. McGuinness*, City Attorney  
7/10/2019 5:15 p.m.

ATTACHMENTS:

1. Attachment 1 – Redline Version of Changes to Resolution No. 2014-21
2. Resolution No. 2019-65

ATTACHMENT 1

RESOLUTION NO. 201~~49-6521~~

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AMENDING AND READOPTING RULES OF  
PROCEDURE FOR CITY COUNCIL  
MEETINGS AND CITY COUNCIL POLICIES

WHEREAS, the City Council of the City of Escondido, State of California, has previously adopted resolutions which provide Rules of Order and Procedure for City Council meetings and certain written policies governing Council procedures, ~~and~~ methods of operation and ethics which are amended from time to time; and

WHEREAS, the Council wishes to re-adopt its Rules and Policies for the purpose of including certain amendments and clarifications.

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 following ~~sections~~Rules shall govern the City Council:

Section A: Rules of Order and Procedure

1. Time of Regular Meetings.

Unless the City Council schedules otherwise or cancels a meeting, the City Council shall hold regular meetings at ~~3:30~~5:00 p.m. commencing with closed session items and thereafter at ~~4:30~~6:00 p.m. commencing with a public session on each of the first four (4) Wednesdays of each calendar month at the City Hall.

## ATTACHMENT 1

### 2. Matters Covered.

For the purpose of efficiently focusing only on matters affecting the City of Escondido, the Council ~~should~~shall not consider ~~those~~ any resolutions~~s~~, motions~~s~~ or matters~~s~~ which ~~does not~~ affect the conduct of the business of the City of Escondido or its corporate powers or duties as a municipal corporation, ~~or such~~ nor shall the Council consider any resolutions~~s~~ or motions~~s~~ supporting or disapproving ~~any~~ legislation or actions~~s~~ 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 ~~where~~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 officers or employees as such.

### 3. Order of Business.

Regular business of the Council at the ~~4:30~~6:00 p.m. public session shall be taken up for consideration in substantially the following order, except as may be otherwise ordered by the Mayor or Council:

- a. Moment of Reflection
- b. Flag Salute
- c. Roll Call
- d. ~~Introductions~~/Proclamations/-Presentations
- e. Oral Communications (up to 15 minutes or as directed by  
the Mayor)
- f. Consent Calendar, including Affidavits of Publications, Mailing, Posting, Warrant Register & Minutes Approval
- ~~g. Ordinances and Resolutions~~

## ATTACHMENT 1

- hg. Public Hearings
- ih. Current Business Matters
- kj. Future Agenda Items
- k. Council Members Subcommittee Reports
- l. Council Member Reports
- m. City Manager's Weekly Activity Report Highlights
- ln. Oral Communications
- ~~m. Council/Commission Member Comments~~
- o. Adjournment

#### 4. Consent Calendar Defined.

Those items on the Council agenda which are generally considered routine matter of business such as the approval of minutes, approval of the warrant register, Notices of Project Completion, Treasurer's Quarterly Investment Report, certain contract and grant awards, resolutions setting hearings, final maps, and various leases and agreements are listed on the "Consent Calendar" and shall be adopted by one motion unless Council, staff or a member of 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 Council minutes in their proper form, i.e., resolution accepting grant deed or easement, approval of minutes, award of bid, etc.

          From time to ~~time~~time, the Council may schedule a "workshop" style meeting. Such workshops shall comply with all applicable noticing laws and shall be dedicated primarily to general information gathering and

## ATTACHMENT 1

sharing, discussion and possible direction to staff. Final actions of the Council shall not take place at workshop sessions.

~~Those items on the Council agenda which are generally considered routine matter of business such as the approval of minutes, Treasurer's Quarterly Investment Report, bid awards, resolutions setting hearings, final maps and various leases and agreements are listed on the "Consent Calendar" and shall be adopted by one motion unless Council, staff or a member of 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 Council minutes in their proper form, i.e., resolution accepting grant deed or easement, approval of minutes, award of bid, etc.~~

### 5. Oral Communications.

Time has been reserved near the beginning and end of each regular meeting agenda to provide an opportunity for members of the public to directly address the Council on items of interest to the public. The Mayor as the presiding officer may set a limit on the time at the beginning of the meeting devoted to oral communications and may at his or her discretion extend the time for a speaker or speaker representative to address the Council. Comments on an item already appearing on the agenda shall only be taken at the time reserved for discussion of that agenda item. No action will be taken by the Council on items discussed

## ATTACHMENT 1

under Oral Communications, except to refer the matter to staff or schedule for future action.

6. ~~Council Member~~Council Member Reports~~Comments~~.

The Council Member ~~Report~~comments agenda item provides members of the Council an opportunity to report matters of general interest to the public and their fellow Council Members~~raise items not currently before the Council for updates and briefing~~. No actions, votes or further ~~discussions~~ shall occur on any such matter(s).

7. Council Action on Agenda Matters.

~~Prior to the request for a~~ Upon ~~motion being made~~ and seconded by any Council member on an agenda matter, Council shall be allowed to hear any presentation by staff or member of the public, ask questions and discuss among themselves the matter to be decided ~~a roll call vote shall be taken~~. At the conclusion of the presentation, questions and discussion by Council members a request for a motion and second may be made and a roll call vote shall be taken. A motion that fails to obtain a second or a majority vote shall die.

8. Manner of Addressing Council - Time Limit.

- a. Each person addressing the Council shall step up to the microphone, shall state their name and city of residence in an audible tone of voice for the record and, unless further time is granted by the presiding officer~~concurrence of the Council~~, shall limit their address to three (3) minutes. If

## ATTACHMENT 1

significant numbers of persons desire to speak on a given item, the presiding officer has the discretion to shall limit speaking times and/or alter the sequence of hearing matters on the agenda. Longer time limits may be permitted for an applicant, appellant, or spokesperson for a larger group, at the discretion of the presiding officer.

- b. 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 Council 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 Council so as to avoid unnecessary repetitions before the Council.

c. City staff presentations and responses to Council questions are not governed by this time limit.

9. Posting of Agenda.

At least 72 hours before a regular meeting, the City Clerk shall post a certified copy of the agenda specifying the time and location of the regular meeting in a place accessible so as to be available for review by members of the public.

10. Content of Agenda.

## ATTACHMENT 1

Under state law, the City Council is limited to consideration of items which are on a posted agenda. Items may be placed on an agenda ~~only~~ by city staff, by the Mayor, ~~-or upon the concurrence of two~~ request of an individual ~~individual~~ Council members in coordination with the City Manager. The City Manager shall be in charge of preparing the Council agenda and all items shall be coordinated with the City Manager. ~~In addition, a Council Member wishing to place a matter on the agenda for discussion and action shall first request the City Clerk (in writing or by electronic mail) to list the item under the category of "Future Agenda Items." Only after the item has received the assent of two Council members and has appeared at least once as a "Future Agenda Item" may it appear on the regular Council agenda for discussion and action.~~ To the fullest extent practicable, any items placed on the agenda by the Mayor, any Council member or City staff ~~shall~~ should also be listed under "Future Agenda Items" as early as possible to assure the best possible advance notice of the nature of items and discussion which are upcoming.

### 11. Proclamations and Presentations.

The Mayor and any Council member may recommend the public acknowledgement of any person, group, entity or matter of public interest through the issuance and presentation of a Proclamation on behalf of the City. The Mayor and any Council member may also request a presentation by any person, group, or entity on a matter or issue that would be of interest to the full Council and members of the public. The



## ATTACHMENT 1

City Manager shall coordinate the timing of all such requests so that the agenda for any Council meeting can be timely and efficiently completed.

### 142. Closing Time of Council Meetings.

No agenda item may be introduced after the hour of 10:00 p.m.; however, the meeting may be extended beyond 10:00 p.m. upon a majority vote of the Council members.

### 123. Processing of Motions.

- a. When a motion is made, it shall be stated clearly and concisely by its mover. After a motion is made and seconded, it mayshall be stated by the presiding officer before debate. A motion may be withdrawn by the mover without consent of the Council members.
- b. The presiding officer shall at any time by majority consent of the Council members, permit a Council member to propose the reordering of agenda items.
- c. If a question contains two or more divisible propositions, the presiding officer may, and upon request of a Council member shall, divide the same.

### 134. Precedence of Motions.

- a. When a motion is before the Council, no motion shall be entertained except (precedence in order indicated):
  - (1) To adjourn
  - (2) To fix hour of adjournment
  - (3) To lay on the table

ATTACHMENT 1

- (4) For the previous question
  - (5) To postpone to a certain day
  - (6) To refer
  - (7) To amend
  - (8) To postpone indefinitely
- b. A motion to adjourn shall be in order any time, except as follows:
- (1) When repeated without intervening business or discussion
  - (2) When made as an interruption of a Council member while speaking
  - (3) When the previous question has been ordered
  - (4) While a vote is being taken
- c. A motion to adjourn "to another time" is debatable only as to the time to which the meeting is adjourned.
- d. 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.
- e. A motion for previous question shall close debate on the main motion and shall be undebatable. The statement by a Councilpersonmember 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.

## ATTACHMENT 1

- f. 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.
- g. A motion to postpone indefinitely shall be fully debatable and if the same is adopted, the principal motion shall be declared lost. A motion to postpone to a definite time shall be amendable and debatable as to propriety of postponement and time set.
- h. A motion to refer shall not be debatable except for the propriety of referring.

### 145. Administrative Mandamus.

Persons who are dissatisfied with a decision of the City Council 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.

### 156. Appeals; Continuances.

Any person appealing an action of a City Board or Commission or City Staff to the City Council has a right to two two-week postponements

## ATTACHMENT 1

of the initial hearing scheduled on the appeal. After exhaustion of this right, the appeal shall be considered withdrawn. This procedure shall not limit the ability of the City Council to continue a hearing which has commenced to a subsequent meeting to receive additional public testimony or information from City Staff.

### 167. Reconsideration.

Any member of the Council, voting in the majority on any action of the Council, may at the same meeting, or at a subsequent time, request the Council reconsider an action. A reconsideration request made by a member of the Council voting in the minority shall not be allowed, except when made more than one (1) year after the date of the original action.

All requests for reconsideration of a Council action shall be provided to each Council member, and the City Manager in writing or via electronic mail, and the request shall be placed on the next available agenda. In the event an item to be reconsidered requires public notice, it shall be calendared and noticed after Council determines when reconsideration shall occur.

### 178. Personal Privilege.

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

### 189. Council Conduct.

## ATTACHMENT 1

~~Each member of~~ ~~No member of~~ the Council shall act in a courteous and respectful manner to all members of the Council, including providing each member the full opportunity to ask questions, voice opinions and make statements without interruption during closed and open sessions of the Council ~~such a manner as to call into disrepute the public image of the Council or which is discourteous to or results in the constant interruption of other members of the Council or members of the public.~~

~~19.~~ 20. Parliamentarian.

A majority vote of the Council shall generally control matters of procedure not addressed by this Resolution. The City Attorney shall decide all other questions of interpretations of these rules and any other questions of a parliamentary nature which may arise at a City Council meeting.

~~20.~~ 21. Voting and Non-Profit Entity Membership.

It shall be the policy of this Council that a council member who serves on the governing board of a private non-profit entity shall not participate in the discussion or voting process to determine whether or not that ~~non-profit~~ entity receives City funds. In the event the request of a non-profit entity with a council member on its governing board is part of a larger request involving several items, or is part of the budget process, a separate vote shall be taken to allow the necessary abstention.

~~21.~~ 22. Selection of Chairperson.

## ATTACHMENT 1

In the event that the Mayor and the Deputy Mayor are absent from a City Council meeting, the three remaining Council members present shall promptly determine which Council member will conduct and serve as the chairperson of the meeting.

~~22.~~ 23. Decorum and Security.

