



Council Meeting Agenda

FEBRUARY 10, 2021
VIDEO CONFERENCE
6:00 P.M. Regular Session
201 N. Broadway, Escondido, CA 92025

MAYOR	Paul McNamara
DEPUTY MAYOR	Michael Morasco
COUNCIL MEMBERS	Consuelo Martinez Tina Inscoc Joe Garcia
CITY MANAGER	Jeffrey Epp
CITY CLERK	Zack Beck
CITY ATTORNEY	Michael McGuinness
DIRECTOR OF COMMUNITY DEVELOPMENT	Mike Strong
DIRECTOR OF ENGINEERING SERVICES	Julie Procopio

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.

Depending on the volume and/or similarity of public comments, and pursuant to the City Council Rules of Procedure, the Mayor or Presiding Councilmember may limit the number of comments to be read and/or limit the amount of time each comment may be read. It is in the interests of members of the public who desire that their statement be read out loud to be mindful of this potential limitation when drafting their comment. The entirety of 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>

In the event a quorum of the City Council loses electrical power or suffers an internet connection outage not corrected within 15 minutes, the meeting will be adjourned. Any items noticed as public hearings will be continued to the next regularly scheduled meeting of the City Council. Any other agenda items the Council has not taken action on will be placed on a future agenda.

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

**February 10, 2021
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: Garcia, Inscoc, Martinez, Morasco, McNamara

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.

- [AFFIDAVITS OF PUBLICATION, MAILING AND POSTING \(COUNCIL/RRB\)](#)**
- [APPROVAL OF WARRANT REGISTER \(Council\)](#)**

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

- 349622 349826 dated January 27, 2021

Staff Recommendation: **Approval (Finance Department: Christina Holmes)**

3. **APPROVAL OF MINUTES: Regular Meeting of January 27, 2021**

4. **TREASURER'S INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2020 -**

Request the City Council receive and file the October through December 2020 Treasurer's Report.

Staff Recommendation: **Receive and File (City Treasurer's Office: Douglas W. Shultz)**

5. **VIA ROBLES & ORANGE PLACE APARTMENTS AFFORDABLE HOUSING LOAN SUBORDINATIONS -**

Request the City Council approve authorizing the subordination of affordable housing agreements for Via Robles Apartments to allow refinancing.

Staff Recommendation: **Approval (Community Development Department: Mike Strong)**

RESOLUTION NO. 2021-10

6. **ACCEPTANCE OF \$25,000 GRANT FOR WATER BOTTLE FILLING STATIONS -**

Request the City Council approve a) accepting \$25,000 in grant funding from The Metropolitan Water District and San Diego County Water Authority to fund water bottle filling stations, b) authorizing the Deputy City Manager/Director of Communications and Community Services or her designee to execute all documents necessary for the management and completion of the grant scope; and c) authorizing the necessary budget adjustment needed to establish a new project number for tracking and spending of grant funds.

Staff Recommendation: **Approval (Communications and Community Services Department: Joanna Axelrod)**

7. **COST SHARING AGREEMENT WITH THE VISTA IRRIGATION DISTRICT FOR ALGAL BLOOM MITIGATION IN THE SAN LUIS REY LOCAL WATER SYSTEM -**

Request the City Council approve equally sharing the cost of a consulting agreement for treatment of algal blooms in Lake Henshaw and the San Diego Luis Rey Local Water System. The cost will be shared with the Vista Irrigation District (VID). Escondido's share of the cost is not exceed \$220,000 over the next two years. Treatment of algae in Lake Henshaw, in particular, will protect water quality in this important source of local water supply for the City of Escondido.

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

RESOLUTION NO. 2021-26

8. **NOTICE OF COMPLETION FOR THE SPRUCE STREET CHANNEL IMPROVEMENT AND ESCONDIDO TRANSIT CENTER ACTIVE TRANSPORTATION CONNECTIONS PROJECT -**

Request the City Council approve and accept the public improvements and authorize staff to file a Notice of Completion for the Escondido Transit Center Active Transportation Connections Project ("ETC ATC") and completed portions of the Spruce Street Channel Improvement Project ("Spruce"). It is also requested that City Council authorize the City Engineer to approve and accept the remaining planting improvements and file a Notice of Completion for the Spruce Project upon completion.

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

RESOLUTION NO. 2021-24

9. **AMEND ENGINEERING AND TRAFFIC SURVEY (SPEED ZONE) ON VIA RANCHO PARKWAY AND WASHINGTON AVENUE -**

Request the City Council approve to amend Engineering and Traffic Surveys (speed surveys) on Via Rancho Parkway and Washington Avenue.

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

RESOLUTION NO. 2021-23

10. **CONSULTING SERVICES AMENDMENT FOR THE CITRACADO PARKWAY IMPROVEMENT PROJECT -**

Request the City Council approve authorizing the Ninth (9) Amendment to the Consultant Agreement with AECOM in the amount of \$118,371.25 for design of the Citracado Parkway Extension Project.

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

RESOLUTION NO. 2021-25

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.)

11. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING AN AMENDMENT TO THE DOWNTOWN SPECIFIC PLAN AND PLANNED DEVELOPMENT PERMIT FOR THE PALOMAR HEIGHTS PROJECT -**

Approved on January 27, 2021 with a vote of 3/2 (Martinez, McNamara - No)

ORDINANCE NO. 2021-02R (Second Reading and Adoption)

12. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AMENDING ARTICLE 2, CHAPTER 2 OF THE ESCONDIDO MUNICIPAL CODE TO MOVE THE CLOSED SESSION MEETING TO 4:00 P.M. AND THE REGULAR CITY COUNCIL MEETING TIME TO 5:00 P.M. -**

Approved on January 27, 2021 with a vote of 3/2 (Martinez, McNamara - No)

ORDINANCE NO. 2021-03 (Second Reading and Adoption)

CURRENT BUSINESS

13. **COUNTY WIDE NEXT GENERATION REGIONAL INTEROPERABILITY PROGRAM (NGRCIP) COMPUTER AIDED DISPATCH TO COMPUTER AIDED DISPATCH -**

Request the City Council approve authorizing the Fire Chief to sign the San Diego County Next Generation Regional Interoperability Program (NGRCIP) agreement to cost share the annual maintenance fees for the technology to support computer aided dispatch communication (CAD TO CAD). RCIP allows the five major regional emergency dispatch computer systems to seamlessly communicate needs and requests. Nearly 8,000 aid requests per year are processed through RCIP to automatically request and dispatch units to emergencies across all jurisdictions in the county. This ensures that the closest appropriate resource is sent where it is needed as quickly as possible. Due to grant funding for the project, Escondido's apportioned share for RCIP maintenance in the amount of \$20,000 will begin in FY 2022-23.

Staff Recommendation: **Approval (Fire Department: Rick Vogt)**

RESOLUTION NO. 2021-14

14. **BUILDING PERMIT PLAN CHECK AND INSPECTION SERVICES CONTRACT AWARD -**
Request the City Council approve authorizing the City Manager to enter into a contract for professional services related to building permit plan check services.

Staff Recommendation: **Approval (Community Development Department: Mike Strong)**

RESOLUTION NO. 2021-27

15. **CLIMATE ACTION PLAN UPDATE INFORMATIONAL REPORT AND STATUS UPDATE (PHG18-0009) -**

Request the City Council provide direction and review Planning Commission and staff recommendations on the Climate Action Plan and Climate Action Plan Consistency Review Checklist. Additionally, have discussion on the overall approach to updating the Climate Action Plan and then return for a public hearing and adoption at a future meeting date.

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

16. **GRAND AVENUE VISION PLAN - PHASE I PROJECT UPDATE -**

Request the City Council receive a presentation on the status of the Grand Avenue Vision Plan - Phase I project.

Staff Recommendation: **None (Engineering Services Department: Julie Procopio)**

FUTURE AGENDA

17. **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.

- **WEEKLY ACTIVITY REPORT -**

ORAL COMMUNICATIONS

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

ADJOURNMENT

UPCOMING MEETING SCHEDULE

Date	Day	Time	Meeting Type	Location
February 17	-	-	No Meeting (President's Day)	-
February 24	-	-	No Meeting	-
March 3	Wednesday	5:00 & 6:00 p.m.	State of the City Video and Regular Meeting	Council Chambers
March 10	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, 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.



A F F I D A V I T S

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I T E M

P O S T I N G



CITY COUNCIL STAFF REPORT

Consent Item No. 2

February 10, 2021

File No. 0400-40

SUBJECT: Approval of Warrants

DEPARTMENT: Finance Department

RECOMMENDATION:

Request approval for City Council and Housing Successor Agency warrant numbers 349622 – 349826 dated January 27, 2021.

FISCAL ANALYSIS:

The total amount of the warrants for the period of January 21 – January 27, 2021, is \$ 2,577,880.69.

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.

**January 27, 2021
6:00 P.M. Meeting**

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 6:00 p.m. on January 27, 2021 via video conference and in the City Council Chambers with Mayor McNamara presiding.

MOMENT OF REFLECTION

Zack Beck, City Clerk led the Moment of Reflection

FLAG SALUTE

Michael McGuinness, City Attorney, led the Flag Salute

ATTENDANCE

The following members were present: Councilmember Joe Garcia, Councilmember Tina Inscoe, Councilmember Consuelo Martinez, Deputy Mayor Michael Morasco, and Mayor Paul McNamara. Quorum present.

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

ORAL COMMUNICATIONS

Annabel Corona – Asked what is being done to provide food to needy children in the community.

Damaris Bermudez – Requested that the City do more to enforce COVID-19 safety protocols.

Gloria Conejo – Requested that the City do more to enforce COVID-19 safety protocols.

CONSENT CALENDAR

MOTION: Moved by Councilmember Martinez and seconded by Deputy Mayor Martinez to approve all Consent Calendar items, except 5, 6 and 9. Approved unanimously.

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

2. APPROVAL OF WARRANT REGISTER (Council)

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

- 349155 – 349312 dated January 6, 2021
- 349313 – 349453 dated January 13, 2021

Staff Recommendation: **Approval (Finance Department: Christina Holmes)**

3. APPROVAL OF MINUTES: Regular Meeting of January 13, 2021

4. THIRD AMENDMENT TO THE REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS FOR HERITAGE PARK APARTMENTS -

Request the City Council approve authorizing the Regulatory Agreement for Heritage Park Apartments located at 2549 E Valley Parkway, Escondido. (File Code No. 0600-10)

Staff Recommendation: **Approval (Finance Department: Christina Holmes)**

RESOLUTION NO. 2021-11

5. **MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF ESCONDIDO AND THE ESCONDIDO FIREFIGHTERS' ASSOCIATION – SAFETY AND NON-SAFETY BARGAINING UNIT -**

Request the City Council approve adopting Resolution No. 2021-13 for a successor Fire Bargaining Unit contract and budget adjustment. (File Code No. 0740-30)

Staff Recommendation: **Approval (Human Resources Department: Jessica Perpetua)**

RESOLUTION NO. 2021-13

MOTION: Moved by Deputy Mayor Morasco and seconded by Councilmember Inscoe to approve adopting Resolution No. 2021-13 for a successor Fire Bargaining Unit contract and budget adjustment. Approved unanimously.

6. **MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF ESCONDIDO AND THE POLICE OFFICERS' ASSOCIATION - SWORN PERSONNEL BARGAINING UNIT -**

Request the City Council approve adopting Resolution No. 2021-12 for a successor Police-Sworn Bargaining Unit contract and budget adjustment. (File Code No. 0740-30)

Staff Recommendation: **Approval (Human Resources Department: Jessica Perpetua)**

RESOLUTION NO. 2021-12

MOTION: Moved by Councilmember Inscoe and seconded by Councilmember Garcia to approve adopting Resolution No. 2021-12 for a successor Police-Sworn Bargaining Unit contract and budget adjustment. Approved unanimously.

7. **UPDATES TO THE SPRUCE STREET-ETC-ATC PROJECT: 1) BUDGET ADJUSTMENT AND 2) SECOND AMENDMENT TO THE CONSULTING AGREEMENT WITH MICHAEL BAKER INTERNATIONAL -**

Request the City Council approve a transfer of \$140,000 from the Permitted Channel Maintenance Capital Improvement Project to the Spruce Street Channel CIP to cover construction and site oversight costs through the end of Fiscal Year 2020-21 and adopt Resolution No. 2021-15 to amend the Michael Baker International Qualified Stormwater Professional contract through the end of the project. (File Code No. 0600-10; A-3200)

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

RESOLUTION NO. 2021-15

8. **INDEPENDENT REDISTRICTING COMMISSION BUDGET AND BUDGET ADJUSTMENT -**

Request the City Council approve the proposed Independent Redistricting Commission budget in the amount of \$200,000 to pay for an expert consultant, translation and publication of public hearing notices, interpretation services and miscellaneous staff expenses. (File Code No. 0430-10)

Staff Recommendation: **Approval (City Clerk Department: Zack Beck)**

Penn Diehl – Requested that the redistricting process take place in a transparent manner with community input.

9. **AMENDMENT TO CHAPTER 2 OF THE ESCONDIDO MUNICIPAL CODE TO MOVE THE CLOSED SESSION MEETING AND REGULAR CITY COUNCIL MEETING TIMES -**

Request the City Council approve amending Section 2-21(a) of the Escondido Municipal Code to move Closed Session Meetings to 4:00 p.m. and Regular City Council Meetings to 5:00 p.m. (File Code No. 0680-10)

Staff Recommendation: **Approval (City Clerk Department: Zack Beck)**

- a) RESOLUTION NO. 2021-22
- b) ORDINANCE NO. 2021-03 (First Reading and Introduction)

Penn Diehl – Expressed opposition to this item.

MOTION: Moved by Councilmember Inscoe and seconded by Deputy Mayor Morasco to approve amending Section 2-21(a) of the Escondido Municipal Code to move Closed Session Meetings to 4:00 p.m. and Regular City Council Meetings to 5:00 p.m. Approved 3-2 (Martinez, McNamara - No)

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

10. **A SERIES OF ACTIONS TO IMPLEMENT THE PALOMAR HEIGHTS PROJECT – SUB 18-0011, PHG 18-0049, AND ENV 18-0009 -**

Request the City Council approve certifying an Environmental Impact Report, approve a Specific Plan Amendment ("Downtown Specific Plan") and Planned Development Permit ("Master and Precise Development Plan"), and adopt Resolution 2021-17, approving a General Plan Amendment ("Mobility and Infrastructure Element"), Density Transfer Agreement, Grading Exemptions, Specific Alignment Plans ("Valley Boulevard and N. Fig Street"), Tentative Subdivision Map, and non-emergency demolition permit for the Palomar Heights Project located at 555 E. Valley Parkway and surrounding properties. (File Code No. 0670-70)

Staff Recommendation: **Approval (Community Development Department: Mike Strong)**

a) RESOLUTION NO. 2021-16 and 2021-17

b) ORDINANCE NO. 2021-02 (First Reading and Introduction)

Alex Jise – Expressed support for the project.

Alex MacLachlan – Expressed support for the project.

Amalia Rodas – Expressed opposition for the project.

Betsy Rosales Avalos – Expressed opposition for the project.

Brandon Keith – Expressed support for the project.

Brian Bonar – Expressed support for the project.

Brian Williams – Expressed support for the project.

Carol Rea – Expressed opposition for the project.

Chris Nava – Expressed support for the project.

Chris Thien – Expressed support for the project.

Danielle Coony – Expressed opposition for the project.

Danielle Polson – Expressed opposition for the project.

Diane Hansen – Expressed support for the project.

Danielle Polson – Expressed opposition for the project.

Don Zech – Expressed support for the project.

Erik Bruvold – Expressed support for the project.

Erin Peet – Expressed opposition for the project.

George Weir – Expressed opposition for the project.

Gloria Conjeo – Expressed opposition for the project.
Greg Mills – Expressed support for the project.
Haley Wonsley – Expressed support for the project.
Heather Thelen – Expressed support for the project.
Heidi Erickson – Expressed opposition for the project.
James Rowten – Expressed support for the project.
Jerry Sanders – Expressed support for the project.
Joe Houde – Expressed opposition for the project.
John Schwabb – Expressed support for the project.
Juan Vargas – Expressed opposition for the project.
Ken Erickson – Expressed opposition for the project.
Kirk Effinger – Expressed support for the project.
Laura Hunter – Expressed opposition for the project.
Maria Bowman – Expressed opposition for the project.
Marianne Grisez – Expressed opposition for the project.
Mark Skovorodko – Expressed opposition for the project.
Mike McSweeney – Expressed support for the project.
Penn Diehl – Expressed opposition for the project.
Ravi Gopinathan – Expressed support for the project.
Robroy Fawcett – Expressed opposition for the project.
Sharon Sanders – Expressed opposition for the project.
Steve Nelson – Expressed opposition for the project.
Taylor Thompson – Expressed support for the project.
Wally Guitierrez – Expressed opposition for the project.
Walter Heiberg – Expressed support for the project.
Zachary MacQuarrie – Expressed support for the project.

MOTION: Moved by Deputy Mayor Morasco and seconded by Councilmember Inscoe to approve the Project with the additional staff and applicant recommendation regarding the equipment, as well as the inclusion of Section 4, which staff has approved. Approved 3-2 (McNamara, Martinez – No)

MOTION: Moved by Councilmember Garcia and seconded by Deputy Mayor Morasco to approve option 4 exempting Palomar Heights as a pipeline project. Approved 3-2 (Martinez, McNamara - No)

FUTURE AGENDA

11. FUTURE AGENDA -

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

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

Councilmember Martinez – COVID-19 enforcement update.

COUNCIL MEMBERS SUBCOMMITTEE REPORTS AND OTHER REPORTS

Councilmember Inscoe – Attended a San Dieguito River Park JPA meeting.

Councilmember Martinez – Attended a San Diego County Water Authority meeting.

CITY MANAGER'S WEEKLY ACTIVITY REPORT

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

- **WEEKLY ACTIVITY REPORT -**

ORAL COMMUNICATIONS

None.

ADJOURNMENT

Mayor McNamara adjourned the meeting at 9:36 p.m.

MAYOR

CITY CLERK

CITY COUNCIL STAFF REPORT

Consent Item No. 4

February 10, 2021

File No. 0490-55

SUBJECT: Treasurer's Investment Report for the Quarter Ended December 31, 2020

DEPARTMENT: City Treasurer

RECOMMENDATION:

It is requested that the City Council receive and file the Quarterly Investment Report.

PREVIOUS ACTION:

The Investment Report for the quarter ended September 30, 2020, was filed with the City Clerk's Office on October 21, 2020 and presented to the City Council on October 28, 2020.

BACKGROUND:

The City of Escondido's ("City") Investment Policy requires the City Treasurer to submit a quarterly investment report to the City Council and City Manager. The quarterly investment report should include the type of investment, issuer, date of maturity, par and dollar amount invested and market value for each security held by the City. Details of the City's investment portfolio are included in the attached reports that are listed below:

- Summary of Investment Allocation as of December 31, 2020 (Attachment 1)
- Summary of Investment Portfolio Yield for the last 12 months (Attachment 2)
- Schedule of Funds Managed by Outside Parties as of December 31, 2020 (Attachment 3)
- PFM's Investment Performance Review as of December 31, 2020 (Attachment 4)

PFM Asset Management Firm was onboarded as the City's Investment Advisor in May 2019. In their Investment Performance Review (Attachment 4) you will find a Market Update, the City's Portfolio Strategy and Performance, Issuer Distributions, Portfolio Distributions and Portfolio Holdings. The Summary of Investment Allocation (Attachment 1) and the Summary of Investment Portfolio Yield for the last 12 months (Attachment 2) shows the total investment portfolio including funds in LAIF, CAMP, Stone Castle, and our money market account with BNY.

From October 1, 2020 to December 31, 2020, the City's investment portfolio increased from \$147 million to \$161.1 million. The adjusted average annual yield decreased from 1.668 percent to 1.433 percent with the portfolio duration at 2.63. An excess of cash receipt inflows over cash payment outflows for the quarter resulted in an increase of \$14.1 million in the book value of the investment portfolio.

There are adequate funds to meet the next six-month's expected expenditures. As of December 31, 2020, the City complies with all requirements of the City's Investment Policy.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

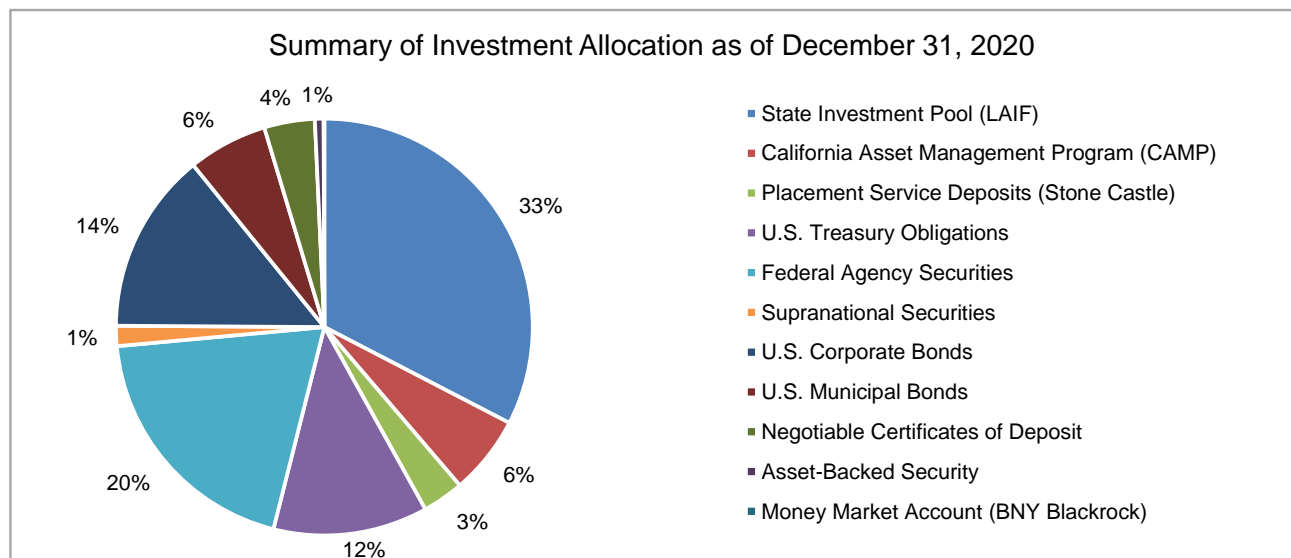
Douglas W. Shultz, City Treasurer
02/04/21 9:00 a.m.

ATTACHMENTS:

1. Attachment 1 – Summary of Investment Allocation as of December 31, 2020
2. Attachment 2 – Summary of Investment Portfolio Yield for the last 12 months
3. Attachment 3 – Schedule of Funds Managed by Outside Parties as of December 31, 2020
4. Attachment 4 – Investment Performance Review for the Quarter Ended December 31, 2020

City of Escondido
Summary of Investment Allocation
as of December 31, 2020

Investment Type	Book Value	Market Value	Percent of Portfolio at Market
State Investment Pool (LAIF)	\$ 53,284,617	\$ 53,284,617	32.61%
California Asset Management Program (CAMP)	10,012,866	10,012,866	6.13%
Placement Service Deposits (Stone Castle)	5,244,075	5,244,075	3.21%
U.S. Treasury Obligations	19,125,225	19,587,967	11.99%
Federal Agency Securities	31,612,581	32,032,141	19.60%
Supranational Securities	2,510,259	2,561,717	1.57%
U.S. Corporate Bonds	21,917,100	22,991,095	14.07%
U.S. Municipal Bonds	9,922,637	10,089,882	6.17%
Negotiable Certificates of Deposit	6,280,000	6,410,850	3.92%
Asset-Backed Security	1,104,860	1,108,656	0.68%
Money Market Account (BNY Blackrock)	85,982	85,982	0.05%
Total Investment Portfolio - December 2020	\$ 161,100,202	\$ 163,409,848	100%
Reported Total Investments - September 2020	\$ 147,000,670	\$ 149,569,252	
Change from Prior Quarter	\$ 14,099,532	\$ 13,840,596	
Portfolio Duration	2.63		



CITY OF ESCONDIDO SUMMARY OF INVESTMENT PORTFOLIO YIELDS FOR THE LAST 12 MONTHS As of December 31, 2020		
<u>Date</u>	<u>Book Value</u>	<u>Yield</u>
Dec-20	\$161,100,201.57	0.998%
Nov-20	\$147,388,852.63	1.121%
Oct-20	\$147,276,483.89	1.137%
Sep-20	\$147,000,670.24	1.187%
Aug-20	\$146,666,559.63	1.265%
Jul-20	\$149,438,614.04	1.308%
Jun-20	\$175,691,467.98	1.395%
May-20	\$169,745,327.26	1.475%
Apr-20	\$151,804,259.67	1.590%
Mar-20	\$151,545,222.69	1.819%
Feb-20	\$150,033,673.99	1.939%
Jan-20	\$145,872,100.79	1.966%
Average Portfolio Interest Yields		1.433%

** Includes Assets managed by PFM, LAIF, and Stone Castle.*

Attachment 3

CITY OF ESCONDIDO
FUNDS MANAGED BY OUTSIDE PARTIES
As of December 31, 2020

Type of Funds / Institution	Market Value	Interest Rate	Type of Investment
<u>BOND FUNDS</u>			
BANK OF NEW YORK:			
1998-1 Rancho San Pasqual Assessment District	\$ 353,547.66	0.010%	Treasury
2012 Water Bond	3.01	0.000%	Treasury
2012 Wastewater Bond	0.88	0.000%	Treasury
2013 JPFA Reidy Creek Lease Revenue Bonds (2001 Refunding)	1.17	0.000%	Treasury
2013 Community Facility District - Hidden Trails (2001 Refunding)	0.16	0.000%	Treasury
2015 Community Facility District - Eureka Ranch (2006 Refunding)	114.56	0.000%	Cash/Treasury
2015A Wastewater Bond (2004A Refunding)	828.29	0.030%	Dreyfus Cash Management Fund
2015B Wastewater Bond (2004B Refunding)	313.40	0.030%	Dreyfus Cash Management Fund
	<u>\$ 354,809.13</u>		
<u>SECTION 115 TRUST FUNDS</u>			
PUBLIC AGENCY RETIREMENT SERVICES:			
PARS Post-Employment Benefits Trust	\$14,752,541.21		Moderately Conservative HighMark PLUS
TOTAL FUNDS MANAGED BY OUTSIDE PARTIES	<u><u>\$ 15,107,350.34</u></u>		



CITY OF ESCONDIDO

Investment Performance Review For the Quarter Ended December 31, 2020

Client Management Team

PFM Asset Management LLC

Richard Babbe, CCM, Senior Managing Consultant

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213 Market Street

Robert Cheddar, CFA, Managing Director

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949-230-6896

717-232-2723

Jeremy King, Key Account Manager

Market Update

QUARTERLY MARKET SUMMARY

SUMMARY

- In Q4, U.S. economic conditions were impacted by: (1) a resurgence in global coronavirus cases causing the reintroduction of some lockdown measures; (2) expedited vaccine approval initiatives but challenging logistics surrounding mass inoculation; (3) a contentious U.S. presidential election resulting in the election of Joe Biden; (4) months of filibustering over a second stimulus package that eventually passed in December; and (5) moderating labor market and consumer spending data.
- The economic outlook remains uncertain, between the pace and efficacy of the global vaccine rollout and a major resurgence of virus cases.
- Political turmoil in the U.S. adds to the unpredictability, but, remarkably, the markets have largely discounted the downside. Underlying the recent low market volatility is confidence in the Federal Reserve (Fed) and global central banks that have supported economic stability and expansion.
- The Fed reaffirmed its commitment to utilize the full scope of its monetary authority until a full economic recovery is achieved. It kept short-term rates in their current range of 0.00% to 0.25% and committed to continue its plans to buy \$80 billion in Treasury securities and \$40 billion in agency mortgage-backed securities (MBS) monthly. Due to the economic progress to date, the Fed also released more optimistic expectations for 2021, lowering its unemployment rate projection to 5.0% by year end and raising its forecast for real gross domestic product (GDP) to 4.2% for the upcoming year. After Joe Biden's election as the next U.S. president, Janet Yellen was nominated to be the next Treasury Secretary, which should provide a more welcoming approach to further COVID-related fiscal support.
- Amidst a tumultuous year, domestic equity markets continued to surge ahead with the Dow Jones, S&P 500, and Nasdaq posting new record highs during the quarter. U.S. small-cap stocks had a remarkably strong fourth quarter. International and emerging market returns were also robust despite the economic impact of the resurging virus.

ECONOMIC SNAPSHOT

- After an unprecedented 31.4% contraction in Q2, U.S. GDP rebounded at a record pace in Q3, rising 33.4%. Despite this, economic output remains about 3.5% below its level at the close of 2019. The labor market recovery slowed in Q4, with non-farm payrolls falling 140,000 in December as surging COVID-19 cases stymied the recovery. The unemployment rate ended the year at 6.7%, down from 7.8% at the beginning of the quarter, but overall employment remains nine million less than pre-pandemic. Weekly unemployment filings remained elevated—above 700,000 for 40 straight weeks—while the number of long-term unemployed (for 27 weeks or more) increased to four million during the quarter, representing 37% of the total unemployed population.
- After a strong V-shaped bounce-back earlier in the year, both consumer confidence and retail sales fell in Q4. U.S. manufacturing and services activity, however, continued to rebound. The Markit Manufacturing PMI climbed for an eighth straight month to 57.1 to close out the year—well above the reading of 50 that signals expansion. The housing market also remained strong, although both new and existing homes sales cooled slightly by quarter end. Historically low mortgage rates continue to underpin housing demand and drive home prices higher.

INTEREST RATES

- Shorter-term Treasury yields remained low in Q4, anchored by the Fed's near-zero interest rate policy. Longer-term Treasury yields rose sharply, steepening the curve and increasing the spread between the yield on 10- and 2-year Treasuries to 0.79% at year-end—a three-year high. The bond market appears to be looking beyond the current economic challenges and focusing more on the outlook for stronger growth later in the year and a potential rise in inflation. The vaccine rollout has pulled forward some of that optimism, while the prospects for additional fiscal stimulus and deficit spending from the new administration has increased.
- At quarter-end, the yield on a 3-month Treasury Bill stood at 0.07%, the 2-year note was 0.12%, the 5-year was 0.36%, while the 10- and 30-year were 0.92% and 1.65%, respectively. The 10-year Treasury was up 23 bps (0.23%) during the quarter.
- As a result of low rates and a steeper yield curve, Treasury index returns were mixed. Short-term Treasury benchmarks (5 years and under) ended the quarter with slightly positive returns, while longer-duration indices were notably negative, but were strongly positive for the year. For example, the 3-month constant-maturity U.S. Treasury Index returned 0.03%, while the 2-year returned 0.06%, the 5-year benchmark returned -0.22%, while the 10- and 30-year benchmark notes returned -1.91% and -4.21%, respectively.

SECTOR PERFORMANCE

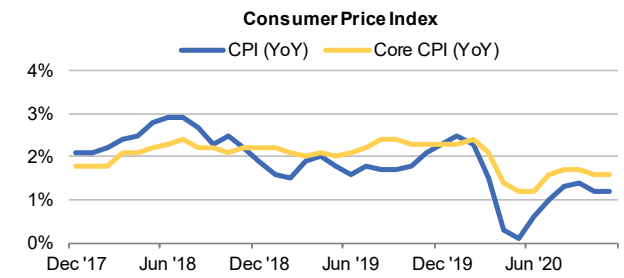
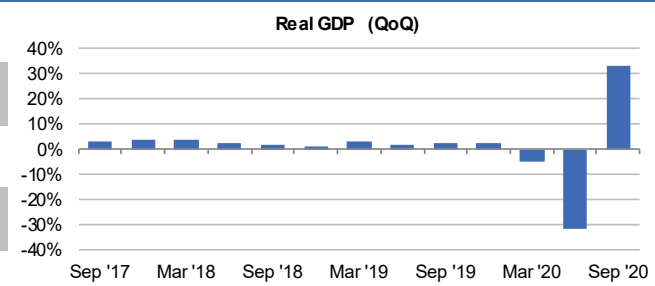
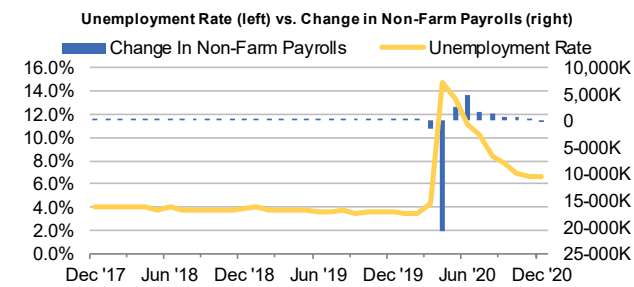
- Yield spreads continued to narrow in Q4, albeit at a more modest pace, having retraced to pre-COVID levels in most sectors. Broad portfolio diversification was additive to portfolio performance in Q4 as most investment-grade (IG) fixed income sectors generated incremental returns relative to Treasuries.
- Federal agency yield spreads snapped back to pre-pandemic levels across the curve and generated attractive excess returns relative to similar-duration U.S. Treasuries. Callable agency yield spreads were historically narrow in Q4 and offered little value.
- The IG corporate sector continued to be a top performer as yield spreads returned to the tight spreads of the recovery phase following the brief bout of volatility at the end of Q3. Credit spreads continued to compress, leading to a third consecutive quarter of relative outperformance versus comparable maturity U.S. Treasuries, with the rally largely led by BBB-rated issues. The corporate sector continues to benefit from insatiable demand for yield, strong Fed monetary support, and optimism about the economy.
- The asset-backed securities sector performed well in Q4 as spreads tightened and approached the record lows of early 2020. Strong collateral performance and better-than-expected macroeconomic data contributed to the sector's outperformance compared to similar duration Treasuries. Light issuance in Q4 had strong investor demand, while credit card structures modestly outperformed auto-loan backed deals.
- After struggling for much of the year due to heightened prepayments, the broad agency MBS sector generated positive excess returns. MBS continue to experience elevated prepayments and refinancing activity, the result of persistently low mortgage rates. Within the agency MBS sector, commercial MBS was a top performer, with strong positive excess returns due to heightened investor demand and significantly less prepayment impact compared to pass-through MBS.
- In short-term money markets, rates are expected to remain low for the foreseeable future. Commercial paper and negotiable bank CD yield spreads widened a bit in Q4, providing a chance for short-term investors to capture incremental yield, but supply continues to decline.

Economic Snapshot

Labor Market		Latest	Sep '20	Dec '19
Unemployment Rate	Dec '20	6.7%	7.8%	3.6%
Change In Non-Farm Payrolls	Dec '20	-140,000	711,000	184,000
Average Hourly Earnings (YoY)	Dec '20	5.1%	4.7%	3.0%
Personal Income (YoY)	Nov '20	3.8%	6.4%	2.9%
Initial Jobless Claims (week)	1/2/21	787,000	849,000	220,000

Growth		Latest	Sep '20	Dec '19
Real GDP (QoQ SAAR)	2020Q3	33.4%	-31.4% ¹	2.6% ²
GDP Personal Consumption (QoQ SAAR)	2020Q3	41.0%	-33.2% ¹	2.7% ²
Retail Sales (YoY)	Nov '20	4.1%	6.1%	5.6%
ISM Manufacturing Survey (month)	Dec '20	60.7	55.4	47.8
Existing Home Sales SAAR (month)	Nov '20	6.69 mil.	6.57 mil.	5.53 mil.

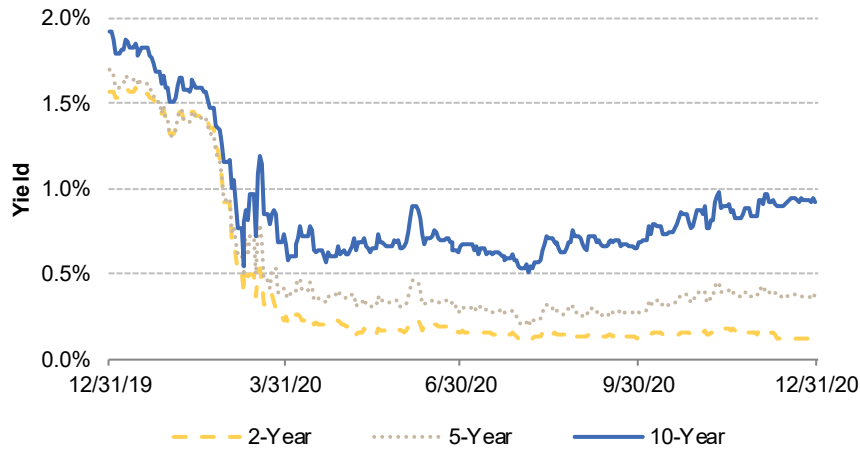
Inflation / Prices		Latest	Sep '20	Dec '19
Personal Consumption Expenditures (YoY)	Nov '20	1.1%	1.4%	1.6%
Consumer Price Index (YoY)	Nov '20	1.2%	1.4%	2.3%
Consumer Price Index Core (YoY)	Nov '20	1.6%	1.7%	2.3%
Crude Oil Futures (WTI, per barrel)	Dec 31	\$48.52	\$40.22	\$61.06
Gold Futures (oz.)	Dec 31	\$1,895	\$1,888	\$1,523



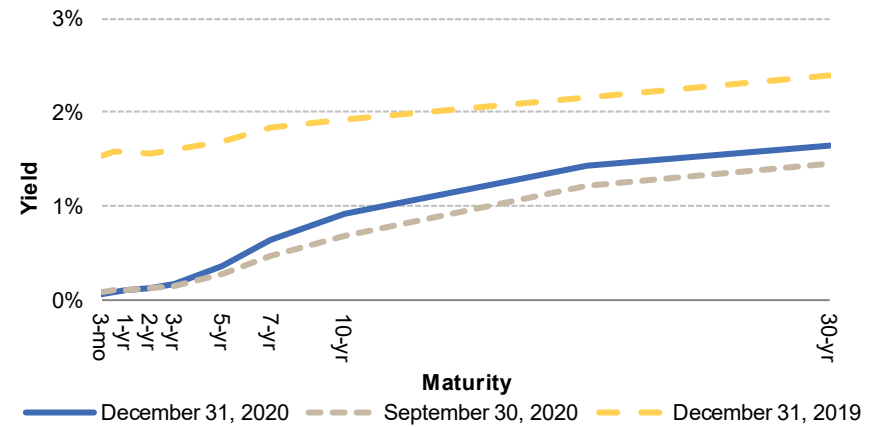
1. Data as of Second Quarter 2020.
 2. Data as of Third Quarter 2019.
 Note: YoY = year-over-year, QoQ = quarter-over-quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.
 Source: Bloomberg.

Interest Rate Overview

U.S. Treasury Note Yields



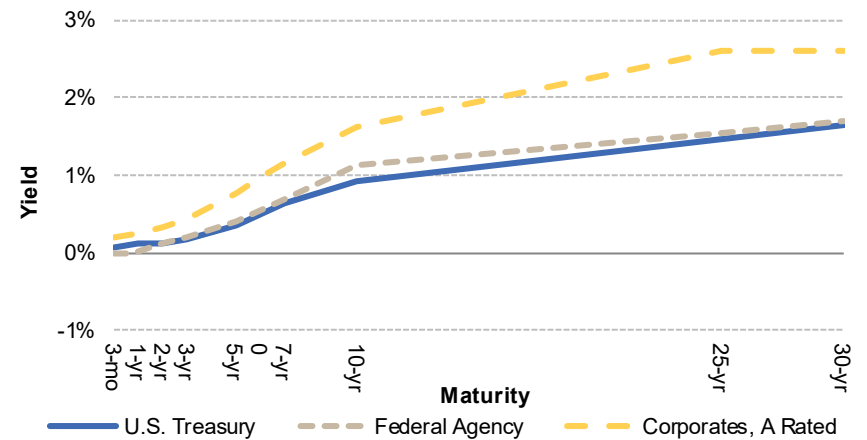
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Dec '20	Sep '20	Change over Quarter	Dec '19	Change over Year
3-Month	0.07%	0.10%	(0.03%)	1.55%	(1.48%)
1-Year	0.11%	0.12%	(0.01%)	1.58%	(1.47%)
2-Year	0.12%	0.13%	(0.01%)	1.57%	(1.45%)
5-Year	0.36%	0.28%	0.08%	1.69%	(1.33%)
10-Year	0.92%	0.69%	0.23%	1.92%	(1.00%)
30-Year	1.65%	1.46%	0.19%	2.39%	(0.74%)

Yield Curves as of 12/31/2020



Source: Bloomberg.

ICE BofAML Index Returns

December 31, 2020	As of 12/31/2020		Returns for Periods ended 12/31/2020		
	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.90	0.13%	0.05%	3.10%	2.74%
Federal Agency	1.77	0.17%	0.13%	2.67%	2.64%
U.S. Corporates, A-AAA rated	1.81	0.42%	0.46%	3.98%	3.52%
Agency MBS (0 to 3 years)	2.19	0.98%	0.41%	4.24%	4.01%
Taxable Municipals	1.69	1.16%	0.80%	4.08%	3.68%
1-5 Year Indices					
U.S. Treasury	2.66	0.18%	0.02%	4.25%	3.31%
Federal Agency	2.31	0.24%	0.17%	3.35%	2.94%
U.S. Corporates, A-AAA rated	2.70	0.57%	0.71%	5.41%	4.27%
Agency MBS (0 to 5 years)	1.91	0.81%	0.30%	3.64%	3.41%
Taxable Municipals	2.79	0.92%	0.69%	4.54%	3.94%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	7.47	0.60%	(0.91%)	8.22%	5.28%
Federal Agency	3.94	0.50%	0.04%	5.75%	4.30%
U.S. Corporates, A-AAA rated	8.72	1.51%	2.01%	9.84%	6.72%
Agency MBS (0 to 30 years)	2.12	0.85%	0.33%	4.09%	3.84%
Taxable Municipals	11.60	2.41%	1.58%	11.82%	7.92%

Returns for periods greater than one year are annualized.
 Source: ICE BofAML Indices.

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Investment Strategy & Portfolio Review

Portfolio Recap

- Our strategy for the fourth quarter encompassed the following:
 - Approaches carried forward from the third quarter: maintain allocations in most sectors, match benchmark's duration, and carefully manage risk considering various headwinds caused by the uneven and decelerating recovery.
 - Yield spreads returned to near pre-pandemic levels in most sectors at the same time that new supply waned. This limited new investment opportunities in the fourth quarter. As a result, Treasury allocations generally inched higher.
 - After months of consistent supply and attractive value in the federal agency sector, limited new issuance towards year-end slowed new purchases in the sector. However, meaningful additions in prior periods helped boost portfolio returns once again in the fourth quarter.
 - Agency mortgage-backed securities (MBS) remained a core holding. While the sector's performance was generally positive for the quarter, returns were a mixed bag for the year. Structure, age of issuance, and coupon level drove performance. Our preference to avoid securities with heightened prepayment risk continued to be beneficial for portfolio performance.
 - In the supranational sector, light seasonal issuance headlined a quiet close to the year. Excess returns were positive, adding modest value in the portfolio.
 - The taxable municipal sector remained abuzz as issuers continued to benefit from record-low borrowing rates. Although yield spreads narrowed significantly since March, new debt issued during the fourth quarter remained an attractive alternative to other government alternatives and even some high-quality corporate issuers. PFM continued to methodically increase municipal allocations through participation in a number of new deals.
 - Investment grade corporates outpaced the performance of most other sectors during the quarter. Corporates proved to be a valuable asset class for both the quarter and for all of 2020, despite significant market disruptions early in the year. Investors' strong demand for yield pushed spreads even tighter during the fourth quarter, which ended the year near 20-year lows.
 - Allocations of AAA-rated asset-backed securities (ABS) were maintained during the final months of 2020. The sector posted strong absolute and relative returns for both the fourth quarter and the calendar year while providing diversification and incremental income to portfolios. The combination of quiet new issuance towards year end and robust demand limited new opportunities in the sector.

Sector Allocation & Compliance

- The portfolio is in compliance with the City's Investment Policy and the California Government Code.

Security Type	Market Value as of 12/31/20	% of Portfolio	% Change vs. 9/30/20	Permitted by Policy	In Compliance
U.S. Treasury	\$19,587,967	20.6%	5.9%	100%	✓
Federal Agency	\$29,260,836	30.8%	-9.2%	100%	✓
Agency CMOs	\$2,771,305	2.9%	< -0.1%	100%	✓
Supranationals	\$2,561,717	2.7%	0.7%	30%	✓
Municipal Obligations	\$10,089,882	10.6%	3.5%	40%	✓
Asset-Backed	\$1,108,656	1.2%	< 0.1%	20%	✓
Certificates of Deposits	\$6,410,850	6.8%	-0.8%	30%	✓
Corporate Notes	\$22,991,095	24.2%	-0.1%	30%	✓
Securities Total	\$94,782,307	99.9%			
Accrued Interest	\$391,185				
Securities Total	\$95,173,492				
Money Market Fund	\$85,982	0.1%	< 0.1%	20%	✓
Total Investments	\$95,259,473	100%			

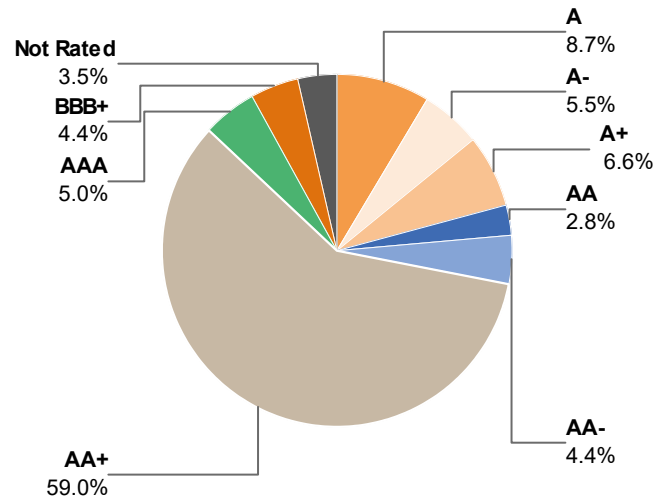
Market values, excluding accrued interest. Detail may not add to total due to rounding. Current investment policy as of May 2020.

Portfolio Statistics

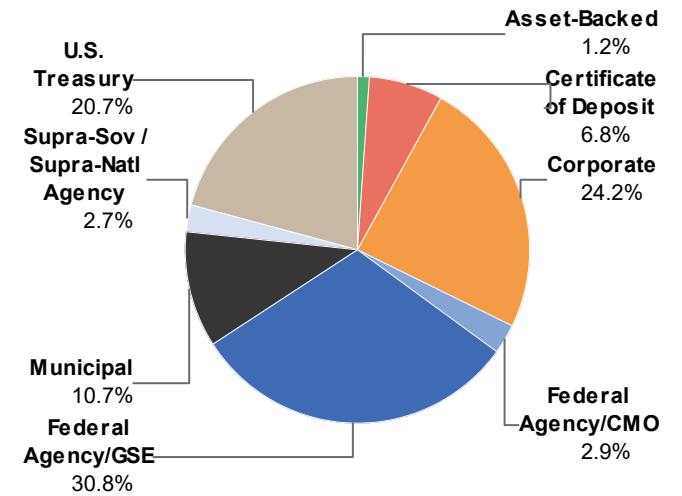
As of December 31, 2020

Par Value:	\$91,595,157
Total Market Value:	\$95,259,473
Security Market Value:	\$94,782,307
Accrued Interest:	\$391,185
Cash:	\$85,982
Amortized Cost:	\$92,472,662
Yield at Market:	0.37%
Yield at Cost:	1.41%
Effective Duration:	2.63 Years
Average Maturity:	2.74 Years
Average Credit: *	AA

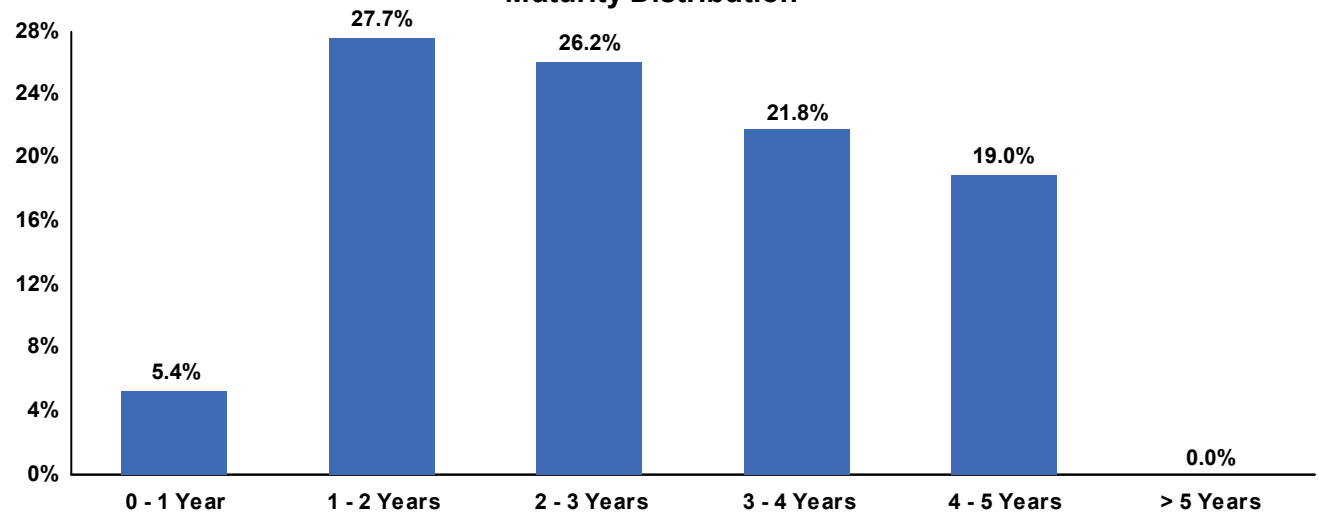
Credit Quality (S&P Ratings)**



Sector Allocation



Maturity Distribution

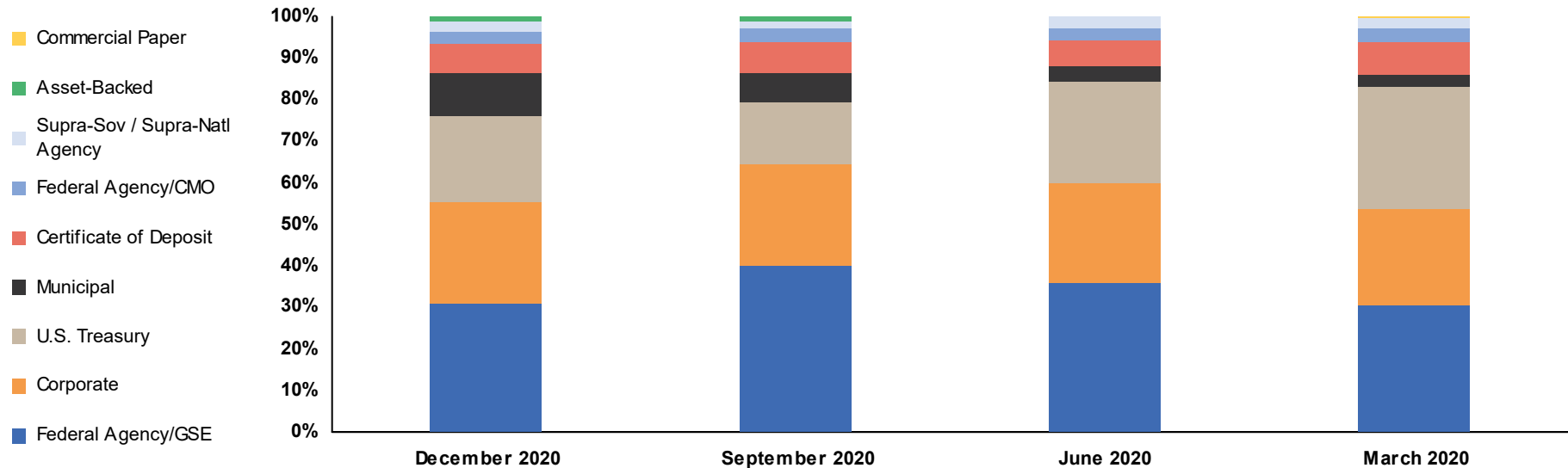


* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

**Securities held in the City's portfolio are in compliance with California Government Code and the City's investment policy dated May 2020.

Sector Allocation

Sector	December 31, 2020		September 30, 2020		June 30, 2020		March 31, 2020	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
Federal Agency/GSE	29.3	30.8%	37.9	39.9%	33.8	36.1%	26.4	30.7%
Corporate	23.0	24.2%	23.0	24.4%	22.3	23.8%	19.6	22.8%
U.S. Treasury	19.6	20.7%	14.0	14.8%	22.8	24.3%	25.3	29.3%
Municipal	10.1	10.7%	6.7	7.1%	3.5	3.7%	2.8	3.3%
Certificate of Deposit	6.4	6.8%	7.2	7.6%	5.8	6.2%	6.5	7.5%
Federal Agency/CMO	2.8	2.9%	2.8	3.0%	2.8	3.0%	2.8	3.3%
Supra-Sov / Supra-Natl Agency	2.6	2.7%	1.9	2.0%	2.7	2.9%	2.3	2.7%
Asset-Backed	1.1	1.2%	1.1	1.2%	0.0	0.0%	0.0	0.0%
Commercial Paper	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.4	0.4%
Total	\$94.8	100.0%	\$94.6	100.0%	\$93.8	100.0%	\$86.1	100.0%

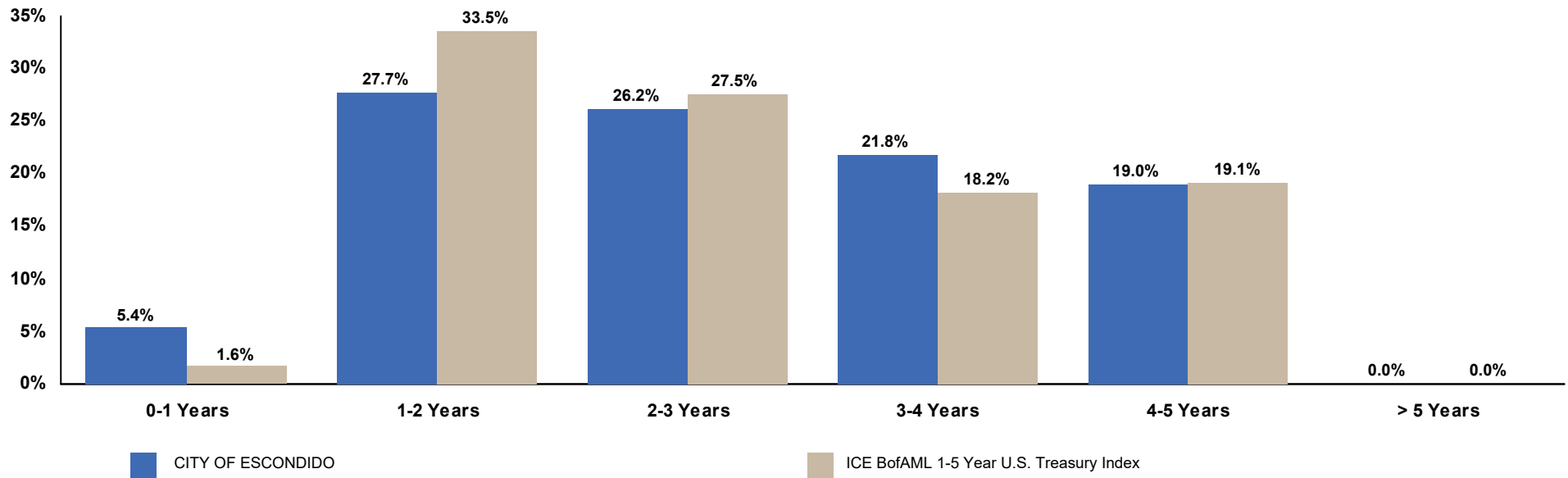


Detail may not add to total due to rounding.

Maturity Distribution

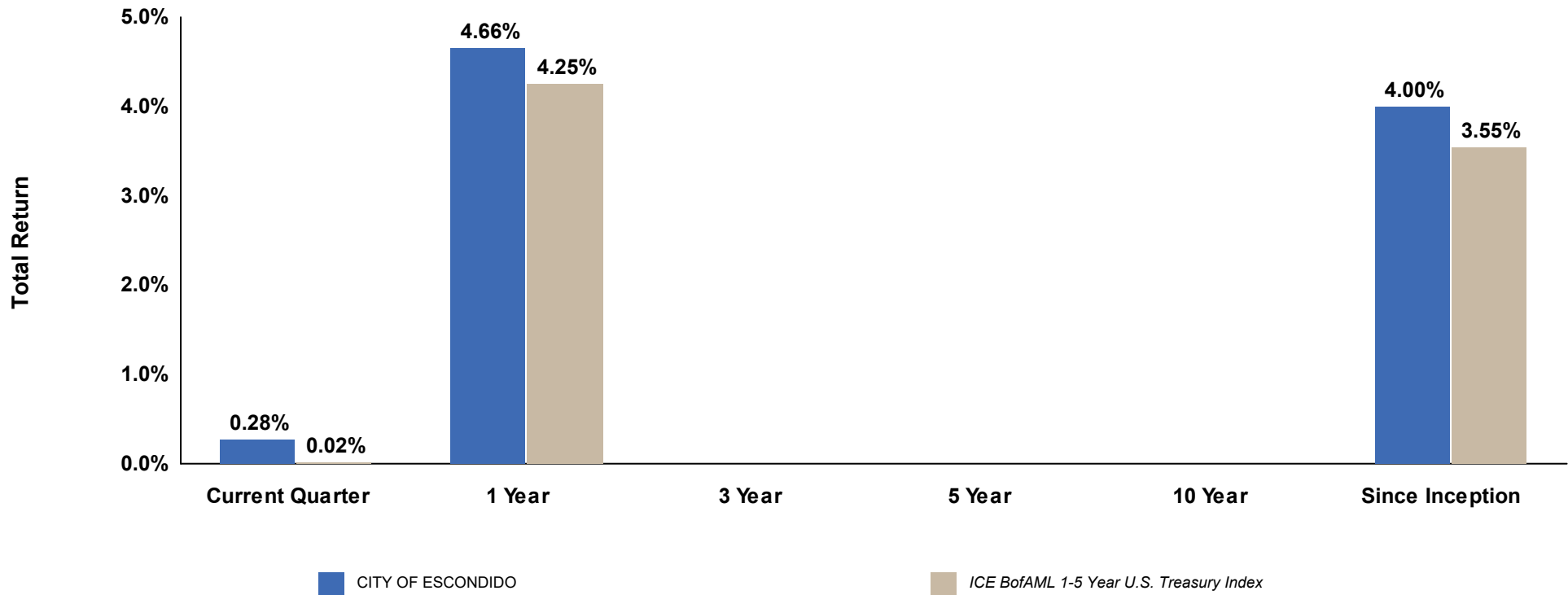
As of December 31, 2020

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF ESCONDIDO	0.37%	2.74 yrs	5.4%	27.7%	26.2%	21.8%	19.0%	0.0%
ICE BofAML 1-5 Year U.S. Treasury Index	0.18%	2.73 yrs	1.6%	33.5%	27.5%	18.2%	19.1%	0.0%



Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			
				3 Year	5 Year	10 Year	Since Inception (06/30/19)
CITY OF ESCONDIDO	2.63	0.28%	4.66%	-	-	-	4.00%
ICE BofAML 1-5 Year U.S. Treasury Index	2.59	0.02%	4.25%	-	-	-	3.55%
Difference		0.26%	0.41%	-	-	-	0.45%



Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Earnings*Quarter-Ended December 31, 2020*

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (09/30/2020)	\$94,614,719.35	\$92,046,135.22
Net Purchases/Sales	\$320,292.56	\$320,292.56
Change in Value	(\$152,705.07)	\$106,233.97
Ending Value (12/31/2020)	\$94,782,306.84	\$92,472,661.75
Interest Earned	\$412,992.70	\$412,992.70
Portfolio Earnings	\$260,287.63	\$519,226.67

Investment Strategy Outlook

- As 2020 ends, the uncertainties of 2021 now come into focus. Significant central bank intervention is expected to continue, and we expect interest rates will remain low for the foreseeable future. The speed of vaccine rollouts will ultimately drive the pace of the anticipated “return to normalcy.” Considering the economic uncertainties that remain, we plan on maintaining the portfolio’s neutral duration position relative to the benchmark.
- Our outlook for major investment-grade sectors includes the following:
 - Agencies: Strong demand for agency bonds has pushed incremental yield spreads in basis points down to single digits. While the portfolio currently includes larger allocations relative to prior years when spreads were consistently tight to similar-duration treasuries, in 2021 agency strategy will likely include reduced holdings of shorter maturities where spreads may be narrower while continued participation in attractive longer new issues.
 - Agency MBS: The combination of the 10-year Treasury yield near 1%, securities trading at a premium, and elevated refinancing activity creates challenges for the MBS sector. As a result, attractive investment opportunities may be limited. Like in other sectors, however, the portfolio’s allocation will be maintained as MBS can provide incremental income and diversification benefits.
 - Supranationals: Due to collapsed yield spreads, portfolio allocations stand near cyclical lows relative to historical levels. While expectations are tempered in 2021, we remain on the lookout for opportunities to add income relative to Treasuries and agencies, especially if issuance picks up in the first quarter of 2021 as forecasted.
 - Taxable Municipals: We continue to find value in the sector. As a result, we will continue to participate in new high-quality issues and increase the portfolio’s allocation while the sector remains attractive. Additional fiscal stimulus targeted to state and local governments would be a big credit positive should it occur under the new federal administration.
 - Corporates: Continued economic recovery, vaccine rollouts, and supportive monetary policies around the world serve as primary tailwinds. Due to incremental income potential, corporates will remain a core, long-term holding. We may look to add to the sector should spreads widen, however, this may be challenging, as market demand seems insatiable while issuance is expected to fall from the record new supply seen in 2020.
 - Asset-Backed Securities (ABS): ABS spreads are on the tighter side of their historical ranges. However, demand for ABS remains elevated as investors look for income return in high-quality sectors. New issuance is expected to be strong in 2021, and we will likely seek opportunities to purchase new, attractively-yielding AAA-rated issues to boost portfolio income-earning potential.

