



# Council Meeting Agenda

**JUNE 10, 2020**

**VIDEO CONFERENCE**

**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>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>Mike Strong</b>
DIRECTOR OF ENGINEERING SERVICES	<b>Julie Procopio</b>

## COVID-19 PUBLIC SERVICE ANNOUNCEMENT

Pursuant to Governor Newsom's Executive Orders, including N-25-20 and N-29-20: Certain Brown Act requirements for the holding of a public meeting have been temporarily suspended and members of the Escondido City Council and staff will participate in this meeting via teleconference. In the interest of reducing the spread of COVID-19, members of the public are encouraged to submit their agenda and non-agenda comments online at the following link: <https://www.escondido.org/agenda-position.aspx>. Council Chambers will be closed.

Public Comment: To submit comments in writing, please do so at the following link: <https://www.escondido.org/agenda-position.aspx>. If you would like to have the comment read out loud at the meeting (not to exceed three minutes), please write "Read Out Loud" in the subject line. All comments received from the public will be made a part of the record of the meeting.

The meeting will be available for viewing via public television on Cox Communications Channel 19 (Escondido only). The meeting will also be live streamed online at the following link: <https://www.escondido.org/meeting-broadcasts.aspx>

### **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

**June 10, 2020  
5:00 p.m. Meeting**

**Escondido City Council**

## **CALL TO ORDER**

**ROLL CALL:** Diaz, Martinez, 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:** Ken Burris v. City of Escondido  
**Case No:** ADJ11194693; ADJ11235665; ADJ11235664
  
- II. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code §54956.8)**
  - a. **Property:** 200 - 290 East Via Rancho Parkway (APNs 271-030-14, -15, -16, -17, -18, 19, -20)  
**City Negotiator:** Jeffrey Epp, City Manager  
**Negotiating Parties:** Unibail-Rodamco-Westfield  
**Under Negotiation:** Potential Purchase and Sale, Westfield Mall
  
- III. PUBLIC EMPLOYEE APPOINTMENT (Government Code §54957)**

City Manager

## **ADJOURNMENT**



# Council Meeting Agenda

**June 10, 2020  
6:00 P.M. Meeting**

## **Escondido City Council**

### **CALL TO ORDER**

#### **MOMENT OF REFLECTION:**

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

#### **FLAG SALUTE**

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

#### **CLOSED SESSION 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. (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:

- 342310 – 342481 dated May 27, 2020

Staff Recommendation: **Approval (Finance Department: Joan Ryan)**

3. **APPROVAL OF MINUTES: None Scheduled**

4. **REQUEST TO INITIATE A DOWNTOWN SPECIFIC PLAN AMENDMENT TO DESIGNATE AREAS WHERE GROUND FLOOR RESIDENTIAL USES IS PERMITTED -**

Request the City Council review and receive to initiate a Downtown Specific Plan Amendment to designate areas where ground floor residential uses is permitted and provide direction to City Staff.

Staff Recommendation: **Provide Direction (Community Development Department: Mike Strong)**

5. **HOUSING AND COMMUNITY INVESTMENT STUDY PROJECT INITIATION -**

Request the City Council consider the request and provide direction to staff.

Staff Recommendation: **Provide Direction (Community Development Department: Mike Strong)**

6. **ACCEPTANCE OF \$8,636 SHARED STREETS PILOT PROGRAM GRANT -**

Request the City Council approve authorizing the City Manager, or his designee to: a) accept Shared Street Pilot Program grant funds from SANDAG totaling \$8,636; b) complete grant documents on behalf of the City; and c) process necessary budget adjustments.

Staff Recommendation: **Approval (Economic Development Department: Amber Tarrac)**

RESOLUTION NO. 2020-84

**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**

7. **THE FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM, THE FISCAL YEAR 2020/21 CAPITAL IMPROVEMENT PROGRAM BUDGET, AND ADOPTION OF THE TRANSNET LOCAL STREET IMPROVEMENT PROGRAM OF PROJECTS FOR THE FISCAL YEARS 2021 THROUGH 2025 -**

Request the City Council approve adopting Fiscal Years 2020/21 - 2024/2025 Five-Year Capital Improvement Program and the Fiscal Year 2020/21 Capital Improvement Program Budget; and approve the TransNet Local Street Improvement Program of Projects for the Fiscal Years 2021 through 2025.

Staff Recommendation: **Approval (Engineering Services Department: Julie Procopio, Finance Department: Joan Ryan)**

A) RESOLUTION NO. 2020-81 B) RESOLUTION NO. 2020-82

**8. ADOPTION OF THE FISCAL YEAR 2020/21 ANNUAL OPERATING BUDGET AND THE APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2020/21 -**

Request the City Council approve the Fiscal Year 2020/21 Annual Operating Budget, and approve the Appropriations Limit ("GANN Limit") for Fiscal Year 2020/21.

Staff Recommendation: **Approval (Finance Department: Joan Ryan)**

A) RESOLUTION NO. 2020-71 B) RESOLUTION NO. 2020-72

**WORKSHOP**

**9. BOARD AND COMMISSION INTERVIEWS -**

Request the City Council conduct interviews of applications for the Planning Commission, Transportation and Community Safety Commission, Public Art Commission and Historic Preservation Commission to fill terms that are due to expire on June 30, 2020.

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

**FUTURE AGENDA**

**10. 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 AND OTHER 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**

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## ADJOURNMENT

### UPCOMING MEETING SCHEDULE

<b>Date</b>	<b>Day</b>	<b>Time</b>	<b>Meeting Type</b>	<b>Location</b>
June 17	-	-	No Meeting	-
June 24	Wednesday	5:00 & 6:00 p.m.	Regular Meeting	Council Chambers
July 1	-	-	No Meeting	-
July 8	Wednesday	5:00 & 6:00 p.m.	Regular Meeting	Council Chambers

## TO ADDRESS THE COUNCIL

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

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

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

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

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

- Online at <http://www.escondido.org/meeting-agendas.aspx>
- In the City Clerk's Office at City Hall
- 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 Community Development  
Commission, 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**

**June 10, 2020**

**File No. 0400-40**

SUBJECT: Approval of Warrants

DEPARTMENT: Finance Department

RECOMMENDATION:

Request approval for City Council and Housing Successor Agency warrant numbers 342310 – 342481 dated May 27, 2020.

FISCAL ANALYSIS:

The total amount of the warrants for the period of May 21 – May 27, 2020, is \$1,201,440.43.

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.



Consent Item No. 3

June 10, 2020

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**APPROVAL**

**OF**

**MINUTES**

# CITY COUNCIL STAFF REPORT

**Consent Item No. 4**

**June 10, 2020**

**File No. 0800-70**

SUBJECT: Request to initiate a Downtown Specific Plan Amendment to Designate Areas Where Ground Floor Residential Uses is Permitted

DEPARTMENT: Community Development Department, Planning Division

RECOMMENDATION:

It is requested that the City Council review and receive the request to initiate a Downtown Specific Plan Amendment to designate areas where ground floor residential uses is permitted and provide direction to City staff.

PROJECT DESCRIPTION:

The City Council is being asked to determine whether or not to authorize an application to amend the Downtown Specific Plan to allow greater property owner flexibility and to potentially allow more ground floor residential uses in areas of the downtown that are not key retail focus areas. City Council authorization is a precursor to application initiation. Authorizing this request does not have a legally binding effect on any possible future discretionary action. This direction does not reflect whether the City Council would ultimately approve the project. The City Council's formal action on the amendment and project would be taken in the future at a public hearing with a recommendation from the Planning Commission.

FISCAL ANALYSIS:

There are no direct fiscal implications associated with this report. The cost associated with the preparation of the report is included within the Community Development Department budget.

ENVIRONMENTAL REVIEW:

The review and consideration of the Specific Plan Amendment request does not create or alter policy. The content is provided for informational purposes only, with direction to staff to continue administrative activities, and is exempt from the requirements of the California Environmental Quality Act ("CEQA") per Guidelines Section 15378(b)(5), which exempts organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment. In accordance with CEQA, all Specific Plan Amendment requests are required to have an environmental assessment to determine potential environmental impacts, if any. Public input received and technical information prepared during the process will be utilized in preparing an environmental document to analyze the possible effects of the project, if formally submitted. General direction received from the City Council on matters pertaining to the project does not have a legally binding effect on any possible future discretionary action.

BACKGROUND AND ANALYSIS:

California’s Housing Element law acknowledges that, in order for the private market to adequately address housing needs and demand, local cities and counties must adopt plans that provide opportunities for housing development. As a result, housing policy in the state rests largely on the effective implementation of local general plans and, in particular, local housing elements. The City of Escondido (“City”) recently launched the 2021-2029 update to the Housing Element portion of the General Plan. This important effort will identify existing capacity and guide housing policy creation and implementation from 2021 to 2029.

As part of the Housing Element update, the City will have to evaluate its regulatory planning, infrastructure programming, and financing efforts to determine whether local policies and/or regulatory standards pose an actual constraint to housing development. Although it is anticipated that the updated Housing Element won’t be complete until April 2021, City staff has already identified some early action items for implementation. The advantage of conducting early implementation would be to immediately facilitate new development opportunities, help with housing market recovery, and address the ongoing unmet housing needs at a time of increasing housing demand, while facilitating a market sector as a key component of the City’s overall business and economic development.

Governmental constraints are policies, standards, requirements, or actions imposed by the various levels of government upon land, housing ownership, and development. Portions of the Downtown Specific Plan permit a mix of land uses, with non-residential and residential densities combined. However, the zoning requires: 1) ground floor uses in a storefront location limited to retail-serving uses or non-residential uses only; or 2) residential uses are permitted only above or behind a primary use. Although key corridors and nodes should continue to feature ground level retail activity, applying the restriction throughout the Downtown Specific Plan unduly constrains residential development opportunities. Builders have indicated that there are continued challenges in the credit markets affecting the availability of construction lending for mixed use development.

Over the years since the adoption of the Downtown Specific Plan in 2012, it has been difficult to market and develop property in the downtown area with these blanket ground floor commercial requirements because there is a finite economic market available to support providing additional commercial services. Mixed use thrives when it is focused in a compact area, not over lengthy corridors, as is currently mandated in the Downtown Specific Plan. Land use controls should be modified to only require ground floor commercial uses only at key locations or preference areas based on context or planning objectives, rather than as a blanket requirement.

If authorized by the City Council, City staff would work with residents, businesses, and other community members to collect public input about which locations should be more flexible on ground floor use and land use activities. Furthermore, City staff would seek and facilitate the involvement of those potentially affected by or interested in the Specific Plan Amendment, so that the desired

Downtown Specific Plan Amendment – Ground Floor Residential Uses  
June 10, 2020  
Page 3

community character is preserved and the project would not diminish the overall vision for the downtown area. Key locations will ultimately be determined by City Council.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Mike Strong*, Director of Community Development  
6/3/20 3:16 p.m.

## CITY COUNCIL STAFF REPORT

**Consent Item No. 5**

**June 10, 2020**

**File No. 0875-70**

SUBJECT: Housing and Community Investment Study Project Initiation

DEPARTMENT: Community Development Department, Planning Division

RECOMMENDATION:

It is requested that the City Council consider the request and provide direction to staff.

PROJECT DESCRIPTION:

The City of Escondido ("City") was recently awarded grant funding to develop three (3) different housing studies and plans, which include a Housing Element Update, Sector Feasibility Study, and East Valley Specific Plan. At the June 10, 2020 meeting, the City Council will be asked to file and receive a final Public Participation Plan ("PPP"), confirm the overall approach to inform and engage the public, and kick off the first phase of public outreach.

FISCAL ANALYSIS:

There are no direct fiscal implications associated with this report. The cost associated with the preparation of the report is included within the Community Development Department budget. The State Department of Housing and Community Development ("HCD") awarded the City \$310,000 through a Senate Bill ("SB") 2 Planning Grant. City Council accepted the grant funds on March 4, 2020. Therefore, funding for the Housing and Community Investment Study, including the award of contracts for planning services, is included in the adopted budget.

PREVIOUS ACTION:

On October 9, 2019, the City Council approved Resolution No. 2019-156 and authorized the filing of a SB 2 Planning Grant to HCD. On January 16, 2020, the City received the formal award announcement of \$310,000 to prepare a Housing Element Update, Sector Feasibility Study, and East Valley Specific Plan. On March 4, 2020, the City Council accepted the grant funds and completed a budget adjustment to appropriate funding to the Housing and Community Investment Study work program. On April 8, 2020, the City Council approved professional service contracts for the three (3) studies and plans.

BACKGROUND AND ANALYSIS:

The Housing and Community Investment Study is a coordination of related studies and plans intended to identify a comprehensive vision for maintaining, preserving, and developing housing to address Escondido's quality of life needs. The Housing and Community Investment Study includes the following components.

- **Housing Element Update.** The Housing Element portion of the General Plan identifies housing needs and establishes clear goals and objectives to inform future housing decisions, including how best to accommodate population growth.
- **Sector Feasibility Study.** The Sector Feasibility Study explores all the direct and indirect costs associated with new construction to better understand market conditions and patterns of housing and community development policy.
- **The East Valley Specific Plan.** The East Valley Specific Plan will be a comprehensive planning and zoning document to streamline housing opportunities for a defined geographic area of the city, located just east of the former, downtown hospital site.

The City will be undertaking a strategically focused public involvement process to help engage residents, businesses, and other community members in the development of three different housing studies and plans. Since the Housing Element, Sector Feasibility Study, and East Valley Specific Plan are related to each other, consolidating the work program in terms of project management into one project will help ensure that activities and tasks are grouped to be more efficient. This in turn will also lead to more effective public outreach and community engagement activities. A PPP has been developed to inform the public and other stakeholders about the public participation process. The PPP provides an overview of the process for communication with and obtaining input from the public, including a description of what to expect in providing input into future housing policies. The plan also serves as a directive to City staff to carry out public participation activities so that the studies and plans can reflect the public's vision.

A draft version of the PPP was released for public review in early March, and distributed to City Council through the March 4, 2020 City Council staff report. The June 10, 2020 PPP (provided as Attachment 1) contains some minor changes and incorporates all comments received to date. The updated PPP also reflects how the City might conduct outreach during the Coronavirus ("COVID-19") pandemic. It is important to note that City staff will continue to take comments after June 10, 2020 meeting, as the PPP is a working document and serves as a guide to staff for public participation activities. The Planning Division will review and update this PPP as needed to ensure that the Housing and Community Investment Study reflects the City's commitment to public participation and involvement to include all residents and stakeholders in the planning process throughout the decision-making continuum. As of this writing, it is anticipated that the first round of outreach will be initiated in July of this year.