- a. While the City Council is in session, the Council members, staff, and members of the public are expected to act in a manner to preserve order and decorum for the meeting. No person shall engage in disorderly or disruptive behavior during the meeting. No person shall, either by conversation, applause, shouting, or any other conduct, interrupt or delay the proceedings.
- b. The City Manager, in coordination with the Mayor and/or Deputy Mayor, are authorized to and shall designate and post signs specifying those areas of the Chamber for the media ~~or others~~ wishing to record the meeting, areas for staff presentations, and areas which are restricted to City employees and elected officials.
- c. Signs, placards, posters, or similar objects which are larger than 8.5 by 11 inches and which disrupt the proceedings shall not be permitted in the Council Chambers displayed during Council proceedings by members of the public without the consent of the presiding officer.

## ATTACHMENT 1

### Section B: City Council Policies.

#### 1. Correspondence with Members of the City Council.

The purpose of this policy is to provide for a coordinated response to correspondence (i.e. letters, emails, and similar items) which is sent to the City generally, or in which the same correspondence is sent in identical fashion to all Council members. In such circumstances, the Council directs that the Mayor (or as appropriate the City Manager or City Attorney) shall answer such correspondence on behalf of the City, according to the procedure set forth below.

In addition to individual e-mail addresses, the City Manager's Office shall also establish a shared email address by which citizens may direct emails to all Council members at the same time. The shared email address shall be featured on the City's website and in other publications in such a manner as to allow citizens to use the address and thereby communicate with all Council members at the same time. All Council members shall have access to review items in the mailbox at all times. All responses to such emails shall also be sent from the shared mailbox, such that all Council members may review such responses.

With respect to other communications, such as those involving other governmental entities, organizations, and related entities where such communication occurs between the entities rather than specific individuals, the Mayor shall respond on behalf of the City, with copies to all Council members. Matters involving routine city administrative issues

## ATTACHMENT 1

shall generally be responded to by either the City Manager or City Attorney, as appropriate, on behalf of the City. With respect to correspondence that consists of invitations to events, the Mayor and Council shall coordinate such invitations with the City Manager's support staff.

Because substantial portions of City Council communication, whether electronic or written, is subject to California's Public Records laws, all City Council communications shall be coordinated with the City Manager for the purpose of compliance with various laws governing public records. All Council members using city computers shall be subject to the City's Administrative Directives regarding computer use.

### 2. Press Releases.

All press releases on behalf of the City shall be issued on City letterhead and only on behalf of the City generally or the entire City Council. Press releases shall be prepared and coordinated by the City Manager's Office.

### 3. Council Calendar.

The responsibility for managing the calendars of the City Council and the City Council members shall be delegated to the City Manager's secretary.

### 4. Audits.

Staff shall informally assist the City Council in a periodic accounting of individual expenditures for travel, phone use, etc.



## ATTACHMENT 1

### ~~5. Credit Card Use.~~

~~Credit cards are available for use by individual members of the City Council. Such credit cards shall be used only for official city business. Council members shall not use a City credit card, or be reimbursed for purchases of meals for others.~~

### 65. Council Travel Policy.

Council members shall be bound by all City policies, as expressed in Administrative Directives or otherwise, regarding travel on City business.

The City Council shall fix an amount in the City Council budget which each Council member may use for business-related education and travel expenses, including attendance at seminars, conferences and other related educational opportunities. These funds will be separate from any budget established for Council member participation in committees associated with other public agencies and entities. If these funds are not used during the fiscal year appropriated, they shall be returned to the General Fund.

Elected officials shall provide brief reports on meetings attended at the City's expense at the next regular City Council meeting. If multiple elected officials attended, a joint report may be made. Reports may be provided in writing as part of the Agenda packet distribution.

~~The City Council generally has a fixed amount in the City Council budget. It shall be the policy of the council to see that each Council~~

## ATTACHMENT 1

~~member generally attempts to stay within approximately one-fifth of that entire budget.~~

### 76. Council Communication with Staff.

The Council members shall request information or give direction only to the City Manager or City Attorney, or those persons designated by the City Manager or City Attorney to assist the Council members in such inquiries or requests. Requests for information should be directed to the City Manager, although incidental or minor requests (not involving analysis or significant time), may be requested directly from department heads, with a copy to the City Manager. Requests which involve change of policy, expenditure of funds, or use of significant staff time shall be submitted to the full Council for approval. ~~In the absence of the City Manager or the City Attorney, requests should be made to designated Assistants.~~

### 87. Review of Reimbursements.

The Director of Finance or a designee shall review all City Council requests for reimbursement of expenses for consistency with City policy on such expenses.

In all cases, Council members shall be bound by the same policies and procedures adopted and applicable for all City employees on a Citywidecitywide basis. To the extent such policies provide for per diem reimbursements, auto allowances, and related forms of reimbursement rather than receipt-specific reimbursement, it is hereby determined that such per diem or fixed amount reimbursements, so long as applicable to

## ATTACHMENT 1

all city employees, are the best and most efficient method of reimbursing expenses on an actual and necessary basis.

### 9. Council Salary.

To assure attention to the Council compensation allowable under state law, the City Council shall have an agenda item during a meeting in December of odd numbered years for the purpose of determining whether or not to take action regarding Council compensation.

### 10. Campaign Activity Funding.

The City Council shall not direct or authorize the expenditure of public funds to prepare or distribute a publication or communication when the style, tenor, and timing of the publication or communication demonstrates that it constitutes traditional campaign activity or that it supports or opposes the approval or rejection of a ballot measure.

### 11. Council Use of City Staff for Public Events.

The Council believes that making opportunities available for Council members to interact with the public outside of regular public meetings is a benefit to the Council and residents of the City. The ability to communicate to the public the availability of the Councilmembers for such events is critical to their success.

Council members may request through the City Manager's Office the services of City staff to assist in the hosting of public events related to City business including, but not limited to, the electronic posting of notices

## ATTACHMENT 1

of public events involving the Council members on the City's social media platforms. To the greatest extent possible, the amount of staff resources devoted to such efforts shall be equal among all Council members.

To the extent any such staff efforts require time beyond the posting of notices on the City's or related website, the City Manager shall be responsible for determining whether such personnel resources are available, whether there is a sufficient budget to cover the costs related to such efforts, and ensuring that all council members may obtain like and equal services during the course of any fiscal year. Council members shall not use any city staff or resources as part of, or in coordination with, any campaign for public office.

### Section C: City Council Ethics Policy.

#### 1. Declaration of Policy.

The respected operation of democratic government emphasizes that elected officials be independent, impartial, and responsible to the people. It requires that they conduct themselves in a manner above reproach.

This Ethics Policy provides the following general guidelines and specific prohibitions to which elected Escondido City Officials must conform in pursuit of their assigned duties and responsibilities. This policy is in addition to all applicable provisions of state law, including the Brown Act, the Political Reform Act and implementing regulations, and all other laws governing the conduct of elected officials.

## ATTACHMENT 1

### 2. Disclosure of Closed Session Matter.

No member of the City Council shall disclose to any person, other than members of the Council, the City Attorney, the City Manager, or other City staff designated by the City Manager to handle such matters of confidential City business, the content or substance of any information presented or discussed during a closed session meeting unless the City Council first authorizes such disclosure by the affirmative vote of three members.

### 3. Disclosure of Confidential Communications.

Except when disclosure is mandated by state or federal law, no member of the City Council shall disclose to any person, other than members of the Council, the City Attorney, or the City Manager, or other City staff designated by the City Manager to handle such matters of confidential City business, the content or substance of any confidential or privileged communication relating to matters of City business, received under circumstances where the confidential or privileged nature of the communication is reasonably conveyed, unless the City Council first authorizes such disclosure by the affirmative vote of three members of the City Council.

### 4. Conduct During Negotiations/Litigation.

The City Council is authorized to provide direction to specifically identified negotiators in a legally constituted closed session on matters involving pending litigation, real estate negotiations, and labor

## ATTACHMENT 1

negotiations. If the City Council in closed session provides such direction to its negotiators, all contact with the negotiating party or the party's representative, shall be limited to, and made by, those individuals designated to handle the negotiations.

During a pending labor negotiation, no member of the City Council shall communicate any negotiating position on behalf of the City or engage in any negotiations for employee salary, benefits or working conditions.~~have any contact or discussion with the negotiating party or the party's representative regarding the subject matter of the pending negotiation.~~ In addition, during pending litigation or real estate negotiations, no member of the City Council (unless they have been designated as a negotiator) shall have any contact or discussion with the litigating or negotiating party or the party's representative regarding the subject matter of the pending litigation or real estate negotiations.

No member of the City Council shall communicate or disclose to any person, other than members of the Council, the City Attorney, the City Manager, or other City staff designated by the City Manager to handle such matters of confidential City business, any discussion or information received in closed session regarding the negotiation or litigation.

Nothing in this section shall prohibit Council members from receiving written communications provided they are made available to all Council members, the City Manager, the City Attorney, and the City's designated negotiators on an equal basis.

## ATTACHMENT 1

### 5. Ex Parte Communications.

The purpose of this provision is to guarantee that all interested parties to any adjudicatory matter before the City Council have equal opportunity to express and represent their interests. Ex parte communications are those communications members of the City Council have with representatives of only one side of a matter outside the presence of other interested parties on a matter relevant to an adjudicatory proceeding. A communication concerning only the status of a pending matter shall not be regarded as an ex parte communication.

Any written or oral ex parte communication received by a member of the City Council in matters where all interested parties are entitled to an equal opportunity for a hearing shall be made a part of the record by the recipient.

### 6. Violations and Penalties.

Any violation of this Ethics Policy by a member of the City Council shall constitute official misconduct if determined by an affirmative vote of three members of the City Council in an open and public meeting. In addition to any criminal or civil penalties provided for by federal, state or other local law, any violation of this Ethics Policy shall constitute a cause for censure by City Council adoption of a Resolution of Censure.

RESOLUTION NO. 2019-65

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AMENDING AND READOPTING RULES OF  
PROCEDURE FOR CITY COUNCIL  
MEETINGS AND CITY COUNCIL POLICIES

WHEREAS, the City Council of the City of Escondido, State of California, has previously adopted resolutions which provide Rules of Order and Procedure for City Council meetings and certain written policies governing Council procedures, methods of operation and ethics which are amended from time to time; and

WHEREAS, the City Council wishes to re-adopt its Rules and Policies for the purpose of including certain amendments and clarifications.

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 following Rules shall govern the City Council:

Section A: Rules of Order and Procedure

1. Time of Regular Meetings.

Unless the City Council schedules otherwise or cancels a meeting, the City Council shall hold regular meetings at 5:00 p.m. commencing with closed session items and thereafter at 6:00 p.m. commencing with a public session on each of the first four (4) Wednesdays of each calendar month at the City Hall.

2. Matters Covered.

For the purpose of efficiently focusing only on matters affecting the City of Escondido, the Council should consider those resolutions, motions



or matters which affect the conduct of the business of the City of Escondido or its corporate powers or duties as a municipal corporation, or such resolutions or motions supporting or disapproving legislation or actions 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 where 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 officers or employees as such.

3. Order of Business.

Regular business of the Council at the 6:00 p.m. public session shall be taken up for consideration in substantially the following order, except as may be otherwise ordered by the Mayor or Council:

- a. Moment of Reflection
- b. Flag Salute
- c. Roll Call
- d. Proclamations/Presentations
- e. Oral Communications (up to 15 minutes or as directed by the Mayor)
- f. Consent Calendar, including Affidavits of Publications, Mailing, Posting, Warrant Register & Minutes Approval
- g. Public Hearings
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- i. Future Agenda Items
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4. Consent Calendar Defined.

Those items on the Council agenda which are generally considered routine matter of business such as the approval of minutes, approval of the warrant register, Notices of Project Completion, Treasurer's Quarterly Investment Report, certain contract and grant awards, resolutions setting hearings, final maps, and various leases and agreements are listed on the "Consent Calendar" and shall be adopted by one motion unless Council, staff or a member of 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 Council minutes in their proper form, i.e., resolution accepting grant deed or easement, approval of minutes, award of bid, etc.

From time to time, the Council may schedule a "workshop" style meeting. Such workshops shall comply with all applicable noticing laws and shall be dedicated primarily to general information gathering and sharing, discussion and possible direction to staff. Final actions of the Council shall not take place at workshop sessions.