Issuer Distribution

Issuer Distribution
As of December 31, 2020

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	19,587,967	20.7%
FREDDIE MAC	12,929,677	13.6%
FANNIE MAE	12,702,531	13.4%
FEDERAL HOME LOAN BANKS	6,399,933	6.8%
INTER-AMERICAN DEVELOPMENT BANK	1,803,679	1.9%
BLACKROCK INC	1,559,793	1.7%
BANK OF AMERICA CO	1,548,304	1.6%
THE BANK OF NEW YORK MELLON CORPORATION	1,509,917	1.6%
TOYOTA MOTOR CORP	1,436,515	1.5%
STATE OF CONNECTICUT	1,331,002	1.4%
GOLDMAN SACHS GROUP INC	1,059,566	1.1%
SKANDINAVISKA ENSKILDA BANKEN AB	1,027,598	1.1%
NORDEA BANK ABP	1,027,434	1.1%
APPLE INC	978,071	1.0%
NEW YORK ST URBAN DEVELOPMENT CORP	946,399	1.0%
CREDIT SUISSE GROUP RK	941,690	1.0%
AMAZON.COM INC	918,239	1.0%
US BANCORP	899,032	1.0%

Top 5 = 56.4%

Top 10 = 64.2%

Issuer	Market Value (\$)	% of Portfolio
ABBOTT LABORATORIES	893,968	0.9%
CHARLES SCHWAB	887,042	0.9%
DEERE & COMPANY	880,800	0.9%
THE WALT DISNEY CORPORATION	879,727	0.9%
TRUIST FIN CORP	877,647	0.9%
VENTURA COUNTY COMM COLLEGE DISTRICT	873,454	0.9%
AMERICAN HONDA FINANCE	868,336	0.9%
AMERICAN EXPRESS CO	865,032	0.9%
CATERPILLAR INC	865,029	0.9%
SOCIETE GENERALE	858,866	0.9%
CITIGROUP INC	823,966	0.9%
MORGAN STANLEY	823,470	0.9%
INTL BANK OF RECONSTRUCTION AND DEV	758,037	0.8%
BRISTOL-MYERS SQUIBB CO	752,529	0.8%
CITY & COUNTY OF SAN FRANCISCO	751,418	0.8%
FLORIDA STATE BOARD OF ADMIN FIN CORP	720,996	0.8%
COMCAST CORP	697,830	0.7%
UNITEDHEALTH GROUP INC	675,961	0.7%
DNB ASA	657,490	0.7%
STATE OF WISCONSIN	645,677	0.7%
CHEVRON CORPORATION	644,237	0.7%

Issuer	Market Value (\$)	% of Portfolio
TAMALPAIS UNION HIGH SCHOOL DISTRICT	641,261	0.7%
SUMITOMO MITSUI FINANCIAL GROUP INC	636,668	0.7%
PNC FINANCIAL SERVICES GROUP	635,982	0.7%
JP MORGAN CHASE & CO	630,375	0.7%
SAN DIEGO COUNTY WATER AUTHORITY	483,725	0.5%
PALOMAR COMMUNITY COLLEGE DISTRICT	441,082	0.5%
LOS ANGELES COMMUNITY COLLEGE DISTRICT	415,371	0.4%
SAN JUAN UNIFIED SCHOOL DISTRICT	413,614	0.4%
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT	405,911	0.4%
UNIVERSITY OF CALIFORNIA	380,861	0.4%
STATE OF MARYLAND	375,731	0.4%
PACCAR FINANCIAL CORP	363,609	0.4%
LONG BEACH COMMUNITY COLLEGE DISTRICT	363,391	0.4%
GM FINANCIAL SECURITIZED TERM	301,021	0.3%
STATE OF MINNESOTA	276,851	0.3%
ORACLE CORP	259,825	0.3%
SAN DIEGO COMMUNITY COLLEGE DISTRICT	258,833	0.3%
FOCUS BANK	254,358	0.3%
BENEFICIAL BANK	253,666	0.3%
CAPITAL ONE FINANCIAL CORP	252,769	0.3%
MEDALLION BANK UTAH	247,421	0.3%

CITY OF ESCONDIDO

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
NEW YORK & NEW JERSEY PORT AUTHORITY	243,540	0.3%
NISSAN AUTO LEASE TRUST	220,288	0.2%
CARMAX AUTO OWNER TRUST	206,131	0.2%
PEPSICO INC	202,502	0.2%
STATE OF MISSISSIPPI	120,764	0.1%
ADOBE INC	97,709	0.1%
MERCEDES-BENZ AUTO LEASE TRUST	90,188	0.1%
Grand Total:	94,782,307	100.0%

Portfolio Transactions

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
9/30/20	10/1/20	375,000	110122DC9	BRISTOL-MYERS SQUIBB CO CORPORATE NOTES	3.87%	8/15/25	430,421.77	0.87%	
10/2/20	10/20/20	405,000	799408Z85	SAN RAMON VALLEY USD, CA TXBL GO BONDS	0.74%	8/1/25	405,000.00	0.74%	
10/7/20	10/13/20	245,000	91282CAC5	US TREASURY N/B NOTES	0.12%	7/31/22	244,927.60	0.16%	
10/16/20	10/29/20	415,000	798306WN2	SAN JUAN USD, CA TXBL GO BONDS	0.70%	8/1/24	415,000.00	0.70%	
10/16/20	11/3/20	440,000	697511FB4	PALOMAR COMM COLL DIST, CA TXBL GO BONDS	0.79%	8/1/24	440,000.00	0.79%	
10/19/20	10/20/20	1,510,000	912828YC8	UNITED STATES TREASURY NOTES	1.50%	8/31/21	1,531,000.72	0.13%	
10/28/20	10/30/20	235,000	912828N30	US TREASURY NOTES	2.12%	12/31/22	246,679.76	0.15%	
10/30/20	11/10/20	410,000	54438CYK2	LOS ANGELES CCD, CA TXBL GO BONDS	0.77%	8/1/25	410,000.00	0.77%	
11/9/20	11/12/20	360,000	3135G06G3	FANNIE MAE NOTES	0.50%	11/7/25	358,711.20	0.57%	
11/17/20	11/19/20	630,000	20772KEW5	CT ST TXBL GO BONDS	3.74%	9/15/25	720,899.06	0.83%	
11/17/20	11/24/20	665,000	459058JM6	INTL BK RECON & DEVELOP CORPORATE NOTES	0.25%	11/24/23	663,570.25	0.32%	
12/2/20	12/4/20	4,000,000	91282CAX9	US TREASURY N/B NOTES	0.12%	11/30/22	3,996,929.95	0.16%	
12/2/20	12/4/20	1,125,000	3135G06G3	FANNIE MAE NOTES	0.50%	11/7/25	1,123,172.50	0.54%	
12/2/20	12/4/20	1,850,000	3137EAFA2	FREDDIE MAC NOTES	0.25%	12/4/23	1,848,168.50	0.28%	
12/4/20	12/4/20	250,000	91282CAX9	US TREASURY N/B NOTES	0.12%	11/30/22	249,856.95	0.15%	
12/16/20	12/23/20	945,000	650036DT0	NY ST URBAN DEV CORP TXBL REV BONDS	0.87%	3/15/25	945,000.00	0.87%	
Total BUY		13,860,000					14,029,338.26		

INTEREST

10/1/20	10/25/20	665,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	1,696.86		
10/1/20	10/25/20	283,378	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	554.56		
10/1/20	10/25/20	626,718	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	1,747.50		
10/1/20	10/25/20	233,854	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	407.69		
10/1/20	10/25/20	845,000	3137BHXY8	FHLMC MULTIFAMILY STRUCTURED P	2.79%	1/1/22	1,965.33		

CITY OF ESCONDIDO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
10/2/20	10/2/20	0	MONEY0002	MONEY MARKET FUND			0.02		
10/5/20	10/5/20	1,310,000	3135G0T78	FANNIE MAE AGENCY NOTES	2.00%	10/5/22	13,100.00		
10/14/20	10/14/20	400,000	3130AJHU6	FEDERAL HOME LOAN BANK NOTES	0.50%	4/14/25	988.89		
10/14/20	10/14/20	2,000,000	3133EGYQ2	FEDERAL FARM CREDIT BANKS NOTES	1.40%	10/14/21	14,000.00		
10/15/20	10/15/20	205,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	105.92		
10/15/20	10/15/20	240,000	9128285F3	UNITED STATES TREASURY NOTES	2.87%	10/15/21	3,450.00		
10/15/20	10/15/20	250,000	68389XAP0	ORACLE CORP NOTES	2.50%	10/15/22	3,125.00		
10/15/20	10/15/20	220,000	65480EAD3	NALT 2020-B A3	0.43%	10/16/23	42.04		
10/15/20	10/15/20	90,000	58769EAC2	MBALT 2020-B A3	0.40%	11/15/23	22.00		
10/15/20	10/15/20	635,000	20030NCR0	COMCAST CORP (CALLABLE) CORPORATE NOTES	3.70%	4/15/24	11,747.50		
10/15/20	10/15/20	625,000	9128286M7	UNITED STATES TREASURY NOTES	2.25%	4/15/22	7,031.25		
10/15/20	10/15/20	290,000	89237VAB5	TAOT 2020-C A3	0.44%	10/15/24	106.33		
10/15/20	10/15/20	2,150,000	3135G0W66	FANNIE MAE NOTES	1.62%	10/15/24	17,468.75		
10/16/20	10/16/20	300,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	112.50		
10/18/20	10/18/20	1,090,000	89236TDK8	TOYOTA MOTOR CREDIT CORP CORP NOTES	2.25%	10/18/23	12,262.50		
10/18/20	10/18/20	245,000	08173QBX3	BENEFICIAL BANK CD	2.15%	10/18/22	2,640.97		
10/20/20	10/20/20	800,000	3137EAEQ8	FREDDIE MAC NOTES	0.37%	4/20/23	1,500.00		
10/22/20	10/22/20	715,000	3135G03U5	FANNIE MAE NOTES	0.62%	4/22/25	2,209.55		
10/25/20	10/25/20	800,000	172967LG4	CITIGROUP INC CORP (CALLABLE) NOTES	2.75%	4/25/22	11,000.00		
10/26/20	10/26/20	800,000	38141GWC4	GOLDMAN SACHS GROUP INC (CALLABLE) NOTE	3.00%	4/26/22	12,000.00		
10/28/20	10/28/20	245,000	58403B6Y7	MEDALLION BANK UTAH CD	2.05%	6/28/21	412.81		
10/28/20	10/28/20	1,410,000	06406RAG2	BANK OF NY MELLON CORP NOTES	3.50%	4/28/23	24,675.00		
10/29/20	10/29/20	745,000	61746BDQ6	MORGAN STANLEY CORP NOTES	3.87%	4/29/24	14,434.38		
10/31/20	10/31/20	425,000	912828X47	US TREASURY NOTES	1.87%	4/30/22	3,984.38		
10/31/20	10/31/20	250,000	9128283C2	US TREASURY N/B NOTES	2.00%	10/31/22	2,500.00		
10/31/20	10/31/20	100,000	9128284L1	US TREASURY N/B	2.75%	4/30/23	1,375.00		
11/1/20	11/1/20	200,000	713448EY0	PEPSICO INC CORPORATE NOTES	0.75%	5/1/23	750.00		
11/1/20	11/1/20	120,000	605581MZ7	MS ST TXBL GO BONDS	0.56%	11/1/24	160.08		
11/1/20	11/1/20	480,000	797412DM2	SAN DEIGO CNTY WTR AUTH, CA TXBL REV BON	0.74%	5/1/25	980.76		
11/1/20	11/1/20	600,000	693475AY1	PNC BANK NA CORP NOTES	2.20%	11/1/24	6,600.00		

CITY OF ESCONDIDO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
11/1/20	11/25/20	665,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	1,696.86		
11/1/20	11/25/20	845,000	3137BHXY8	FHLMC MULTIFAMILY STRUCTURED P	2.79%	1/1/22	1,965.33		
11/1/20	11/25/20	281,294	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	534.46		
11/1/20	11/25/20	625,538	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	1,857.71		
11/1/20	11/25/20	233,392	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	406.88		
11/3/20	11/3/20	0	MONEY0002	MONEY MARKET FUND			4.34		
11/5/20	11/5/20	800,000	3137EAER6	FREDDIE MAC NOTES	0.37%	5/5/23	1,483.33		
11/11/20	11/11/20	200,000	166764BV1	CHEVRON CORP CORPORATE NOTES	1.14%	5/11/23	1,141.00		
11/11/20	11/11/20	425,000	166764BW9	CHEVRON CORP (CALLABLE) NOTES	1.55%	5/11/25	3,302.25		
11/15/20	11/15/20	90,000	58769EAC2	MBALT 2020-B A3	0.40%	11/15/23	30.00		
11/15/20	11/15/20	375,000	91412HGE7	UNIV OF CAL TXBL REV BONDS	0.88%	5/15/25	1,094.55		
11/15/20	11/15/20	290,000	89237VAB5	TAOT 2020-C A3	0.44%	10/15/24	106.33		
11/15/20	11/15/20	220,000	65480EAD3	NALT 2020-B A3	0.43%	10/16/23	78.83		
11/15/20	11/15/20	205,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	105.92		
11/16/20	11/16/20	300,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	112.50		
11/22/20	11/22/20	665,000	3135G04Q3	FANNIE MAE NOTES	0.25%	5/22/23	831.25		
11/24/20	11/24/20	245,000	34415LAP6	FOCUS BANK CD	2.20%	11/24/22	2,717.15		
11/24/20	11/24/20	790,000	14912L5X5	CATERPILLAR FINANCIAL SERVICES CORP NOTE	3.75%	11/24/23	14,812.50		
11/24/20	11/24/20	400,000	4581X0DM7	INTER-AMERICAN DEVEL BK CORPORATE NOTES	0.50%	5/24/23	1,000.00		
11/28/20	11/28/20	245,000	58403B6Y7	MEDALLION BANK UTAH CD	2.05%	6/28/21	426.57		
11/29/20	11/29/20	2,000,000	3130AABG2	FHLB NOTES	1.87%	11/29/21	18,750.00		
11/30/20	11/30/20	1,480,000	9128283J7	US TREASURY N/B	2.12%	11/30/24	15,725.00		
11/30/20	11/30/20	825,000	002824BE9	ABBOTT LABORATORIES CORP NOTES	3.40%	11/30/23	14,025.00		
11/30/20	11/30/20	1,785,000	912828XR6	US TREASURY NOTES	1.75%	5/31/22	15,618.75		
12/1/20	12/1/20	400,000	20772KKL2	CT ST T/E GO BONDS	4.00%	6/1/25	6,933.33		
12/1/20	12/1/20	245,000	1404203C2	CAPITAL ONE BANK USA NA CD	2.40%	6/1/22	2,948.05		
12/1/20	12/25/20	665,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	1,696.86		
12/1/20	12/25/20	232,982	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	508.21		
12/1/20	12/25/20	845,000	3137BHXY8	FHLMC MULTIFAMILY STRUCTURED P	2.79%	1/1/22	1,965.33		
12/1/20	12/25/20	620,545	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	1,730.29		

CITY OF ESCONDIDO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
12/1/20	12/25/20	280,717	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	533.36		
12/2/20	12/2/20	0	MONEY0002	MONEY MARKET FUND			2.68		
12/2/20	12/2/20	635,000	23341VZT1	DNB BANK ASA/NY LT CD	2.04%	12/2/22	6,584.95		
12/6/20	12/6/20	800,000	05531FBF9	BB&T CORPORATION	3.75%	12/6/23	15,000.00		
12/8/20	12/8/20	360,000	69371RQ82	PACCAR FINANCIAL CORP CORPORATE NOTES	0.80%	6/8/23	1,440.00		
12/15/20	12/15/20	290,000	89237VAB5	TAOT 2020-C A3	0.44%	10/15/24	106.33		
12/15/20	12/15/20	90,000	58769EAC2	MBALT 2020-B A3	0.40%	11/15/23	30.00		
12/15/20	12/15/20	220,000	65480EAD3	NALT 2020-B A3	0.43%	10/16/23	78.83		
12/15/20	12/15/20	205,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	105.92		
12/16/20	12/16/20	1,000,000	3134GVR67	FREDDIE MAC NOTES	0.50%	6/16/23	2,500.00		
12/16/20	12/16/20	300,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	112.50		
12/17/20	12/17/20	1,640,000	3135G04Z3	FANNIE MAE NOTES	0.50%	6/17/25	4,054.44		
12/21/20	12/21/20	245,000	38148PKX4	GOLDMAN SACHS GROUP INC CD	2.35%	6/21/22	2,886.64		
12/27/20	12/29/20	845,000	02665WCY5	AMERICAN HONDA FINANCE	2.20%	6/27/22	9,295.00		
12/28/20	12/28/20	245,000	58403B6Y7	MEDALLION BANK UTAH CD	2.05%	6/28/21	412.81		
12/31/20	12/31/20	235,000	912828N30	US TREASURY NOTES	2.12%	12/31/22	2,496.88		
12/31/20	12/31/20	545,000	9128287A2	US TREASURY N/B	1.62%	6/30/21	4,428.13		
12/31/20	12/31/20	1,225,000	912828XX3	US TREASURY N/B NOTES	2.00%	6/30/24	12,250.00		
12/31/20	12/31/20	775,000	912828S35	US TREASURY NOTES	1.37%	6/30/23	5,328.13		
Total INTEREST		47,328,418					356,412.75		
MATURITY									
10/13/20	10/13/20	249,000	20033AND4	COMENITY CAPITAL BANK LT CD	2.00%	10/13/20	249,409.32		0.00
10/19/20	10/19/20	245,000	319267GK0	FIRST BANK OF RICHMOND CD	1.90%	10/19/20	247,346.63		0.00
10/30/20	10/30/20	249,000	91330ABC0	UNITY BANK CD	1.65%	10/30/20	249,337.68		0.00
Total MATURITY		743,000					746,093.63		0.00

CITY OF ESCONDIDO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
10/1/20	10/25/20	462	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	462.11		0.00
10/1/20	10/25/20	2,084	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	2,083.80		0.00
10/1/20	10/25/20	1,180	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	1,179.86		0.00
11/1/20	11/25/20	410	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	409.70		0.00
11/1/20	11/25/20	4,993	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	4,993.44		0.00
11/1/20	11/25/20	577	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	576.94		0.00
12/1/20	12/25/20	7,299	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	7,298.76		0.00
12/1/20	12/25/20	1,182	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	1,182.04		0.00
12/1/20	12/25/20	606	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	606.06		0.00
Total PAYDOWNS		18,793					18,792.71		0.00

SELL

9/30/20	10/1/20	285,000	3135G03U5	FANNIE MAE NOTES	0.62%	4/22/25	289,501.77		2,246.11
9/30/20	10/1/20	150,000	3135G03U5	FANNIE MAE NOTES	0.62%	4/22/25	152,369.36		2,242.39
10/19/20	10/20/20	1,535,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	1,552,771.46		16,486.42
10/19/20	10/20/20	45,000	9128287A2	US TREASURY N/B	1.62%	6/30/21	45,693.64		414.52
10/19/20	10/20/20	135,000	3137EAEC9	FHLMC REFERNCE NOTE	1.12%	8/12/21	136,368.23		1,280.91
10/27/20	10/29/20	400,000	3135G0W66	FANNIE MAE NOTES	1.62%	10/15/24	421,160.78		3,914.49
11/3/20	11/3/20	180,000	9128287A2	US TREASURY N/B	1.62%	6/30/21	182,780.40		1,565.15
11/9/20	11/10/20	415,000	3135G0W66	FANNIE MAE NOTES	1.62%	10/15/24	436,068.92		3,116.04
11/10/20	11/12/20	360,000	912828Y87	UNITED STATES TREASURY NOTES	1.75%	7/31/24	380,919.49		18,140.61
11/17/20	11/24/20	665,000	3135G04Q3	FANNIE MAE NOTES	0.25%	5/22/23	665,288.54		1,940.94
11/17/20	11/19/20	40,000	3134G92Y2	FREDDIE MAC (EX-CALLABLE) NOTES	1.87%	8/17/21	40,710.07		525.57
11/17/20	11/19/20	585,000	3135G04Q3	FANNIE MAE NOTES	0.25%	5/22/23	586,005.71		1,756.44
11/18/20	11/19/20	105,000	3137EAEC9	FHLMC REFERNCE NOTE	1.12%	8/12/21	106,095.28		916.48
12/2/20	12/4/20	1,125,000	3137EAES4	FREDDIE MAC NOTES	0.25%	6/26/23	1,127,145.63		3,713.25

CITY OF ESCONDIDO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
12/2/20	12/4/20	2,000,000	3133EHZA4	FEDERAL FARM CREDIT BANKS NOTES	1.66%	9/20/21	2,031,424.44		27,346.14
12/2/20	12/4/20	2,000,000	3136G05L1	FANNIE MAE (EX-CALLABLE) NOTES	2.00%	8/26/22	2,073,568.89		61,379.94
12/2/20	12/4/20	2,000,000	3133EGYQ2	FEDERAL FARM CREDIT BANKS NOTES	1.40%	10/14/21	2,026,008.89		23,114.13
12/16/20	12/23/20	715,000	3130AABG2	FHLB NOTES	1.87%	11/29/21	727,719.85		13,246.67
Total SELL		12,740,000					12,981,601.35		183,346.20

Portfolio Holdings

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY N/B DTD 06/30/2019 1.625% 06/30/2021	9128287A2	420,000.00	AA+	Aaa	2/3/2020	2/5/2020	421,066.39	1.44	18.85	420,375.64	423,084.40
US TREASURY N/B DTD 06/30/2019 1.625% 06/30/2021	9128287A2	125,000.00	AA+	Aaa	2/4/2020	2/5/2020	125,249.02	1.48	5.61	125,087.72	125,917.97
UNITED STATES TREASURY NOTES DTD 08/31/2019 1.500% 08/31/2021	912828YC8	1,510,000.00	AA+	Aaa	10/19/2020	10/20/2020	1,527,872.27	0.13	7,695.99	1,523,730.44	1,523,448.37
UNITED STATES TREASURY NOTES DTD 08/31/2019 1.500% 08/31/2021	912828YC8	270,000.00	AA+	Aaa	1/16/2020	1/21/2020	269,588.67	1.60	1,376.11	269,830.71	272,404.67
US TREASURY NOTES DTD 09/30/2016 1.125% 09/30/2021	912828T34	955,000.00	AA+	Aaa	8/26/2019	8/28/2019	946,979.49	1.53	2,744.97	952,144.53	962,311.67
UNITED STATES TREASURY NOTES DTD 10/15/2018 2.875% 10/15/2021	9128285F3	240,000.00	AA+	Aaa	8/8/2019	8/13/2019	246,346.88	1.63	1,478.57	242,294.15	245,137.49
US TREASURY NOTES DTD 03/31/2015 1.750% 03/31/2022	912828J76	245,000.00	AA+	Aaa	6/18/2019	6/20/2019	244,846.88	1.77	1,095.43	244,931.51	249,938.27
UNITED STATES TREASURY NOTES DTD 04/15/2019 2.250% 04/15/2022	9128286M7	380,000.00	AA+	Aaa	10/7/2019	10/8/2019	387,718.75	1.43	1,832.14	383,934.88	390,390.65
UNITED STATES TREASURY NOTES DTD 04/15/2019 2.250% 04/15/2022	9128286M7	245,000.00	AA+	Aaa	10/28/2019	10/30/2019	248,397.46	1.67	1,181.25	246,774.40	251,699.23
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	425,000.00	AA+	Aaa	6/4/2019	6/5/2019	424,916.99	1.88	1,364.81	424,962.10	434,828.13
US TREASURY NOTES DTD 05/31/2017 1.750% 05/31/2022	912828XR6	1,785,000.00	AA+	Aaa	4/14/2020	4/16/2020	1,842,873.05	0.22	2,746.15	1,823,457.58	1,825,720.31
US TREASURY N/B NOTES DTD 07/31/2020 0.125% 07/31/2022	91282CAC5	245,000.00	AA+	Aaa	10/7/2020	10/13/2020	244,866.02	0.16	128.16	244,882.36	245,038.27
US TREASURY N/B NOTES DTD 10/31/2017 2.000% 10/31/2022	9128283C2	250,000.00	AA+	Aaa	8/30/2019	9/6/2019	254,238.28	1.45	856.35	252,459.75	258,515.63
US TREASURY N/B NOTES DTD 11/30/2020 0.125% 11/30/2022	91282CAX9	4,000,000.00	AA+	Aaa	12/2/2020	12/4/2020	3,996,875.00	0.16	439.56	3,996,995.52	4,000,000.00
US TREASURY N/B NOTES DTD 11/30/2020 0.125% 11/30/2022	91282CAX9	250,000.00	AA+	Aaa	12/4/2020	12/4/2020	249,853.52	0.15	27.47	249,859.17	250,000.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	235,000.00	AA+	Aaa	10/28/2020	10/30/2020	245,024.22	0.15	13.79	244,226.84	244,326.56
US TREASURY NOTES DTD 04/02/2018 2.500% 03/31/2023	9128284D9	50,000.00	AA+	Aaa	1/16/2020	1/21/2020	51,427.73	1.58	319.37	51,003.70	52,640.63
US TREASURY N/B DTD 04/30/2018 2.750% 04/30/2023	9128284L1	100,000.00	AA+	Aaa	6/3/2019	6/5/2019	103,304.69	1.87	470.99	101,968.90	106,046.88
US TREASURY NOTES DTD 06/30/2016 1.375% 06/30/2023	912828S35	775,000.00	AA+	Aaa	5/8/2019	5/9/2019	747,511.72	2.28	29.44	758,467.06	798,613.32
US TREASURY NOTES DTD 07/31/2018 2.750% 07/31/2023	912828Y61	145,000.00	AA+	Aaa	9/3/2019	9/5/2019	152,657.81	1.36	1,668.68	150,056.84	154,696.88
US TREASURY N/B NOTES DTD 01/31/2017 2.250% 01/31/2024	912828V80	600,000.00	AA+	Aaa	5/8/2019	5/9/2019	598,851.56	2.29	5,649.46	599,252.32	638,250.00
US TREASURY N/B NOTES DTD 02/28/2017 2.125% 02/29/2024	912828W48	650,000.00	AA+	Aaa	4/29/2019	5/1/2019	644,236.33	2.32	4,693.20	646,231.57	689,710.97
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,225,000.00	AA+	Aaa	7/1/2019	7/3/2019	1,238,159.18	1.77	67.68	1,234,205.65	1,301,179.69
UNITED STATES TREASURY NOTES DTD 07/31/2019 1.750% 07/31/2024	912828Y87	740,000.00	AA+	Aaa	12/2/2019	12/4/2019	742,572.66	1.67	5,419.29	741,976.76	780,468.75
US TREASURY NOTES DTD 08/15/2014 2.375% 08/15/2024	912828D56	575,000.00	AA+	Aaa	10/25/2019	10/28/2019	595,282.23	1.61	5,158.20	590,295.56	619,562.50
US TREASURY NOTES DTD 10/02/2017 2.125% 09/30/2024	9128282Y5	795,000.00	AA+	Aaa	12/2/2019	12/4/2019	811,334.77	1.68	4,316.26	807,682.16	850,898.44
US TREASURY N/B DTD 11/30/2017 2.125% 11/30/2024	9128283J7	1,480,000.00	AA+	Aaa	1/2/2020	1/6/2020	1,512,085.94	1.66	2,764.84	1,505,614.98	1,587,762.50
UNITED STATES TREASURY NOTES DTD 01/31/2018 2.500% 01/31/2025	9128283V0	280,000.00	AA+	Aaa	2/3/2020	2/5/2020	295,301.56	1.36	2,929.35	292,521.75	305,375.00
Security Type Sub-Total		18,995,000.00					19,169,439.07	1.10	56,491.97	19,125,224.55	19,587,967.18

Supra-National Agency Bond / Note

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Supra-National Agency Bond / Note											
INTL BK RECON & DEVELOP SN NOTE DTD 05/29/2019 2.125% 07/01/2022	459058GU1	90,000.00	AAA	Aaa	5/21/2019	5/29/2019	89,669.70	2.25	956.25	89,840.26	92,608.47
INTER-AMERICAN DEVEL BANK DTD 09/14/2017 1.750% 09/14/2022	4581X0CZ9	365,000.00	AAA	Aaa	11/2/2017	11/6/2017	358,795.00	2.12	1,898.51	362,826.68	374,643.30
INTER-AMERICAN DEVEL BANK DTD 09/14/2017 1.750% 09/14/2022	4581X0CZ9	1,000,000.00	AAA	Aaa	11/3/2017	11/7/2017	983,100.00	2.12	5,201.39	994,077.37	1,026,420.00
INTER-AMERICAN DEVEL BK CORPORATE NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	400,000.00	AAA	Aaa	4/17/2020	4/24/2020	399,864.00	0.51	205.56	399,894.46	402,616.00
INTL BK RECON & DEVELOP CORPORATE NOTES DTD 11/24/2020 0.250% 11/24/2023	459058JM6	665,000.00	AAA	Aaa	11/17/2020	11/24/2020	663,570.25	0.32	170.87	663,619.87	665,428.93
Security Type Sub-Total		2,520,000.00					2,494,998.95	1.40	8,432.58	2,510,258.64	2,561,716.70
Municipal Bond / Note											
SAN FRAN COMM FAC DIST, CA TXBL REV BNDS DTD 11/09/2017 2.500% 09/01/2022	79772EAX7	350,000.00	NR	NR	10/27/2017	11/9/2017	348,355.00	2.61	2,916.67	349,430.76	360,269.00
SAN FRAN COMM FAC DIST, CA TXBL REV BNDS DTD 11/09/2017 2.500% 09/01/2022	79772EAE9	380,000.00	NR	NR	10/27/2017	11/9/2017	377,362.80	2.66	3,166.67	379,087.41	391,149.20
PORT AUTH OF NY/NJ TXBL REV BONDS DTD 07/08/2020 1.086% 07/01/2023	73358W4V3	240,000.00	A+	Aa3	7/2/2020	7/8/2020	240,000.00	1.09	1,252.52	240,000.00	243,540.00
VENTURA CNTY CCD, CA TXBL GO BONDS DTD 10/31/2019 1.750% 08/01/2023	92304GT0	350,000.00	AA+	Aa1	10/3/2019	10/31/2019	350,000.00	1.75	2,552.08	350,000.00	361,767.00
LONG BEACH CCD, CA TXBL GO BONDS DTD 10/23/2019 1.743% 08/01/2023	542411NH2	350,000.00	AA	Aa2	10/9/2019	10/23/2019	350,000.00	1.74	2,541.88	350,000.00	363,391.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Municipal Bond / Note											
TAMALPAIS UHSD, CA TXBL GO BONDS DTD 10/09/2019 1.971% 08/01/2023	874857KJ3	615,000.00	NR	Aaa	9/20/2019	10/9/2019	615,000.00	1.97	5,050.69	615,000.00	641,260.50
CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024	20772KJW0	150,000.00	A	A1	5/29/2020	6/11/2020	150,000.00	2.00	1,665.00	150,000.00	156,091.50
WI DEPT OF TRANS TXBL REV BONDS DTD 07/30/2020 0.624% 07/01/2024	977123X60	640,000.00	AA+	NR	7/10/2020	7/30/2020	640,000.00	0.62	1,675.09	640,000.00	645,676.80
PALOMAR COMM COLL DIST, CA TXBL GO BONDS DTD 11/03/2020 0.794% 08/01/2024	697511FB4	440,000.00	AA	Aa2	10/16/2020	11/3/2020	440,000.00	0.79	562.86	440,000.00	441,082.40
SAN DIEGO CCD, CA TXBL GO BONDS DTD 10/16/2019 2.046% 08/01/2024	797272QP9	245,000.00	AAA	Aaa	9/18/2019	10/16/2019	245,000.00	2.05	2,088.63	245,000.00	258,832.70
MD ST TXBL GO BONDS DTD 08/05/2020 0.510% 08/01/2024	574193TQ1	375,000.00	AAA	Aaa	7/23/2020	8/5/2020	374,895.00	0.52	775.63	374,905.74	375,731.25
VENTURA CNTY CCD, CA TXBL GO BONDS DTD 10/31/2019 1.800% 08/01/2024	923040GU7	490,000.00	AA+	Aa1	10/3/2019	10/31/2019	490,000.00	1.80	3,675.00	490,000.00	511,687.40
SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024	798306WN2	415,000.00	NR	Aa2	10/16/2020	10/29/2020	415,000.00	0.70	501.74	415,000.00	413,613.90
MS ST TXBL GO BONDS DTD 08/06/2020 0.565% 11/01/2024	605581MZ7	120,000.00	AA	Aa2	7/24/2020	8/6/2020	120,000.00	0.57	113.00	120,000.00	120,764.40
NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	945,000.00	AA+	NR	12/16/2020	12/23/2020	945,000.00	0.87	182.70	945,000.00	946,398.60
SAN DEIGO CNTY WTR AUTH, CA TXBL REV BON DTD 07/22/2020 0.743% 05/01/2025	797412DM2	480,000.00	AAA	Aa2	7/9/2020	7/22/2020	480,000.00	0.74	594.40	480,000.00	483,724.80
UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	375,000.00	AA	Aa2	7/10/2020	7/16/2020	375,000.00	0.88	423.10	375,000.00	380,861.25
CT ST T/E GO BONDS DTD 06/25/2020 4.000% 06/01/2025	20772KKL2	400,000.00	A	A1	6/12/2020	6/25/2020	458,868.00	0.94	1,333.33	452,661.05	456,156.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Municipal Bond / Note											
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	400,000.00	AA	Aa3	9/3/2020	9/16/2020	400,000.00	1.26	1,467.67	400,000.00	409,076.00
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	150,000.00	AA	Aa3	9/3/2020	9/16/2020	150,994.50	1.12	550.37	150,933.66	153,403.50
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	155,000.00	AA	Aa3	9/3/2020	9/16/2020	156,095.85	1.11	568.72	156,028.81	158,516.95
SAN RAMON VALLEY USD, CA TXBL GO BONDS DTD 10/20/2020 0.740% 08/01/2025	799408Z85	405,000.00	AA+	Aa1	10/2/2020	10/20/2020	405,000.00	0.74	591.08	405,000.00	405,911.25
MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	275,000.00	AAA	Aa1	8/11/2020	8/25/2020	275,000.00	0.63	606.38	275,000.00	276,850.75
LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	410,000.00	AA+	Aaa	10/30/2020	11/10/2020	410,000.00	0.77	448.98	410,000.00	415,371.00
CT ST TXBL GO BONDS DTD 09/13/2018 3.743% 09/15/2025	20772KEW5	630,000.00	A	A1	11/17/2020	11/19/2020	716,706.90	0.83	6,943.27	714,589.70	718,754.40
Security Type Sub-Total		9,785,000.00					9,928,278.05	1.19	42,247.46	9,922,637.13	10,089,881.55
Federal Agency Collateralized Mortgage Obligation											
FHLMC MULTIFAMILY STRUCTURED P DTD 05/01/2015 2.791% 01/01/2022	3137BHXY8	845,000.00	AA+	Aaa	5/16/2019	5/21/2019	850,281.25	2.54	1,965.33	847,016.38	855,641.58
FNA 2013-M7 A2 DTD 05/01/2013 2.280% 12/01/2022	3136AEGQ4	280,111.39	AA+	Aaa	9/4/2019	9/9/2019	283,781.13	1.86	532.21	282,287.09	286,029.05
FANNIEMAE-ACES DTD 04/01/2014 3.346% 03/01/2024	3136AJB54	619,362.50	AA+	Aaa	12/13/2019	12/18/2019	649,459.65	2.14	1,726.99	642,008.89	670,025.71
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	225,683.25	AA+	Aaa	11/20/2019	11/26/2019	225,677.83	2.09	393.44	225,679.13	231,926.31

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Collateralized Mortgage Obligation											
FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	665,000.00	AA+	Aaa	3/19/2020	3/25/2020	697,938.28	1.95	1,696.86	692,512.70	727,682.41
Security Type Sub-Total		2,635,157.14					2,707,138.14	2.18	6,314.83	2,689,504.19	2,771,305.06
Federal Agency Bond / Note											
FHLB NOTES DTD 11/30/2016 1.875% 11/29/2021	3130AABG2	1,285,000.00	AA+	Aaa	12/14/2016	12/16/2016	1,271,456.10	2.10	2,141.67	1,282,514.33	1,305,554.86
FREDDIE MAC GLOBAL NOTES DTD 01/13/2012 2.375% 01/13/2022	3137EADB2	240,000.00	AA+	Aaa	8/27/2019	8/30/2019	244,548.00	1.56	2,660.00	241,977.62	245,562.48
FHLB NOTES DTD 02/17/2012 2.250% 03/11/2022	313378CR0	2,000,000.00	AA+	Aaa	5/8/2017	5/9/2017	2,022,926.00	2.00	13,750.00	2,005,630.95	2,050,356.00
FREDDIE MAC NOTES DTD 07/23/2020 0.125% 07/25/2022	3137EAET2	510,000.00	AA+	Aaa	7/21/2020	7/23/2020	508,847.40	0.24	279.79	509,102.48	509,841.39
FANNIE MAE AGENCY NOTES DTD 10/06/2017 2.000% 10/05/2022	3135G0T78	1,310,000.00	AA+	Aaa	10/5/2017	10/11/2017	1,309,986.90	2.00	6,258.89	1,309,995.38	1,352,696.83
FEDERAL HOME LOAN BANKS NOTES DTD 02/21/2020 1.375% 02/17/2023	3130AJ7E3	675,000.00	AA+	Aaa	2/20/2020	2/21/2020	673,758.00	1.44	3,454.69	674,116.27	692,525.70
FEDERAL HOME LOAN BANKS NOTES DTD 02/21/2020 1.375% 02/17/2023	3130AJ7E3	1,900,000.00	AA+	Aaa	4/14/2020	4/15/2020	1,951,357.00	0.42	9,724.30	1,938,443.53	1,949,331.60
FREDDIE MAC NOTES DTD 04/20/2020 0.375% 04/20/2023	3137EAEQ8	800,000.00	AA+	Aaa	4/17/2020	4/20/2020	798,000.00	0.46	591.67	798,467.58	803,982.40
FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	800,000.00	AA+	Aaa	5/5/2020	5/7/2020	799,664.00	0.39	466.67	799,737.47	804,054.40
FREDDIE MAC NOTES DTD 06/16/2020 0.500% 06/16/2023	3134GVR67	1,000,000.00	AA+	Aaa	6/12/2020	6/16/2020	1,000,000.00	0.50	208.33	1,000,000.00	1,001,575.00
FANNIE MAE NOTES DTD 07/10/2020 0.250% 07/10/2023	3135G05G4	790,000.00	AA+	Aaa	7/8/2020	7/10/2020	788,301.50	0.32	938.13	788,572.95	791,436.22
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	500,000.00	AA+	Aaa	9/1/2020	9/3/2020	499,990.00	0.25	451.39	499,991.11	500,821.50

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	690,000.00	AA+	Aaa	9/2/2020	9/4/2020	689,772.30	0.26	560.63	689,796.96	690,966.00
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	510,000.00	AA+	Aaa	9/2/2020	9/4/2020	510,093.13	0.24	414.38	510,083.05	510,714.00
FANNIE MAE NOTES DTD 09/14/2018 2.875% 09/12/2023	3135G0U43	1,500,000.00	AA+	Aaa	4/1/2020	4/3/2020	1,625,340.00	0.43	13,057.29	1,598,118.19	1,607,647.50
FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAF2	1,850,000.00	AA+	Aaa	12/2/2020	12/4/2020	1,848,168.50	0.28	346.88	1,848,215.33	1,852,281.05
FANNIE MAE NOTES DTD 10/18/2019 1.625% 10/15/2024	3135G0W66	800,000.00	AA+	Aaa	4/14/2020	4/15/2020	835,568.00	0.62	2,744.44	829,921.26	841,290.40
FANNIE MAE NOTES DTD 10/18/2019 1.625% 10/15/2024	3135G0W66	535,000.00	AA+	Aaa	4/1/2020	4/3/2020	561,011.70	0.54	1,835.35	556,723.54	562,612.96
FANNIE MAE NOTES DTD 01/10/2020 1.625% 01/07/2025	3135G0X24	700,000.00	AA+	Aaa	1/8/2020	1/10/2020	697,767.00	1.69	5,497.92	698,204.05	736,285.90
FREDDIE MAC NOTES DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	1,250,000.00	AA+	Aaa	2/13/2020	2/14/2020	1,249,037.50	1.52	7,239.58	1,249,207.32	1,308,420.00
FREDDIE MAC NOTES DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	1,175,000.00	AA+	Aaa	3/3/2020	3/4/2020	1,209,239.50	0.90	6,805.21	1,203,495.00	1,229,914.80
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	400,000.00	AA+	Aaa	4/15/2020	4/16/2020	398,016.00	0.60	427.78	398,298.81	402,164.80
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	715,000.00	AA+	Aaa	6/2/2020	6/4/2020	718,975.40	0.51	856.51	718,504.95	722,698.41
FANNIE MAE NOTES DTD 06/19/2020 0.500% 06/17/2025	3135G04Z3	1,640,000.00	AA+	Aaa	9/1/2020	9/3/2020	1,644,887.20	0.44	318.89	1,644,551.69	1,647,060.20
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	510,000.00	AA+	Aaa	7/21/2020	7/23/2020	507,460.20	0.48	839.38	507,685.77	509,372.19
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	2,000,000.00	AA+	Aaa	9/1/2020	9/3/2020	1,992,920.00	0.45	2,583.33	1,993,387.58	1,995,652.00
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	1,150,000.00	AA+	Aaa	9/23/2020	9/25/2020	1,146,538.50	0.44	1,150.00	1,146,724.48	1,146,921.45

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	1,125,000.00	AA+	Aaa	12/2/2020	12/4/2020	1,122,828.75	0.54	765.63	1,122,862.54	1,128,102.75
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	360,000.00	AA+	Aaa	11/9/2020	11/12/2020	358,711.20	0.57	245.00	358,746.59	360,992.88
Security Type Sub-Total		28,720,000.00					28,985,169.78	0.82	86,613.73	28,923,076.78	29,260,835.67
Corporate Note											
CITIGROUP INC CORP (CALLABLE) NOTES DTD 04/25/2017 2.750% 04/25/2022	172967LG4	800,000.00	BBB+	A3	9/21/2017	9/25/2017	803,432.00	2.65	4,033.33	800,936.38	823,966.40
GOLDMAN SACHS GROUP INC (CALLABLE) NOTE DTD 01/26/2017 3.000% 04/26/2022	38141GWC4	800,000.00	BBB+	A3	9/18/2017	9/20/2017	810,848.00	2.68	4,333.33	800,949.41	806,676.80
AMERICAN HONDA FINANCE DTD 06/27/2019 2.200% 06/27/2022	02665WCY5	845,000.00	A-	A3	6/24/2019	6/27/2019	844,222.60	2.23	206.56	844,615.56	868,336.37
APPLE INC CORP (CALLABLE) NOTES DTD 09/12/2017 2.100% 09/12/2022	037833DC1	950,000.00	AA+	Aa1	11/15/2017	11/16/2017	933,802.50	2.48	6,040.42	944,306.50	978,070.60
JPMORGAN CHASE & CO CORP NOTES DTD 09/24/2012 3.250% 09/23/2022	46625HJE1	600,000.00	A-	A2	11/29/2017	12/1/2017	614,778.00	2.70	5,308.33	605,298.88	630,375.00
ORACLE CORP NOTES DTD 10/25/2012 2.500% 10/15/2022	68389XAP0	250,000.00	A	A3	11/15/2017	11/16/2017	249,387.50	2.55	1,319.44	249,777.40	259,825.00
ADOBE INC CORP NOTE DTD 02/03/2020 1.700% 02/01/2023	00724PAA7	95,000.00	A	A2	1/22/2020	2/3/2020	94,869.85	1.75	672.92	94,909.47	97,708.74
AMAZON.COM INC BONDS DTD 06/06/2018 2.400% 02/22/2023	023135AW6	880,000.00	AA-	A2	5/14/2019	5/16/2019	873,523.20	2.61	7,568.00	876,324.49	918,238.64
JOHN DEERE CAPITAL CORP DTD 03/04/2016 2.800% 03/06/2023	24422ETG4	835,000.00	A	A2	5/16/2019	5/20/2019	838,724.10	2.68	7,468.61	837,133.43	880,799.75

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
UNITEDHEALTH GROUP INC CORP NOTES DTD 02/28/2013 2.875% 03/15/2023	91324PCC4	640,000.00	A+	A3	11/20/2019	11/22/2019	656,358.40	2.07	5,417.78	650,865.01	675,960.96
BANK OF NY MELLON CORP NOTES DTD 04/30/2018 3.500% 04/28/2023	06406RAG2	1,410,000.00	A	A1	4/24/2019	4/26/2019	1,445,376.90	2.83	8,636.25	1,430,481.36	1,509,916.83
PEPSICO INC CORPORATE NOTES DTD 05/01/2020 0.750% 05/01/2023	713448EY0	200,000.00	A+	A1	4/29/2020	5/1/2020	199,604.00	0.82	250.00	199,692.60	202,502.40
CHEVRON CORP CORPORATE NOTES DTD 05/11/2020 1.141% 05/11/2023	166764BV1	200,000.00	AA	Aa2	5/7/2020	5/11/2020	200,000.00	1.14	316.94	200,000.00	203,757.80
PACCAR FINANCIAL CORP CORPORATE NOTES DTD 06/08/2020 0.800% 06/08/2023	69371RQ82	360,000.00	A+	A1	6/1/2020	6/8/2020	359,499.60	0.85	184.00	359,594.20	363,609.36
AMERICAN EXPRESS CREDIT CORP NOTES DTD 08/03/2018 3.700% 08/03/2023	025816BW8	800,000.00	BBB+	A3	4/23/2019	4/26/2019	821,480.00	3.02	12,168.89	812,998.15	865,032.00
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 10/18/2016 2.250% 10/18/2023	89236TDK8	1,090,000.00	A+	A1	2/5/2020	2/7/2020	1,107,374.60	1.80	4,973.13	1,103,137.21	1,145,487.54
CATERPILLAR FINANCIAL SERVICES CORP NOTE DTD 11/26/2013 3.750% 11/24/2023	14912L5X5	790,000.00	A	A3	5/8/2019	5/10/2019	823,243.20	2.76	3,044.79	811,180.27	865,028.67
ABBOTT LABORATORIES CORP NOTES DTD 11/22/2016 3.400% 11/30/2023	002824BE9	825,000.00	A	A3	5/10/2019	5/14/2019	846,441.75	2.79	2,415.42	838,427.90	893,967.53
BB&T CORPORATION DTD 12/06/2018 3.750% 12/06/2023	05531FBF9	800,000.00	A-	A3	4/23/2019	4/25/2019	824,928.00	3.02	2,083.33	815,805.48	877,647.20
BANK OF AMERICA CORP NOTE DTD 01/21/2014 4.125% 01/22/2024	06051GFB0	1,395,000.00	A-	A2	4/23/2019	4/25/2019	1,456,477.65	3.12	25,415.16	1,434,589.76	1,548,303.53
CHARLES SCHWAB CORP NOTES DTD 10/31/2018 3.550% 02/01/2024	808513AY1	815,000.00	A	A2	4/25/2019	4/29/2019	843,321.25	2.76	12,055.21	833,337.97	887,041.93

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
BLACKROCK INC CORP NOTES DTD 03/18/2014 3.500% 03/18/2024	09247XAL5	1,420,000.00	AA-	Aa3	4/22/2019	4/24/2019	1,464,588.00	2.81	14,219.72	1,449,193.93	1,559,793.32
COMCAST CORP (CALLABLE) CORPORATE NOTES DTD 10/05/2018 3.700% 04/15/2024	20030NCR0	635,000.00	A-	A3	5/7/2020	5/11/2020	695,623.45	1.20	4,960.06	685,476.36	697,830.08
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	745,000.00	BBB+	A2	7/19/2019	7/23/2019	788,604.85	2.56	4,971.84	775,388.22	823,470.11
US BANCORP DTD 07/29/2019 2.400% 07/30/2024	91159HHX1	845,000.00	A+	A1	7/30/2019	8/1/2019	844,247.95	2.42	8,506.33	844,461.82	899,031.84
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	845,000.00	BBB+	A2	9/3/2019	9/6/2019	841,552.40	1.84	4,970.24	842,467.34	879,726.97
PNC BANK NA CORP NOTES DTD 11/01/2019 2.200% 11/01/2024	693475AY1	600,000.00	A-	A3	11/5/2019	11/8/2019	599,802.00	2.21	2,200.00	599,847.69	635,982.00
CHEVRON CORP (CALLABLE) NOTES DTD 05/11/2020 1.554% 05/11/2025	166764BW9	425,000.00	AA	Aa2	5/13/2020	5/15/2020	427,108.00	1.45	917.29	426,836.27	440,478.93
BRISTOL-MYERS SQUIBB CO CORPORATE NOTES DTD 07/15/2020 3.875% 08/15/2025	110122DC9	375,000.00	A+	A2	9/30/2020	10/1/2020	428,565.00	0.87	5,489.59	425,643.85	427,573.12
BRISTOL-MYERS SQUIBB CO CORPORATE NOTES DTD 07/15/2020 3.875% 08/15/2025	110122DC9	285,000.00	A+	A2	9/29/2020	9/30/2020	325,663.80	0.88	4,172.08	323,423.44	324,955.58
Security Type Sub-Total		21,555,000.00					22,063,448.55	2.42	164,318.99	21,917,100.35	22,991,095.00
Certificate of Deposit - FDIC Insured											
MEDALLION BANK UTAH CD DTD 06/28/2017 2.050% 06/28/2021	58403B6Y7	245,000.00	NR	NR	6/16/2017	6/28/2017	245,000.00	2.05	55.04	245,000.00	247,421.34
CAPITAL ONE BANK USA NA CD DTD 06/01/2017 2.400% 06/01/2022	1404203C2	245,000.00	NR	NR	5/25/2017	6/1/2017	245,000.00	2.40	499.40	245,000.00	252,769.44
GOLDMAN SACHS GROUP INC CD DTD 06/21/2017 2.350% 06/21/2022	38148PKX4	245,000.00	NR	NR	6/13/2017	6/21/2017	245,000.00	2.35	173.51	245,000.00	252,889.25

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit - FDIC Insured											
BENEFICIAL BANK CD DTD 10/18/2017 2.150% 10/18/2022	08173QBX3	245,000.00	NR	NR	9/27/2017	10/18/2017	245,000.00	2.15	1,082.36	245,000.00	253,665.65
FOCUS BANK CD DTD 11/24/2017 2.200% 11/24/2022	34415LAP6	245,000.00	NR	NR	11/14/2017	11/24/2017	245,000.00	2.20	561.15	245,000.00	254,358.27
Security Type Sub-Total		1,225,000.00					1,225,000.00	2.23	2,371.46	1,225,000.00	1,261,103.95
Certificate of Deposit											
CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022	22549L6F7	940,000.00	A+	Aa3	8/5/2020	8/7/2020	940,000.00	0.52	1,995.93	940,000.00	941,690.12
SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	845,000.00	A	A1	2/14/2020	2/19/2020	845,000.00	1.80	5,788.25	845,000.00	858,866.45
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	635,000.00	A	A1	7/10/2020	7/14/2020	635,000.00	0.70	2,111.38	635,000.00	636,667.51
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	1,000,000.00	A+	Aa2	8/29/2019	9/3/2019	1,000,000.00	1.85	6,613.33	1,000,000.00	1,027,598.00
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	1,000,000.00	AA-	Aa3	8/27/2019	8/29/2019	1,000,000.00	1.84	6,577.78	1,000,000.00	1,027,434.00
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	635,000.00	AA-	Aa2	12/4/2019	12/6/2019	635,000.00	2.03	1,079.50	635,000.00	657,489.80
Security Type Sub-Total		5,055,000.00					5,055,000.00	1.48	24,166.17	5,055,000.00	5,149,745.88
Asset-Backed Security											
NALT 2020-B A3 DTD 09/29/2020 0.430% 10/16/2023	65480EAD3	220,000.00	AAA	Aaa	9/22/2020	9/29/2020	219,977.36	0.43	42.04	219,979.27	220,288.24

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
MBALT 2020-B A3 DTD 09/23/2020 0.400% 11/15/2023	58769EAC2	90,000.00	AAA	NR	9/15/2020	9/23/2020	89,995.44	0.40	16.00	89,995.84	90,187.65
TAOT 2020-C A3 DTD 07/27/2020 0.440% 10/15/2024	89237VAB5	290,000.00	AAA	Aaa	7/21/2020	7/27/2020	289,977.67	0.44	56.71	289,979.96	291,027.73
CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	205,000.00	AAA	NR	7/14/2020	7/22/2020	204,964.86	0.62	56.49	204,968.23	206,131.09
GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	300,000.00	NR	Aaa	8/11/2020	8/19/2020	299,931.36	0.46	56.25	299,936.81	301,021.14
Security Type Sub-Total		1,105,000.00					1,104,846.69	0.47	227.49	1,104,860.11	1,108,655.85
Managed Account Sub Total		91,595,157.14					92,733,319.23	1.41	391,184.68	92,472,661.75	94,782,306.84
Securities Sub-Total		\$91,595,157.14					\$92,733,319.23	1.41%	\$391,184.68	\$92,472,661.75	\$94,782,306.84
Accrued Interest											\$391,184.68
Total Investments											\$95,173,491.52

Bolded items are forward settling trades.

Appendix

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.
- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

GLOSSARY

- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

CITY COUNCIL STAFF REPORT

Consent Item No. 5

February 10, 2021

File No. 0600-10

SUBJECT: Via Robles and Orange Place Apartments Affordable Housing Loan Subordinations

DEPARTMENT: Community Development Department
Housing & Neighborhood Services Division

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-10 authorizing the subordination of affordable housing loans for Via Robles (1565 S Escondido Boulevard) and Orange Place Apartments (1611 S Orange Place) to allow refinancing.

FISCAL ANALYSIS:

There is no fiscal impact to the General Fund and refinancing will have a positive impact on the City's Affordable Housing funds.

The City of Escondido/Community Development Commission of the City of Escondido ("CDC") made three Affordable Housing Loans to Trinity Housing/Trinity Escondido 1, LP ("Trinity") totaling \$7,200,000 for these two developments: \$5,737,000 in Low-Moderate Income Affordable Housing Funds ("Set-Aside") for Via Robles, \$1,263,000, in federal HOME Investment Partnership Funds ("HOME") for Orange Place, and \$200,000 in Set-Aside funds for Orange Place ("Orange Place Set-Aside"). This transaction will result in the full repayment of the \$200,000 Set-Aside loan (Deed of Reconveyance incorporated as Attachment "1"). Repayment of the remaining residual receipt loans will continue to be paid over the 55-year term of the loans. A KMA analysis shows a higher net present value of all payments paid to the City by allowing for the refinance.

PREVIOUS ACTION:

On January 22, 2003, the City Council and CDC approved Resolutions 2003-01 and CDC 2003-14 approving a loan of up to \$6,100,000 of combined HOME and Set-Aside funds for the acquisition and rehabilitation of Orange Place Apartments and the acquisition and redevelopment of the Palomar Mobile Home Park to construct Via Robles Apartments.

On March 4, 2004, the City Council and CDC approved Resolutions 2004-51 and CDC 2004-01 approving an additional \$1,100,000 in HOME and Set-Aside funds.

BACKGROUND AND ANALYSIS:

Via Robles and Orange Place Apartments provide 87 deed-restricted units of affordable housing in Escondido for households earning up to 50%, 60% and 80% of the Area Median Income. City affordability restrictions will continue through 2058. The developer, Trinity, received three City loans to implement the affordable housing project, totaling \$7,200,000. As part of the transaction, the developer executed an Affordable Housing Agreement and Deed of Trust for each loan. Among other things, the Affordable Housing Agreement and Deed of Trust restricts the use of property to affordable housing during the affordability term. The \$7,200,000 loans started accruing 3.0% simple interest annually as of the date of disbursement; residual receipt payments began the first fiscal year after Certificates of Occupancy were received. Trinity would like to refinance the existing mortgage on the two developments to take advantage of historic low rates and perform necessary exterior rehabilitation. As part of the refinance, Trinity will repay one of the City Set-Aside loans and requests the City subordinate the remaining Set-Aside and HOME loans to the new mortgage. Refinancing will reduce debt payments on the project, increasing cash flow, allowing the developer to budget improvements to units as they turn over and to increasing residual receipt payments to the City's Affordable Housing Fund for the next ten years. The project also received 4% tax credits from the California Tax Credit Allocation Committee ("CTCAC") which has approved the refinance. The provisions of the Affordable Housing Agreement and Deed of Trust continue to be in full effect during the affordability term, and the developer meets the current income eligibility and occupancy requirements.

Typically, subordination of a loan in favor of a new loan in the amount of the current balance of the original loan plus the costs of refinancing is acceptable as long as appraisal loan to value standards are not exceeded and the purpose of the refinance is to lessen the borrower's monthly financial obligations for housing costs.

City staff recommends moving forward with the subordination, which meets the chief goal of ensuring long-term affordability, while also allowing the City to receive repayment of its loan(s), the proceeds of which can then be invested in new affordable housing projects.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Mike Strong, Director of Community Development
02/03/21 6:44 p.m.

ATTACHMENTS:

1. Attachment 1 – Deed of Reconveyance of Orange Place Set-Aside Loan
2. Resolution No. 2021-10
3. Resolution No. 2021-10 Exhibit A Subordination of HOME Loan
4. Resolution No. 2021-10 Exhibit B Subordination of Set-Aside Loan

ATTACHMENT "1"

EXEMPT FROM FEES pursuant to
Gov't Code §§ 27383 and 27388.1
(filing requested/executed by municipality)

RECORDING REQUESTED BY, AND
WHEN RECORDED RETURN TO:

Housing Division
City of Escondido
201 North Broadway
Escondido, California 92025-2798

This Space for Recorder's Use Only

APN: 236-223-44

DEED OF RECONVEYANCE

WHEREAS, Trinity Housing 1, L.P. (as "**Borrower**"); the City of Escondido, a California municipal corporation (as "**Trustee**"); and the City of Escondido Community Development Commission (as Beneficiary) entered into that certain "Deed of Trust with Assignment of Rents, and Security Agreement with Fixture Filing" dated June 23, 2003, which was recorded on July 7, 2003 in the Official Records of the County of San Diego, State of California as Document No. 2003-0801943 ("**Deed of Trust**").

WHEREAS, pursuant to the Deed of Trust, Borrower granted and conveyed to Trustee that certain real property defined in the Deed of Trust as the "Property" and as further described therein, and as also particularly described in Exhibit A, attached hereto and incorporated herein by this reference ("**Property**").

WHEREAS, Paragraph 23 of the Deed of Trust states, in part: "Upon payment of all sums secured by this Deed of Trust, Lender may request Trustee to reconvey the Property and will surrender this Deed of Trust to Trustee. Trustee will reconvey the Property without warranty and without charge to the person or persons legally entitled thereto."

NOW, THEREFORE, the Trustee having received from the holder of obligations secured by the Deed of Trust a written request to reconvey the Property, and such request reciting that all sums secured by the Deed of Trust having been fully paid, and the Deed of Trust and all notes secured thereby having been surrendered to the Trustee for cancellation, Trustee hereby does **RECONVEY** the Property without warranty and without charge to Borrower.

(SIGNATURE PAGE FOLLOWS)

CITY OF ESCONDIDO

Date: _____

By _____
Paul McNamara, Mayor

(ABOVE SIGNATURE MUST BE NOTARIZED)

Approved as to Form:

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

Kurt G. Whitman, Senior Deputy City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

Exhibit A

Legal Description of Property

A PORTION OF LOT 2 IN BLOCK 250 OF RANCHO RINCON DEL DIABLO, CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 725 BY J.M. GRAHAM, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 13, 1892.

BEGINNING AT A 1-3/8 INCH IRON AXLE SET FOR THE NORTHEASTERLY CORNER OF SAID LOT 2; THENCE ALONG THE EASTERLY LINE OF SAID LOT 2, SOUTH 30° 51' 20" EAST, 225.26 FEET; THENCE LEAVING SAID EASTERLY LINE, ALONG A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 2, SOUTH 59° 07' 28" WEST, 150.00 FEET TO A POINT WHICH BEARS NORTH 59° 07' 28" EAST, 84.70 FEET FROM ENGINEERS STATION 976+55.28 ON THE CENTERLINE OF THE DEPARTMENT OF PUBLIC WORKS' SURVEY BETWEEN 1.0 MILE SOUTH OF ESCONDIDO AND THE SOUTH CITY LIMIT OF ESCONDIDO, ROAD XI-SD-77-B; THENCE NORTH 31° 58' 43" WEST, 225.30 FEET TO A POINT ON THE NORTHERLY LINE OF SAID LOT 2, DISTANT THEREON NORTH 59° 07' 28" EAST, 80.00 FEET FROM ENGINEERS STATION 978+80.54 ON THE CENTERLINE OF SAID DEPARTMENT OF PUBLIC WORKS' SURVEY; THENCE ALONG SAID NORTHERLY LINE, NORTH 59° 07' 28" EAST, 154.41 FEET TO THE POINT OF BEGINNING

ASSESSOR'S PARCEL NUMBER: 236-223-44

RESOLUTION NO. 2021-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING THE SUBORDINATION OF EXISTING AFFORDABLE HOUSING LOANS TO ALLOW REFINANCING OF VIA ROBLES AND ORANGE PLACE APARTMENTS DEBT AND AUTHORIZING THE MAYOR TO EXECUTE, ON BEHALF OF THE CITY, ALL NECESSARY AGREEMENTS, LOAN DOCUMENTS AND DEEDS

(1565 S Escondido Boulevard & 1611 S Orange Place, Escondido, CA)

WHEREAS, the City of Escondido (“City”) has approved two Low and Moderate Income Housing Fund (“Set-Aside”) and one HOME Investment Partnership (“HOME”) (together “Affordable Housing”) loans to purchase, rehabilitate and construct Via Robles Apartments and Orange Place Apartments; and

WHEREAS, Trinity Escondido 1, L.P. has requested the City subordinate two existing Affordable Housing loans in order to refinance for the long term sustainability of the developments; and

WHEREAS, the City desires at this time, and deems it to be in the best public interest to approve the subordinations, and to authorize the execution of all agreements, loan documents and deeds necessary to provide such funds and property for the provision of affordable housing.

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

1. That the above recitations are true.

2. That the City Council approves the subordination of a \$5,737,000 Set-Aside Loan and a \$1,263,000 HOME loan for the continued sustainability of two affordable housing developments at 1565 S Escondido Boulevard & 1611 S Orange Place.

3. That the Mayor is hereby authorized to execute, on behalf of the City, in a form approved by the City Attorney, any agreements, loan documents, and deeds necessary to provide such funds for the development of the above affordable housing project, including, but not limited to, the Subordination Agreements attached hereto as Exhibit "A" and Exhibit "B" and is incorporated by this reference.

----- [Space Above This Line For Recording Data] -----

Prepared by, and after recording
return to:
Citibank, N.A.
Transaction and Asset Management Group/Documentation
388 Greenwich Street, Trading 6th Floor
New York, New York 10013
Attn: Tanya Jimenez
Citi Deal ID#: 60000690

APN: 236-223-84-00 (Affects: portion of Parcel A); 236-223-86-00 (Affects: portion of Parcel
A)

**SUBORDINATION AGREEMENT
(Affordable)**

SUBORDINATION AGREEMENT (Affordable)

This SUBORDINATION AGREEMENT (this “**Agreement**”) dated as of _____, 2021 is executed by and among (i) **CITIBANK, N.A.**, a national banking association (“**Senior Lender**”), (ii) **CITY OF ESCONDIDO**, a municipal corporation, organized under the laws of the State of California (“**Subordinate Lender**”), and (iii) **TRINITY ESCONDIDO 1, L.P.**, a California limited partnership (“**Borrower**”).

RECITALS:

A. Pursuant to that certain Multifamily Loan and Security Agreement dated as of the date hereof, executed by and between Borrower and Senior Lender (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Loan Agreement**”), Senior Lender has agreed to make a loan to Borrower in the original principal amount of [\$7,650,000] (the “**Senior Loan**”), as evidenced by that certain Multifamily Note dated as of the date hereof, executed by Borrower and made payable to the order of Senior Lender in the amount of the Senior Loan (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Note**”).

B. In addition to the Senior Loan Agreement, the Senior Loan and the Senior Note are also secured by a certain Multifamily Mortgage, Deed of Trust or Deed to Secure Debt dated as of the date hereof (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Security Instrument**”), encumbering the property described in the Senior Security Instrument as the “**Mortgaged Property**.”