#### ENVIRONMENTAL REVIEW:

The California Environmental Quality Act ("CEQA" or "Act") requires all projects to be reviewed to assess potentially significant impacts to the environment, unless they are exempt from such review by guidelines of the Act. The request being made at this time is statutorily exempt from CEQA pursuant to CEQA Guidelines section 15262, Feasibility and Planning Studies, which states in relevant part, "*A project involving only feasibility or planning studies for possible future actions which the agency, board, or commission has not approved, adopted, or funded does not require the preparation of an EIR or negative declaration ....*" Since the request is to receive and file the final PPP, and involves only the initiation of the project, and not considering or reviewing the studies and plans by themselves, action taken by the City Council on this item provides only general direction and does not have a legally binding effect on any possible future discretionary action.



Housing and Community Investment Study  
June 10, 2020  
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In accordance with CEQA, all project requests are required to have an environmental assessment to determine potential environmental impacts, if any. Public input received and technical information prepared during the process will be utilized in preparing an environmental document to analyze the possible effects of the studies and plans.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Mike Strong*, Director of Community Development  
6/3/20 3:16 p.m.

ATTACHMENT:

1. Attachment 1 – Housing and Community Investment Study, PPP dated June 10, 2020

**CITY OF ESCONDIDO  
HOUSING AND COMMUNITY INVESTMENT STUDY  
PUBLIC PARTICIPATION PLAN**

June 10, 2020

**A. Purpose of a Public Participation Plan:**

The City of Escondido (“City”) is undertaking this public involvement process to help engage residents, businesses, and other community members in the development of three different housing studies and plans. To achieve success for the three studies and plans, the City needs to have a well thought-out planning process. Since the studies are related to each other, consolidating the work program in terms of project management will help ensure that activities and tasks are grouped to be more efficient. This in turn will also lead to more effective public outreach and community engagement activities.

The Public Participation Plan (“PPP”) for the housing studies and plans establishes goals for the outreach effort, as well as specific scheduling, engagement, and coordination elements. The purpose of the PPP is to weave various outreach activities together into a coordinated process. This PPP will also serve as a source document to show how and when information will be presented to the public, including different community groups, and the City Council in their consideration of policy making priorities and/or implementation decisions.

**B. Studies/Plans Overview:**

The City was awarded grant funding to develop three different housing studies and plans: a Housing Element update (“HEU”), a Sector Feasibility Study, and an East Valley Specific Plan (“EVSP”).

*HEU:* The Housing Element of the General Plan identifies housing needs and establishes clear goals and objectives to inform future housing decisions, including how best to accommodate population growth. This HEU will allow the City to assess current conditions, plan for the future, and advance a progressive set of programs and initiatives to develop, conserve, and maintain housing opportunities, health in housing, and fair housing choices for current and future residents. The HEU reflects the vital role housing plays in ensuring the shared prosperity of our region.

*Sector Feasibility Study:* The one tool that more and more communities around the country are using to better understand housing market performance is to conduct a residential sector housing market study. The Sector Feasibility Study explores all the direct and indirect costs to new construction to better understand market conditions and patterns of housing and community

## Attachment 1

development policy and investment strategy. This may help offer a general framework for defining realistic goals that respond to the challenges faced by different markets and would provide guidance on the differing scales of interventions, role of public subsidy, and timeframes required for affordable housing projects (i.e. calling attention to programs that can be used to influence housing market outcomes in one or more ways).

*EVSP:* A specific plan is a comprehensive planning and zoning document for a defined geographic area of the city. The planning area of the East Valley Target Area, as it currently exists, is a function of past decisions and policies. A lot has changed since the area developed, including the adoption of the 2012 General Plan. Creating a specific plan for this area of the city would help establish a link between implementing policies of the General Plan and the future, individual development proposals within the defined area. It is envisioned that the target area will accommodate additional housing opportunities, so the EVSP should be closely coordinated with the HEU and Sector Feasibility Study.

### **C. Defining the “Housing and Community Investment Study:”**

These three housing studies and plans will be linked together, through a common work program theme, called the “Housing and Community Investment Study.” The Housing and Community Investment Study, as a theme, is the “face” or “brand” of the studies/plans and is something that people will recognize. It is simple enough to be memorable and also helps distinguish it from other City activities and projects. The study directly explores the link between safe, decent, and attainable housing and community investment opportunities.

Public participation is a critical component of the Housing and Community Investment Study planning process, because ultimately, its success will depend on community support. Therefore, this PPP seeks to develop a way to provide clear and ongoing information, encourage meaningful dialog, gather feedback and build consensus among local stakeholders. This will be achieved through a variety of methods, which are outlined in the plan, all with the goal of being as inclusive as possible.

### **D. Outreach Goals:**

Public participation will help ensure that the Housing and Community Investment Study is developed to identify community-supported solutions. Since housing is a basic need of all people, regardless of income level, household type, etc., there is a need to engage a broad spectrum of stakeholders. Therefore, public participation will need to be achieved in a variety of ways. The outreach and coordination goals for the Housing and Community Investment Study are as follows:

1. Develop well-targeted messages to raise awareness about the Housing and Community Investment Study.

## Attachment 1

2. Succinctly communicate the purpose, benefits, and reason for the Housing and Community Investment Study, and the relationship that the three housing studies/plans (HEU, Sector Feasibility Study, and EVSP) have with each other.
3. Create opportunities for broad community input and engage a diverse group of people that represents a cross-section of perspectives, with particular emphasis on typically under-served or underrepresented populations of the city, including Spanish speakers, youth/students, seniors, and disadvantaged community members. The plan isn't just about making what we have better, it is also about attracting new residents, businesses, and visitors to the city. For this purpose, stakeholders and organizations should be unified in their visions to keep Plan implementation consistently positive and to help build public private partnerships.
4. Engage local groups to ensure that a wide audience is reached (including but not limited to resident groups, HOAs, business membership groups, non-profits, schools, churches, etc.).
5. Offer a variety of platforms, mediums, and times of day to participate.

On March 4, 2020, the Governor declared a State of Emergency in California due to the threat of Coronavirus Disease 2019 ("COVID-19"). Due to subsequent directives from federal, state, and local health officials, residents, businesses, and other community members have been advised to avoid public gatherings and stay at home to prevent the spread of this disease. As a result, it is highly likely that the City will be no longer able to conduct in-person outreach during the full course of the study. The City must utilize this PPP and consider the use of remote tools and technologies that more effectively meet people where they are in their homes or in other remote locations. As meetings and activities shift to more virtual spaces, remote or online formats, the City must facilitate new ways to maximize access and give people multiple opportunities and varied means/channels to contribute. In doing so, the project team must ensure people know how to get access, know where to get more information, and that everyone has a path to engage – at their own pace. Implementation of this PPP will help provide guidance to effectively engage residents, businesses, and other community members in the development of three different housing studies and plans.

### **E. Information Sharing and Engagement Strategies:**

The purpose of the PPP is to weave various outreach activities together into a coordinated process. To provide information about the Housing and Community Investment Study, gather meaningful feedback and build consensus among local stakeholders, initial outreach will focus on re-establishing stakeholder networks and ask these stakeholders to re-engage in the planning process. This network building will involve multiple forms of outreach, which are outlined below.

#### SECTION 1: Information Sharing

Communications for the Housing and Community Investment Study will be simple and will outline how and when public input will be used to inform various components of the project. Outreach materials will limit the use of planning jargon and technical terms. Outreach materials will be graphic-rich and limit the use of text, where appropriate. Outreach materials will be produced in English and Spanish, and Spanish

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language facilitators will be available at outreach events. The following sections describe specific elements communications and information sharing.

### 1a. Press and Media Notifications

**Objective and Overview.** The purpose of the press and media notifications is to reach out to local media outlets in order to get media coverage and boost project exposure to reach wide audiences, which will lead to increased public participation. Press releases will be circulated to announce public workshops and hearings, and the City will work with local media outlets and encourage them to follow the planning process and include features in local publications.

**Timing:** Notifications and communications will be created at key points in the study process.

### 1b. Fact Sheet

**Objective and Overview:** In the beginning it will be important to document the overall purpose and goals of the Housing and Community Investment Study work program. The message needs to identify a “call of action” to engage broad audiences that may be unfamiliar with conventional planning projects. The purpose of developing the fact sheets is to provide a concise but thorough overview of the project, and what it means. At a minimum, the fact sheet will contain information on the Housing and Community Investment Study timeline, stakeholder involvement and public comment opportunities, and contact details. The fact sheet will also include the Community Workshop schedule and location information, making them useful for pre-workshop publicity. The fact sheet will include an electronic format suitable for website posting, e-mail distribution, and printing. Spanish versions of the fact sheets will be prepared once the English version has been finalized.

**Timing:** The fact sheets will be produced in summer 2020, in advance of the first round of outreach.

### 1c. City Website

**Objective and Overview:** The purpose of the Housing and Community Investment Study webpage, hosted at the link below, is to establish a one-stop source for all project information and for collecting public input. The website will be used to post fact sheets, working documents, maps and illustrations, past agenda reports and council actions, and for the public to sign-up to receive newsletters.

**Link:** <https://www.escondido.org/HGIS.aspx>

## Attachment 1

Timing: The webpage has already launched, with updates as needed throughout the planning process. The project webpage will be advertised broadly through social media and other communication platforms.

### 1d. Newsletters

Objective and Overview: The e-newsletter will be brief informational packets/emails with links to the project website and other relevant information. The purpose of the e-newsletter is to provide up-to-date information about the project, announce milestones, and let the public know of public meetings, workshops, and other opportunities to provide input. Spanish versions of the fact sheets will be prepared once the English version has been finalized.

Timing: The e-newsletter will be distributed to at key milestones, such as the availability of a document and/or to announce upcoming public input opportunities. It is anticipated that there will 5 to 7 newsletters, depending on the status and progression of the project.

### 1e. Social Media

Objective and Overview: Regular updates about the projects, key milestones, and opportunities for public comment will be shared on the City's social media channels. The purpose of social media posts will be to use already-established online platforms in order to reach the widest audience and garner additional public participation. Posts will encourage community members to share the posts directly in order to encourage broad distribution of information.

Timing: Social media posts will be made at key milestones, such as the availability of a document and/or to announce upcoming public input opportunities. The update timing and purpose will be comparable to the e-newsletter timing and purpose described above.

### 1f. City Events Calendar

Objective and Overview: Staff will provide calendar listing of activities to make sure those that utilize this resource have an opportunity to be involved.

Timing: Community workshops and other engagement activities will be advertised in advance of the event to promote opportunities to engage.

### 1g. Channels 19 and 99.

Objective and Overview: Staff will provide tv announcements, advertising, or splash flyer slides on local television programming to make sure those that utilize this resource have an opportunity to be involved.

## Attachment 1

Timing: Community workshops and other engagement activities will be advertised in advance of the event to promote opportunities to engage.

### 1h. Commission Presentations and Community Advisory Group Meetings

Objective and Overview: To facilitate public participation at key milestones and to ensure the public has the opportunity to share their input, staff will provide standing item presentations on the Housing and Community Investment Study to each of the City's Commissions and Committees. This will ensure that all City Commissions and Committees have an opportunity to be involved. Opportunities will also be provided for the public attending these meetings to share their comments and ask questions.

To expand Study exposure and increase participation opportunities, City staff will also provide informational presentation to any stakeholder group on request (resident, business, or other community group). This will also include soliciting interest from the Community Advisory Groups. Presentations will be similar in scope to the Commission and Committee presentations, but will allow for group Q&A or active feedback and participation.

Timing: Regular status update presentations to City Commissions and Committees will be provided once every several months for the duration of the work program. More detailed presentations will be made at key milestones, with the Planning Commission, such as the availability of a document and/or to announce upcoming public input opportunities.

### 1i. City Council presentations

Objective and Overview: To facilitate public participation at key milestones and to ensure the public has the opportunity to share their input, staff will provide two status check-ins with the City Council on the Housing and Community Investment Study. This will ensure that the City Council can steer the process and provide direction as necessary prior to public hearings to review and consider the final HEU, Sector Feasibility Study, and EVSP.

Timing: Detailed presentations will be made at key milestones, such as the availability of a document and/or to announce upcoming public input opportunities.

### 1j. Video

Objective and Overview: To facilitate project awareness and education, the City will prepare video recording(s) at key milestones and to ensure the public has the opportunity to learn more about the project as an alternative to speaking one-on-one with the project team. The recordings will be offered in Spanish.

## Attachment 1

Timing: Detailed videos will be made at key milestones, such as the availability of a document and/or to announce upcoming public input opportunities.

### SECTION 2: Engagement Strategies

Communications for the Housing and Community Investment Study will be simple and will outline how and when public input will be used to inform various components of the project. The following engagement strategies will be utilized to collect community input. Outreach materials will be produced in English and Spanish, and Spanish language facilitators will be available at outreach events.

As mentioned earlier in this document, residents, businesses, and other community members have been advised to avoid public gatherings and stay at home to prevent the spread of COVID-19 due to directives from federal, state, and local health officials. Even though these advisories may change during the course of developing the Housing and Community Investment Study, the PPP must take in account different pathways for engagement. For example, it is highly unlikely that all outreach will be “in-person.” As meetings and activities shift to more virtual spaces, remote or online formats, the City must facilitate new ways to maximize access and give people multiple opportunities and varied means/channels to contribute. Regardless of the platform, it will be critical for the project team to continue to meet people where they are, rather than asking City’s residents, businesses, and other community members to attend City-sponsored functions. One of the huge challenges that needs to be addressed when implementing this PPP is how to reach out to neighborhoods where many residents lack access to the internet or lack digital mode access.

#### 2a. Community Workshops

**Objective and Overview:** Provide a welcoming environment, open to the general public, where attendees can learn about the Housing and Community Investment Study and provide feedback at key points in the technical process. Workshop formats will be designed to both educate participants about the HEU, Sector Feasibility Study, and EVSP; and its benefits and to collect input that can help guide the three studies/plans. Workshop formats are anticipated to be small group discussions, topical breakout sessions, and/or exhibits where people can post notes, comment cards, etc. Two rounds of workshops/open houses will occur as part of the overall work program; however, more may occur as needed to ensure community-supported solutions are achieved. It is anticipated that most of the workshop events will be conducted in different areas of the city to ensure that meetings are conveniently located; and there are several dates and times to provide input and speak one-on-one with the project team. Efforts will be made to offer translation services and to offer a variety of times of day to participate.

As an alternative to in-person outreach, the project team can host a series of webinars or use of Zoom or Jitsi. This would allow City staff to present project information and answer questions about the project in a live, safe virtual setting. Online tools may be used or developed to collect input.



## Attachment 1

Timing: Anticipated timing is expected to occur during the summer or fall 2020.

### 2b. Supplemental Pop-Up Outreach

**Objective and Overview:** In order to capture opinions of those that may not typically attend community meetings, Pop-Up Outreach will supplement in-person workshops. Pop-Up Outreach would piggy-back on existing community events, such as school events, community gatherings, and/or festivals. This Pop-Up Outreach may occur the same day as the in-person workshops or may occur within roughly the same 3-week period as the in-person workshops. Questions/Study content presented would be comparable to the in-person workshops. Efforts will be made to offer translation services and to offer a variety of times of day to participate.