5. Oral Communications.

Time has been reserved near the beginning and end of each regular meeting agenda to provide an opportunity for members of the public to directly address the Council on items of interest to the public. The Mayor as the presiding officer may set a limit on the time at the beginning of the meeting devoted to oral communications and may at his or her discretion extend the time for a speaker or speaker representative

to address the Council. Comments on an item already appearing on the agenda shall only be taken at the time reserved for discussion of that agenda item. No action will be taken by the Council on items discussed under Oral Communications, except to refer the matter to staff or schedule for future action.

6. Council Member Reports.

The Council Member Report agenda item provides members of the Council an opportunity to report matters of general interest to the public and their fellow Council Members. No actions, votes or further discussions shall occur on any such matter(s).

7. Council Action on Agenda Matters.

Prior to the request for a motion and second by any Council member on an agenda matter, Council shall be allowed to hear any presentation by staff or member of the public, ask questions and discuss among themselves the matter to be decided. At the conclusion of the presentation, questions and discussion by Council members a request for a motion and second may be made and a roll call vote shall be taken. A motion that fails to obtain a second or a majority vote shall die.

8. Manner of Addressing Council - Time Limit.

- a. Each person addressing the Council shall step up to the microphone, shall state their name and city of residence in an audible tone of voice for the record and, unless further time is granted by the presiding officer, shall limit their address to three (3) minutes. If significant numbers of

persons desire to speak on a given item, the presiding officer has the discretion to limit speaking times and/or alter the sequence of hearing matters on the agenda. Longer time limits may be permitted for an applicant, appellant, or spokesperson for a larger group, at the discretion of the presiding officer.

- b. 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 Council 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 Council so as to avoid unnecessary repetitions before the Council.
- c. City staff presentations and responses to Council questions are not governed by this time limit.

9. Posting of Agenda.

At least 72 hours before a regular meeting, the City Clerk shall post a certified copy of the agenda specifying the time and location of the regular meeting in a place accessible so as to be available for review by members of the public.

10. Content of Agenda.

Under state law, the City Council is limited to consideration of items which are on a posted agenda. Items may be placed on an agenda by

city staff, by the Mayor, or upon the request of an individual Council member in coordination with the City Manager. The City Manager shall be in charge of preparing the Council agenda and all items shall be coordinated with the City Manager. To the fullest extent practicable, any items placed on the agenda by the Mayor, any Council member or City staff should also be listed under "Future Agenda Items" as early as possible to assure the best possible advance notice of the nature of items and discussion which are upcoming.

11. Proclamations and Presentations.

The Mayor and any Council member may recommend the public acknowledgement of any person, group, entity or matter of public interest through the issuance and presentation of a Proclamation on behalf of the City. The Mayor and any Council member may also request a presentation by any person, group, or entity on a matter or issue that would be of interest to the full Council and members of the public. The City Manager shall coordinate the timing of all such requests so that the agenda for any Council meeting can be timely and efficiently completed.

12. Closing Time of Council Meetings.

No agenda item may be introduced after the hour of 10:00 p.m.; however, the meeting may be extended beyond 10:00 p.m. upon a majority vote of the Council members.

13. Processing of Motions.

- a. When a motion is made, it shall be stated clearly and concisely by its mover. After a motion is made and

seconded, it may be stated by the presiding officer before debate. A motion may be withdrawn by the mover without consent of the Council members.

- b. The presiding officer shall at any time by majority consent of the Council members, permit a Council member to propose the reordering of agenda items.
- c. If a question contains two or more divisible propositions, the presiding officer may, and upon request of a Council member shall, divide the same.

14. Precedence of Motions.

- a. When a motion is before the Council, no motion shall be entertained except (precedence in order indicated):
  - (1) To adjourn
  - (2) To fix hour of adjournment
  - (3) To lay on the table
  - (4) For the previous question
  - (5) To postpone to a certain day
  - (6) To refer
  - (7) To amend
  - (8) To postpone indefinitely
- b. A motion to adjourn shall be in order any time, except as follows:
  - (1) When repeated without intervening business or discussion
  - (2) When made as an interruption of a Council member while speaking
  - (3) When the previous question has been ordered

(4) While a vote is being taken

- c. A motion to adjourn "to another time" is debatable only as to the time to which the meeting is adjourned.
- d. 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.
- e. A motion for previous question shall close debate on the main motion and shall be undebatable. The statement by a Council member 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.
- f. 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.
- g. A motion to postpone indefinitely shall be fully debatable and if the same is adopted, the principal motion shall be declared lost. A motion to postpone to a definite time shall be

amendable and debatable as to propriety of postponement and time set.

- h. A motion to refer shall not be debatable except for the propriety of referring.

15. Administrative Mandamus.

Persons who are dissatisfied with a decision of the City Council 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.

16. Appeals; Continuances.

Any person appealing an action of a City Board or Commission or City Staff to the City Council has a right to two two-week postponements of the initial hearing scheduled on the appeal. After exhaustion of this right, the appeal shall be considered withdrawn. This procedure shall not limit the ability of the City Council to continue a hearing which has commenced to a subsequent meeting to receive additional public testimony or information from City Staff.

17. Reconsideration.

Any member of the Council, voting in the majority on any action of the Council, may at the same meeting, or at a subsequent time, request the Council reconsider an action. A reconsideration request made by a member of the Council voting in the minority shall not be allowed, except when made more than one (1) year after the date of the original action.



All requests for reconsideration of a Council action shall be provided to each Council member, and the City Manager in writing or via electronic mail, and the request shall be placed on the next available agenda. In the event an item to be reconsidered requires public notice, it shall be calendared and noticed after Council determines when reconsideration shall occur.

18. Personal Privilege.

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

19. Council Conduct.

Each member of the Council shall act in a courteous and respectful manner to all members of the Council, including providing each member the full opportunity to ask questions, voice opinions and make statements without interruption during closed and open sessions of the Council.

20. Parliamentarian.

A majority vote of the Council shall generally control matters of procedure not addressed by this Resolution. The City Attorney shall decide all other questions of interpretations of these rules and any other questions of a parliamentary nature which may arise at a City Council meeting.

21. Voting and Non-Profit Entity Membership.

It shall be the policy of this Council that a council member who serves on the governing board of a private non-profit entity shall not

participate in the discussion or voting process to determine whether or not that entity receives City funds. In the event the request of a non-profit entity with a council member on its governing board is part of a larger request involving several items, or is part of the budget process, a separate vote shall be taken to allow the necessary abstention.

22. Selection of Chairperson.

In the event that the Mayor and the Deputy Mayor are absent from a City Council meeting, the three remaining Council members present shall promptly determine which Council member will conduct and serve as the chairperson of the meeting.

23. Decorum and Security.

- a. While the City Council is in session, the Council members, staff, and members of the public are expected to act in a manner to preserve order and decorum for the meeting. No person shall engage in disorderly or disruptive behavior during the meeting. No person shall, either by conversation, applause, shouting, or any other conduct, interrupt or delay the proceedings.
- b. The City Manager, in coordination with the Mayor and/or Deputy Mayor, are authorized to and shall designate and post signs specifying those areas of the Chamber for the media wishing to record the meeting, areas for staff presentations, and areas which are restricted to City employees and elected officials.

- c. Signs, placards, posters, or similar objects which are larger than 8.5 by 11 inches and which disrupt the proceedings shall not be displayed during Council proceedings by members of the public.

Section B: City Council Policies.

1. Correspondence with Members of the City Council.

The purpose of this policy is to provide for a coordinated response to correspondence (i.e. letters, emails, and similar items) which is sent to the City generally, or in which the same correspondence is sent in identical fashion to all Council members. In such circumstances, the Council directs that the Mayor (or as appropriate the City Manager or City Attorney) shall answer such correspondence on behalf of the City, according to the procedure set forth below.

In addition to individual e-mail addresses, the City Manager's Office shall also establish a shared email address by which citizens may direct emails to all Council members at the same time. The shared email address shall be featured on the City's website and in other publications in such a manner as to allow citizens to use the address and thereby communicate with all Council members at the same time. All Council members shall have access to review items in the mailbox at all times. All responses to such emails shall also be sent from the shared mailbox, such that all Council members may review such responses.

With respect to other communications, such as those involving other governmental entities, organizations, and related entities where such communication occurs between the entities rather than specific

individuals, the Mayor shall respond on behalf of the City, with copies to all Council members. Matters involving routine city administrative issues shall generally be responded to by either the City Manager or City Attorney, as appropriate, on behalf of the City. With respect to correspondence that consists of invitations to events, the Mayor and Council shall coordinate such invitations with the City Manager's support staff.

Because substantial portions of City Council communication, whether electronic or written, is subject to California's Public Records laws, all City Council communications shall be coordinated with the City Manager for the purpose of compliance with various laws governing public records. All Council members using city computers shall be subject to the City's Administrative Directives regarding computer use.

2. Press Releases.

All press releases on behalf of the City shall be issued on City letterhead and only on behalf of the City generally or the entire City Council. Press releases shall be prepared and coordinated by the City Manager's Office.

3. Council Calendar.

The responsibility for managing the calendars of the City Council and the City Council members shall be delegated to the City Manager's secretary.

4. Audits.

Staff shall informally assist the City Council in a periodic accounting

of individual expenditures for travel, phone use, etc.

5. Council Travel Policy.

Council members shall be bound by all City policies, as expressed in Administrative Directives or otherwise, regarding travel on City business.

The City Council shall fix an amount in the City Council budget which each Council member may use for business-related education and travel expenses, including attendance at seminars, conferences and other related educational opportunities. These funds will be separate from any budget established for Council member participation in committees associated with other public agencies and entities. If these funds are not used during the fiscal year appropriated, they shall be returned to the General Fund.

Elected officials shall provide brief reports on meetings attended at the City's expense at the next regular City Council meeting. If multiple elected officials attended, a joint report may be made. Reports may be provided in writing as part of the Agenda packet distribution.

6. Council Communication with Staff.

The Council members shall request information or give direction only to the City Manager or City Attorney, or those persons designated by the City Manager or City Attorney to assist the Council members in such inquiries or requests. Requests for information should be directed to the City Manager, although incidental or minor requests (not involving analysis or significant time) may be requested directly from department heads, with

a copy to the City Manager. Requests which involve change of policy, expenditure of funds, or use of significant staff time shall be submitted to the full Council for approval.

7. Review of Reimbursements.

The Director of Finance or a designee shall review all City Council requests for reimbursement of expenses for consistency with City policy on such expenses.

In all cases, Council members shall be bound by the same policies and procedures adopted and applicable for all City employees on a citywide basis. To the extent such policies provide for per diem reimbursements, auto allowances, and related forms of reimbursement rather than receipt-specific reimbursement, it is hereby determined that such per diem or fixed amount reimbursements, so long as applicable to all city employees, are the best and most efficient method of reimbursing expenses on an actual and necessary basis.

9. Council Salary.

To assure attention to the Council compensation allowable under state law, the City Council shall have an agenda item during a meeting in December of odd numbered years for the purpose of determining whether or not to take action regarding Council compensation.

10. Campaign Activity Funding.

The City Council shall not direct or authorize the expenditure of public funds to prepare or distribute a publication or communication when the style, tenor, and timing of the publication or communication

demonstrates that it constitutes traditional campaign activity or that it supports or opposes the approval or rejection of a ballot measure.

11. Council Use of City Staff for Public Events.

The Council believes that making opportunities available for Council members to interact with the public outside of regular public meetings is a benefit to the Council and residents of the City. The ability to communicate to the public the availability of the Councilmembers for such events is critical to their success.

Council members may request through the City Manager's Office the services of City staff to assist in the hosting of public events related to City business including, but not limited to, the electronic posting of notices of public events involving the Council members on the City's social media platforms. To the greatest extent possible, the amount of staff resources devoted to such efforts shall be equal among all Council members.

To the extent any such staff efforts require time beyond the posting of notices on the City's or related website, the City Manager shall be responsible for determining whether such personnel resources are available, whether there is a sufficient budget to cover the costs related to such efforts, and ensuring that all council members may obtain like and equal services during the course of any fiscal year. Council members shall not use any city staff or resources as part of, or in coordination with, any campaign for public office.