C. Borrower has requested Senior Lender to permit those certain subordinate loans in the aggregate amount of \$1,263,000 (collectively, the “**Subordinate Loan**”) from Subordinate Lender to Borrower and to allow the Subordinate Loan to be secured by a mortgage lien against the Mortgaged Property.

D. Senior Lender has agreed to permit the Subordinate Loan and to allow the subordinate mortgage lien against the Mortgaged Property subject to all of the conditions contained in this Agreement.

AGREEMENTS:

NOW, THEREFORE, in order to induce Senior Lender to permit the Subordinate Loan to Borrower and to allow a subordinate mortgage lien against the Mortgaged Property, and in consideration thereof, Senior Lender, Subordinate Lender and Borrower agree as follows:

1. Recitals.

The recitals set forth above are incorporated herein by reference.

2. Definitions.

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

“**Affiliate**” means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual Controlled by, under common Control with, or which Controls such Person, and in all cases any other Person that holds fifty percent (50%) or more of the ownership interests in such Person.

“**Borrower**” means the Person named as such in the first paragraph on page 1 of this Agreement, any successor or assign of Borrower, including without limitation, a receiver, trustee or debtor-in-possession and any other Person (other than Senior Lender) who acquires title to the Mortgaged Property after the date of this Agreement.

“**Business Day**” means any day other than (a) a Saturday, (b) a Sunday, (c) a day on which Senior Lender is not open for business, or (d) a day on which the Federal Reserve Bank of New York is not open for business.

“**Condemnation Action**” means any action or proceeding, however characterized or named, relating to any condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Mortgaged Property, whether direct or indirect.

“**Control**” (including with correlative meanings, the terms “Controlling,” “Controlled by” and “under common Control with”), as applied to any entity, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or operations of such entity, whether through the ownership of voting securities, ownership interests or by contract or otherwise.

“**Default Notice**” means: (a) a copy of any written notice from Senior Lender to Borrower and Subordinate Lender stating that a Senior Loan Default has occurred under the Senior Loan Documents; or (b) a copy of the written notice from Subordinate Lender to Borrower and Senior Lender stating that a Subordinate Loan Default has occurred under the Subordinate Loan Documents. Each Default Notice shall specify the default upon which such Default Notice is based.

“**Person**” means an individual, an estate, a trust, a corporation, a partnership, a limited liability company or any other organization or entity (whether governmental or private).

“**Regulatory Agreement**” means collectively, (i) Regulatory Agreement dated June 23, 2003 by Subordinate Lender and Borrower recorded as Instrument No. 2003-0801942 Official Records of San Diego County, California (“**Official Records**”), (ii) Regulatory Agreement dated October 29, 2003 by Subordinate Lender and Borrower recorded as Instrument No. 2003-1374594 of the Official Records.

“Senior Lender” means the Person named as such in the first paragraph on Page 1 of this Agreement, its successors and assigns and any other Person who becomes the legal holder of the Senior Loan after the date of this Agreement.

“Senior Loan Default” means the occurrence of an “Event of Default” as that term is defined in the Senior Loan Documents.

“Senior Loan Documents” means the Senior Security Instrument, the Senior Note, the Senior Loan Agreement, and all other “Loan Documents” as that term is defined in the Senior Loan Agreement.

“Subordinate Lender” means the Person named as such in the first paragraph on page 1 of this Agreement, any successor or assign of Subordinate Lender, including without limitation, a receiver, trustee or debtor-in-possession and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

“Subordinate Loan Agreement” collectively, means the Affordable Housing Agreement dated June 23, 2003 and a Home Funding Agreement dated October 29, 2003, each between Borrower and Subordinate Lender.

“Subordinate Loan Default” means a default by Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

“Subordinate Loan Documents” means the Subordinate Note, the Subordinate Mortgage, the Subordinate Loan Agreement, the Regulatory Agreement and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loan.

“Subordinate Mortgage” means the mortgage, deed of trust or deed to secure debt encumbering the Mortgaged Property as security for the Subordinate Loan, dated as of October 29, 2003 and recorded on November 14, 2003 as Instrument No. 2003-1374595 of the Official Records, as modified by Amended Deed of Trust with Assignment of Rents, and Security Agreement with Fixture Filing dated March 19, 2004 and recorded on September 17, 2004 as Instrument No. 2004-0885991 of the Official Records.

“Subordinate Note” means collectively, the promissory notes for \$1,000,000 dated October 29, 2003 and for \$263,000 dated March 19, 2004, each issued by Borrower to Subordinate Lender, or order, to evidence the Subordinate Loan.

3. Permission to Place Mortgage Lien Against Mortgaged Property.

Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Mortgaged Property contained in the Senior Loan Documents and subject to the provisions of this Agreement, to permit Subordinate Lender to record the Subordinate Mortgage and other recordable Subordinate Loan Documents against the Mortgaged Property to secure Borrower’s obligation to

repay the Subordinate Note and all other obligations, indebtedness and liabilities of Borrower to Subordinate Lender under and in connection with the Subordinate Loan.

4. Borrower's and Subordinate Lender's Representations and Warranties.

Borrower and Subordinate Lender each makes the following representations and warranties to Senior Lender:

(a) Subordinate Loan Documents.

The Subordinate Loan is evidenced by the Subordinate Note and is secured by the Subordinate Mortgage, the Subordinate Loan Agreement and the Subordinate Loan Documents.

(b) Subordinate Note.

The Subordinate Note contains or shall be deemed to contain, by execution of this Agreement, the following provision:

The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by a Multifamily Note (and any schedules) dated as of even date herewith in the original principal amount of [\$7,650,000], executed by **TRINITY ESCONDIDO 1, L.P.**, a California limited partnership ("**Borrower**") and payable to the order of **CITIBANK, N.A.**, ("**Senior Lender**"), to the extent and in the manner provided in that certain Subordination Agreement dated as of even date herewith between the payee of this Note, and Senior Lender and Borrower (the "**Subordination Agreement**"). The Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Multifamily Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing the Multifamily Note and the terms, covenants and conditions of the Multifamily Loan and Security Agreement evidencing the terms of the Multifamily Note, as more fully set forth in the Subordination Agreement. The rights and remedies of the payee and each subsequent holder of this Note under the Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by Subordinate Lender under the Subordination Agreement.

(c) Relationship of Borrower to Subordinate Lender and Senior Lender.

Subordinate Lender is not an Affiliate of Borrower and is not in possession of any facts which would lead it to believe that Senior Lender is an Affiliate of Borrower.

(d) Term.

The term of the Subordinate Note does not end before the stated term of the Senior Note.

(e) Subordinate Loan Documents.

The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement.

5. Deliveries.

Subordinate Lender shall submit the following items to Senior Lender the later of (a) ten (10) Business Days after the date on which the proceeds of the Subordinate Loan are disbursed to Borrower, and (b) the effective date of the Senior Loan Documents:

(1) Title Policy Endorsement.

An endorsement to the policy of title insurance insuring the lien of the Senior Security Instrument which insures that (A) there are no liens or other encumbrances affecting the Mortgaged Property, other than "Permitted Encumbrances" (as defined in the Senior Security Instrument), the Subordinate Mortgage, and other Subordinate Loan Documents filed or recorded against the Mortgaged Property, (B) the lien of the Subordinate Mortgage is subordinate to the lien of the Senior Security Instrument, and (C) this Agreement has been recorded among the applicable land records.

(2) Certification.

A certification from Borrower and Subordinate Lender to Senior Lender that the Subordinate Loan Documents do not contain any changes from the Subordinate Loan Documents submitted to, and approved by, Senior Lender prior to the date of this Agreement.

(3) Subordinate Loan Documents.

A complete set of the fully executed Subordinate Loan Documents, certified by Borrower to be true, correct and complete.

(4) Senior Loan Documents.

An executed copy of each of the Senior Loan Documents, certified by Borrower to be true, correct and complete.

6. Terms of Subordination.

(a) Agreement to Subordinate.

Senior Lender and Subordinate Lender agree that (1) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and

in the manner provided in this Agreement, to the prior payment in full of the Indebtedness evidenced by the Senior Loan Documents, and (2) the liens, terms, covenants and conditions of the Subordinate Mortgage and the other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Security Instrument and the other Senior Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Security Instrument and the other Senior Loan Documents (including but not limited to, all sums advanced for the purposes of (A) protecting or further securing the lien of the Senior Security Instrument, curing defaults by Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Loan Documents, or (B) constructing, renovating, repairing, furnishing, fixturing or equipping the Mortgaged Property).

(b) Subordination of Subrogation Rights.

Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Mortgaged Property which (but for this subsection) would be senior to the lien of the Senior Security Instrument, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Security Instrument.

(c) Payments Before Senior Loan Default.

Until Subordinate Lender receives a Default Notice (or otherwise acquires actual knowledge) of a Senior Loan Default, Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents.

(d) Payments After Senior Loan Default.

Borrower agrees that, after it receives a Default Notice (or otherwise acquires knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Loan Documents) without Senior Lender's prior written consent. Subordinate Lender agrees that, after it receives a Default Notice from Senior Lender with written instructions directing Subordinate Lender not to accept payments from Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Loan Documents) without Senior Lender's prior written consent. If Subordinate Lender receives written notice from Senior Lender that the Senior Loan Default which gave rise to Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by Senior Lender, the restrictions on payment to Subordinate Lender in this Section 6 shall terminate, and Senior Lender shall have no right to any subsequent payments made to Subordinate Lender by Borrower prior to Subordinate Lender's receipt of a new Default Notice from Senior Lender in accordance with the provisions of this Section 6(d).

(e) Remitting Subordinate Loan Payments to Senior Lender.

If, after Subordinate Lender receives a Default Notice from Senior Lender in accordance with Section 6(d), Subordinate Lender receives any payments under the Subordinate Loan Documents, Subordinate Lender agrees that such payment or other distribution will be received and held in trust for Senior Lender and unless Senior Lender otherwise notifies Subordinate Lender in writing, will be promptly remitted, in kind to Senior Lender, properly endorsed to Senior Lender, to be applied to the principal of, interest on and other amounts due under the Senior Loan Documents in accordance with the provisions of the Senior Loan Documents. By executing this Agreement, Borrower specifically authorizes Subordinate Lender to endorse and remit any such payments to Senior Lender, and specifically waives any and all rights to have such payments returned to Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by Subordinate Lender, and remitted to Senior Lender under this Section 6, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to Senior Lender waive any Subordinate Loan Default which may arise from the inability of Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

(f) Notice of Payment from Other Persons.

Subordinate Lender agrees to notify (telephonically or via email, followed by written notice) Senior Lender of Subordinate Lender's receipt from any Person other than Borrower of a payment with respect to Borrower's obligations under the Subordinate Loan Documents, promptly after Subordinate Lender obtains knowledge of such payment.

(g) Agreement Not to Commence Bankruptcy Proceeding.

Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings against or with respect to Borrower, without Senior Lender's prior written consent.

7. Default Under Subordinate Loan Documents.

(a) Notice of Subordinate Loan Default and Cure Rights.

Subordinate Lender shall deliver to Senior Lender a Default Notice within five (5) Business Days in each case where Subordinate Lender has given a Default Notice to Borrower. Failure of Subordinate Lender to send a Default Notice to Senior Lender shall not prevent the exercise of Subordinate Lender's rights and remedies under the Subordinate Loan Documents, subject to the provisions of this Agreement. Senior Lender shall have the right, but not the obligation, to cure any Subordinate Loan Default within sixty (60) days following the date of such notice; provided, however that Subordinate Lender shall be entitled, during such sixty (60) day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents. All amounts paid by Senior Lender in accordance with the Senior Loan Documents to cure a Subordinate Loan Default shall be deemed to have been advanced by Senior Lender pursuant to, and shall be secured by, the Senior Loan Agreement and the Senior Security Instrument.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender.

If a Subordinate Loan Default occurs and is continuing, Subordinate Lender agrees that, without Senior Lender's prior written consent, it will not commence foreclosure proceedings with respect to the Mortgaged Property under the Subordinate Loan Documents or exercise any other rights or remedies it may have under the Subordinate Loan Documents, including, but not limited to accelerating the Subordinate Loan (and enforcing any "due on sale" provision included in the Subordinate Loan Documents), collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder unless and until it has given Senior Lender at least sixty (60) days prior written notice; during such sixty (60) day period, however, Subordinate Lender shall be entitled to exercise and enforce all other rights and remedies available to Subordinate Lender under the Subordinate Loan Documents and/or under applicable laws, including without limitation, rights to enforce covenants and agreements of Borrower under the Regulatory Agreement relating to income, rent, or affordability restrictions contained in any land use restriction agreement.

(c) Cross Default.

Borrower and Subordinate Lender agree that a Subordinate Loan Default shall constitute a Senior Loan Default under the Senior Loan Documents and Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default. If Subordinate Lender notifies Senior Lender in writing that any Subordinate Loan Default of which Senior Lender has received a Default Notice has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Mortgaged Property pursuant to its rights under the Senior Loan Documents, any Senior Loan Default under the Senior Loan Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that Senior Lender shall not be required to return or otherwise credit for the benefit of Borrower any default rate interest or other default related charges or payments received by Senior Lender during such Senior Loan Default.

8. Default Under Senior Loan Documents.

(a) Notice of Senior Loan Default and Cure Rights.

Senior Lender shall deliver to Subordinate Lender a Default Notice within five (5) Business Days in each case where Senior Lender has given a Default Notice to Borrower. Failure of Senior Lender to send a Default Notice to Subordinate Lender shall not prevent the exercise of Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Section 8(a), nor shall such failure constitute a default by Senior Lender under this Agreement. Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Loan Default within sixty (60) days following the date of such Default Notice or the date on which Subordinate Lender otherwise acquires actual knowledge of Senior Loan Default; provided, however, that Senior Lender shall be entitled during such sixty (60) day period to continue to pursue its remedies under the Senior Loan Documents. Subordinate Lender may have up to ninety (90) days from the date of the Default Notice to cure a non-monetary default if during such ninety (90) day period Subordinate Lender keeps current all payments required by the Senior Loan

Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Mortgaged Property, or Senior Lender's secured position relative to the Mortgaged Property, as determined by Senior Lender in its sole discretion, then Senior Lender may exercise during such ninety (90) day period all available rights and remedies to protect and preserve the Mortgaged Property and the rents, revenues and other proceeds from the Mortgaged Property. All amounts paid by Subordinate Lender to Senior Lender to cure a Senior Loan Default shall be deemed to have been advanced by Subordinate Lender pursuant to, and shall be secured by the Subordinate Loan Agreement and the Subordinate Mortgage.

(b) Cross Default.

Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents (if no other default has occurred under the Subordinate Loan Documents) until either (1) Senior Lender has accelerated the maturity of the Senior Loan, or (2) Senior Lender has taken affirmative action to exercise its rights under the Senior Loan Documents to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Loan Documents. At any time after a Senior Loan Default is determined to constitute a default under the Subordinate Loan Documents, Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement. If at any time Borrower cures any Senior Loan Default to the satisfaction of Senior Lender, as evidenced by written notice from Senior Lender to Subordinate Lender, any default under the Subordinate Loan Documents arising from such Senior Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Senior Loan Default had never occurred.

9. Conflict.

Borrower, Senior Lender and Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Senior Loan Documents, the Subordinate Loan Documents and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of Senior Lender and Subordinate Lender in the Mortgaged Property; (b) the timing of the exercise of remedies by Senior Lender and Subordinate Lender under the Senior Loan Documents and the Subordinate Loan Documents, respectively; and (c) solely as between Senior Lender and Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which Senior Lender and Subordinate Lender have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Loan Default or Subordinate Loan Default, as the case may be; give Borrower the right to notice of any Senior Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

10. Rights and Obligations of Subordinate Lender Under the Subordinate Loan Documents and of Senior Lender under the Senior Loan Documents.

Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents covering the same subject matter:

(a) Protection of Security Interest.

Subordinate Lender shall not, without the prior written consent of Senior Lender in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that Subordinate Lender shall have the right to advance funds to cure Senior Loan Defaults pursuant to Section 8(a) and advance funds pursuant to the Subordinate Loan Documents for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Mortgaged Property and curing other defaults by Borrower under the Subordinate Loan Documents.

(b) Condemnation or Casualty.

Following the occurrence of (1) a Condemnation Action, or (2) a fire or other casualty resulting in damage to all or a portion of the Mortgaged Property (collectively, a “**Casualty**”), at any time or times when the Senior Security Instrument remains a lien on the Mortgaged Property the following provisions shall apply:

(A) Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Condemnation Action or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Condemnation Action or a Casualty shall be and remain subject and subordinate in all respects to Senior Lender’s rights under the Senior Loan Documents with respect thereto, and Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Condemnation Action or a Casualty made by Senior Lender; provided, however, this subsection or anything contained in this Agreement shall not limit the rights of Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Condemnation Action or Casualty; and

(B) all proceeds received or to be received on account of a Condemnation Action or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Loan) in the manner determined by Senior Lender in its sole discretion; provided, however, that if Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Loan, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Loan shall be paid to, and may be applied by, Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents, provided however, Senior Lender agrees to consult with Subordinate Lender in determining the application of Casualty proceeds,

provided further, however, that in the event of any disagreement between Senior Lender and Subordinate Lender over the application of Casualty proceeds, the decision of Senior Lender, in its sole discretion, shall prevail.

(c) Insurance.

Subordinate Lender agrees that all original policies of insurance required pursuant to the Senior Security Instrument shall be held by Senior Lender. The preceding sentence shall not preclude Subordinate Lender from requiring that it be named as a loss payee, as its interest may appear, under all policies of property damage insurance maintained by Borrower with respect to the Mortgaged Property, provided such action does not affect the priority of payment of the proceeds of property damage insurance under the Senior Security Instrument, or that it be named as an additional insured under all policies of liability insurance maintained by Borrower with respect to the Mortgaged Property.

(d) No Modification of Subordinate Loan Documents.

Borrower and Subordinate Lender each agree that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of Senior Lender in each instance, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon Senior Lender under the Senior Loan Documents. Any amendment of the Subordinate Loan Documents or assignment of Subordinate Lender's interest in the Subordinate Loan without Senior Lender's consent shall be void ab initio and of no effect whatsoever.

11. Modification or Refinancing of Senior Loan.

Subordinate Lender consents to any agreement or arrangement in which Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money. Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Loan (including reasonable and necessary costs associated with the closing and/or the refinancing); and that all the terms and covenants of this Agreement shall inure to the benefit of any holder of any such refinanced debt; and that all references to the Senior Loan, the Senior Note, the Senior Loan Agreement, the Senior Security Instrument, the Senior Loan Documents and Senior Lender shall mean, respectively, the refinance loan, the refinance note loan agreement, the mortgage securing the refinance note, all documents evidencing securing or otherwise pertaining to the refinance note and the holder of the refinance note.

12. Default by Subordinate Lender or Senior Lender.

If Subordinate Lender or Senior Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

13. Reinstatement.

To the extent that Borrower makes a payment to Senior Lender or Senior Lender receives any payment or proceeds of the collateral securing the Senior Loan for Borrower's benefit, which payment or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable doctrine, then to the extent of such payment or proceeds received and not retained by Senior Lender, this Agreement shall be reinstated and continue in full force and effect until full and final payment shall have been made to Senior Lender. Subordinate Lender agrees to hold in trust for Senior Lender and promptly remit to Senior Lender any payments received by Subordinate Lender after such invalidated, rescinded or returned payment was originally made.

14. Notices.

(a) Process of Serving Notice.

All notices under this Agreement shall be:

- (1) in writing and shall be:
 - (A) delivered, in person;
 - (B) mailed, postage prepaid, either by registered or certified delivery, return receipt requested;
 - (C) sent by overnight courier; or
 - (D) sent by electronic mail with originals to follow by overnight courier;
- (2) addressed to the intended recipient at the address(es) below the signature block, as applicable; and
- (3) deemed given on the earlier to occur of:
 - (A) the date when the notice is received by the addressee; or
 - (B) if the recipient refuses or rejects delivery, the date on which the notice is so refused or rejected, as conclusively established by the records of the United States Postal Service or any express courier service.

(b) Change of Address.

Any party to Agreement may change the address to which notices intended for it are to be directed by means of notice given to the other parties identified in this Agreement.

(c) Receipt of Notices.

Senior Lender, Subordinate Lender or Borrower shall not refuse or reject delivery of any notice given in accordance with this Agreement. Each party is required to acknowledge, in writing, the receipt of any notice upon request by the other party.

15. General.

(a) Assignment/Successors.

This Agreement shall be binding upon Borrower, Senior Lender and Subordinate Lender and shall inure to the benefit of the respective legal successors, transferees and assigns of Borrower, Senior Lender and Subordinate Lender. Borrower shall not assign any of its rights and obligations under this Agreement without the prior written consent of Senior Lender.

(b) No Partnership or Joint Venture.

Senior Lender's permission for the placement of the Subordinate Loan does not constitute Senior Lender as a joint venturer or partner of Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the other party hereto.

(c) Senior Lender's and Subordinate Lender's Consent.

Wherever Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by Senior Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

(d) Further Assurances.

Subordinate Lender, Senior Lender and Borrower each agrees, at Borrower's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to evidence that the Subordinate Mortgage is subordinate to the lien, covenants and conditions of the Senior Loan Documents, or to further evidence the intent of this Agreement.

(e) Amendment.

This Agreement shall not be amended except by written instrument signed by all parties hereto.

(f) Governing Law.

This Agreement shall be governed by the laws of the jurisdiction in which the Mortgaged Property is located without giving effect to any choice of law provisions thereof that would result in the application of the laws of another jurisdiction. Senior Lender, Subordinate Lender and

Borrower agree that any controversy arising under or in relation to this Security Instrument shall be litigated exclusively in the jurisdiction in which the Mortgaged Property is located. The state and federal courts and authorities with jurisdiction in such locale shall have exclusive jurisdiction over all controversies that arise under or in relation to this Agreement. The parties hereto irrevocably consent to service, jurisdiction, and venue of such courts for any such litigation and waive any other venue to which any might be entitled by virtue of domicile, habitual residence or otherwise.

(g) Severable Provisions.

If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

(h) Term.

The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (1) the payment in full of the principal of, interest on and other amounts payable under the Senior Loan Documents; (2) the payment in full of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to Section 6 hereof; (3) the acquisition by Senior Lender of title to the Mortgaged Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Senior Loan Documents; or (4) the acquisition by Subordinate Lender of title to the Mortgaged Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Subordinate Loan Documents, but only if such acquisition of title does not violate any of the terms of this Agreement.

(i) Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

(j) Sale of Senior Loan.

Nothing in this Agreement shall limit Senior Lender's (including any assignee or transferee of Senior Lender) right to sell or transfer the Senior Loan, or any interest in the Senior Loan. The Senior Loan or a partial interest in the Senior Loan (together with this Agreement and the other Loan Documents) may be sold one or more times without prior notice to Borrower.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Borrower, Senior Lender and Subordinate Lender have signed and delivered this Agreement under seal (where applicable) or have caused this Agreement to be signed and delivered under seal (where applicable) by a duly authorized representative. Where applicable law so provides, Borrower, Senior Lender and Subordinate Lender intend that this Agreement shall be deemed to be signed and delivered as a sealed instrument.

SENIOR LENDER:

CITIBANK, N.A.,
a national banking association

By: _____
Name: Kathy Millhouse
Title: Vice President
Deal ID No. 60000690

Address: 388 Greenwich Street, Trading 6th Floor
New York, New York 10013

With a copy to: Fannie Mae
Attention: Multifamily Asset Management
Drawer AM
1100 15th Street, NW
Washington, DC 20005

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

SUBORDINATE LENDER:

CITY OF ESCONDIDO,

A municipal corporation organized under the laws
of the State of California

By: _____

Name: Paul McNamara

Title: Mayor

(above signature must be notarized)

Approved as to Form:

OFFICE OF CITY ATTORNEY

Michael R. McGuinness

By: _____

Address: 201 N. Broadway
Escondido, California 92025
Attention: HOME Program Coordinator

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

BORROWER:

TRINITY ESCONDIDO 1, L.P.,
a California Limited Partnership

By: Wakeland Housing and Development Corporation
a California non-profit public benefit corporation
Its: Managing General Partner

By: _____
Name: Kenneth L. Sauder
Title: Executive Director

By: Trinity Housing Investments 1, LLC
a California limited liability company
Its: Administrative General Partner

By: Trinity Housing Investments, LLC
a California limited liability company
Its: Sole Member

By: _____
Name: Stephen L. Kuptz
Title: Manager

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A
Legal Description

[Orange Prop/Parcel A]

----- [Space Above This Line For Recording Data] -----

Prepared by, and after recording
return to:
Citibank, N.A.
Transaction and Asset Management Group/Documentation
388 Greenwich Street, Trading 6th Floor
New York, New York 10013
Attn: Tanya Jimenez
Citi Deal ID#: 60000690

APN: 236-223-44-00 (Affects: Parcel D)

SUBORDINATION AGREEMENT
(Affordable)

SUBORDINATION AGREEMENT (Affordable)

This SUBORDINATION AGREEMENT (this "**Agreement**") dated as of _____, 2021 is executed by and among (i) **CITIBANK, N.A.**, a national banking association ("**Senior Lender**"), (ii) **CITY OF ESCONDIDO**, a municipal corporation, organized under the laws of the State of California ("**Subordinate Lender**"), and (iii) **TRINITY ESCONDIDO 1, L.P.**, a California limited partnership ("**Borrower**").

RECITALS:

A. Pursuant to that certain Multifamily Loan and Security Agreement dated as of the date hereof, executed by and between Borrower and Senior Lender (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Senior Loan Agreement**"), Senior Lender has agreed to make a loan to Borrower in the original principal amount of [\$7,650,000] (the "**Senior Loan**"), as evidenced by that certain Multifamily Note dated as of the date hereof, executed by Borrower and made payable to the order of Senior Lender in the amount of the Senior Loan (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Senior Note**").

B. In addition to the Senior Loan Agreement, the Senior Loan and the Senior Note are also secured by a certain Multifamily Mortgage, Deed of Trust or Deed to Secure Debt dated as of the date hereof (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Senior Security Instrument**"), encumbering the property described in the Senior Security Instrument as the "**Mortgaged Property.**"

C. Borrower has requested Senior Lender to permit those certain subordinate loans in the aggregate amount of \$5,737,000 (collectively, the "**Subordinate Loan**") from Subordinate Lender to Borrower and to allow the Subordinate Loan to be secured by a mortgage lien against the Mortgaged Property.

D. Senior Lender has agreed to permit the Subordinate Loan and to allow the subordinate mortgage lien against the Mortgaged Property subject to all of the conditions contained in this Agreement.

AGREEMENTS:

NOW, THEREFORE, in order to induce Senior Lender to permit the Subordinate Loan to Borrower and to allow a subordinate mortgage lien against the Mortgaged Property, and in consideration thereof, Senior Lender, Subordinate Lender and Borrower agree as follows:

1. Recitals.

The recitals set forth above are incorporated herein by reference.

2. Definitions.

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

“**Affiliate**” means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual Controlled by, under common Control with, or which Controls such Person, and in all cases any other Person that holds fifty percent (50%) or more of the ownership interests in such Person.

“**Borrower**” means the Person named as such in the first paragraph on page 1 of this Agreement, any successor or assign of Borrower, including without limitation, a receiver, trustee or debtor-in-possession and any other Person (other than Senior Lender) who acquires title to the Mortgaged Property after the date of this Agreement.

“**Business Day**” means any day other than (a) a Saturday, (b) a Sunday, (c) a day on which Senior Lender is not open for business, or (d) a day on which the Federal Reserve Bank of New York is not open for business.

“**Condemnation Action**” means any action or proceeding, however characterized or named, relating to any condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Mortgaged Property, whether direct or indirect.

“**Control**” (including with correlative meanings, the terms “Controlling,” “Controlled by” and “under common Control with”), as applied to any entity, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or operations of such entity, whether through the ownership of voting securities, ownership interests or by contract or otherwise.

“**Default Notice**” means: (a) a copy of any written notice from Senior Lender to Borrower and Subordinate Lender stating that a Senior Loan Default has occurred under the Senior Loan Documents; or (b) a copy of the written notice from Subordinate Lender to Borrower and Senior Lender stating that a Subordinate Loan Default has occurred under the Subordinate Loan Documents. Each Default Notice shall specify the default upon which such Default Notice is based.

“**Person**” means an individual, an estate, a trust, a corporation, a partnership, a limited liability company or any other organization or entity (whether governmental or private).

“**Regulatory Agreement**” means collectively, (i) Regulatory Agreement dated June 23, 2003 by Subordinate Lender and Borrower recorded as Instrument No. 2003-0801942 Official Records of San Diego County, California (“**Official Records**”), (ii) Regulatory Agreement dated June 23, 2003 by Subordinate Lender and Borrower recorded as Instrument No. 2003-0801944 of the Official Records.

“Senior Lender” means the Person named as such in the first paragraph on Page 1 of this Agreement, its successors and assigns and any other Person who becomes the legal holder of the Senior Loan after the date of this Agreement.

“Senior Loan Default” means the occurrence of an “Event of Default” as that term is defined in the Senior Loan Documents.

“Senior Loan Documents” means the Senior Security Instrument, the Senior Note, the Senior Loan Agreement, and all other “Loan Documents” as that term is defined in the Senior Loan Agreement.

“Subordinate Lender” means the Person named as such in the first paragraph on page 1 of this Agreement, any successor or assign of Subordinate Lender, including without limitation, a receiver, trustee or debtor-in-possession and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

“Subordinate Loan Agreement” collectively, means the Affordable Housing Agreement dated June 23, 2003 between Borrower and Subordinate Lender.

“Subordinate Loan Default” means a default by Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

“Subordinate Loan Documents” means the Subordinate Note, the Subordinate Mortgage, the Subordinate Loan Agreement, the Regulatory Agreement and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loan.

“Subordinate Mortgage” means the mortgage, deed of trust or deed to secure debt encumbering the Mortgaged Property as security for the Subordinate Loan, dated as of June 23, 2003 and recorded on July 7, 2003 as Instrument No. 2003-0801945 of the Official Records, as modified by Amendment to Deed of Trust with Assignment of Rents, and Security Agreement with Fixture Filing dated September 13, 2003 and recorded on September 19, 2003 as Instrument No. 2003-1157834 and as further amended by Modification and Supplement to Deed of Trust dated October 20, 2003 and recorded on October 28, 2003 as Instrument No. 2003-1309663, and as further amended by Second Amendment to Deed of Trust With Assignment of Rents, and Security Agreement with Fixture Filing dated March 19, 2004 and recorded on September 17, 2004 as Instrument No. 2004-088119 of the Official Records.

“Subordinate Note” means collectively, the promissory notes for (1) \$1,900,000 dated June 23, 2003, (2) \$664,500 dated September 13, 2003, (3) \$1,209,891 dated September 29, 2003, (4) \$454,407 dated November 6, 2003, (5) \$671,202 dated January 26, 2004, and (6) \$837,000 dated March 19, 2004, in the aggregate, original principal amount of \$5,737,000, each issued by Borrower to Subordinate Lender, or order, to evidence the Subordinate Loan.

3. **Permission to Place Mortgage Lien Against Mortgaged Property.**

Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Mortgaged Property contained in the Senior Loan Documents and subject to the provisions of this Agreement, to permit Subordinate Lender to record the Subordinate Mortgage and other recordable Subordinate Loan Documents against the Mortgaged Property to secure Borrower's obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of Borrower to Subordinate Lender under and in connection with the Subordinate Loan.

4. **Borrower's and Subordinate Lender's Representations and Warranties.**

Borrower and Subordinate Lender each makes the following representations and warranties to Senior Lender:

(a) **Subordinate Loan Documents.**

The Subordinate Loan is evidenced by the Subordinate Note and is secured by the Subordinate Mortgage, the Subordinate Loan Agreement and the Subordinate Loan Documents.

(b) **Subordinate Note.**

The Subordinate Note contains or shall be deemed to contain, by execution of this Agreement, the following provision:

The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by a Multifamily Note (and any schedules) dated as of even date herewith in the original principal amount of [\$7,650,000], executed by **TRINITY ESCONDIDO 1, L.P.**, a California limited partnership ("**Borrower**") and payable to the order of **CITIBANK, N.A.**, ("**Senior Lender**"), to the extent and in the manner provided in that certain Subordination Agreement dated as of even date herewith between the payee of this Note, and Senior Lender and Borrower (the "**Subordination Agreement**"). The Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Multifamily Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing the Multifamily Note and the terms, covenants and conditions of the Multifamily Loan and Security Agreement evidencing the terms of the Multifamily Note, as more fully set forth in the Subordination Agreement. The rights and remedies of the payee and each subsequent holder of this Note under the Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by Subordinate Lender under the Subordination Agreement.

(c) Relationship of Borrower to Subordinate Lender and Senior Lender.

Subordinate Lender is not an Affiliate of Borrower and is not in possession of any facts which would lead it to believe that Senior Lender is an Affiliate of Borrower.

(d) Term.

The term of the Subordinate Note does not end before the stated term of the Senior Note.

(e) Subordinate Loan Documents.

The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement.

5. Deliveries.

Subordinate Lender shall submit the following items to Senior Lender the later of (a) ten (10) Business Days after the date on which the proceeds of the Subordinate Loan are disbursed to Borrower, and (b) the effective date of the Senior Loan Documents:

(1) Title Policy Endorsement.

An endorsement to the policy of title insurance insuring the lien of the Senior Security Instrument which insures that (A) there are no liens or other encumbrances affecting the Mortgaged Property, other than "Permitted Encumbrances" (as defined in the Senior Security Instrument), the Subordinate Mortgage, and other Subordinate Loan Documents filed or recorded against the Mortgaged Property, (B) the lien of the Subordinate Mortgage is subordinate to the lien of the Senior Security Instrument, and (C) this Agreement has been recorded among the applicable land records.

(2) Certification.

A certification from Borrower and Subordinate Lender to Senior Lender that the Subordinate Loan Documents do not contain any changes from the Subordinate Loan Documents submitted to, and approved by, Senior Lender prior to the date of this Agreement.

(3) Subordinate Loan Documents.

A complete set of the fully executed Subordinate Loan Documents, certified by Borrower to be true, correct and complete.

(4) Senior Loan Documents.

An executed copy of each of the Senior Loan Documents, certified by Borrower to be true, correct and complete.

6. Terms of Subordination.

(a) Agreement to Subordinate.

Senior Lender and Subordinate Lender agree that (1) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement, to the prior payment in full of the Indebtedness evidenced by the Senior Loan Documents, and (2) the liens, terms, covenants and conditions of the Subordinate Mortgage and the other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Security Instrument and the other Senior Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Security Instrument and the other Senior Loan Documents (including but not limited to, all sums advanced for the purposes of (A) protecting or further securing the lien of the Senior Security Instrument, curing defaults by Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Loan Documents, or (B) constructing, renovating, repairing, furnishing, fixturing or equipping the Mortgaged Property).

(b) Subordination of Subrogation Rights.

Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Mortgaged Property which (but for this subsection) would be senior to the lien of the Senior Security Instrument, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Security Instrument.

(c) Payments Before Senior Loan Default.

Until Subordinate Lender receives a Default Notice (or otherwise acquires actual knowledge) of a Senior Loan Default, Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents.

(d) Payments After Senior Loan Default.

Borrower agrees that, after it receives a Default Notice (or otherwise acquires knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Loan Documents) without Senior Lender's prior written consent. Subordinate Lender agrees that, after it receives a Default Notice from Senior Lender with written instructions directing Subordinate Lender not to accept payments from Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Loan Documents) without Senior Lender's prior written consent. If Subordinate Lender receives written notice from Senior Lender that the Senior Loan Default which gave rise to Subordinate Lender's obligation not to accept payments

has been cured, waived, or otherwise suspended by Senior Lender, the restrictions on payment to Subordinate Lender in this Section 6 shall terminate, and Senior Lender shall have no right to any subsequent payments made to Subordinate Lender by Borrower prior to Subordinate Lender's receipt of a new Default Notice from Senior Lender in accordance with the provisions of this Section 6(d).

(e) Remitting Subordinate Loan Payments to Senior Lender.

If, after Subordinate Lender receives a Default Notice from Senior Lender in accordance with Section 6(d), Subordinate Lender receives any payments under the Subordinate Loan Documents, Subordinate Lender agrees that such payment or other distribution will be received and held in trust for Senior Lender and unless Senior Lender otherwise notifies Subordinate Lender in writing, will be promptly remitted, in kind to Senior Lender, properly endorsed to Senior Lender, to be applied to the principal of, interest on and other amounts due under the Senior Loan Documents in accordance with the provisions of the Senior Loan Documents. By executing this Agreement, Borrower specifically authorizes Subordinate Lender to endorse and remit any such payments to Senior Lender, and specifically waives any and all rights to have such payments returned to Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by Subordinate Lender, and remitted to Senior Lender under this Section 6, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to Senior Lender waive any Subordinate Loan Default which may arise from the inability of Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

(f) Notice of Payment from Other Persons.

Subordinate Lender agrees to notify (telephonically or via email, followed by written notice) Senior Lender of Subordinate Lender's receipt from any Person other than Borrower of a payment with respect to Borrower's obligations under the Subordinate Loan Documents, promptly after Subordinate Lender obtains knowledge of such payment.

(g) Agreement Not to Commence Bankruptcy Proceeding.

Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings against or with respect to Borrower, without Senior Lender's prior written consent.

7. Default Under Subordinate Loan Documents.

(a) Notice of Subordinate Loan Default and Cure Rights.

Subordinate Lender shall deliver to Senior Lender a Default Notice within five (5) Business Days in each case where Subordinate Lender has given a Default Notice to Borrower. Failure of Subordinate Lender to send a Default Notice to Senior Lender shall not prevent the exercise of Subordinate Lender's rights and remedies under the Subordinate Loan Documents, subject to the provisions of this Agreement. Senior Lender shall have the right, but not the obligation, to cure

any Subordinate Loan Default within sixty (60) days following the date of such notice; provided, however that Subordinate Lender shall be entitled, during such sixty (60) day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents. All amounts paid by Senior Lender in accordance with the Senior Loan Documents to cure a Subordinate Loan Default shall be deemed to have been advanced by Senior Lender pursuant to, and shall be secured by, the Senior Loan Agreement and the Senior Security Instrument.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender.

If a Subordinate Loan Default occurs and is continuing, Subordinate Lender agrees that, without Senior Lender's prior written consent, it will not commence foreclosure proceedings with respect to the Mortgaged Property under the Subordinate Loan Documents or exercise any other rights or remedies it may have under the Subordinate Loan Documents, including, but not limited to accelerating the Subordinate Loan (and enforcing any "due on sale" provision included in the Subordinate Loan Documents), collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder unless and until it has given Senior Lender at least sixty (60) days prior written notice; during such sixty (60) day period, however, Subordinate Lender shall be entitled to exercise and enforce all other rights and remedies available to Subordinate Lender under the Subordinate Loan Documents and/or under applicable laws, including without limitation, rights to enforce covenants and agreements of Borrower under the Regulatory Agreement relating to income, rent, or affordability restrictions contained in any land use restriction agreement.

(c) Cross Default.

Borrower and Subordinate Lender agree that a Subordinate Loan Default shall constitute a Senior Loan Default under the Senior Loan Documents and Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default. If Subordinate Lender notifies Senior Lender in writing that any Subordinate Loan Default of which Senior Lender has received a Default Notice has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Mortgaged Property pursuant to its rights under the Senior Loan Documents, any Senior Loan Default under the Senior Loan Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that Senior Lender shall not be required to return or otherwise credit for the benefit of Borrower any default rate interest or other default related charges or payments received by Senior Lender during such Senior Loan Default.

8. Default Under Senior Loan Documents.

(a) Notice of Senior Loan Default and Cure Rights.

Senior Lender shall deliver to Subordinate Lender a Default Notice within five (5) Business Days in each case where Senior Lender has given a Default Notice to Borrower. Failure of Senior Lender to send a Default Notice to Subordinate Lender shall not prevent the exercise of Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Section 8(a), nor shall such failure constitute a default by Senior Lender under this Agreement.

Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Loan Default within sixty (60) days following the date of such Default Notice or the date on which Subordinate Lender otherwise acquires actual knowledge of Senior Loan Default; provided, however, that Senior Lender shall be entitled during such sixty (60) day period to continue to pursue its remedies under the Senior Loan Documents. Subordinate Lender may have up to ninety (90) days from the date of the Default Notice to cure a non-monetary default if during such ninety (90) day period Subordinate Lender keeps current all payments required by the Senior Loan Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Mortgaged Property, or Senior Lender's secured position relative to the Mortgaged Property, as determined by Senior Lender in its sole discretion, then Senior Lender may exercise during such ninety (90) day period all available rights and remedies to protect and preserve the Mortgaged Property and the rents, revenues and other proceeds from the Mortgaged Property. All amounts paid by Subordinate Lender to Senior Lender to cure a Senior Loan Default shall be deemed to have been advanced by Subordinate Lender pursuant to, and shall be secured by the Subordinate Loan Agreement and the Subordinate Mortgage.

(b) Cross Default.

Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents (if no other default has occurred under the Subordinate Loan Documents) until either (1) Senior Lender has accelerated the maturity of the Senior Loan, or (2) Senior Lender has taken affirmative action to exercise its rights under the Senior Loan Documents to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Loan Documents. At any time after a Senior Loan Default is determined to constitute a default under the Subordinate Loan Documents, Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement. If at any time Borrower cures any Senior Loan Default to the satisfaction of Senior Lender, as evidenced by written notice from Senior Lender to Subordinate Lender, any default under the Subordinate Loan Documents arising from such Senior Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Senior Loan Default had never occurred.

9. Conflict.

Borrower, Senior Lender and Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Senior Loan Documents, the Subordinate Loan Documents and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of Senior Lender and Subordinate Lender in the Mortgaged Property; (b) the timing of the exercise of remedies by Senior Lender and Subordinate Lender under the Senior Loan Documents and the Subordinate Loan Documents, respectively; and (c) solely as between Senior Lender and Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which Senior Lender and Subordinate Lender have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Loan Default or Subordinate Loan Default, as the

case may be; give Borrower the right to notice of any Senior Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

10. Rights and Obligations of Subordinate Lender Under the Subordinate Loan Documents and of Senior Lender under the Senior Loan Documents.

Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents covering the same subject matter:

(a) Protection of Security Interest.

Subordinate Lender shall not, without the prior written consent of Senior Lender in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that Subordinate Lender shall have the right to advance funds to cure Senior Loan Defaults pursuant to Section 8(a) and advance funds pursuant to the Subordinate Loan Documents for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Mortgaged Property and curing other defaults by Borrower under the Subordinate Loan Documents.

(b) Condemnation or Casualty.

Following the occurrence of (1) a Condemnation Action, or (2) a fire or other casualty resulting in damage to all or a portion of the Mortgaged Property (collectively, a “**Casualty**”), at any time or times when the Senior Security Instrument remains a lien on the Mortgaged Property the following provisions shall apply:

(A) Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Condemnation Action or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Condemnation Action or a Casualty shall be and remain subject and subordinate in all respects to Senior Lender’s rights under the Senior Loan Documents with respect thereto, and Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Condemnation Action or a Casualty made by Senior Lender; provided, however, this subsection or anything contained in this Agreement shall not limit the rights of Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Condemnation Action or Casualty; and

(B) all proceeds received or to be received on account of a Condemnation Action or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Loan) in the manner determined by Senior Lender in its sole discretion; provided, however, that if Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Loan, any

proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Loan shall be paid to, and may be applied by, Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents, provided however, Senior Lender agrees to consult with Subordinate Lender in determining the application of Casualty proceeds, provided further, however, that in the event of any disagreement between Senior Lender and Subordinate Lender over the application of Casualty proceeds, the decision of Senior Lender, in its sole discretion, shall prevail.

(c) Insurance.

Subordinate Lender agrees that all original policies of insurance required pursuant to the Senior Security Instrument shall be held by Senior Lender. The preceding sentence shall not preclude Subordinate Lender from requiring that it be named as a loss payee, as its interest may appear, under all policies of property damage insurance maintained by Borrower with respect to the Mortgaged Property, provided such action does not affect the priority of payment of the proceeds of property damage insurance under the Senior Security Instrument, or that it be named as an additional insured under all policies of liability insurance maintained by Borrower with respect to the Mortgaged Property.

(d) No Modification of Subordinate Loan Documents.

Borrower and Subordinate Lender each agree that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of Senior Lender in each instance, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon Senior Lender under the Senior Loan Documents. Any amendment of the Subordinate Loan Documents or assignment of Subordinate Lender's interest in the Subordinate Loan without Senior Lender's consent shall be void ab initio and of no effect whatsoever.

11. Modification or Refinancing of Senior Loan.

Subordinate Lender consents to any agreement or arrangement in which Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money. Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Loan (including reasonable and necessary costs associated with the closing and/or the refinancing); and that all the terms and covenants of this Agreement shall inure to the benefit of any holder of any such refinanced debt; and that all references to the Senior Loan, the Senior Note, the Senior Loan Agreement, the Senior Security Instrument, the Senior Loan Documents and Senior Lender shall mean, respectively, the refinance loan, the refinance note loan agreement, the mortgage securing the refinance note, all documents evidencing securing or otherwise pertaining to the refinance note and the holder of the refinance note.

12. Default by Subordinate Lender or Senior Lender.

If Subordinate Lender or Senior Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

13. Reinstatement.

To the extent that Borrower makes a payment to Senior Lender or Senior Lender receives any payment or proceeds of the collateral securing the Senior Loan for Borrower's benefit, which payment or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable doctrine, then to the extent of such payment or proceeds received and not retained by Senior Lender, this Agreement shall be reinstated and continue in full force and effect until full and final payment shall have been made to Senior Lender. Subordinate Lender agrees to hold in trust for Senior Lender and promptly remit to Senior Lender any payments received by Subordinate Lender after such invalidated, rescinded or returned payment was originally made.

14. Notices.

(a) Process of Serving Notice.

All notices under this Agreement shall be:

- (1) in writing and shall be:
 - (A) delivered, in person;
 - (B) mailed, postage prepaid, either by registered or certified delivery, return receipt requested;
 - (C) sent by overnight courier; or
 - (D) sent by electronic mail with originals to follow by overnight courier;
- (2) addressed to the intended recipient at the address(es) below the signature block, as applicable; and
- (3) deemed given on the earlier to occur of:
 - (A) the date when the notice is received by the addressee; or
 - (B) if the recipient refuses or rejects delivery, the date on which the notice is so refused or rejected, as conclusively established by the records of the United States Postal Service or any express courier service.

(b) Change of Address.

Any party to Agreement may change the address to which notices intended for it are to be directed by means of notice given to the other parties identified in this Agreement.

(c) Receipt of Notices.

Senior Lender, Subordinate Lender or Borrower shall not refuse or reject delivery of any notice given in accordance with this Agreement. Each party is required to acknowledge, in writing, the receipt of any notice upon request by the other party.

15. General.

(a) Assignment/Successors.

This Agreement shall be binding upon Borrower, Senior Lender and Subordinate Lender and shall inure to the benefit of the respective legal successors, transferees and assigns of Borrower, Senior Lender and Subordinate Lender. Borrower shall not assign any of its rights and obligations under this Agreement without the prior written consent of Senior Lender.

(b) No Partnership or Joint Venture.

Senior Lender's permission for the placement of the Subordinate Loan does not constitute Senior Lender as a joint venturer or partner of Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the other party hereto.

(c) Senior Lender's and Subordinate Lender's Consent.

Wherever Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by Senior Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

(d) Further Assurances.

Subordinate Lender, Senior Lender and Borrower each agrees, at Borrower's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to evidence that the Subordinate Mortgage is subordinate to the lien, covenants and conditions of the Senior Loan Documents, or to further evidence the intent of this Agreement.

(e) Amendment.

This Agreement shall not be amended except by written instrument signed by all parties hereto.

(f) Governing Law.

This Agreement shall be governed by the laws of the jurisdiction in which the Mortgaged Property is located without giving effect to any choice of law provisions thereof that would result in the application of the laws of another jurisdiction. Senior Lender, Subordinate Lender and Borrower agree that any controversy arising under or in relation to this Security Instrument shall be litigated exclusively in the jurisdiction in which the Mortgaged Property is located. The state and federal courts and authorities with jurisdiction in such locale shall have exclusive jurisdiction over all controversies that arise under or in relation to this Agreement. The parties hereto irrevocably consent to service, jurisdiction, and venue of such courts for any such litigation and waive any other venue to which any might be entitled by virtue of domicile, habitual residence or otherwise.

(g) Severable Provisions.

If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

(h) Term.

The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (1) the payment in full of the principal of, interest on and other amounts payable under the Senior Loan Documents; (2) the payment in full of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to Section 6 hereof; (3) the acquisition by Senior Lender of title to the Mortgaged Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Senior Loan Documents; or (4) the acquisition by Subordinate Lender of title to the Mortgaged Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Subordinate Loan Documents, but only if such acquisition of title does not violate any of the terms of this Agreement.

(i) Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

(j) Sale of Senior Loan.

Nothing in this Agreement shall limit Senior Lender's (including any assignee or transferee of Senior Lender) right to sell or transfer the Senior Loan, or any interest in the Senior Loan. The Senior Loan or a partial interest in the Senior Loan (together with this Agreement and the other Loan Documents) may be sold one or more times without prior notice to Borrower.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Borrower, Senior Lender and Subordinate Lender have signed and delivered this Agreement under seal (where applicable) or have caused this Agreement to be signed and delivered under seal (where applicable) by a duly authorized representative. Where applicable law so provides, Borrower, Senior Lender and Subordinate Lender intend that this Agreement shall be deemed to be signed and delivered as a sealed instrument.

SENIOR LENDER:

CITIBANK, N.A.,
a national banking association

By: _____
Name: Kathy Millhouse
Title: Vice President
Deal ID No. 60000690

Address: 388 Greenwich Street, Trading 6th Floor
New York, New York 10013

With a copy to: Fannie Mae
Attention: Multifamily Asset Management
Drawer AM
1100 15th Street, NW
Washington, DC 20005

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

SUBORDINATE LENDER:

CITY OF ESCONDIDO,

A municipal corporation organized under the laws
of the State of California

By: _____
Name: Paul McNamara
Title: Mayor
(above signature must be notarized)

Approved as to Form:
OFFICE OF CITY ATTORNEY
Michael R. McGuinness

By: _____

Address: 201 N. Broadway
Escondido, California 92025
Attention: HOME Program Coordinator

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

BORROWER:

TRINITY ESCONDIDO 1, L.P.,
a California Limited Partnership

By: Wakeland Housing and Development Corporation
a California non-profit public benefit corporation
Its: Managing General Partner

By: _____
Name: Kenneth L. Sauder
Title: Executive Director

By: Trinity Housing Investments 1, LLC
a California limited liability company
Its: Administrative General Partner

By: Trinity Housing Investments, LLC
a California limited liability company
Its: Sole Member

By: _____
Name: Stephen L. Kuptz
Title: Manager

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A
Legal Description

[Escondido Prop/Parcel D]

CITY COUNCIL STAFF REPORT

Consent Item No. 6

February 10, 2021

File No. 0480-70

SUBJECT: Acceptance of a \$25,000 Grant for Water Bottle Filling Stations

DEPARTMENT: Communications and Community Services

RECOMMENDATION:

It is requested that the City Council (a) accepts \$25,000 in grant funding from the Metropolitan Water District (MWD) and San Diego County Water Authority (SDCWA) to fund water bottle filling stations, (b) authorizes the Deputy City Manager/Director of Communications and Community Services or her designee to execute all documents necessary for the management and completion of the grant scope; and (c) authorizes the necessary budget adjustment needed to establish a new project number for tracking and spending of grant funds.

FISCAL ANALYSIS:

The cost to purchase the water bottle filling stations and the accompanying signage will be fully covered by the grant, with no impact to the General Fund. Installation of the units will be performed by City of Escondido ("City") staff and will be fully funded through the Community Services Department's FY 2020-2021 operating budget.

PREVIOUS ACTION: None

BACKGROUND:

The MWD and SDCWA have awarded the City \$25,000 in grant funds through their Water-Saving Incentive Program. These funds are intended to be used to install no-contact water bottle filling stations with educational signage that will increase water use efficiency and promote the safety of tap water.

This grant will allow the City to purchase and install approximately 7 water bottle filling stations that will replace existing antiquated water fountains in our busiest parks and facilities. The new systems will be more sanitary and environmentally friendly. Potential sites include East Valley Community Center, Escondido Public Library, Park Avenue Community Center, Washington Park, Grove Park, Jesmond Dene Park, and Kit Carson Park.

Partnered with the stations will be educational signage containing messaging about safe, reliable tap water, as well as the environmental benefits of using the station, (e.g. the number of plastic bottles saved from waste by using refillable bottles at the bottle filling station). These high traffic areas will be ideal locations to provide the outreach and educational messaging that

is so important to further water awareness and encourage environmentally friendly practices. Additionally, the signage will acknowledge both MWD and SDCWA for their partnership and financial support, as well as direct people to the City's Environmental Programs web page for additional information and resources.

These devices will encourage water use efficiency and enhance reliability and value of tap water. The misperceptions about the quality of tap water compounded by an unappealing and often ill-perceived image of public water fountains will inevitably cause people to stop using old existing fountains and turn to expensive bottled water or sugary beverages. These devices will provide quick and easy access to clean water, prevent plastic bottles from ending up in oceans or landfills, save our community members money by promoting the use of reusable bottles, and further the City's mission to provide an adequate and reliable supply of high-quality water to meet present and future needs, in an environmentally and economically responsible way. Water is undoubtedly the best hydration option and these filling stations will benefit the thousands of community members that visit our parks, play in our sports leagues, and use our facilities every day.

Per the grant requirements, the project must be complete by May of 2022; however, staff anticipate the project to be complete by the end of the calendar year.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Joanna Axelrod, Deputy City Manager/Director of Communications and Community Services
02/03/21 5:21 p.m.

ATTACHMENTS:

1. Budget Adjustment Request

CITY COUNCIL STAFF REPORT

Consent Item No. 7

February 10, 2021

File No. 0600-10, A-2250

SUBJECT: Cost Sharing Agreement with the Vista Irrigation District for Algal Bloom Mitigation in the San Luis Rey Local Water System

DEPARTMENT: Utilities Department, Water Division

RECOMMENDATION:

It is requested that the City Council adopt Resolution 2021-26, agreeing to equally share the cost of obtaining the consulting services of Stillwater Ecosystem, Watershed & Riverine Sciences (“Stillwater”) to develop strategies to manage, mitigate, and treat harmful algal blooms in Lake Henshaw and Lake Wohlford. The cost of obtaining Stillwater’s consulting services shall be split equally between the City of Escondido (“City”) and the Vista Irrigation District (“VID”) pursuant to the Agreement Between the City of Escondido and the Vista Irrigation District for the Allocation and Management of Local Water Facilities executed in January 2017 (“Local Entities’ Agreement”). The City of Escondido’s share of the cost for Stillwater’s consulting services shall not exceed \$220,000. Stillwater’s development of strategies to manage, mitigate, and treat harmful algal blooms in Lake Henshaw and Lake Wohlford will protect water quality of the City of Escondido’s local water supply.

FISCAL ANALYSIS:

Funds are available in the FY 2020-2021 Water Enterprise Fund Operations budget to cover expenditures during the current fiscal year. Future fiscal year budgets in FY 2021-2022 and FY 2022-2023 will include funding to cover costs under the agreement for City Council consideration and approval.

BACKGROUND:

The City and VID jointly own and operate a raw, drinking-water system that supplies critical local water for both agencies. This supply has historically accounted for 25% of the City’s drinking water supply and offsets some of the need for more expensive imported water from the Colorado River and Northern California.

Much of the local water system, including the Escondido Canal, is jointly owned and operated by the City and VID. However, the two lakes in the system are each owned by a single agency: Lake Henshaw is owned by VID and Lake Wohlford is owned by the City. The cost of operating and maintaining each lake is the responsibility of the owning agency, except for work to maintain or improve the quality of the shared water supply.

Pursuant to the terms of the Local Entities’ Agreement, the San Luis Rey Indian Water Rights Settlement Agreement, and Implementing Agreement, costs of work to maintain or improve quality of the shared water supply shall be split between the City and VID by mutual agreement. VID has, in

Cost Sharing Agreement with the Vista Irrigation District for Algal Bloom Mitigation in the San Luis Rey Local Water System

February 10, 2021

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the past, shared equally in the cost of maintaining water quality in Lake Wohlford as the lake's water quality is critical to both agencies. The same is true of Lake Henshaw, which sits at the very head of the local water system.

Over the past few years, algal blooms have caused water quality problems in lakes across the region. High temperatures, below average rainfall, and tightening regulations all contribute to the increased frequency of water quality problems related to algal blooms. In Lake Henshaw, recent blooms have been dominated by the microcystin algae. Microcystin has the potential to carry cyanotoxic bacteria, which is toxic for plants, animals, and people. Algal blooms in 2020 caused restrictions in recreational use and prevented delivery of water from Lake Henshaw via the Escondido Canal to Lake Wohlford.

The City and VID desire to obtain the consulting services of Stillwater. Stillwater will develop a comprehensive plan for minimizing or eradicating microcystin algae throughout the whole raw water system, including Lake Henshaw and Lake Wohlford. The City and VID anticipate Stillwater's services will take place over a two-year period and will help secure the future of our local water supplies.

Given the importance of combating harmful algal blooms in the local water supply, staff recommends sharing equally in the cost of obtaining the consulting services of Stillwater.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Christopher W. McKinney, Deputy City Manager/Director of Utilities

02/03/21 6:29 p.m.

ATTACHMENTS:

1. Resolution No. 2021-26
2. Resolution No. 2021-26 – Exhibit "A" (VID/Stillwater Consulting Agreement)

RESOLUTION NO. 2021-26

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE CITY TO EQUALLY
SHARE THE COST WITH VISTA IRRIGATION
DISTRICT TO OBTAIN CONSULTING
SERVICES FROM STILLWATER SCIENCES

WHEREAS, the City of Escondido (“City) and the Vista Irrigation District (“VID”) own and operate a local raw water storage and conveyance system; and

WHEREAS, the City and VID entered into the Agreement Between the City of Escondido and the Vista Irrigation District for the Allocation and Management of Local Water Facilities (“Local Entities’ Agreement”) in January 2017; and

WHEREAS, harmful algae blooms have been an ongoing issue in the local raw water storage and conveyance system. At times, the harmful algae blooms have inhibited the use of the local water supply; and

WHEREAS, pursuant to the Local Entities’ Agreement, the City and VID desire to obtain, and equally split the cost of, the professional consulting services of Stillwater Ecosystem, Watershed & Riverine Sciences (“Stillwater”) to develop strategies to manage, mitigate, and treat the harmful algal blooms in Lake Henshaw and Lake Wohlford; and

WHEREAS, the City’s share of the cost for Stillwater’s consulting services shall not exceed \$220,000.

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

1. That the above recitations are true.
2. That the Mayor and City Council authorize naming the City as a third-party beneficiary to the agreement between VID and Stillwater as described in Exhibit "A," sharing the cost with VID in obtaining Stillwater's consulting services to develop strategies to manage, mitigate, and treat harmful algal blooms in Lake Henshaw and Lake Wohlford in an amount not to exceed \$222,000.



AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN VISTA IRRIGATION DISTRICT AND
STILLWATER SCIENCES

This Agreement is made and entered into as of _____, by and between VISTA IRRIGATION DISTRICT, a special governmental district formed and operating under the Irrigation District Law, California Water Code Sections 20500, et seq. (hereinafter referred to as "DISTRICT"), and STILLWATER ECOSYSTEM, WATERSHED & RIVERINE SCIENCES, a California corporation (hereinafter referred to as "CONSULTANT").

RECITALS

- A. DISTRICT is in need of the following services: professional technical assistance related to the management and mitigation of Harmful Algal Blooms (HABs) in the local water system jointly operated by the DISTRICT and the City of Escondido (hereinafter referred to as the "Services").
- B. CONSULTANT is duly licensed (where appropriate) and qualified to provide the Services.
- C. The purpose of this agreement is to establish the terms and conditions under which DISTRICT will retain CONSULTANT to provide the Services described herein.

EXECUTORY AGREEMENTS

NOW, THEREFORE, in consideration of the facts recited above and the covenants, conditions and terms set forth below, DISTRICT and CONSULTANT hereby agree as follows:

SECTION ONE: CONSULTANT SERVICES

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, CONSULTANT shall provide the Services as described in the scope of work attached hereto as Exhibit "A" ("Scope of Services"). If this Agreement is for the provision of goods, supplies, equipment or personal property, the terms "Services" shall include the provision (and, if designated in the Scope of Services, the installation) of such goods, supplies, equipment or personal property.

1.2 Changes and Additions to Scope of Services. DISTRICT shall have the right at any time during the performance of the Services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to, or deducting from the Services.

1.2.1 No such new or changed work shall be undertaken unless a written order is first given by DISTRICT to CONSULTANT, incorporating therein any adjustment in (i) the Budget and Fee Schedule attached hereto as Exhibit "B," and/or (ii) the time to perform this Agreement, which adjustments are subject to the written approval of CONSULTANT.

1.2.2 It is expressly understood by CONSULTANT that the provisions of this Section 1.2 shall not apply to Services specifically set forth in the Scope of Services or reasonably contemplated therein. CONSULTANT hereby acknowledges that it accepts the risk that the Services to be provided pursuant to the Scope of Services may be more costly or time consuming than CONSULTANT anticipates and that CONSULTANT shall not be entitled to additional compensation therefore.

1.3 Standard of Performance. CONSULTANT agrees that all Services shall be performed in a competent, professional, and satisfactory manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions and in accordance with generally accepted professional practices and principles prevalent in the industry; and all goods, materials, equipment or personal property included within the Services shall be of good quality, fit for the purpose intended.

1.4 Performance to Satisfaction of DISTRICT. CONSULTANT shall perform all work and tasks comprising the Services in conformance with the standard of performance in clause 1.3 within the time specific in the scope of work. If DISTRICT reasonably determines that any portion of the Services is non-conforming to the standard of performance and the scope of work, DISTRICT shall have the right to take appropriate action, including but not limited to: (a) meeting with CONSULTANT to review the quality of the work and resolve matters of concern; (b) requiring CONSULTANT to repeat non-conforming work at no additional charge until they are in compliance with the standard of performance and the scope of work; (c) suspending the delivery of work to CONSULTANT for an indefinite time; (d) withholding payment; and (e) terminating this Agreement as hereinafter set forth.

1.5 Instructions from DISTRICT. In the performance of this Agreement, CONSULTANT shall report to and receive instructions from DISTRICT's Project Manager designated in Paragraph 1.6 below, or his or her designee. Services other than those specifically described in the Scope of Services shall not be performed without the prior written approval of DISTRICT.

1.6 Project Management.

1.6.1 CONSULTANT designates Dr. Maia Singer to serve as Project Manager and to provide supervision and have overall responsibility for this Agreement on behalf of CONSULTANT. CONSULTANT's Project Manager shall not be removed or reassigned without the prior written approval of DISTRICT.

1.6.2 DISTRICT designates Don Smith to serve as DISTRICT's Project Manager to provide overall responsibility for this Agreement on behalf of DISTRICT.

1.7 Familiarity with Work. By executing this Agreement, CONSULTANT represents that CONSULTANT (a) has thoroughly investigated and considered the Scope of Services to be performed, (b) has carefully considered how the Services should be performed, and (c) fully understands the facilities, difficulties, and restrictions attending performance of the Services under the Agreement. If the Services involve work upon any site, CONSULTANT agrees that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of Services hereunder. Should CONSULTANT discover any conditions, including any latent or unknown conditions, which will materially affect the performance of the Services hereunder, CONSULTANT shall immediately inform DISTRICT of such fact and shall not proceed except at CONSULTANT's risk until written instructions are received from DISTRICT's Project Manager.