As an alternative to in-person outreach, the project team will also host a Saturday morning open house webinar. This would allow City staff to present project information and answer questions about the project in a live, safe virtual setting, outside of typical work hours. A Spanish version of the presentation slides would be provided on the City's project webpage.

Timing: Anticipated timing of the Pop-Up Outreach is expected to occur during the summer, fall, and winter 2020, as needed to ensure community-supported solutions are achieved.

### 2c. Online Surveys and Community Questionnaires

**Objective and Overview:** The purpose of providing supplemental online surveys or community questionnaires is to provide additional ways for residents, businesses, and other community members to provide input. This forum (online community input) is intended to appeal to a broader audience that may not typically attend community workshops or meetings; or households that choose to participate out of the convenience of their own home. In addition to the traditional workshop setting, residents, businesses, and other community members will also be encouraged to use the online tool during outreach efforts, or encourage their friends to do so.

Mobile telephones and other technology have created new opportunities for reaching out to the public. The use of telephonic outreach can be used to conduct telephone surveys or opinion polls, receive and disseminate information, allow for a town hall webinar platform, and provide information in more than one language.

Timing: The surveys will be conducted during the first round of workshops to supplement data collection.

### 2d. Stakeholder Interviews

## Attachment 1

**Objective and Overview:** To supplement input received through the workshops and surveys, it will be helpful to have conversations with stakeholders to get a better understanding of opportunities and to identify barriers and roadblocks that may need to be removed. Information can be gathered through a series of focus groups and interview with more than 50 local experts in housing, community development, real estate, lending, and property management who work across a wide range of sub-markets, populations, and geographies served. Focus groups may be performed on members of nearby neighborhood groups, Community Advisory Groups, the Escondido Downtown Business Association, the Mercado Business Association, Innovate78, and applicable City volunteer groups.

Video-conferencing programs such as Skype or Zoom might provide an alternative method from in-person interviews to assess public perceptions and opinions about the project, obtain community input from hard to reach populations, and compare opinions from various segments of the public.

**Timing:** The interviews will be conducted after the first round of workshops.

## CITY COUNCIL STAFF REPORT

**Consent Item No. 6**

**June 10, 2020**

**File No. 0480-70**

SUBJECT: Budget Adjustment to accept a SANDAG Shared Streets Pilot Program Grant

DEPARTMENT: Economic Development

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2020-84 authorizing the City Manager, or his designee to: a) accept Shared Street Pilot Program grant funds from SANDAG totaling \$8,636; b) complete grant documents on behalf of the City; and c) process necessary budget adjustments. (See Attachment 1).

FISCAL ANALYSIS:

This action will have no impact on the General Fund Budget. The SANDAG Shared Street Pilot Program grant is proposed for, and contingent upon, combining with funding from the County of San Diego allocation of CARES ACT to the City and/or Community Development Block Grant-CARES Act ("CDBG-CV") to pay for the "Escondido Eats" event scheduled for June 27, 2020, as described below.

PREVIOUS ACTION:

On May 13, 2020, the City Council considered and unanimously adopted the COVID-19 Emergency Business Recovery Strategy recommendations, which included a temporary closure of Grand Avenue to allow operators increased customer capacity while ensuring social distancing.

BACKGROUND:

The City of Escondido ("City") has been awarded a Shared Streets Pilot Program Grant from SANDAG totaling \$8,636 for the Shared Streets Pilot Program. (See Attachment 2). The goal of the program is to assist with the implementation of temporary "Shared Streets" projects that create safe and healthy spaces for people of all ages and abilities to bike, walk, run, scoot, and more during the COVID-19 pandemic. These funds will be used for "Escondido Eats" event signage to alert the community of the shared street changes, which will facilitate the temporary closure of a portion of Grand Avenue from Ivy Street to Escondido Boulevard on Saturday, June 27, 2020, in order for businesses to increase dining and retail capacity while ensuring social distancing.

The "Escondido Eats" project scope includes road closure and other signage (\$17,500) and labor (\$5,000) - totaling \$22,500. Expenditure of the \$8,636 Shared Streets Pilot Program Grant is contingent upon identifying other funding sources to fund the balance of the City street closure costs. CDBG-CV funding may be used as match funding for all remaining elements of the street closure costs.

Budget Adjustment to accept a SANDAG Shared Streets Pilot Program Grant  
June 10, 2020  
Page 2

The Downtown Business Association will coordinate with retail and dining operators on Grand Avenue to supply their own tables, chairs, and labor and will need to secure the items and clean the area upon the conclusion of the day. In addition, there will be a Farmer's Market component to promote sustainable, local agriculture and provide healthy grocery options for the community.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Amber Tarrac*, Deputy Director of Economic Development  
6/4/20 1:53 p.m.

ATTACHMENTS:

1. Attachment 1 - Budget Adjustment
2. Attachment 2 - Share Streets Pilot Program
3. Resolution No. 2020-84



**CITY OF ESCONDIDO  
BUDGET ADJUSTMENT REQUEST**

Date of Request: June 10, 2020  
 Department: City Manager  
 Division: Economic Development  
 Project/Budget Manager: Amber Tarrac 4587  
 Name Extension  
 Council Date (if applicable): June 10, 2020  
 (attach copy of staff report)

For Finance Use Only	
Log #	_____
Fiscal Year	_____
_____	Budget Balances
_____	General Fund Accts
_____	Revenue
_____	Interfund Transfers
_____	Fund Balance

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
Shared Streets Pilot Grant	4128-206-000	\$8,636	
Shared Streets Program	NEW-206	\$8,636	

Explanation of Request:  
 Budget adjustment is needed to receive and expend the grant funds from SANDAG.

**APPROVALS**

_____	Date		_____
Department Head		City Manager	Date <u>6-4-20</u>
_____	Date	_____	_____
Finance		City Clerk	Date

Distribution (after approval): Original: Finance



# Shared Streets Pilot Program

## Attachment 2 — Project Application

### Pilot Project Summary

#### A. Project Title

#### B. Project Applicant

*Provide the name and address of the jurisdiction*

Jurisdiction: \_\_\_\_\_

Address: \_\_\_\_\_

#### **Primary Contact**

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Role on the Project: \_\_\_\_\_

#### **Secondary Contact**

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Role on the Project: \_\_\_\_\_

**C. Project Description**

*Describe the project scope, date, and location to be funded by the Shared Streets Pilot Program*

**Project Scope**

*How will the project advance health and safety by creating safe space for social distancing while biking, walking, running, and scooting? What partner organizations may support the project? How will this project be communicated to the public? How will your organization monitor the success of the project?*

**Anticipated Project Start Date:** \_\_\_\_\_

**Proposed Locations**

*Include street name(s) and to/from extent(s), if known. Please attach a second page of locations, if needed.*

**D. Project Budget Estimate**

Provide a clear description of how funding will be used. Outline or attach any quotes obtained for products or services. Please also separately describe how supplemental program funding, if available, would be used to support the project.

Identify anticipated project expenditures below. Please attach a second page of expenses, if needed.

Expense	Qty	Unit Cost	Description	Estimated Amount
1.		\$		\$
2.		\$		\$
3.		\$		\$
4.		\$		\$
5.		\$		\$
6.		\$		\$
7.		\$		\$
8.		\$		\$
9.		\$		\$
10.		\$		\$
11.		\$		\$
12.		\$		\$
13.		\$		\$
14.		\$		\$
15.		\$		\$
<b>Total</b>				<b>\$</b>

**E. Signature**

Application must be signed by an authorized representative of the applicant, such as the city manager or other authorized individual under the applicant’s policies and procedures.

\_\_\_\_\_  
 Signature                                      Printed Name                                      Title                                      Date





RESOLUTION NO. 2020-84

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE CITY MANAGER TO  
ACCEPT A \$8,636 GRANT FROM SANDAG  
AND APPROVE A BUDGET ADJUSTMENT

WHEREAS, the City of Escondido (“City”) adopted a COVID-19 Emergency Business Recovery Strategy on May 13, 2020, which included the temporary closure of Grand Avenue to allow retail and dining operators to increase customer capacity while ensuring the social distancing of patrons; and

WHEREAS, the City subsequently adopted an Urgency Ordinance on May 20, 2020, to immediately enact the regulatory provisions adopted within the COVID-19 Emergency Business Recovery Strategy; and

WHEREAS, the Shared Streets Pilot Program is designed to assist with the implementation of temporary “Shared Streets” projects that create safe and healthy spaces for people of all ages and abilities to bike, walk, run, scoot, and more during the COVID-19 pandemic; and

WHEREAS, the City Manager recommends the acceptance of a grant in the amount of \$8,636 from SANDAG to be used for increasing dining and retail operator capacity to facilitate social distancing while observing safety and sanitation protocols.

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 City Manager, or his designee, to execute all necessary documents, in forms approved by the City Attorney's Office, to accept all grant funds.

3. That the City Council approves of any necessary budget adjustments to expend funds received for the purposes stated herein.

4. That the City Manager, or his designee, shall expend the \$8,636 grant funds in accordance with the terms and requirements of the grant agreement.

## CITY COUNCIL STAFF REPORT

**Public Hearing Item No. 7**

**June 10, 2020**

**File No. 0430-30**

**SUBJECT:** The Five-Year Capital Improvement Program, the Fiscal Year 2020/21 Capital Improvement Program Budget, and Adoption of the TransNet Local Street Improvement Program of Projects for the Fiscal Years 2021 through 2025

**DEPARTMENT:** Finance Department and Engineering Services Department

**RECOMMENDATION:**

It is requested that the City Council adopt the following Resolutions:

1. Resolution No. 2020-81, adopting Fiscal Years 2020/21 – 2024/2025 Five-Year Capital Improvement Program and the Fiscal Year 2020/21 Capital Improvement Program Budget; and
2. Resolution No. 2020-82, adopting the TransNet Local Street Improvement Program of Projects for the Fiscal Years 2021 through 2025.

**FISCAL ANALYSIS:**

The Capital Improvement Program (“CIP”) and Budget is a five-year planning tool that is developed and updated annually. The program allows identification of dependable funding resources for Fiscal Year (FY) 2020/21 and the corresponding uses of those funds. To view the complete document please visit: <http://www.escondido.org/capital-improvement-program.aspx>

**PREVIOUS ACTION:**

A preliminary summary of capital project requests was prepared and submitted to the City Council on May 13, 2020.

**BACKGROUND:**

**FIVE-YEAR CIP AND FISCAL YEAR 2020/21 CIP BUDGET**

The Five-Year CIP and Budget summarizes anticipated resources and estimated uses for major infrastructure, and other capital improvements, construction, and maintenance projects. The proposed budget estimates sources of \$104 million that are available to fund capital improvements and other maintenance and capital outlay expenditures. The current year budget requests anticipate uses of \$103.6 million in appropriated expenditures and transfers.

Upon completion of a project, any remaining balance is returned to the appropriate fund's reserves and becomes available to fund future projects. In addition, any excess revenues over budgeted expenditures are added to reserves. This program includes \$385,280 in reserves available for future projects. The majority of the reserves are restricted funding and only to be used for specific purposes.

The following table summarizes the major categories of funding (Sources and Uses) contained in FY 2020/21.

<u>SOURCES</u>		<u>USES</u>	
Available Fund Balances*	\$ (4,858,845)	Community Services	\$ (9,943)
Developer Fees	3,453,000	General City	73,200
Gas Tax	3,617,000	Library	37,449
Interest	598,260	Parks and Recreation	(337,942)
Reimbursement from Agencies	20,000,000	Public Art	(152,270)
Road Maint & Rehab Account	2,625,000	Public Safety	22,580
State Revolving Fund Loans	73,300,000	Public Works	(769,569)
Transfer In	42,200	Streets	7,739,830
TransNet	3,567,000	Wastewater Utilities	55,010,000
Utilities-Charges for Services	1,710,000	Water Utilities	40,000,000
<b>TOTAL SOURCES FY 2020/21</b>	<b><u>\$104,053,615</u></b>	<b>Subtotal Uses 2020/21</b>	<b><u>\$101,613,335</u></b>
		Transfer to General Fund (Streets)	2,055,000
		Reserves Available for Future Projects	385,280
		<b>TOTAL USES FY 2020/21</b>	<b><u>\$104,053,615</u></b>

\* The overall negative projected available fund balance is a result of development impact fee type revenues and gas tax revenues not coming in as projected in FY 2019/20. The development impact fee type revenue projections did not come in as anticipated due to timing of development projects. The gas tax reduction in revenue is a result of COVID-19, which has caused a reduction in the demand for gas around the country, resulting in less tax collected. The available balances are netted against FY 2020/21 revenue estimates when budgeting projects for FY 2020/21. While development impact fee type revenue is still anticipated to come in over the next few years, reductions in several project budgets were made as part of this CIP Budget to bring the projects back in line with the anticipated inflow of revenues from development projects.

A majority of the proposed capital project costs, 92% or \$95 million this year, relate to utilities projects. There is \$53 million that relates to the Recycled Water Treatment and Distribution projects

that will construct the infrastructure to provide recycled water to agricultural users. And there is \$40 million that relates to undergrounding a portion of the Escondido Canal through the San Pasqual Indian Reservation. These projects will both require funding from low interest loans to accommodate these budgeted amounts.

## FIVE-YEAR STREET CIP PLANNING PROCESS

Each year the City of Escondido (“City”) updates the Five-Year Street Capital Improvement Program. Based on the City Council’s direction, funds have been programmed toward the Annual Street Resurfacing Program and the extension of Citracado Parkway from Harmony Grove Village Parkway to Andreasen. Additional funding of \$150,000 will fully fund Phase I of the Grand Avenue Street Improvements project, and additional funding has been added to the Felicita Avenue/Juniper Elementary Safe Routes to School project. Future year CIP funding is recommended to be programmed toward updating the Specific Alignment Plan for the widening of Lincoln Parkway between Garrick Road and Fig Street, Felicita Avenue widening between Juniper Street and Escondido Boulevard, and the Bear Valley Parkway Widening project at Sunset Road/Ranchito.

## ANNUAL OPERATING AND MAINTENANCE PROGRAMS

The Five-Year Street CIP budgets funding for the City’s Annual Pavement Maintenance and Rehabilitation project at \$5.4 million in FY 2020/21, which is a 15% increase to account for the rising cost of pavement maintenance since the establishment of the budget in 2013. Funding is also programmed towards storm drain repair and improvement in order to address the highest priority corrugated metal pipelines, traffic infrastructure, traffic signals and synchronization, street tree maintenance, and the Transportation and Community Safety Commission.