Section C: City Council Ethics Policy.

1. Declaration of Policy.

The respected operation of democratic government emphasizes that elected officials be independent, impartial, and responsible to the people. It requires that they conduct themselves in a manner above reproach.

This Ethics Policy provides the following general guidelines and specific prohibitions to which elected Escondido City Officials must conform in pursuit of their assigned duties and responsibilities. This policy is in addition to all applicable provisions of state law, including the Brown Act, the Political Reform Act and implementing regulations, and all other laws governing the conduct of elected officials.

2. Disclosure of Closed Session Matter.

No member of the City Council shall disclose to any person, other than members of the Council, the City Attorney, the City Manager, or other City staff designated by the City Manager to handle such matters of confidential City business, the content or substance of any information presented or discussed during a closed session meeting unless the City Council first authorizes such disclosure by the affirmative vote of three members.

3. Disclosure of Confidential Communications.

Except when disclosure is mandated by state or federal law, no member of the City Council shall disclose to any person, other than members of the Council, the City Attorney, or the City Manager, or other City staff designated by the City Manager to handle such matters of confidential City business, the content or substance of any confidential or



privileged communication relating to matters of City business, received under circumstances where the confidential or privileged nature of the communication is reasonably conveyed, unless the City Council first authorizes such disclosure by the affirmative vote of three members of the City Council.

#### 4. Conduct During Negotiations/Litigation.

The City Council is authorized to provide direction to specifically identified negotiators in a legally constituted closed session on matters involving pending litigation, real estate negotiations, and labor negotiations. If the City Council in closed session provides such direction to its negotiators, all contact with the negotiating party or the party's representative, shall be limited to, and made by, those individuals designated to handle the negotiations.

During a pending labor negotiation, no member of the City Council shall communicate any negotiating position on behalf of the City or engage in any negotiations for employee salary, benefits or working conditions. In addition, during pending litigation or real estate negotiations, no member of the City Council (unless they have been designated as a negotiator) shall have any contact or discussion with the litigating or negotiating party or the party's representative regarding the subject matter of the pending litigation or real estate negotiations.

No member of the City Council shall communicate or disclose to any person, other than members of the Council, the City Attorney, the City Manager, or other City staff designated by the City Manager to handle

such matters of confidential City business, any discussion or information received in closed session regarding the negotiation or litigation.

Nothing in this section shall prohibit Council members from receiving written communications provided they are made available to all Council members, the City Manager, the City Attorney, and the City's designated negotiators on an equal basis.

5. Ex Parte Communications.

The purpose of this provision is to guarantee that all interested parties to any adjudicatory matter before the City Council have equal opportunity to express and represent their interests. Ex parte communications are those communications members of the City Council have with representatives of only one side of a matter outside the presence of other interested parties on a matter relevant to an adjudicatory proceeding. A communication concerning only the status of a pending matter shall not be regarded as an ex parte communication.

Any written or oral ex parte communication received by a member of the City Council in matters where all interested parties are entitled to an equal opportunity for a hearing shall be made a part of the record by the recipient.

6. Violations and Penalties.

Any violation of this Ethics Policy by a member of the City Council shall constitute official misconduct if determined by an affirmative vote of three members of the City Council in an open and public meeting. In addition to any criminal or civil penalties provided for by federal, state or

other local law, any violation of this Ethics Policy shall constitute a cause for censure by City Council adoption of a Resolution of Censure.



## CITY COUNCIL STAFF REPORT

**Current Business Item No. 19**

**July 17, 2019**

**File No. 0130-10**

SUBJECT: Designation of Voting Delegate – League of California Cities Conference

DEPARTMENT: City Clerk's Office

RECOMMENDATION:

It is requested that the City Council designate the Voting Delegate and up to two alternates for the League of California Cities Annual Conference in Long Beach, California on October 16-18, 2019.

FISCAL ANALYSIS:

Costs to attend this conference are included in the City Council's Training / Meeting budget.

BACKGROUND:

The League's 2019 Annual Conference is scheduled for October 16-18, 2019 in Long Beach, California. At the Annual Business Meeting the League membership considers and takes action on resolutions that establish League policy. In order to vote at the Annual Business Meeting, the City Council must designate a voting delegate. The City Council may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Zack Beck*, City Clerk  
7/10/2019 3:35 p.m.



## **FUTURE CITY COUNCIL AGENDA ITEMS**

**Updated July 10, 2019**

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

**July 24, 2019**  
**NO MEETING (Summer Break)**

**July 31, 2019**  
**NO MEETING (5<sup>th</sup> Wednesday)**

# Weekly Activity Report



July 11, 2019

## What is Your Vision for the Escondido Creek Trail?

As part of the City's commitment to re-imagining the Escondido Creek Trail as a recreational and environmental asset, the City is applying for an \$8.5 million Proposition 68 funding grant.

It is very important that ideas for how to improve the Escondido Creek Trail come from the community, so your involvement and engagement will play a major role in determining the success of the application. We will be holding a number of community meetings this month to gather that input. Click the image below for the meeting schedule. The first set of meetings start today, July 11. To take a survey and for more information, visit: [www.escondido.org/ECT.aspx](http://www.escondido.org/ECT.aspx)



### Help us make your vision for the Escondido Creek Trail a reality!

The City is pursuing Prop 68 grant funding for major improvements to the Escondido Creek Trail. The grant's goals are to create new parks, expand existing parks, or renovate existing parks to bring new recreation opportunities to underserved communities throughout the state. The City is committed to re-imagining the Escondido Creek Trail as a recreational and environmental asset to support healthy and equitable communities.

## Washington Park Grand Re-Opening

Celebrate Parks and Recreation Month by joining us next Saturday, July 20 for the Grand Re-Opening of Washington Park. This free event will be fun for the whole family, and will include games, prizes, tours, food vendors and more! Washington Park is located at 501 N. Rose Street.

A poster for the Washington Park Grand Re-Opening event. The background is dark blue. At the top, it says "CELEBRATE PARKS AND REC MONTH" in white. Below that, "WASHINGTON PARK GRAND RE-OPENING" is written in large, bold, yellow-green letters. Underneath, "LOCATION: WASHINGTON PARK, 501 N. ROSE" is written in white. The date "Saturday, July 20th" and time "9:30-11:30 a.m." are also in white. At the bottom, it says "FREE Activities, Snacks, and Prizes!!" in white. The poster features colorful silhouettes of people and a dog at the bottom.

## Art, Wine, Brew, and Food Festival this Weekend!

Inspire: Art, Wine, Brew, Food is happening on Saturday, July 13 in historic downtown Escondido's Heritage Garden. Get your tickets now and choose "Friends of MAGEC" to receive a \$5 discount. This event is hosted by ArtHatch.

ArtHatch provides affordable, juried exhibition and working studio space for local artists, and free exhibition space, art supplies, studio space, and education for teen artists.

Click the image for more information and tickets.



## Kit Carson Park Amphitheater Request for Proposals

The Kit Carson Amphitheater is a hidden gem within the City of Escondido's Kit Carson Park. It's a full-service performance venue with a beautiful outdoor setting that is perfect for a variety of outdoor shows and unique special events.

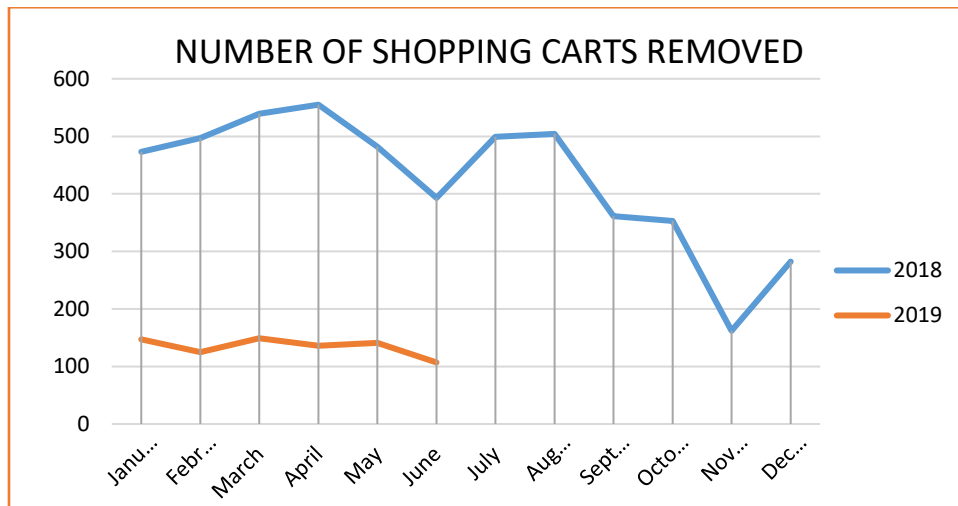
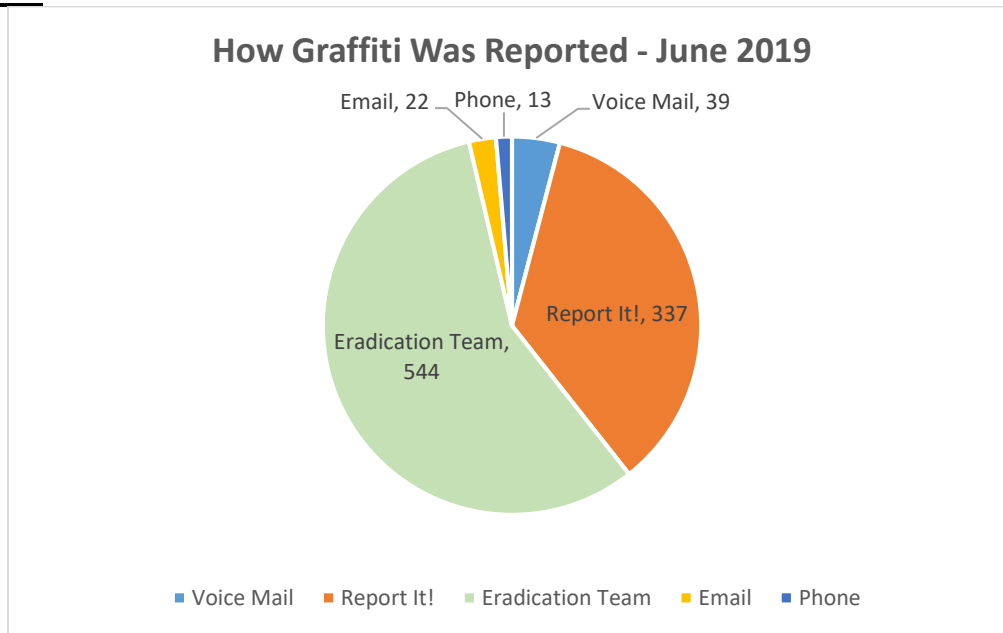
The City of Escondido is inviting individuals, performing arts groups, and theater management and production companies to submit qualifications and proposals for an incredible opportunity to make the City's amphitheater home to their organization. The City's goal is to establish a License and Operating Agreement with a qualified firm to provide comprehensive management and daily operational services. This will create an opportunity for restoration of the amphitheater, and the provision of valuable community programs, services, and activities that the City is not able to provide.

It is important to the City and is a condition of the RFP, that the amphitheater continues to be utilized in part by community organizations for community events. Further, the City seeks proposals that will commit a capital investment that will improve the amphitheater, making it a state of the art facility and a destination location in North County. The amphitheater is a tremendous asset for our community, and we look forward to helping to achieve its full potential.

To review the RFP please go the City's website at <https://www.escondido.org/purchasing.aspx>, under Request for Proposals.