1.8 Prohibition Against Subcontracting or Assignment. CONSULTANT shall not contract with any other entity to perform in whole or in part any of the Services required hereunder without the prior express written approval of DISTRICT. In addition, neither the Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior express written approval of DISTRICT.

1.8.1 In the event of any unapproved transfer, including any bankruptcy proceeding, DISTRICT may, in its sole and absolute discretion, void the Agreement.

1.8.2 If CONSULTANT subcontracts any of the Services to be performed under this Agreement as permitted under this Agreement, CONSULTANT shall be as fully responsible to DISTRICT for the acts and omissions of CONSULTANT's subcontractor and of the persons employed by the subcontractor, as CONSULTANT is for the acts and omissions of persons directly employed by CONSULTANT. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor of CONSULTANT and DISTRICT. CONSULTANT shall bind every subcontractor and every subcontractor of a subcontractor to the terms of this Agreement applicable to CONSULTANT's work unless specifically set forth to the contrary in the subcontract in question and approved in writing by DISTRICT. It shall be CONSULTANT's responsibility to confirm that each subcontractor meets the minimum insurance requirements specified below.

1.8.3 No approved subcontract or transfer shall release any surety of CONSULTANT of any liability hereunder without the prior express written consent of DISTRICT.

1.8.4 Nothing contained herein shall prevent CONSULTANT from employing professional associates as CONSULTANT may deem appropriate to assist in the performance of Services under this Agreement.

1.9 Records and Reports. Upon request by DISTRICT, CONSULTANT shall prepare and submit to DISTRICT any reports concerning CONSULTANT's performance of the Services rendered under this Agreement. DISTRICT shall have access, upon reasonable notice, to the books and records of CONSULTANT related to CONSULTANT's performance of this Agreement. All drawings, documents, and other materials prepared by CONSULTANT in the performance of this Agreement (a) upon payment to CONSULTANT under the terms of this Agreement shall be the property of DISTRICT and shall be delivered at no cost to DISTRICT upon request of DISTRICT or upon the termination of this Agreement, and (b) are confidential and shall not be made available to any individual or entity without the prior written approval of DISTRICT. CONSULTANT shall keep and maintain all records and reports related to this Agreement for a period of three (3) years following termination of this Agreement, and DISTRICT shall have access to such records at any time during normal business hours upon 48 hours notice.

SECTION TWO: TERM AND TIME OF PERFORMANCE

2.1 Term of Agreement. Unless terminated earlier as set forth in this Agreement, the Services shall commence on February 10, 2021 ("Commencement Date") and the term of this Agreement shall continue through its expiration on October 31, 2022.

2.1.1 The time provided to CONSULTANT to complete the Services required by this Agreement shall not affect DISTRICT's right to terminate this Agreement, as provided for in Section 6.

2.1.2 DISTRICT shall have the option to renew this Agreement for a maximum of two (2) additional one-year term periods under the terms and conditions in effect at the end of the initial term or any extended term (each, an "Option Period"). To exercise the option, DISTRICT shall give notice to CONSULTANT not more than 90 days nor fewer than 60 days prior to the end of the initial term or first Option Period. The price(s) for the Services during the Option Period shall be the same as the price(s) for the Services during the previous term unless, not more than 120 days nor fewer than 90 days prior to the end of the term, CONSULTANT provides written notice to DISTRICT of the new price(s) for the Services during the Option Period.

2.2 Time for Performance; Force Majeure and COVID-19. CONSULTANT shall perform the Services in a prompt and timely manner in accordance with the activity schedule shown in Exhibit "C." The time period specified in the activity schedule or this Agreement for performance of Services shall be

extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of DISTRICT or CONSULTANT, including but not restricted to acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation and/or acts of any governmental agency, including DISTRICT, if the delaying party shall within ten (10) days of the commencement of such delay notify the other party in writing of the causes of the delay.

2.2.1 If CONSULTANT is the delaying party, DISTRICT shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the judgment of DISTRICT such delay is justified. DISTRICT's determination shall be final and conclusive upon the parties to this Agreement.

2.2.2 In no event shall CONSULTANT be entitled to recover damages against DISTRICT for any delay in the performance of this Agreement, however caused. CONSULTANT's sole remedy shall be extension of this Agreement pursuant to this Paragraph 2.2.

2.2.3 While CONSULTANT has made reasonable efforts to incorporate into its plan for the Project any known current project impacts of the COVID-19 pandemic, CONSULTANT has not accounted for, and is not responsible for, unknown future changes due to the COVID-19 pandemic, including, without limitation, additional restrictions by government agencies or others (such as the availability of the site for access or the availability of client or consultant staff or others) to the extent they delay or otherwise impact the Project. In that event, CONSULTANT will notify the DISTRICT and work in good faith to equitably address any unexpected impacts therefrom.

SECTION THREE: COMPENSATION AND PAYMENT

3.1 Compensation. CONSULTANT shall be compensated in accordance with the terms of the Budget and Fee Schedule attached hereto as Exhibit "B." Included in the Budget are all ordinary and overhead expenses incurred by CONSULTANT and its agents and employees, including meetings with DISTRICT representatives, and incidental costs incurred in performing the Services under this Agreement. Unless otherwise specified in the Budget and Fee Schedule, DISTRICT shall compensate CONSULTANT on a time-and-materials basis at the rates listed in Exhibit "B."

3.2 Payment. CONSULTANT shall submit itemized monthly statements for Services rendered under this Agreement. Each monthly statement shall reference this Agreement, the Work Order number (if applicable), the date and description of Services performed, and the amount invoiced. DISTRICT shall pay the statements within thirty (30) days of receipt. Payments shall be subject to review for compliance by DISTRICT with the requirements of this agreement, and shall be subject to a final audit upon completion of all Services. No other compensation will be paid except for work in accordance with Paragraph 1.2 above.

3.2.1 Total Payment. DISTRICT shall not, absent prior written approval, pay any additional sum for any expense or cost incurred by CONSULTANT in rendering the Services pursuant to this Agreement. DISTRICT shall make no payment for any extra, further, or additional service pursuant to this Agreement. In no event shall CONSULTANT submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entirety of the Services performed pursuant to this Agreement, unless this Agreement is modified in writing prior to the submission of such an invoice.

3.2.2 Hourly Fees. Fees for the Services performed by Consultant on an hourly basis shall not exceed the amounts shown on the fee schedule included with Exhibit B.

3.2.3 Reimbursable Expenses. Unless otherwise set forth in Exhibit B, reimbursable expenses of CONSULTANT are included within, and count against, any maximum amount specified in Exhibit B of this Agreement.

3.2.4 Payment of Taxes. Consultant is solely responsible for the payment of employment taxes incurred under this Agreement, and for the payment of any applicable federal, state or local taxes arising as a result of the performance of this Agreement.

3.2.5 Payment upon Termination. In the event that DISTRICT OR CONSULTANT terminates this Agreement pursuant to Section 6, DISTRICT shall compensate CONSULTANT for all outstanding costs and reimbursable expenses incurred for Services satisfactorily completed and for reimbursable expenses as of the date of written notice of termination. CONSULTANT shall maintain adequate logs and timesheets in order to verify costs and reimbursable expenses incurred to that date.

3.3 Retention of Funds. CONSULTANT hereby authorizes DISTRICT to deduct from any amount payable to CONSULTANT (whether arising out of this Agreement or otherwise) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate DISTRICT for any losses, costs, liabilities, or damages suffered by DISTRICT in connection with this Agreement or the activities of CONSULTANT hereunder, and all amounts for which DISTRICT may be liable to third parties by reason of CONSULTANT's negligent acts, errors, or omissions, or willful misconduct, in performing or failing to perform CONSULTANT's obligations under this Agreement. DISTRICT in its sole and absolute discretion may withhold from any payment due CONSULTANT, without liability for interest, an amount sufficient to cover such claim or any resulting lien. The failure of DISTRICT to exercise such right to deduct or withhold shall not act as a waiver of CONSULTANT's obligation to pay DISTRICT any sums CONSULTANT owes DISTRICT.

SECTION FOUR: INSURANCE AND INDEMNITY

4.1 Insurance. CONSULTANT shall carry all insurance required by Federal, State, County and local laws. CONSULTANT shall procure and maintain, during the life of the AGREEMENT, adequate worker's compensation, public liability, professional liability (where applicable) and property damage insurance. The specific requirements for insurance as set forth in this article shall be considered minimum requirements. CONSULTANT shall procure and maintain, during the life of this AGREEMENT, such commercial general liability and automobile liability insurance necessary to protect CONSULTANT and DISTRICT from all claims for bodily injury, including accidental death and property damage claims arising from operations under this AGREEMENT. DISTRICT shall be named as additional primary insured on CONSULTANT's policy without offset against CONSULTANT's existing insurance and the certificate of insurance shall include reference to such provisions.

4.1.1 Minimum Scope of Insurance. Coverage shall be at least as broad as:

(a) Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

(b) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

(c) Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

4.1.2 Minimum Limits of Insurance. CONSULTANT shall maintain limits no less than:

(a) General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general and products-completed operations aggregate limit is used, either the general and products-completed operations aggregate limit shall apply separately to this project/location or the general and products-completed operations aggregate limit shall be twice the required occurrence limit.

(b) Automobile Liability: \$1,000,000 per accident for bodily injury, death, and property damage.

(c) Professional Liability: \$1,000,000 per claim for negligent acts, errors or omissions of a professional nature.

(d) Workers' Compensation: California Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided as required by law, with limits of not less than \$1,000,000.00 per accident or bodily injury, and \$1,000,000.00 per disease per employee. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of DISTRICT.

4.1.3 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by DISTRICT. At the option of DISTRICT, either:

(a) The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects DISTRICT, its officers, officials, employees and authorized volunteers; or

(b) CONSULTANT shall provide a financial guarantee satisfactory to DISTRICT guaranteeing payment of losses and related investigations, claim administration and defense expenses.

4.1.4 Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

(a) DISTRICT, its directors, officers, employees, and authorized volunteers are to be covered as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of CONSULTANT; and with respect to liability arising out of work or operations performed by or on behalf of CONSULTANT including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to CONSULTANT's insurance using ISO endorsement CG2010, CG2033, or equivalent, or as a separate owner's policy.

(b) For any claims related to this Project, CONSULTANT's insurance coverage shall be primary insurance as respects DISTRICT, its directors, officers, employees, and authorized volunteers. Any insurance or self-insurance maintained by DISTRICT, its directors,

officers, employees, or authorized volunteers shall be excess of CONSULTANT's insurance and shall not contribute within.

(c) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by mail, has been given to DISTRICT, except for non-payment of premium for which ten (10) days prior notice will be given. For purposes of this notice requirement, any adverse material change in the policy prior to its expiration shall be considered a cancellation. CONSULTANT shall, upon demand of DISTRICT, deliver to DISTRICT all such policy or policies of insurance and the receipts for payment of premiums thereon.

4.1.5 Acceptability of Insurers. To be acceptable, insurers must have an A.M. Best rating of no less than A minus: VII, or equivalent, unless otherwise approved by DISTRICT General Manager.

4.1.6 Verification of Coverage. CONSULTANT shall furnish DISTRICT with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the standard ACORD insurance form or on another form approved by DISTRICT, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by DISTRICT before work commences. DISTRICT reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

4.2 Indemnity. The parties mutually acknowledge that DISTRICT has retained CONSULTANT to perform the Services set forth in this Agreement based upon the special skills, expertise and experience of CONSULTANT. Accordingly, in performing the Services under this Agreement, CONSULTANT services shall be performed in accordance with generally accepted professional practices and principals and in a manner consistent with the level of skill and care exercised ordinarily exercised by members of the profession, with expertise in the field, would use under similar circumstances. Further, the parties mutually agree that, to the extent that CONSULTANT retains subconsultants or subcontractors to perform any portion of any of the tasks or Services under this Agreement, CONSULTANT has a duty to DISTRICT to ensure that the tasks and Services performed by such subconsultants or subcontractors meet the same professional level, skill and expertise expected of CONSULTANT.

4.2.1 Except as set forth in subdivision 4.2.2, CONSULTANT shall indemnify, defend (with legal counsel acceptable to DISTRICT) and hold harmless DISTRICT and DISTRICT personnel from and against any and all actions, suits, claims, demands, judgments, attorneys fees, costs, damages to persons or property, losses, penalties, obligations, expenses or liabilities ("Claims") that may be asserted or claimed by any person or entity arising out of CONSULTANT's performance of any tasks or Services for or on behalf of DISTRICT, whether or not there is concurrent negligence on the part of DISTRICT and/or any DISTRICT personnel, but excluding any Claims arising from the active negligence or willful misconduct of DISTRICT or any DISTRICT personnel where the active negligence or willful misconduct is determined to be the actual and proximate cause of the alleged injury.

4.2.2 The provisions of this subdivision 4.2.2 shall apply only in the event that CONSULTANT is a "design professional" within the meaning of California Civil Code section 2782.8(c). If CONSULTANT is a "design professional" within the meaning of Section 2782.8(c), then, notwithstanding subdivision 4.2.1 above, to the fullest extent permitted by law (including, without limitation, Civil Code sections 2782 and 2782.6), CONSULTANT shall defend (with legal counsel reasonably acceptable to DISTRICT), indemnify and hold harmless DISTRICT and DISTRICT personnel from and against any Claim that arises out of, pertains to, or relates to,

directly or indirectly, in whole or in part, the negligence, recklessness, or willful misconduct of CONSULTANT, any subconsultant, subcontractor or any other person directly or indirectly employed by them, or any person that any of them control, arising out of CONSULTANT's performance of any task or service for or on behalf of DISTRICT under this Agreement. Such obligations to defend, hold harmless and indemnify DISTRICT or any DISTRICT personnel shall not apply to the extent that such Claims are caused in part by the sole active negligence or willful misconduct of DISTRICT or such DISTRICT personnel. CONSULTANT's cost to defend DISTRICT and/or DISTRICT personnel against any such Claim shall not exceed CONSULTANT's proportionate percentage of fault with respect to that Claim; however, pursuant to Civil Code section 2782.8(a), in the event that one or more defendants is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, CONSULTANT shall meet and confer with DISTRICT (and, if applicable, other parties) regarding any unpaid defense cost. To the extent CONSULTANT has a duty to indemnify DISTRICT or any DISTRICT personnel under this subdivision 4.2.2, CONSULTANT shall be responsible for all incidental and consequential damages resulting directly or indirectly, in whole or in part, from CONSULTANT's negligence, recklessness or willful misconduct.

4.2.3 CITY Property. CONSULTANT (including CONSULTANT's agents, employees, and subcontractors, if any) shall indemnify, defend, and hold harmless the City of Escondido, a California municipal corporation ("CITY"), an intended third-party beneficiary to this Agreement pursuant to subdivision 5.11, its officials, officers, agents, employees, and volunteers from and against any and all claims, demands, actions, causes of action, proceedings (including but not limited to legal and administrative proceedings of any kind), suits, fines, penalties, judgments, orders, levies, costs, expenses, liabilities, losses, damages, or injuries, in law or equity, including without limitation the payment of all consequential damages and attorney's fees and other related litigation costs and expenses (collectively, "Claims"), of every nature caused by, arising out of, or in connection with CONSULTANT's performance of the Services while on or relating to CITY-owned property, including but not limited to Lake Wohlford, except where caused by the sole negligence or willful misconduct of the CITY.

SECTION FIVE: LEGAL RELATIONS AND RESPONSIBILITIES

5.1 CONSULTANT shall keep itself fully informed of all existing and future State and Federal laws and all county, municipal and DISTRICT ordinances and regulations which in any manner affect those employed by it or in any way affect the performance of the Services pursuant to this Agreement. CONSULTANT shall at all times observe and comply with all such laws, ordinances, and regulations and shall be responsible for the compliance of all work performed by or on behalf of CONSULTANT. CONSULTANT shall cause all completed deliverables required under this Agreement to conform to all applicable Federal, State and local legal requirements. When applicable, CONSULTANT shall not pay less than the prevailing wage, which rate is determined by the Director of Industrial Relations of the State of California.

5.1.1 Requirement to Employ Persons Legally Authorized to Work and to Pay Prevailing Wage for Certain Contracts. Consultant shall not hire or employ any person to perform work within DISTRICT or allow any person to perform the Services required under this Agreement unless such person is properly documented and legally entitled to be employed within the United States. CONSULTANT is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Sections 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public works" and "Maintenance" projects. If the Services are being performed as part of an applicable "Public works" or "Maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is ONE THOUSAND DOLLARS (\$1,000) or more,

CONSULTANT agrees to fully comply with such Prevailing Wage Laws including, but not limited to, requirements related to the maintenance of payroll records and the employment of apprentices. It is understood that it is the responsibility of CONSULTANT to determine the correct scale. The State Prevailing Wage Rates may be obtained from the California Department of Industrial Relations ("DIR") pursuant to California Public Utilities Code, Sections 465, 466, and 467 by calling 415-703-4774. CONSULTANT shall make copies of the prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at CONSULTANT's principal place of business and at the project site, if any. The statutory penalties for failure to pay prevailing wage or to comply with State wage and hour laws will be enforced. CONSULTANT must forfeit to DISTRICT TWENTY FIVE DOLLARS (\$25.00) per day for each worker who works in excess of the minimum working hours when CONSULTANT does not pay overtime. In accordance with the provisions of Labor Code Sections 1810 et seq., eight (8) hours is the legal working day. CONSULTANT also shall comply with State law requirements to maintain payroll records and shall submit certified records electronically to the State Labor Commissioner 1771.4. CONSULTANT shall comply with all statutory requirements relating to the employment of apprentices. CONSULTANT shall comply with the contractor registration requirements of Labor Code Section 1725.5. CONSULTANT shall defend (with counsel selected by DISTRICT), indemnify, and hold DISTRICT, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It is agreed by the Parties that, in connection with performance of the Services, including, without limitation, any and all "Public Works" (as defined by the Prevailing Wage Laws), CONSULTANT shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. CONSULTANT acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. CONSULTANT shall require the same of all of its subcontractors.

5.2 Licenses, Permits, Fees and Assessments. CONSULTANT shall obtain at its sole cost and expense all licenses, permits, and approvals that may be required by law for the performance of the Services required by this Agreement. CONSULTANT shall have the sole obligation to pay any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for CONSULTANT's performance of any work required by this Agreement, and shall indemnify, defend, and hold harmless DISTRICT against any such fees, assessments, taxes, penalties, or interest levied, assessed, or imposed against DISTRICT thereunder.

5.3 CONSULTANT as Independent Contractor. CONSULTANT shall perform the Services and all work required herein as an independent consultant of DISTRICT and shall remain at all times as to DISTRICT a wholly independent contractor. DISTRICT shall not in any way or for any purpose become or be deemed to be a partner of CONSULTANT in its business or otherwise, or a joint venturer, or a member of any joint enterprise with CONSULTANT. CONSULTANT shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of DISTRICT. CONSULTANT shall be under the control of DISTRICT as to the result to be accomplished but not the means; provided, however, that CONSULTANT shall consult with DISTRICT as provided in the Scope of Work. Neither CONSULTANT nor any of CONSULTANT's employees shall, at any time, or in any way, be entitled to any sick leave, vacation, retirement, or other fringe benefits from DISTRICT; and neither CONSULTANT nor any of its employees shall be paid by DISTRICT time and one-half for working in excess of forty (40) hours in any one week. DISTRICT is under no obligation to withhold State and Federal tax deductions from CONSULTANT's compensation. Neither CONSULTANT nor any of CONSULTANT's employees shall be included in the competitive service, have any property right to any position, or any of the rights an employee may have in the event of termination of this Agreement.

5.4 Ownership of Data, Reports and Documents. Any work performed by or work product prepared or generated by CONSULTANT under this Agreement upon payment to CONSULTANT under the terms of this Agreement shall be the property of DISTRICT. CONSULTANT shall deliver to DISTRICT's Project Manager, at the end of the Project, notes and surveys made, all reports of tests made, studies, reports, plans, a copy of electronic and digital files, and other materials and documents which shall be the property of DISTRICT. CONSULTANT is not responsible to third parties for DISTRICT's use of data, reports and documents on other projects. DISTRICT may use or reuse the materials prepared by CONSULTANT in any manner desired without additional compensation to CONSULTANT. DISTRICT recognizes that all work products are instruments of CONSULTANT'S services and are not designed for use other than what is intended by this Agreement.

5.5 Intellectual Property and Proprietary Information.

5.5.1 Proprietary Information. All proprietary information developed specifically for DISTRICT by CONSULTANT in connection with, or resulting from, this Agreement, including but not limited to inventions, discoveries, improvements, copyrights, patents, maps, reports, textual material, or software programs, but not including CONSULTANT's underlying materials, software, preexisting intellectual property, or know-how, upon payment to CONSULTANT under the terms of this Agreement shall be the sole and exclusive property of DISTRICT, and are confidential and shall not be made available to any person or entity without the prior written approval of DISTRICT. CONSULTANT agrees that the compensation to be paid pursuant to this Agreement includes adequate and sufficient compensation for any proprietary information developed in connection with or resulting from the performance of CONSULTANT's Services under this Agreement. CONSULTANT further understands and agrees that full disclosure of all proprietary information developed in connection with, or resulting from, the performance of Services by CONSULTANT under this Agreement shall be made to DISTRICT, and that CONSULTANT shall do all things necessary and proper to perfect and maintain ownership of such proprietary information by DISTRICT.

5.5.2 Reproduction Rights. Any and all patents and copyrights that arise from the Services or the creation of work in carrying out this Agreement shall be vested in DISTRICT, and CONSULTANT hereby agrees to relinquish all claims to such copyrights in favor of DISTRICT.

5.5.3 Use of Patented Materials. CONSULTANT shall assume all costs arising from the use of patented or copyrighted materials, including but not limited to equipment, devices, processes, and software programs, used or incorporated in the Services performed by CONSULTANT under this Agreement. CONSULTANT shall indemnify, defend, and save DISTRICT harmless from any and all suits, actions or proceedings of every nature for or on account of the use of any patented or copyrighted materials.

5.6 Covenant Against Discrimination. Consultants and contractors doing business with DISTRICT are expected to be equal opportunity employers who achieve or attempt to achieve parity in the representation of women and minorities in their work force. In this regard:

5.6.1 CONSULTANT covenants on behalf of itself and its employees, officers, agents, representatives and subcontractors that there shall be no discrimination against any person on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the performance of this Agreement.

5.6.2 CONSULTANT shall ensure equal employment opportunity for all persons, regardless of race, color, religion, sex, creed, national origin, ancestry, age, medical condition, sexual orientation, physical or mental disability, Vietnam-era veteran or special disabled veteran

status, marital status or citizenship, within the limits imposed by law. These principles are to be applied by CONSULTANT in all employment practices including recruiting, hiring, transfers, promotions, training, compensation, benefits, layoffs, and terminations.

5.6.3 CONSULTANT shall comply with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, the Americans and Disabilities Act of 1990 (42 U.S.C. §12101 et seq.), as the same may be amended from time to time, and any other applicable Federal and State laws and regulations hereinafter enacted.

5.7 Compliance with California Unemployment Insurance Code Section 1088.8. If CONSULTANT is a sole proprietor, then prior to signing the Agreement, CONSULTANT shall provide to DISTRICT a completed and signed Form W-9, Request for Taxpayer Identification Number and Certification. CONSULTANT understands that pursuant to California Unemployment Insurance Code section 1088.8, DISTRICT will report the information from Form W-9 to the State of California Employment Development Department, and that the information may be used for the purposes of establishing, modifying, or enforcing child support obligations, including collections, or reported to the Franchise Tax Board for tax enforcement purposes.

5.8 Conflicts of Interest Prohibited.

5.8.1 No officer, official, employee, agent, representative or volunteer of DISTRICT shall have any financial interest, direct or indirect, in this Agreement, or participate in any decision relating to this Agreement which affects his or her financial interest or the financial interest of any corporation, partnership, or association in which he or she is interested, in violation of any Federal, State or DISTRICT statute, ordinance, or regulation. CONSULTANT shall not employ any such person while this Agreement is in effect.

5.8.2 CONSULTANT shall file a Conflict of Interest Statement with the Secretary of the Board of Directors if that is required by DISTRICT's Conflict of Interest Code. CONSULTANT is responsible for compliance with any applicable financial disclosure requirements. CONSULTANT shall not make or participate in making or in any way attempt to use CONSULTANT's position to influence a governmental decision in which CONSULTANT knows or has reason to know CONSULTANT has a financial interest other than the compensation promised by this agreement. CONSULTANT represents that CONSULTANT has diligently conducted a search and inventory of CONSULTANT's economic interests, as defined in the regulations promulgated by the Fair Political Practices Commission, and has determined that CONSULTANT does not, to the best of CONSULTANT's knowledge, have an economic interest which would conflict with CONSULTANT's duties under this agreement. CONSULTANT will not have such interest during the term of this agreement. CONSULTANT will immediately advise DISTRICT's Project Manager if CONSULTANT learns of an economic interest of CONSULTANT's during the term of this Agreement.

5.9 Covenant Against Contingent Fee. CONSULTANT covenants that neither it nor any of its officers, employees, agents or representatives employed or retained any company or person, other than a bona fide employee working for CONSULTANT, to solicit or secure this Agreement. CONSULTANT further covenants that neither it nor any of its officers, employees, agents or representatives has paid or agreed to pay any company or person, other than a bona fide employee of CONSULTANT, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this provision, DISTRICT shall have the right to annul this agreement without liability, or, at its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fees, gift, or contingent fee.

5.10 Unauthorized Use of DISTRICT's Name. Except as required by law or with the prior written consent of DISTRICT (which consent may be withheld in DISTRICT's sole and absolute discretion), CONSULTANT shall not use DISTRICT's name, seal or logo on marketing materials, nor shall CONSULTANT state, imply or in any way represent to any third party that DISTRICT has endorsed or approved CONSULTANT or any of its Services or products.

5.11 Third Party Beneficiary. The DISTRICT and CONSULTANT expressly acknowledge and agree that the CITY is an intended third party beneficiary of this Agreement and that the CITY shall have the full right to sue upon and enforce this Agreement in accordance with its terms as if it were a signatory hereto. Nothing express or implied in this Agreement is intended, or shall be construed, to confer upon or give any person or entity other than the DISTRICT, CONSULTANT, and the CITY any rights or remedies under or by reason of this Agreement.

5.12 Facilities and Equipment: Except as otherwise provided, CONSULTANT shall, at its sole cost and expense, provide all facilities and equipment necessary to perform the services required by this Agreement. In no event shall DISTRICT be required to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and copying facilities.

SECTION SIX: TERMINATION AND DEFAULT

6.1 Termination By DISTRICT. DISTRICT reserves the right to terminate this Agreement at any time, with or without cause, upon ten (10) days written notice to CONSULTANT. Upon receipt of any notice of termination from DISTRICT, CONSULTANT shall immediately cease all work on the Services hereunder except such as may be specifically approved in writing by DISTRICT.

6.1.1 CONSULTANT shall be entitled to compensation for all work performed and Services rendered prior to receipt of DISTRICT's notice of termination and for any portion of the Services authorized in writing by DISTRICT thereafter. If termination occurs prior to completion of any portion of the Services for which a payment request has not been received, compensation for such performed but un-invoiced portion of the Services shall be based upon an amount mutually agreed to by DISTRICT and CONSULTANT. If, at the time of termination further compensation is due CONSULTANT, CONSULTANT shall not be entitled to such compensation until all reports, documentation and other work product to be delivered to DISTRICT are delivered to DISTRICT.

6.1.2 If termination is due to the failure of CONSULTANT to fulfill its obligations under this Agreement, DISTRICT may take over the work and prosecute the same to completion by contract or otherwise, and CONSULTANT shall be liable to the extent that the total cost for completion of the Services required hereunder, including costs incurred by DISTRICT in retaining a replacement CONSULTANT and similar expenses, exceeds the Budget.

6.2 Right to Stop Work; Termination by CONSULTANT. CONSULTANT shall have the right to stop work only if DISTRICT fails to timely make a payment required under the terms of the Budget. CONSULTANT may terminate this Agreement only in the event of a substantial failure by DISTRICT to perform in accordance with the terms of this Agreement through no fault of CONSULTANT, and upon thirty (30) days' prior written notice to DISTRICT. CONSULTANT shall immediately cease all Services hereunder as of the date CONSULTANT's notice of termination is sent to DISTRICT, except such work or portion of the Services as may be specifically approved in writing by DISTRICT. CONSULTANT shall be entitled to compensation for all Services rendered prior to the date notice of termination are sent to DISTRICT and for any work authorized in writing by DISTRICT thereafter. If CONSULTANT terminates this Agreement because of an error, omission, or a fault of CONSULTANT, or CONSULTANT's willful

misconduct, the terms of Paragraph 6.1.2 relating to DISTRICT's right to take over and finish the work and CONSULTANT's liability therefore shall apply.

6.3 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing.

6.4 Rights and Remedies are Cumulative. The rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

6.5 Attorneys' Fees. In any action between the parties hereto seeking enforcement of any of the terms or provisions of this Agreement or in connection with the performance of the work hereunder, the party prevailing in the final judgment in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to have and recover from the other party its reasonable costs and expenses, including but not limited to reasonable attorney's fees, expert witness fees and courts costs. If either party to this Agreement is required to initiate or defend litigation with a third party because of the violation of any term or provision of this Agreement by the other party, then the party so litigating shall be entitled to its reasonable attorney's fees and costs from the other party to this Agreement.

SECTION SEVEN: MISCELLANEOUS

7.1 Notices. Unless otherwise provided herein, all notices required to be delivered under this Agreement or under applicable law shall be personally delivered, or delivered by United States mail, prepaid, certified, return receipt requested, by reputable document delivery service that provides a receipt showing date and time of delivery, or by facsimile or e-mail provided that the facsimile or e-mail system produces a report showing the date and time of delivery. Notices personally delivered, delivered by a document delivery service, or delivered by facsimile or email, shall be effective upon receipt. Notices delivered by mail shall be effective at 5:00 p.m. on the second calendar day following dispatch. Notices shall be addressed as follows:

To DISTRICT: Vista Irrigation District
1391 Engineer Street
Vista, CA 92081-8840
Attn: Don Smith
Telephone: 760-597-3168
FAX: 760-597-2631
E-mail: dsmith@vidwater.org

To CONSULTANT: Stillwater Sciences
2855 Telegraph Ave, Suite 400
Berkeley CA 94705
Attn: Maia Singer
Telephone: 510-848-8098 x122
FAX: (888) 766-5110
E-mail: maia@stillwatersci.com

Changes in the address to be used for receipt of notices shall be effected in accordance with this Section 7.1.

7.2 Construction and Amendment. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The headings of sections and paragraphs of this Agreement are for convenience or reference only, and shall not be construed to limit or extend the meaning of the terms, covenants and conditions of this Agreement. This Agreement may only be amended by the mutual consent of the parties by an instrument in writing.

7.3 Laws and Venue. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California.

7.4 Severability. Each provision of this Agreement shall be severable from the whole. If any provision of this Agreement shall be found contrary to law, the remainder of this Agreement shall continue in full force.

7.5 Authority. The person(s) executing this Agreement on behalf of the parties hereto warrant that (a) such party is duly organized and existing, (b) they are duly authorized to execute and deliver this Agreement on behalf of said party, (c) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (d) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

7.6 Successors. Subject to Paragraph 1.8 above, all of the terms, conditions, and provisions hereof shall inure to and shall bind each of the parties hereto, and each of their respective successors and assigns.

7.7 Integrated Agreement. This Agreement represents the entire understanding of DISTRICT and CONSULTANT as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with regard to those matters covered by this Agreement. This Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements or understandings, if any, between the parties, and none shall be used to interpret this Agreement.

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

VISTA IRRIGATION DISTRICT

By: _____
Brett Hodgkiss, General Manager

Date: _____

CONSULTANT

Tax I.D. Number: 94-3241861

By: _____
Signature

Date: _____

Name: Sapna Khandwala

Title: CEO/President

Email: Sapna@stillwatersci.com

EXHIBIT A

SCOPE OF WORK

EXHIBIT B

BUDGET AND FEE SCHEDULE

EXHIBIT C

ACTIVITY SCHEDULE

CITY COUNCIL STAFF REPORT

Consent Item No. 8

February 10, 2021

File No. 0600-95

SUBJECT: Notice of Completion (NOC) for the Spruce Street Channel Improvement and Escondido Transit Center Active Transportation Connections Project

DEPARTMENT: Engineering Services Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-24 to approve and accept the public improvements and authorize staff to file a Notice of Completion (NOC) for the Escondido Transit Center Active Transportation Connections Project ("ETC ATC") and completed portions of the Spruce Street Channel Improvement Project ("Spruce Project"). It is also requested that City Council authorize the City Engineer to approve and accept the remaining planting improvements and file a NOC for the Spruce Project upon completion.

PREVIOUS ACTION:

On February 13, 2019, the City Council adopted Resolution No. 2019-21, authorizing the Mayor and City Clerk of the City of Escondido ("City") to execute a Public Improvement Agreement ("Agreement") with Palm Engineering Construction Company, Inc., the lowest responsive and responsible bidder, in the amount of \$3,523,810.00 for construction of the Project.

On January 27, 2021, the City Council approved a budget adjustment in the amount of \$140,000 from Permitted Channel Maintenance Capital Improvement Project funds to pay for construction and site oversight costs.

FISCAL ANALYSIS:

The Spruce Project was funded in part by a grant from 2016 Proposition One Integrated Regional Water Management Disadvantaged Community Involvement funding, and two (2) grants from the County of San Diego Department of Environmental Health Vector Habitat Remediation Program.

The ETC ATC pedestrian bridge project was funded by a grant from the SANDAG Smart Growth Incentive Program (SGIP).

To date, staff has approved change orders to the contract totaling \$307,919.43, or 8.7% of the total contract amount. These change orders include an increase in quantities of concrete channel repair in the amount of \$60,450 as damage to the channel lining covered by sediment and vegetation was

more extensive than estimated. Staff also approved an additional \$90,062.50 to reimburse the contractor for the cost of additional NCTD-required flagging services for work near the railroad tracks and installation of slope protection material added to the earthen channel. Staff approved change orders totaling \$157,406.93 to remove unsuitable material along the bottom of the earthen channel, address groundwater seepage, and for other miscellaneous work. City Council approval of a change order in the amount of \$50,000 is requested for additional fill materials necessary in areas of the channel that eroded between completion of the design survey and project construction.

BACKGROUND:

The Spruce Project consisted of improvements along a 2,000-foot-long section of drainage channel (and 450-foot-long box culvert), which collects runoff from approximately 1.24 square miles of Escondido. The Spruce Project improved the flow of water through the existing concrete channel, storm drain pipe, and earthen channel from Spruce Street and Third Avenue (near Mission Pools) to the connection with Escondido Creek with the goal of reducing flooding and channel maintenance and improving vector control within the system.

The ETC ATC Project was funded by a SANDAG Smart Growth Incentive Program Grant and constructed a new pedestrian bridge at West Valley Parkway (spanning the Spruce Channel) and installed bike lanes on West Valley Parkway and Quince Street adjacent to the Escondido Transit Center.

Staff recommends acceptance of all improvements completed to date which include all work for the ETC ATC project, and all grading/drainage improvements of the Spruce project with the exception of channel planting north of Valley Parkway. To ensure success of the vegetative cover, final planting of the channel north of Valley Parkway is recommended to be completed after the rainy season which ends on April 30, 2021. Staff further requests that City Council authorize the City Engineer to file a notice of completion after remaining planting improvements are completed north of Valley Parkway. Staff will continue to monitor the performance of the unplanted section of the channel throughout the rainy season, and the contractor will be responsible for making any necessary repairs until all project improvements are accepted. Photographs of the Project have been included as Attachment "A".

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Julie Procopio, Director of Engineering Services
02/04/21 9:43 a.m.

ATTACHMENTS:

1. Attachment 1 – Photographs of Project
2. Resolution No. 2021-24

Attachment 1
Spruce Street Channel Improvement and
Escondido Transit Center Active Transportation Connections Project
Before and After Pictures

BEFORE

AFTER



Attachment 1
Spruce Street Channel Improvement and
Escondido Transit Center Active Transportation Connections Project
Before and After Pictures

BEFORE



Attachment 1
Spruce Street Channel Improvement and
Escondido Transit Center Active Transportation Connections Project
Before and After Pictures

BEFORE



AFTER



RESOLUTION NO. 2021-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE CITY ENGINEER, ON BEHALF OF THE CITY, TO FILE A NOTICE OF COMPLETION FOR THE SPRUCE STREET CHANNEL IMPROVEMENT PROJECT AND ESCONDIDO TRANSIT CENTER ACTIVE TRANSPORTATION CONNECTIONS PROJECT

WHEREAS, on February 13, 2019, the City Council adopted Resolution No. 2019-21, authorizing the Mayor and City Clerk to execute a Public Improvement Agreement (“Agreement”) for the construction of the Spruce Street Channel Improvement Project (“Spruce”) and Escondido Transit Center Active Transportation Connections Project (“ETC ATC”) in the amount of \$3,523,810.00; and

WHEREAS, the construction for the Project was completed by Palm Engineering Construction Company, Inc; and

WHEREAS, the City of Escondido (“City”) staff and the City Engineer deems the filing of the Notice of Completion (“NOC”) to be valid and recommends approval; and

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

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

1. That the above recitations are true.
2. That the City Council accepts the recommendations of the City Engineer.

3. That the City Council hereby approves the request to file a Notice of Completion for the ETC ATC Project and completed portions of the Spruce Project.

4. That the City Engineer is authorized to approve and accept the remaining planting improvements and file a Notice of Completion for the Spruce Project upon completion.

5. That a change order in the amount of \$50,000 is approved by the City Council for additional fill quantities that resulted from erosion of the channel bottom between the completion of the design survey and the start of construction.

6. That the City Manager retains the authority to approve change orders up to 10% of the contract value, irrespective of change orders approved by the City Council.

CITY COUNCIL STAFF REPORT

Consent Item No. 9

February 10, 2021

File No. 1050-45

SUBJECT: Amend Engineering and Traffic Survey (Speed Zone) on Via Rancho Parkway and Washington Avenue

DEPARTMENT: Engineering Services Department, Traffic

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-23, to amend an Engineering and Traffic Survey (Speed Zone) on Via Rancho Parkway between Bear Valley Parkway and Interstate-15 and Washington Avenue between Hale Avenue and Mission Avenue.

FISCAL ANALYSIS:

Funds are available in the Traffic Infrastructure budget for signage fabrication and installation costs.

PREVIOUS ACTION:

The Transportation and Community Safety Commission voted to recommend approval of this speed limit at their meeting on January 14, 2021.

BACKGROUND:

To satisfy the requirements of Section 40802(b) of the California Vehicle Code, Engineering and Traffic Surveys are required by the State of California to establish speed limits and to enforce those limits using radar or other speed measuring devices. These surveys must be updated periodically (every five (5), seven (7), or ten (10) years, depending upon specific criteria), to ensure the speed limits reflect current conditions as dictated by the 2021 California Vehicle Code. The surveys must be conducted following the procedures outlined in the California Manual on Uniform Traffic Control Devices (CA-MUTCD) 2014 Edition, Revision five (5) dated March 27, 2020, and in accordance with applicable provisions of the California Vehicle Code Section 627, titled "Engineering and Traffic Survey."

The CA-MUTCD guidelines state that 85 percent of drivers are traveling at a safe and reasonable speed, and that this 85th percentile speed is the parameter of a speed survey that should be used to determine a legally enforceable posted speed limit. Based on this principle, and other speed survey standards, staff is recommending the amendment of two (2) speed surveys that are an update of the current posted speed limits.

The results of the speed survey and recommended speed limits are listed in Table 1. The last column shows the recommended speed limit, per the Traffic Engineer’s judgment in matching existing conditions with the traffic safety needs of the community.

Table 1: Speed Surveys and Recommended Speed Limits recommended on February 10, 2021.

Street Name	Segment		Existing Posted Limit (MPH)	85th Percentile Speed (MPH)	Recommended Speed Limit (MPH)*
	From	To			
Via Rancho Parkway	Bear Valley Parkway	I-15 FWY	50	45	45
Washington Ave	Hale Avenue	Mission Avenue	40	35	35

**To be posted per Traffic Engineer*

Staff recommends approval of one (1) speed survey to post a speed limit of 45 mph on Via Rancho Parkway between Bear Valley Parkway and I-15 FWY. This speed limit is based on an 85th percentile speed of 45 mph. The 85th percentile speed indicates that 45 mph is the safe and appropriate speed for this roadway.

Staff also recommends approval of one speed survey to post a speed limit of 35 mph on Washington Avenue between Hale Avenue and Mission Avenue. This speed limit is based on 85th percentile speed of 35 mph. The 85th percentile speed indicates that 35 mph is the safe and appropriate speed for this roadway.

Staff recommendations for the segments are consistent with the results of the current speed surveys and in compliance with requirements of the California Vehicle Code and the Caltrans - California Manual on Uniform Traffic Control Devices.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Julie Procopio, Director of Engineering Services
 02/04/21 9:43 a.m.

ATTACHMENTS:

1. Resolution No. 2021-23

RESOLUTION NO. 2021-23

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AMENDING THE TRAFFIC SCHEDULE FOR
SPEED ZONES AT TWO LOCATIONS

WHEREAS, Escondido Municipal Code Section 28-5(12) provides that the City Council shall establish a Traffic Schedule for Speed Zones; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to amend said traffic schedule.

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

1. That the above recitations are true.
2. That the City Council approves Resolution No. 2021-23 amending the

Traffic Schedule for Speed Zones to reflect a decreased speed limit as follows:

Street Name	Segment		Existing Posted Limit (MPH)	85th Percentile Speed (MPH)	Recommended Speed Limit (MPH)*
	From	To			
Via Rancho Parkway	Bear Valley Parkway	I-15 FWY	50	45	45
Washington Ave	Hale Avenue	Mission Avenue	40	35	35

**To be posted per Traffic Engineer*

CITY COUNCIL STAFF REPORT

Consent Item No. 10

February 10, 2021

File No. 0600-11, A-3059

SUBJECT: Consulting Services Amendment for the Citracado Parkway Improvement Project

DEPARTMENT: Engineering Services Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-25, authorizing a Ninth Amendment to the Consulting Agreement with AECOM in the amount of \$118,371.25 for the Citracado Parkway Extension (Project).

FISCAL ANALYSIS:

The estimated total project cost is \$31.6 million. Funds in the amount of \$27.5 million have been budgeted for the Project, including a \$12.5 million Local Partnership Program grant, a competitive grant of SB-1 funds selected by Caltrans. Construction cost estimates updated in May 2019 show the anticipated cost of construction is \$26.3 million. The Capital Improvement Program (CIP) budget recommends programming of TransNet and Traffic Impact Fee funds in the amount of \$2.8 million in Fiscal Year (FY) 19/20 and \$1.3 million in FY 20/21 to fund this Project.

PREVIOUS ACTION:

On August 1, 2012, the City Council approved a Consulting Agreement with AECOM in the amount of \$2,135,356 for design of the Project. On February 12, 2014, the City Council approved an amendment to the Consulting Agreement in the amount of \$634,448 for additional design services necessary to implement value engineering, including a narrower roadway and shorter bridge, reducing the estimated construction cost by \$4 million. On May 6, 2015, the City Council approved an amendment in the amount of \$42,702.25 for updated biological the surveys required for resource agency permitting.

Project progress was stalled for five years while seeking grant funding for construction. Grant funding was secured and on June 19, 2019, the City Council approved an amendment to the Consulting Agreement in the amount of \$357,325 to update project plans to current standards. Since origination of the contract, five (5) contract amendments totaling \$203,195 have been approved by staff to add land surveying services, update wetland delineation, prepare Environmental Impact Report addenda for value engineering and SDG&E relocation, and for additional utility coordination activities.

BACKGROUND:

An amendment to the Consulting Agreement is required to update the plans to address constructability review comments, and to address utility and permitting agency requirements.

Environmental Permitting Status: Permits from the California Department of Fish and Wildlife and the Water Quality Control Board have been secured. Army Corps (Corps) of Engineers has completed a Memorandum of Agreement (MOA) with the State Historic Preservation Office and issued the final permit needed for construction. Resource agencies have accepted the City of Escondido's proposal of using excess mitigation installed for the HARRF outfall project in 2007, located in the Escondido Creek downstream of Harmony Grove Road, rather than purchasing offsite mitigation credits. As a result, a long-term management plan was prepared and incorporated into the project.

Utility Relocation Status: San Diego Gas & Electric (SDG&E) has prepared draft plans for transmission and distribution systems affected by the project. Those plans were submitted for review and approval by the Public Utility Commission (CPUC) in Fall 2020. CPUC approval is anticipated to be granted during Spring 2021 after which SDG&E will bid and select a contractor to perform the relocation of its facilities necessary for the project. AT&T and Cox provided revised plans for relocation of their facilities in late 2020. These plans are being reviewed by SDG&E before finalizing. AT&T will commence relocation of its facilities upon finalization of their plans. Cox facilities will be relocated onto poles installed by SDG&E after SDG&E completes its relocation this summer.

Design Status: Project plans and specifications have been reviewed by City staff, utility agencies (AT&T, Cox, Rincon Water District, and SDG&E), and a consultant hired by the City to perform a constructability review. A ninth amendment to the Consulting Agreement is necessary to address changes to the design necessary to accommodate utility relocations, including installing a gas casing and conduit for future utilities in the bridge. In addition, the design of one County/City intersection is being revised after coordination with the County of San Diego. The City Council approved a contract with T.Y. Lin in February 2020 to conduct a constructability review and manage construction of the project. Revisions to the design are recommended to address T.Y. Lin's comments that will improve the constructability of the project.

Construction Timing: SDG&E has ordered steel poles necessary to complete relocation of their facilities. The steel poles are expected to arrive in May 2021 and be outfitted in June 2021. The relocation of SDG&E facilities is expected to begin in July 2021 and extend through the summer. With this amendment, the City's consultant will complete remaining revisions to the bid documents. The City will advertise the Citracado Extension project for bid when SDG&E completes its design. Bidding is anticipated in June 2021. The duration of construction for the City's project is estimated to be eighteen months.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Julie Procopio, Director of Engineering Services
02/04/21 9:43 a.m.

ATTACHMENTS:

1. Resolution No. 2021-25

Contract Amendment for Citracado Parkway Improvement Project
February 10, 2021
Page 3

2. Resolution No. 2021-25 – Exhibit “A” 9th Amendment to Consulting Agreement with AECOM

RESOLUTION NO. 2021-25

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE MAYOR TO EXECUTE, ON
BEHALF OF THE CITY, A NINTH AMENDMENT
TO THE CONSULTING AGREEMENT WITH
AECOM FOR THE CITRACADO EXTENSION
PROJECT

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

WHEREAS, additional design services are requested of AECOM to support the final design of the Project in the amount of \$118,371.25.

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

1. That the above recitations are true.
2. That Mayor is authorized to execute, on behalf of the City, a Ninth Amendment to the Consulting Agreement with AECOM, which is attached and incorporated to this Resolution as Exhibit “1”, and subject to final approval as to form by the City Attorney.
3. That the City Manager is authorized to approve additional amendments to this contract up to \$200,000.



CITY OF ESCONDIDO
NINTH AMENDMENT TO CONSULTING AGREEMENT

This Ninth Amendment to Consulting Agreement ("Ninth Amendment") is made and entered into as of this _____ day of _____ 2021 ("Effective Date"),

Between: CITY OF ESCONDIDO
 a California municipal corporation
 201 N. Broadway
 Escondido, CA 92025
 Attn: Julie Procopio
 760-839-4001
 ("CITY")

And: AECOM
 a Delaware corporation
 401 West A Street, Suite 1200
 San Diego, CA 92101
 Attn: Domenic Lupo
 858-268-8080
 ("CONSULTANT").

WHEREAS, the CITY and CONSULTANT entered into a Consulting Agreement dated August 20, 2021, which was subsequently modified by eight written amendments ("Original Agreement"), wherein CITY retained CONSULTANT to prepare final plans and specifications for the Citracado Parkway Extension project; and

WHEREAS, the CITY and CONSULTANT desire to amend the Original Agreement to include additional services as described in "Attachment A" to this Ninth Amendment, which is attached hereto and incorporated herein by this reference.

NOW, THEREFORE, it is mutually agreed as follows:

1. The CONSULTANT will furnish all of the services described in "Attachment A" to this Ninth Amendment.
2. The CITY will compensate the CONSULTANT in an additional amount not to exceed the sum of **\$118,371.25**, pursuant to the conditions contained in "Attachment A" to this Ninth Amendment.

3. All other terms of the Original Agreement not referenced in this Ninth Amendment shall remain unchanged and in full force and effect. In the event of a conflict between a provision of the Original Agreement and this Ninth Amendment, this Ninth Amendment shall prevail.
4. This Ninth Amendment and the Original Agreement, together with any attachments or other documents described or incorporated therein, if any, constitute the entire agreement and understanding of the CITY and CONSULTANT, and there are no other terms or conditions, written or oral, controlling this matter.
5. This Ninth Amendment may be executed on separate counterparts that, upon completion, may be assembled into and shall be construed as one document. Delivery of an executed signature page of this Ninth Amendment by electronic means, including an attachment to an email, shall be effective as delivery of an executed original.
6. Unless a different date is provided in this Ninth Amendment, the effective date of this Ninth Amendment shall be the latest date of execution set forth by the names of the signators below.

IN WITNESS WHEREOF, this Ninth Amendment is executed by the parties or their duly authorized representatives as of the Effective Date:

CITY OF ESCONDIDO

Date: _____

Paul McNamara, Mayor

AECOM

Date: _____

Signature

Name & Title (please print)

APPROVED AS TO FORM:

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

By: _____

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

ATTACHMENT "A"

Scope of Work

A. General

AECOM, a Delaware corporation ("Consultant") will provide the City of Escondido, a California municipal corporation ("City") with consulting services related to the City's Citracado Parkway Extension project.

B. Location

Consultant to provide services in relation to the City's Citracado Parkway Extension project, including certain services located at the project site as identified in Exhibit "1" to this Scope of Work, which is attached hereto and incorporated by this reference.

C. Services

Consultant shall provide services as described in Exhibit "2" to this Scope of Work, which is attached hereto and incorporated by this reference.

D. Scheduling

Consultant to schedule specific date(s) of work in advance by contacting Matt Souttere at (760) 214-4718 or msouttere@escondido.org. Further instructions will be provided upon scheduling.

E. Contract Price and Payment Terms

The contract price shall not exceed **\$118,371.25**. The contract price includes all labor, materials, equipment, and transportation required to perform the work. Services will be billed as services are performed. Payment will be made after services have been performed and within 30 days of receipt of an invoice for those services. Consultant shall not bill the City for any transportation costs associated with travel to and from the project site.

See the Exhibit "3" to this Scope of Work, which is attached hereto and incorporated by this reference, for Consultant's hour and cost estimates per task.

F. Term

The term of this Agreement shall be from the Effective Date of the Agreement through completion and City acceptance of services as detailed herein.

ATTACHMENT "B"
Personnel List

Pursuant to Section 5 of the Agreement, CONSULTANT shall only assign performance of Services to persons listed below. [Please indicate "N/A" if no person is designated (e.g., if CONSULTANT is a sole proprietor and will not use additional personnel).]

1.

2.

CONSULTANT shall not add or remove persons from this Personnel List without the City's prior written consent. If CONSULTANT has not designated a person to perform a component of the Services, CONSULTANT shall not assign such component of the Services to a person without obtaining the City's prior written consent. CONSULTANT shall not subcontract any component of the Services without obtaining the City's prior written consent.

Acknowledged by:

Date: _____

[CONSULTANT Name/Title]

EXHIBIT "2"

Scope of Work

Task 200 – Environmental Protocol Surveys and Permitting

230 – CEQA Addendum

Design changes, including the addition of new stringing sites outside of the Limits of Disturbance ("LOD") require additional revision and review of the California Environmental Quality Act ("CEQA") 2nd Addendum prior to City finalization and San Diego Gas and Electric ("SDG&E") submittal to the CPUC. Consultant is proposing to conduct a brief field visit to assess proposed stringing site locations outside of the LOD, and confirm access for SDG&E transmission pole Z510501 to document biological resource impacts and access routes for those locations. As part of this site visit, Consultant will take photo documentation of pole location, access routes, and stringing site. This additional assessment is necessary to support changes in design being requested by the engineering team and SDG&E and will take approximately two weeks to complete.

Assumptions:

1. Up to 12 hours of geographic information system ("GIS") services may be provided for revisions to the figure included in the Addendum.
2. Consultant assumes one additional review of the Addendum by SDG&E in relation to the changes in the work areas.
3. Any necessary cultural resource assessment will be completed under separate contract between Brian F. Smith and Associates and the City.

Deliverables

1. Consultant will provide one revised draft (digital) and one final (digital) version of the CEQA 2nd Addendum.

Task 500 – Civil Plans, Specifications, and Estimate

Kauana Loa Intersection Redesign. In August 2019, discussion between the City and the County of San Diego resulted in the decision to redesign the intersection at Kauana Loa Drive and Harmony Grove Road West. The layout of the intersection will be revised to the original alignment of Harmony Grove Road West and all applicable sheets will be revised or updated. Proposed grading will also be revised and reflected on the sheets.

Harmony Grove Road and Andreasen Drive Signal Controllers (Included in Prior Fee). Comments were received during the City's review of the 100% plans, submitted in October 2019, on the traffic signal system at the Harmony Grove Road and Andreasen Drive intersections with Citracado Parkway. The two intersections were originally designed to operate separately with a traffic signal controller proposed at both intersections. However, due to the proximity of the intersections, the City traffic engineer is requiring that the intersections be controlled by a single traffic signal controller. The traffic signal sheets will be revised to show the intersections at Harmony Grove Road and Andreasen Drive operating in tandem with one traffic signal controller.

Deliverables

1. Revised Layout and Grading of intersection at Kauana Loa Drive and Harmony Grove Road West
2. Revised Traffic Signal Controller Design at Harmony Grove Road and Andreasen Drive intersections

Task 600 – Structures Plans, Specifications, and Estimate

Due to the scope of work and location of Citracado Parkway, extensive coordination with SDG&E is occurring. SDG&E has requested that casings for future electrical conduit be installed within the proposed bridge. Casings and corresponding construction notes will be added to the bridge sheets. Bridge openings, required to access these casings, will be added to the bridge sheets. Coordination with SDG&E will be required to gain their concurrence on the size of the casings and the size and shape of the bridge openings.

A casing for a future SDG&E gas main is proposed within the Citracado Parkway bridge. SDG&E provided the plans for the SDG&E gas main to Consultant in electronic format to ensure the work shown on the Citracado Parkway sheets will accommodate the proposed SDG&E improvements. Revisions to the Citracado Parkway bridge sheets are required to revise the type of supports proposed for the gas facility. These revisions are necessary to match the type and location of the supports required by SDG&E.

Deliverables

1. Revised Bridge sheets, including utility cross-sections, layouts, and details

Task 800 – Utility Design and Coordination

Consultant will hold biweekly utility design coordination meetings with SDG&E, Rincon del Diablo Municipal Water District ("RDDMWD"), AT&T, and Cox to coordinate critical interface between utility companies' design and construction with Consultant's design. In addition to the biweekly meetings, Consultant and key team members will meet with the City of Escondido, SDG&E, Power Engineers, AT&T, RDDMWD, or other asset owners, as needed, to resolve issues, communicate updates, and address questions and concerns. Consultant will organize and conduct each meeting, record minutes, and distribute the minutes to attendees.

Consultant will prepare exhibits in AutoCAD at the request of the City of Escondido, SDG&E, Power Engineers, AT&T, or other asset owners, as needed, to facilitate utility coordination and relocation/replacements included with the project. Consultant will submit electronic PDF versions of the exhibits to all applicable stakeholders.

Due to the length of time over which this project has progressed, there have been several changes to design standards, affecting the relocated water/recycled water plans for the RDDMWD facilities. Consultant will update the water and recycled water plan sheets to incorporate updated design standards.

While Power Engineers was preparing the proposed design of the SDG&E electrical transmission facilities, they discovered a potential conflict with a proposed streetlight just north of the Citracado Parkway bridge. Consultant will coordinate with Power Engineers to determine a new location for the proposed streetlight. The plan sheet will be revised to reflect the new location.

Deliverables

2. Utility Design and Coordination Meeting Minutes
3. Exhibits for Utility Coordination
4. Updated Water/Recycled Water Plans
5. Revised Electrical Plan Sheet showing relocated proposed streetlight

Task 1000 – Project Management

Project management includes the tasks necessary to facilitate project delivery in a manner that meets contractual requirements and adheres to the project schedule and budget. To complete these tasks, Consultant will use a suite of proprietary tools for project delivery, developed based on the principles of earned value, critical path method scheduling, risk management, and quality assurance and quality control (“QA/QC”), among others.

Consultant will monitor is budget and progress on a weekly basis using Consultant's internal project management tools and systems. Consultant will report progress on a monthly basis with each invoice to the City of Escondido. The progress report will outline the progress completed for the subject billing period, the tasks anticipated during the next billing period, and a brief discussion of any issues encountered with the schedule, budget, or scope.

Meetings will be scheduled and conducted on a monthly basis with the City of Escondido and the City’s construction management contract holder. Consultant will organize and conduct each meeting, prepare an agenda, record minutes, and distribute the minutes to attendees. Consultant will be responsible for preparing materials to support meeting discussions, for use at the meetings. The meetings are assumed to be one hour long and attended by up to two Consultant staff.

Consultant will prepare an updated project schedule using Microsoft Project, which will be submitted to the City of Escondido for review. The schedule will be broken down into the tasks listed in the scope of work and will include start dates, end dates, and the dependencies of tasks. Updates and issues encountered with the schedule will be communicated to the City of Escondido in the monthly progress report and during ongoing meetings and coordination. An updated schedule will be provided to the City of Escondido as it is created. Up to one schedule update is included.

Deliverables

1. Progress Reports and Invoices
2. Meeting Agendas
3. Meeting Minutes
4. Updated Project Schedule

Task 2000 – Constructability Review

Plans and Specifications. A constructability review of the project plans and specifications will be conducted by a third- party under separate contract with the City of Escondido. Consultant will prepare plans and specifications for submittal to the third-party reviewer. One full-size hard copy

set of the plans will be delivered to the City of Escondido. Specifications will be submitted in PDF format electronically to the City of Escondido.

Point of Contact. The third-party reviewer will be the sole point of contact for constructability review comments. The City will retain authority over remaining comments and will ultimately decide how to proceed with any conflicts.

Consultant staff will not respond to any comment that has not been reviewed by the City, regardless of who made the comment. Consultant will copy the City on any correspondence regarding constructability review comments.

Cutoff Date. All constructability review comments shall be received by the City and forwarded to the Consultant prior to the start of constructability revisions. The City will compile all comments and provide them to Consultant. Consultant will not respond to any comments received after this time. However, special consideration will be given to comments from Rincon del Diablo Municipal Water District ("RDDMWD"), City traffic engineering, SDG&E, Cox, and AT&T. If comments from those stakeholders are received after the due date, the City will forward them to Consultant for response.

Consultant will not move onto the next step in the process until all comments are received. Consultant acknowledges that comments on the plans may change the specs, and that comments can contradict each other or cause secondary changes. Responding to all comments at once allows Consultant to identify these connections, conflicts or secondary changes before making any revisions to the plans, special provisions, or estimate.

Comment Matrix. Consultant will create a comment matrix including all comments received from the constructability review. Comments will be categorized so that one approach can be applied to the entire category in order to simplify decision-making. For example, categories may include text edit, redesign, question, construction detail, etc. Consultant will make all revisions that are quick to address (i.e. text edits, typos, etc.). Consultant will bring up all others with the City and appropriate reviewers. Consultant will schedule a meeting with all necessary reviewers and stakeholders to discuss all comments needing consensus or requiring significant work.

Consultant will indicate initial dispositions in the comment matrix for every comment. Consultant will spend up to 12 hours to review comments in advance and prepare preliminary responses for discussion with the team. The City will review and approve initial dispositions. Consultant will limit revisions to the initial dispositions to one time, in order to increase efficiency.

Due to the length of time over which this project has been in process, it is likely that past decisions have resulted in many changes to the content of the plans. However, researching all past decisions would be time-consuming and would not ultimately result in revisions or value added to the current plans. Consultant will not spend time researching past decisions. The City will answer as many questions as possible during the review of the initial dispositions. Consultant will respond to comments directed toward the Consultant team, and the City will address questions directed toward the City. For any constructability review comments that conflict with past comments made by the City and other stakeholders, including SDG&E and RDDMWD, Consultant will write these conflicts in the initial dispositions to be reviewed by the City. The City will assess the applicability of the third-party review comments and decide how to address them.

Consultant will attend a comment resolution meeting with the City of Escondido and its third-party reviewer to discuss all constructability review comments. It is anticipated that this meeting will

include up to two of Consultant's team members and take up to five hours total.

Revisions. After all comments have been reviewed and initial dispositions agreed upon, Consultant will revise the plans, special provisions, and estimate in a single iteration. Consultant will not begin to make any edits to the plans, special provisions, or estimate beforehand, regardless of the perceived level of effort or consequence.

Consultant will meet with the City to review the revisions and to provide the City with an opportunity to perform a back-check that the City's desired changes have been made. It is anticipated that this meeting will include up to two of Consultant's team members and take up to five hours total.

The following subtasks are included in Task 2000, Constructability Review.

- 2010 – Civil Plans, Specifications, and Estimate and QA/QC 2020 – Structural Plans, Specifications, and Estimate and QA/QC
- 2030 – Landscape and Irrigation Plans, Specifications, and Estimate and QA/QC
- 2040 – Water and Recycled Water Plans, Specifications, and Estimate and QA/QC

Deliverables

1. Revised Civil, Structural, Landscape and Irrigation, and Water/Recycled Water Plans
2. Revised Civil, Structural, Landscape and Irrigation, and Water/Recycled Water Estimate
3. Revised Civil, Structural, Landscape and Irrigation, and Water/Recycled Water Specifications

Task 3800 – Additional Utility Design and Coordination

3810 – SDG&E Transmission Pole Pad Exhibit Revisions

Consultant will revise a previously prepared AutoCAD exhibit to detail the grading and location of a pad for installation of a new SDG&E transmission pole. After discussion between the City and RDDMWD, the pad and its access point need to be revised to prevent the SDG&E contractor's equipment from driving over the existing RDDMWD water pipe. Consultant will submit an electronic PDF version of the 1-sheet exhibit to the City of Escondido and RDDMWD for review. Consultant will review and implement comments received from the City and RDDMWD. Consultant anticipates two review cycles. Consultant will provide a final exhibit for approval by the City and RDDMWD.

Deliverables

1. PDF exhibit of the SDG&E transmission pole pad

Task 4000 – Additional Project Management

4010 – Additional Invoicing

This task would include additional project management. Consultant will monitor its budget and progress on a weekly basis using Consultant's internal project management tools and systems. Up to four monthly invoices are included.