## TRANSNET PROGRAM OF PROJECTS

The following projects are being programmed with TransNet funds for Fiscal Years 2021 through 2025:

- ESC-04, Citracado Parkway Extension
- ESC-08, Felicita Avenue/Juniper Street (Safe Routes to School)
- ESC-37, Pavement Maintenance
- ESC-38, Pavement Rehabilitation
- ESC-39, Traffic Signals
- ESC-48, Grand Avenue Streetscape Improvements
- ESC-50, Lincoln Parkway Widening Specific Alignment Plan

TransNet funding for these projects constitutes the City’s TransNet Local Street Improvement Program of Projects for Fiscal Years 2021 through 2025. Exhibit A of Resolution No. 2020-82 shows the 2020 TransNet Program of Projects, and has been input as an amendment into ProjectTrak, SANDAG’s automated system for programming of regional highway and street funds, by City staff.

Five-Year Capital Improvement Program  
June 10, 2020  
Page 4

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Julie Procopio*, Director of Engineering Services  
6/3/20 3:35 p.m.

*Joan Ryan*, Director of Finance  
6/3/20 3:50 p.m.

ATTACHMENTS:

1. Resolution No. 2020-81
2. Resolution No. 2020-82
3. Resolution No. 2020-82 Exhibit A

RESOLUTION NO. 2020-81

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
ADOPTING THE FIVE-YEAR CAPITAL  
IMPROVEMENT PROGRAM FOR FISCAL  
YEARS 2020/21 – 2024/25 AND THE  
PROJECT BUDGETS FOR FISCAL YEAR  
2020/21

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

SECTION 1. That the budgets for all capital projects for the period July 1, 2020, through June 30, 2021, inclusive, contained in the Fiscal Years 2020/21-2024/25 Five-Year Capital Improvement Program and Budget Document (a copy of which is on file in the Office of the City Clerk) as amended by the City Council, are adopted as the final project budgets for Fiscal Year 2020/21. Amendments to this budget may be made from time to time following review and approval by minute action of the City Council.

SECTION 2. That the Fiscal Year 2020/21 amount designated for each project and each fund in the Five-Year Capital Project Improvement Program and Budget, on file with the City Clerk, are hereby appropriated to the fund for which it is designated. Such appropriations as adjusted shall be neither increased nor decreased without approval of the City Council, except for transfers within funds allowed under the City of Escondido's adopted budget adjustment policy. All amounts designated in each project budget on file with the City Clerk are hereby appropriated for such uses to the fund under which they are listed, and shall be neither increased nor decreased without approval of the City Manager.

SECTION 3. That any City Council action changing the above mentioned assumptions will cause the Five-Year Capital Improvement Program and Fiscal Year 2020/21 Project Budgets to be revised and brought back to the City Council for modification.



RESOLUTION NO. 2020-82

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
ADOPTING THE TRANSNET LOCAL STREET  
IMPROVEMENT PROGRAM OF PROJECTS  
FOR FISCAL YEARS 2021 THROUGH 2025

WHEREAS, on November 4, 2004, the voters of San Diego County approved the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (*TransNet* Extension Ordinance); and

WHEREAS, the *TransNet* Extension Ordinance provides that SANDAG, acting as the Regional Transportation Commission, shall approve on a biennial basis a multi-year program of projects submitted by local jurisdictions identifying those transportation projects eligible to use transportation sales tax (*TransNet*) funds; and

WHEREAS, the City of Escondido was provided with an estimate of annual *TransNet* local street improvement revenues for fiscal years 2021 through 2025; and

WHEREAS, the City of Escondido has held a noticed public hearing with an agenda item that clearly identified the proposed list of projects prior to approval of the projects by its authorized legislative body in accordance with Section 5(A) of the *TransNet* Extension Ordinance and Rule 7 of SANDAG Board Policy No. 31.

NOW, THEREFORE, BE IT RESOLVED that the City of Escondido requests that SANDAG adopt the *Transnet* Local Street Improvement Program of Projects, as shown in Exhibit "A," attached to this Resolution and as incorporated by this reference.

BE IT FURTHER RESOLVED that pursuant to Section 2(C)(1) of the *TransNet*

Extension Ordinance, the City of Escondido certifies that no more than 30 percent of its cumulative revenues shall be spent on local street and road maintenance-related projects as a result of the Amendment.

BE IT FURTHER RESOLVED that pursuant to Section 4(E)(3) of the *TransNet* Extension Ordinance, the City of Escondido certifies that all new or changed projects, or major reconstruction projects included in the Amendment and funded by *TransNet* revenues shall accommodate travel by pedestrians and bicyclists, and that any exception to this requirement permitted under the Ordinance and proposed shall be clearly noticed as part of the City of Escondido's public hearing process for the Amendment.

BE IT FURTHER RESOLVED that pursuant to Section 8 of the *TransNet* Extension Ordinance, the City of Escondido certifies that the required minimum annual level of local discretionary funds to be expended for street and road purposes will be met throughout the five-year period consistent with the most recent Maintenance of Effort Requirements adopted by SANDAG.

BE IT FURTHER RESOLVED that pursuant to Section 9A of the *TransNet* Extension Ordinance, the City of Escondido certifies that it will exact \$2,583.82 plus all applicable annual increases, from the private sector for each newly constructed residential housing unit in that jurisdiction (unless exempted under the *TransNet* Extension Ordinance) and shall contribute such exactions to the Regional Transportation Congestion Improvement Program ("RTCIP").

BE IT FURTHER RESOLVED that pursuant to Section 13 of the *TransNet* Extension Ordinance, the City of Escondido certifies that it has established a separate

Transportation Improvement Account for TransNet revenues with interest earned to be expended only for those purposes for which the funds were allocated.

BE IT FURTHER RESOLVED that pursuant to Section 18 of the TransNet Extension Ordinance, the City of Escondido certifies that each project of \$250,000 or more will be clearly designated during construction with TransNet project funding identification signs.

BE IT FURTHER RESOLVED that the City of Escondido does hereby certify that all other applicable provisions of the *TransNet* Extension Ordinance and SANDAG Board Policy No. 31 have been met.

BE IT FURTHER RESOLVED that the City of Escondido agrees to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to City of Escondido's *TransNet* funded projects.

PASSED AND ADOPTED by the City of Escondido on the 10th day of June, 2020.

**2020 TransNet Program of Exempt Projects**  
 FY2021 to FY 2025  
 in'000s

**City of ESCONDIDO**

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
ESC02A	East Valley/Valley Center	widen roadway from 4 to 6 lanes with raised medians, left turn pockets, and dedicated right turn lanes; modify signals at Lake Wohlford Rd/Valley Center Rd and Beven Dr/Valley Center Rd; widen bridge over Escondido Creek						
<i>TransNet</i> - LSI: CR		<b>COMPLETED</b>						
		TransNet Subtotal						\$0
		Other Subtotal						\$0
		<b>TOTAL</b>	\$0	\$0	\$0	\$0	\$0	\$0

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
ESC04	Citracado Parkway II	widen from 2 to 4 lanes with raised medians, construct bridge over Escondido Creek						
<i>TransNet</i> - LSI: CR								
		TransNet Subtotal	\$4,401	\$725				\$5,126
		Other Subtotal		\$1,081				\$1,081
		<b>TOTAL</b>	\$4,401	\$1,806	\$0	\$0	\$0	\$6,207

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
ESC06	El Norte Parkway Bridge at Escondido Creek	construct a two lane bridge and street improvements on both sides of bridge to match adjacent street segments. The project includes construction of new medians with landscaping, rehabilitation of existing pavement, and striping upgrades to match the completed alignment. A pedestrian signal will be installed in the vicinity of the bridge to accommodate pedestrians and cyclists using the Escondido Creek Trail.						
<i>TransNet</i> - LSI: CR								
		TransNet Subtotal	\$721					\$721
		Other Subtotal						\$0
		<b>TOTAL</b>	\$721	\$0	\$0	\$0	\$0	\$721

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
ESC08	Felicita Ave/Juniper Street	widen from 2 to 4 lanes with left turn pockets; traffic signal modifications at Felicita/Escondido Blvd., pin on curb median on Felicita Avenue, street improvements that will accommodate curb and gutter, sidewalk, street crossings, class II bike lanes, and active transportation education/encouragement activities at Juniper, Oak Hill, and Central Elementary Schools; construction for ATP project only						
<i>TransNet</i> - LSI: CR								
		TransNet Subtotal	\$450	\$250	\$900	\$600	\$650	\$2,850
		Other Subtotal			\$1,063	\$457	\$502	\$2,022
		<b>TOTAL</b>	\$450	\$250	\$1,963	\$1,057	\$1,152	\$4,872

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
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**2020 TransNet Program of Exempt Projects**  
 FY2021 to FY 2025  
 in'000s

**City of ESCONDIDO**

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL					
ESC24	Centre City Parkway	reconfigure existing street lane alignment, extend center median, and replace two existing traffic signals to accommodate one additional left turn lane and adjusted lane alignment to eastbound W. Mission Avenue at its intersection with Centre City Parkway											
<i>TransNet</i> - LSI: CR													
			TransNet Subtotal					\$479	\$479				
			Other Subtotal						\$0				
			TOTAL					\$479	\$0	\$0	\$0	\$0	\$479

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL					
ESC36	Valley Boulevard Relocation	Realign the east-bound, one-way couplet currently on Valley Boulevard to Ivy Street and Grand Avenue; includes new pavement, curbs and gutters, sidewalks, street lights, traffic signals, storm drains, and relocating water lines as needed to accommodate the future vacation of Valley Boulevard; this project will facilitate the Palomar Pomerado Hospital project											
<i>TransNet</i> - LSI: CR													
			TransNet Subtotal						\$0				
			Other Subtotal						\$0				
			TOTAL					\$0	\$0	\$0	\$0	\$0	\$0

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL					
ESC37	Pavement Maintenance	this is an annual project that includes maintenance (crackseal, chipseal, slurry, sidewalk repairs) of various street elements citywide											
<i>TransNet</i> - LSI: Maint													
			TransNet Subtotal					\$3,402	\$1,209	\$1,316	\$1,360	\$1,406	\$8,693
			Other Subtotal					\$3,208	\$3,018	\$2,997	\$3,026	\$3,055	\$15,303
			TOTAL					\$6,610	\$4,226	\$4,313	\$4,385	\$4,461	\$23,995

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL					
ESC38	Pavement Rehabilitation/Reconstruction	annual project to rehabilitate existing pavement greater than 1" in depth within the city's 8 maintenance zones. Each year the project rotates to a new zone, and identified roads in poor condition are treated											
<i>TransNet</i> - LSI: CR													
			TransNet Subtotal					\$2,248	\$1,695	\$1,922	\$2,022	\$1,980	\$9,867
			Other Subtotal										\$0
			TOTAL					\$2,248	\$1,695	\$1,922	\$2,022	\$1,980	\$9,867

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
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**2020 TransNet Program of Exempt Projects**  
 FY2021 to FY 2025  
 in'000s

**City of ESCONDIDO**

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
ESC39	Traffic Signals	construction of new signals and modification of existing signals citywide; signals will be constructed in accordance with the adopted traffic signal priority list. With these funds new signals are anticipated at Rock Springs/Lincoln Ave, Rock Springs/Mission Ave., Metcalf/Mission, and traffic signal modification at Mary Lane/Bear Valley Pkwy						
<i>TransNet</i> - LSI: CR								
TransNet Subtotal			\$430	\$50	\$250	\$250	\$250	\$1,230
Other Subtotal								\$0
TOTAL			\$430	\$50	\$250	\$250	\$250	\$1,230

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
ESC47	Quince & Tulip Pedestrian Signals	Installation of pedestrian signals along the Escondido Creek Bike Path at Quince and Tulip						
<i>TransNet</i> - LSI: CR								
TransNet Subtotal			\$75					\$75
Other Subtotal								\$0
TOTAL			\$75	\$0	\$0	\$0	\$0	\$75

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
ESC48	Grand Avenue Complete Streets Improvement Project, Phase 1 (part of Lump Sum V10)	The project creates a pedestrian-friendly, aesthetically appealing streetscape in the heart of Escondido's historic Town Center to enhance the vibrancy of downtown. Lane reduction on Grand Ave provides the opportunity to widen sidewalks to expand outdoor dining; install curb bulbouts to reduce pedestrian crossing distances and calm traffic; add diagonal parking and enhance pedestrian-scale lighting.						
<i>TransNet</i> - LSI: CR								
TransNet Subtotal			\$360	\$443	\$412			\$1,215
Other Subtotal								\$0
TOTAL			\$360	\$443	\$412	\$0	\$0	\$1,215

RTIP ID	Project Title	Project Description	FY21	FY22	FY23	FY24	FY25	TOTAL
ESC50	Lincoln Parkway Widening	This project updates the adopted Specific Alignment Plan for the widening of Lincoln Parkway/Avenue between Garrick Way to Fig Street.						
<i>TransNet</i> - LSI: CR								
TransNet Subtotal						\$300	\$400	\$700
Other Subtotal								\$0
TOTAL			\$0	\$0	\$0	\$300	\$400	\$700

<b>Available TransNet - LSI Revenue</b>	\$3,567	\$4,029	\$4,388	\$4,532	\$4,686	\$21,202
<b>Estimated TransNet Carry Over</b>	\$9,039	\$443	\$412			\$9,894
<b>Total TransNet Programmed</b>	\$12,566	\$4,372	\$4,800	\$4,532	\$4,686	\$30,256

## CITY COUNCIL STAFF REPORT

**Public Hearing Item No. 8**

**June 10, 2020**

**File No. 0430-30**

**SUBJECT:** Adoption of Fiscal Year 2020/21 Annual Operating Budget and the Appropriations Limit (GANN Limit) for Fiscal Year 2020/21

**DEPARTMENT:** Finance Department

**RECOMMENDATION:**

It is requested that the City Council adopt the following Resolutions:

1. Resolution No. 2020-71 approving the Fiscal Year 2020/21 Annual Operating Budget; and
2. Resolution No. 2020-72 approving the Appropriations Limit (Gann Limit) for FY 2020/21.

**FISCAL ANALYSIS:**

The proposed FY2020/21 General Fund Operating Budget is a balanced budget without the use of reserves. The appropriation total for all operating funds is \$418,822,725 and for the General Fund is \$107,596,800. The budget document can be viewed on the City's website at: <https://www.escondido.org/annual-operating-budget.aspx>.

**BACKGROUND:**

On May 13, 2020, the City Council was presented with the FY2020/21 Preliminary Operating Budget Status report. In order to address an ongoing structural budget deficit, Departments were required to cut on average around 8% from their prior year budgets. Prior to March 2020, most economists and investors expected the 11-year economic growth cycle to continue to rise through FY2020/21. The projected operating revenue and budget reductions proposed by Departments resulted in a balanced budget for FY2020/21. However, as a result of the COVID-19 pandemic, the economy fell from record highs to unprecedented declines in a matter of weeks, which effected the projected operating revenue, creating a budget deficit of \$4 million projected for FY2020/21.