## BY THE NUMBERS

### Public Works



### Code Enforcement

**293 Total Active Cases**

**16 New Cases**

**38 Cases Closed**

**38 Voluntary Compliance**

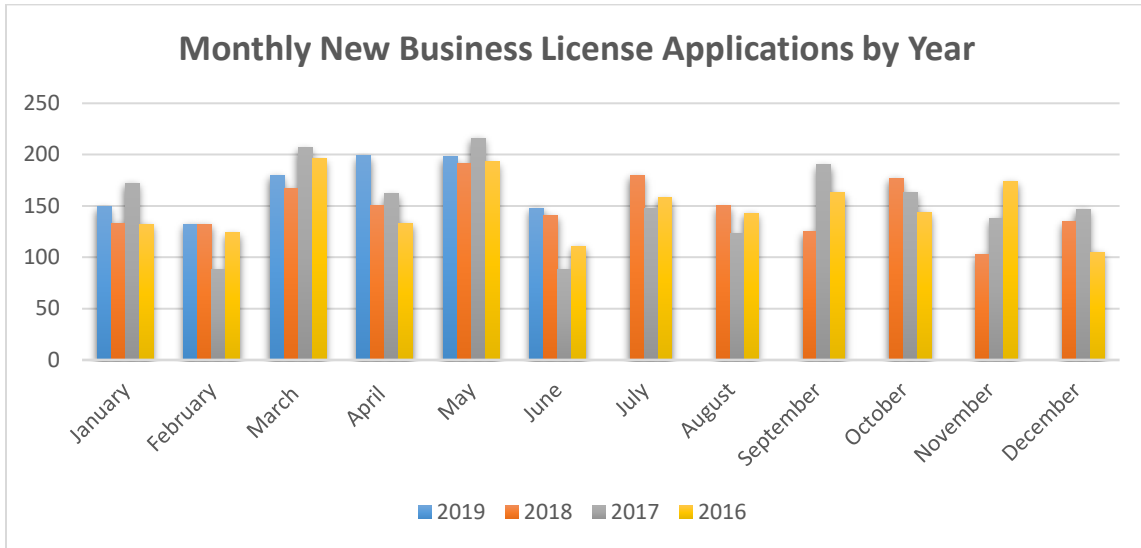
**28 Notices Issued**

**0 Citations Issued**

Total Code Cases (Year To Date)	1,363
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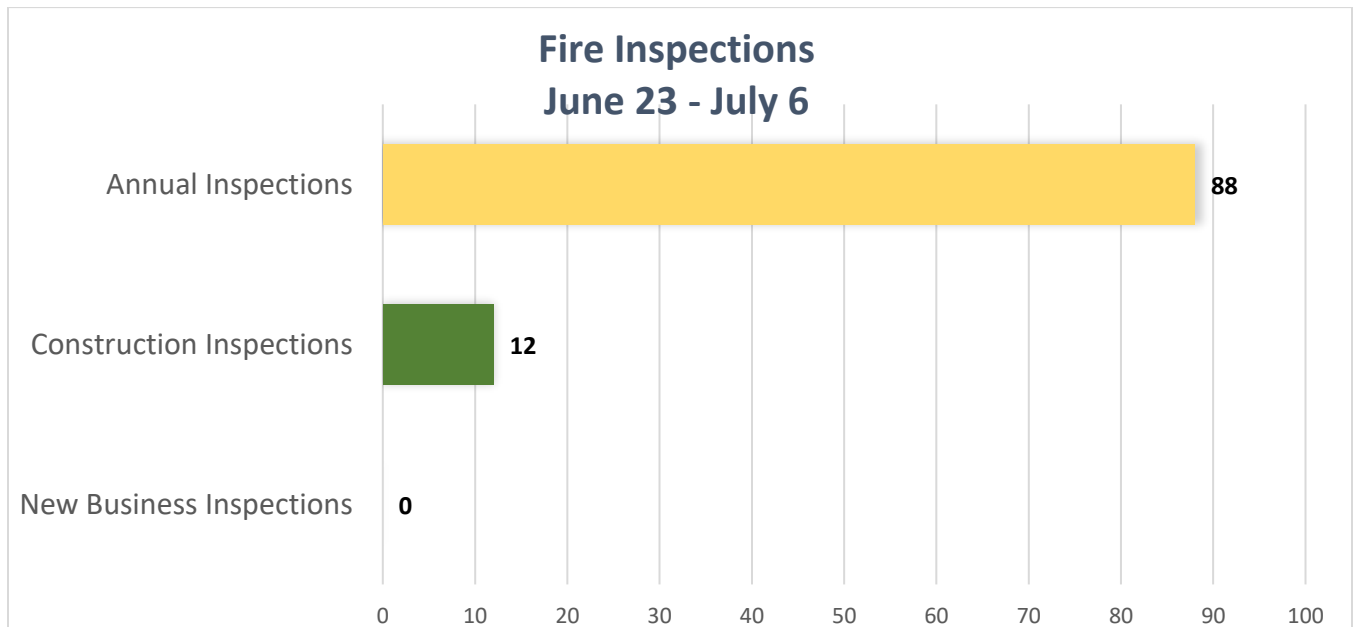
**Business Licenses**



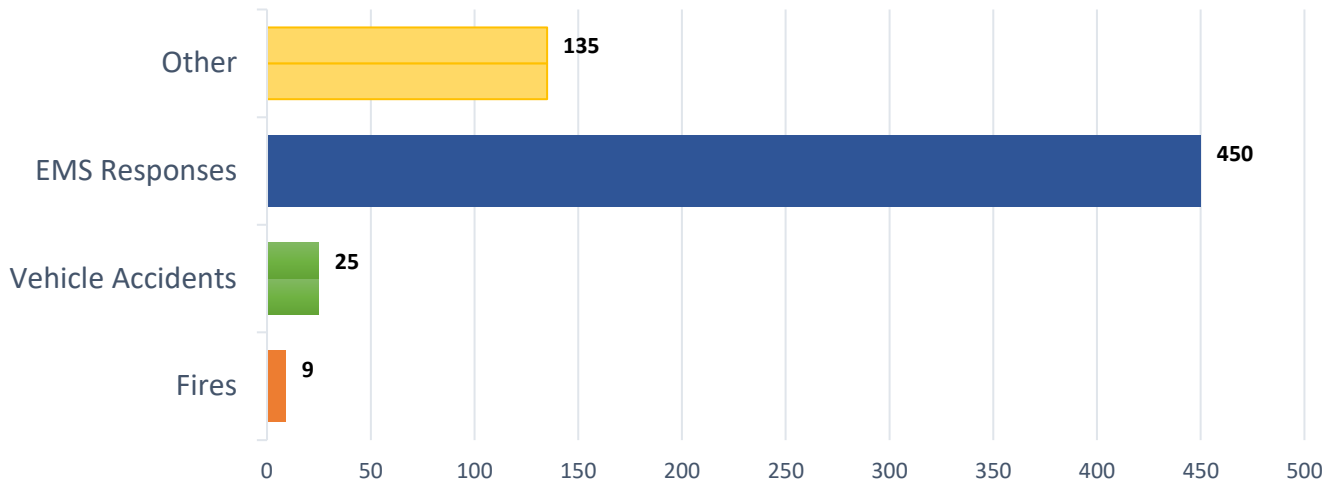
**Graffiti Restitution**

Collected This Week	Collected Year to Date
\$150	\$3424.07

**Fire**

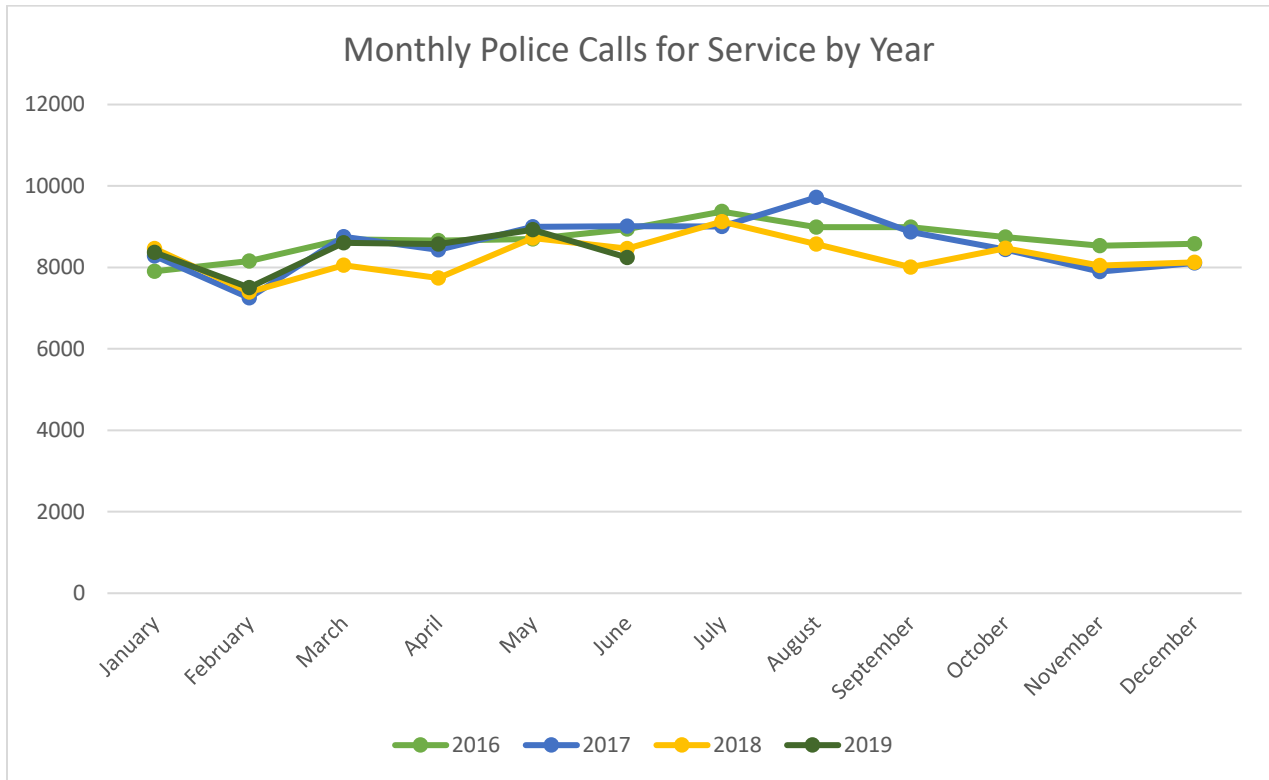


### Fire Emergency Responses June 23 - July 6

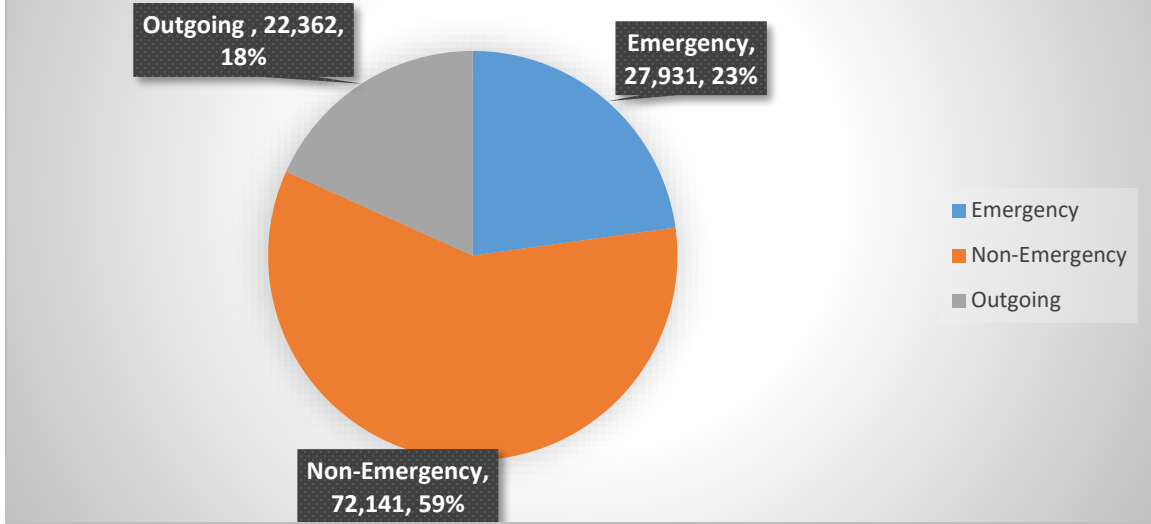


Total Emergency Responses (Year To Date)	8,336
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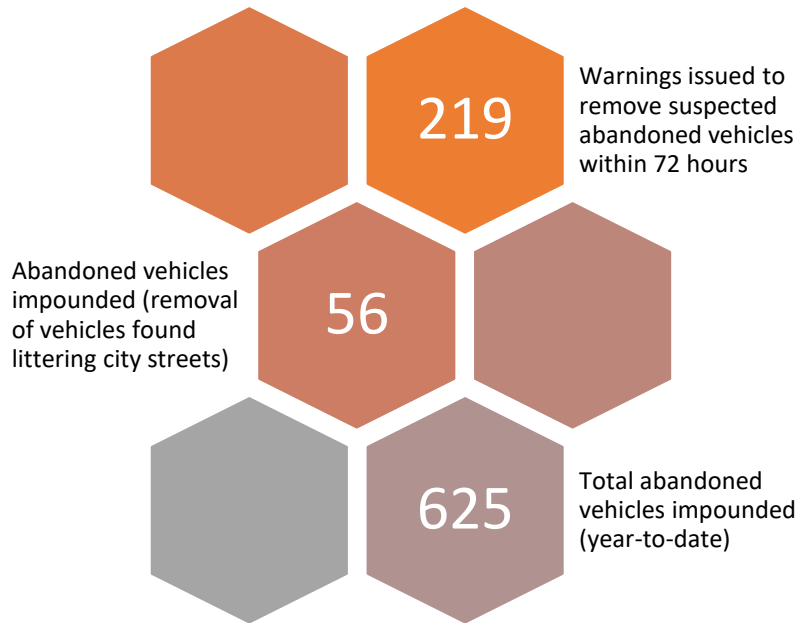
**Police:**