EXHIBIT "3"
 Scope of Work

Task		Estimated Hours	Estimated Labor Cost
230	CEQA Addendum	68	\$8,600.00
500	Civil Plans, Specifications and Estimate	80	\$10,000.00
600	Structures Plans, Specifications and Estimate	53	\$8,870.00
800	Utility Design and Coordination	119	\$14,843.75
1000	Progress Reporting and Invoicing	65	\$9,812.50
2010	Civil Plans, Specifications, and Estimate and QA/QC	310	\$40,575.00
2020	Structural Plans, Specifications, and Estimate and QA/QC	62	\$11,230.00
2030	Landscape and Irrigation Plans, Specifications, and Estimate and QA/QC	24	\$3,250.00
2040	Water and Recycled Water Plans, Specifications, and Estimate and QA/QC	40	\$7,580.00
3810	SDG&E Transmission Pole Pad Exhibit Revisions	18	\$2,370.00
4010	Additional Invoicing	8	\$1,240.00
	Total	847	\$118,371.25

ORDINANCE NO. 2021-02R

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING AN AMENDMENT TO THE
DOWNTOWN SPECIFIC PLAN AND
PLANNED DEVELOPMENT PERMIT FOR
THE PALOMAR HEIGHTS PROJECT

APPLICANT: The Palomar Heights Project Owner, LLC
CASE NOS.: SUB 18-0011, PHG 18-0049, and ENV 18-0009

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

SECTION 1. The City Council makes the following findings:

a) The Palomar Heights Project Owner, LLC (herein after referred to as
"Applicant"), filed a verified application with the City regarding property located at 555 E.
Valley Parkway and surrounding properties (APNs 229-442-01-00, 229-442-02-00, 229-
442-03-00, 229-442-04-00, 229-442-18-00, 229-450-05-00, 229-450-06-00, 230-163-01-
00, 230-163-02-00, 230-163-03-00, 230-163-04-00, and 230-163-05-00), more
particularly described as shown on Exhibit "A" ("the property"), attached to this Ordinance
and incorporated herein by reference as though fully set forth. In addition to other land
use entitlements, said verified application constitutes a request for an amendment to the
Downtown Specific Plan and a Planned Development Permit (Master and Precise
Development Plan) for the redevelopment of the Palomar Health Downtown Campus and
surrounding properties, as shown on Exhibit "B" (Downtown Specific Plan revisions) and
Exhibit "C" (Project plans), both attached to this Ordinance and incorporated herein by
reference as though fully set forth herein, and on file in the Planning Division.

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

ORDINANCE NO. 2021-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AMENDING ARTICLE 2, CHAPTER 2 OF THE ESCONDIDO MUNICIPAL CODE TO MOVE THE CLOSED SESSION MEETING TO 4:00 P.M. AND THE REGULAR CITY COUNCIL MEETING TIME TO 5:00 P.M.

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

SECTION 1. Subsection 2-21(a) of Article 2, Chapter 2 of the Escondido Municipal Code is hereby amended to read as follows:

Article 2 – City Council.

Sec. 2-21. Time, location of meetings.

(a) The regular meeting time for the Escondido City Council will be on the first four (4) Wednesdays of each month, commencing with closed session items at 4:00 p.m. and a regular public meeting at 5:00 p.m. Such meetings may be canceled from time to time depending on the number of agenda items, availability of council members or related circumstances. Unless publicly noticed otherwise, all meetings shall take place at Escondido City Hall, 201 North Broadway, Escondido, California.

SECTION 2. SEPARABILITY. If any section, subsection sentence, clause, phrase or portion of this Ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions.

SECTION 3. That as of the effective date of this ordinance, all ordinances or parts of ordinances in conflict herewith are hereby repealed.

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



CITY COUNCIL STAFF REPORT

Current Business Item No. 13

February 10, 2021

File No. 0600-10

SUBJECT: County Wide Next Generation Regional Interoperability Program (NGRCIP) Computer Aided Dispatch to Computer Aided Dispatch.

DEPARTMENT: Fire

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-14, authorizing the Fire Chief to sign the San Diego County Next Generation Regional CAD Interoperability Program (NGRCIP) Member Agency Agreement to cost share the annual maintenance fees for the technology to support computer-aided dispatch communication (CAD TO CAD). NGRCIP allows the five major regional fire and EMS emergency dispatch computer systems to quickly and seamlessly communicate needs and requests. Nearly 8,000 aid requests per year are processed through RCIP to automatically request and dispatch fire, rescue and ambulances to emergencies across all jurisdictions in the county. This ensures that the closest appropriate resource is sent where it is needed as quickly as possible, including automatic and mutual aid. Due to grant funding for the project, Escondido's apportioned ongoing share for RCIP maintenance in the amount of approximately \$20,000 will not begin until FY 2022-23.

FISCAL ANALYSIS:

The RCIP project was originally funded in 2010 with Homeland Security Grant Program (HSGP) Urban Area Security Initiative (UASI) grant funds. Over the years, these grant funds have been paying for the vendors' required annual maintenance and support fees. However, the availability of grant funds for annual maintenance is at an end. Fortunately, additional UASI grant funds have been secured to fund an upgraded "next generation" RCIP that will be developed in 2021 by a new vendor selected through an RFP with upgraded software and technology that will allow for enhanced connectivity and stability across the regional fire and EMS dispatch centers in San Diego County. In addition to NGRCIP development and implementation, the UASI grant funds will also pay for the maintenance and support fees through December 2022. After that time, ongoing maintenance and support will become the responsibility of the program's participants, including the City of Escondido. The Member Agency Agreement establishes a cost apportionment for each dispatch center that is weighted according to system usage. Under this agreement the City of Escondido will be responsible for approximately \$20,000 of the estimated \$250,000 total anticipated annual maintenance and support NGRCIP costs beginning in January 2023.

County Wide Next Generation Regional Interoperability Program (NGRCIP) Computer Aided Dispatch to Computer Aided Dispatch.

February 10, 2021

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PREVIOUS ACTION:

In July of 2010, Council adopted Resolution No. 2010-66 authorizing the Fire Chief, on behalf of the City, to execute a Memorandum of Understanding for the San Diego Urban Area Regional Computer-Aided Dispatch Interoperability Project (RCIP).

BACKGROUND:

More than ten years ago the San Diego County Public Safety agencies formulated a plan to develop a regional, federally grant funded, communication mechanism to connect all of the County's Fire and EMS dispatch centers' Computer-Aided Dispatch (CAD) systems. This would allow the opportunity for increased situational awareness during large scale incidents and improve day-to-day operations through electronic information sharing. This joint effort became the Regional CAD Interoperability Program (RCIP). The agencies participating in the RCIP are San Diego City Fire (Metro Dispatch), North County Dispatch JPA, Heartland Communications Authority, CAL FIRE Monte Vista, American Medical Response, San Diego Gas & Electric, and the City of Escondido Fire Dispatch. Due to several challenges including compatibility with our CAD system, Escondido Dispatch has not yet been fully integrated into the existing RCIP. Because the current RCIP vendor's (Kologik) technology is outdated and the current agreement expires this year, in 2020 the RCIP participants identified the need and sought a next generation solution to replace the RCIP. The Next Generation Regional CAD Interoperability Program (NGRCIP) will fully integrate Escondido with all other partners. Through an extensive RFP led by the City of San Diego, a new vendor has been selected and the implementation of NGRCIP is anticipated to be complete by the end of 2021.

The intent of the NGRCIP is to enhance fire and emergency services to achieve improved interoperability through the real time sharing of resource status, locations, requests for service (mutual or automatic aid) and other mission critical information. NGRCIP's expectation is that a regional next-generation CAD-to-CAD solution will promote further efficiency among the member agencies and continue to provide improved customer service to the communities they serve by increasing situational awareness and decreasing processing, reflex and response times.

This project is currently being funded with Homeland Security Grant Program (HSGP) Urban Area Security Initiative (UASI) grant funds. The project will be managed by the NGRCIP participating agencies and San Diego City will be the Project Manager who will oversee completion of the project. The Project Manager shall also provide overall direction of the project and will manage the project schedule, implementation of the system and the acceptance of deliverables.

The COSD will execute a contract with the selected vendor and the Project Team will oversee the implementation to ensure the CAD to CAD interoperability systems functionality are consistent with the expectation of the NGRCIP. The Project Team includes representatives from each of the

County Wide Next Generation Regional Interoperability Program (NGRCIP) Computer Aided Dispatch to Computer Aided Dispatch.

February 10, 2021

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participating agencies and relevant partners such as Emergency Medical Transport providers and public utility partners. The agreement (Attachment 1) provides for the continued management of NGRCIP and the shared costs for maintenance and support fees. The cost sharing formula equitably divides responsibility for ongoing costs in proportion to each agency's relative size and use of the system. For the City of Escondido, the cost share of approximately \$20,000 is a judicious investment in the technology that will help provide faster and more efficient resource deployment during high impact emergency events such as wildfires.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Rick Vogt, Fire Chief

02/04/21 11:20 a.m.

ATTACHMENTS:

1. Resolution No. 2021-14
2. Resolution No. 2021-14 - Exhibit A

RESOLUTION NO. 2021-14

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE FIRE CHIEF TO EXECUTE,
ON BEHALF OF THE CITY, A MEMORANDUM
OF UNDERSTANDING FOR THE NEXT
GENERATION REGIONAL COMPUTER-AIDED-
DISPATCH INTEROPERABILITY PROGRAM

WHEREAS, there are five public fire and emergency medical services communication centers in San Diego County that utilize different computer aided dispatching (“CAD”) systems that do not communicate directly with each other; and

WHEREAS, when assistance is needed from outside agencies, without CAD-to-CAD interoperability, dispatchers have to make phone calls to each center to determine resource location and availability and verbally request assistance; and

WHEREAS, enhanced technology decreases the processing and communication time it takes to get needed resources to provide assistance; and

WHEREAS, the Regional Computer-Aided-Dispatch Interoperability Program (“NGRCIP”) will allow and enhance those CAD systems involved to communicate with each other. This will provide the opportunity for increased situational awareness on a regional level, assist in developing a common operational picture during large scale events, decrease the delay of information sharing, and increase response times for responding units from outside jurisdictions for automatic and mutual aid requests; and

WHEREAS, the participating agencies will execute a Memorandum of Understanding (“MOU”) for the collaborative development, implementation, and oversight of the NGRCIP; and

WHEREAS, MOU established a proportional sharing of the ongoing service and maintenance fees for NGRICIP; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to approve said MOU.

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 Fire Chief is authorized to execute, on behalf of the City, the MOU for the Next Generation Regional Computer-Aided-Dispatch Interoperability Program, attached as Exhibit "A" and incorporated by this reference.

NEXT GENERATION REGIONAL CAD INTEROPERABILITY PROGRAM (NGRCIP) MEMBER AGENCY AGREEMENT

This Next Generation Regional Computer Aided Dispatch Interoperability Program ("NGRCIP") Member Agency Agreement ("Agreement"), is entered into by and between Heartland Communications Facility Authority, North County Dispatch Joint Powers Authority, City of San Diego, County of San Diego, and City of Escondido ("Members" or Member Agencies", as defined in Section 2.1).

1. Recitals.

1.1 Whereas, the Member Agencies are public service agencies and emergency dispatch providers; and

1.2 Whereas, the Member Agencies desire to more effectively coordinate and dispatch emergency resources within the San Diego region, while reducing costs to each individual Member Agency; and

1.3 Whereas, the NGRCIP is a program that allows for interoperable communications capabilities among local public safety agencies by linking disparate Computer Aided Dispatch ("CAD") systems; and

1.4 Whereas, the Member Agencies desire to enter into this Agreement to proportionally share costs and establish requirements related to the ongoing maintenance, operation, support, and use of the NGRCIP.

NOW, THEREFORE, the Member Agencies, for and in consideration of the mutual benefits set forth in this Agreement, agree to the terms below.

2. Members.

2.1 Members. For the purposes of this Agreement, "Member" or "Member Agency" shall mean a public safety entity or emergency dispatch provider within the San Diego region that is a signatory to this Agreement. Each Member Agency has the legal power to dispatch public safety services using the NGRCIP.

2.1.1 Each Member Agency is an equal participating member of the NGRCIP.

2.1.2 Each Member Agency has the power and authority to enter into this Agreement for the performance of the duties and functions established herein.

2.1.3 Each Member Agency is, for all purposes arising out of this Agreement, an independent contractor, and each Member Agency, and its employees, shall not be deemed to be employees of any other

Member Agency. In no event shall any Member Agency or Member Agency's employees be entitled to any benefits to which another Member Agency's employees are entitled, including but not limited to, overtime, any retirement benefits, workers' compensation benefits, and injury leave or other leave benefits.

2.2 New Members. New members may be added to this Agreement upon the majority approval of Member Agencies and the new Member approving and executing an agreement to comply with the terms of this Agreement and any other terms and conditions required by the existing Member Agencies. Admission of a new Member shall not require amendment of this Agreement.

2.2.1 The first year's annual fee for any new Member shall be pro-rated for the fiscal year July 1 through June 30 ("Fiscal Year"). The new Member Agency will negotiate a separate contract for equipment, connectivity, and set up costs with the NGRCIP's Vendor, as defined in Section 4. All startup costs to connect to the NGRCIP will be the responsibility of the new Member Agency.

2.3 Meetings. All Member Agencies shall be a part of the monthly NGRCIP meetings and continue open communications with the Vendor to maintain the highest level of understanding of expectations on both sides to ensure the success of NGRCIP. Members Agencies may also hold meetings as needed to oversee, maintain and direct the program.

3. Term.

This Agreement shall become effective on the effective date of the Vendor Contract, as defined in Section 4, and bind all Member Agencies for a term of five (5) years. At the end of this term, the Member Agencies may agree to extend this Agreement with additional five (5) one (1) year options.

4. Vendor Contract.

4.1 The City of San Diego shall enter into a Vendor Contract ("VC"), attached hereto as Addendum A, with a vendor ("Vendor") to provide a CAD to CAD resource management and information sharing application, cloud hosting services, annual maintenance, and support related to the NGRCIP, with the exception of costs to be incurred by the Members described in Section 6. The City of San Diego shall serve as the "Contract Administrator" of the VC. Prior to executing the VC, the Contract Administrator shall obtain approval by all Member Agencies regarding the terms and conditions in the VC.

4.2 VC Scope of Work Changes Any proposed VC scope of work changes shall require approval by all Member Agencies and comply with all state and federal contracting laws. The proposed changes shall be presented to the

Members at least ninety (90) days prior to the expiration of the existing VC. The Member Agencies shall have 30 days to review the proposed changes.

5. Cost Apportionment of NGRCIP Vendor Agreement.

5.1 Cost Apportionment. Each Member Agency's share of costs incurred under the VC shall be calculated as follows:

$$\text{(Member CAD Incident Count / All Member CAD Incident Count) * 50\% + (Member Aid Received via CAD / All Member Aid Received via CAD) * 50\%}$$

5.1.1 Definitions:

- 5.1.1.1 CAD Incident: a system record within CAD referencing a specific incident or event.
- 5.1.1.2 Member CAD Incident Count: the number of calls within a Member Agency jurisdiction resulting in creation of a CAD Incident.
- 5.1.1.3 All Member CAD Incident Count: the summary of all calls among Members Agencies resulting in creation of a CAD Incident.
- 5.1.1.4 Member Aid Received via CAD: the number of CAD Incidents resulting in a request for aid from another Member's CAD system.
- 5.1.1.5 All Member Aid Received via CAD: the total number of all Members' CAD Incidents resulting in a request for aid from another Member's CAD system.

5.2 Invoices. Either the Contract Administrator or the Vendor shall invoice all Member Agencies for costs invoiced under the VC according to the cost apportionment formula in Section 5.1.

5.3 Failure to Pay. If a Member Agency fails to pay in full an invoice payment within seventy-five (75) calendar days of the due date, the Member shall be in default and subject to termination as a Member of this Agreement, pursuant to Section 7 of this Agreement.

5.4 Annual Re-Evaluation of Cost Apportionment. Cost apportionment methodology shall be re-evaluated by all Members each January for the next Fiscal Year. More accurate methodologies, such as NGRCIP dispatched incident shares and call volumes, shall be evaluated and agreed upon by all Members Agencies. Member Agencies shall agree on cost apportionment for the next Fiscal Year no later than March 15.

6. Member Agency Obligations.

6.1 Costs associated with hosting NGRCIP infrastructure externally, other than the main application server, will be the sole responsibility of each Member. Members are responsible for purchasing and maintaining their respective network connections and meeting all operational requirements related to the NGRCIP main application server. This includes coordination with any vendors needed to support NGRCIP network connections to internal network systems, troubleshooting, and establishment of backup or alternative network connections, and any related costs, if determined necessary by all Members.

6.2 Costs related to the NGRCIP main application server, including all costs related to maintaining the hardware and any replacement costs, shall be apportioned among Member Agencies pursuant to the cost apportionment formula in Section 5. All Member Agencies are responsible for their respective costs and meeting all operational requirements related to the NGRCIP integrator servers to be maintained at each Agency premise or alternatively arranged location, including all costs related to maintaining the hardware.

6.3 Vendor shall determine the technical requirements of the main application server required to meet the operational needs of the NGRCIP, including any replacements, and the integrator servers required to meet the operational needs of the NGRCIP. The server hardware for the main application server shall be replaced when it is determined to be "end of life," defined as no longer under warranty or extended maintenance coverage by the hardware vendor.

6.4 The Members anticipate the Vendor will host the NGRCIP main application server. However, as an alternative, the main application server may be hosted by any Member Agency upon approval by that Member and the other Member Agencies. Under either scenario, all hosting costs for the NGRCIP main application server shall be shared pursuant to the cost apportionment formula in Section 5.

7 Termination.

7.1 Termination for Default. A Member Agency shall be deemed to be in default of this Agreement if the other Member Agencies determine by a majority vote that the Member Agency has failed to perform any of its obligations under this Agreement. Written notice of default shall be provided by the Contract Administrator to the defaulting Member, specifying the nature of such default and the steps necessary to cure such default. If the default is not cured within ten (10) business days of receipt of the written notice of default or, where corrective action will require more than ten (10) business days, if the defaulting party fails to commence such action within ten (10) business days and fails diligently to pursue such correction to completion, the majority vote of the non-defaulting Member Agencies may terminate this Agreement as to the defaulting party by giving written notice thereof, delivered by certified mail with return

receipt requested, 20 days before the effective date of such termination. The terminated Member remains liable for the defaulted payment(s) for the balance of the Fiscal Year financial obligations.

7.2 Termination for Convenience. A Member may terminate for convenience from this Agreement without penalty by providing to all Member Agencies written notice. Notice must be provided by March 31 for such termination to take effect at the end of the then-current Fiscal Year (June 30). , Notice provided after March 31 will effect termination at the end of the Fiscal Year following the year in which notice was provided. A Member wishing to terminate shall perform all obligations under this Agreement, including payment obligations, until the termination takes effect.

7.3 Balance Due Upon Termination. Upon termination for default or convenience, the terminating Member shall pay any undisputed sums for the Fiscal Year within thirty (30) days after the effective date of termination. If payment disputes are not resolved as outlined in Section 8.1 of this Agreement, Member Agencies retain the right to seek legal redress, if necessary, to obtain payment of amounts due and are entitled to recover costs related to such legal redress. A terminated Member forfeits any claim to any assets of the NGRCIP.

7.4 Prosecution of Claims. The Contract Administrator shall be authorized to prosecute any claim or action on behalf of the Member Agencies to recover past due payments and obligations incurred under this Agreement. Costs incurred by the Contract Administrator with such collection efforts shall be recoverable against the terminated and/or defaulting Member.

8 Disputes.

8.1 Mediation. The Member Agencies shall discuss in good faith any disputes arising under this Agreement, as it may be amended from time to time. If a mutually agreeable resolution cannot be reached through that process, the Member Agencies shall participate in one mediation session before a neutral third party and the parties to that dispute share the mediator cost equally.

8.2 Attorneys' Fees. In any dispute involving the Member Agencies, except as is provided in Sections 7.4 and 9, each Member Agency shall be responsible for its own attorneys' fees.

9 Indemnity and Limit on Liability.

9.1 Claims Arising from Sole Acts or Omissions. Each Member (for purposes of this section only, "Indemnitor") shall defend and indemnify any other Member(s), its agents, officers, and employees (for purposes of this section only, "Indemnitee"), from any claim, action, or proceeding against Indemnitee arising solely out of the acts or omissions of Indemnitor in the performance of this Agreement. At its sole discretion, Indemnitee may participate at its own expense in the defense of any claim, action, or proceeding, but such participation shall

not relieve Indemnitor of any obligation imposed by this Agreement. Indemnitee shall notify Indemnitor promptly of any claim, action, or proceeding and cooperate fully in the defense.

9.2 Claims Arising from Concurrent Acts or Omissions. Each Member hereby agrees to defend itself from any claim, action, or proceeding arising out of the concurrent acts or omissions of the Members. In such cases, the Parties agree to retain their own legal counsel, bear their own defense costs, and waive their right to seek reimbursement of such costs, except as provided in Section 9.3 of this Agreement.

9.3 Joint Defense. Notwithstanding Section 9.2 above, in cases where the Members agree in writing to a joint defense, the Members may appoint joint defense counsel to defend the claim, action, or proceeding arising out of the concurrent acts or omissions of the Members. Joint defense counsel shall be selected by mutual agreement of the Members. The Members agree to share the costs of such joint defense and any agreed settlement in equal amounts, except as provided in Section 9.4 of this Agreement. The Members further agree that no Member may bind the others to a settlement agreement without the written consent of all Members.

9.4 Reimbursement and/or Reallocation. Where a trial verdict or arbitration award allocates or determines the comparative fault of the Members, the Members may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with such comparative fault.

9.5 Limit on Liability. Under no circumstances will any Member's liability exceed \$250,000.

10 Severability.

Should any part, term, portion or provision of this Agreement, or the application thereof to any Member or in any circumstances, be in conflict with any State or Federal law, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to continue to constitute the Agreement that the parties intended to enter into in the first instance.

11 Amendment.

This Agreement may only be amended by unanimous vote of all the Member Agencies. A Member may initiate any proposed amendment to the entire Member groups by written request with supporting documentation for the proposed amendment.

12 Governing Law and Venue.

The laws of the State of California shall govern and control the terms and enforceability of this Agreement. Venue for any action shall be in the state or federal courts having jurisdiction of the matter in San Diego County.

13 Counterparts.

This Agreement may be executed in counterparts, and each counterpart shall constitute one agreement binding on all Members hereto, notwithstanding that all of the Members are not signatory to an original or same counterpart. The Members agree that signatures transmitted electronically via pdf attachment shall be binding as if they were original signatures.

14 Entire Agreement.

This Agreement constitutes the entire agreement between the Members with respect to the subject matter contained herein. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are superseded.

CITY COUNCIL STAFF REPORT

Current Business Item No. 14

February 10, 2021

File No. 0600-10, A-3349

SUBJECT: Building Permit Plan Check and Inspection Services Contract Award

DEPARTMENT: Community Development Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-27 approving a new Consulting Agreement with EsGil LLC in a not-to-exceed amount of \$600,000.00 to provide professional building permit plan review and inspection services; and approve a budget adjustment of \$90,000 to augment the building permit plan review services budget for FY2020-2021 and \$45,000 to address new on-call field inspection services for FY2020-2021.

FISCAL ANALYSIS:

This agenda item relates to third-party building permit plan review and on-call field inspection services and approving a new Consulting Agreement with EsGil LLC in a not to exceed amount of \$600,000.00.

- Building permit plan review services:

Fees collected from building permit applicants at the time of building permit issuance pay for building permit plan review services. This is a cost recovery service that is funded by building permit applicants and will have no impact on the General Fund. The proposed contract with EsGil LLC will maintain the current system in which the contractor receives a share of total permit and plan check revenues received by the City, less the portion allocable to the Strong Motion Instrumentation Program ("SMIP"). EsGil LLC will receive a 50 percent of plan check fees, which is the same fee rate under the existing contract.

In addition to the proposed contract award, this agenda item requests a budget augmentation of \$90,000 for building permit review services to ensure that the allocated budget for third party plan checking can meet remaining demands for development activity for the next few months. As of this writing, the City of Escondido ("City") has spent approximately \$153,317,480 of the \$165,000.00 included in the FY2020-2021 adopted budget for building permit review services. Another \$90,000 has been included for this purpose in mid-year budget augmentation request. Development activity has been significantly higher than what was originally projected this time last year. Expanding vaccination efforts, the emergence of warmer weather, low interest rates, and the passing of fiscal stimulus suggest that land development activities will strengthen in late spring when growth is expected to accelerate. The total amount budgeted after the

augmentation for building permit review services would be \$255,000.00 for FY2020-2021. As proposed, the draft Agreement's proposed not-to-exceed amount assumes that \$255,000.00 would be needed for third-party plan review services in FY2021-2022.

- Field inspection services:

Currently, the Building Division has four full time inspectors. The total amount of weekly inspections has been steadily increasing. In 2019, the total inspections performed were 10,353 inspections. This represents 199 weekly average inspections. In 2020, the total inspections performed were 11,167, or 214 weekly average inspections. The average weekly total of building permit inspections in January 2021 was 275. Current staffing levels cannot effectively address the recent volume of inspection requests without further negative impacts to quality of work, wait times, and/or rushed customer service. Rather than hiring a permanent employee to help fill recent service gaps, City staff believes the interests of the community can be best served by using a private firm for on-call building inspection services. It was expected that such a firm would be able to contract resources in response to daily, weekly, or monthly work flow demands.

This agenda item requests a budget augmentation of \$45,000.00 to respond to workflow demands and peaks in remaining inspection activity anticipated for FY2020-2021. The proposed professional services contract and requested budget adjustment would establish on-call field inspection services to be funded in advance for inspections at a later point in time. Building permit revenue can be used to offset the increase in expenditures for field inspection services. The total amount budgeted after the augmentation for building inspection services would be \$45,000.00 for FY2020-2021. As proposed, the Agreement's not-to-exceed fee amount assumes that \$45,000.00 would be needed for field inspection services in FY2021-2022. However, the total contract amount for on-call inspection services may be funded differently year-to-year, provided that there are sufficient budgetary resources available in each fiscal year.

BACKGROUND:

The City has contracted with EsGil LLC for building plan check services for over 25 years. On October 10, 2018, the City Council adopted Resolution No. 2018-134 to enter into a new two-year contract, which had an initial term set to expire on October 9, 2020. The current not-to-exceed amount of the contract is \$165,000.00, however, they operate on a cost recovery basis (50 percent of permit plan check fees). Although the initial contract term lapsed in October, the professional services agreement automatically extends the EsGil LLC and City contractual relationship on a month to month basis until its termination. As of this writing, the City has expended \$153,317,480 of the \$165,000.00 included in the FY2020-2021 adopted budget for building permit review services. Additional funds are needed for this third-party service to complete FY2020-2021.

Since the current contract was near the end of its term, the City released to the public a Request for Proposal ("RFP") soliciting proposals from qualified consultants for building permit plan review services

and included an optional task for “field inspection services” to account for the increased demand on inspections services. On September 24, 2020, the City released a RFP, consistent with the City's practices and standards. The deadline to submit proposals was Friday, October 30, 2020. Nine firms responded to the RFP. Proposals from each firm were evaluated independently in accordance with the RFP evaluation and selection process. Using the evaluation criteria specified in the RFP, the Director of Community Development, the Building Official, and the Deputy Building Official independently proceeded with the technical and financial evaluation stages of each proposal. The nine proposals were similar in the range of services that could be provided. A brief overview of each bid proposal is provided in Table 1, below. Overall, the cost recovery fee for building plan review services ranged from 50 to 80 percent. Hourly rates for inspection services ranged from \$85 to \$105.

Table 1: Bid Comparison Table

Firm Name	Location	Plan Review Timeline	Review Platform	Plan Check Experience / Capabilities	Inspector Experience / Capabilities	Fee Schedule
Esgil	San Diego / Orange	5 – 10 working days	Bluebeam	Very High	High	50% of Plan Check Fee and \$85 – \$95 for inspections
True North	San Diego	5 – 15 working days	Bluebeam	High	High	75% of Plan Check Fee and \$85 – \$95 for inspections
4 Leaf	Northern CA	10 working days, depends for larger projects	Bluebeam and more	Average	High	65% of Plan Check Fee and \$85 – \$95 for inspections
Bureau Veritas	San Diego	5 working days, depends for larger projects	City Works and Onbase	High	High	75% of Plan Check Fee and \$85 – \$95 for inspections
NV5	LA County	10 – 12 working days	Unknown	Average	Average	75% of Plan Check Fee and \$93 – \$105 for inspections
JAS	LA County	7 working days	Bluebeam and E-Plan Soft	High	High	80% of Plan Check Fee and \$85 – \$105 for inspections
Willdan	LA County	7 – 10 working days	Bluebeam, City Works, and Onbase	Very High	Very High	65% of Plan Check Fee and \$90 for inspections
TRB	LA County	10 – 15 working days	Unknown	Average	High	65% of Plan Check Fee and \$85 – \$95 for inspections
CSG	LA County	10 working days	Unknown	Average	High	75% of Plan Check Fee and \$95 for inspections

The panel convened and established a short list of firms to interview. Interviews were conducted with EsGil, Willdan, and Bureau Veritas on February 2, 2021. Based on a review of the written materials, and as supplemented through the interview feedback, the rating panel determined that EsGil, Inc. would provide the best overall value and best meets the needs of the City for undertaking building permit plan check and on-call field inspection services. EsGil LLC has demonstrated experience, technical capabilities, resources, and accommodating review formats to best assist land development services in Escondido. The proposal from EsGil LLC is provided as an exhibit to the attached Resolution. In

accordance with the RFP evaluation and selection process, financial comparisons and staff analysis of the evaluation results can be provided if requested by the City Council or the public.

NEXT STEPS:

Historically, the use of hardcopy plans has been the dominant feature of municipal building plan check processes. Applicants generally prepare their building plan set using computer aided design, but the very next step upon completing a set of plans is frequently to pay to copy and produce multiple rolls of paper plans for submittal and review. Multiple sets of the same plans must be submitted to facilitate simultaneous review by referral departments, such as Planning and Fire. For a large project, each plan set could consist of multiple rolls of paper, each weighing 25 pounds or more, which amplifies production, shipping, and handling costs. Corrections from plan checkers may be communicated via letter, or by returning the submitted plans with notes written on them. This process repeats until the plans are approved. Over the past two years, the City has been working to implement electronic plan review system to reduce the amount of paperwork involved. As the City moves forward with implementing City Works and Onbase review platforms, it is anticipated that there will be plan review efficiencies on the applicant side of intake, as well as with plan checking. After contract award, City staff will monitor its plan check process, its efficiencies, identify issues and opportunities, and adjust contractual services as needed.

ENVIRONMENTAL CONSIDERATIONS:

The action being considered by the City Council is exempt from the California Environmental Quality Act ("CEQA") because it is not a "project" under Section 15378(b) (5) of CEQA Guidelines. The action involves an organizational or administrative activity of government that will not result in the direct or indirect physical change in the environment.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Mike Strong, Director of Community Development
02/04/21 8:46 a.m.

ATTACHMENTS:

1. Budget Adjustment Request
2. Resolution No. 2021-27
3. Resolution No. 2021-27 – Exhibit "A" Consulting Agreement

RESOLUTION NO. 2021-27

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE MAYOR TO EXECUTE, ON
BEHALF OF THE CITY, A CONSULTING
AGREEMENT WITH ESGIL, LLC TO PROVIDE
CONTRACT BUILDING PLAN CHECK AND
INSPECTION SERVICES

WHEREAS, it has been determined to be in the City of Escondido's ("City") best interest to retain the professional services of a consultant firm to provide comprehensive Building Division plan check and inspection services for construction projects on properties located in the City; and

WHEREAS, the City has contracted for building plan check services for over 25 years; and

WHEREAS, increased numbers of permit applications combined with a reduction in Building Division staffing necessitates an increase in the volume of plans outsourced for plan check with a commensurate need to increase the contract for said services; and

WHEREAS, fees collected from permit applicants at the time of building permit issuance pay for these cost recovery services and there is no impact on the City's General Fund; and

WHEREAS, the Building Division solicited bids for plan check and inspection services. Nine firms submitted proposals; and

WHEREAS, upon review of the solicited information, the Building Division determined EsGil, LLC represents the best choice to continue providing contract plan check and inspection services for the City's building customers; and

WHEREAS, the Director of Community Development recommends the execution of a Consulting Agreement with EsGil, LLC for the continuation of contract plan check and inspection services; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to approve said Consulting Agreement with EsGil, LLC attached as Exhibit "A" for contract plan check and inspection services, in accordance with the Scope of Work identified as Exhibit "A."

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

1. That the above recitations are true.
2. That the City Council accepts the recommendation of the Director of Community Development.
3. That the Mayor is authorized to execute, on behalf of the City, a Consulting Agreement with EsGil, LLC for on-call and on-demand contract plan check and inspection services. The authorized amount for reimbursement for fee services shall be in an amount not to exceed \$600,000.00. A copy of the Consulting Agreement is attached as Exhibit "A" and is incorporated herein by this reference as though fully set forth herein.



CITY OF ESCONDIDO
CONSULTING AGREEMENT

This Consulting Agreement ("Agreement") is made and entered into as of this _____ day of _____, 2021 ("Effective Date"),

Between: CITY OF ESCONDIDO
a California municipal corporation
201 N. Broadway
Escondido, CA 92025
Attn: Mike Strong, Director of Community Development
760-839-4556
("CITY")

And: EsGil, LLC
a California limited liability company
9320 Chesapeake Drive, Suite 208
San Diego, CA 92123
Attn: Ron Beehler
949-613-5595
("CONSULTANT").

(The CITY and CONSULTANT each may be referred to herein as a "Party" and collectively as the "Parties.")

WHEREAS, the CITY has determined that it is in the CITY's best interest to retain the professional services of a consultant to provide on-call, building permit plan review and field inspection services;

WHEREAS, CONSULTANT is considered competent to perform the necessary professional services for the CITY; and

WHEREAS, the CITY and CONSULTANT desire to enter into this Agreement for the performance of the Services described herein.

NOW, THEREFORE, in consideration of the mutual covenants, promises, terms, and conditions set forth herein, and the mutual benefits derived therefrom, the Parties hereby agree as follows:

1. Description of Services. CONSULTANT shall furnish all of the Services described in the Scope of Work, which is attached to this Agreement as Attachment "A" and incorporated herein by this reference ("Services").

2. Compensation. In exchange for CONSULTANT's completion of the Services, the CITY shall pay, and CONSULTANT shall accept in full, an amount not to exceed the sum of \$600,000. CONSULTANT shall be compensated only for performance of the Services described in this Agreement. No compensation shall be provided for any other work or services without the CITY's prior written consent.
3. Performance. CONSULTANT shall faithfully perform the Services in a proficient manner, to the satisfaction of the CITY, and in accord with the terms of this Agreement. CONSULTANT shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all reports and other information furnished by CONSULTANT pursuant to this Agreement, except that CONSULTANT shall not be responsible for the accuracy of information supplied by the CITY.
4. Personnel. The performance of the Services by certain professionals is significant to the CITY. As such, CONSULTANT shall only assign qualified and appropriately licensed and certified staff to perform the Services. Neither the CITY, nor any elected or appointed boards, officers, officials, employees, or agents of the CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to ensure only qualified and appropriately licensed and certified individuals are assigned to perform Services pursuant to this Agreement.
5. Termination. The Parties may mutually terminate this Agreement through a writing signed by both Parties. The CITY may terminate this Agreement for any reason upon providing CONSULTANT with 10 days' advance written notice. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination. If the CITY terminates this Agreement due to no fault or failure of performance by CONSULTANT, then CONSULTANT shall be compensated based on the work satisfactorily performed at the time of such termination. In no event shall CONSULTANT be entitled to receive more than the amount that would be paid to CONSULTANT for the full performance of the Services.
6. City Property. All original documents, drawings, electronic media, and other materials prepared by CONSULTANT pursuant to this Agreement immediately become the exclusive property of the CITY, and shall not be used by CONSULTANT for any other purpose without the CITY's prior written consent.
7. Insurance Requirements.
 - a. CONSULTANT shall procure and maintain, at its own cost, during the entire term of this Agreement, insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the Services, and the results of such work, by CONSULTANT, its agents, representatives, employees, or subcontractors. Insurance coverage shall be at least as broad as the following:
 - (1) *Commercial General Liability.* Insurance Services Office ("ISO") Form CG 00 01 covering Commercial General Liability on an "occurrence" basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury, with limits no less than \$2,000,000 per occurrence and \$4,000,000 general aggregate.
 - (2) *Automobile Liability.* ISO Form CA 00 01 covering any auto (Code 1), or if CONSULTANT has no owned autos, hired (Code 8) and non-owned autos (Code 9), with limits no less than \$1,000,000 per accident for bodily injury and property damage, unless waived by the CITY and approved in writing by the CITY's Risk and Safety Division.
 - (3) *Workers' Compensation.* Worker's Compensation as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits of no less than \$1,000,000 per accident for bodily injury or disease.

- (4) *Professional Liability (Errors and Omissions)*. Professional Liability (Errors and Omissions) appropriate to CONSULTANT's profession, with limits no less than \$2,000,000 per occurrence or claim and \$2,000,000 aggregate.
 - (5) If CONSULTANT maintains broader coverage and/or higher limits than the minimums otherwise required by this Agreement, the CITY requires and shall be entitled to the broader coverage and/or the higher limits maintained by CONSULTANT.
- b. Each insurance policy required by this Agreement must be acceptable to the City Attorney and shall meet the following requirements:
- (1) *Acceptability of Insurers*. Insurance coverage must be provided by an insurer authorized to conduct business in the state of California with a current A.M. Best's rating of no less than A-:VII, or as approved by the CITY.
 - (2) *Additional Insured Status*. Both the Commercial General Liability and the Automobile Liability policies must name the CITY (including its officials, officers, agents, employees, and volunteers) specifically as an additional insured under the policy on a separate endorsement page. The Commercial General Liability additional insured endorsement shall be at least as broad as ISO Form CG 20 10 11 85, or if not available, through the addition of *both* CG 20 10, CG 20 26, CG 20 33, or CG 20 38, *and* CG 20 37 if a later edition is used. The Automobile Liability endorsement shall be at least as broad as ISO Form CA 20 01.
 - (3) *Primary Coverage*. CONSULTANT's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 with respect to the CITY, its officials, officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by the CITY, its officials, officers, agents, employees, or volunteers shall be in excess of CONSULTANT's insurance and shall not contribute with it.
 - (4) *Notice of Cancellation*. Each insurance policy shall provide that coverage shall not be canceled, except with prior written notice to the CITY.
 - (5) *Subcontractors*. If applicable, CONSULTANT shall require and verify that all subcontractors maintain insurance meeting all the requirements stated within this Agreement, and CONSULTANT shall ensure that the CITY (including its officials, officers, agents, employees, and volunteers) is an additional insured on any insurance required from a subcontractor.
 - (6) *Waiver of Subrogation*. CONSULTANT hereby grants to the CITY a waiver of any right to subrogation that any insurer of CONSULTANT may acquire against the CITY by virtue of the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this subsection shall apply regardless of whether or not the CITY has received a waiver of subrogation endorsement from the insurer. Any Workers' Compensation policy required by this Agreement shall be endorsed with a waiver of subrogation in favor of the CITY for all work performed by the CONSULTANT, its agents, representatives, employees, and subcontractors.
 - (7) *Self-Insurance*. CONSULTANT may, with the CITY's prior written consent, fulfill some or all of the insurance requirements contained in this Agreement under a plan of self-insurance. CONSULTANT shall only be permitted to utilize such self-insurance if, in the opinion of the CITY, CONSULTANT's (i) net worth and (ii) reserves for payment of claims of liability against CONSULTANT are sufficient to adequately compensate for the lack of other insurance coverage required by this Agreement. CONSULTANT's utilization of self-insurance shall not in any way limit the liabilities assumed by CONSULTANT pursuant to this Agreement.

(8) *Self-Insured Retentions.* Self-insured retentions must be declared to and approved by the CITY.

- c. *Verification of Coverage.* At the time CONSULTANT executes this Agreement, CONSULTANT shall provide the CITY with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting the insurance coverage required by this Agreement), which shall meet all requirements under this Agreement. The CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this Agreement, at any time.
- d. *Special Risks or Circumstances.* The CITY reserves the right, at any point during the term of this Agreement, to modify the insurance requirements in this Agreement, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
- e. *No Limitation of Obligations.* The insurance requirements in this Agreement, including the types and limits of insurance coverage CONSULTANT must maintain, and any approval of such insurance by the CITY, are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including but not limited to any provisions in this Agreement concerning indemnification.
- f. Failure to comply with any of the insurance requirements in this Agreement, including, but not limited to, a lapse in any required insurance coverage during the term of this Agreement, shall be a material breach of this Agreement. In the event that CONSULTANT fails to comply with any such insurance requirements in this Agreement, in addition to any other remedies the CITY may have, the CITY may, at its sole option, (i) immediately terminate this Agreement; or (ii) order CONSULTANT to stop work under this Agreement and/or withhold any payment that becomes due to CONSULTANT until CONSULTANT demonstrates compliance with the insurance requirements in this Agreement.

8. Indemnification, Duty to Defend, and Hold Harmless.

- a. CONSULTANT (including CONSULTANT's agents, employees, and subcontractors, if any) shall indemnify, defend, and hold harmless the CITY, its officials, officers, agents, employees, and volunteers from and against any and all claims, demands, actions, causes of action, proceedings (including but not limited to legal and administrative proceedings of any kind), suits, fines, penalties, judgments, orders, levies, costs, expenses, liabilities, losses, damages, or injuries, in law or equity, including without limitation the payment of all consequential damages and attorney's fees and other related litigation costs and expenses (collectively, "Claims"), of every nature caused by, arising out of, or in connection with CONSULTANT's performance of the Services or its failure to comply with any of its obligations contained in this Agreement, except where caused by the active negligence, sole negligence, or willful misconduct of the CITY, and only to the extent such Claims arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT. Further, in no event shall the cost to defend charged to the CONSULTANT exceed the CONSULTANT's proportionate percentage of fault.
- b. CONSULTANT (including CONSULTANT's agents, employees, and subcontractors, if any) shall indemnify, defend, and hold harmless the CITY, its officials, officers, agents, employees, and volunteers from and against any and all Claims caused by, arising under, or resulting from any violation, or claim of violation, of the San Diego Municipal Storm Water Permit (Order No. R9-2013-0001, as amended) of the California Regional Water Quality Control Board, Region 9, San Diego, that the CITY might suffer, incur, or become subject to by reason of, or occurring as a result of, or allegedly caused by, any work performed pursuant to this Agreement.
- c. All terms and provisions within this Section 8 shall survive the termination of this Agreement.

9. Anti-Assignment Clause. Because the CITY has relied on the particular skills of CONSULTANT in entering into this Agreement, CONSULTANT shall not assign, delegate, subcontract, or otherwise

transfer any duty or right under this Agreement, including as to any portion of the Services, without the CITY's prior written consent. Any purported assignment, delegation, subcontract, or other transfer made without the CITY's consent shall be void and ineffective. Unless CONSULTANT assigns this entire Agreement, including all rights and duties herein, to a third party with the CITY's prior written consent, CONSULTANT shall be the sole payee under this Agreement. Any and all payments made pursuant to the terms of this Agreement are otherwise not assignable.

10. Attorney's Fees and Costs. In any action to enforce the terms and conditions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs.
11. Independent Contractor. CONSULTANT is an independent contractor, and no agency or employment relationship is created by the execution of this Agreement.
12. Amendment. This Agreement shall not be amended except in a writing signed by the CITY and CONSULTANT.
13. Merger Clause. This Agreement, together with its attachments or other documents described or incorporated herein, if any, constitutes the entire agreement and understanding of the CITY and CONSULTANT concerning the subject of this Agreement and supersedes and replaces all prior negotiations, understandings, or proposed agreements, written or oral, except as otherwise provided herein. In the event of any conflict between the provisions of this Agreement and any of its attachments or related documents, if any, the provisions of this Agreement shall prevail.
14. Anti-Waiver Clause. None of the provisions of this Agreement shall be waived by the CITY because of previous failure to insist upon strict performance, nor shall any provision be waived because any other provision has been waived by the CITY, in whole or in part.
15. Severability. This Agreement shall be performed and shall be enforceable to the full extent allowed by applicable law, and the illegality, invalidity, waiver, or unenforceability of any provision of this Agreement shall not affect the legality, validity, applicability, or enforceability of the remaining provisions of this Agreement.
16. Governing Law. This Agreement and all rights and obligations arising out of it shall be construed in accordance with the laws of the State of California. Venue for any action arising from this Agreement shall be conducted only in the state or federal courts of San Diego County, California.
17. Counterparts. This Agreement may be executed on separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page of this Agreement by electronic means, including an attachment to an email, shall be effective as delivery of an executed original. The Agreement on file with the City is the copy of the Agreement that shall take precedence if any differences exist between or among copies or counterparts of the Agreement.
18. Provisions Cumulative. The foregoing provisions are cumulative to, in addition to, and not in limitation of any other rights or remedies available to the CITY.
19. Notice. Any statements, communications, or notices to be provided pursuant to this Agreement shall be sent to the attention of the persons indicated herein, and the CITY and CONSULTANT shall promptly provide the other Party with notice of any changes to such contact information.
20. Business License. CONSULTANT shall obtain a City of Escondido Business License prior to execution of this Agreement and shall maintain such Business License throughout the term of this Agreement.

21. Compliance with Laws, Permits, and Licenses. CONSULTANT shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, rules, and other legal requirements in effect during the term of this Agreement. CONSULTANT shall obtain any and all permits, licenses, and other authorizations necessary to perform the Services. Neither the CITY, nor any elected or appointed boards, officers, officials, employees, or agents of the CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.
22. Prevailing Wages. If applicable, pursuant to California Labor Code section 1770 et seq., CONSULTANT agrees that a prevailing rate and scale of wages, in accordance with applicable laws, shall be paid in performing this Agreement. CONSULTANT shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, rules, and other legal requirements pertaining to the payment of prevailing wages. The prevailing rate and scale to be paid shall be the same as the applicable "General Prevailing Wage Determination" approved by the Department of Industrial Relations as of the Effective Date of this Agreement, which are available online at <http://www.dir.ca.gov/oprl/dprevwagedetermination.htm> and incorporated into this Agreement by this reference. Neither the CITY, nor any elected or appointed boards, officers, officials, employees, or agents of the CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.
23. Immigration Reform and Control Act of 1986. CONSULTANT shall keep itself informed of and shall comply with the Immigration Reform and Control Act of 1986 ("IRCA"). CONSULTANT represents and warrants that all of its employees and the employees of any subcontractor retained by CONSULTANT who perform any of the Services under this Agreement, are and will be authorized to perform the Services in full compliance with the IRCA. CONSULTANT affirms that as a licensed contractor and employer in the State of California, all new employees must produce proof of eligibility to work in the United States within the first three days of employment and that only employees legally eligible to work in the United States will perform the Services. CONSULTANT agrees to comply with the IRCA before commencing any Services, and continuously throughout the performance of the Services and the term of this Agreement.
24. Effective Date. Unless a different date is provided in this Agreement, the effective date of this Agreement shall be the latest date of execution set forth by the names of the signators below.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, this Agreement is executed by the Parties or their duly authorized representatives as of the Effective Date:

CITY OF ESCONDIDO

Date: _____

Paul McNamara, Mayor

EsGil, LLC

Date: _____

Signature

Name & Title (please print)

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY
MICHAEL R. MCGUINNESS, CITY ATTORNEY

BY: _____

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

ATTACHMENT "A"

Scope of Work

A. General

EsGil, LLC, a California limited liability company ("Consultant") will provide the City of Escondido, a California municipal corporation ("City") with on-call, building permit plan review and field inspection services.

B. Location

Consultant to provide services at various locations within the City of Escondido and at Consultant's office located at 9320 Chesapeake Drive, Suite 208, San Diego, CA 92113. Consultant shall accommodate both hardcopy and electronic plan review services as preferred by the City. Any electronic data entry and application reviews shall be compatible with the City's tracking and databases.

C. Services

Consultant shall ensure only qualified and appropriately licensed and certified staff will provide the following services:

1. On-call building permit plan review of architectural, structural, plumbing, mechanical and electrical plans for buildings and structures. Building permit plan review shall include evaluation of compliance with applicable Federal and State laws, building and safety codes, City ordinances, and acceptable engineering practices. The type of proposed plan check work may include new construction (residential, commercial, or industrial), remodel, additions, green building, ADA, Leadership in Energy and Environmental Design ("LEED"), onsite wastewater treatment systems ("OWTS") and public nuisance abatement; Fire Code related plan check and inspections services.
2. On-call field inspection services ("Inspections") to ensure compliance with all applicable City-issued building permits, federal and state laws, building and safety codes, City ordinances, and acceptable engineering practices. All staff assigned by Consultant to complete on-call field inspection services must:
 - (a) Be International Code Council ("ICC") certified building inspectors who are fully trained, certified, and qualified for all construction regulated by all applicable Federal, State and City building and safety codes and ordinances, floodplain design standards, and National Pollutant Discharge Elimination System ("NPDES") requirements.
 - (b) Be able to read, understand and interpret construction plans, truss drawings and calculations, prepare and maintain accurate records and reports, communicate effectively orally and in writing and work effectively with contractors, the public and City staff.
 - (c) Possess knowledge of approved and modern methods of construction, materials, tools, and safety procedures used in building inspection and the most current building standards.
 - (d) Be familiar with the City's scheduling and tracking systems and have the ability to maintain and update all databases per City requirements.

ATTACHMENT "A"

Scope of Work

D. Scheduling

All Inspections will be performed within 24 hours of notification from the City. Long term inspector assignments will be filled within 48 hours.

All building permit plan review services will commence within 24 hours of notification from the City. Consultant shall adhere to the following deadlines in providing building permit plan review services:

Assignment Type	Deadline for Submission to the City:	
	First Check	Re-Check
Plan Check for minor alterations and additions	5 Working Days	5 Working Days
Plan Check for Solar or ESS systems	3 Working Days	2 Working Days
Fire code compliance review	5 Working Days	5 Working Days
Plan Check for single-tenant dwellings	5 Working Days	5 Working Days
Plan Check for multi-tenant dwellings	10 Working Days	5 Working Days
Plan Check for commercial construction under 10,000 square feet	5 Working Days	5 Working Days
Plan Check for commercial construction over 10,000 square feet	10 Working Days	5 Working Days

E. Contract Price and Payment Terms

The contract price shall not exceed \$600,000.00. The contract price includes all labor, materials, equipment, and transportation required to perform the work. Services will be billed as services are performed. Payment will be made after services have been performed and within 30 days of receipt of an invoice for those services.

The following fees includes all re-checks, plan check conferences, review of plans initially found to be incomplete, transportation of materials, and shall remain in effect throughout the term of this Agreement:

1. Consultant's fee per plan review shall be 50% of the plan review fees collected by the City. Plan review fees collected by the City shall be the established rate adopted by the City of Escondido City Council.
2. Consultant's fee per structural-only plan review shall be 30% of the fees collected by the City. Structural-only plan review fees collected by the City shall be the established rate adopted by the City of Escondido City Council.
3. Consultant's fee per plan review for repeat buildings shall be 10% of the fees collected by the City. Plan review fees for repeat buildings collected by the City shall be the established rate adopted by the City of Escondido City Council.
4. Expedited plan check shall be an additional 50% of the regular fees listed in 1 through 3 above.

ATTACHMENT "A"
Scope of Work

The following hourly rates shall remain in effect throughout the term of this Agreement:

Title	Hourly Rate
Licensed Engineer Plans Examiner	\$125
ICC Certified Plans Examiner	\$95
ICC Certified Building Inspector	\$85 to 95
Certified Accessibility Specialist	\$125
Permit Technician	\$65

F. Term

The term of this Agreement shall be for two years, commencing on the Effective Date of the Agreement.

G. Other

Consultant acknowledges that the term of this Agreement may extend over multiple City fiscal years, and that work and compensation under this Agreement is contingent on the City Council appropriating funding for and authorizing such work and compensation for those fiscal years. This Agreement may be terminated at the end of the fiscal year for which sufficient funding is not appropriated and authorized. The City is not obligated to pay Consultant for any amounts not duly appropriated and authorized by City Council.

CITY COUNCIL STAFF REPORT

Current Business Item No. 15

February 10, 2021

File No. 0670-70

SUBJECT: Climate Action Plan Update Informational Report and Status Update (PHG18-0009)

DEPARTMENT: Community Development Department

RECOMMENDATION:

It is requested the City Council receive the report and presentation on the draft Climate Action Plan (“CAP”) Update and CAP Consistency Review Checklist. Additionally, staff is requesting feedback and direction from the City Council to finalize the CAP Update.

PROJECT DESCRIPTION:

The Project involves an update to the City of Escondido’s (“City”) CAP and the specific actions that Escondido would do 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. In conjunction with the CAP Update, the City developed a CAP Consistency Review Checklist to provide a streamlined review process for proposed new development projects that trigger environmental review pursuant to CEQA.

It is important to note that there have been different draft versions of the draft CAP Update prepared during the course of the work program. The first public review draft CAP Update document was released for public review and comment on June 25, 2020. Public feedback received during the second public outreach phase was received and a second draft document was prepared to incorporate those comments. This second draft version was presented to the Planning Commission on October 27, 2020. Since then, additional changes have been made to the draft CAP Update. The most recent version of the draft CAP Update, which incorporates all changes requested by the Planning Commission, is provided as Attachment 2 to this report as an exhibit to Planning Commission Resolution No. 2020-16RR.

FISCAL ANALYSIS:

Funding for the development of the CAP Update is provided by SANDAG. SANDAG’s Local Government Partnership with SDG&E funded nearly all of the work program tasks, except environmental review. The City Council previously authorized a \$60,000.00 budget for completion of the environmental review documents to support the CAP update. A contract with Ascent Environmental

for a not-to-exceed amount of \$48,710.00 was executed on November 8, 2018. All obligations under the Ascent contract have been fulfilled.

Implementation of certain actions and measures of the proposed CAP Update would require that the City develop and implement new ordinances, programs, and projects, or modify existing ones. This future work would require a financial investment by the City of Escondido. While there are proposed initiatives in the Plan that have financial implications, these initiatives would still be subject to review and approval through the regular budget process in the future. It would require careful consideration of the operational and capital resources needed, benefits to the community, return on investment, as well as timing, phasing, and monitoring of implementation elements. Direct budget implications in future years could also include an additional full-time sustainability staff member added, or contractor equivalent.

PREVIOUS ACTION:

On January 16, 2019, the City Council received an informational report and status update on the first phase of outreach and finalized the approach for the second phase of outreach.

BACKGROUND:

In 2005, Governor Arnold Schwarzenegger signed Executive Order S-3-05, which directed California to reduce greenhouse (“GHG”) emissions to 1990 levels by 2020, and to 80 percent below 1990 levels by 2050. A year later, in 2006, the Global Warming Solutions Act (Assembly Bill [“AB”] 32) was passed, establishing regulatory, reporting, and market mechanisms to achieve quantifiable reductions in GHG emissions. AB 32 put a cap on GHG emissions, setting a target of reducing GHG emissions to 1990 levels by 2020. As part of its implementation of AB 32 and Executive Order S-3-05, the California Air Resources Board (“CARB”) developed a Scoping Plan in 2008. The Scoping Plan, along with its Update in 2014, described the approach California will take to reduce GHG emissions to achieve the 2020 reduction target. California is currently on track to meet or exceed the AB 32 current target of reducing GHG emissions to 1990 levels by 2020. On April 20, 2015, Governor Edmund G. Brown Jr. signed Executive Order B-30-15, establishing a new GHG emissions reduction target of 40 percent below 1990 levels by 2030. Executive Order B-30-15 also directed CARB to update the AB 32 Scoping Plan to reflect the path to achieving the 2030 target. In September 2016, Governor Brown also signed Senate Bill (“SB”) 32, which codified into statute the mid-term 2030 target established by Executive Order B-30-15. The new 2030 GHG emissions reduction target places California on a trajectory towards meeting the goal of reducing statewide emissions to 80 percent below 1990 levels by 2050.

Various state policies have enacted programs that will contribute to reduced GHG emissions in California by the years 2030, 2045, and 2050. Some of these policies include updated building codes for energy efficiency, the low carbon fuel standard, Pavley vehicle emissions standards, and the Renewables Portfolio Standard for utility companies. By supporting the State in the implementation of these measures, Escondido will experience substantial GHG emissions reductions from community sectors. However, Federal and State actions alone are not enough for the State of California to reach

its GHG reduction targets. In order for the State to reach the reduction targets, California cities and counties would also need to implement additional local reduction measures. Identifying emission reduction goals, how best to achieve reductions, target setting, and determining where to minimize local environmental impacts in cities and counties is left best decided by each respective local agency.

In general, a CAP is a long-range plan that outlines specific strategies to address the challenges of climate change. While climate change is a global issue, it impacts communities on a local scale. It is the responsibility of all members of society, including local governments, to reduce GHG emissions in their communities. Although statewide directives help guide local target setting, continued coordination with counties and cities will be crucial to ultimately achieving statewide GHG emissions reduction goals. Local governments are viewed as “essential partners” in achieving California’s goals because cities and counties can ultimately deliver additional emissions reductions beyond what State policy can, along with local economic benefits. Local governments have broad jurisdiction and in some cases, unique authorities, through community-scale planning and permitting processes, discretionary actions, local codes and ordinances, outreach and education efforts, and local government operations. At a local level, acting on climate change means both reducing GHG emissions from activities within the city and helping the community adapt to climate change and improve its resilience over the long term. In general, CAPs can also help achieve multiple community goals in the long term such as lowering energy costs, reducing air pollution, supporting local economic development, and improving public health and quality of life.

Global GHG emissions are changing the climate. Projected changes in temperature, snowpack, extreme weather events, frequency and intensity of precipitation, wildfires, and flooding risk exacerbate existing challenges and introduce new challenges to Escondido’s natural resources, economy, infrastructure systems, and quality of life. While we can work to reduce Escondido’s contributions to those climate changes, preparing for inevitable impacts of these changes is also necessary. By taking action now to reduce the community’s emissions and prepare for climate risks, the City of Escondido can better protect the quality of life of its residents, businesses, and community members for decades to come. In 2013, the City adopted a CAP as a pathway toward creating a more sustainable, healthy, and livable community. The strategies outlined in the 2013 CAP were to not only reduce GHG emissions, but also to provide energy, fuel, water, and monetary savings to residents, businesses, and other community members – while improving the quality of life in Escondido. Collectively, we have made progress since the first CAP was adopted. We have reduced carbon pollution, while growing the economy. Despite this positive momentum, much work remains to meet state emissions reduction goals for the years 2030 and 2035.

Climate change analyses can be complex, as it must account for large uncertainties about future year conditions and potential impacts. To ensure that the CAP remains a relevant document and reflects best practices for calculating and inventorying baseline and future emissions levels, a CAP must be updated and monitored regularly. (The 2013 CAP requires revision by the end of 2020.) In consideration of the foregoing, for the past two years, the City has been creating and leading a community process to update the City’s CAP to reevaluate GHG reduction targets consistent with

changing State guidelines, refine existing CAP strategies, and potentially develop new goals, quantitative actions, and qualitative supporting measures.

During the course of updating the City's CAP, community ideas and input were gathered in multiple ways, including public events and workshops. The January 16, 2019 City Council staff report includes a summary report of all the meetings staff attended and the presentations that were delivered over the first phase of outreach. As a result of this outreach, the City was able to collect valuable input from many different people with many different viewpoints. The findings and results of this feedback was presented in the January 16, 2019 City Council staff report, which formed the basis of developing preferred GHG emissions reductions strategies and measures. At its January 16, 2019 meeting, the City Council ultimately confirmed next steps for the overall work program. The January 16, 2019 staff report is provided at Attachment 1.

ANALYSIS:

The CAP Update is organized into five (5) chapters. Chapter 1 provides an introduction to climate action planning, the need for a CAP to address local GHG emissions, and the framework for CAP development. Chapter 2 summarizes the City's baseline GHG emissions, estimates GHG emission forecasts for target years, and sets citywide GHG reduction targets. Chapter 3 includes a description of strategies and measures the City would take to reduce local GHG emissions and describes the supporting actions and co-benefits of each strategy. Accompanying the strategies and City actions are supporting measures which would aid in reducing emissions but whose expected reductions cannot be easily quantified. Chapter 4 provides an outline for how the City would implement these reduction strategies and measures and includes guidelines for monitoring and updating the CAP. Chapter 5 evaluates the City's vulnerability to climate change and strategies the City is and would be implementing to adapt to climate change impacts. The chapter proposes a set of adaptation strategies that would improve community sustainability and resilience, in addition to redressing social equity and environmental justice. Many of the measures can be implemented as part of existing planning processes, infrastructure improvements or maintenance operations. However, some new policies, programs and projects are proposed. Community education and awareness building are also important components of the adaptation strategies presented.

A. Overview of GHG Emissions Inventory and Reduction Requirements

The first step in drafting a CAP is to prepare the GHG inventories. GHG inventories include all major sources of emissions attributable directly or indirectly to operations or activities within the community the City serves. GHG inventories are divided into on-road transportation, electricity, natural gas, off-road transportation, solid waste, and water and wastewater. The 2012 GHG inventory, prepared by the University of San Diego's Energy Policy Initiatives Center ("EPIC"), estimated that community activities within the City generated approximately 943,000 MTCO_{2e} in 2012. Emissions from on-road transportation account for the greatest contribution to citywide emissions. This category, which includes emissions from vehicular gasoline and diesel consumption, was calculated based on estimated vehicle miles traveled ("VMT") for vehicles traveling within and to/from the city and accounted for approximately

53 percent of citywide emissions in 2012. Electricity and natural gas emissions, collectively referred to as the “energy” category, are the second largest contributors with 27 and 12 percent of total emissions in 2012, respectively. Emissions from off-road transportation, solid waste, water, and wastewater each accounted for no greater than three percent of the City’s 2012 baseline emissions.

Emissions Category	MTCO₂e	Percent (%)
On-road Transportation	498,000	53
Electricity	256,000	27
Natural Gas	118,000	12
Off-road Transportation	30,000	3
Solid Waste	24,000	3
Water	11,000	1
Wastewater	6,000	<1
Total	943,000	100

Notes: Columns may not add to totals due to rounding.
 MTCO₂e = metric tons of carbon dioxide equivalent
 Source: EPIC 2018.

GHG emissions projections provide an estimate of future levels based on a continuation of current trends in activity, while also accounting for known regulatory actions by federal and State agencies (i.e., “legislative” actions) that can reduce emissions in the future. GHG emissions projections provide insights into the scale of local reductions needed to achieve GHG emission reduction targets. The CAP Update, like all of the other CAPs, uses two projections, referred to as the “business-as-usual” (“BAU”) and Legislatively Adjusted BAU scenarios. Both the BAU and Legislatively-Adjusted BAU assume that population, employment, and transportation activity will grow over time, consistent with estimates in the SANDAG Regional Growth Forecast. The BAU projection is based on a continuation of current trends in activity, assuming that no additional efforts or legislative actions beyond what have already been adopted will be made to reduce GHG emissions in the future. Legislatively-Adjusted BAU projections provide a reduction from BAU projections, accounting for federal and State actions that are expected to take place in the future. The following table provides a summary of both BAU and Legislatively-Adjusted BAU emissions for 2020, 2030, and 2035.