The City Council was presented with options for closing the remaining \$4 million deficit and achieve a balanced budget. The City Council approved the staff recommendation to divert the transfer of funds from the Redevelopment Loan payment to the City. Such funds would have normally been placed in the Section 115 Irrevocable Pension Trust pursuant to prior City Council policy direction for use of one-time funds.

Fiscal Year 2020/21 Budget  
June 10, 2020  
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**FY2020/21 Revenue Update**



On May 20, 2020, the City Treasurer made a presentation to the City Council including an economic outlook in light of the COVID-19 pandemic and resulting conditions. While the scenarios presented are within the range of potential outcomes in this unprecedented situation, staff disagrees that the revenue estimates presented previously by staff might be inaccurate. We have projected our own revenue for Escondido in both an accurate and reasonable manner. Based on the discussion presented below, Finance Staff remains confident in the General Fund revenue projections provided to the City Council on May 13, 2020.

The Sales Tax revenue projected in the Fiscal Year 2020/21 is \$36 million, a decrease of \$3 million or 7.5% over the FY2019/20 amended sales tax forecast. The projections are based on the most recent data available that included actual cash receipts reported as of December 31, 2019, and then forecast based on economic indicators that are specific to the City of Escondido's sales tax segments. On May 20, 2020, the City received the sales tax allocation for sales that occurred through March 2020 and the amount received confirms the current forecast and amounts projected for next fiscal year.

The forecast assumes that some form of the Stay-At-Home order stays in effect until July 31, 2020, with a slow reopening of the economy. Leading sales tax analysts in California are predicting a decline in sales tax revenues that are expected to continue through the fourth quarter of 2020 with only moderate gains for several quarters thereafter. With the most dramatic decreases expected during the first and second quarters of 2020, future comparisons to these periods are predicted to be positive. However, overall dollars will still be less than the same period in 2019 noting a prolonged flat rebound.

The two largest economic segments for Escondido, transportation and general retail, account for 60% of local sales tax, and are experiencing the largest declines. The transportation segment includes new and used auto sales and service stations, and is projected to decline by \$714,000 or 6% over prior year. General retail, which includes department stores, apparel stores, and furniture stores, is projected to fall by \$470,000 or 8% over the prior year. Fortunately, this lower sales tax from brick and mortar stores is being offset by increases in sales tax revenue collected from online sales. The Wayfair decision will provide the City with a new, large amount of taxable sales not received in prior years.

At the start of the calendar year, the federal, state, and local economic outlook was positive. U.S. Gross Domestic Product (or "GDP") was growing at a rate of 2%. This economic indicator measures how quickly the economy is growing with ideal growth between 2% to 3%. The U.S. economy had entered its ninth straight year in which more than 2 million jobs were created. All this new hiring had pushed the unemployment rate to a 50-year low of 3.5%. The unemployed rate in San Diego County was also at a record low of 3.1% in February. Home prices in San Diego County were at near record highs due to low mortgage interest rates. Consumer confidence was at all-time highs, which is important because high consumer confidence equates to increased consumer spending activity. The California economy was strong and there was no recession in the forecast.

Then came the pandemic. Government operations and private businesses were forced to close or drastically alter operations. Never in modern history has so much business activity come to an immediate and widespread stop. Economists describe COVID-19 as an external shock to the economy

similar to the disruption caused by war or an earthquake. The government's response to the pandemic was policies that have prevented workers from working (deepening the supply-side contraction) and consumers from consuming (deepening the demand-side contraction) creating an economic downturn that was both intentional and unavoidable, all in an effort to stop the spread of the virus.

Since the mandated shutdowns went into effect, unemployment in the San Diego region hit an all-time high of 30% and over 510,000 residents are unemployed. However, what is happening today is nothing like what has happened in past recessions. Recessions in the past have primarily been caused by asset bubbles, which lead to the permanent loss in jobs and a fall in the demand for goods and services. Asset bubbles occur when assets such as housing, stocks, or gold dramatically rise in price over a short period and are not supported by the value of the product. Examples of asset bubbles include the stock market bubble of the 1920s, the dot-com bubble of the 1990s, and the real estate bubble of the 2000s. The inevitable collapse of asset bubbles wipe out the net worth of investors and causes exposed businesses to fail. These failed businesses create a permanent loss of millions of jobs connected with the bubble. What is happening today is different in that the vast majority of people currently applying for unemployment are being laid off from profitable businesses that have been shuttered temporarily because of a health mandate. If these businesses are allowed to reopen soon, these jobs should return.

Another key economic indicator is Gross Domestic Product (or "GDP") which declined by 4.8% in first quarter 2020. This decline is the biggest drop in quarterly economic output since the fourth quarter of 2008 and was largely driven by a steep decline in consumer spending. The decline in consumer spending was primarily the result of business shutdowns, social distancing, and other initiatives aimed at containing the virus. However, many economists believe that the impact of the shutdowns has been cushioned by the federal stimulus package passed last month that provided financial assistance to U.S. households and businesses. This stimulus package could be thought of as a life preserver that is saved jobs, firms, banks, and networks from going out of business. Once the shutdown orders are lifted, businesses will reopen, production will resume, and jobs should still be there.

The economic impact from this pandemic impacted some business sectors more than others and areas where these business sectors are located will be harder hit during this downturn than other areas. The business sectors most impacted by the COVID-19 pandemic include hotels, airlines, cruises, tourism, restaurants & bars and a portion of retail. Cities dependent on large entertainment centers, stadiums, or convention centers will be harder hit. Escondido is fortunate to have a comprehensive mix of businesses and a diverse job base and is not heavily dependent on one of these hard hit sectors for the majority of our General Fund revenue.

The Great Recession had a devastating impact on Escondido's General Fund. During a three-year period, revenue fell by \$15.7 million or 19%. However, the current economic downturn is very different from the Great Recession and drawing direct comparisons between the two is ill-advised. The Great Recession was caused by an economic crisis that resulted in business failures and a permanent loss of jobs. The current economic downturn was triggered by a health-care crisis that caused the temporary closure of profitable businesses and a temporary loss in jobs. The California economy was strong

leading up to the crisis so if businesses were profitable before the recession, a two-month closure should not cause a bankruptcy, especially in light of government loans to small businesses. Once businesses reopen, jobs will return, but we agree not all the damage will be erased. Therefore, we projected a decline in sales tax revenue in Fiscal Year 2020/21, but at a slower rate.

Economists agree that the COVID-19 pandemic brought a sharp and sudden decline to the economy and this decline is expected to continue into Fiscal Year 2020/21. Where consensus among economists has not been reached, is the magnitude of this economic decline and also how quickly the economy will recover. These questions are difficult to answer because our current data is limited and we cannot look to past economic data as this unprecedented event has never happened in U.S. history.

City staff remain confident in the General Fund revenue projections provided to the City Council on May 13, 2020. However, projections are not guarantees. Staff will continue to monitor economic indicators and City revenue closely and return to Council with updates during the fiscal year. If the economic downturn is more significant than projected, more difficult decisions will be made that will significantly impact City services. We believe it is far better to proceed using this approach rather than unnecessarily make additional cuts to services simply in anticipation of worse results which may not materialize.

### **Future Financial Projections**

Prior to the economic impacts of COVID-19, the General Fund long-term financial plan projected annual deficits growing to \$14 million by Fiscal Year 2023-24 and continuing over the next 15 years. The City's most recent Multi-Year Financial Plan forecasts that the City is potentially facing a budget deficit of \$8 million by Fiscal Year 2021-22. Eliminating a deficit this large is extremely challenging when 86% of the total General Fund budget pays for the cost of staffing to provide City services, and nearly 80% is dedicated to public safety and public works personnel for law enforcement, emergency services, street and park maintenance, graffiti removal and addressing homelessness issues.

The structural budget gap consistently present in Escondido's finances, plus the inevitable lingering impacts of the COVID-19 pandemic, make addressing future City revenue the highest priority of staff, policymakers and the community in upcoming months.

In keeping with our commitment to long-term planning, Staff will continue to provide financial recommendations based on realistic revenue projections, risk assessments, and prudent spending to ensure a stable financial position. However, it will be vital for the City to address the magnitude of the projected deficits forecast in upcoming years now. The available options to close the structural operating budget gap include the consideration of new taxes and fees, complete elimination of certain programs, and radical restructuring of the City's operations and workforce. Staff will be working with the City Council to engage in thorough dialogue, build community consensus and develop strategies to address the challenge.

Fiscal Year 2020/21 Budget  
June 10, 2020  
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APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Joan Ryan*, Director of Finance  
6/3/20 3:50 p.m.

ATTACHMENTS:

1. Resolution No. 2020-71 Approving the Fiscal Year 2020/21 Annual Operating Budget
2. Resolution No. 2020-72 Approving the Gann Limit for Fiscal Year 2020/21
3. Resolution No. 2020-72 – Exhibit A - GANN Calculation
4. Resolution No. 2020-72 – Exhibit B - GANN Limit Calculation

RESOLUTION NO. 2020-71

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
ADOPTING OPERATING BUDGETS FOR  
CERTAIN CITY DEPARTMENTS FOR FISCAL  
YEAR 2020-21 SUBJECT TO ANY AMENDMENT  
MADE PURSUANT TO COMPENSATION PLANS  
FOR THE CITY OF ESCONDIDO AND  
ESTABLISHING CONTROLS ON CHANGES IN  
APPROPRIATIONS TO VARIOUS FUNDS AND  
DEPARTMENTS

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

SECTION 1. That the budgets for all City Departments for the period July 1, 2020, through June 30, 2021, inclusive, contained in the Fiscal Year 2020-21 Operating Budget Document (a copy of which is on file in the Office of the City Clerk) as amended by Council, are adopted as the final budgets for the Fiscal Year 2020-21, subject to any further amendments pursuant to approval of Compensation Plans for employees of the City of Escondido.

SECTION 2. That the amount designated as Department Total for each department and each fund in the budgets on file with the City Clerk, is hereby appropriated to the department or fund for which it is designated subject to adjustments for Compensation Plan approvals. Such appropriations as adjusted shall not be increased without approval of the City Council, except that transfers within funds, may be approved by the City Manager. All amounts designated as Employee Services, Maintenance and Operation, and Capital Outlay in each budget on file with the City Clerk, are hereby appropriated for such uses to the department or fund under which they are listed, subject

to any amendments made pursuant to approval of Compensation Plans for employees of the City of Escondido, and shall not be increased without approval of the City Manager.

SECTION 3. That the approval of the Operating Budget Document, including the Department Total expressed for each department, and any subsequent amendments shall include approval for all actions of the City acting as Successor Agency of the former Escondido Redevelopment Agency as expressed in said Operating Budget Document.

RESOLUTION NO. 2020-72

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
ADOPTING AN ANNUAL APPROPRIATIONS  
LIMIT FOR THE FISCAL YEAR 2020-21 AS  
REQUIRED BY LAW

WHEREAS, Article XIII-B of the California State Constitution requires that the City of Escondido calculate an appropriations limit for each fiscal year, commonly known as the "Gann Limit;" and

WHEREAS, the Gann Limit is based on a combination of a population factor and an inflation factor as outlined on Exhibit "B," which is attached to this Resolution and incorporated by this reference; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to adopt an annual Gann Limit for Fiscal Year 2020-21 as listed on Exhibit "A," which is attached to this Resolution and incorporated by this reference.

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 adopts the calculation of the annual Gann Limit for the Fiscal Year 2020-21. The Gann Limit is adopted on a provisional basis, as the limit may need to be adjusted when current assessment data are available. The 2019-20 Gann Limit Calculation is finalized as shown on Exhibit "B," which is attached to this Resolution and incorporated by this reference.

**EXHIBIT A  
 GANN CALCULATION  
 2020-21**

	<u>PROCEEDS</u>	<u>NON-PROC.</u>
PROPERTY TAXES	29,859,000	
OTHER TAXES:		
Sales and Use Tax	35,991,300	
Franchise	6,255,000	
Transient Occupancy Tax	1,656,000	
RPTTF Residual Payment	2,293,000	
Property Transfer	579,000	
LICENSES AND PERMITS:		
Business Licenses	1,765,800	
Building Permits		354,000
Electrical Permits		110,000
Mechanical Permits		40,000
Plumbing Permits		32,000
Other Permits		477,500
FINES, FORFEITURES AND PENALTIES:		
Parking Fines		265,000
Library Fines and Fees		64,000
Other Court Fines		897,000
REVENUE FROM USE OF MONEY:		
Interest Income	368,971	109,029
REVENUE FROM OTHER AGENCIES:		
Rincon Fire Agreement		2,368,000
Reimbursements from Outside Agencies		340,000
Grants		656,000
VLF Revenue in Excess		121,000
Post Reimbursement		10,000
State Highway Maintenance		10,000



	<u>PROCEEDS</u>	<u>NON-PROC.</u>
<b>CHARGES FOR CURRENT SERVICES:</b>		
Paramedic Services		6,724,000
Community Services		2,412,520
Engineering Fees		1,082,000
Plan Check Fees		400,000
Special Police Services		200,000
Conservation Credit		149,000
Zoning Fees		138,000
Environmental Impact Reports		35,000
Subdivision Fees		37,000
Sale Maps and Publications		500
Other Current Services		978,000
<b>OTHER REVENUE:</b>		
Leased Property		3,540,000
Transfer Station Fee		1,119,000
Mobile Home Rent Control		64,000
Small Cell Site Revenue		180,000
Other Revenue		337,200
<b>GAS TAX FUND:</b>		
Revenue from Use of Money		
Interest Income		52,500
Revenue from Other Agencies		
State Gas Tax 2105		810,000
State Gas Tax 2106		533,000
State Gas Tax 2107		974,000
State Gas Tax 2107.5		10,000
State Gas Tax 2013		1,290,000
	<u>78,768,071</u>	<u>26,919,249</u>
<b>TOTALS</b>	<b>78,768,071</b>	<b>26,919,249</b>
<b>LESS: STATE MANDATES (Estimated)</b>	<b><u>(20,000)</u></b>	
<b>APPROPRIATIONS SUBJECT TO LIMIT</b>	<b>78,748,071</b>	
<b>GANN LIMIT FOR 2020-21</b>	<b><u>1,350,363,716</u></b>	
<b>MARGIN</b>	<b><u><u>1,271,615,645</u></u></b>	

**EXHIBIT B**  
**GANN LIMIT CALCULATION**

	<u>POPULATION FACTOR USED</u>	<u>INFLATION FACTOR USED</u>	
2004-05 Limitation		Per Capita	331,529,017
2005-06 Factor	County Growth	Personal Income	<u>1.06597</u>
2005-06 Limitation		Per Capita	353,399,986
2006-07 Factor	County Growth	Personal Income	<u>1.04937</u>
2006-07 Limitation		Non Residential	370,847,343
2007-08 Factor	County Growth	Assessed Valuation	<u>1.07955</u>
2007-08 Limitation		Per Capita	400,348,249
2008-09 Factor	County Growth	Personal Income	<u>1.05687</u>
2008-09 Limitation		Per Capita	423,116,054
2009-10 Factor	County Growth	Personal Income	<u>1.01888</u>
2009-10 Limitation		Per Capita	431,104,485
2010-11 Factor	City Growth	Personal Income	<u>0.98883</u>
2010-11 Limitation		Per Capita	426,289,048
2011-12 Factor	City Growth	Personal Income	<u>1.03269</u>
2011-12 Limitation		Non Residential	440,224,437
2012-13 Factor	County Growth	Assessed Valuation	<u>1.27787</u>
2012-13 Limitation		Non Residential	562,549,601
2013-14 Factor	County Growth	Assessed Valuation	<u>1.59242</u>
2013-14 Limitation		Non Residential	895,815,236
2014-15 Factor	County Growth	Assessed Valuation	<u>1.06226</u>
2014-15 Limitation		Per Capita	951,588,693
2015-16 Factor	County Growth	Personal Income	<u>1.05045</u>
2015-16 Limitation		Per Capita	999,596,343
2016-17 Factor	County Growth	Personal Income	<u>1.06192</u>
2016-17 Limitation		Per Capita	1,061,491,349
2017-18 Factor	County Growth	Personal Income	<u>1.04644</u>
2017-18 Limitation		Non Residential	1,110,787,007
2018-19 Factor	County Growth	Assessed Valuation	<u>1.05197</u>
2018-19 Limitation		Non Residential	1,168,514,608
2019-20 Factor	County Growth	Assessed Valuation	<u>1.10963</u>
2019-20 Limitation		Per Capita	1,296,618,864
2020-21 Factor	City Growth	Personal Income	<u>1.04145</u>
			1,350,363,716



## CITY COUNCIL STAFF REPORT

Workshop Item No. 9

June 10, 2020

File No. 0120-15

SUBJECT: Board and Commission Interviews

DEPARTMENT: City Clerk's Office

RECOMMENDATION: NONE

PREVIOUS ACTION:

On March 11, 2020, the City Council conducted interviews for the Building and Advisory Appeals Board, Library Board of Trustees, Public Art Commission, and Transportation and Community Safety Commission.