# 2019 YTD Police/Fire Communication Center Call Volume

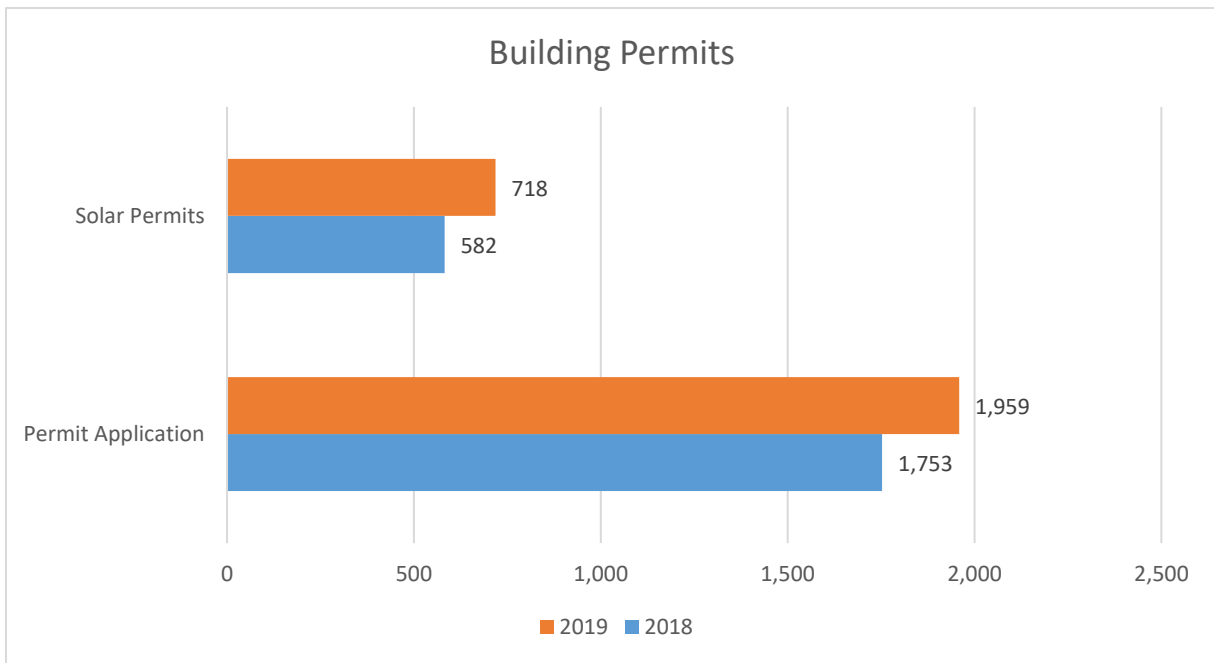
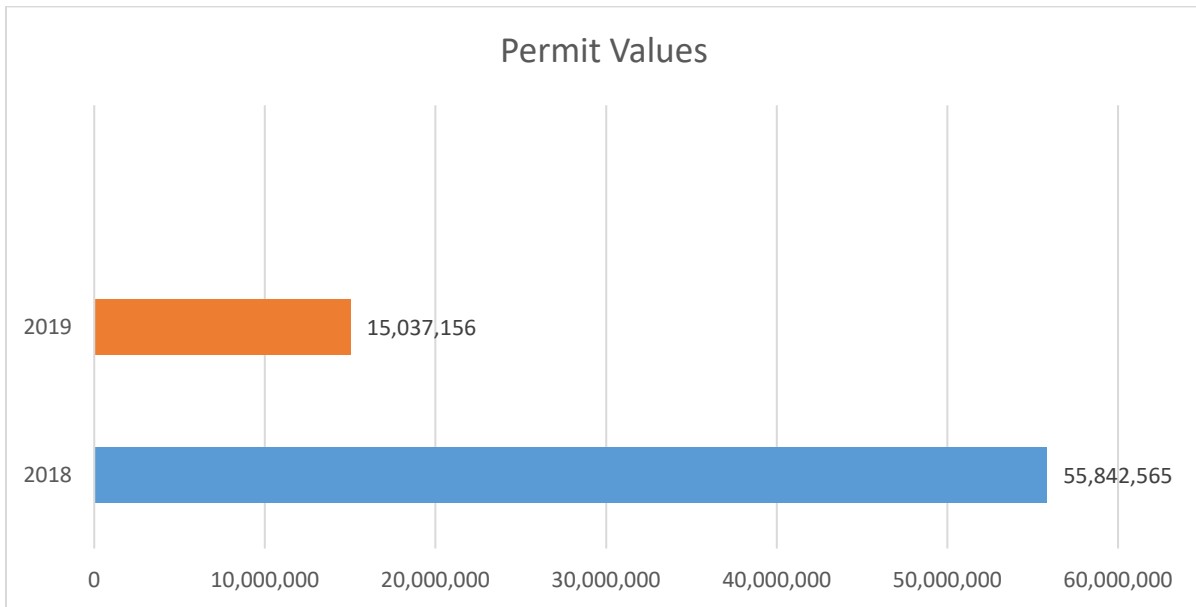


## June Abandoned Vehicle Data



**Building Division:**

*\*Data reflects activity through July 6 of each year.*



## **POLICE DEPARTMENT**

### **Incidents:**

#### **Juvenile Arrested in Robbery Spree**

On July 1 at around 11:30 a.m., a juvenile male attempted to steal alcohol from the Food-4-Less store at 644 N. Broadway. Store employees attempted to stop the juvenile, who responded by pushing employees out of the way and fleeing with the stolen alcohol. The juvenile returned to the store a few minutes later and threatened to kill the store manager before fleeing the store yet again. The juvenile then attempted to rob an elderly woman of her purse in the parking lot, before running from the area. A short time later the juvenile approached an elderly man, lunged at him with a knife, and demanded his property. Officers spotted the juvenile within seconds of the third crime and arrested him after a short foot pursuit. The juvenile was arrested on several charges of robbery, attempted robbery, and assault with a deadly weapon.

#### **Officers Attacked at Family Disturbance Call**

On July 2 at 11:17 p.m., officers responded to a family disturbance call in the 2100 block of Terrace View Pl. Upon their arrival, officers determined that Heaven Licon (22-year-old resident of Escondido) was intoxicated and assaulted her father. Licon, who walked away from the residence prior to the arrival of officers was located a short distance away. Officers attempted to stop Licon for the crimes that she committed, however, Licon assaulted the officers. Licon was eventually arrested and booked into jail on charges that included being drunk in public, and felony resisting arrest. Two officers sustained minor injuries in the incident.

#### **No Front License Plate Solves Burglary**

On July 4 at approximately 4:00 a.m., an officer was on routine patrol near the intersection of Mission Ave. and Centre City Pkwy. when a vehicle was observed traveling with no front license plate. The officer conducted a traffic stop on the car for the minor traffic law violation. While speaking to the driver of the car, the officer saw dozens of scratch-off lottery tickets in large rolls on the back seat of the car. During the course of the investigation, officers were able to confirm that the car and two subjects in the car had just broken into a closed business in San Marcos. Both subjects were turned over to San Diego County Sheriff's Deputies who took over the remainder of the investigation since the burglary occurred in their jurisdiction.

### **COPPS:**

The COPPS (Community Oriented Policing and Problem-Solving) Unit is dedicated to increasing the quality of life for the residents of Escondido through pro-active responses to crime trends, quality of life issues, and addressing crime and public nuisance in Grape Day Park and at Maple Plaza.

- 2 arrest
- 7 citations
- 27 extra patrols

### **TIP OF THE WEEK:**

Many of us take much deserved vacations this time of year. Follow these easy tips to protect your home while you are away:

- Be sure to lock up before you leave. Many burglaries are crimes of opportunity, carried out by thieves looking for an easy way into your home.
- Put lights on timers. Lights turning on and off at varying times gives the illusion that someone is home.

- Be careful with your social media posts. Avoid posting information that makes it clear that you will not be home. Also, avoid posting pictures of your vacation until you return home.
- Get to know your neighbors. Ask trusted neighbors or family members to look after your home and to pick up any mail or other deliveries.

## FIRE

### News:

Escondido Fire Department Explorers (Andres Aispuro, Justus Whitaker, Preston Piekarski, Angel Casarez, Donovan Hanna, Damian Kapity and Andrew Marshall) joined the Fire Prevention team to inspect the setup of motor racking for fireworks and provide standby oversight of the fireworks display at the Annual Independence Day Festival and Fireworks at Grape Day Park.



Crews at Escondido Fire Station #1 have been working hard preparing Paramedics that are soon to be promoted to the position of Firefighter Paramedic. Acting Engineers Tyler Terich and Danny Chandler pump hose lays and assist Paramedics with ladder evolutions, building a strong foundation of basic Firefighter skills, and fostering the growth of the Department to better serve our community.



## COMMUNITY DEVELOPMENT

### Major Projects Update

The following major projects are being reviewed and coordinated by Planning, Engineering, Fire, Building and Utilities. The list of projects below encompasses recent project updates and/or milestones from last week.

### Commercial / Office:

1. Escondido Research and Technology Center (ERTC) – West (Developer: James McCann) 2181 Citracado Parkway – A plan for a new two-story, 57,000 SF, 52-bed Palomar Rehabilitation Institute was submitted as a Plot Plan on July 31, 2017. The Plot Plan approval letter was issued on February 7, 2018. The grading permit is ready to be issued once an MOU explaining the phasing and proposed parking improvements for the hospital has been signed by all parties. The MOU was a requirement of the recent amendment to the ERTC Specific Plan and is currently being finalized.
2. Escondido Research and Technology Center (ERTC) – East (Developer: James McCann) 2130 Citracado Parkway – Building plans for the first 71,656 SF medical office building in this approved medical complex area across from Palomar Hospital were submitted into plan check on October 9, 2018. Fire and Esgil have approved the plans. Planning has a hold on the permit until the parking issues described above are resolved.
3. Toyota of Escondido Certified Used Car Facility (Developer: Stephen Myers, Toyota of Escondido) 990 N. Broadway – A Plot Plan to assemble five commercial lots including a vacant used car business into an automotive sales and service facility for Toyota. The proposal includes the demolition of a vacant residence and a small expansion of an existing service building. The project application was submitted on January 7, 2019, and resubmitted on March 4, 2019. The Plot Plan was approved on June 10, 2019.
4. Ritz Theater “The Grand” (Developer: New Venture Church) 301, 309 E. Grand Avenue – A renovation of the existing Ritz Theater and adjacent commercial building to provide for a variety of assembly uses including performing arts, religious services, café, offices and classroom studios was approved by the City Council on December 5, 2018. Esgil has completed first check of the building plans on May 10, 2019, and returned comments to the applicant. A demo permit was issued for the commercial building on the corner on July 1, 2019.