Table ES-1 Greenhouse Gas Emissions Projections and Targets							
Projection	2012 Baseline Emissions (MTCO ₂ e)	2020		2030		2035	
		Total Emissions (MTCO ₂ e)	Change from 2012 Baseline (%)	Total Emissions (MTCO ₂ e)	Change from 2012 Baseline (%)	Total Emissions (MTCO ₂ e)	Change from 2012 Baseline (%)
BAU	943,000	831,000	-12	833,000	-12	842,000	-11
Legislatively- Adjusted BAU	--	789,000	-16	598,000	-36	570,000	-39
Reduction Targets	--	907,000	-4	547,000	-42	456,000	-52

Notes: BAU = business-as-usual; GHG = greenhouse gas; MTCO₂e = metric tons of carbon dioxide equivalent
 Source: EPIC 2018, EPIC 2020.

Based on trend data, the City would experience a decrease in emissions through 2020 under BAU conditions to 12 percent below 2012 baseline levels. This decrease is primarily due to the City’s implementation of the 2013 CAP and State and federal actions that have resulted in GHG reductions locally. Citywide emissions under BAU conditions would steadily rise after 2020 through 2035 but would not exceed 2012 baseline levels. If community emissions in the City were to continue to grow under BAU conditions, the City is anticipated to generate 833,000 metric tons of carbon dioxide equivalent (“MTCO₂e”) in 2030 and 842,000 MTCO₂e in 2035. While State and federal actions would further reduce emissions in 2030 and 2035, the City would still need to reduce emissions by 51,000 MTCO₂e in 2030 and 114,000 MTCO₂e in 2035 to meet its reduction targets. (The target emissions in 2030 is 547,000 MTCO₂e and 456,000 MTCO₂e in 2035.) The City would meet its 2020 emissions reduction target under BAU conditions, based on existing activities and trends. However, to meet the City’s 2030 and 2035 reduction targets, additional actions beyond those implemented at the State and federal level are required. To meet the City’s 2030 and 2035 targets, the CAP Update must identify strategies and measures to reduce GHG emissions citywide from a variety of emissions categories.

B. Overview of Proposed GHG Reduction Strategies

The draft CAP Update includes nine (9) strategies, with detailed measures to help reduce GHG emissions citywide. The City would achieve emission reductions from five (5) emissions categories: transportation, energy (electricity and natural gas consumption), water and wastewater, solid waste, and carbon sequestration. Measures were developed based on a review of the measures included in the 2013 CAP, community input, existing and future planning efforts in the City, potential co-benefits, feasibility of implementation, and Planning Commission input. Each measure provides direct and measurable emissions reductions through implementation of specific programs, policies, or projects.

The first public review draft of the CAP Update document (dated June 25, 2020) and the second draft version (dated October 27, 2020) both provided a GHG reduction strategies that were able to attain the reduction levels required in 2030 and 2035. In those versions, the City would have been implementing 31 total GHG emission reduction measures. The Planning Commission's recommendation, provided in Attachment 2, would be implementing 30 total measures. One measure within the transportation sector strategy, Measure T-2.3 (Increase Renewable or Alternative Fuel Construction Equipment), was recommended for deletion by the Planning Commission. (All other strategies and measures were left intact and the assumptions for total GHG emissions reductions were preserved.) As proposed in earlier draft Plans, draft Measure T-2.3 reduced fuel consumed by construction equipment and construction fleets by 30 percent by 2030 and 50 percent by 2035. Measure T-2.3 contributed a reduction of GHG emissions of 5,321 MTCO₂e in 2030 and 9,032 MTCO₂e in 2035. The elimination of Measure T-2.3 from the reductions strategy creates some issues that need to be addressed by the City Council. Although the City is still able to meet its 2030 target, the reduction of 9,032 MTCO₂e in 2035 results in a total GHG emissions reduction plan that does not attain its 2035 GHG emission target. (The City needs to reduce its emissions by 114,000 MTCO₂e in 2035 to meet its reduction targets and the Planning Commission recommendation yields 112,968 MTCO₂e.) At the February 10, 2021 meeting, City Council must provide direction on how to overcome the shortfall. The options to consider are to 1) modify Measure T-2.3 to change the timeline of implementation and/or the compliance amount required; 2) restore Measure T-2.3 as originally drafted, with an effective date of 2023; or 3) suggest a new measure to reduce GHG emissions below the 2035 target.

C. Overview of Proposed Adaptation, Social Equity, and Environmental Justice Strategies

Though many CAPs recognize that climate change is already taking place, the interactions between climate change, human health, and equitable climate solutions are not always addressed. Communities most vulnerable to climate impacts tend to be the least prepared to manage and recover from the physical, economic, mental, and social devastation climate change can cause. Children, the elderly, and those with preexisting health conditions are especially vulnerable to climate disruptions such as flooding, dangerous heat, drought, and poor air quality. This is particularly true if they live in low-income communities, which often are exposed to multiple environmental hazards, yet are least likely to have resources or connections to address the cumulative impacts of environmental exposures that are worsened by climate change. As an additional component to climate action planning, the draft CAP also evaluates the City's vulnerability to climate change and developed strategies the City would be implementing to adapt to climate change impacts. These impacts would not affect all persons in the community equally and certain climate change effects would affect certain vulnerable the entire community will be impacted by climate change. Communities facing socioeconomic and health inequities (such as youth, elders, communities of color, and low-income) will suffer disproportionately, requiring the City to invest in resilience that is proportionate and accountable to these communities. Through "adaptation planning" the City is undertaking a process of identifying climate risks and opportunities, assessing the options to manage these risks and opportunities, and implementing actions to sustain and even improve the community's quality of life. The draft CAP Update analyzes adaption, social equity, and environmental justice issues and introduces measures to improve the City's resilience to potential environmental risks and hazards, while seeking equitable climate change adaptation

solutions for all residents, businesses, and other community members. In total, the City has identified eight (8) strategies for addressing climate adaptation, social equity, and environmental justice:

- Adaptation Strategy 1 – Fully anticipate, plan for, and mitigate the risks of climate change and seize the opportunities associated with the social and environmental change.
- Adaptation Strategy 2 – Make sure that everyone is given the opportunity to be prepared for the current and future risks that are exacerbated by climate impacts.
- Adaptation Strategy 3 – Hardwire social equity and environmental justice into new programs and projects.
- Adaptation Strategy 4 – Develop working relationships with other agencies and continue to analyze climate impacts.
- Adaptation Strategy 5 – Make sure that everyone has equitable access to healthy environments in which to live, work, and play.
- Adaptation Strategy 6 – Create “climate safe and decent” housing options.
- Adaptation Strategy 7 – Build capacity for adaptive neighborhoods.
- Adaptation Strategy 8 – Build a sustainable and resilient transportation network.

Included within each adaptation strategy are programs and policies to support climate adaptation and resiliency, with a focus on specific vulnerabilities and impacts that have the potential to affect the community’s populations, functions, and structures.

D. Overview of Community Benefits and Considerations:

While the actions and supporting measures included in the draft CAP Update are generally geared towards reducing GHG emissions, many would also result in environmental or economic “co-benefits.” Environmental co-benefits include improvements to air quality, water supply, or biological resources, and improved public health outcomes. For example, when implemented carefully and correctly, actions such as local green job training and subsidy programs for energy efficiency upgrades can be especially helpful for low-income and disadvantaged communities. Existing businesses to be more resilient amidst change, while emerging businesses capitalizing on the need for climate solutions can create high-quality jobs. Some actions that reduce GHG emissions also promote healthier lifestyles, such as supporting more people walking and biking. Minimizing heat impacts, and storing carbon, actions that improve natural habitat can also enhance natural beauty and provide recreation opportunities.

E. General Plan Consistency Analysis

The City adopted General Plan includes goals and policies that provide guidance for new development to be consistent with air quality standards and reduce GHG emissions through use of efficient construction equipment, promotion of efficient land use development patterns, use of clean and efficient alternative modes of transportation, and carbon sequestration. The General Plan update work program established minimum requirements of a CAP, which includes a GHG emissions inventory, a 2020 and 2030 emissions forecast, and measures to reduce emissions. The City’s existing CAP (i.e. 2013 CAP)

reflects the statewide reduction goal outlined in Assembly Bill 32 (AB 32), also known as the Global Warming Solutions Act of 2006 (Health & Safety Code, § 38500 et seq.). AB 32 specifically calls for a statewide reduction of GHG emissions to 1990 levels by 2020. The state legislation requires that the CARB prepare a Scoping Plan that describes the approach California will take to reduce GHGs to achieve the goal of AB 32. The Scoping Plan for AB 32, developed and implemented by the CARB, identifies specific measures to achieve these reductions and recommends that local governments establish GHG reduction targets for both their municipal operations and the community that are consistent with those of the State. Therefore, the 2013 CAP is an implementation mechanism of the General Plan, providing goals, policies, and programs to reduce GHG emissions and improve quality of life in the city.

The CAP Update allows City decision-makers and the broader community to understand the sources and magnitude of local GHG emissions as they have changed since the 2013 CAP, establish goals to reduce GHG emissions, and prioritize steps to achieve emissions targets for 2030 and 2035. Action steps contained within this CAP build on existing City efforts and leverage partnerships to reduce GHG emissions and support adaptation, social equity, and environmental justice. This approach allows the City to work effectively, equipping the private sector to undertake innovative projects that are good for business and the environment. Although the General Plan was the main catalyst for developing the 2013 CAP, the CAP Update builds on these early efforts and establishes a new work program to achieve greater reductions and satisfy adopted General Plan goals and policies related to climate change.

ENVIRONMENTAL STATUS:

A Draft Initial Study/Mitigated Negative Declaration (“IS/MND”) was issued for a 30-day public review, beginning on July 1, 2020 and ending on July 31, 2020, in conformance with the CEQA. Two (2) written comments were received during the public review period. The Final IS/MND incorporates response to comments received during the review period along with mitigation measures that would avoid or reduce potentially significant environmental impacts related to cultural/tribal cultural resources to a less than significant level. The final IS/MND and technical studies are available as an exhibit to Planning Commission Resolution No. 2020-16RR. The City Council will be asked to adopt the final IS/MND at a future meeting that will be noticed as a public hearing.

The purpose of the February 10, 2021 meeting is to provide a status update on the overall work program. Comments provided by the City Council would be utilized to finalize the Plan and would not have a legally binding effect on any possible future discretionary action. Any direction provided on February 10, 2021 would not reflect whether the City Council would ultimately approve the CAP Update or irreversibly commit the City Council to taking any course of action on the proposed final IS/MND.

A. CAP Consistency Checklist

In 2007, California’s lawmakers enacted SB 97, which expressly recognizes the need to analyze GHG emissions as part of the CEQA process. SB 97 required the Governor’s Office of Planning and

Research (“OPR”) to develop recommended amendments to address GHG emissions as an environmental effect. In response to the mandate of SB 97, this CAP has been prepared consistent with the standards of CEQA Guidelines Section 15183.5 (“Qualified Plan”). Pursuant to the Section, the CAP affords development applicants the opportunity to use CEQA streamlining tools for analysis of GHG emissions and related impacts for projects that are consistent with the CAP. Pursuant to CEQA Guidelines Sections 15064(h)(3), 15130(d), and 15183(b), a land use development application’s or project’s incremental contribution to a cumulative GHG emissions effect may be determined not to be cumulatively considerable if it complies with the requirements of the CAP. As such, new development can contribute its fair-share of GHG reductions by complying with CAP strategies, goals, and actions that were determined to be applicable through the Checklist development process. The draft CAP Consistency Checklist is provided in Resolution No. 2020-16RR. The draft CAP Update establishes a screening threshold of 500 MTCO₂e per year for new development projects in order to determine if a project would need to demonstrate consistency with the CAP through the Consistency Checklist. Projects that are projected to emit fewer than 500 MTCO₂e annually would not make a considerable contribution to the cumulative impact of climate change, and therefore, do not need to demonstrate consistency with the CAP. In most cases, if the project exceeds this threshold, compliance with future implementing CAP ordinances provide the CEQA streamlining path to allow project-specific environmental documents, if eligible, to tier from and/or incorporate by reference the CAP’s programmatic review of GHG impacts in their cumulative impact analysis. However, for a proposed project that requests a land use change through a General Plan amendment, master plan/specific plan amendment, and/or zone change that increased density or intensity, project specific GHG emissions analysis would likely be needed as part of the discretionary permit application. If the study reveals the project to be more GHG-intensive as compared to that assumed for the existing land use designation, the project applicant would need to potentially identify additional mitigation measures to offset the increase in GHG emissions resulting from the land use change.

PUBLIC INPUT:

During the course of preparing the CAP Update, community ideas and input were gathered in multiple ways, including public events and workshops. On June 20, 2018, the City Council considered and endorsed a Public Participation Plan (“Outreach Plan”) and associated timeline to involve the community in the first phase of outreach. This outreach plan summarized the strategies that the City and project management team used to engage the public and other interested parties in the work effort. It included media strategies, noticing, and in-person workshops and meetings. The the total in-person reach of these activities resulted in seeing and speaking directly with 247 Escondido residents, businesses, and/or community members. However, the reach of Project awareness was shared beyond that amount through the use of social media, notices, news article print, and flyer electronic distribution to different user groups. Some of the more notable outreach efforts from Phase 1 included the following:

- Press release and news article coverage/op-eds;
- Print-ad run in the Daily Transcript;

- 18,818 recipients from the Escondido Library group (flyer electronically distributed);
- 300 recipients from CAFÉ group (flyer electronically distributed);
- 2,260 business recipients from Chamber of Commerce group (flyer electronically distributed);
- Unknown amount of recipients from Building Industry (BIA) group (flyer electronically distributed);
- Use of social media: Facebook;
- E-Newsletter and e-blasts;
- Portable messaging sign in City Hall lobby;
- Attended Cruisin' Grand;
- One (1) public workshop at City Hall on July 30, 2018;
- Eight (8) presentations/mobile workshops throughout the community; and
- Six (6) briefings and presentations with city boards (the City Council, Planning Commission, Historic Preservation Commission, and Traffic Commission).

As a result of this outreach, the City was able to collect valuable input from many different people with many different viewpoints. The findings and results of this feedback was discussed at the January 16, 2019 City Council meeting.

After the release of the public review draft CAP Update was completed, the City conducted a second phase of outreach. Unlike the first phase of the outreach program, which focused on project branding, identification, awareness, and establishing an initial reach of participation; the second phase of the outreach program built on existing networks and provided opportunity for residents, businesses, and community members to review the draft CAP Update. City staff also conducted eight informational work sessions with the Planning Commission. A public hearing with the Planning Commission was conducted on October 27, 2020, which was continued to November 10, 2020, continued again to December 8, 2020, and was officially wrapped up on January 12, 2021. All public comments received to date are provided on the Project website (<https://www.escondido.org/climate-action-plan-documents.aspx>) and is provided at Attachment 3. Additional correspondences received since then are provided as Attachment 4.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Mike Strong, Director of Community Development
02/03/21 6:44 p.m.

ATTACHMENTS:

1. Attachment 1 – January 16, 2019 City Council Staff Report
2. Attachment 2 -- Planning Commission Resolution No. 2020-16RR
3. Attachment 3 -- Public Correspondences Received March 21, 2018 to November 10, 2020
4. Attachment 4 -- Additional Public Correspondences

ATTACHMENT 1

**CITY COUNCIL STAFF REPORT
PHG 18-0009 (February 10, 2021)
January 16, 2019 City Council Staff Report**

The following links have been provided to review the documents electronically.

<https://www.escondido.org/Data/Sites/1/media/agendas/Council/2019/01-16-19CCAgendaPacket.pdf>

A hardcopy of the Attachment is available for review in the Office of the Planning Division during normal business hours. To obtain a copy, please contact the City Clerk at (760) 839-4617 or Planning Division at (760) 839-4671.

Planning Commission
Hearing Date: October 27, 2020
Effective Date: January 13, 2021

PLANNING COMMISSION RESOLUTION NO. 2020-16RR

A RESOLUTION OF THE PLANNING COMMISSION OF
THE CITY OF ESCONDIDO, CALIFORNIA,
RECOMMENDING APPROVAL OF THE UPDATED
CLIMATE ACTION PLAN

APPLICANT: City of Escondido

CASE NO: PHG 18-0009

WHEREAS, the City of Escondido is committed to the long-range goal of protecting the natural environment, increasing sustainability efforts, and improving overall quality of life; and

WHEREAS, increasing carbon dioxide ("CO2") and other greenhouse gases released into the atmosphere have a profound effect on the Earth's climate and reducing the potential magnitude of climate change may lower its harmful effects on public health and safety; and

WHEREAS, in 2006, the State of California adopted the Global Warming Act of 2006 (Assembly Bill 32), which created a statewide greenhouse gas ("GHG") emission requirement and goal to reduce emissions to 1990 levels by 2020; and in 2016, California Senate Bill 32 established a new mid-term greenhouse gas reduction target of 40 percent below 1990 levels by 2030; and

WHEREAS, local actions, whenever taken by cities and counties nationwide, can help provide a collective response and may also provide the benefits of testing and developing model programs, methods, and technologies for achieving GHG emissions reductions; and

WHEREAS, the Climate Action Plan Update (“CAP Update”) includes a revised GHG emissions inventory and forecast, analysis, and qualification of updated GHG emissions reduction measures and targets, clarification to the process for implementation, monitoring and reporting of progress, and meaningful community engagement; and

WHEREAS, the CAP Update includes technical data, target and forecasting, and implementation actions based on regional climate planning and consulting expertise, City staff knowledge, and public input; and

WHEREAS, an Initial Study/Mitigated Negative Declaration (“IS/MND”) was prepared and deems the CAP Update a California Environmental Quality Act (“CEQA”) Qualified CAP; and

WHEREAS, GHG emissions reduction actions contribute to the achievement of many of the City's environmental values and are consistent with the General Plan related environmental policies, including promoting clean and efficient energy use, reducing vehicle miles traveled, promoting active transportation, promoting water conservation, and planning for anticipated future air quality and climate change impacts; and

WHEREAS, mechanisms proposed to reduce GHG emissions will also contribute to the economic vitality of the City through the development and use of clean technologies and the addition of local jobs. Achieving GHG emissions reductions to protect the climate

is important to the City, which relies heavily on the stability of the climate for our environment, economy, and quality of life; and

WHEREAS, the Planning Division did study said request, performed necessary investigations, prepared a written report, and does recommend approval of the Project as depicted in Exhibit "A" (CAP Update) and Exhibit "B" (CAP Consistency Checklist), which are attached hereto and made a part hereof by this reference as though fully set forth herein; and

WHEREAS, on October 27, 2020, the Planning Commission of the City of Escondido did hold a duly noticed public hearing as prescribed by law. At said hearing, this Planning Commission received and considered the reports and recommendation of the Planning Division and gave all persons full opportunity to be heard and to present evidence and testimony respecting said matter. Evidence was submitted to and considered by the Planning Commission, including, without limitation:

- a. Written information including plans, studies, written and graphical information, and other material, submitted as part of the project;
- b. Oral testimony from City staff, interested parties, and the public;
- c. The staff report, dated October 27, 2020, with its attachments as well as City staff's recommendation on the project, which is incorporated herein as though fully set forth herein; and
- d. Additional information submitted during the public hearing; and

WHEREAS, said public hearing before the Planning Commission was conducted in all respects as required by the Escondido Municipal Code and the rules of this Planning Commission; and

WHEREAS, after opening and closing the public hearing on October 27, 2020, the Planning Commission postponed the item to continue the discussion to November 10, 2020 to allow additional time to evaluate public comments and in response to staff's request; and

WHEREAS, on November 10, 2020, the Planning Commission postponed the item to continue the discussion on December 8, 2020; and on December 8, 2020, the Planning Commission postponed the item to continue the discussion on January 12, 2021, prior to making its decision to approve the Project.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Escondido that:

1. The above recitations are true and correct.
2. The IS/MND has been prepared in compliance with all requirements contained in CEQA and the CEQA Guidelines, and therefore, the IS/MND is appropriate for adoption. The CAP Update is a CEQA Qualified CAP and is attached as Exhibit "C."
3. Based on its consideration, the Planning Commission hereby determines that the adoption of the CAP and CAP Consistency Checklist is consistent with the provisions of the General Plan and State law, and is in the public interest.
4. After consideration of all evidence presented, and studies and investigations made by the Planning Commission and on its behalf, the Planning Commission reached a recommendation on the matter as hereinafter set forth.
5. The Planning Commission, therefore, recommends City Council approval of the Project as described in the October 27, 2020 Planning Commission staff

report, as supplemented by the January 12, 2021 Planning Commission staff report, and as attached as Exhibit “A” and Exhibit “B.”

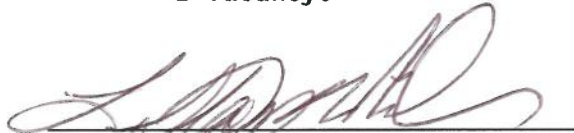
6. Said plan is on file in the Planning Division of the Community Development Department and is available for inspection by anyone interested herein, and said development plan is incorporated herein by this reference, the same as if it were fully set forth herein.

7. The Planning Commission acknowledges that additional changes will likely be made to the CAP to achieve CAP goal setting targets. Furthermore, it may be necessary to adjust the measures or maps described therein as necessary to ensure continued compliance with the various state legislative mandated targets.

BE IT FURTHER RESOLVED that the City will pursue the GHG emission reduction goals and targets identified in the CAP through the implementation of the identified strategies, measures, and actions and by encouraging the community to support CAP goals and targets through various actions, ordinances, policies, incentive-based programs, and education programs. The Planning Commission will utilize its role to promote the implementation of the CAP and support related goals and targets. Should a Climate Commission not be established by the City Council, or not be timely formed to assist with aspects of CAP implementation, the Planning Commission will instead work with City staff to help monitor and report progress towards meeting GHG emission reduction goals and targets identified in the CAP.

PASSED, ADOPTED, AND APPROVED by a majority vote of the Planning Commission of the City of Escondido, California, at a regular meeting held on the 12th day of January, 2021, by the following vote, to wit:

AYES:	COMMISSIONERS:	Barba, Doan, Paul, Rainey, Serrato and Weiler.
NOES:	COMMISSIONERS:	None.
ABSTAINED:	COMMISSIONERS:	None.
ABSENT:	COMMISSIONERS:	None. 1 Vacancy.



STAN WEILER, Chair
Escondido Planning Commission

ATTEST:



MIKE STRONG, Secretary of the
Escondido Planning Commission

I hereby certify that the foregoing Resolution was passed at the time and by the vote above stated.



JOANNE TASHER, Minutes Clerk
Escondido Planning Commission



CLIMATE ACTION PLAN

— CITY OF ESCONDIDO —





Attachment 2

This Climate Action Plan ("CAP") provides a comprehensive roadmap to address the challenges of climate change in the City of Escondido ("City"). While climate change is a global issue, it impacts communities on a local scale. It is the responsibility of all members of society, including local governments, to reduce greenhouse gas ("GHG") emissions in their communities. Acting on climate change means both reducing GHG emissions from activities within the city and helping the community adapt to climate change and improve its resilience over the long term. The City has dedicated resources and partnered with the San Diego Association of Governments ("SANDAG") to create this CAP to achieve GHG reductions and address climate change at the local level. In an effort to combat climate change, this CAP sets GHG reduction targets and proposes achievable, locally-based strategies to reduce GHG emissions from both municipal and community activities.

Scientific evidence shows that the Earth's climate is experiencing a warming trend as a result of increasing GHGs in the atmosphere. Increasing average temperatures are also causing changes in the climate, including disrupted ocean currents, increased extreme weather events, and changes in precipitation patterns, etc. This phenomenon is known as global climate change. As California continues to experience

This CAP aims to address climate change by reducing GHG emissions from activities within the city, and by identifying threats and strategies for adapting to adverse environmental conditions caused by climate change.

historic trends of rising average temperatures, extreme weather events and storms, and higher sea levels, there is evidence that the effects of global climate change are already occurring and that reductions in GHG emissions are needed to prevent the most catastrophic effects of climate change.

The State has taken several steps to reduce GHG emissions and respond to the threat of global climate change. In 2006, the California Global Warming Solutions Act (Assembly Bill ["AB"] 32) established the state's first target to reduce GHG emissions, which set a goal of lowering emissions to 1990 levels by 2020. In 2016, Governor Brown signed Senate Bill ("SB") 32 into law, which established a new mid-term GHG reduction target of 40 percent below 1990 levels by 2030, aligned with leading international governments, such as the European Union. The 2030 target set under SB 32 places California on a trajectory towards meeting its longer-term goal, which is to bring emissions down to 80 percent below 1990 levels by 2050. According to the California Air Resources Board ("CARB"), the State has been making steady progress in reducing statewide emissions and has met its 2020 target. Many climate experts believe that eventually a reduction of greater than 80 percent will be required to achieve climate stabilization.

Over the last decade, the City has taken several steps to begin addressing climate change and achieving reductions in GHG emissions, both in the City's operations as well as the broader community. The City adopted its most recent CAP in 2013 ("2013 CAP"). The 2013 CAP detailed the City's first communitywide GHG inventories for 2005 and 2010, which provided baseline emissions data from which future GHG emissions were estimated and reduction measures were developed.

This CAP provides an update to the inventories, projections, and GHG reduction measures identified in the 2013 CAP.



Source: City of Escondido

Key Components of Climate Action Planning

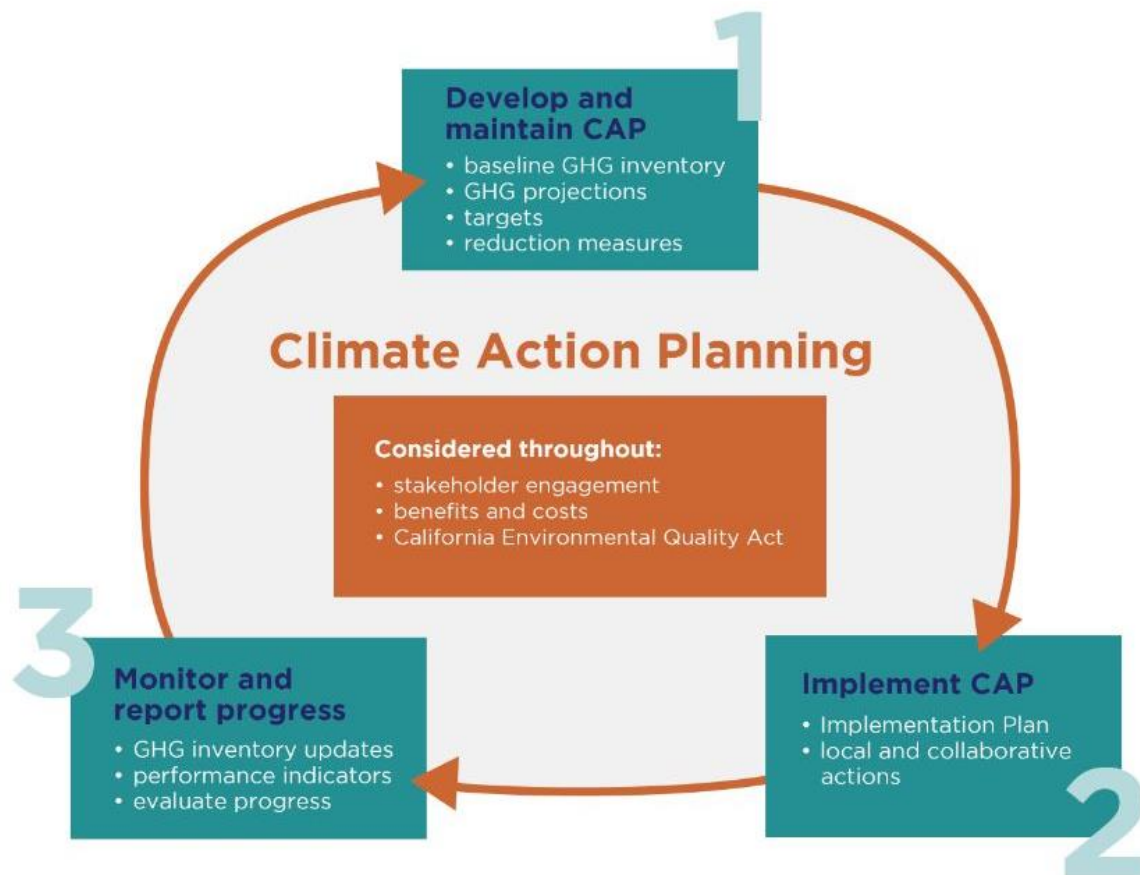
Three essential steps to the climate action planning process include:

Step 1: Develop and Maintain a CAP, which includes preparing baseline emissions estimates and projections and developing reduction targets and strategies.

Step 2: Implement the CAP through local measures.

Step 3: Monitor and Report Progress on CAP implementation and identify improvements or adjustments that can be made to the plan in the future.

Adoption of this CAP marks the beginning of an iterative process of maintaining, implementing, monitoring, and updating the CAP. Over time, the City will continue to repeat the iterative process by updating this CAP as new technologies, legislative actions, information, and inventories become available. The key components of the climate action planning process are summarized below and shown graphically in **Figure ES-1**.



Source: SANDAG 2018.

Figure ES-1

The Climate Action Planning Process

Step 1: CAP Development

Development of the CAP consists of setting a baseline inventory of communitywide GHG emissions, projecting GHG emissions for future years, setting GHG reduction targets, and identifying strategies and measures the City will implement to achieve these reduction targets.

Baseline GHG Inventory

A baseline GHG inventory provides a snapshot of the emissions associated with a community's GHG producing activities in a single year. For this CAP, a baseline GHG emissions inventory was prepared for 2012, consistent with the base year used for SANDAG's Series 13 Regional Growth Forecast. It was estimated that the City generated 943,000 metric tons of carbon dioxide equivalent ("MTCO₂e") in 2012. The two largest sources of GHG emissions were from on-road transportation (e.g., on-road vehicular gasoline and diesel consumption) and energy sources (e.g., electricity and natural gas consumption in buildings) accounting for 53 percent and 39 percent, respectively. Baseline inventories also provide the emissions levels from which to forecast emissions and set emissions reduction targets based on state goals. The City's baseline emissions inventory, forecasted emissions, and reduction targets are further discussed in [Chapter 2](#).

In 2012, the City's total GHG emissions of 943,000 MTCO₂e were produced across the following emissions categories:

- 53% from on-road transportation
- 39% from energy (electricity and natural gas consumption)
- 3% from off-road transportation
- 3% from solid waste
- 2% from water and wastewater

Citywide Emissions Projections

Citywide emissions projections were modeled based on a continuation of current trends in activity, population, and job growth. The business-as-usual ("BAU") condition provides estimates of future citywide emissions based on existing growth trends assuming no additional actions would be taken to reduce GHG emissions. Based on trend data, the City would experience a decrease in emissions through 2020 under BAU conditions to 12 percent below 2012 baseline levels. This decrease is primarily due to the City's implementation of the 2013 CAP and State and federal actions that have resulted in GHG reductions locally. Citywide emissions under BAU conditions would steadily rise after 2020 through 2035 but would not exceed 2012 baseline levels.

State and federal actions that are planned to take place in the future would further reduce the City's projected emissions when applied across the various GHG emissions categories. This projection, with the application of state and federal legislative actions that would reduce local GHG emissions, is referred to as the Legislatively-Adjusted BAU condition. With legislative reductions applied, the City's emissions would be 16 percent below 2012 baseline levels in 2020, 36 percent below 2012 baseline levels in 2030, and 39 percent below



Source: City of Escondido

2012 baseline levels in 2035 with legislative actions. [Table ES-1](#) provides a summary of both BAU and Legislatively-Adjusted BAU project emissions for 2020, 2030, and 2035.

Projection	2012 Baseline Emissions (MTCO ₂ e)	2020		2030		2035	
		Total Emissions (MTCO ₂ e)	Change from 2012 Baseline (%)	Total Emissions (MTCO ₂ e)	Change from 2012 Baseline (%)	Total Emissions (MTCO ₂ e)	Change from 2012 Baseline (%)
BAU	943,000	831,000	-12	833,000	-12	842,000	-11
Legislatively- Adjusted BAU	--	789,000	-16	598,000	-36	570,000	-39
Reduction Targets	--	907,000	-4	547,000	-42	456,000	-52

Notes: BAU = business-as-usual; GHG = greenhouse gas; MTCO₂e = metric tons of carbon dioxide equivalent
Source: EPIC 2018, EPIC 2020.

Reduction Targets

This CAP's reduction targets were established using a communitywide mass emissions approach as recommended by CARB. These targets, to be achieved through implementation of this CAP, are to reduce citywide GHG emissions to four percent below 2012 levels by 2020, 42 percent below 2012 levels by 2030, and 52 percent below 2012 levels by 2035. A summary of the projections and targets is shown in **Table ES-1**. The methodologies used for calculating each projection and City reduction targets are further discussed in **Chapter 2**.

Reduction Strategies and Measures

The City would meet its 2020 emissions reduction target under BAU conditions, based on existing activities and trends. However, to meet the City's 2030 and 2035 reduction targets, additional actions beyond those implemented at the State and federal level are required. To meet the City's 2030 and 2035 targets, this CAP identifies strategies and measures to reduce GHG emissions citywide from a variety of emissions categories. In total, the City has identified nine strategies for reducing citywide GHG emissions, listed below in **Table ES-2**.

Strategy	Description
Strategy 1	Increase the Use of Zero-Emission or Alternative Fuel Vehicles
Strategy 2	Reduce Fossil Fuel Use
Strategy 3	Reduce Vehicle Miles Traveled
Strategy 4	Increase Building Energy Efficiency
Strategy 5	Increase Renewable and Zero-Carbon Energy
Strategy 6	Increase Water Efficiency
Strategy 7	Diversify Local Water Supply
Strategy 8	Reduce and Recycle Solid Waste
Strategy 9	Carbon Sequestration and Land Conservation

Source: EPIC 2020.

Under each of the nine strategies are detailed measures to help reduce GHG emissions citywide. The City will implement [placeholder] total measures to achieve emission reductions from five emissions categories: transportation, energy (electricity and natural gas consumption), water and wastewater, solid waste, and carbon sequestration. The emissions categories identified in this CAP are consistent with the presentation of emissions categories defined through SANDAG’s Regional Climate Action Planning Framework (“ReCAP”). Measures were developed based on a review of the measures included in the 2013 CAP, community input, existing and future planning efforts in the City, potential co-benefits, and feasibility of implementation. Each measure provides direct and measurable emissions reductions through implementation of specific programs, policies, or projects. **Table ES-3** provides a list of five measures in this CAP from which the City would receive the greatest GHG reduction benefits.

Implementation of all GHG reduction measures would result in a reduction of approximately [placeholder] MTCO_{2e} in 2030 and [placeholder] MTCO_{2e} in 2035.

Measure	Description
Measure E-5.3	The City will develop or join a program to further increase grid-supply renewables and zero carbon electricity to 100 percent of the City’s electricity supply, reducing citywide emissions by 29,486 MTCO _{2e} in 2035.
Measure S-8.1	The City will work with its franchise waste hauler to prepare a waste diversion plan that achieves a 90 percent waste diversion rate, reducing citywide emissions by 27,405 MTCO _{2e} in 2035.
Measure T-3.8	The City will work with MTS and NCTD to increase transit ridership through increased service frequency and development located near transit stations, reducing citywide emissions by 17,099 MTCO _{2e} by 2035.
Measure T-3.9	The City will develop a service population-based threshold for VMT to apply to new development project to support the reduction in citywide VMT, reducing citywide emissions by 11,075 MTCO _{2e} by 2035.

Notes: MTS = Metropolitan Transit System; MTCO_{2e} = metric tons of carbon dioxide equivalent; NCTD = North County Transit District; VMT = vehicle miles traveled
 Source: EPIC 2020.

Step 2: Implementation

Implementation of the CAP plays a crucial role in how the City will meet its GHG emission reduction targets. Implementation of the CAP will require investments, long-term commitments, and widespread community participation. Ongoing partnerships between community residents, businesses, property owners, the City, and other agencies and organizations in the region are essential for successful implementation. On a communitywide level, individuals and businesses can play an important role in reducing GHG emissions by changing habits to produce less waste or use alternative modes of transportation.

As new development is proposed in the city, it will be required to incorporate more sustainable design features to reduce project GHG emissions. Consistent with the California Environmental Quality Act (“CEQA”) Guidelines Section 15183.5, this qualified CAP will allow for CEQA streamlining through a CAP Consistency Review Checklist (“Checklist”). The CAP Checklist contains GHG reduction measures applicable to development projects that are required to be implemented on a project-by-project basis. Further details on City implementation strategies are provided in **Chapter 4**.

Step 3: Monitoring

Ongoing management, oversight, and collaboration is required to support the implementation of the CAP. Similar to implementation of the CAP, monitoring is an important part of ensuring the success of the CAP in achieving the City's 2030 and 2035 reduction targets. The City will monitor progress towards the 2030 and 2035 targets through partnerships with SANDAG and other local jurisdictions in developing local GHG inventory updates every two years. City staff will provide annual updates to the City Council and Planning Commissions on CAP implementation and efforts. Just as this CAP serves as an update to the City's 2013 CAP, the City will update this CAP in the future to ensure strategies and measures remain implementable and feasible, adjusting measures based on changing conditions or demands, and incorporating new technologies not considered in previous CAPs. **Chapter 4** provides a detailed description of the City's monitoring efforts to ensure reduction targets and goals are met.



Source: City of Escondido

Adaptation Measures

The climate action planning process is primarily focused on addressing the causes of climate change and identifying measures to reduce GHG emissions and limit additional impacts on the climate system (i.e. the five spheres that comprise Earth's climate). Though many CAPs recognize that climate change is already taking place, the interactions between climate change, human health, and equitable climate solutions are not always addressed. As an additional component to climate action planning, the City recognizes the importance of building resilience in the community to future climate change—related impacts through climate adaptation. Climate adaptation refers to adjusting individual and societal behaviors, systems, and infrastructure to reduce the impact climate change impacts like heat waves, worsening air quality, and flooding have on infrastructure, services, and the well-being of the community. These impacts would not affect all persons in the community equally and certain climate change effects would impact certain vulnerable populations more than others. A broader examination of social equity and environmental justice through climate adaptation planning assists in the development of more sustainable public policies that address climate change at the community level. Therefore, this CAP includes measures to improve the city's resilience to potential environmental risks and hazards that will be exacerbated by climate change, while seeking equitable climate change adaptation solutions for all residents, businesses, and other community members. Measures are organized to reduce climate change impacts associated with increased temperatures, increased frequency of extreme weather events and heat waves, changes in precipitation patterns and water availability, increased likelihood of flooding, and increased wildfire risk. Included within each adaptation strategy are programs and policies to support climate adaptation and resiliency, with a focus on specific vulnerabilities and impacts that have the potential to affect the community's populations, functions, and structures. The City will implement the measures in **Table ES-4** to adapt to the impacts of climate change. A detailed discussion of the City's climate vulnerabilities and adaptation strategies is included in **Chapter 5**.

While the City works to reduce GHG emissions, climate change impacts are already occurring. To ensure equitable response for all residents, the City will implement adaptation measures to address current climate change impacts at the local level.

Measure	Description
Measure A-1.1	Fully anticipate, plan for, and mitigate the risks of climate change and seize the opportunities associated with the social and environmental change.
Measure A-1.2	Make sure that everyone is given the opportunity to be prepared for the current and future risks that are exacerbated by climate impacts.
Measure A-1.3	Hardwire social equity and environmental justice into new programs and projects.
Measure A-1.4	Develop working relationships with other agencies and continue to analyze climate impacts.
Measure A-2.1	Make sure that everyone has equitable access to healthy environments in which to live, work, and play.
Measure A-2.2	Create “climate safe and decent” housing options.
Measure A-2.3	Build capacity for adaptive neighborhoods.
Measure A-2.4	Build a sustainable and resilient transportation network.

Source: City of Escondido, 2020.

To be effective, this CAP includes a roadmap for implementing new policies, programs, incentives, and requirements shortly after adoption, as well as longer term actions that the City would implement following additional research and examination, in line with the City’s ongoing CAP monitoring and evaluation of new technologies. In addition to addressing challenges faced by the City in reducing GHG emissions and adapting to climate change, the CAP will enable the City to continue to be on the forefront of sustainable planning. For the City, the goal of sustainable planning will be to meet the needs of the present without compromising the future. Through addressing both communitywide GHG reduction and adaptation together, the City has been able to consider how actions can synergistically produce multiple co-benefits, such as addressing existing environmental health disparities while improving quality of life and health for all residents.

CAP Organization

This CAP is organized into five chapters. **Chapter 1** provides an introduction to climate action planning, the need for a CAP to address local GHG emissions, and the framework for CAP development. **Chapter 2** summarizes the City’s baseline GHG emissions, estimates GHG emission forecasts for target years, and sets citywide GHG reduction targets. **Chapter 3** includes a description of strategies and measures the City will take to reduce local GHG emissions and describes the supporting actions and co-benefits of each strategy. **Chapter 4** provides an outline for how the City will implement these reduction strategies and measures and includes guidelines for monitoring and updating the CAP. **Chapter 5** evaluates the City’s vulnerability to climate change and strategies the City is and will be implementing to adapt to climate change impacts.



Chapter 1
INTRODUCTION

Attachment 2

Climate Action Plans (“CAPs”) serve as comprehensive roadmaps that outline specific activities a community will take to reduce greenhouse gas (“GHG”) emissions and potential impacts of climate change.

The City’s CAP was developed for the following purposes:

- Build on the City’s previous CAP, adopted in 2013.
- Create an updated GHG emissions inventory of citywide activities.
- Identify reduction targets consistent with state goals.
- Set strategies and measures for sustainable activities and development in the City.
- Streamline CEQA review for projects consistent with CAP goals.

There are many “natural” factors (e.g. volcanic eruptions and solar variations) and “anthropogenic” (human-induced) factors (e.g. emissions from vehicles) that contribute to climate change. Climate fluctuations have always been a part of Earth’s history, which is evident in geological records. However, the rapid rate and the magnitude of climate change occurring now cannot be explained by only natural factors - seasons are shifting, average temperatures are increasing, precipitation levels are changing, and sea levels are rising. These changes have the potential to adversely affect human health and safety, economic prosperity, provision of basic services, and the availability of natural resources. While global climate change is happening worldwide, local efforts to reduce human-induced GHG emissions and build resilience

in the face of adverse climate change effects can make a difference. Local action on climate change cannot be addressed insularly by one agency or community, but requires active and ongoing partnerships between residents, businesses, the City of Escondido (“City”), and other agencies and organizations in the region. By beginning to plan now and engaging in more sustainable practices, communities will be better suited to adapt to climate change and increase resiliency for the future.

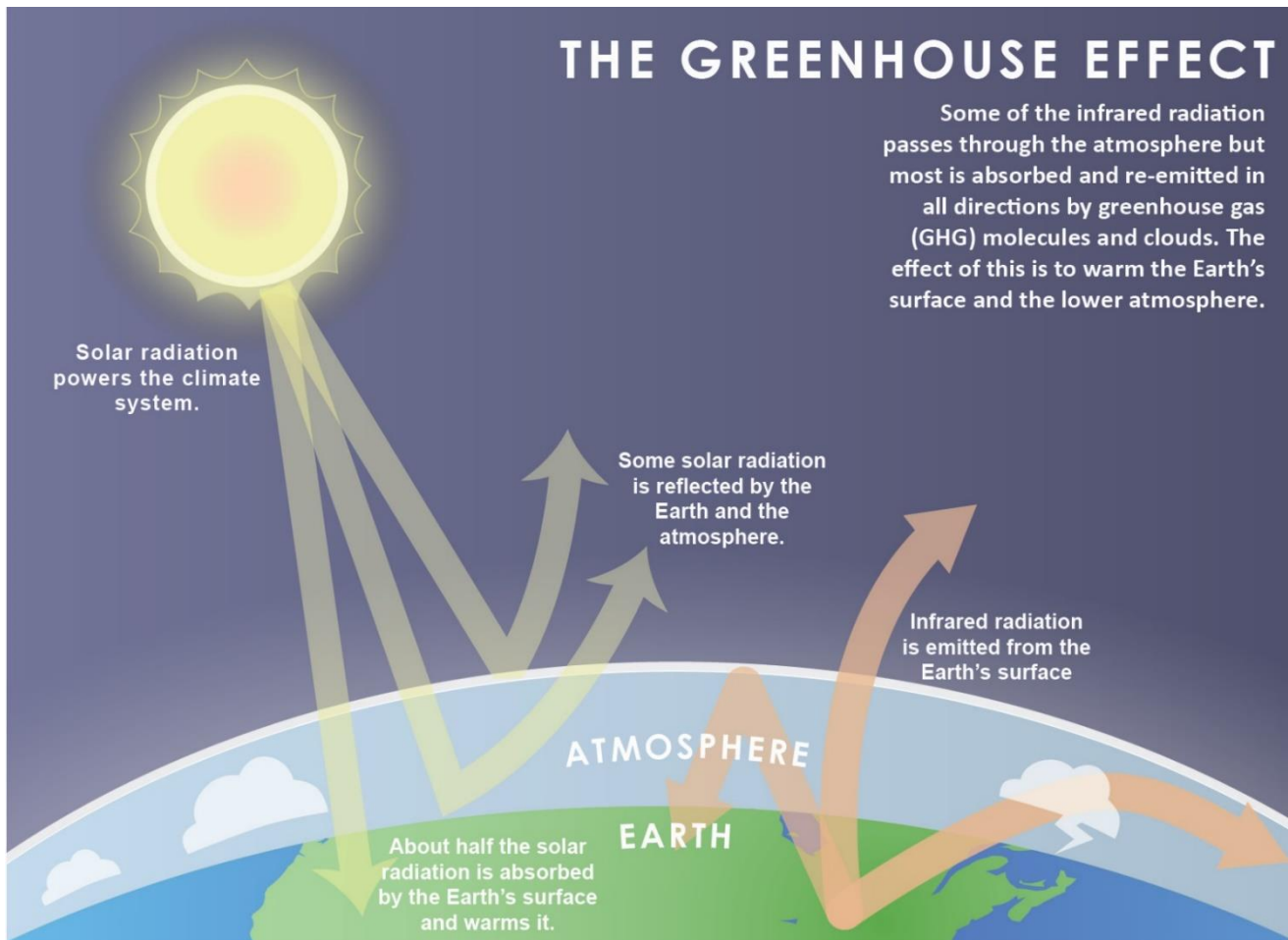
The City is committed to providing a livable, sustainable, equitable, and economically vibrant community. In developing a CAP, jurisdictions evaluate the volume of GHGs emitted during a baseline year (2012 for this CAP) and determine the amount of emissions that need to be reduced to achieve statewide GHG reduction targets. At a local scale, individuals and businesses in the City can work towards reducing their carbon footprint by changing habits to consume less energy, generate less waste through recycling and composting, conserving water, using sustainable transportation modes, and promoting carbon sequestration. Through successful implementation and administration of the CAP, the actions in this document would strengthen the City’s economy, improve risk management, clean the environment, and improve the health and wellness of residents.



Source: City of Escondido

1.1 Introduction to Climate Change Science

The greenhouse effect, as outlined below in **Figure 1-1**, results from a collection of atmospheric gases called GHGs that insulate the Earth and help regulate its temperature. These gases, consisting of mainly water vapor, carbon dioxide (“CO₂”), methane (“CH₄”), nitrous oxide (“N₂O”), ozone (“O₃”), and chlorofluorocarbons (“CFCs”) all act as effective global insulators, reflecting Earth’s visible light and infrared radiation to keep temperatures on Earth conducive to life as we know it. The greenhouse effect is essential for the planet to support life when not exacerbated.



Source: Ascent Environmental 2019.

Figure 1-1

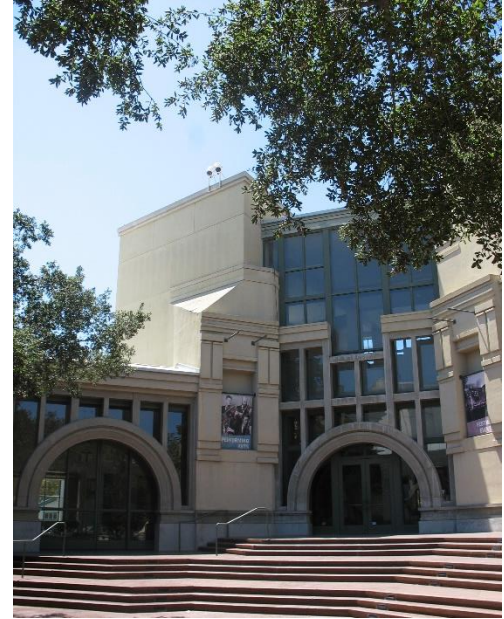
The Greenhouse Effect

In recent decades, human activities (e.g., burning of fossil fuels for transportation and energy, increasing rates of deforestation and development) have contributed to an elevated concentration of GHGs in the atmosphere. Human-caused (i.e., anthropogenic) emissions of GHGs above natural ambient concentrations are responsible for intensifying the greenhouse effect and leading to a trend of unnatural warming of the Earth's climate, known as global climate change, or global warming. There is strong scientific consensus that it is "extremely likely" that most of the changes in the world's climate during the last 50 years are a result of anthropogenic (i.e. human caused) GHG emissions (IPCC 2014). Global climate change, in turn, is the driver behind changes in precipitation patterns, shrinking polar ice caps, an increase in sea level, and other impacts to biological resources and humans.

Global climate change may lead to rising temperatures and changes in precipitation patterns impacting average temperatures and water supply at the local level.

Short-lived climate pollutants ("SLCPs"), which are GHGs that remain in the atmosphere for a much shorter period than long-lived climate pollutants (e.g., CO₂ and N₂O), are also powerful climate forcers that have an outsized impact on climate change in the near term. Despite their relatively shorter atmospheric lifespan, their relative potency in terms of how they heat the atmosphere (i.e., global warming potential ["GWP"]) can be tens, hundreds, or even thousands of times greater than that of CO₂. SLCPs include CH₄; fluorinated gases ("F-gases"), including hydrofluorocarbons ("HFCs"), perfluorocarbons ("PFCs"), and sulfur hexafluoride ("SF₆"); and black carbon.

Climate change is a global problem that can lead to significant fluctuations in regional climates. It is the driver behind rising average temperatures and changes in precipitation patterns globally, resulting in increased extreme heat events, reduced water supplies, and extended droughts. This CAP represents an important step in acknowledging global climate change effects on the city. The document is organized into five chapters. **Chapter 2** summarizes the City's GHG emissions that are contributing to climate change. **Chapter 3** includes a description of strategies and measures the City will take to reduce local GHG emissions. **Chapter 4** provides an outline for how the City will implement these reduction strategies and includes guidelines for monitoring and updating the CAP. **Chapter 5** provides strategies the City is and will be implement to adapt to climate change impacts and ensure all populations in the city prepared for future changes in climate patterns.



Source: City of Escondido

1.2 Regulatory Framework

In response to the increase in human-caused GHG emissions and the threat of global climate change, the federal and State governments have already taken several steps to both reduce GHG emissions and adapt to climate change. The following section provides a summary of the policies which provide context for this CAP.

1.2.1 Federal and State Regulations

In 2005, Governor Arnold Schwarzenegger signed Executive Order S-3-05, which directed California to reduce GHG emissions to 1990 levels by 2020, and to 80 percent below 1990 levels by 2050. A year later, in 2006, the Global Warming Solutions Act (Assembly Bill ["AB"] 32) was passed, establishing regulatory, reporting, and market mechanisms to achieve quantifiable reductions in GHG emissions. AB 32 put a cap on GHG emissions, setting a target of reducing GHG emissions to 1990 levels by 2020. As part of its implementation of AB 32 and Executive Order S-3-05, the California Air Resources Board ("CARB") developed a Scoping Plan in 2008. The Scoping Plan, along with its Update in 2014, described the approach California will take to reduce GHGs to achieve the 2020 reduction target. California is currently on track to meet or exceed the AB 32 current target of reducing GHG emissions to 1990 levels by 2020.

As directed by AB 32, SB 32, and Executive Orders B-30-15 and S-3-05, the state aims to reduce annual GHG emissions to:

- 1990 levels by 2020;
- 40 percent below 1990 levels by 2030; and
- 80 percent below 1990 levels by 2050.

On April 20, 2015, Governor Edmund G. Brown Jr. signed Executive Order B-30-15, establishing a new GHG emissions reduction target of 40 percent below 1990 levels by 2030. This target aligns with those of leading international governments such as the 28-nation European Union which adopted the same target in October 2014. Executive Order B-30-15 also directed CARB to update the AB 32 Scoping Plan

to reflect the path to achieving the 2030 target. In September 2016, Governor Brown also signed Senate Bill ("SB") 32, which codified into statute the mid-term 2030 target established by Executive Order B-30-15. The new 2030 GHG emissions reduction target places California on a trajectory towards meeting the goal of reducing statewide emissions to 80 percent below 1990 levels by 2050.

In November 2017, CARB published the 2017 Climate Change Scoping Plan (“2017 Scoping Plan”), which lays out the framework for achieving the 2030 reductions as established in Executive Order B-30-15 and SB 32. The 2017 Scoping Plan identifies GHG reductions by emissions sector to achieve a statewide emissions level that is 40 percent below 1990 levels by 2030.

In addition to legislation setting statewide GHG reduction targets, SB 375, signed by Governor Schwarzenegger in 2008, better aligned regional transportation planning efforts, regional GHG emissions reduction targets, and land use and housing allocations. SB 375 requires Metropolitan Planning Organizations (“MPOs”) to adopt a Sustainable Communities Strategy (“SCS”) or Alternative Planning Strategy, showing prescribed land use allocations in each MPO’s Regional Transportation Plan (“RTP”). CARB, in consultation with the MPOs, provides each affected region with reduction targets for GHGs emitted by passenger cars and light trucks in their respective regions for 2020 and 2035.

To effectively address the challenges that a changing climate will bring, the State also prepared the 2009 California Climate Adaptation Strategy, which highlights climate risks and outlines possible solutions that can be implemented throughout the State. This Strategy was updated in both 2014 and 2018, and is now known as Safeguarding California. In 2015, the State also developed the Safeguarding California Implementation Action Plans.

Other relevant federal and State regulations relevant to the CAP are identified below in **Table 1-1**:

Table 1-1 Relevant Federal and State Regulations		
Federal	Federal Clean Air Act (“CAA”)	The CAA, enacted in 1975 and most recently amended in 1990, regulates air emissions from stationary and mobile sources to protect public health and regulate hazardous air pollutants. In 2007, the U.S. Supreme Court ruled that carbon dioxide (“CO ₂ ”) is an air pollutant as defined under the CAA, and the U.S. Environmental Protection Agency has the authority to regulate emissions of GHGs.
Federal	Corporate Average Fuel Economy (“CAFE”) Standards ¹	The federal CAFE Standards specify the fuel economy of certain vehicle classes in the U.S.
Federal	Fuel Efficiency Standards for Medium- and Heavy-Duty Vehicles	Establishes fuel economy standards for medium- and heavy-duty engines and vehicles.
State	SB 97	The State Office of Planning and Research prepared and the Natural Resources Agency adopted amendments to the California Environmental Quality Act (“CEQA”) Guidelines for the feasible mitigation of GHG emissions or the effects of GHG emissions. Effective as of March 2010, the revisions to the CEQA Environmental Checklist Form (Appendix G) and the Energy Conservation Appendix (Appendix F) provide a framework to address global climate change impacts in the CEQA process; state CEQA Guidelines Section 15064.4 was also added to provide an approach to assess impacts from GHGs.
State	Executive Order S-21-09	Executive Order S-21-09 directed CARB, under its AB 32 authority, to adopt a regulation by July 31, 2010 that sets a 33 percent renewable energy target as established by Executive Order S-14-08.
State	Executive Order S-01-07	Executive Order S-01-07 set forth a low carbon fuel standard for California, whereby the carbon intensity of California’s transportation fuels is to be reduced by at least 10 percent by 2020.

Table 1-1 Relevant Federal and State Regulations

State	California Building Efficiency Standards Title 24 Part 6	The California Code of Regulations Title 24 Part 6: California's Energy Efficiency Standards for Residential and Nonresidential Buildings are updated periodically to allow consideration and possible incorporation of new energy efficiency technologies and methods.
State	AB 1493	AB 1493 (Pavley) required, signed into law in 2002, required CARB to develop and adopt regulations that reduce GHGs emitted by passenger vehicles and light-duty trucks.
State	AB 197	AB 197 (Garcia), signed into law in 2016, creates a legislative committee to oversee CARB and requires CARB to take specific actions when adopting plans and regulations pursuant to SB 32 related to disadvantaged communities, identification of specific information regarding reduction measures, and information regarding existing GHGs at the local level.
State	SB 350	SB 350, signed into law in 2015, requires the state to set GHG emission reduction targets for the load serving entities through Integrated Resource Planning. SB 350 requires an increase in the Renewables Portfolio Standard to 50 percent by 2030 and doubling energy savings in electricity and natural gas end uses.
State	Advanced Clean Cars Program ¹	In January 2012, CARB approved the Advanced Clean Cars program, which combines the control of GHG emissions and criteria air pollutants, as well as requirements for greater numbers of zero-emission vehicles, into a single package of standards for vehicle model years 2017 through 2025.
State	SB X1-2	SB X1-2 of 2011 requires all California utilities to generate 33 percent of their electricity from renewables by 2020. SB X1-2 mandates that renewables supplied to the California grid from sources within, or directly proximate to, California make up at least 50 percent of the total renewable energy for the 2011-2013 compliance period, at least 65 percent for the 2014-2016 compliance period, and at least 75 percent for 2016 and beyond.
State	SB 100	SB 100, signed into law in 2018, provides an update to SB X1-2 and requires California's renewable energy and zero-carbon resources supply 100 percent of electric retail sales to end-use customers and 100 percent of electricity procured to serve state agencies by 2045.

Notes:

¹ In September 2019, the U.S. EPA issued the final rule for Part 1 of the Safer Affordable Fuel-Efficient Vehicle Rule (SAFE Rule). Part 2 of the SAFE Rule, expected issuance in mid-2020, will set revised federal CAFE standards and replace California's Advanced Clean Cars program. During the preparation of this CAP, these new standards have not taken effect.

California Environmental Quality Act Streamlining

The California Environmental Quality Act ("CEQA") is a statute that requires local agencies to identify significant environmental impacts of their actions and avoid or mitigate those impacts, if feasible. In 2007, California's lawmakers enacted SB 97, which expressly recognizes the need to analyze GHG emissions as part of the CEQA process. SB 97 required the Governor's Office of Planning and Research ("OPR") to develop recommended amendments to address GHG emissions as an environmental effect. In response to the mandate of SB 97,

Projects that are consistent with the strategies and measures provided in this CAP and the City's General Plan can avail streamlining benefits in addressing potential project impacts related to climate change.

the CEQA Guidelines (Section 15183.5) establish standards for the content and approval process of plans to reduce GHGs.

This CAP has been prepared consistent with the standards of CEQA Guidelines Section 15183.5 (“Qualified Plan”). Pursuant to the Section, the CAP affords development applicants the opportunity to use CEQA streamlining tools for analysis of GHG emissions and related impacts for projects that are consistent with the CAP. Details on how projects can achieve consistency with the CAP are provided in a separate *Guidance for Demonstrating Consistency with the City of Escondido Climate Action Plan for Discretionary Projects Subject to CEQA*, prepared by Ascent Environmental in 2020.

1.2.2 San Diego Association of Governments

The San Diego Association of Governments (“SANDAG”) is the MPO for the San Diego region. At the regional level, SANDAG has identified land use, transportation, and related policy measures that can reduce GHGs from passenger cars and light-duty trucks as part of the *San Diego Forward: The Regional Plan* (“Regional Plan”) in compliance with SB 375. The Regional Plan, adopted by SANDAG in October 2015, integrates the RTP and SCS.

SANDAG is currently working with local jurisdictions to help identify opportunities to save and reduce GHGs related to local operations through the Roadmap Program. Since 2010, the Roadmap Program has provided member agencies with voluntary, no-cost energy assessments known as “Energy Roadmaps”. Each Energy Roadmap provides strategies unique to each local government, to reduce energy use in municipal operations and in the community. The Roadmap Program is primarily funded through a Local Government Partnership with San Diego Gas & Electric (“SDG&E”). In 2016, the Roadmap Program was expanded to include climate planning.

City and SANDAG staff have worked collaboratively in developing this CAP to ensure that measures are consistent with SANDAG’s Regional Climate Action Planning Framework (“ReCAP”) and will reduce GHG emissions locally, while assisting the region in achieving its climate goals.

In March 2012, the City approved the City of Escondido Energy Roadmap (“City’s Energy Roadmap”), which identifies ways to save energy in government operations and in the community, that would result in municipal cost savings and benefits to the environment. The City’s Energy Roadmap includes wide-ranging, cost-effective opportunities to save electricity, natural gas, and transportation fuels, and was used as a resource for implementing goals and policies laid out in the City’s General Plan and the 2013 CAP. The Energy Roadmap identifies ways the City could improve energy efficiency through government operations and within the community through the following eight measures:

- Save energy in City buildings and facilities
- Demonstrate emerging energy technologies
- Green the City vehicle fleet
- Develop employee knowledge of energy efficiency
- Promote commuter benefits to employees
- Leverage planning and development authority
- Market energy programs to local residents, schools, and businesses
- Support green jobs and workforce training

1.2.3 San Diego County

San Diego County Office of Emergency Services

The County of San Diego Office of Emergency Services (“OES”) has the primary responsibility for preparedness and response activities and addresses disasters and emergency situations within the unincorporated area of San Diego County. The OES serves as staff to the Unified Disaster Council, the governing body of the Unified San Diego County Emergency Services Organization. Emergency response and preparedness plans include the Operational Area Emergency Response Plan and the San Diego County Multi-Jurisdictional Hazard Mitigation Plan. These plans provide for regionwide coordination during hazard events and identify processes and staff needs for which the City would apply to respond to an emergency.

Multi-Jurisdictional Hazard Mitigation Plan

The City of Escondido Hazard Mitigation Plan was prepared by OES as part of the Multi-Jurisdictional Hazard Mitigation Plan (“MHMP”). The purpose of the plan is to inform residents of the natural and manmade hazards that threaten the city’s public health, safety, and welfare and provide solutions to help mitigate vulnerabilities to future disasters. Though the MHMP does not directly address climate change, it provides adaptation measures for cities to implement to reduce the impacts of hazards that would be exacerbated by climate change. According to the MHMP, the most destructive hazards to the City include wildland fire, earthquakes, hazardous materials, flooding and dam failure, and terrorism or other anthropogenic hazards. The MHMP sets forth a variety of objectives and actions based on a set of broad goals including: (1) promoting disaster-resistant future development; (2) increasing public understanding and support for effective hazard mitigation; (3) building support of local capacity and commitment to become less vulnerable to hazards; (4) enhancing hazard mitigation coordination and communication with federal, State, local and tribal governments; and (5) reducing the possibility of damage and losses to existing assets, particularly people, critical facilities or infrastructure, and County-owned facilities, due to dam failure, earthquake, coastal storm, erosion, tsunami, landslides, floods, structural fire/wildfire, and manmade hazards.



Source: City of Escondido

San Diego County Department of Environmental Health

The San Diego County Department of Environmental Health (“DEH”) protects public health and safeguards environmental quality, informs the public to increase environmental awareness, and implements and enforces local, state, and federal environmental laws. DEH regulates the following: retail food safety; public housing; public swimming pools; small drinking water systems; mobile-home parks; on-site wastewater systems; recreational water; aboveground/underground storage tank and cleanup oversight; and the disposal of medical and hazardous materials and waste. In all development projects, specifically those related to water, wastewater, and solid waste systems, the City coordinates with DEH to ensure activities meet public health and safety requirements.