On March 18, 2020, the City Council was scheduled to interview candidates for the Planning Commission and Historic Preservation Commission, as well as make up interviews for two applicants for the Public Art Commission, and one applicant for the Transportation and Community Safety Commission. Those interviews were delayed due to the COVID-19 pandemic.

BACKGROUND:

Terms for certain members serving on the Building and Advisory Appeals Board, Library Board of Trustees, Public Art Commission, and Transportation and Community Safety Commission were due to expire on March 31, 2020.

On March 25, 2020, the City Council voted to extend the terms of members serving on the Building and Advisory Appeals Board, Historic Preservation Commission, Library Board of Trustees, Planning Commission, Public Art Commission, and Transportation and Community Safety Commission to June 30, 2020.

Therefore, the City Council will conduct interviews on June 10, 2020, for the Planning Commission and Historic Preservation Commission, as well as make up interviews for two applicants for the Public Art Commission, and one applicant for the Transportation and Community Safety Commission.

The City Council will vote on appointments to the Building and Advisory Appeals Board, Historic Preservation Commission, Library Board of Trustees, Planning Commission, Public Art Commission, and Transportation and Community Safety Commission on June 24, 2020.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Zack Beck*, City Clerk  
6/3/20 2:50 p.m.



## FUTURE CITY COUNCIL AGENDA ITEMS

Updated June 4, 2020

*AGENDA ITEMS AND CITY COUNCIL MEETING DATES ARE SUBJECT TO CHANGE.  
CHECK WITH THE CITY CLERK'S OFFICE AT (760) 839-4617*

**June 17, 2020**  
**NO MEETING**

**June 24, 2020**  
**6:00 p.m.**

<b>PROCLAMATIONS</b>	
	<b>Parks and Recreation Month</b>
<b>CONSENT CALENDAR</b>	
	<p><b>Citywide Security Alarm System Contract Bid Award</b> (J. Goulart)</p> <p><i>The City Wide Security Alarm Contract for all city buildings in one contract for a two-year base contract. We had 2 contractors submit a bid for the job; the contract is for a 2-year base with 3 one-year extensions. The lowest responsible bidder was Progressive Technology for the two-year base contract for \$378,360. The second bidder was Standard Electronics' at \$475,764. No other bids were submitted.</i></p>
<b>PUBLIC HEARINGS</b>	
<b>CURRENT BUSINESS</b>	
	<p><b>Climate Action Plan – Informational Report and Status Update (PHG18-0009)</b> (M. Strong)</p> <p><i>The Project involves an update to the Escondido Climate Action Plan (CAP). A CAP lays out a policy structure including specific actions and recommendations that a local agency will use to address climate change and reduce its greenhouse gas (GHG) emissions. Although the City of Escondido was one of the first group of cities to prepare and adopt a CAP in the San Diego region, a lot has changed since then – and the City's CAP needs to be amended. Much of the work has been completed and City staff is looking to initiate public review of the draft CAP update and return to City Council for public hearings in late summer or early fall.</i></p>
	<p><b>General Municipal Election – November 3, 2020</b> (Z. Beck)</p> <p><i>Request the City Council approve calling for and giving notice of a General Municipal Election on November 3, 2020, for the following elective offices: one (1) City Councilmember with a two-year term to represent District Two, one (1) City Council Member with a four-year term to represent District Three, one (1) City Councilmember with a four-year term to represent District Four and one (1) City Treasurer with a four-year term to be elected at-large; and approve requesting the Board of Supervisors, County of San Diego, to consolidate the City's General Municipal Election with the Statewide General Election.</i></p>

**June 24, 2020  
Continued**

**Annual Appointments to Boards and Commissions**  
(Z. Beck)

*Terms will expire on June 30, 2020 two members on the Library Board of Trustees, three members on the Building and Advisory Appeals Board, two members of the Transportation and Community Safety Commission, two members of the Public Art Commission, four members of the Planning Commission and three members of the Historic Preservation Commission.*

**Mobilehome Rent Protection Ordinance ("Proposition K") Vacancy Control/Decontrol**  
(M. McGuinness)

*The City Council will consider placing a proposition on the November 3, 2020 election ballot to amend Proposition K.*

**FUTURE AGENDA ITEMS**

**July 1, 2020  
NO MEETING (Independence Day)**

**July 8, 2020  
6:00 p.m.**

**CONSENT CALENDAR**

**Approval to Execute a State Revolving Fund Loan Agreement for the Recycled Water Distribution System Project**  
(C. McKinney)

*If approved, the loan issued from the State Revolving Fund (SRF) will be used for construction costs associated with the Recycled Water Distribution System Project.*

**PUBLIC HEARINGS**

**CURRENT BUSINESS**

**Community Survey Results**  
(J. Petrek)

*True North Consulting will share results from the second Community Survey.*

**FUTURE AGENDA ITEMS**

# Weekly Activity Report



June 4, 2020

## COVID-19 UPDATES



### Message from City Manager, Jeffrey Epp:

Residents and law enforcement in Escondido have really shown their best this week, even though other parts of our country suffer from protests turned violent, rioting and looting. The thoughtful emails, remarks and feedback from our residents as they express their views have been great. Stories of our officers talking to residents and sharing experiences have been equally heartwarming. In Escondido, our Police Department is always prepared to protect the community from violent protestors. At the same time, you can also see them talking with people, expressing unity, and even passing out lollipops and stickers to children in the area. The outcome is a great example of what community policing is all about. Residents have been equally amazing—we have experienced several examples of peaceful protestors helping to maintain order and confronting others who wanted to engage in disruptive behavior.

It's all proof that everyone can make a difference when a community comes together. Keep up the great dialogue, Escondido!



*Photos Courtesy of Escondido Times Advocate*

### Expanding Restaurants and Retail onto Grand Avenue:

The City has been awarded a Shared Streets Pilot Program Grant from SANDAG, which will be on the agenda for consideration by the City Council on June 10. This grant will assist in the temporary closure of Grand Avenue later this month to encourage walking, biking, and scooting while customers will be able to enjoy retail and dining options expanded onto the street. This program will help to ensure social distancing while following safety and sanitation protocols for our downtown businesses and patrons.

### **City Employees Get Ready to Safely Assist Customers:**

While City Hall is still closed to the public, we are working on safely re-opening in the coming weeks. Plexiglass shields and other sanitation and safety protocols are being put into place. Make sure to check our social media and this report for an update on our re-opening date and plan.

We encourage you to continue to do business online with the City by using our [Online Services Portal](#).



### **Graffiti Eradication Release and Property Authorization Letter Now Online:**

The goal of keeping our community safe, clean, and preventing crime is a community-wide effort that requires cooperation and partnership between businesses, residents, and City staff.

- A Graffiti Eradication Release allows our Graffiti Team to remove graffiti from private property within the City at no cost to the property owner.
- A Property Authorization Letter (602) allows the Escondido Police Department to enforce trespassing laws on the owner's behalf even when they're not there.

These forms are now available to the public through our website 24/7, and have also been incorporated into the Business License application and renewal process to streamline the process for owners and staff.

For more information and to access the forms visit our [Online Services Portal](#).

### **Escondido Library Now Offers Curbside Pickup:**

The Library now offers curbside service! Check out their [YouTube Video](#) to see how it works. Please contact the library staff at 760-705-4602 or email [escondidolibrarycurbside@gmail.com](mailto:escondidolibrarycurbside@gmail.com) for more details!



## **ESCONDIDO PUBLIC LIBRARY NOW OFFERING CURBSIDE SERVICE**

**Escondido Public Library starts curbside pickup service for holds starting Monday, June 1, 2020.**

- 1 Visit our catalog and place holds on materials using your Escondido Public Library Card at [escondido.librarycatalog.info/polaris](http://escondido.librarycatalog.info/polaris)
- 2 Once you receive a notification from the Library that your hold is available for pick up, come to the Library parking lot during curbside pickup hours:
  - o Monday–Friday, 9:30 a.m.–4:30 p.m.
  - o Saturday–Sunday 1:00–4:30 p.m.Please note—you have 7 days to pick up the hold from the day the notification was sent.

### **COVID-19 Updates:**

You can get up to date information about the City's response to COVID-19 at: [www.escondido.org/covid-19.aspx](http://www.escondido.org/covid-19.aspx)

## **POLICE DEPARTMENT UPDATES:**

All previous mitigation strategies are still in place.

### **Incidents:**

#### **Auto Thief Caught with Firearm**

On May 24, officers stopped a suspect driving a stolen vehicle in the area of Valley Pkwy and Beven Dr. The driver was found to be in possession of a handgun and is a convicted felon. He was arrested without incident.

#### **Burglar Caught in the Act**

On May 24, officers responded to the Enterprise Rent a Car on Auto Park Way regarding a burglary alarm at the business. Officers found the glass door broke and located a suspect inside. He was arrested for burglary without incident.

#### **Auto Thief Caught After Breaking into a Parked Car**

On May 28, officers stopped a suspect driving a stolen vehicle in the 600 block of W. Lincoln Ave. Officers detained him without incident and discovered that he was in possession of stolen property from a nearby car break in. He was arrested for auto theft and burglary

### **Community Policing:**

#### **Peaceful Protest for Victims of the Fatal Traffic Collision**

On May 30, a group started a peaceful protest at Mission Grove regarding the fatal traffic collision earlier in May at San Pasqual Valley Rd and Oak Hill Dr. Chief Varso met with the group and was able to dialogue with them. The group moved down to the crash site. The Escondido Police want to thank the protestors for remaining peaceful in expressing their 1<sup>st</sup> Amendment rights. Active investigation continues and updates are expected soon.

## **FIRE DEPARTMENT UPDATES:**

The Fire Department is continuing normal operations and fully staffed. We continue to monitor our personnel daily and continue heightened sanitation practices for our equipment, vehicles and facilities.

### **News:**

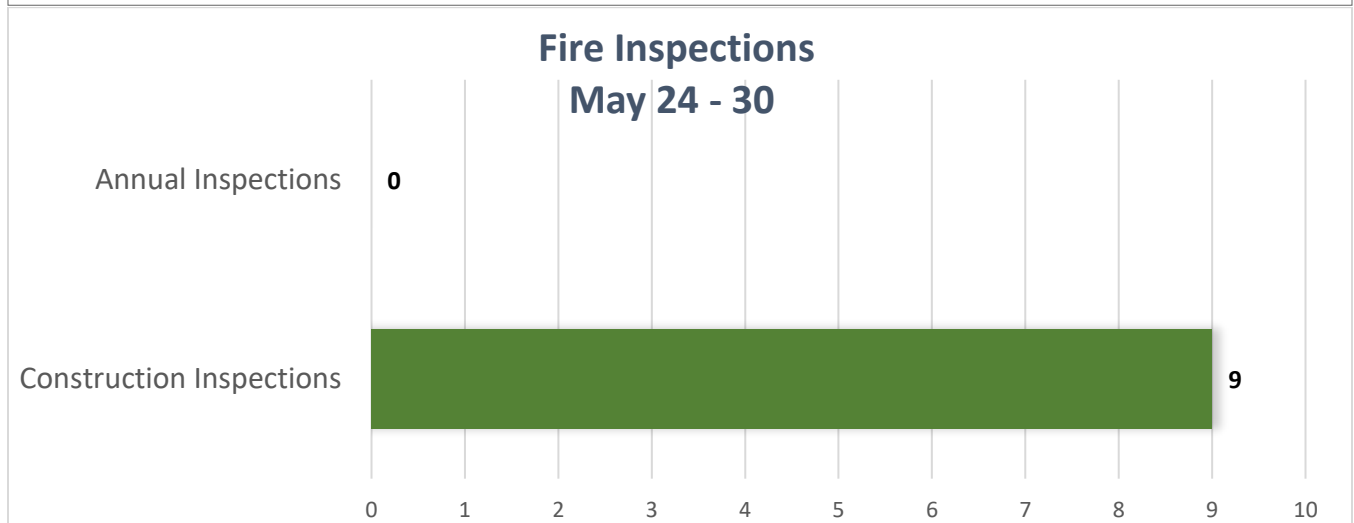
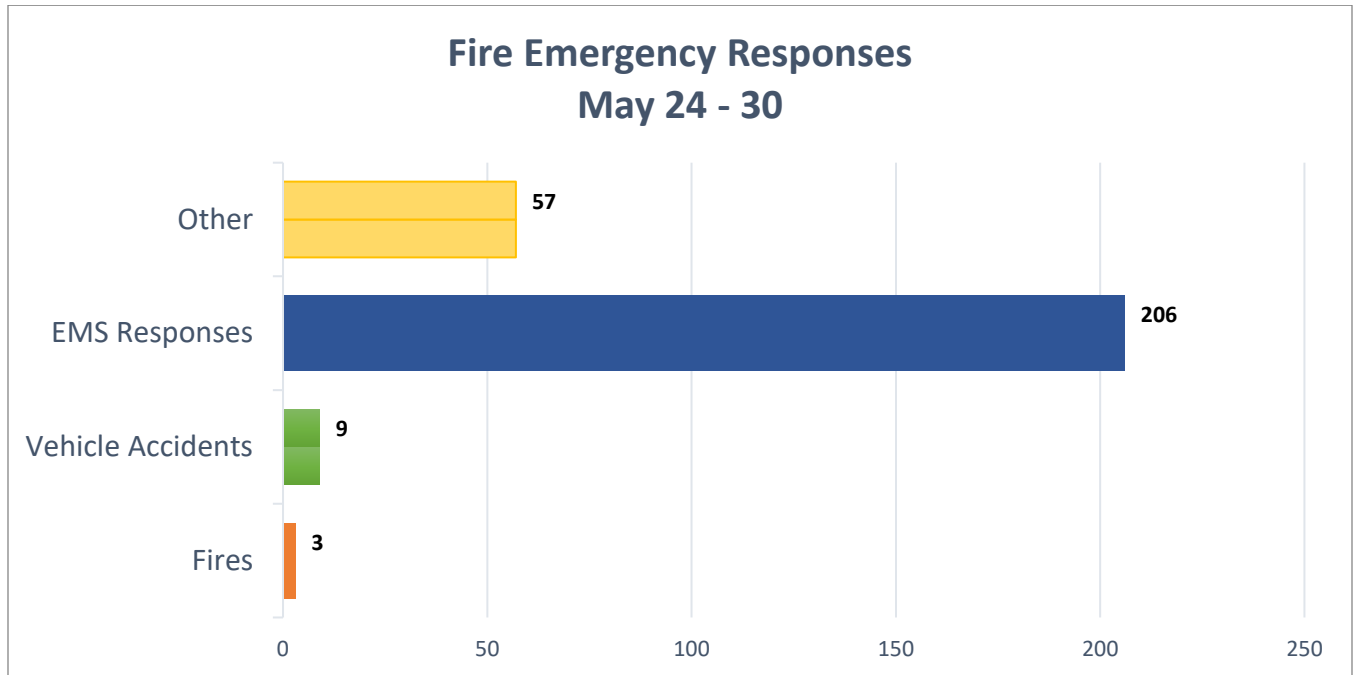
On Memorial Day, several fire crews, including Fire Station # 3's Engineer Jordan Lara, Firefighter Paramedic Tom Stillman, and Paramedics Dan Shriver and Eugenia Soulier, completed the "Murph Challenge" workout for physical training. The Murph Challenge workout has become a Memorial Day tradition honoring Lt. Michael Murphy, who died in service to our county. It is also a fund raiser for the LT. Michael P. Murphy Memorial Scholarship Foundation.