### Industrial

1. Escondido Self-Storage Facility (Developer: Brandywine Homes, Inc.) 2319 Cranston Dr. – Updated building plans were resubmitted into plan check on July 24, 2018. Esgil and Fire have approved the plans. Planning provided comments on the building plans on September 19, 2018. The final map was approved by City Council on September 19, 2018, and has recorded. The grading permit has been approved and grading has commenced on the site. The building plans have been approved by Esgil and Fire. Planning is reviewing a plan for screening rooftop mechanical equipment that was submitted on June 3, 2019.
2. Citracado Business Park (Developer: Dentt Properties) 2207 Harmony Grove Road – A proposed specific plan for two industrial warehouse/office buildings (145,930 SF and 125,930 SF) with the buildings to be separated by the future extension of Citracado Parkway. The

application was submitted on August 14, 2018. All departments have completed their initial review and comments were sent to the applicant on September 17, 2018. SDG&E also has provided comments regarding the high voltage power lines that traverse the site. The applicant's traffic consultant submitted revised methodology and distribution to Engineering on October 19, 2018. A meeting with the applicant to review the various departmental comments occurred on October 29, 2018. Another round of comments related to the proposed specific plan have also been provided. The developer team met with several departments on April 4, 2019, primarily to discuss traffic-related issues. Planning and Building are awaiting submittal of a demo permit for the two abandoned residences on the site.

## **City Projects**

1. Membrane-Filtration Reverse Osmosis (Developer: City of Escondido Utilities Department) SE corner Ash/Washington – The City Council approved a contractual agreement with Black and Veatch for engineering services on April 4, 2018. On January 16, 2019, the City Council expressed continued support for the MFRO, but directed staff to investigate moving the facility to another location. Utilities staff are investigating the feasibility of moving the MFRO to city property located at 901 W. Washington Avenue. An on-site meeting with the selected design-build and environmental contractors occurred on January 28, 2019. Preliminary geotechnical and survey work is underway. Helix Environmental Planning will be preparing the draft environmental documents. A Design Build Agreement was approved by the City Council on April 3, 2019. The Design Build Agreement with Filanc+BC Joint Venture provides for design and pre-construction services. The Design Build team met with Utilities and Planning on May 15, 2019 and June 5, 2019 to discuss design and timeline issues. A draft site plan was submitted to Planning on June 17, 2019. A draft environmental review document is in preparation.
2. 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. A field visit with staff from the state and federal wildlife agencies took place on May 11, 2017, to review biological mitigation requirements including an agency request for full mitigation for emergent vegetation at the eastern end of the lake that came into existence since the lake level was reduced for safety reasons. Staff sent a follow-up letter to the wildlife agencies on June 29, 2017, seeking clarification on the proposed biological mitigation requirements. Additional information has been compiled and analyzed by the City's biological consultants based on recent conversations with the agencies. The biological consultant and staff met with the wildlife agencies on November 28, 2018 to discuss a modified approach to fulfilling mitigation requirements. Written information summarizing what was discussed at the meeting was transmitted to the agencies on December 4, 2018. City staff recently concluded a revised assessment of potential biological impacts and met with the agencies to present the findings. Additional information requested by the agencies is being prepared for submittal.

## **Residential**

1. Harvest Hills (aka Safari Highlands Ranch) (Developer: Jeb Hall, Concordia Homes) 550 lots east of Rancho San Pasqual – A Notice of Availability for the Draft EIR was issued on October 16, 2017 for public review and comment. The comment period ended on January 2, 2018. Staff transmitted all the comment letters and emails to the Draft EIR consultant for review and to prepare a response to each comment. The Draft EIR and appendices have been posted on the City's website at the following link:



<https://www.escondido.org/safari-highlands-ranch-specific-plan.aspx>

The responses to comments have generated related revisions to the project design. The applicant's engineer submitted a revised tentative map on October 26, 2018. Generally, the amount of grading and the area of disturbance has decreased, while the overall number of 550 residential lots has remained the same. Engineering met with the project engineer and applicant on January 31, 2019, to discuss their comments on the revised tentative map. The revised tentative map and exhibits have been posted on-line at the link above. The applicant met with Traffic Engineering during the week of February 25<sup>th</sup> to discuss off-site improvements. Staff, applicant and biological consultant met with the wildlife agencies on April 23, 2019, to discuss the revisions to the project design mentioned above. The applicant and staff met on June 20, 2019, to refine the list of outstanding issues remaining to be resolved prior to advancing to public hearings for the project.

2. 18 lots at 701 San Pasqual Valley Rd (Developer: Bob Stewart) – Staff comments on the revised tentative map were issued the last week of July 2017. The applicant has occasionally engaged in discussions with various departments since that time, but has declined a staff offer to schedule a comprehensive meeting with all city departments. Another set of revised plans were submitted the week of November 26, 2018. Planning, Engineering and Utilities comments on the revised plans were issued on February 25, 2019. In response to a follow-up discussion with the applicant, Planning provided additional comments on April 29, 2019. Additional discussions between the applicant and the City to resolve project issues occurred on June 20, 2019.
3. The Villages at Escondido Country Club (Developer: Jason Han, New Urban West, Inc.) 380 residences – The City Council voted 3-2 to approve the project on November 15, 2017. The applicant submitted rough grading plans, drainage improvement plans and utility relocation plans for all three villages on May 7, 2018. Most of the plans are in third or fourth plan check. Engineering comments were returned on March 12, 2019; and the developer team met with Engineering on April 1, 2019, to discuss the comments. The homebuilder met with Building, Engineering and Planning on April 24, 2019 to discuss the building plan check and precise grading plan processes. A revised Certified Tentative Map for substantial conformance review was submitted on May 23, 2019 and includes a proposal to relocate approximately 10 residential lots within the development. These changes in Villages 2 and 3 result from comments provided by the Regional Water Quality Control Board and those discussions are on-going. A resubmittal of Village 1 plans including grading, storm drain and the specific alignment plan for Country Club Lane was received on June 18, 2019.

The approved tentative subdivision map, Final EIR and appendices, Specific Plan and other related information can be accessed on the City's website at the following link:

<https://www.escondido.org/ecc.aspx>

4. North Avenue Estates (Developer: Casey Johnson) 34 lots at North Ave./Conway Dr. –The City Council approved the project on January 10, 2018. LAFCO approved the annexation application on October 1, 2018, and the annexation has recorded. The new homebuilder, Taylor Morrison Homes submitted a Precise Development Plan to Planning on December 14, 2018. Grading plans, final map and improvement plans were submitted for review on December 7, 2018. Engineering comments were returned on January 18, 2019 and additional comments were sent on January 25, 2019. Engineering met with the applicant's engineer on

January 31, 2019 to discuss drainage issues. A revised Certified TM was approved on March 14, 2019. Final engineering plans were resubmitted on March 21, 2019. The project engineer, Engineering and County Water Authority staff met on April 2, 2019, to discuss the street and utility crossings over the CWA aqueduct. The applicant's engineer submitted a revised design to address the CWA issues the week of June 3rd. Engineering is awaiting revised grading and improvement plans. A second revision to the Precise Development Plan was submitted the week of June 17th.

5. Aspire (131 apartment units on Municipal Lot 1) (Developer: Addison Garza, Touchstone Communities) – The proposal consists of a six-story mixed-use development across from City Hall on Parking Lot 1. The project was initially submitted for entitlement processing for a 106-unit development on June 23, 2017. On March 14, 2019, the applicant submitted a revised project under state and city density bonus law that increases the number of dwelling units in return for the provision of 11 Very Low Income housing units. The increased density (now 131 units) has been accommodated by eliminating all 3-bedroom units to allow additional studio, one- and two-bedroom units within the same building structure. The project includes 4,289 square feet of commercial space on the ground floor, primarily fronting on Maple Street Plaza. A purchase and sale agreement for the project site (Parking Lot 1) was approved by the City Council on September 19, 2018. Concerns regarding parking have been expressed; and the applicant's parking consultant submitted a parking study on January 17, 2019. A proposed Development Agreement was submitted for staff review on April 24, 2019. Engineering completed final review of the traffic study and storm water plans, asking for modifications to complete the reports. Staff is working with the applicant to move the project to hearing, tentatively scheduled for Planning Commission on August 13, 2019.
6. The Ivy (127 apartment units at 343 E. 2nd) (Developer: Addison Garza, Touchstone Communities) - The apartment project was initially submitted for entitlement processing for a 95-unit development on June 23, 2017. On February 8, 2019, the applicant submitted a revised project under state and city density bonus law that increases the number of dwelling units in return for the provision of nine Very Low Income housing units. The increased density (now 127 units) was accommodated by adding another story to the development resulting in a five-story residential building up to 75 feet in height. While the building footprint is nearly identical to the previous design, the proposal also adds 1,175 square feet of commercial space on the ground floor at the corner of Second Avenue/Ivy Street. The Planning Commission unanimously recommended approval of the project on May 28, 2019. The project was approved by City Council on June 19, 2019. A second reading for Ordinance adoption is scheduled to occur on July 17, 2019.
7. Quince Street Senior Housing (Developer: Matt Jumper, 220 Quince, L.P.) 145 apartment units at 220 N. Quince St. – The five-story affordable senior housing apartment project was submitted on November 21, 2017. Staff comments from Planning, Engineering, Utilities and Fire were returned to the applicant on December 27, 2018. A follow-up meeting with Planning occurred on January 15, 2019, and revised project plans were submitted on February 12, 2019. City staff provided comments on March 25, 2019. Utilities is requesting an upsizing to the water line in Quince Street to 8". Traffic engineering received revised traffic counts on April 19, 2019. The applicant submitted revised plans on May 3, 2019. Public review of the Draft Mitigated Negative Declaration resulted in two comment letters. Staff is working on a response to comments and the project is expected to be scheduled before the Planning Commission in August.

8. Sager Ranch/Daley Ranch Resort Specific Plan (Developer: J. Whalen Associates, Inc., Sager Ranch Partners) 203 housing units and 225-room resort hotel on 1,783-acres, just north and east of Daley Ranch – This proposed residential and resort hotel annexation and specific plan project was received on March 2, 2018. The project submittal has been deemed incomplete and a letter from staff requesting additional project related information was sent to the applicant on April 4, 2018. Requested information includes annexation exhibits, proposed general plan amendment text, a proposed Transfer of Development Rights Program, environmental initial study, and a fiscal impact analysis. Planning met with the applicant on May 17, 2018 to discuss items listed in the letter. A follow-up meeting to discuss engineering issues occurred on June 27, 2018. The applicant met with Escondido Fire and Valley Center Fire on August 1, 2018 to discuss fire protection issues. Significant fire-related issues to be addressed include the steepness of the project entry road, secondary emergency access and Fire Department response times. A follow-up meeting with the applicant to discuss these issues occurred on October 11, 2018. On April 5, 2019, the applicant provided a letter response with alternative compliance proposals to address some of the fire-related issues. On May 14, 2019 the applicant provided additional fire-related information requested by Fire and Planning. Fire, Planning, and Engineering staff met with the applicant team on May 29, 2019 to discuss the fire-related information.