San Diego County Site Assessment and Mitigation Program

DEH maintains the Site Assessment and Mitigation (“SAM”) list of contaminated sites that have previously or are currently undergoing environmental investigations and/or remedial actions. The San Diego County SAM Program’s primary purpose is to protect human health, water resources, and the environment within San Diego County by providing oversight of assessments and cleanups in accordance with the California Health and Safety Code and the California Code of Regulations. The SAM’s Voluntary Assistance Program (“VAP”) also provides staff consultation, project oversight, and technical or environmental report evaluation and concurrence (when appropriate) on projects pertaining to properties contaminated with hazardous substances. As the City implements new development and redevelopment projects, and develops plans to restore natural systems, it will coordinate with DEH to address existing site contamination issues to improve public health.

1.2.4 City of Escondido

General Plan

The City’s General Plan, most recently updated in May 2012, guides the City’s future growth through a series of goals and policies. The General Plan discusses the City’s vision in the following areas: Economic Prosperity, Growth Management, Land Use and Community Form, Housing, Community Health and Services, Community Protection, Mobility and Infrastructure, and Resource Conservation. Multiple elements of the City’s General Plan include goals and policies that would be supported by the implementation of this CAP. Below is a summary of the GHG-related goals and policies from these elements. The relationship between General Plan policies and CAP measures is included in [Appendix C](#).



Source: City of Escondido

Land Use and Community Form

The Land Use and Community Form element guides citizens, planners, and decision makers on the desired growth pattern, development, and change in the community. The goals of the element emphasize the City’s role in being an urban center, while promoting sustainable and economically viable development. Land Use and Community Form policies related to GHGs include promoting compact infill development to increase walkability and alternative modes of transportation; preserving open space; and creating new and maintaining existing recreational opportunities.

Mobility and Infrastructure

The Mobility and Infrastructure element provides goals and policies for the efficient movement of residents, goods, and services and developing and maintaining safe and reliable infrastructure. This element includes transportation goals and policies to develop a sustainable transportation system through enhanced safety, complete streets, and an



Source: City of Escondido

interconnected pedestrian and multimodal transportation system. This element also promotes sustainable and efficient utilities by encouraging water conservation efforts, increasing water supply and supply diversity, reducing and managing waste disposal, and increasing energy efficiency to reduce the subsequent demand of a growing City.

Housing

The Housing element assesses housing needs in the City and provides goals and policies addressing the development of new housing and the improvement of existing housing supply. Goals and policies provided in the element guide encourage sustainable housing development that improve public health and housing affordability. The City's goals and policies emphasize the need to incorporate affordability for balanced jobs-to-housing growth while incorporating efficient urban form to promote accessibility.

Community Health and Services

The Community Health and Services element addresses how the quality and condition of the built environment affects resident's public health. GHG-related goals and policies in this element are directed towards increasing public health by increasing access to healthier foods through community gardens, creating walkable neighborhoods, and providing access to medical facilities. Additional efforts to reduce GHGs include reducing energy and water use in landscaping and developing and maintaining open space areas.

Resource Conservation

The Resource Conservation element guides the City to improve air, water, and natural resources through the expansion of a City trail system and conservation of open space areas. The element provides guidance for new development to be consistent with air quality standards and reduce GHG emissions through use of efficient construction equipment, promotion of efficient land use development patterns, use of clean and efficient alternative modes of transportation, and carbon sequestration.

Measures in this CAP can improve economic prosperity through:

- the creation of local "green jobs,"
- improved building efficiency reducing cooling and heating costs, and
- reduced water consumption resulting in lower costs to transport water.

Economic Prosperity

The Economic Prosperity element provides guidance on maintaining a sustainable local economy that provides a jobs-to-housing balance. In this element the City establishes efforts to work with local service providers to provide infrastructure that supports technologically advanced and "green" businesses and reduces commute distances by providing employment near housing.

Environmental Quality Regulations

The City's Environmental Quality Regulations ("EQR") were established in the City's Municipal Code Chapter 33, Article 47 to provide guidelines on implementing CEQA for developments within the City. The EQR established screening thresholds to evaluate if additional analysis is required to determine whether a project would result in significant impacts under CEQA. City standards related to the CAP are provided in Division 1, Section 33-924 for air quality, GHG emissions, and water and wastewater. The EQR outlines criteria for CEQA projects regarding consistency with the City's Public Facilities Master Plans and General Plan.

2013 Climate Action Plan

In December 2013, the City approved the 2013 CAP to reduce GHG emissions from City government operations and community activities and to support achievement of statewide reduction targets. The 2013 CAP provided an update to the City's previous emissions inventory. The previous inventory, with a baseline year of 2005, was updated based on revised methodology and updated data. Along with this revised 2005 inventory, the 2013 CAP included an inventory with a baseline year of 2010 from which citywide emissions were projected for the years 2020 and 2035, consistent with the City's General Plan horizon years. The 2005 inventory and 2010 baseline emissions level included activities that took place in the City transportation, energy use, area sources, water and wastewater, solid waste, and construction categories. In line with AB 32, the 2013 CAP established a reduction target to reduce emissions to 1990 levels by 2020. Based on methodologies provided by CARB, the City developed a local target, consistent with the State target and based on the 2005 inventory, to reduce emissions to 15 percent below 2005 levels by 2020.



Source: City of Escondido

The City has been implementing the measures identified in the 2013 CAP since its adoption through utilizing screening tables during development project review and conducting GHG inventory updates. The City has retained completed screening tables for development projects to maintain records of the types and levels of implementation of measures. City staff have continuously monitored the implementation of these measures, and have coordinated with SANDAG to provide updated GHG inventories. As shown in **Table 2-3** of **Chapter 2**, the actions to date have reduced GHG emissions in the City to an estimated 789,000 metric tons of carbon dioxide equivalent (“MTCO_{2e}”) and is nearly missing the targets adopted in the 2013 CAP. (The 2020 emissions target in 2013 was 788,176 MTCO_{2e}).

Master and Specific Plans

Downtown Specific Plan

In August 2013, the City adopted the Escondido Downtown Specific Plan (“DSP”). The DSP provides a comprehensive strategy to transition to a more urbanized city center while ensuring that its unique character is upheld and enhanced. The DSP includes nine strategic goals that promote a balanced variety of uses, design techniques, and pedestrian features. The DSP provides land use changes and goals that encourage mixed-use development, pedestrian friendly design, and increased use of alternative transportation modes.

The City's Downtown Specific Plan envisions development in the city center to provide for safer streets, wider sidewalks, and access to transit. This vision would assist the City in reducing GHG emissions by increasing walkability and reducing the need for vehicular travel to access destinations.

South Center City Specific Plan

Revised in August 2018, the South Centre City Specific Plan (“SCCSP”) promotes improved public health, safety, sustainability, and economic prosperity in the South Centre City area. The SCCSP identifies changes in land use patterns in the area to allow for greater opportunities for strategic growth for both residents and business owners. Sustainability efforts of the SCCSP include supporting implementation of the City’s CAP and the protecting water resources through conservation.

Bicycle Master Plan

The City’s Bicycle Master Plan, adopted in October 2012, is a policy document that identifies existing circulation patterns for bicyclists, problem areas, and safety concerns. The plan identifies potential efforts the City should undertake to create an interconnected network of bicycle facilities within the city. The Bicycle Master Plan includes bikeway design standards based on California Department of Transportation (“Caltrans”) recommendations, conceptual designs for bicycle paths and trails, maps of existing and proposed bicycle facilities, a phasing plan for improvements, potential funding sources, and an implementation plan. Areas of improvement include establishing a multi-modal network by connecting mass transit and bikeways through the development of complete streets. Implementation of the plan will reduce the need for automobile travel and improve air quality and public health.

Master Plan for Parks, Trails, and Open Space

Updated in September 1999, the City of Escondido Master Plan for Parks, Trails, and Open Space sets forth a comprehensive plan to develop an integrated open space and trail system. The plan acknowledges that development is likely to occur within the City and provides policy direction on how to develop land more efficiently while maintaining and increasing open space. Specific planning efforts provided in the plan include increasing outdoor recreational activities, preservation of biodiversity, discouraging sprawl, and improving quality of life.



Source: City of Escondido

City Municipal Code and Ordinances

Historical Resources Ordinance

Article 40 of the City’s Municipal Code establishes it as unlawful to tear down, demolish, construct, alter, remove or relocate any historical resource. A Certificate of Appropriateness is required for any new construction, and/or alteration that would affect the exterior appearance of an historical resource listed on the local register or located within an historical overlay district. Additional permits, as well as review by the planning commission, may also be required. Improvements and alterations to properties listed on the Escondido Historic Sites Survey outside a historical overlay district are also subject to staff administrative review to ensure that improvements and alterations do not preclude future listing in the local register. Further, Article 40 requires that all repairs, alterations, constructions, restorations or changes in use of applicable historical resources shall conform to the requirements of the state Historical Building Code and the Secretary of the Interior’s Standards for Rehabilitation. Demolitions to such resources would require a permit acquired in accordance with Article 40.

Mature and Protected Tree Ordinance

The City's Mature and Protected Tree ordinance establishes regulations and standards for the preservation, protection, and selected removal of mature and protected trees to conserve the City's tree cover. A City-issued permit is required before clearing, pruning, or destroying vegetation and before any encroachments by construction activities that disturb the root system. Issuance of a vegetation removal permit requires the submittal of a tree survey and, as applicable, a tree protection and/or replacement mitigation plan. Tree protection, removal, and replacement standards are outlined in the City's General Plan and the City's Municipal Code. As directed under the City's General Plan, any oak tree species and other mature trees are considered a significant aesthetic and ecological resource deserving protection within the boundaries of the city.

Urban trees provide benefits to everyone in the City. In addition to improving community character and reducing the urban heat island effect, trees play an important role in reducing local GHG emissions by "sequestering" carbon dioxide.

Local Emergency Code

Chapter 7 of the City's Municipal Code provides plans for the protection of persons and property within the City in the event of an emergency. It also discusses coordination of the emergency functions of the City with all other public agencies, corporations, organizations, and affected private persons. The code includes the forming of the City of Escondido Disaster Council, which is for the development of the City's Emergency Action Plan for City employees. The Emergency Action Plan identifies effective mobilization strategies for all City resources, both public and private, to meet any condition constituting a local emergency, state of emergency, or state of war emergency, and to defines the organizational framework, powers and duties, services, and emergency organization staff.

Weed and Rubbish Abatement Program

The City's Municipal Code, Chapter 11, Article 2, Division 2, establishes the Weed and Rubbish Abatement Program. The purpose of this ordinance is to allow property owners to eliminate public nuisance created by weeds, rubbish and refuse on or around their property, and defines the threshold at which weeds and rubbish are considered a fire hazard.

Wastewater, Stormwater, and Related Matters

Chapter 22 of the Municipal Code establishes regulations related to stormwater management and discharge control, harmful waters and wastes, sewer service charges, private sewage disposal systems, sewer connection fees, sewer-connection laterals, and industrial wastewater. The purpose of the stormwater management and discharge control regulations (Article 2) is to:

- Ensure the health, safety, and general welfare of the citizens of the City by controlling non-stormwater discharges to the stormwater conveyance system;
- Eliminate discharges to the stormwater conveyance system from spills, dumping, or disposal of solid or liquid waste other than stormwater; and
- Prevent, eliminate, or reduce pollutants in urban stormwater discharges to the maximum extent practicable.

Article 5 of Chapter 22 requires all subsurface sewage disposal units and systems to be designed, placed, and maintained in accordance with the rules and regulations of the County of San Diego. The County of San Diego DEH is the primary agency charged with regulating the design, construction, and maintenance of

septic tanks, leach lines, seepage pits, and alternative on-site wastewater treatment systems throughout the county through a delegation from the San Diego Regional Water Quality Control Board.

Article 8 sets industrial water regulations to provide for the maximum possible beneficial public use of the City's wastewater collection and treatment facilities. This article includes regulations and permit requirements governing nonresidential discharges, sets policies to provide for equitable distribution of the City's costs, and defines procedures for complying with requirements placed upon the City by other regulatory agencies.

Street and Sidewalks Code

Chapter 23 of the Municipal Code establishes street and sidewalk standards. This chapter defines standards for:

- public dedication of rights-of-way;
- arrangement for relocation of public utility facilities within sidewalks or streets;
- issuance of building permits for construction in setback areas and rights-of-way; and
- locating pumps, tanks, and fire hydrants within sidewalks, streets, or rights-of-way.

Grading and Erosion Control Ordinance

Article 55 of the City's Municipal Code establishes the grading and erosion control regulations for the City. The article ensures that development occurs in a manner that protects:

- the natural and topographic character and identity of the environment;
- visual integrity of hillsides and ridgelines;
- sensitive species and unique geologic/geographic features; and
- the health, safety, and welfare of the public.

Article 55 regulates grading on private and public property and provides standards and design criteria to control stormwater and erosion during construction activities. The ordinance sets forth rules and regulations to: control excavation, grading, earthwork construction (including fills and embankments), and development on hillsides and along ridgelines; establishes the administrative procedures for the issuance of permits; and provides for approval of plans and inspection of grading construction in compliance with stormwater management requirements.

Waste and Water Plans and Programs

Recycling and Waste Reduction

The City provides multiple programs and partnerships aimed at diverting waste from landfills. Some of these programs include resident and business recycling education, "how to" composting workshops, Christmas tree recycling, and local waste clean-ups. State-advised waste reduction programs adopted by the City include AB 341, requiring commercial and multi-family units to have recycling services, and AB 1826, requiring businesses that generate organic waste to provide organic waste recycling.

Though solid waste is only a small fraction of the City's total GHG emissions, residents and business owners can significantly reduce individual contributions to these emissions by recycling and composting waste instead of sending it to a landfill.

Water Conservation Plan

The City's Water Conservation Plan, most recently updated in 2015, establishes priorities and restrictions during various levels of water shortages, including up to greater than 40 percent reduction in water use. The City's Water Conservation Plan sets forth the following objectives:

- To prevent water supply shortages through aggressive and effective water management programs such as water conservation, water education, and use restrictions and penalties.
- To minimize the impact of a water supply shortage on the City's population and economy.
- To provide first for public health and fire protection and other essential services, then to provide for the economic health of the City, and then to provide for other uses of water.
- To ensure that water users who have implemented exemplary conservation practices during normal-year hydrology and wet-year hydrology are not disadvantaged by the plan during shortages, a "lifeline allowance" will be established by the City Council to reflect the minimum amount necessary to sustain an average household.

The City's Water Conservation Plan includes measures that continuously apply to reduce citywide water consumption, and additional measures that take effect during water shortage conditions. The plan identifies four stages of drought conditions that are set by the City Council in accordance with drought response levels determined by the San Diego County Water Authority.

Water Reclamation Plan

Municipal Code Chapter 31, Article 6 establishes the policy that recycled water shall be used within the jurisdiction wherever its use is economically justified; financially and technically feasible; and consistent with legal requirements and with preservation of the environment and of public health, safety, and welfare. As appropriate, Article 6 designates the City to mandate construction of recycled water distribution systems or other facilities in new and existing developments for current or future recycled water use as a condition of any development approval or continued water service if future reclamation facilities could adequately serve the development.

Urban Water Management Plan

In 1983, the State Legislature enacted the Urban Water Management Planning Act (California Water Code Sections 10610–10656), which requires specified urban water suppliers within California to prepare an Urban Water Management Plan ("UWMP") and update it every five years. Urban water suppliers also must prepare such plans, pursuant to the Urban Water Management Planning Act, to be eligible for State funding and drought assistance. The City most recently updated its UWMP in 2015 using the best available data. The 2015 UWMP includes policies and projects from various divisions of the City's Utilities department and addresses the City's water supply sources, including recycled water, groundwater, surface water, water conservation activities, and projected water demands. The 2015 UWMP presents a comparison of projected water supplies to water demands during normal years, single dry water-years, and multiple dry water-years; provides the framework for long-term water planning within the City; and helps to support regional long-term planning.

1.3 Purpose and Objectives of a Climate Action Plan

The purpose of this CAP is to set future targets for the City to reduce GHG emissions, identify strategies and measures to achieve these targets, develop a framework to successfully implement these measures and monitor progress towards the reduction targets, and identify measures the City can take to adapt to future climate change impacts.

The purpose of this CAP is to reduce GHG emissions locally and adapt to climate change.

The City's 2013 CAP was adopted to support goals, policies, and actions presented in the City's General Plan. The 2013 CAP provided the City with recommended policies and actions that would assist in meeting state and federal reduction targets for GHG emissions, an implementation timeline, and a strategy for tracking and reporting progress towards reduction goals. An example of GHG emissions reducing actions adopted as a component of the 2013 CAP can be found in the City's Bicycle Master Plan.

Emission source categories evaluated in the 2013 CAP have been modified for this CAP to be consistent with the regional emissions categories identified in SANDAG's Regional Climate Action Planning Framework ("ReCAP"). The 2012 baseline year GHG emissions inventory reported in this CAP covers communitywide emissions sources in electricity, natural gas, on-road transportation, off-road transportation, solid waste, water, and wastewater. This CAP also provides communitywide GHG emission reduction targets, to be achieved through local measures implemented by public agencies, businesses, and residents.

The strategies and measures identified in this CAP were developed to meet the City's reduction targets and incorporate input from community members on important actions the City should take to combat climate change.

This CAP provides a comprehensive update to the City's 2013 CAP. Through the preparation of this CAP, the City has established a baseline emissions inventory year of 2012, consistent with best available regional data.

In order to reduce emissions and meet statewide targets, the CAP has established local reduction targets consistent with CARB's 2017 Scoping Plan. To support the achievement of statewide GHG reduction targets and reduce emissions locally, the CAP sets the following emission reductions targets using 2012 levels as a reference point:

- 4 percent below 2012 levels by 2020;
- 42 percent below 2012 levels by 2030; and,
- 52.5 percent below 2012 levels by 2035.

The CAP provides a summary of baseline GHG emissions and the potential growth in these emissions over time. A summary of the City's emissions inventory, emissions projections, and methodology for setting GHG reduction targets is discussed further in [Chapter 2](#). The strategies and measures that the City will implement to achieve these targets is discussed in [Chapter 3](#).

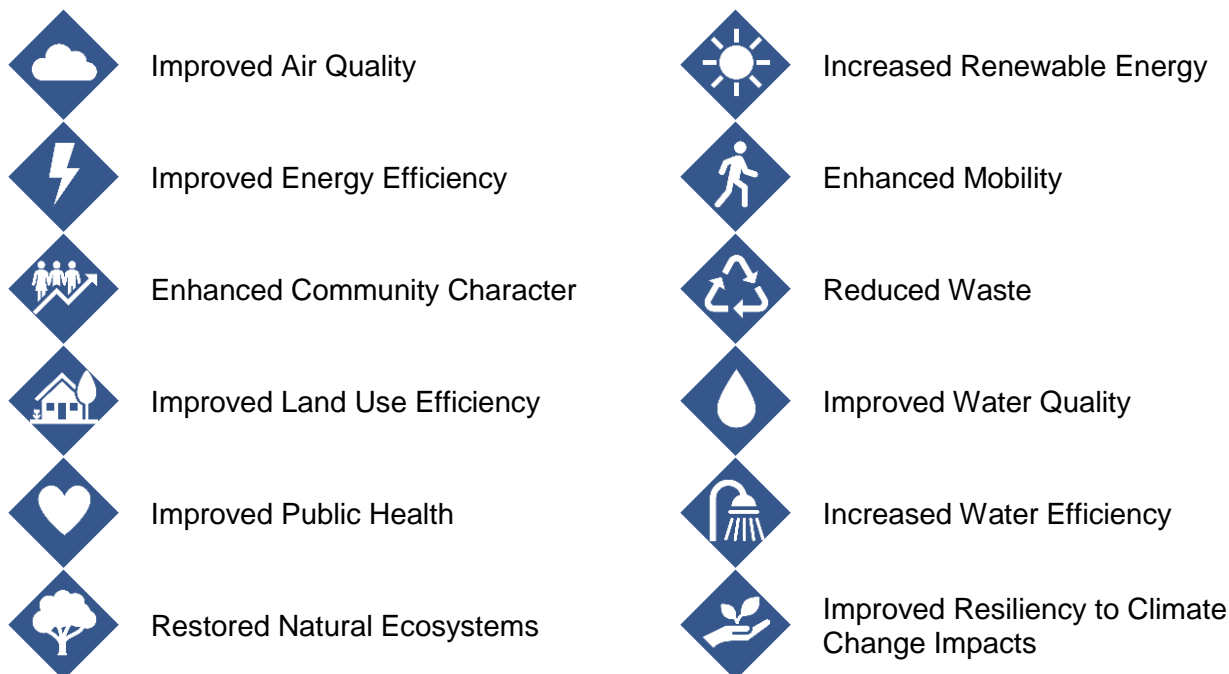
As part of CAP implementation, each strategy and measure should be continually assessed and monitored. Reporting on the status of implementation of these strategies, periodic updates to the GHG emissions inventory, and other monitoring activities will help ensure that the CAP is making progress towards the identified targets. More information on administering, implementing, and monitoring the CAP is included in [Chapter 4](#).

Climate change impacts are already occurring and projected to continue even as the City implements strategies and measures to reduce local GHG emissions. Climate change impacts have the potential for

a wide variety of impacts such as increased average temperatures, increased frequency of extreme weather events, and increased intensity of precipitation. The strategies the City will implement to adapt to climate change impacts are included in **Chapter 5**; however, it is important to note that the GHG emissions reduction measures listed in **Chapter 3** also identify ways to adapt to climate change. By including new cross-cutting priorities in both emissions reductions and adaptation to advance social equity and environmental justice, the chapter(s) also evaluates the ability of the City to build community capacity, address historical under-investment, and mitigate the disproportionate harm faced by the most vulnerable populations.

1.4 Co-Benefits

While the actions and supporting measures included in the CAP are generally geared towards reducing GHG emissions, many will also result in environmental or economic “co-benefits.” Environmental co-benefits include improvements to air quality, water supply, or biological resources, and improved public health outcomes. The strategies identified in **Chapter 3** of this CAP would provide a range of co-benefits within the city and region. Co-benefits associated with strategies in this CAP include:



In addition to these co-benefits, this CAP would provide other benefits to the City. This CAP allows the City to identify and implement GHG reduction strategies that are most advantageous to the City, while also promoting economic competitiveness. The CAP also demonstrates that the City is aligned with State targets for reducing GHG emissions and is consistent with the projections to meet reduction targets consistent with current mandates.

1.5 Community Action and Public Involvement

Community Action

At the local scale, individuals and businesses play an important role in combating climate change. By changing habits to reduce energy consumption, produce less waste, conserve water, and drive less, individuals and businesses can work towards reducing their carbon footprint. The combination of these small, individual efforts can lead to better outcomes for the environment and the community.

Effective and long-term climate action and resiliency in the City can only be achieved through efforts that continue to change the way individuals interact with the environment. This CAP serves as a resource to support long-term sustainability efforts and to ensure measure implementation and benefits are inclusive for all City residents.

Individual actions can play a big role in reducing local GHG emissions. Examples include, but are not limited to:

- Recycling and composting waste
- Driving less
- Conserving water
- Purchasing and consuming local products

Community Outreach Plan

The City was committed to hosting community outreach and engagement events providing residents, stakeholders, interested parties, and other agencies and/or individuals with the opportunity to participate in the climate action planning process in two phases. The goals of CAP outreach were to: (1) raise awareness of this CAP's development; (2) inform the public and other organizations about the CAP; (3) provide opportunities for input at the various steps of CAP development; and (4) provide opportunities to influence decision-making.

In preparation of the CAP, the City has prioritized public engagement and outreach to ensure that the CAP provides feasible, equitable, and implementable measures. To engage residents, businesses, and nonprofits, the City intended to follow outreach best practices by:

- Harnessing the networks and reach of existing community organizations such as local school districts, CAFE, Escondido Education COMPACT, and the Escondido Bike/Walk Committee;
- Going to where the people are (e.g., tables at community events or reserved time during existing Home Owner's Association ("HOA") and Neighborhood Association meetings);
- Creating multiple levels and forms of engagement; and
- Crafting creative methods to elicit input.

Through implementation of these best practices, the City developed a series of tools to help engage different parties, such as notification lists, CEQA notices, a dedicated project website, electronic mail notifications, press releases, and handouts. Additional outreach initiatives included establishing a CAP workgroup with City staff, hosting community workshops to engage the public in the planning process, hosting mobile community workshops at public events, informing Planning Commission and City Council through informational meetings, and scheduling Planning Commission and City Council public hearings.



Source: City of Escondido

Summary of Phase 1 Outreach

During the first phase of public involvement, there was a two-month public engagement period, and the City hosted multiple community outreach and engagement events to provide opportunities for residents, business owners, workers, and interested parties to participate in the climate action planning process. Throughout the ongoing outreach process, the City offered online engagement opportunities for all interested parties to provide feedback through surveys if unable to attend an outreach event. A summary of the hosted community outreach event is provided in **Table 1-2**. Other, less formalized, outreach events and activities were also conducted. A detailed summary of community input and involvement in the climate action planning process is included in **Appendix D**. In addition, a public committee was formed to discuss adaptation and social equity issues in the CAP.

Meeting Date	Location
May 8, 2018	Planning Commission presentation
June 20, 2018	City Council presentation
July 10, 2018	Planning Commission presentation
July 12, 2018	Presentation to Traffic Commission
July 19, 2018	Presentation to Historic Preservation Commission
July 26, 2018	Neighborhood Leadership Group Meeting
July 30, 2018	Public Workshop
August 28, 2018	Planning Commission presentation
October 25, 2018	Neighborhood Leadership Group Meeting

Notes: City = City of Escondido; SDG&E = San Diego Gas & Electric
Source: City of Escondido 2018

Workshop Summary

As a culmination of the CAP public engagement period, the City hosted a public workshop on July 30, 2018 at City Hall. The workshop was designed to inform residents, businesses, and community members about the CAP and gather community input on proposed CAP measures and climate change issues. Input was provided through a “dot” or “tally” exercise where attendees placed green sticker dots on measures they generally supported and red sticker dots on measures they generally did not support. Additional feedback was provided in written form through the “CAP Passport”, through which attendees provided additional details for measures they generally supported or did not support, and asked additional questions about measures that were not clear. In total, nearly 50 people provided input at this workshop, and additional responses to the CAP Passport were gathered online. The comments provided at the workshop and online were incorporated into this CAP. Examples of the station boards presented at this workshop and the CAP Passport are provided in **Appendix D**.



Source: City of Escondido

Summary of Phase 2 Outreach

After a far-reaching public outreach effort in 2018, significant progress was made to develop the draft CAP content. During the second phase of public outreach, the City focused more continuing to engage the public to both share how the public feedback provided in the first phase of outreach was used to develop the draft CAP; and to gain additional input. Phase 2 began on June 24, 2020, with the release of the draft CAP. Input on the draft CAP was solicited from the general public and stakeholders, mostly building off of previous efforts and existing networks. Detailed input was also provided by the Escondido Environmental Community Advisory Group. City staff also facilitated eight informational work sessions with the Planning Commission to integrate the commission directly into the steps of the decision making process and broaden project awareness and additional participation opportunities. After all input on the draft CAP was collected, reviewed, and considered, City staff made modifications to incorporate many of the comments. A revised draft CAP was prepared and circulated for additional public review and comment, with this step being advertised as an early release document prior to initiating the decision-making process. Phase 2 also consisted of formal public hearings with the Planning Commission and City Council.



Chapter 2
GREENHOUSE GAS EMISSIONS INVENTORY,
PROJECTIONS, AND TARGETS

Attachment 2

This chapter summarizes the City of Escondido’s (“City’s”) accounting of greenhouse gas (“GHG”) emissions from activities within the community and provides an introduction to the primary steps in developing a Climate Action Plan (“CAP”). The climate action planning process is composed of four main steps: identifying and estimating primary sources and annual levels of GHG emissions for a baseline year (i.e. baseline inventory); estimating likely trends and emissions projections in the absence of reduction measures (i.e. projections); setting emissions reduction goals over time to reduce contributions to climate change effects locally (i.e. targets); and determining actions the City can take to reduce emissions from communitywide activities to meet the reduction targets (i.e. reduction strategies and measures).

2.1 Purpose of the GHG Emissions Inventory

An emissions inventory provides a snapshot of the major sources of emissions in a single year, while also providing a baseline used to project emission trends. This inventory is used to inform what local actions are needed to reduce GHG emissions and to develop reduction targets that are consistent with State mandates. The GHG emissions inventory serves as the foundation for strategies and measures outlined in this CAP that the City will implement to reduce GHG emissions to meet its targets.

Assembly Bill (“AB”) 32, Senate Bill (“SB”) 32, and Executive Orders B-30-15 and S-3-05 set GHG emissions reduction goals for the State by using 1990 levels as a baseline year. Due to the absence of 1990 emissions data at the city level, an inventory was prepared for a 2012 baseline year, which represents the best available data. The 2012 baseline year included in this CAP was prepared consistent with the California Air Resource Board’s (“CARB’s”) guidance and the baseline year as the San Diego Association of Government’s (“SANDAG’s”) Series 13 Regional Growth Forecast.

The GHG emissions inventory baseline is used to:

- Identify major sources and quantities of GHG emissions from community activities;
- Provide an emissions baseline for forecasting and determining necessary reduction targets; and,
- Set a baseline to develop, evaluate, and implement strategies to meet reduction targets.

The City’s GHG inventory also provides a framework to track communitywide emissions over time, as the City will prepare updated GHG emissions inventories after the CAP is adopted. The City’s previous CAP, adopted in 2013, included a 2010 baseline. The 2012 inventory provides an update to the 2010 inventory and is included in [Appendix A](#). As part of future CAP updates and as data becomes available for more recent years, the City will prepare updated emissions inventories. These updated inventories can be compared to the 2012 inventory to track the City’s progress in CAP implementation.

2.2 GHG Inventory

A baseline inventory provides detailed accounting of the sources and quantities of GHG emissions generated from activities within the city. The inventory provides an estimate of communitywide emissions for a defined set of gases that contribute to climate change. The three primary GHGs quantified include: carbon dioxide (“CO₂”), methane (“CH₄”), and nitrous oxide (“N₂O”). Emissions of these gases are converted to a comparable unit by multiplying each non-CO₂ gas by their global warming potential (“GWP”), reporting emissions in terms of carbon dioxide equivalent (“CO₂e”). This conversion allows consideration of all gases in comparable terms and makes it easier to communicate how various sources and types of GHG emissions contribute to global climate change. A metric ton of CO₂e (“MTCO₂e”) is the standard measurement of the amount of GHG emissions produced and released into the atmosphere.

2013 CAP GHG Inventory

The *City of Escondido Climate Action Plan*, adopted in 2013 (“2013 CAP”), included a baseline inventory using 2010 communitywide and municipal activities. The 2010 inventory built on and reflected changes in methodology from a 2005 inventory, prepared prior to development of the 2013 CAP. The 2013 CAP set a target to reduce emissions to 15 percent below 2005 levels by 2020, to be consistent with the previous emissions inventory preparation and State requirements at the time.

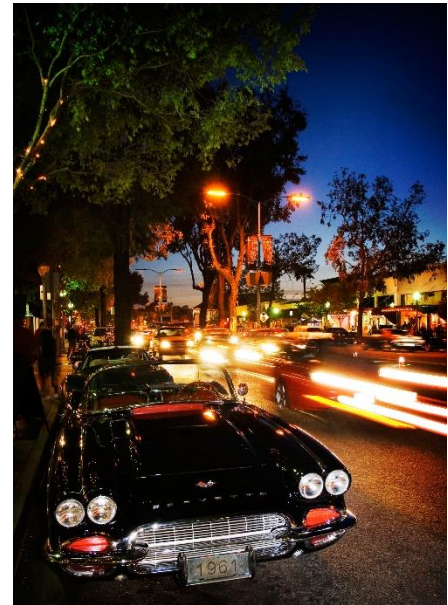
This CAP provides an update to the previous GHG emissions inventories. The previous inventory prepared was for baseline year 2010. This CAP includes a baseline inventory for 2012, based on the most up-to-date inventory methodology.

The 2010 baseline inventory in the 2013 CAP estimated citywide emissions in six categories: transportation (i.e. on-road vehicles); energy (i.e. electricity consumption and natural gas combustion); area sources (i.e. landscaping and wood burning); water (i.e. potable water conveyance and wastewater treatment); waste management (i.e. transfer of solid waste and decomposition at landfills); and construction. This baseline inventory was used to project future citywide emissions in 2020, the year for which the City’s reduction target was set, and 2035, representing the buildout year of the City’s General Plan. The GHG reduction measures identified in the 2013 CAP were estimated to reduce citywide GHG emissions by approximately 207,000 MTCO₂e in 2030, to 15 percent below 2005 emissions.

2020 CAP GHG Inventory

As described in the 2013 CAP, the City is committed to updating its GHG emissions inventory periodically to reflect changes in methodology and technology, and to set additional reduction targets based on updated State requirements. A 2012 baseline GHG emissions inventory was prepared for this CAP, for which the best available regionwide data was available.

The 2012 GHG inventory updates the emissions categories identified in the 2013 CAP to be consistent with SANDAG’s Regional Climate Action Planning Framework (“ReCAP”) and State guidance. The emissions categories identified in this CAP are: on-road transportation, electricity, natural gas, off-road transportation, solid waste, and water and wastewater. **Table 2-1** provides a description of emissions associated with each category (organized in order of total contribution to citywide GHG emissions) and the relationship between the categories identified in this CAP and categories defined in the 2013 CAP.



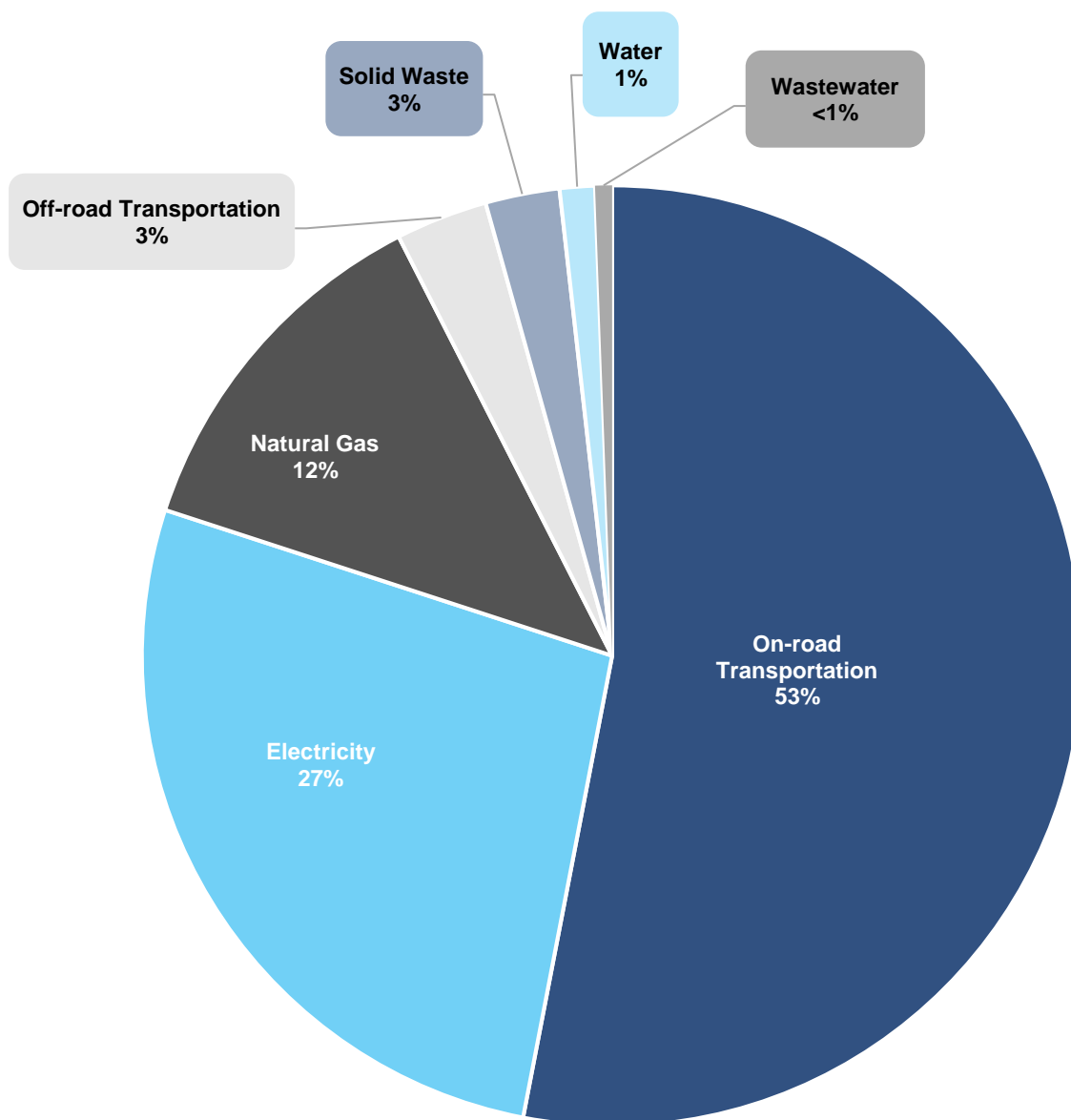
Source: City of Escondido

Emissions Category	Description	Relation to 2013 CAP Emissions Categories
On-Road Transportation	On-road transportation emissions associated with gasoline and diesel consumption from motor vehicles on local and regional roadways.	On-road vehicles account for all emissions in the 2013 CAP “Transportation” category.
Electricity	Building energy use emissions associated with electricity use in residential and non-residential buildings.	Electricity was included as a subcategory of “Energy” emissions.
Natural Gas	Building energy use emissions associated with combustion of natural gas in residential and non-residential buildings.	Natural gas was included as a subcategory of “Energy” emissions.
Solid Waste	Waste emissions associated with waste generated by residents and businesses of the city and disposal of mixed and organic waste in landfills.	No change from the “Solid Waste” category.
Off-Road Transportation	Off-road transportation emissions associated with gasoline and diesel fuel use from recreational vehicles, construction equipment, and residential and commercial equipment.	“Construction” emissions, a separate category in the 2013 CAP, are included in this off-road transportation category.
Water	Emissions associated with the water supplied, conveyed, treated, and distributed to residents and businesses within the city.	Water was included as a subcategory of “Water and Wastewater” emissions.
Wastewater	Wastewater treatment fugitive and process emissions consisting of GHGs from combustion of anaerobic digester gas and operational fossil fuels.	Wastewater was included as a subcategory of “Water and Wastewater” emissions.

Notes: City = City of Escondido; GHG = Greenhouse Gas
 Source: EPIC 2018

The 2012 GHG inventory, prepared by the University of San Diego’s Energy Policy Initiatives Center (“EPIC”), estimated that community activities within the City generated approximately 943,000 MTCO₂e in 2012. Emissions from on-road transportation account for the greatest contribution to citywide emissions. This category, which includes emissions from vehicular gasoline and diesel consumption, was calculated based on estimated vehicle miles traveled (“VMT”) for vehicles traveling within and to/from the city and accounted for approximately 53 percent of citywide emissions in 2012. Electricity and natural gas emissions, collectively referred to as the “energy” category, are the second largest contributors with 27 and 12 percent of total emissions in 2012, respectively. Emissions from off-road transportation, solid waste, water, and wastewater each accounted for no greater than three percent of the city’s 2012 baseline emissions. The City’s 2012 baseline emissions by category are shown in **Figure 2-1**.

Citywide activities in 2012 generated approximately 943,000 MTCO₂e. This is equal the weight of nearly 350 million rainbow trout caught at Dixon Lake.



Source: EPIC 2018.

Figure 2-1 City of Escondido 2012 GHG Emissions

Additional details related to the specific emission categories, data sources, assumptions, and methodologies can be found in **Appendix A**. A summary of the City’s estimated emissions in 2012 by category is provided in **Table 2-2**.

Emissions Category	MTCO₂e	Percent (%)
On-road Transportation	498,000	53
Electricity	256,000	27
Natural Gas	118,000	12
Off-road Transportation	30,000	3
Solid Waste	24,000	3
Water	11,000	1
Wastewater	6,000	<1
Total	943,000	100

Notes: Columns may not add to totals due to rounding.
MTCO₂e = metric tons of carbon dioxide equivalent
Source: EPIC 2018.

The City’s emissions in 2012, 943,000 MTCO₂e, are equivalent to combusting over 106 million gallons of gasoline, or the total combustion from 200,000 passenger vehicles driving continuously for one year. It would require approximately 1.2 million acres of U.S. forests to sequester the MTCO₂e emitted in the city in one year (U.S. EPA 2020).

2.3 Emissions Projections

GHG emissions projections provide an estimate of future levels based on a continuation of current trends in activity, while also accounting for known regulatory actions by federal and State agencies (i.e., “legislative” actions) that can reduce emissions in the future. GHG emissions projections provide insights into the scale of local reductions needed to achieve GHG emission reduction targets.

This CAP uses two projections, referred to as the “business-as-usual” (“BAU”) and Legislatively-Adjusted BAU scenarios. Both the BAU and Legislatively-Adjusted BAU assume that population, employment, and transportation activity will grow over time, consistent with estimates in the SANDAG Regional Growth



Source: City of Escondido

Forecast. The BAU projection is based on a continuation of current trends in activity, assuming that no additional efforts or legislative actions beyond what have already been adopted will be made to reduce GHG emissions in the future.

Legislatively-Adjusted BAU projections provide a reduction from BAU projections, accounting for federal and State actions that are expected to take place in the future.

Details on how the projections were developed and the activity data used to forecast emissions in each emissions category can be found in [Appendices A and B](#).

Demographic Trends

GHG emission projections were estimated for 2020, 2030, and 2035 using city-specific demographic and transportation activity projections. The SANDAG Series 13 Regional Growth Forecast was used to estimate transportation activity in the City in the form of VMT. At the time of developing and estimating emissions forecasts, the SANDAG Series 13 Regional Growth Forecast represents the best population, employment, and VMT forecasts available at the city-level, based on 2012 baseline data.

In general, the City is anticipated to experience modest growth by 2020, 2030, and 2035. Based on the data used by EPIC, the City's population is expected to increase by 13 percent by 2020, 17 percent by 2030, and 18 percent by 2035, compared to the 2012 baseline levels. Furthermore, employment is expected to increase by 9 percent by 2020, 14 percent by 2030, and 18 percent by 2035 from 2012 levels. The BAU emissions projections assume activities within the city would continue producing GHG emissions at a similar rate and that these projected demographic trends would continue. Further details on the underlying data used for emissions projections can be found in [Appendix A](#).



Source: City of Escondido

Business-as-Usual Projections

Comprehensive GHG emissions projections are developed under a BAU scenario, which assumes the continuation of conventional behaviors without the inclusion of any additional efforts or legislative actions beyond what has already been adopted at the time of the baseline year (i.e., 2012). Therefore, federal, State, and local policies, programs, and regulations designed to take effect in future years, as well as the associated GHG reductions, are not considered.

Citywide GHG emissions projections in 2020 indicate that the City has an overall reduction in annual GHG emissions since 2012, as shown in [Table 2-3](#). This observed decrease in BAU emissions is likely due to a combination of State and local actions that result in fewer emissions, including use of improved regionwide renewable energy portfolios, decreased residential and commercial water usage, improved vehicle standards and turnover of vehicle fleets, and implementation of the 2013 CAP. The City's GHG emissions would slowly increase under BAU conditions from 2020 until 2035, as a result of growth in population and employment.

Business-as-usual projections assume City operations, residents, and businesses would continue operating and acting as they do today. These projections do not account for any changes in existing activities that would reduce GHG emissions.

Legislatively-Adjusted Reductions

The Legislatively-Adjusted BAU scenario accounts for a variety of approved legislative actions that will further reduce BAU emissions from the City by: 1) estimating the impacts of these actions on the various GHG emissions categories in the CAP; and 2) adjusting emissions levels accordingly. While these projections include federal and State actions, they do not include local government actions, such as the implementation of measures identified in this CAP. The legislative actions applied to estimate this scenario include:



Source: City of Escondido

- **Federal and State Vehicle Efficiency Standards:** Federal and State agencies have set tailpipe emissions standards through 2025 (in place at the time emissions projections were prepared in 2018), including the California Zero Emissions Vehicle Program.¹
- **California Renewables Portfolio Standards:** Utilities operating in California are required to meet power mix targets to include increasing percentages of renewable energy. As required by the State’s Renewables Portfolio Standard (“RPS”), San Diego Gas & Electric’s (“SDG&E’s”) power mix would include at least 60 percent renewables by 2030.
- **California Energy Efficiency Programs:** The California Public Utilities Commission (“CPUC”) sets energy efficiency targets for utilities companies in the state, including SDG&E. Utilities achieve these targets through, but are not limited to, rebate programs and updates to codes and standards.
- **California Solar Policies and Programs:** The State has several policies and programs to encourage customer-owned, behind-the-meter photovoltaics (“PV”), including the California Solar Initiative, New Solar Home Partnership, Net Energy Metering, and updated Building Efficiency Standards.

The Legislatively-Adjusted BAU emissions, presented in **Table 2-3**, include all legislative actions provided above. With the application of these legislative actions in the city, the projected citywide emissions would continue to decrease through 2035. Based on these projections, the City’s emissions would be 16 percent below 2012 levels in 2020, 37 percent below 2012 levels in 2030, and 40 percent below 2012 levels in 2035.

Legislative actions account for federal and State regulations that will primarily result in GHG reductions in the transportation and energy sectors.

¹ In November 2019, the U.S. EPA issued the final rule for Part 1 of the Safer Affordable Fuel-Efficient Vehicle Rule (“SAFE Rule”). Part 2 of the SAFE Rule was finalized in March 2020 and sets revised federal Corporate Average Fuel Efficiency standards to replace California’s Advanced Clean Cars program. During the preparation of this CAP, these new standards have not taken effect.

Table 2-3 City of Escondido Emissions Projections (MTCO_{2e})

Emissions Category	2012	2020		2030		2035	
		BAU	Legislatively -Adjusted BAU	BAU	Legislatively -Adjusted BAU	BAU	Legislatively -Adjusted BAU
On-road Transportation	498,000	445,000	430,000	425,000	337,000	427,000	323,000
Electricity	256,000	187,000	163,000	196,000	52,000	199,000	34,000
Natural Gas	118,000	126,000	123,000	131,000	129,000	133,000	131,000
Off-road Transportation	24,000	26,000	26,000	32,000	32,000	33,000	33,000
Solid Waste	30,000	30,000	30,000	31,000	31,000	31,000	31,000
Water	11,000	11,000	11,000	12,000	11,000	12,000	12,000
Wastewater	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Total	943,000	831,000	789,000	833,000	598,000	841,000	570,000
<i>Percent change from 2012</i>	-	-12%	-16%	-12%	-37%	-11%	-40%

Notes: Columns may not add to totals due to rounding.

BAU = business as usual; GHG = greenhouse gas emissions; MTCO_{2e} = metric tons of carbon dioxide equivalent

Source: EPIC 2018, EPIC 2020.

In August 2019, the U.S. Environmental Protection Agency (“EPA”) and National Highway Traffic Safety Administration (“NHTSA”) jointly published a notice of proposed rulemaking for Part One of the Safer Affordable Fuel-Efficient Vehicle Rule (“SAFE Rule”). The SAFE Rule proposed new and amended CO₂, Corporate Average Fuel Economy (“CAFE”), and GHG emissions standards for passenger cars and light trucks. Further, Part One of this rule proposed to withdraw the State of California’s waiver, afforded under the Clean Air Act (“CAA”) to set GHG and zero-emission vehicle (“ZEV”) standards separate from the federal government. Part One of the SAFE Rule became effective in November 2019. CARB has provided adjustment factors for pollutants, including NO₂, PM₁₀ and PM_{2.5}, and CO, from light-duty vehicle exhaust to account for Part One of the SAFE Rule. However, corresponding adjustment factors for GHG emissions are not available at this time. In March 2020, EPA and NHTSA announced Part Two of the SAFE Rule, which would set amended fuel economy and CO₂ standards for passenger cars and light trucks for model years 2021-2026. Part Two would become effective 60 days after publication in the Federal Register. The impact of Parts One and Two of the SAFE Rule on GHG emissions factors in California has not been quantified by CARB in the Emissions Factor model (“EMFAC”) or related modeling tools. These modeling tools would need to be amended, or corresponding adjustment factors published, to quantitatively assess the impact on City GHG emissions. Therefore, the quantitative methodology used to project Legislatively-Adjusted BAU emissions in this CAP does not include the impact of the SAFE Rule. At the time of this writing, the methodology represents current guidance and best available data from CARB. As more information becomes available from regulatory agencies, the City will continue to monitor the impact of the SAFE Rule, as discussed further in [Chapter 4](#).

2.4 Reduction Targets

This CAP focuses on reducing emissions by 2020 and 2030 to be consistent with the legislative State targets, and reducing emissions by 2035 to demonstrate the recommended trajectory to meet the State’s 2050 goal. CARB’s *California’s 2017 Climate Change Scoping Plan* (“2017 Scoping Plan”) provides a pathway to achieving State targets as directed in AB 32, SB 32, and Executive Orders B-30-15 and S-3-

05. These targets are consistent with prevailing climate science and the state’s role in stabilizing global warming below dangerous thresholds. These goals aim to reduce statewide emissions to:

- 1990 levels by 2020;
- 40 percent below 1990 levels by 2030; and
- 80 percent below 1990 levels by 2050.

To determine an equivalent reduction target at the local level, the 2017 Scoping Plan recommends communitywide GHG reduction goals for local climate action plans that will help the State achieve its 2030 target and 2050 goal (80 percent below 1990 levels). CARB recommends that local governments evaluate and adopt robust and quantitative locally-appropriate goals that align with the State’s sustainable development objectives. Estimating equivalent reductions needed from the 2012 GHG inventory, the City will aim to reduce emissions to:

- 4 percent below 2012 levels by 2020;
- 42 percent below 2012 levels by 2030; and
- 52 percent below 2012 levels by 2035.

The City’s 2020 goal to reduce emissions to four percent below 2012 levels is equivalent to 907,000 MTCO_{2e} per year. As shown previously in [Table 2-3](#), the City’s projected BAU emissions in 2020 would be below this target level. Achievement of this target is largely the result of existing State measures and the City’s implementation of the 2013 CAP.

To meet reduction targets, the City will need to reduce emissions to:

- 907,000 MTCO_{2e} in 2020
- 547,000 MTCO_{2e} in 2030
- 456,000 MTCO_{2e} in 2035.

The City’s 2030 target is based on State requirements and requires emissions to be reduced to 547,000 MTCO_{2e} in 2030. The City has set its 2035 target based upon the trajectory necessary to meet the statewide 2050 goal and requires citywide emissions to be reduced to 456,000 MTCO_{2e} in 2035. A summary of the method used to develop these targets is provided in [Appendix B](#).

2.5 Local Emissions Gap

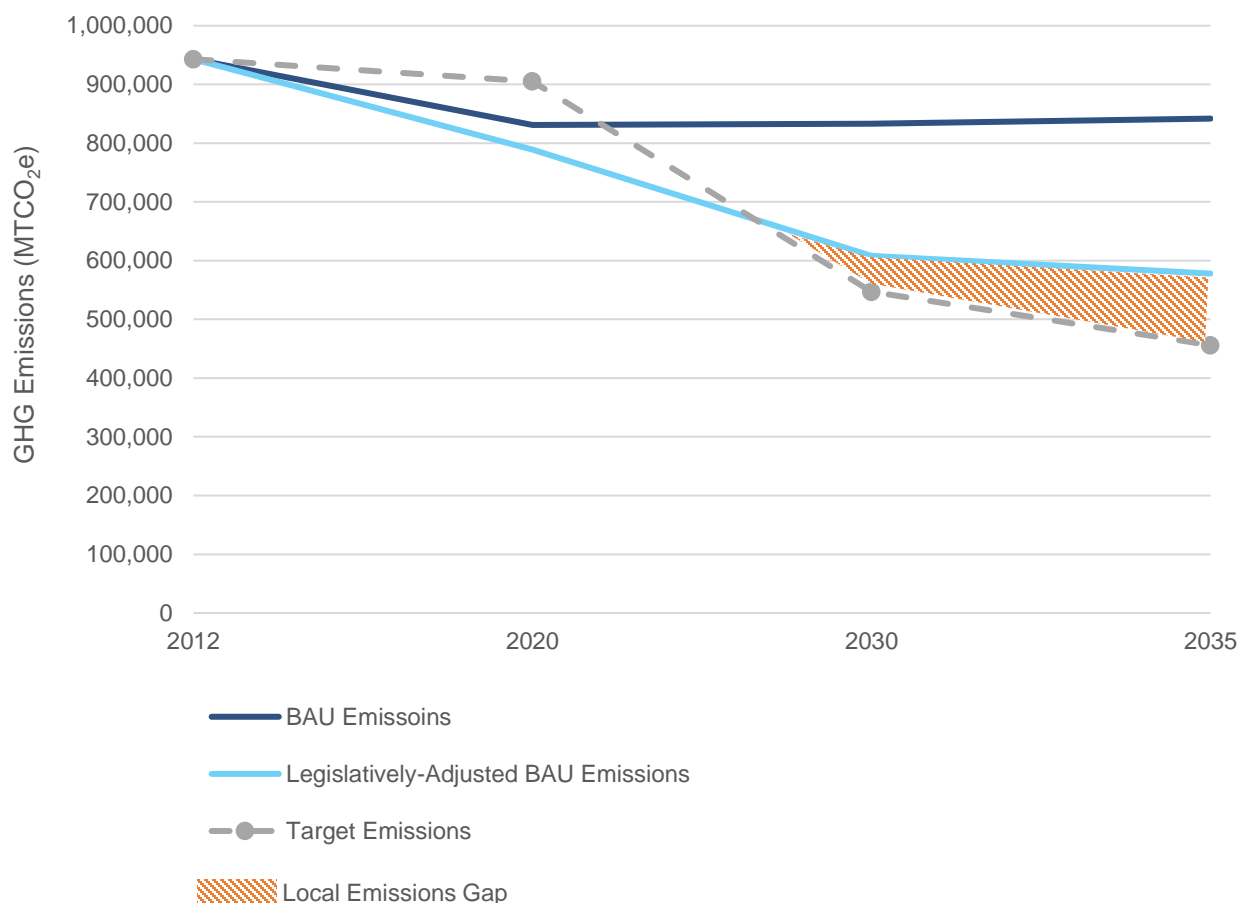
While existing activities would be adequate to meet the City’s 2020 target, these activities, along with federal and State legislative actions, would not meet the City’s 2030 and 2035 GHG reduction targets. As shown in [Figure 2-2](#), with the Legislatively-Adjusted BAU, the City’s 2030 emissions under were estimated to be 598,000 MTCO_{2e}, or approximately 51,000 MTCO_{2e} higher than the City’s 2030 target. The City’s 2035 emissions under the Legislatively-Adjusted BAU were estimated to be 570,000 MTCO_{2e}, or approximately 114,000 MTCO_{2e} higher than the City’s 2035 target. This additional reduction is referred to as the “local emissions gap.” To close this gap, the City would need to implement actions that would reduce approximately 51,000 MTCO_{2e} in 2030 and 114,000 MTCO_{2e} in 2035. A detailed description of the calculations and estimates for these emissions projections, targets, and reductions is provided in [Appendix B](#).

California’s GHG reduction targets have been legislatively adopted for 2030 and 2035, while the 2050 goal is expressed in an executive order. While it is important to create a long-term emissions reduction goal, it would be speculative to demonstrate achievement of a goal for 2050 with the information known today. CARB’s Scoping Plan Update focuses on meeting the 2030 reduction target, as directed in SB 32. Therefore, the CAP aligns with the State in proposing measures to meet the 2030 target, and has set a 2035 target based upon the trajectory for meeting the State’s 2050 reductions. As climate change science and policy continues to advance, the City will be able to apply new reductions toward meeting a long-term 2050 GHG emissions reduction goal in future CAP updates, as outlined in **Chapter 4**. Over the coming decades, GHG reductions may come from:

This CAP identifies strategies and measures that would reduce citywide GHG emissions by at least:

- [placeholder] MTCO_{2e} by 2030, and
- [placeholder] MTCO_{2e}/ by 2035

- new innovations and technologies likely to become available in the future
- new methods to quantify measures that are currently unquantifiable
- new State and federal regulations that further reduce emissions in categories currently addressed primarily by local actions and supporting measures.



Source: EPIC 2020.

Figure 2-2 City of Escondido GHG Emissions Forecasts and Targets

It is important to note that should state and federal laws in effect or planned to reduce GHG emissions be reversed, fail to pass, or be incorrectly implemented, then those planned reductions in GHG emissions

will not occur or at the same extent as intended. For example, the City of Escondido would not achieve the same total GHG emissions reductions from state or federal intervention.

It should also be noted that residents, businesses, and organizations make choices daily that produce GHG emissions that may be beyond the influence of the City and the CAP. While the measures identified in the CAP are focused on the City's GHG emissions inventory, individual residents or businesses should not feel limited to measures outlined in the CAP; members of the community can make a number of climate-friendly choices, such as buying locally-grown foods and locally-manufactured products. These actions are not specifically listed in the CAP but further reduce energy use and the local carbon footprint and contribute to helping reverse climate change trends on a global scale.



Chapter 3

GREENHOUSE GAS REDUCTION STRATEGIES
AND MEASURES

Attachment 2

This chapter outlines strategies and specific measures to be implemented by the City of Escondido (“City”) to achieve its greenhouse gas (“GHG”) reduction targets over the coming decades. As a complement to legislative actions taken by the State and federal governments, each strategy and measure focuses on local actions developed to reduce emissions and close the City’s local emissions gap. The City envisions carbon neutrality by 2045, however this is not set forth herein as a CAP GHG emissions target.

The strategies and measures included in this Climate Action Plan (“CAP”) focus on actions taken to reduce GHG emissions at City-managed facilities, at new and existing developments, and through City-led planning activities. Implementation of these strategies and measures will depend on participation of and partnerships with and among residents, businesses, and other organizations. In addition, the CAP includes a focus to address social equity in the implementation of the measures. The strategies and measures identified in this CAP build on the measures included in the City’s previous CAP, adopted in 2013, and policies and programs included in the City’s General Plan.

The local strategies and measures were developed to reduce approximately [placeholder] MTCO_{2e} in 2030 and [placeholder] MTCO_{2e} in 2035.

Though the primary purpose of these strategies and measures is to reduce GHG emissions, they will also result in additional co-benefits. These co-benefits, briefly discussed in **Chapter 1**, include benefits beyond GHG reductions that would occur through implementation, such as improved environmental quality, improved health outcomes, enhanced community character, address historic underinvestment, and improved resilience to climate change impacts. An overarching goal and co-benefit through investment strategies in the plan is to enable local job opportunities. Implementation of the strategies and measures in this chapter would be adequate to meet the City’s reduction targets in 2030 and 2035. However, since the City is already experiencing the effects of climate change, this CAP includes multiple measures to adapt to climate change impacts, discussed in **Chapter 5**.

3.1 Greenhouse Gas Reduction Strategies

GHG reduction strategies are essential to the climate action planning process, as they lay the framework for meeting GHG emission reduction targets. The GHG reduction strategies outlined in this CAP utilize 2012 as the baseline year for measure implementation and progress. As discussed in **Chapter 2**, the City is anticipated to meet its 2020 reduction target under business-as-usual (“BAU”) conditions. As the City continues to grow under a BAU scenario and State and federal legislative actions take effect, the City’s emissions would decrease over time but would not be adequate to meet the 2030 or 2035 reduction targets. It is the responsibility of the City to develop local GHG reduction strategies to further reduce citywide GHG emissions to meet these targets.



Source: City of Escondido

The strategies and measures proposed in this CAP provide a pathway beyond State and federal legislative actions for new and existing development and activities in the City to reduce GHG emissions and meet the City’s 2030 and 2035 targets. Implementation of these strategies and measures proposed demonstrate progress towards supporting the State’s 2050 GHG emissions reduction goal.

In developing the strategies and measures in this CAP, City staff reviewed the measures included in the 2013 CAP, identified the potential for future projects in the City, and gathered input from residents, business owners, community organizations, and the Environmental Community Advisory Group. Successful measures from the 2013 CAP were incorporated into the strategies and measures proposed in this CAP. As discussed in [Chapter 2](#), the emissions categories included in this CAP are consistent those outlined in the San Diego Association of Government’s (“SANDAG’s”) Regional Climate Action Planning Framework (“ReCAP”). A summary of the relationship between the measures included in this CAP and those included in the 2013 CAP is provided in [Appendix C](#). A majority of the 2013 CAP measures were incorporated into new measures in this CAP.

The City hosted public workshops for residents, business owners, and community leaders where they were able to provide input and feedback on proposed measures. Input from these workshops was used to further define measures and identify measure goals. These outreach efforts are briefly described in [Chapter 1](#) and discussed in further detail in [Appendix D](#).

The City values social equity and environmental justice for vulnerable communities in investment strategies that will reduce GHG emissions and assure co-benefits for residents in low-income and vulnerable neighborhoods. The CAP prioritizes investment, enforceable goals, and specific actions related to energy efficiency, clean energy, restoration, urban greening, community gardens, shade trees, transit, etc. to promote neighborhood improvement, social equity, and environmental justice.

3.2 Greenhouse Gas Emissions Reduction Summary

If community emissions in the City were to continue to grow under BAU conditions, the City is anticipated to generate 833,000 metric tons of carbon dioxide equivalent (“MTCO₂e”) in 2030 and 842,000 MTCO₂e in 2035. While State and federal actions would further reduce emissions in 2030 and 2035, the City would still need to reduce emissions by 51,000 MTCO₂e in 2030 and 114,000 MTCO₂e in 2035 to meet its reduction targets. [Table 3-1](#) shows the GHG reductions attributable to legislative actions and the measures in this CAP, as well as how anticipated reductions would help the City meet its 2030 and 2035 reduction targets. Further description of the methodology and calculations used to estimate emissions is provided in [Appendix B](#).

Table 3-1 Greenhouse Gas Emissions Reductions from Business-as-Usual Conditions		
Emissions Projection/Category	2030 Emissions (MTCO ₂ e)	2035 Emissions (MTCO ₂ e)
BAU Emissions Projection	833,000	842,000
Reductions from Federal and State Actions	235,000	272,000
Legislatively-Adjusted BAU Emissions Projection (BAU Projection – Federal and State Action Reductions)	598,000	570,000
Target Emissions	547,000	456,000
Total Reductions from CAP Measures	[placeholder]	[placeholder]
Reductions from CAP Transportation Measures	[placeholder]	[placeholder]
Reductions from CAP Energy Measures	46,000	35,000
Reductions from CAP Water Measures	4,000	4,000
Reductions from CAP Waste Measures	23,000	27,000
Reductions from CAP Carbon Sequestration and Land Conservation Measures	1,000	1,000

City Emissions with CAP (Legislatively-Adjusted BAU – CAP Reductions)

[placeholder]

[placeholder]

Notes: Numbers are rounded to the nearest thousand; values and totals may not equal the values summed in other tables or figures. BAU = business as usual; CAP = Climate Action Plan; City = City of Escondido; MTCO₂e = metric tons of carbon dioxide equivalent Source: EPIC 2020.

3.3 Reduction Strategies and Measures

In order to close the gap between the City’s Legislatively-Adjusted BAU emissions projections and the 2030 and 2035 emission reduction targets, the CAP proposes nine GHG reduction strategies with 31 GHG emission reduction measures, developed based on a combination of factors, including:

The City will reduce GHG emissions through implementation of 31 GHG-reducing measures, organized under nine reduction strategies.