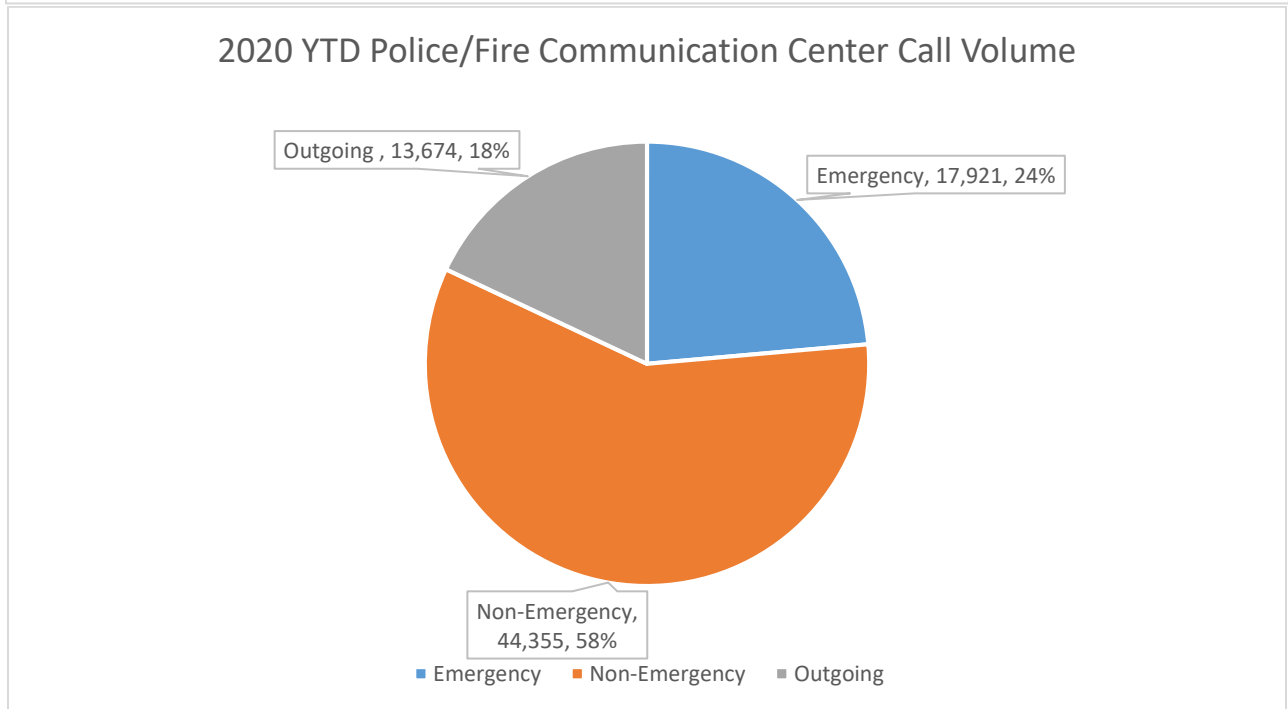
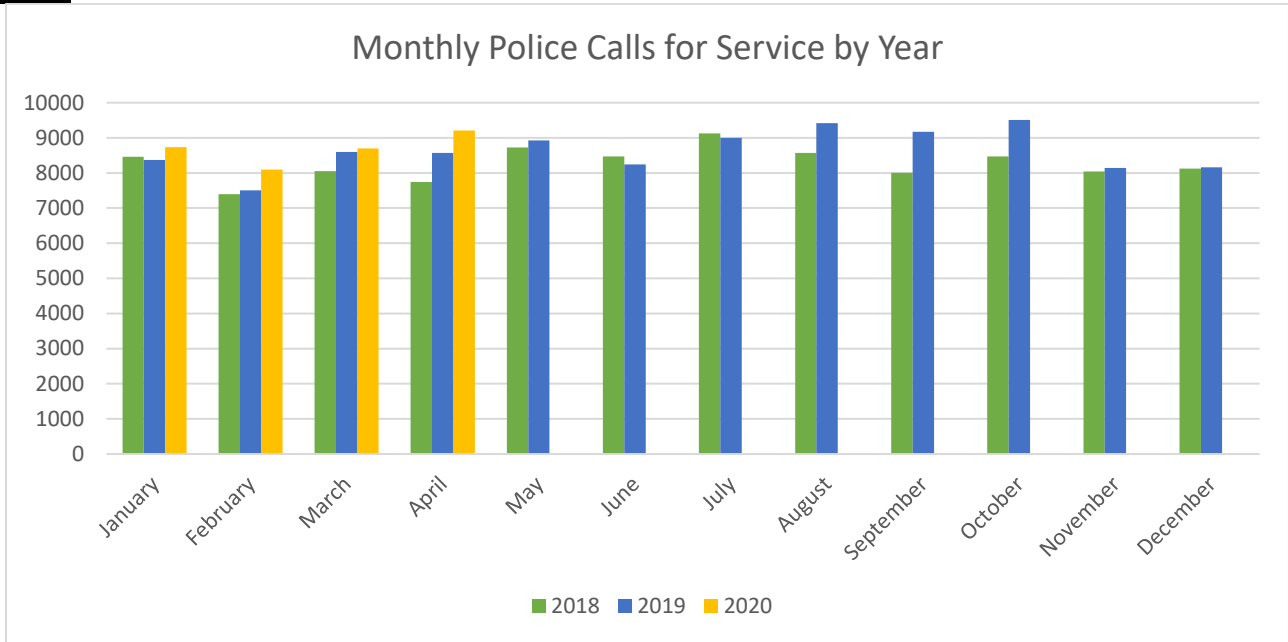
## BY THE NUMBERS

### Fire:



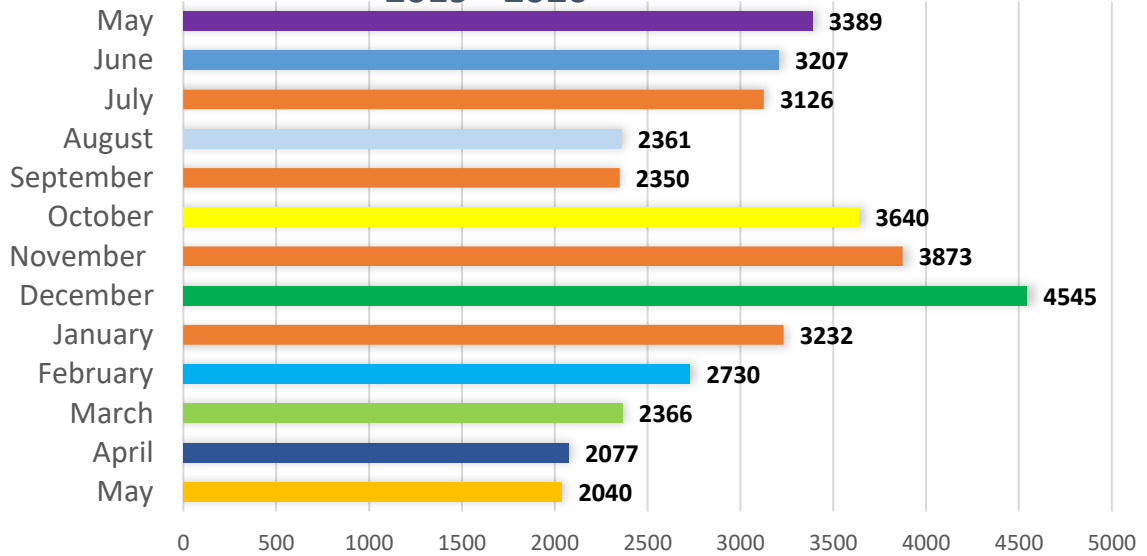
Total Emergency Responses (Year To Date)	6,076
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**Police:**

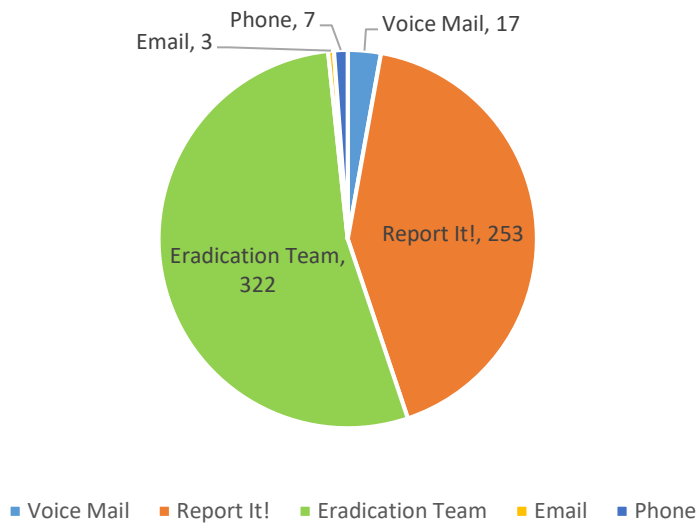


**Public Works:**

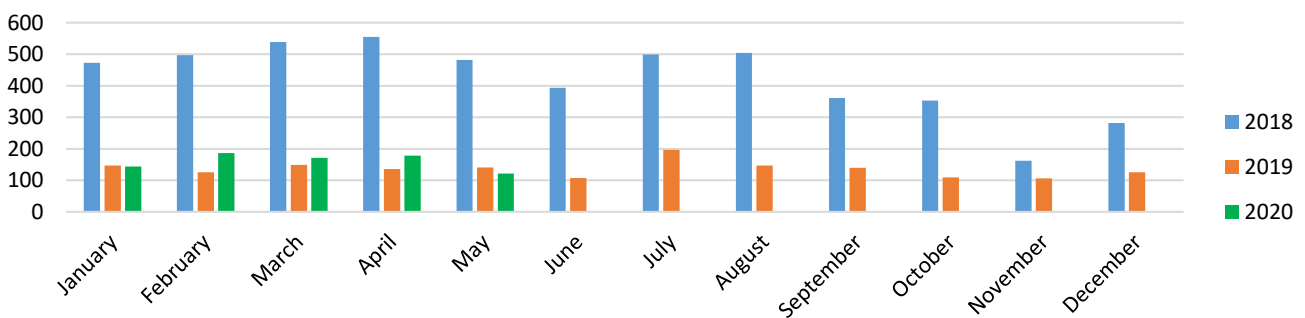
**Number of Graffiti Tags Removed  
2019 - 2020**



**How Graffiti Was Reported - May 2020**



**NUMBER OF SHOPPING CARTS REMOVED**



**Code Enforcement:**

249 Total Active Cases

62 New Cases

65 Cases Closed

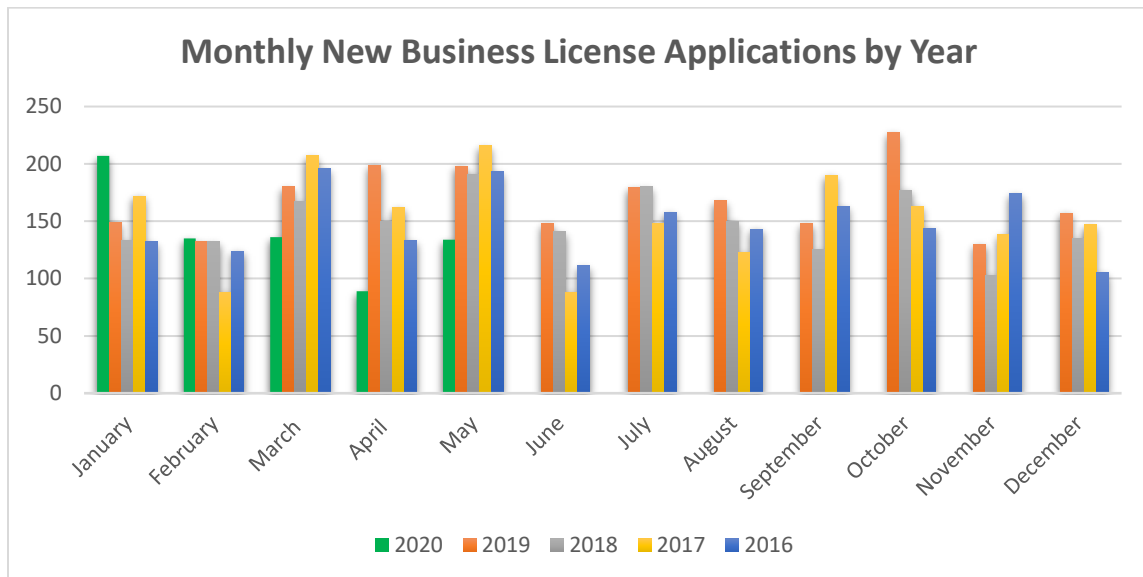
98% Voluntary Compliance

0 Citations Issued

34 Notices Issued

Total Code Cases (Year To Date)	1,257
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**Business Licenses**



**Graffiti Restitution**

Collected Past Week	Collected Year to Date
\$0	\$4,797.14

## COMMUNITY DEVELOPMENT & ENGINEERING

### **Development Services:**

The City of Escondido offers a variety of programs and services related to land development, neighborhood improvement, traffic engineering and more. Our development services team is committed to providing excellent customer service and meeting customer's needs during these difficult times to keep entitlement projects and construction moving forward. Although City Hall is temporarily closed to the public, development services is still accepting land use development applications and permit submittals by appointment.