A project webpage containing draft documents and plans has been added to the Planning Division's website at the following link:

[Sager Ranch Resort Specific Plan - City of Escondido](#)

9. Nutmeg Condo General Plan Amendment (Developer: Jim Simmons, CCI) 137 townhome condo units on 7.7 acres on both sides of Nutmeg between I-15 and Centre City Parkway – This proposed multi-family residential development includes a GPA from Office to Urban III (up to 18 du/acre) as well as a specific alignment plan for Nutmeg and a vacation of approximately one acre of public right-of-way for use in the project. The project application was received on June 15, 2018. Initial comments from Planning, Fire, Engineering, Utilities and Traffic Engineering were provided to the applicant on July 13, 2018. A Notice of Availability for the Draft EIR was issued May 7, 2019, announcing a 45-day public review period from May 10, 2019 to June 24, 2019. The USFWS has requested an additional time to comment. Caltrans expressed a concern for having encroachment into their right of way. Project revisions may be necessary to accommodate grading and fuel modification zone planning on-site.
10. Oak Creek (Builder: KB Homes) 65 single-family residential lots on approximately 44 acres at Felicita Road and Hamilton Lane – The Zoning Administrator approved a modification to the Precise Development Plan to revise the architecture on October 25, 2018. On-site remediation of hazardous materials has been completed and DTSC has issued a clearance letter. On-site improvement plans have been approved. The rough grading permit was issued on April 18, 2019, and grading has commenced on the site. The Precise Grading Plan for the model homes has been approved and “foundation only” permits were issued on May 16, 2019 for the model homes because Fire does not allow lumber on site until water and paved access are provided. A Model Home Permit has been approved by Planning, for the sales office and temporary improvements. A second plan check submittal for the final map was received the week of May 13. Second plan check for the off-site improvement plans was received on June 3, 2019. Engineering comments have been returned. CDFW is reviewing the conservation agreement and has indicated that it may take some time to approve the terms, which may delay Final Map recordation. A model home permit was issued on July 10, 2019.

11. 555 West Grand Mixed-Use Building (Developer: Ed McCoy) 32 condo units in three floors over a parking garage – This 32-unit mixed-use development with 610 SF of office/flex space was submitted as a planned development application on August 27, 2018. The project is seeking a reduction in parking and open space standards. Initial multi-department comments were sent to the applicant on September 26, 2018. The applicant met with Fire, Engineering, Planning and Utilities staff on October 16, 2018 to discuss the staff comments. Engineering and Fire are coordinating fire flow and hydrant locations with the applicant. It is anticipated that water lines will need to be upsized on Quince and Grand. The applicant submitted a parking study on May 13, 2019, to support the proposed reduction in the number of parking spaces. The applicant met with Engineering and Planning staff on May 22, 2019 to discuss the driveway location and Development Agreement terms. Fire has approved the proposed hydrant locations and revised plans are expected soon. Project plans have been resubmitted to the City on June 24, 2019.
12. Villa Portofino (Developer: Chris Post, ATC Design Group) 15 apartment units in a three-story building with parking garage at 2690 S. Escondido Blvd. – This 15-unit multi-family residential project on a 0.52-acre parcel between S. Escondido Blvd and Cranston Drive was submitted as a Plot Plan application on November 28, 2018. A comment letter was issued on December 20, 2018. Comments included the need to evaluate the building construction type for fire purposes and consider the design standards in the South Centre City Specific Plan. Planning, Fire and Engineering met with the applicant on June 10, 2019, to discuss revisions to the plans intended to address the previous comments. Utilities has requested a sewer study to assess potential impacts to the nearby Lift Station 2.
13. Palomar Heights (Developer: Ninia Hammond, Integral Communities) Demolition and redevelopment of the old Palomar Hospital site with 510 multi-family units – A proposed Tentative Map, Planned Development, Specific Plan Amendment and EIR to redevelop the 13.8-acre former hospital site. Up to 5,500 square feet of recreation or commercial space could be included. The project application was submitted on December 24, 2018. Engineering and Planning comments on the initial project submittal were sent to the applicant on February 12, 2019. A contract for a developer-funded planning consultant to work on this project as an extension of Planning staff was approved by the City Council on February 13, 2019. Planning Engineering and Fire met with the applicant team on February 27, 2019 and again on April 24, 2019 to go through proposed revisions to the site plan and building designs. The applicant revised the plans to increase the unit count from 424 units to 510 units. A Notice of Preparation (NOP) for the Draft EIR was issued on May 3, 2019 and a public scoping meeting took place on May 20, 2019. The public comment period for the NOP closed on June 3, 2019, and approximately 28 comment letters and written forms from the scoping meeting were received. Resubmittal of the redesign package was filed on June 25, 2019. Design and site plan information was submitted on July 1, 2019.
14. Henry Ranch (Builder: Joe Martin, Trumark Homes) An approved development of 97 single-family residential homes on 74.35 acres at the eastern terminus of Lincoln Avenue – The Tract 920 development proposal was originally approved in 2007 and an extension of the associated Development Agreement was approved in 2016. Final Map, grading plans and improvement plans were submitted for initial review on February 12, 2019. A demolition permit for the former packinghouse structures was submitted on February 14, 2019 and only needs utility shutoff before work starts. Architectural plans were submitted for Design Review on February 15, 2019, and comments were issued on March 14, 2019. A vegetation removal permit was issued on March 21, 2019. The second submittal of final engineering was received on April 22, 2019. Utilities has identified conflicts with drainage facilities in the second plan check. Fire and

Engineering provided comments on the second submittal of final engineering plans on May 22, 2019. The applicant worked with staff to resolve final boundary adjustment issues to satisfy the title company and a final approval for the boundary adjustment was granted on June 3, 2019. The related Certificates of Compliance have now been recorded. Planning comments on the final map, grading plans and landscape plans were sent to the applicant on June 21, 2019.

15. Del Prado (Developer: Kerry Garza, Touchstone Communities) – An approved 113-unit townhome-style Planned Development located at the southwestern corner of Brotherton Road and the Centre City Parkway frontage road - The Del Prado project was approved by the City Council in May of 2016. The project site is separated into two parcels by an SDGE parcel. Engineering and Planning are reviewing third plan check for final map, grading and improvement plans for Del Prado South. Del Prado North is in second plan check for the same plans. No building plans have been submitted into plan check. Planning has provided comments for the North landscape plans. An extension of time for both the North and South tentative maps was approved by the Zoning Administrator last week. The applicant is attempting to resolve sewer issues with the Regional Water Quality Control Board because sewer lines are proposed to cross over water lines. Utilities is awaiting resubmittal of a full set of plans. Planning approved the South landscape plan.
16. Accessory Dwelling Units – Planning staff is currently working on ten (10) applications for accessory dwelling units. Fourteen (14) accessory dwelling units have been approved so far this year. Twenty-four (24) accessory dwelling units were approved in 2018. Three (3) accessory dwelling units were approved in 2017.

### **Building Division:**

1. The Building Division issued 52 permits (including 18 solar photovoltaic) with a total valuation of \$391,667. Three Tenant Improvement permits with a combined value of \$305,341; most notably Mikko Sushi on Grand and Jersey Mike's on E Valley Blvd.
2. Our building inspectors responded to 175 inspection requests. 117 customers visited the Building counter during the week.
3. *No change from the previous.* The Latitude 2 apartment project at 650 Center City Pkwy has received Building final approvals and Temporary Certificates of Occupancy for buildings 1-4. Field Engineering have released Building 6 for TCO. The Building Division has granted a Temporary Certificate of Occupancy, with minor restrictions.
4. The new two story church sanctuary building at 1864 N. Broadway is progressing toward final inspection. Drywall installation has been completed and has received inspection approval. Finish work is underway and may take several weeks before a Final inspection is requested.
5. *No change from the previous.* The new 105 room hotel at 200 La Terraza is currently operating on a Temporary Certificate of Occupancy, pending Engineering and Building final approval. All Building Division conditions have been approved. With Engineering conditions still pending, an extension of the temporary Certificate of Occupancy was granted to July 5<sup>th</sup>, 2019.

6. The new five-story storage building at 852 Metcalf St has completed rough framing and drywall installation is on-going. Rough electrical inspection has been approved. A temporary electrical service meter has been approved and released- this meter is for construction purposes only. The installation of exterior wall panels is on-going. Roof framing is complete and roof sheathing has been approved.
7. The new Gateway Grand 126-unit apartment project at 700 W. Grand Ave. has received approval of floor sheathing on the 4<sup>th</sup> floor of Building B. Framing in all other buildings continues to progress. Building C 2nd floor sheathing is complete; Building B roof sheathing and clubhouse exterior framing is complete.
8. *No change from the previous.* The new apartments at 917 W Lincoln Ave, consisting of 3 buildings and 9 total units, has received partial approval of drywall. Drywall installation is complete. Finish work is on-going and will take several weeks to complete. Staff will continue to monitor progress.
9. The new 2 story 20,000 sf office building for Superior Ready Mix on 1564 W Mission has received underground plumbing and foundation inspection approvals. Remaining Tilt up panels have been lifted into place. Roof framing construction is underway and once complete, staff will perform required inspections.

## ENGINEERING DEPARTMENT

### Capital Improvements

1. 2018 Street Rehabilitation and Maintenance Project – This year’s program will focus on residential areas south of Felicita and east of I-15 with major work on Citricado Parkway, Escondido Boulevard, Del Lago Boulevard, Centre City Parkway, Felicita Road, and Bear Valley Parkway. The slurry portion of the contract has been completed. The striping subcontractor is reapplying thermoplastic and paint legends and strips throughout the project limits. For more information on the City’s Street Maintenance Program including a comprehensive list of streets to be treated follow the link:  
  
<https://www.escondido.org/city-of-escondido-street-maintenance-program.aspx>
2. Transit Center Pedestrian Bridge Project – The contractors NCTD permit was approved along with the construction schedule which allows the contractor to begin to work. The Notice to Proceed for the contract was Monday, May 20. Submittals continue to be reviewed by the City. The contractor is set to begin demolition along the project on Monday with the first order of work requiring the closure of the Bike Path between Quince Street and Tulip Street. Signs notifying of the closure will be placed with detour signs redirecting the bike/pedestrians to Valley Parkway.
3. Missing Link Project – The City is requesting final billing from the contractor. The project will be on the July 17 Council agenda.
4. HSIP Traffic Signal Project – The signals were energized on July 8. This completes the reporting of this project. The project was completed on time and on budget.
5. Tulip Street Improvements Phase IV – The final lift of asphalt pavement was placed this past Friday. The last remaining wall segments will be placed this week in advance of the

application of two coats of anti-graffiti product. All remaining fencing elements, as well as minor landscaping, will be installed this week.

6. Storm Drain Pipe Lining and Rehabilitation Project Phase 1 – The project consists of 14 work zones and 3 Bid Alternate locations for the videoing, grouting, repairing, and lining of existing corrugated metal pipes (CMP) within the City’s inventory. The contractor is off site until Tuesday of next week, when they will resume televising and cleaning the remaining storm drain segments.

### **Private Development**

1. Tract 932 - Canyon Grove Shea Homes Community – The contractor is continuing to reconstruct a water quality basin within the development that failed to perform during last winter’s rain season. The removal of failed or damaged concrete improvements is set to begin this week.
2. Latitude II Condominiums: Washington Avenue @ Centre City Parkway – The project will be working on punch list items over the next reporting period.
3. Tract 934 – Is a 5 lot subdivision located at 1207 Gamble Street. The water line syphon has passed its water quality testing procedures. The tie in to the City water system is being scheduled at this time.
4. Veterans Village – The project is now complete. All bonds and securities will begin to be processed for release.
5. KB Homes Oak Creek Project - The grading operation is nearing completion. Over the course of the grading operation, 5,920 cubic yards of dirt will be delivered to the site. The large volume of blue granite boulders is being processed on site. The onsite roadway between Felicita Avenue and the Model Home street was completed this past week. Water from the Water District is now available which will allow for lumber to be delivered.
6. Escondido Self Storage - No changes from that reported last week: The grading of the project is idled. Offsite utility construction has begun along Brotherton Road. The project is located at the southwest corner of Brotherton Road and Cranston Drive.
7. ATT Facility Tank Relocation – The testing of the tank and distribution lines to the building are continuing this week which require the closure of the #1 travel lane on 2<sup>nd</sup> Avenue. This is a day time closure only.
8. North American Self Storage – The project is located at 852 Metcalf Street. The construction of the new mainline is continuing again this week.

### **GRANT APPLICATIONS**

None this week.

###