### *Building Activity Updates:*

The Building Department received a total of 78 online applications this week and began to prepare for the future opening of City Hall. The counter staff issued a significant medical Tenant Improvement and continued to prepare to issue the first group of production homes for the Villages. The total permit valuation for the week was \$3,776,337.00. The counter staff was able to process 57 applications and issue 34 permits and responded to 178 contacts from the public. The inspection staff completed 103 inspections.

### *Major Land Development and Capital Improvement Project Updates:*

The following major projects are being reviewed and/or coordinated for completion by Planning, Engineering, Fire, Building and Utilities Divisions. The list of projects below encompasses recent project updates and/or milestones from last week.

### Commercial, Office and Industrial Projects:

1. Raising Cane's Restaurant – (Developer: Ada Fermin, PM Design Group) 1280 W. Valley Parkway – Demolition of vacant, former Coco's restaurant building and construction of new 3,744 SF drive-through restaurant for Raising Cane's. A CUP application was filed on October 30, 2019. Department comments on the traffic study were provided on January 10, 2020, and revised traffic info was received from the applicant on February 21, 2020. Most of the traffic issues have been resolved. The applicant is currently trying to coordinate early design feedback on proposed improvements within the CALTRANS right-of-way.
2. Mercedes Benz Expansion – (Developer: Jody Stout, Integrity Design and Construction) 1101 W. 9th Avenue – A Master and Precise Plan modification to demo the existing dealership showroom and construct a new showroom, office, parts storage and service building. The application was submitted on November 20, 2019. The applicant informed Planning during the week of January 27, 2020 that they are pursuing a redesign to meet the most recent generation of Mercedes design specifications for dealerships. Staff is awaiting resubmittal of the plans.
3. 7-Eleven Gas and Convenience Store – (Developer: Golcheh Group) 900 W. Mission Ave. – A proposal to relocate a 7-Eleven from the northeastern corner of Mission/Rock Springs to the northwestern corner and add a gas station. The applicant submitted a traffic study on December 17, 2019, and the latest staff comments were returned on February 11, 2020. The comments identify anticipated traffic impacts as well as suggested mitigation. The applicant met with Engineering on February 19, 2020 to discuss traffic issues. Staff is awaiting resubmittal of the plans.

## Residential Projects:

4. Harvest Hills (aka Safari Highlands Ranch) (Developer: Jeb Hall, Concordia Homes) 550 residential subdivision, east of Rancho San Pasqual – 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>

A revised tentative map addressing previous staff comments was submitted on November 6, 2019. A second revision to the Draft Specific Plan was received on January 14, 2020. The most recent revised tentative map was received on February 24, 2020.

5. The Villages at Escondido Country Club (Builder: Lennar Homes) 380 residences – Building permit applications for the model homes have been approved and a surety bond has been received. The Final Subdivision Map is scheduled for City Council approval on May 13, 2020. Most of the final engineering permit review for Village 1 is complete. A comment letter on a Plot Plan application for the neighborhood park was provided in April and the City is wrapping up its review of the commercial center. Comments on the commercial center were sent to the applicant on May 22, 2020. Comments on final engineering for Villages 2 and 3 were sent to the project applicant in January and April 2020. Country Club Drive improvement plans are nearing approval. The developer, Lennar, has started the construction of the model homes. Work is ongoing on Country Club Drive for the new gas main.

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>

6. North Avenue Estates (Developer: Casey Johnson) 34 lots at North Ave./Conway Dr. – The applicant is working on storm water comments and a resubmittal of plans is expected this week. Engineering has provided comments on a proposed joint-use agreement with the County Water Authority.
7. Escondido Gateway (Developer: Carolyn Hillgren, Lyon Living) 126 condo units at 700 W. Grand – This project is a mixed-use development involving 126 residential units within three, 4-5 story buildings with indoor and outdoor recreational areas and an opportunity for a small (1,000 sq. ft.) commercial/flex space on 2.6 acres (48 dwelling units/acre) located on the same premises as the former Police Station across the street from the Escondido Transit Center. The City Council approved the project on October 12, 2016. Much of the work has been completed. The contractor has placed the traffic signal poles for the Grand Ave pedestrian crossing. Final striping of the cross walk on Valley Parkway and Grand Ave. will take place prior to the activation of the traffic signal.
8. Pradera (Developer: Moses Kim, Lennar Homes) – *No change from the following update reported last week:* This project consists of a 70-unit single-family development located at the northeastern corner of Ash Street and Lehner Avenue. Much of the work has been completed. Final conflict crossing issues are being design and submitted for review. The water main work included the construction and installation of 779’ of a 12” water main

along Conway Drive, between Lehner Drive and Rincon Avenue. The installation is now complete. The contractor is tying the new line to the Cities potable water system.

9. Canyon Grove Estates Tract 932 (Developer: John Vance, Shea Homes) – This project is a 179-lot single-family residential development on the north side of Vista Avenue east of Conway Drive. The project is currently in the punch list phase. The roadway connection between Vista Avenue and Vista Verde Way is scheduled to be opened to all traffic. This opening will connect El Norte Parkway to the south and Ash Street to the west.
10. 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 – Fire, Planning, and Engineering staff met with the applicant team on May 29, 2019 to discuss the fire-related information. A financial feasibility study for the proposed resort was submitted on July 8, 2019. The project has not had any activity since then.  
A project webpage containing draft documents and plans has been added to the Planning Division’s website at the following link:  
<https://www.escondido.org/daley-ranch-resort-specific-plan.aspx>
11. Nutmeg Condo General Plan Amendment (Developer: Jim Simmons, CCI) 137 townhome condo units on both sides of Nutmeg between I-15 and Centre City Parkway – The City Council approved the portion of the project on the northern side of Nutmeg on November 20, 2019. Staff is now awaiting resubmittal of the southern portion of the project.
12. Oak Creek (Builder: KB Homes) 65 single-family residential lots on approximately 44 acres at Felicita Road and Hamilton Lane – KB Homes has constructed model homes and is interested in filing the final map as soon as possible to continue construction. However, several items remain incomplete including revisions to improvement plans, final map and drainage study. In June 2019, the County of San Diego provided KB Homes a checklist of items that should be submitted with a watercourse permit application required to construct a storm drain under Felicita extending onto County land. To date, KB Homes has not provided the application materials to the County. The City is working with the developer to allow the project to continue to move forward while the developer obtains the County watercourse permit and constructs all necessary drainage improvements.
13. Villa Portofino (Developer: Chris Post, ATC Design Group) 15 apartment units in a three-story building with parking garage at 2690 S. Escondido Blvd. – Revised elevations for staff design review were received on February 21, 2020. Staff has returned comments and is now awaiting resubmittal of the project.
14. Palomar Heights (Developer: Ninia Hammond, Integral Communities) Demolition and redevelopment of the old Palomar Hospital site with 510 multi-family units with 10,000 SF of commercial – Utilities met with the applicant on February 20 to discuss sewer and water issues. Public review of the Draft EIR concluded on May 19, 2020. The City is now reviewing and responding to public comments.  
The development proposal and other related information can be accessed on the City’s website at the following link: <https://www.escondido.org/palomarheights.aspx>

15. 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 project site is currently being graded. Model home permits have been issued. CC&Rs for the entire project and a road maintenance agreement for the upper agricultural lots are in for review. Improvement plans are ready for approval. The developer, Trumark, is continuing to work on the onsite utilities as well as starting the vertical construction for the model homes.
16. 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 - Staff comments on the grading and improvement plans were provided the week of February 3, 2020. Staff is aware of easement issues regarding the SDG&E access easement and are still working with the applicant on that driveway design.
17. Hacienda De Vega Redevelopment – (Developer: Tony Cassolato) A proposed residential condominium development consisting of 42 three-story attached townhomes on 1.75 acres – The project would demolish the vacant restaurant building and redevelop the entire site with residential townhomes. Fire is working with the applicant on fire flow and circulation issues through the site. A proposed Mitigated Negative Declaration (MND) was prepared and the review and comment period began on March 16, 2020 and ended on April 6, 2020. City staff is working with the applicant and coordinating a response to comments.
18. Casa Mercado Apartments - (Developer: Paul Mayer, Pemcor) A four-story, 120-unit apartment complex on 2.31 acres – Project design was submitted on January 21, 2020. Staff comments were provided back to the applicant on February 21, 2020. Intake of a resubmittal occurred April 14, 2020. City staff provided a review letter to the applicant on May 21, 2020.
19. Iwashita Apartments - (Developer: Iwashita Development) A seven-story, mixed-use project at 322 S. Escondido Boulevard for 172 units. An application for a Plot Plan was submitted on April 22, 2020 for new development on the north side of 4<sup>th</sup> Avenue between Escondido Boulevard and Maple Street. The project would provide approximately 7,000 SF of retail space on a portion of the ground floor, as well as 172 apartment units across all seven floors. Apartments will range in size from efficiency units (approximately 328 SF) to two-bedroom units (approximately 832 SF). A parking garage containing 317 spaces would also be provided. The proposal includes a density bonus in exchange for reserving 20 percent of the proposed units for low-income households. Waivers from some development standards (such as building height) will likely be requested as part of the density bonus request. The project is currently under review.
20. East Valley Parkway Apartments – (Developer: John Wurster) A 50-unit mixed use affordable apartment complex consisting of four stories situated on a 21,000 SF vacant parcel in the historic District of the Downtown. The site is on the corner of Ivy and East Valley Parkway. The ground floor of the building will include office space, as well and common areas and uses appurtenant to the apartment complex, which are located on levels two through four. The site is located on the corner of Valley parkway and Ivy, and will provide 16 total parking spaces accessed from the rear alley. The proposed building



will front on Valley and Ivy and provide naturally interior courtyard for its residents. The project is currently under review.

21. Reed Road Assisted Living Facility - (2525 Reed LLC). A new residential care facility is proposed on a 4.2-acre site on 2525 Reed Road. The subject property is zoned Residential Estate (RE-20), and has an existing 8,597 SF residence. The existing home operates as a care facility with 15 beds. The applicant proposes to build a campus with three (3) new buildings totaling 21,190 SF. These will house 45 new residents and accommodate 12 to 15 employees. The project is currently under review.
22. Accessory Dwelling Units – Planning staff is currently working on eleven (11) applications for accessory dwelling units. Twenty-three (23) accessory dwelling units have been approved so far this year. Thirty-even (37) accessory dwelling units were approved in 2019. Twenty-four (24) accessory dwelling units were approved in 2018. Three (3) accessory dwelling units were approved in 2017.

#### City Projects and Capital Improvement Projects:

1. Membrane-Filtration Reverse Osmosis/MFRO (Developer: City of Escondido Utilities Department) 901 W. Washington – A Plot Plan application was submitted for review on October 14, 2019. The second draft of the proposed Mitigated Negative Declaration (MND) is expected to be submitted this week. A 60 percent design meeting occurred on December 9, 2019, and a follow-up meeting to discuss architecture occurred on January 30, 2020. The Mitigated Negative Declaration (MND) was adopted by the Zoning Administrator on April 30, 2020.
2. Lake Wohlford Replacement Dam (Developer: City of Escondido Utilities Department) – Utilities and Planning staff met with the environmental consultant on February 24, 2020, to discuss biological mitigation and recirculation of the Draft EIR. A teleconference meeting with the wildlife agencies occurred in April to confirm the path forward. Revisions to the draft EIR are in development and a recirculation of the document for public comment is expected to occur in June.
3. SDG&E 16” Gas Main Replacement – In January 2019, the CPUC’s Safety Enforcement Division approved SDG&E’s test or replace plan for Line 1600, a 16-inch natural gas transmission pipeline which was not strength tested in 1949 when it was constructed. This next phase of PSEP projects will include 19 separate projects that will take place in the cities of San Diego, Escondido and Poway, as well as the County of San Diego. As part of these projects, approximately 37 miles of existing pipe in more populated areas will be replaced and approximately 13 miles of existing pipe in less populated areas will be strength tested. Approximately 5.4 miles of replacement and 2.7 miles of strength testing is expected to occur in Escondido from 2020-2024. Work is continuing with installation of the new 16-inch gas main along the Midway corridor. Construction activity is working south to Oak Hill Drive.
4. El Norte Parkway Improvements – The contractor has completed the asphalt grind and replacement of El Norte Parkway. Median landscaping has arrived on site. Crack fill will take place this week with the slurry surface treatment to be completed next week. The project includes widening of El Norte Parkway at the flood control channel by the

installation of a new bridge, construction of new median islands from Valley Parkway to Washington Avenue, landscaping and a drip irrigation system, a bike/pedestrian signal at the flood control channel, along with roadway resurfacing.

A project webpage containing draft documents and plans has been added to the Engineering Department's website at the following link:

<https://www.escondido.org/el-norte-parkway-bridge-and-median-improvements-1.aspx>.

5. 2019 Street Rehabilitation and Maintenance Project Rebid – The ARAM surface treatment has been completed. The contractor is on week two of the placing of the slurry surface treatment. This year's project will resurface approximately 71-lane miles of pavement, replace 0.59- miles of sidewalk, and restripe 2.5- miles of bike lanes, install 51 pedestrian ramps, and replace 90 street trees that damaging concrete improvements. This year's project is Maintenance Zone W. More information can be found at the following link: <https://www.escondido.org/city-of-escondido-street-maintenance-program.aspx>



6. Spruce Street/Transit Center Pedestrian Bridge Project – The contractor has backfilled for the new wing walls at the Spruce Street box culvert. Slope grading of the channel wall between Valley Parkway and Grand Avenue is ongoing. Concrete placement for the ramp walls on Valley Parkway is scheduled for this week.

###