- the feasibility of the measure to be implemented by the City;
- existing policies, actions, or programs that can be expanded;
- proposed policies and plans yet to be adopted;
- feedback from community members and other stakeholders; and
- review of measures included in the 2013 CAP.

Each reduction strategy consists of measures, target year, performance metrics, and GHG reduction potential. Strategies also include supporting actions that will assist in achieving each strategy’s performance metric(s) but are not quantifiable and, therefore, not applied towards meeting the City’s GHG reduction targets. These terms are further defined below, and additional GHG reduction calculation details are included in **Appendix B**.

Strategy: A strategy is a high-level plan the City will implement to achieve GHG reductions in each category of the GHG inventory. Each category may have one or more associated strategies. This CAP includes nine overall strategies.

Measure: A measure is a program, policy, or project the City will implement that will cause a direct and measurable reduction in GHG emissions.

Performance Metric: Each measure has a performance metric that serves as the goal by which achievement will be measured in target years. Performance metrics identified in this CAP provide timeframes for implementation of specific activities and identify target years for implementation to track progress towards measure implementation.

GHG Reduction Potential: The GHG reduction potential represents the estimated reduction in GHG emissions from a specific measure, if its performance metric is met. All GHG reduction potential values are shown in terms of MTCO₂e reduced in the 2030 and 2035 target years, selected based on State reduction goals and the City’s General Plan horizon. Because the City



Source: City of Escondido

is anticipated to achieve its 2020 target under BAU conditions, the GHG reduction potential is presented only for 2030 and 2035. Most, but not all, performance metrics have an associated GHG reduction potential. Certain performance metric activities would not directly result in GHG reductions in that year but may facilitate implementation of an action that reduces GHGs in target years.

Supporting Actions: Supporting actions are additional activities that are currently occurring or will occur within the community that may support implementation of the identified strategy and measures.

Co-Benefits: Co-benefits are the additional beneficial outcomes that would occur through the implementation of a GHG reduction strategy. Co-benefits associated with the implementation of the CAP strategies include: improved air quality, improved energy efficiency, enhanced community character, improved land use efficiency, improved public health, improved natural ecosystems, increased renewable energy, enhanced mobility, reduced waste, improved water quality, improved water efficiency, and improved resiliency to climate change impacts.

Where applicable, GHG reduction measures will be targeted and prioritized for funding and implementation in priority investment neighborhoods. These are measures that will improve quality of life, housing stock, health, and quality of life for residents in vulnerable neighborhoods. The priority neighborhoods are those which have been recommended in **Appendix F** based on a ranking in CalEnviroScreen which considers multiple factors in ranking risk and vulnerability. Furthermore, the goal is for the City to facilitate, wherever/however possible, equitable access to the green economy, especially for communities traditionally left out of those opportunities. This seeks to be done through local hiring, minority outreach and training programs, education and outreach to communities of concern, supplier diversity on CAP implementation projects, etc.

Transportation Emissions Category

Transportation is a significant contributor to GHG emissions in the City, accounting for 53 percent of total emissions in 2012. Transportation emissions include emissions from both internal combustion engines of on-road (e.g., passenger vehicles) and off-road (e.g., construction equipment, residential and commercial equipment, and recreational vehicles) sources. Improvements in State and federal vehicle fuel efficiency standards will contribute to reducing transportation emissions by requiring the development of cleaner vehicle fleets. At the local level, the State relies on cities to implement strategies that would reduce the frequency or distance of vehicle travel, reduce the amount of fossil fuels used, and/or reduce the use of internal combustion vehicles by shifting to electric vehicles or alternative modes of transportation (e.g., transit, bicycling). The strategies that will be implemented at the local level include increasing zero-emission or alternative fuel vehicle use, increasing transportation system efficiency for existing and future travel patterns, and increasing the use of alternative travel modes.

Strategy 1: Increase the Use of Zero-Emission or Alternative Fuel Vehicles

This strategy would achieve GHG emissions reductions by reducing the use of gasoline or diesel-powered vehicles and equipment and transitioning to electric or zero-emissions vehicles for residents, workers, and the City’s municipal fleet. Reductions from this strategy would occur through municipal projects and development requirements, and partnerships with local businesses and developers. The four measures included under this strategy are estimated to reduce the City’s emissions by approximately 4,000 MTCO_{2e} in 2030 and 7,000 MTCO_{2e} in 2035. **Table 3-2** provides the measures, performance metrics, and supporting actions associated with this strategy.



Table 3-2 Increase the Use of Zero-Emission or Alternative Fuel Vehicles

Measure T-1.1: Transition to a Clean and More Fuel-Efficient Municipal Fleet.

Increase the number of PHEVs in the City’s municipal vehicle fleet and install EV charging stations at the City’s Police and Fire Headquarters to support the vehicle charging needs of current City-owned EVs and PHEVs, and future PHEVs.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2021	Adopt a procurement policy for converting all municipal vehicle fleet to EVs and PHEV’s.	-
2030	Add 11 new EVs and PHEVs to the City fleet by 2030.	33
	Install 30 EV Charging stations at the Police and Fire Headquarters by 2030.	
2035	Maintain 30 EV charging stations and 11 EVs and PHEVs in the municipal fleet in 2035.	33

Measure T-1.2: Install Electric Vehicle Charging Stations at Park and Ride Lots.

Install Level 2 or better EV charging stations at Park and Ride lots in the City that are available to ride-share commuters and/or transit riders.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Install 181 EV charging stations in Park and Ride lots by 2030.	463
2035	Install 281 EV charging stations in Park and Ride lots by 2035.	737

Measure T-1.3: Adopt an Ordinance to Require Electric Vehicle Charging Stations in Developments.

Adopt an ordinance, effective in 2023, that requires Level 2 or better EV charging stations to be installed in a minimum of 10 percent of total parking spaces provided in new multi-family and new and existing commercial developments.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2022	Adopt an ordinance requiring EV charging station installation in new multi-family and new commercial developments.	-

Year	Measure	GHG Reduction Potential (MTCO _{2e})
2023	Adopt an ordinance that requires the installation of EV charging stations in existing, larger commercial developments (consisting of 100 spaces or more).	-
2025	Establish a “Clean Energy Equity Plan” to improve equitable access to clean and sustainable energy in priority investment neighborhoods (“PINs”) to increase EV ownership, EV car-sharing, installation of EV chargers in existing multi-family projects, etc.	-
2030	Install 531 EV charging stations in multi-family and commercial developments by 2030.	3,513
2035	Install 802 EV charging stations in multi-family and commercial developments by 2035.	5,732

Measure T-1.4: Require Electric Vehicle Charging Stations at New Model Home Developments.

Adopt an ordinance, effective in 2021, requiring new developments to encourage EV charging station installation in new homes by:

- Installing at least one EV charging station (wall mount or pedestal) in new single-family model homes and multi-family model homes with private garages (e.g. townhouse);
- Including EV charging stations as an add-on option at no cost to new homebuyers in new home subdivisions; and
- Working with the City to waive permitting and installation fees for EV charging stations in these subdivisions.

The City should consider incentives to offset participant costs of the measure’s implementation. The detail and scope of the incentives should be discussed at the time of the ordinance’s adoption.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2021	Adopt an ordinance requiring EV charging station installation in new single-family homes and townhouses.	-
2030	Install 200 EV charging stations in new single-family homes and townhouses by 2030.	339
2035	Install 300 EV charging stations in new single-family homes and townhouses by 2035.	520

Supporting Actions:

- Identify and secure funding (e.g., through the San Diego Regional Clean Cities Coalition, CARB, CEC, and/or CSE) to purchase/lease low- and zero-emissions fleet vehicles and equipment.
- Identify grants and incentives and educate developers about how to take advantage of available programs.

Notes: CARB = California Air Resources Board; CEC = California Energy Commission; City = City of Escondido; CSE = Center for Sustainable Energy; EV = electric vehicle; GHG = greenhouse gas; MTCO_{2e} = metric tons of carbon dioxide equivalent; PHEV = Plug-in hybrid electric vehicle

Source: EPIC 2020.

Strategy 2: Reduce Fossil Fuel Use

Fossil fuel use can be reduced by developing an efficient transportation network that improves traffic flow and by increasing the use of alternative fueled construction equipment. Under this strategy, GHG emissions reductions would be achieved through interagency collaboration to install transportation network improvements in City rights-of-way and working with fleet suppliers to phase out less fuel-efficient equipment. The three measures under this strategy would reduce the City’s GHG emissions from fossil fuel use by approximately [placeholder] MTCO_{2e} in 2030 and [placeholder] MTCO_{2e} in 2035. **Table 3-3** provides the framework for this strategy and the supporting actions that promote more fuel-efficient driving approaches.



Table 3-3 Reduce Fossil Fuel Use

Measure T-2.1: Synchronize Traffic Signals.

Synchronize traffic signals at City-maintained intersections to reduce vehicle fuel use through more efficient vehicle movement and reduced idling.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Synchronize traffic signals at 23 City-maintained intersections by 2030.	289
2035	Synchronize traffic signals at 35 City-maintained intersections by 2035.	408

Measure T-2.2: Install Roundabouts.

Install roundabouts at City-maintained intersections to reduce vehicle fuel use by improving vehicle movement efficiency.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2025	Establish a policy that requires the study of roundabouts at intersections with lower average daily trips, whereby the feasibility of roundabouts are evaluated for all new intersections and for existing intersections where where capacity or safety problems have been identified.	-
2030	Install roundabouts at eight City-maintained intersections by 2030.	811
2035	Install roundabouts at 12 City-maintained intersections by 2035.	1,145

Supporting Actions:

- Conduct educational campaigns to promote fuel-efficient driving (“eco-driving”) practices, such as reduced idling, slower driving speeds, gentle acceleration, and proper tire inflation.
- Update the City’s General Plan Mobility and Infrastructure Element to support network build-out and improved traffic flow.
- Medium- and heavy-duty electronic truck sales and usage is expected to increase starting in 2024, consistent with the 2020 Advanced Clean Truck Rule mandated by the California Air Resource Board (“CARB”). To support this rule, the City should adopt an ordinance to establish requirements for large truck EV charging stations and work with businesses to increase station access to support the mandate.

Table 3-3 Reduce Fossil Fuel Use

Notes: City = City of Escondido; GHG = greenhouse gas; MTCO₂e = metric tons of carbon dioxide equivalent
Source: EPIC 2020.

Strategy 3: Reduce Vehicle Miles Traveled

In addition to using cleaner fuels, reductions can be achieved by reducing the amount individuals drive. This strategy would achieve GHG emission reductions by reducing the amount of vehicle trips and vehicle miles traveled (“VMT”). To reduce VMT, this strategy aims to increase the use of alternative transportation modes (e.g., transit, bicycling); reduce vehicle trips associated with new developments through transportation demand management (“TDM”) programs and transit-oriented and/or supportive policies and programs; and increase connectivity between major commercial, retail, and residential areas in the City.

The nine measures provided under this strategy require the collaboration from local and regional agencies, residents, and businesses. Reducing VMT provides the most GHG emission reductions under the transportation category, and the implementation of this strategy would reduce emissions 20,000 MTCO₂e in 2030 and 32,000 MTCO₂e in 2035. **Table 3-4** provides the details of the measures, performance metrics, and supporting actions under this strategy to reduce citywide VMT.

Strategy 3 Co-Benefits



Table 3-4 Reduce Vehicle Miles Traveled

Measure T-3.1: Participate in the San Diego Association of Governments’ iCommute Vanpool Program.

Promote and encourage businesses to participate in SANDAG’s iCommute Vanpool Program.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Maintain a minimum of 36 SANDAG vanpools annually that start or end in the City in 2030.	837
2035	Maintain a minimum of 36 SANDAG vanpools annually that start or end in the City in 2035.	787

Measure T-3.2: Improve Pedestrian Infrastructure in Priority Areas.

Develop an Active Transportation Plan that includes:

- A citywide Pedestrian Master Plan;
- An update to the City’s Trail Master Plan;
- A Safe Routes to School Plan;
- A Safe Routes to Transit Plan; and
- Identified “priority areas” for pedestrian infrastructure improvements in the City, such as priority investment neighborhoods (“PINs”).

Install new or improve¹ existing pedestrian infrastructure in priority areas (e.g., downtown employment centers, near transit stations, social equity areas, etc.).

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2023	Develop and adopt an Active Transportation Plan that includes a Pedestrian Master Plan, Trails Master Plan, Safe Routes to School Plan, and Safe Routes to Transit Plan.	-
2030	Install or improve at least 5.8 miles of sidewalk in priority areas.	44
2035	Install or improve at least 8.3 miles of sidewalk in priority areas.	59

Measure T-3.3: Implement Safe Routes to School Program at Escondido Union School District.

Develop a Safe Routes to School Plan for inclusion in the City’s Active Transportation Plan, continue to work with EUSD to implement the Safe Routes to School Program to increase the number of students walking and riding bicycles to and from school, and complete infrastructure improvement projects, such as:

- Installing new sidewalks;
- Installing intersection and crosswalk signals and high visibility crosswalk upgrades;
- Retrofitting signals to include countdown pedestrian indications at crossings;
- Identifying and implementing other similar projects near schools within the City; and
- Work with NCTD and School Districts for free youth transit passes and electronic school buses.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2023	Develop and adopt an Active Transportation Plan that includes a Safe Routes to School Plan.	-
2030	Increase the percent of students walking to school in the EUSD to 27 percent in 2030.	60

¹ Pedestrian infrastructure improvements as defined in the *Methods for Estimating Greenhouse Gas Emissions Reductions in the Escondido Climate Action Plan* include sidewalk improvements (i.e. sidewalk widenings, repair and maintenance programs, and ADA retrofits) and intersection improvements (raised pedestrian crossings, intersection “neck-downs,” pedestrian islands, and pedestrian signals).

Table 3-4 Reduce Vehicle Miles Traveled

	Increase the percent of students bicycling to school in the EUSD to 2.3 percent in 2030.	
2035	Increase the percent of students walking to school in the EUSD to 30 percent in 2035.	82
	Increase the percent of students bicycling to school in the EUSD to 2.5 percent in 2035.	

Measure T-3.4: Develop a Citywide Transportation Demand Management Plan.

Adopt a TDM ordinance, effective in 2022, that requires new non-residential developments and existing businesses in the downtown employment center to develop and implement TDM programs and policies. At a minimum, the TDM ordinance will require new non-residential developments and existing businesses to:

- Provide “end-of-trip” facilities for bicycle commuters (i.e. bicycle parking spaces, showers, lockers);
- Provide discounted monthly NCTD transit passes or transit subsidies;
- Provide informational material to employees for carpool and vanpool ride-matching services;
- Implement parking cash-out policies; and
- Develop alternate workplace, telecommuting, and/or alternate work schedule programs.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2021	Adopt a TDM ordinance, effective in 2022.	-
2023	Develop and implement a wayfinding program with signage and information systems to facilitate walking, biking, and efficient driving and parking	-
2030	Increase bicycle commute mode share to 2.0 percent citywide and 3.5 percent in the downtown employment center in 2030.	533
	Increase transit commute mode share to 4.5 percent citywide and 7.5 percent in the downtown employment center in 2030.	
	Increase carpool commute mode share to 17.0 percent citywide and 15.5 percent in the downtown employment center in 2030.	
2035	Increase bicycle commute mode share to 2.5 percent citywide and 4.0 percent in the downtown employment center in 2035.	820
	Increase transit commute mode share to 5.0 percent citywide and 8.0 percent in the downtown employment center in 2035.	
	Increase carpool commute mode share to 17.0 percent citywide and 16.0 percent in the downtown employment center in 2035.	

Measure T-3.5: Update Bicycle Master Plan.

Update the City’s Bicycle Master Plan and install new or improve existing Class II or better bicycle lanes.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2023	Develop an Active Transportation Plan that includes an update to the City’s Bicycle Master Plan.	-
2024	Develop and implement a citywide bike rack policy.	-
2025	Complete construction of the Class I Escondido Creek Bike Path, funded through Prop 68, to facilitate a larger network of active transportation access points and opportunities.	-

Table 3-4 Reduce Vehicle Miles Traveled

2025	Develop and implement a program to incentivize City employees commuting to work by bike or other modes of alternative transport as a model for other local employers.	-
2030	Install at least 19 miles of new Class II or better bicycle lanes by 2030.	231
2035	Install at least 30 miles of new Class II or better bicycle lanes by 2035.	335

Measure T-3.6: Increase Transit Commuters Among New Downtown Residents.

Increase the number of commuters using transit from new residential developments in the Downtown Specific Plan area by:

- Implementing smart growth policies consistent with the Downtown Specific Plan ²;
- Making sure that new development reinforces sustainable land use practices to better connect land use access and mobility options (e.g. develop design policies, standards, or guidelines for transit-oriented development; allow more flexibility for high-density, transit-oriented developments; and/or adjust parking standards or other related incentives for projects adjacent to transit serving areas);
- Supporting affordable housing projects and/or ways to incorporate a mix of affordability levels in new projects;
- Coordinating SANDAG’s Five Big Moves of the Regional Transportation Plan and NCTD’s Land Use Mobility Plan Update and integrate regional projects and implementation into local transportation opportunities;
- Requiring projects to provide six-month transit passes to new residents if proposing any reduction in parking over 15 percent of required amount;
- Developing a Safe Routes to Transit Plan;
- Implementing projects identified through this the Safe Routes to Transit Plan; and
- Requiring projects to monitor transit use by new residents for the first six months of operation and present monitoring results to the City.

Target Year	Performance Metric	GHG Reduction Potential (MTCO ₂ e)
2023	Develop an Active Transportation Plan that includes a Safe Routes to Transit Plan.	-
2024	Develop a downtown parking study and feasibility study to look into multi-level, public/private parking lot(s) and convert surplus city-owned lots to facilitate redevelopment.	-
2030	Increase the proportion of commuters using transit and living in new residential developments within the Downtown Specific Plan and East Valley area from five percent to eight percent by 2030.	84
2035	Increase the proportion of commuters using transit and living in new residential developments within the Downtown Specific Plan and East Valley area to 10 percent by 2035.	177

Measure T-3.7: Develop an Intra-City Shuttle Program.

Assess the feasibility of and implement an intra-city shuttle system that includes:

- Two or more routes;
- Specifically designed to increase land use access and mobility within the Downtown Specific Plan, East Valley area, and/or South Centre City Specific Plan, as well as other priority investment neighborhoods (“PINs”);
- Electric shuttle service or clean energy operations;
- Connections between activity centers within the city;
- Routes that do not directly overlap existing transit service routes; and
- High-frequency service (headways of 10-minutes or less) during peak commute periods.

² Smart Growth Principles, Guidelines and Standards as defined in Section III.A.1 of the City’s [Downtown Specific Plan](#).

Table 3-4 Reduce Vehicle Miles Traveled

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Complete a feasibility study that demonstrates the intra-city shuttle system would reduce interal trips seven percent by 2030 and 10 percent by 2035.	4,463
	Operate two or more shuttle routes with 10-minute headways during commute hours in 2030.	
2035	Operate two or more shuttle routes with 10-minute headways during commute hours in 2035.	6,540

Measure T-3.8: Increase Transit Ridership.

Increase the total number of regional commuters living or working in the City using transit by working with MTS and NCTD to:

- Prioritize funding for affordable, safe, and clean energy transit in priority investment neighborhoods (“PINs”);
- Increase service frequency to the city; and
- Increase transit-friendly land uses (i.e., residential and office) near transit stations.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Increase internal-external/external-internal ³ commute transit mode share of four percent by 2030.	7,829
2035	Increase internal-external/external-internal commute transit mode share of eight percent by 2035.	17,099

Measure T-3.9: Develop and Implement a Service Population-Based Vehicle Miles Traveled Threshold.

Develop a service population-based threshold for VMT to apply to new projects to reduce citywide VMT. This threshold would require new projects to demonstrate that project VMT would support a reduction in citywide VMT.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Reduce citywide VMT to 1.8 percent below projected 2030 VMT levels in 2030.	5,829
2035	Reduce citywide VMT to 3.5 percent below projected 2035 VMT levels in 2035.	11,075

Supporting Actions:

- Participate in and promote annual regional commute trip reduction events.
- Incorporate multi-modal improvements into pavement resurfacing, restriping, and signalization operations where the safety and convenience of users can be improved within the scope of work.
- Continue to pursue public and private funding to expand and link the City's bicycle and pedestrian network in accordance with both the General Plan Mobility and Infrastructure Element and Trails Master Plans.
- Pursue opportunities to utilize existing properties adjacent to transit and employment centers to develop housing affordable to very low-income and low-income households.
- Establish policies, standards, or guidelines for new projects to meet or exceed build-out projections and accommodate service population levels that facilitate actual VMT reductions citywide. Strategies may include smart growth incentives, additional density bonuses, and/or established minimum residential density requirements and required commercial floor area ratios.

³ Internal-external commute trips are defined as trips occurring during commute hours that originate in the city and end outside of the city. External-internal commute trips are defined as trips occurring during commute hours that originate outside of the city and end in the city.

Table 3-4 Reduce Vehicle Miles Traveled

- Pursue State grants, such as the Affordable Housing and Sustainable Communities Grant, to support affordable housing projects near transit.

Notes: City = City of Escondido; EUSD = Escondido Union School District; GHG = greenhouse gas; MTCO_{2e} = metric tons of carbon dioxide equivalent; MTS = Metropolitan Transit System; NCTD = North County Transit District; SANDAG = San Diego Association of Governments; TDM = Transportation Demand Management; VMT = vehicle miles traveled
Source: EPIC 2020.

Energy Emissions Category

Emissions in the energy category are generated through residential and non-residential electricity and natural gas use. Electricity and natural gas accounted for 27 percent and 12 percent of the City’s 2012 emissions inventory, respectively. With a combined emissions contribution of 39 percent, the energy category is the second largest contributor to overall City emissions. Legislative reductions from State energy efficiency and renewable energy programs will contribute to reducing emissions by increasing the amount of utility supplied renewable energy and improving energy efficiency of new buildings. At the local level, GHG emissions reductions would be achieved by improving energy efficiency of existing buildings and improving energy efficiency of new developments beyond State requirements. GHG reductions would also occur from increasing the amount of renewable energy generated locally while reducing the amount of non-renewable energy consumed. Initiatives directed under the energy category rely on efforts by local utilities, organizations, and agencies, with participation from the community.

Strategy 4: Increase Building Energy Efficiency

While State legislative actions provide reductions related to building energy efficiency, additional reductions are achievable by adopting local measures. This strategy aims to reduce emissions by reducing energy consumed by residential and business consumers and in municipal facilities through increased energy efficiency in existing homes and businesses and new projects. The four measures under this strategy would reduce the City’s emissions by approximately 1,000 MTCO_{2e} in 2030 and 1,000 MTCO_{2e} in 2035. **Table 3-5** outlines the framework to increase building energy efficiency under this strategy and the supporting actions that provide additional potential reductions and funding opportunities.



Table 3-5 Increase Building Energy Efficiency

Measure E-4.1: Require New Residential Developments to Install Alternately-Fueled Water Heaters.

Adopt an ordinance, effective in 2023, requiring all new single-family and multi-family residential projects and significant remodels to install electric heat pump water heaters.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})

Table 3-5 Increase Building Energy Efficiency

2022	Adopt an ordinance requiring the installation of alternatively-fueled water heaters effective in 2023 in new developments and significant remodels.	-
2025	Establish incentives for landlords and homeowners to upgrade to electric heat pump water heaters.	-
2030	Approve 995 new residential units served by electric heat pump water heaters by 2030.	629
2035	Approve 1,276 new residential units served by electric heat pump water heaters by 2035.	822

Measure E-4.2: Require New Multi-Family Residential Developments to Install Electric Cooking Appliances.

Adopt an ordinance, effective in 2023, requiring all new multi-family residential units and significant remodels to install only electric cooking appliances.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2022	Adopt an ordinance, effective in 2023, requiring the installation of electric cooking appliances.	-
2025	Establish incentives for landlords and homeowners to upgrade to electric cooking appliances.	-
2030	Install 955 new electric cooking appliances.	143
2035	Install 1,142 new electric cooking appliances.	172

Measure E-4.3: Reduce Electricity Use in Streetlights.

Retrofit City-owned HPS streetlights with LED streetlights, starting in 2021.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Retrofit 300 existing HPS streetlights with LEDs by 2030.	3
2035	Retrofit 450 existing HPS streetlights with LEDs by 2035.	3

Measure E-4.4: Require Non-Residential Alterations and Additions to Install Alternative-Fuel Water Heaters.

Adopt an ordinance, effective in 2023, requiring all non-residential alterations and additions with a permit value of \$200,000 or more to install electric heat pump water heaters.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Require the installation of electric heat pump water heaters for a minimum alteration and addition area of 1.08 million sq. ft. of non-residential buildings by 2030.	160
2035	Require the installation of electric heat pump water heaters for a minimum alteration and addition area of 1.755 million sq. ft. of non-residential buildings by 2035.	263

Supporting Actions:

- Encourage energy efficiency improvements through rebates or incentives.
- Evaluate municipal facilities and operations for additional energy savings opportunities through SANDAG's Roadmap Program.
- Promote the the SDG&E Energy Savings Assistance Program for weatherization improvements.
- Evaluate the feasibility of a local home retrofit program and utilize the Clean Energy Equity Plan for reinvestment in priority investment neighborhoods ("PINS"), focusing on the oldest housing stock.

Table 3-5 Increase Building Energy Efficiency

Notes: City = City of Escondido; GHG = greenhouse gas; HPS = high pressure sodium; LED = light-emitting diode; MTCO_{2e} = metric tons of carbon dioxide equivalent; SANDAG = San Diego Association of Governments; sq. ft. = square feet
Source: EPIC 2020.

Strategy 5: Increase Renewable and Zero-Carbon Energy

GHG emissions reductions would be achieved through implementation of this strategy by reducing the amount of electricity generated from fossil fuels and transitioning to cleaner energy sources such as renewables. Installing more renewable energy systems will provide a reliable local energy supply that is a more sustainable source of electricity. Under this strategy, the City would increase renewable energy locally at municipal and commercial developments and would assess the feasibility of participating in a community choice aggregation (“CCA”) program. The four measures included under this strategy would reduce City emissions by approximately 45,000 MTCO_{2e} in 2030 and 34,000 MTCO_{2e} in 2035. **Table 3-6** provides details on this strategy and the supporting actions currently in process at municipal renewable facilities.



Table 3-6 Increase Renewable and Zero Carbon Energy

Measure E-5.1: Increase Renewable Energy Generated at Municipal Facilities

Increase on-site renewable generation at municipal facilities and parking lots by installing PV systems.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Install at least 0.8 MW of PV at municipal facilities and parking lots by 2030.	292
2035	Install at least 2.0 MW of PV at municipal facilities and parking lots by 2035.	745

Measure E-5.2: Require New Commercial Developments to Achieve Zero Net Energy.

Adopt an ordinance, effective in 2023, requiring all new commercial developments to achieve zero net energy.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2022	Adopt a Zero Net Energy ordinance effective in 2023.	-
2030	Approve at least 970,200 sq. ft. of new office and retail space that achieve zero net energy by 2030.	1,618
2035	Approve at least 1,576,575 sq. ft. of new office and retail space that achieve zero net energy by 2035.	2,668

Measure E-5.3: Increase Grid-Supply Renewable and/or Zero-Carbon Electricity.

Join or develop a program to increase grid-supply renewables and zero-carbon electricity to 100 percent.

Table 3-6 Increase Renewable and Zero Carbon Energy

Target Year	Performance Metric	GHG Reduction Potential (MTCO ₂ e)
2021	Complete a CCA/CCE feasibility study.	-
2025	Establish a “Clean Energy Equity Plan” to support low-income residents and small organizations to purchase or obtain renewable energy. Program to include specific goals for local and decentralized renewable energy, rental and homeowner programs and/or system incentives, creation of local green jobs, and local hiring requirements, etc.	
2028	Complete a micro-grid feasibility study with the goal to encourage clean energy development and access in priority investment neighborhoods (“PINs”).	-
2030	Achieve 100 percent renewable and zero-carbon electricity supply in 2030.	42,134
2035	Achieve 100 percent renewable and zero-carbon electricity supply in 2035.	29,486

Measure E-5.4: Increase Renewable Electricity Generated at School Sites.

Support the EUSD’s efforts to install PV systems on school sites within the City.

Target Year	Performance Metric	GHG Reduction Potential (MTCO ₂ e)
2030	Install 2.6 MW behind-the-meter PV at school sites by 2030.	947
2035	Install 2.6 MW behind-the-meter PV at school sites by 2035.	965

Supporting Actions:

- Support the efforts at the Hale Avenue Resource Recovery Facility to create renewable electricity and heat for municipal operations.

Notes: CCA = Community Choice Aggregation; CCE = Community Choice Energy; City = City of Escondido; EUSD = Escondido Union School District; GHG = greenhouse gas; MTCO₂e = metric tons of carbon dioxide equivalent; MW = megawatt PV = photovoltaic; sq. ft. = square feet
Source: EPIC 2020.

Water and Wastewater Emissions Category

Energy consumed to supply, deliver, and treat water and wastewater results in the generation of GHG emissions. Although emissions from water and wastewater contribute approximately two percent of the City’s total emissions in 2012, actions taken by residents and from municipal activities can significantly reduce citywide emissions in this sector. Reducing water use leads to a more reliable water supply that may help the City adapt to climate change impacts.

Strategy 6: Increase Water Efficiency

The measures under this strategy reduce the amount of water consumption for landscaping in both residential and municipal land uses. Reducing the amount of water used would reduce the energy needed to supply, treat, and deliver water and the GHG emissions associated with those processes. The two measures under this strategy would reduce the City’s emissions by an estimated 50 MTCO_{2e} in 2030 and 80 MTCO_{2e} in 2035. **Table 3-7** outlines the framework for this strategy.



Table 3-7 Increase Water Efficiency

Measure W-6.1: Reduce Municipal Landscape Water Consumption.

- Reduce water consumption at City Parks and in the City’s LMD by:
- Installing smart irrigation controllers and water efficient rotator nozzles in the City’s LMD;
 - Requiring all new/replacement irrigation controllers installed at City parks to be smart controllers and/or use install new rotor nozzles; and
 - Institutionalize leak detection protocols.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Reduce water use at City Parks and in the City’s LMD by 84 acre-feet in 2030.	45
2035	Reduce water use at City Parks and in the City’s LMD by 118 acre-feet in 2035.	64

Measure W-6.2: Reduce Landscape Water Consumption in Developments.

- Adopt an ordinance, effective in 2022, that reduces water consumed for landscaping at new single-family and townhome model developments, as well as commercial development, by:
- Requiring all single-family and townhouse model homes to be fully equipped with greywater systems and rain barrels (or other rainwater capture systems); and
 - Requiring model home developers to offer greywater systems and rain barrels (or other rainwater capture systems) as an add-on option.
 - Create water use budgets for new commercial developments (or other similar program) that requires or incentivizes pop-up rotor nozzles, pressure management, leak detection, etc.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2021	Adopt an updated landscape ordinance effective 2022.	-
2030	Approve the development of 130 new single-family homes or townhouses with greywater systems and rain barrels by 2030.	8
2035	Approve the development of 195 new single-family homes or townhouses with greywater systems and rain barrels by 2035.	12

- Supporting Actions:**
- Encourage water use efficiency improvements through rebates and incentives.

Table 3-7 Increase Water Efficiency

- Continue to support turf conversion or conservation practices and offset costs of landscape conversion to drought tolerant, native or California-friendly plants.

Notes: City = City of Escondido; GHG = greenhouse gas; LMD = Landscape Maintenance District; MTCO_{2e} = metric tons of carbon dioxide equivalent

Source: EPIC 2020.

Strategy 7: Diversify Local Water Supply

As described under the previous strategy, GHG emissions associated with the water category are from the upstream energy use of supplying, treating, and delivering water. By increasing the City’s local water supply, the energy required to transport water throughout the City would be reduced. Under this strategy, the City plans to install a Membrane Filtration/Reverse Osmosis (“MFRO”) Facility to produce a high-quality water supply for agricultural purposes and reduce the reliance on water imported from outside of the city. The one measure under this strategy would reduce the City’s GHG emissions by approximately 3,000 MTCO_{2e} in 2030 and 4,000 MTCO_{2e} in 2035. **Table 3-8** provides details of the measure under this strategy and the supporting actions for additional water conservation efforts.

Strategy 7 Co-Benefits



Table 3-8 Diversify Local Water Supply

Measure W-7.1: Develop a Local Water Supply for Agricultural Water Use.

Construct and operate a new MFRO facility to produce high-quality water supply for local agricultural uses.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2030	Supply 6,721 acre-feet of water to agricultural customers from the MFRO facility in 2030.	3,541
2035	Supply 6,721 acre-feet of water to agricultural customers from the MFRO facility in 2035.	3,571

Supporting Actions:

- Maintain local water supply through water conservation efforts.

Notes: City = City of Escondido; GHG = greenhouse gas; MFRO = Membrane Filtration/Reverse Osmosis; MTCO_{2e} = metric tons of carbon dioxide equivalent

Source: EPIC 2020.

Solid Waste Emissions Category

GHG emissions associated with the disposal of solid waste are generated from the decomposition and off-gassing of material in landfills. To reduce GHG emissions, the City can work with regional agencies to reduce the amount of solid waste disposed of at landfills by implementing programs that increase recycling and composting. Emissions generated by solid waste contributed approximately three percent of citywide emissions in 2012. Through collaboration with local agencies and waste haulers, and changes in residents’ and business owners’ behaviors, reductions in solid waste can be achieved.

Strategy 8: Reduce and Recycle Solid Waste

Ways to reduce GHG emissions associated with solid waste disposal involve material recycling or organic material composting. Increased recycling and composting locally can lead to additional benefits, such as increased products created from locally recycled material and fertilizer, and organic waste covering for local agricultural use. Under this strategy, the City would increase the amount of waste diverted away from landfills. Implementation of this strategy would reduce GHG emissions by approximately 24,000 MTCO₂e in 2030 and 26,000 MTCO₂e in 2035. **Table 3-9**



provides the framework for solid waste diversion and the supporting actions to develop partnerships and recycle waste generated at construction sites.

Table 3-9 Reduce and Recycle Solid Waste

Measure S-8.1: Increase Citywide Waste Diversion.

Increase citywide waste diversion by:

- Working with the City’s franchise waste hauler to prepare a waste diversion plan that identifies steps toward achieving the 2035 waste diversion goal;
- Adopting and implementing an organic waste recycling program to support regional efforts that includes a food scrap composting program and fully permitted community compost facilities; and
- Adopting a composting and waste diversion ordinance, effective in 2023, to support at-home management of food waste.

Target Year	Performance Metric	GHG Reduction Potential (MTCO ₂ e)
2021	Adopt and implement an organic waste recycling program	-
2023	Adopt a composting and waste diversion ordinance	-
2023	Work with the franchise waste hauler and other partners to assess the infrastructure needed to support composting and waste diversion goals. Develop a Zero Waste Plan to support zero waste programs; prioritize community education to priority investment neighborhoods (“PINs”); and start building the necessary infrastructure for diverting waste and processing anaerobic digester waste.	-
2030	Achieve 80 percent citywide waste diversion in 2030.	23,588
2035	Achieve 90 percent citywide waste diversion in 2035.	27,405

Supporting Actions:

- Explore opportunities with franchise waste hauler and other local business organizations to develop and encourage participation in commercial food scrap collection program.
- Continue to participate in regional waste diversion discussions and monitor mandatory participation levels in other area construction and demolition waste diversion ordinances.

Notes: City = City of Escondido; GHG = greenhouse gas; MTCO₂e = metric tons of carbon dioxide equivalent
 Source: EPIC 2020.

Natural Systems

Maintaining tree cover and areas of vegetation is essential for the natural carbon cycle and for sustaining life. Through photosynthesis, plants convert carbon dioxide from the atmosphere into oxygen and carbon-based matter. This process of removing atmospheric carbon dioxide through natural processes is referred to as carbon sequestration. Communities can increase the amount of carbon sequestered locally by expanding the urban forest canopy and protecting natural systems to reduce communitywide GHG emissions.

Strategy 9: Carbon Sequestration and Land Conservation

Increasing tree cover and preserving land for agriculture or open space in an urban area is a strategy to sequester carbon locally and reduce citywide GHG emissions. The measures under this strategy focus on implementing programs to increase the number of trees planted at new developments and in public areas. The City will incentivize efficient land development practices by permitting additional development density for projects that also commit to conserve open space and agriculture lands. Implementation of the carbon sequestration and land conservation measures would reduce City emissions by approximately 700 MTCO₂e in 2030 and 1,000 MTCO₂e in 2035. **Table 3-10** provides details on this strategy and supporting actions that incentivize tree planting and vegetation management programs.



Table 3-10 Carbon Sequestration and Land Conservation

Measure C-9-1: Enforce Landscape Tree Requirements at New Developments.

Adopt an updated landscape ordinance, effective in 2022, to increase the number of new trees planted at new developments by requiring:

- Non-residential developments to plant a minimum of one non-invasive and drought tolerant tree for every four parking spaces; and
- New single-family and multi-family residential developments to plant a minimum of one non-invasive and drought tolerant tree per unit, or pay an in-lieu fee so that the tree(s) can be planted elsewhere.

Target Year	Performance Metric	GHG Reduction Potential (MTCO ₂ e)
2021	Adopt an updated landscape ordinance and in-lieu tree planting program to fund new tree plantings such as an in-lieu program to offset trees plantings on highly constrained sites.	-
2023	Amend the updated landscape ordinance establish requirements for street and median trees and requirements for tree health (e.g. inspection, enforcement, and maintenance requirements).	-
2030	Plant and maintain 2,802 new trees at new developments by 2030.	183
2035	Plant and maintain 4,076 new trees at new developments by 2035.	239

Measure C-9.2: Develop a Citywide Urban Forestry Program.

Table 3-10 Carbon Sequestration and Land Conservation

Develop, adopt, and implement an Urban Forestry Program to plant new trees and track tree planting and maintenance in public areas (i.e. City facilities, public parks, and public rights-of-way), including standards to right-size trees to minimize pruning and support hydrozoning techniques.

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2021	Pursue grant funding opportunities to fund the development of an Urban Forestry Program.	-
2025	Adopt an Urban Forestry Program with the goal of having one tree per resident in year 2088, which includes the following: <ul style="list-style-type: none"> ▪ Complete an assessment of existing conditions and calculate canopy coverage percentage for the City and for priority investment neighborhoods (“PINs”). ▪ Establish a tree planting and replacement program to achieve coverage of at least 25 percent in residential areas and 15 percent in commercial and industrial areas. ▪ Develop an urban heat island reduction program that includes an urban forest program or plan for priority investment neighborhoods (“PINs”) that achieves a tree planting coverage of at least 35 percent. Expand and focus tree plantings in low-canopy neighborhoods and neighborhoods at a higher risk of adverse outcomes of urban heat island effects. ▪ Encourage urban agriculture through edible landscapes within some publicly accessible areas. 	-
2030	Plant and maintain 1,010 new trees in public areas by 2030.	36
2035	Plant and maintain 1,347 new trees in public areas by 2035.	48

Measure C-9.3: Develop an Agricultural Land and Open Space Conservation Program.

Develop programs and policies that would conserve agricultural land and/or open space, including:

- Consider various agricultural land and open space conservation strategies that allow developers to preserve lands and/or increase residential development density in smart growth infill areas by removing development potential of lands;
- Target stream restoration programs and riparian restoration strategies for carbon sequestration, natural heat relief, water quality improvements, and/or wildlife habitat mitigation;
- Adopting a Community Gardening Ordinance, effective in 2023;
- Adopting a Williamson Act incentive program, effective in 2023, to encourage the continuation of agricultural operations; and
- Adopting an Open Space Conservation program, effective in 2023, that implements policies for the loss of key natural habitat areas by increasing goals and metrics for “avoided conversion.”

Target Year	Performance Metric	GHG Reduction Potential (MTCO _{2e})
2023	Adopt a Williamson Act Incentive Program.	-
2023	Adopt a Community Gardening Ordinance.	-
2023	Adopt an Open Space Conservation Program.	-

Table 3-10 Carbon Sequestration and Land Conservation

2025	Update the Jurisdictional Runoff Management Plan to develop stream and riparian restoration program strategies and work to naturalize and/or protect creek watershed areas.	-
2030	Remove the development potential for at least 257 residential units on agricultural lands and open space areas by 2030.	515
2035	Remove the development potential for at least 400 residential units on agricultural lands and open space areas by 2035.	762

Supporting Actions:

- Continue turf management practices which specify the top-dressing of compost to increase carbon sequestration at City parks.
- Help identify incentives and programs for “carbon farming” or agricultural best practices to reduce GHG emissions and protect Escondido agriculture such as the State Office of Environmental Farming and Innovation, or California Department of Food and Agriculture’s Health Soils Program, etc.
- Partner with SANDAG, other agencies, and North San Diego County cities for funding or acquisition and management of lands conserved for habitat protection and/or agricultural use.
- Collaborate with CSE and SDG&E in developing shade tree give-away program or other incentives to encourage planting of shade trees for existing residential and non-residential sites.
- Incentivize tree planting on private property by giving away tree seedlings during Arbor Day or other events.

Notes: City = City of Escondido; CSE = Center for Sustainable Energy; GHG = greenhouse gas; MTCO₂e = metric tons of carbon dioxide equivalent; SDG&E = San Diego Gas and Electric; VMT = vehicle miles traveled
Source: EPIC 2020.

Updates to Previous CAP Measures

This CAP was developed to update the goals of and build upon the General Plan policies related to climate change and reducing GHGs, and measures identified in the City’s previously adopted 2013 CAP. As discussed in **Chapter 1**, the City’s 2013 CAP includes GHG reduction measures that reduce emissions from government operations, energy, transportation, area sources, water, solid waste, and construction categories. The measures that were developed for this CAP were derived from a review of the measures included in the 2013 CAP and organized using guidance from SANDAG’s ReCAP. Several measures from the 2013 CAP were updated and included in this CAP. Similarly, the measures in this CAP were developed to be consistent with related General Plan policies. A summary of the relationship between the measures in this CAP, measures included in the 2013 CAP, and General Plan policies is provided in **Appendix C**.



Attachment 2

This chapter outlines how the City of Escondido (“City”) will implement and monitor the Climate Action Plan (“CAP”) strategies and measures over time to reduce greenhouse gases (“GHGs”). To achieve the GHG emissions reductions described in **Chapter 3**, strategies and measures must be reviewed, maintained, and implemented in a consistent manner to successfully serve the CAP’s purpose.

Detailed steps for implementation were created as part of the City’s previous CAP, prepared in 2013 (“2013 CAP”). The information presented in this chapter serves as an update to the implementation steps identified in the 2013 CAP and provides a framework for the City to monitor strategy and measure implementation.

Successful implementation of this CAP will require ongoing monitoring and review to ensure measures are effective. City staff will identify the feasibility of each measure’s implementation and will monitor implementation progress in meeting the City’s GHG reduction targets.

Implementing this CAP will involve the City Council, Planning Commission, a full time Sustainability or Climate Coordinator to lead planning and coordination across City departments, the establishment of a new Climate Commission, and coordination with other boards and commissions. The Climate Commission will include representative stakeholders and experts to provide ongoing program support and guidance, identification of potential funding sources, facilitate partnerships, and monitor implementation. The City will need to collaborate with the San Diego Association of Governments (“SANDAG”), the County of San Diego, other public and private agencies, and adjacent cities to implement strategies and measures requiring regional collaboration. The limited resources annually available to the City do not allow every strategy and measure to be funded and implemented simultaneously. The CAP’s effective implementation will require a process to prioritize its strategies and measures periodically. Further, the City will develop an early strategy for implementing the CAP in a manner that promotes social equity and environmental justice.

Implementation of measures identified in this CAP would meet the City’s GHG reduction targets based on the analysis presented. As the City implements these measures, it will continue to examine additional efforts that could be taken to further reduce citywide GHG emissions. Such additional efforts may include the City’s exploration of and participation in a regional offset program or fund, or creation of an Escondido climate action fund to continue investment in mitigation and adaptation measures. A regional offset program or local climate action fund would provide new developments proposed in the City the opportunity to reduce their GHG emissions beyond feasible onsite actions. The program would consist of a fund or a list of GHG-reducing projects that new developments would be permitted to buy into to receive “credit” for emissions reductions from associated projects. Local climate action fund projects could include solar panel installation on existing buildings, electric vehicle purchasing for large vehicle or bus fleets, or energy retrofits for existing homes. Any “credits” generated through such a program would need to be additional to the strategies and measures identified in the CAP, or quantified GHG reductions identified in and associated with other regulatory programs or actions. This CAP does not rely on implementation of an offset program to meet GHG reduction targets.

4.1 Implementation Strategy

The implementation strategy presented in this chapter would ensure that the overall direction set forth in the CAP is translated into City and community actions. The purpose of this implementation strategy is to describe the specific actions the City will require of new developments, and will undertake itself, or will pursue via ordinance and/or funding source to achieve communitywide reductions in GHG emissions. Continuous management, oversight, and staffing is required for the implementation of the GHG reduction measures. Ensuring that measures translate to on-the-ground results and reductions in GHG emissions

is critical to the success of the CAP. Success of the City's CAP and GHG emissions reduction measures will depend on the participation of City departments, residents, and businesses.

This CAP's implementation strategy identifies which measures require the most significant effort to implement and require the earliest implementation to achieve the GHG reductions identified in this CAP.

To achieve GHG reduction targets, an implementation strategy is required to determine the priority of the strategies described in **Chapter 3**. Priorities are determined by a variety of factors, including effectiveness or measures in reduction GHG emissions, impact on priority investment neighborhoods ("PINs"), staff resources needed, required level of

department/agency collaboration, and timeframe of implementation. To continue successful implementation of the CAP strategies, the City will further expand on this initial examination once implementation has begun. Implementation of this CAP will be achieved through two primary efforts: environmental review for new developments and City-led implementation activities.

4.1.1. New Development Environmental Review

The California Environmental Quality Act ("CEQA") requires lead agencies to identify significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible. Most proposals for physical developments are subject to the provisions of CEQA. The City has adopted local Environmental Quality Regulations that set thresholds for determining significance. As part of the development of this CAP, the City has updated these thresholds for determining significance for impacts related to GHG emissions. This CAP meets the criteria identified in Section 15183.5 of the CEQA Guidelines and, therefore, is considered a "qualified" CAP and may be used for the specific purpose of streamlining the analysis of GHG emissions for subsequent projects. The methodology for determining these thresholds is included in **Appendix C**.

CEQA Streamlining

New developments that are consistent with growth projections and applicable GHG reduction measures of the CAP are eligible for streamlining under the CEQA, per the provisions of the State's CEQA Guidelines Section 15183.5. Under these provisions, a project that is subject to discretionary review and is consistent with the City's General Plan growth projections can show consistency with applicable GHG reduction measures in a CAP, and the level of analysis for the project required under CEQA can be streamlined. Furthermore, a project's incremental contribution to cumulative GHG emissions may be determined not to be cumulatively considerable. The City has established a GHG screening threshold (set at 500 metric tons carbon dioxide equivalent ["MTCO_{2e}"] per year) for new development projects to determine if a project would need to demonstrate consistency with the CAP through the Checklist (**Appendix E**). New development projects that are consistent with the General Plan and are expected to generate fewer than 500 MTCO_{2e} annually would not have a cumulative impact and would not be required to provide additional analysis.

New development projects that are expected to generate greater than 500 MTCO_{2e} annually, but are consistent with the General Plan land use designation and zoning, may be determined to have a less than significant cumulative impact if they are determined to be consistent with the CAP. A project's consistency with the CAP will be determined through the CAP Consistency Review Checklist ("Checklist"). The Checklist contains GHG reduction measures applicable to development projects that are required to be implemented on a project-by-project basis to ensure that the specific emission targets identified in the CAP are achieved. New development projects will need to incorporate all potential applicable CAP measures to demonstrate consistency with the CAP. **Table 4.1** provides a summary of

the CAP measures included in the Checklist as well as the new development types to which they are applicable.

Table 4-1 Applicability of CAP Checklist Items to New Developments

Measure		Applicability
T-1.3	Adopt an Ordinance to Require EV Charging Stations at New Developments	New multi-family and commercial developments
T-1.4	Require EV Charging Stations at New Model Home Developments	New single-family homes and townhouses
T-3.2	Improve Pedestrian Infrastructure in Priority Areas	All new developments in priority areas
T-3.4	Develop a Citywide TDM Ordinance	New non-residential developments
T-3.5	Update Bicycle Master Plan	All new developments that also propose/require roadway improvements ¹
T-3.6	Increase Transit Commuters Among New Downtown Residents	New residential developments within the Downtown Specific Plan area
E-4.1	Require New Residential Developments to Install Alternately-Fueled Water Heaters	New residential developments
E-4.2	Require New Multi-Family Residential Developments to Install Electric Cooking Appliances	New multi-family residential developments
E-5.2	Require New Commercial Developments to Achieve ZNE	New office and retail developments
W-6.2	Reduce Landscape Water Consumption at New Model Home Developments	New single-family homes and townhouses
C-9.1	Enforce Landscape Tree Requirements at New Developments	All new developments

Notes: CAP = Climate Action Plan; EV = electric vehicle; TDM = transportation demand management; ZNE = zero net energy

¹ Further detail regarding measure applicability to new developments are provided in the *Climate Action Plan Consistency Review Checklist*. Source: Ascent Environmental 2020.

New development projects that are not consistent with General Plan land use designations and zoning would be required to develop a project-specific GHG analysis. The requirements of this analysis would be determined by the Director of Community Development and confirmed by the decision-making authority on a project-by-project basis. As the CAP is updated, the Checklist may also be updated to incorporate new GHG reduction techniques or to comply with later amendments to the CAP and/or local, State, or federal laws and/or regulations. By incorporating applicable GHG reduction measures in the Checklist into project designs or conditions of approval, the City will ensure that new development is consistent with applicable GHG reduction measures in the CAP and will contribute its “fair share” in achieving the identified GHG reduction targets.

4.1.2. City-Led Implementation Activities

The City will implement strategies and measures of the CAP through several types of programs and activities that can be grouped into categories. The categories identified for implementation activities include: Municipal Operations; New Ordinances and Code Updates; Planning; Partnerships; and Education and Outreach. While each measure identified in the CAP would fall into one of these categories, some measures overlap and belong to more than one category. For example, increasing citywide waste diversion (**Measure S-8.1**) first requires partnerships with existing waste haulers to ensure solid waste is handled appropriately, but would also require education to inform residents on proper solid waste sorting and reduction strategies. Detailed descriptions of each category are provided below.

Several CAP measures will require the City to develop and implement new ordinances, update the City's code, and collaborate with other local or regional agencies to achieve GHG reductions.

Municipal Operations: Certain measures included in this CAP require specific City actions to update and make municipal operations more efficient. Examples include increasing the amount of renewable energy generated at municipal facilities (**Measure E-5.1**) and increasing the efficiency of streetlights (**Measure E-4.3**). These measures would be implemented by the City and would reduce emissions specifically related to municipal operations.

New Ordinances and Code Updates: Several measures in the CAP would be implemented through new ordinances or amended regulations adopted by the City. Examples of measures that require municipal approval include requiring new developments to install electric vehicle ("EV") charging stations (**Measure T-1.3**) and requiring new residential developments to install alternatively-fueled water heaters (**Measure E-4.1**). New ordinances will ensure that the City requirements are in place to achieve the objectives of the CAP.

Planning: Measures that are more programmatic in nature require visioning and a larger planning effort to realize GHG reductions. Examples of implementation or development of planning documents or programs include an update to the City's Bicycle Master Plan (**Measure T-3.4**) and an Urban Forestry Program (**Measure C-9.2**).

Financing and Incentives: Identifying mechanisms for funding and allocating resources will help ensure that the CAP is successfully implemented. Strategies and measures identified in the CAP would be implemented by community residents, business owners, and developers with opportunities and incentives to contribute to citywide GHG reductions. Promoting financing and incentive programs, like SANDAG's iCommute program (**Measure T-3.1**), increases the participation in achieving citywide reduction goals.

Partnerships: Interagency coordination and partnerships with other organizations are critical to ensuring implementation of certain measures. This includes collaboration with SANDAG on developing an intra-city shuttle program (**Measure T-3.7**) and implementation of a Safe Routes to School Program with the Escondido Unified School District (**Measure T-3.3**). Other measures include collaboration with other government agencies, transportation agencies, and waste haulers in the region.

Education and Outreach: Educational efforts about the objectives of the CAP will help create support for the CAP and involve the community in its implementation. Informing residents and business owners about the co-benefits of GHG reduction measures would encourage participation and awareness of the goals of the CAP. A priority will be on neighborhoods with

higher impact rankings in the Social and Health Index Map and designated as priority investment neighborhoods (“PINs”).

4.1.3. Implementation Timeframe

The timeframe over which strategies are implemented varies between both short-term (i.e. within a couple years) and long-term (i.e. within several years). These implementation timeframes were developed consistent with the implementation efforts identified in the 2013 CAP. Continuation of similar implementation definitions between CAPs assists in comparing the implementation efforts required for various measures over time. Prioritization of the measures is based on the timeframe over which measures can be implemented. Certain measures should be prioritized early because they require more effort and take longer to implement. Assigning such measures a higher implementation priority would allow the City to allocate resources appropriately. Generally, timeframes associated with each measure can be categorized as follows:

- **Ongoing:** Implementation is already occurring
- **Short-term:** Implementation will occur within the next three years
- **Mid-term:** Implementation will occur within approximately four to ten years

In general, all measures included in this CAP will require initial implementation actions to occur within the first few years after CAP adoption. Following initial short- or mid-term implementation actions, implementation of projects, programs, and plans will require ongoing management, communication, monitoring, and administration. The implementation timeframes provided in the implementation strategy matrix (**Table 4-3**) reflect the timeframe during which initial implementation of a measure would occur and if ongoing implementation is required.

4.1.4. Implementation Effort

Levels of effort required to implement measures are based on cost and ease of implementation and effectiveness in reduction GHG emissions. The implementation effort of each CAP measure is based on a scale of low, medium, or high. Consideration of staff implementation costs and the overall feasibility of implementation is needed to guide CAP measure prioritization. Staff implementation costs are based

While implementation of some measures can be achieved by existing staff, others will require the City to assign staff from various departments to assist with measure implementation or coordinate with staff from other agencies.

on the anticipated levels of resources, staffing, and timeframe required to implement each measure. Implementation costs are not intended to represent the relative costs of compliance for residents and businesses, but rather focuses on the City’s relative costs to facilitate program development and implementation. Ease of implementation is based on whether there are already existing programs that are related, coordination between different departments or agencies, and a comparison between existing and proposed strategies.

Sample criteria used to define the implementation efforts for each measure are shown in **Table 4-2**. It is possible for a measure to have a mix of implementation effort levels (i.e. have low staff implementation costs and high ease of implementation). In addition, the City will reflect in the prioritization of the measures to achieve the reductions. These measures will be ranked higher in the matrix.

Implementation Effort Level	Staff Implementation Costs	Ease of Implementation
Low	<ul style="list-style-type: none"> ▪ Requires limited resources of current staff ▪ Existing staff can implement but will require reprioritization of workload 	<ul style="list-style-type: none"> ▪ Existing programs in place to support implementation ▪ Limited external and internal coordination required ▪ Limited revisions to policy or code
Medium	<ul style="list-style-type: none"> ▪ Requires staff resources beyond current capacity ▪ Requires new part-time staff or contracts to implement 	<ul style="list-style-type: none"> ▪ Requires external and internal coordination ▪ Involves policy or code revisions ▪ The amount of funding needed for implementation is known and it can be acquired
High	<ul style="list-style-type: none"> ▪ Requires extensive staff resources ▪ Requires a significant number of new staff or contracts to implement 	<ul style="list-style-type: none"> ▪ Requires revisions to the General Plan or development of new policies, programs, or codes ▪ Requires robust outreach programs to residents and businesses ▪ Requires regional cooperation ▪ Requires securing long-term funding

Source: Ascent Environmental 2020.

4.1.5. Implementation Strategy Matrix

The implementation strategy matrix, outlined below in **Table 4-3**, provides a summary of the initial prioritization and categorization of the CAP's strategies and measures. The matrix includes an implementation activity type, responsible department or agency, implementation timeframe, level of implementation cost, effectiveness in GHG emissions reductions, and ease of implementation for each measure. Following adoption of the CAP, this implementation strategy matrix will serve as initial guidance for City staff. Future updates to the CAP will require the matrix to be adjusted according to feasibility and legislative requirements. Key staff in each department or agency will facilitate and oversee measure implementation, allocate staff resources, and secure funding, as needed.



Source: City of Escondido

Following approval of this CAP, the City will begin examining the actions that required to implement CAP measures. Additional implementation steps for each measure will build upon the implementation costs included in this CAP and further develop the information presented in this chapter. The specific steps required to implement each CAP strategy will serve as a reference document for City staff to identify implementation tasks, timelines, and responsible departments. Through the implementation process, City staff may need to revisit identified implementation steps to reflect adjusted timeframes, changes in budget availability, or development of new technologies.

Table 4-3 Implementation Strategy Matrix						
Measure	Title	Category	Responsible Department/ Agency	Implementation Timeframe	Staff Implementation Costs	Ease of Implementation
Strategy 1: Increase Use of Zero-Emission or Alternative Fuel Vehicles						
T-1.1	Transition to a Clean and More Fuel-Efficient Municipal Vehicle Fleet.	Municipal Operations	PW	Mid-Term	Low	Low
T-1.2	Install EV Charging Stations at Park and Ride Lots.	Planning	CD; PW	Short-Term	Medium	Medium
T-1.3	Adopt an Ordinance to Require EV Charging Stations at New Developments.	New Ordinances and Code Updates	CD; PW	Short-Term	Low	Medium
T-1.4	Require EV Charging Stations at New Model Home Developments.	New Ordinances and Code Updates	CD	Mid-Term	Low	Medium
Strategy 2: Reduce Fossil Fuel Use						
T-2.1	Synchronize Traffic Signals.	Municipal Operations	PW	Ongoing	Low	Medium
T-2.2	Install Roundabouts.	Planning	CD	Ongoing	Medium	Medium
Strategy 3: Reduce Vehicle Miles Traveled						
T-3.1	Participate in the SANDAG iCommute Vanpool Program.	Partnerships	CM; CD	Ongoing	Low	Low
T-3.2	Improve Pedestrian Infrastructure in Priority Areas.	Planning	CD	Ongoing	Low	Low
T-3.3	Implement the Safe Routes to School Program.	Education and Outreach	CD; EUSD	Ongoing	Low	Low
T-3.4	Develop a Citywide TDM Plan.	Planning	CD	Short-Term	Medium	Medium
T-3.5	Update Bicycle Master Plan.	Planning	CD	Ongoing	Medium	Medium
T-3.6	Increase Transit Commuters Among New Downtown Residents.	Education and Outreach	CD	Ongoing	Low	Low
T-3.7	Develop an Intra-City Shuttle Program.	Planning; Partnerships	CD; PW	Mid-Term	High	Medium
T-3.8	Increase Transit Ridership.	Planning; Partnerships	CD; SANDAG	Mid- to Long-Term	Medium	Medium

Table 4-3 Implementation Strategy Matrix						
Measure	Title	Category	Responsible Department/ Agency	Implementation Timeframe	Staff Implementation Costs	Ease of Implementation
T-3.9	Develop and Implement a Service Population-Based VMT Threshold.	Planning	CD	Short-Term	Low	Low
Strategy 4: Increase Building Energy Efficiency						
E-4.1	Require New Residential Developments to Install Alternatively-Fueled Water Heaters.	New Ordinances and Code Updates	CD	Short-Term	Low	Low
E-4.2	Require New Multi-Family Residential Developments to Install Electric Cooking Appliances.	New Ordinances and Code Updates	CD	Short-Term	Low	Low
E-4.3	Reduce Electricity Use in Streetlights.	Municipal Operations	PW	Ongoing	Low	Medium
E-4.4	Require Non-Residential Alterations and Additions to Install Alternative-Fuel Water Heaters.	New Ordinances and Code Updates	CD	Short-Term	Low	Low
Strategy 5: Increase Renewable and Zero Carbon Energy						
E-5.1	Increase Renewable Energy Generated at Municipal Facilities	Municipal Operations	ES; PW	Ongoing	Low	Medium
E-5.2	Require New Commercial Developments to Achieve ZNE.	New Ordinances and Code Updates	CD	Ongoing	Medium	High
E-5.3	Increase Grid-Supply Renewable and/or Zero-Carbon Electricity.	Financing and Incentives; Partnerships; Education and Outreach	CD; CM	Ongoing	Medium	High
E-5.4	Increase Renewable Electricity Generated at School Sites.	Partnerships	EUSD	Ongoing	Medium	High
Strategy 6: Increase Water Efficiency						
W-6.1	Reduce Municipal Landscape Water Consumption.	Municipal Operations	ES; PW	Ongoing	Low	Medium
W-6.2	Reduce Landscape Water Consumption in Developments.	Planning	CD	Ongoing	Low	Low

Table 4-3 Implementation Strategy Matrix						
Measure	Title	Category	Responsible Department/ Agency	Implementation Timeframe	Staff Implementation Costs	Ease of Implementation
Strategy 7: Diversify Local Water Supply						
W-7.1	Develop a Local Water Supply for Agricultural Water Use.	Planning	CD; ES; U	Mid-Term	Medium	High
Strategy 8: Reduce and Recycle Solid Waste						
S-8.1	Increase Citywide Waste Diversion.	Partnerships; Education and Outreach	CD; PW; U	Mid-Term	Medium	High
Strategy 9: Carbon Sequestration						
C-9.1	Enforce Landscape Tree Requirements at New Developments.	New Ordinances and Code Updates; Education and Outreach	CD; PW	Short-Term	Low	Medium
C-9.2	Develop a Citywide Urban Forestry Program.	Planning	CD; PW	Short-Term	Low	Medium
C-9.3	Develop an Agricultural Land and Open Space Conservation Program.	Planning	CD	Mid-Term	Medium	Low
Notes: CD = Community Development Department; CM = City Manager's Office; ES = Engineering Services; EUSD = Escondido Unified School District; EV = electric vehicle; PW = Public Works Department; SANDAG = San Diego Association of Governments; TDM = transportation demand management; U = Utilities Department; VMT = vehicle miles traveled; ZNE = zero net energy Source: Ascent Environmental 2020.						

4.2 Monitoring and Updates

Implementation of the CAP will require routine updates and maintenance if it is to remain relevant and effective. City staff will need to evaluate and monitor CAP performance and make alterations or amendments if modifications are needed to help achieve the proposed reduction targets. This will include conducting periodic GHG emissions inventory updates and analyzing measure performance.

Inventory Updates

Upon CAP adoption, the City will begin implementing GHG reduction measures, tracking implementation efforts, and applying the CAP Checklist for CEQA streamlining. City staff will annually present summaries of CAP progress to City Council, Climate Commission, and Planning Commission on achievements to date and provide transparency and promote engagement with the public after CAP adoption. Through the climate planning services offered via its Roadmap Program, SANDAG will assist the City in developing updated GHG emissions inventories every two years. These inventories will be developed using the same methodology provided in this CAP to estimate citywide emissions and will be used to track the City's overall progress in reducing GHG emissions.

Monitoring Reports

City staff will prepare an annual monitoring report that provides updates on CAP implementation progress, GHG reductions achieved to date, and other important milestones in the CAP implementation process. As technologies and markets change and the City implements the measures in the CAP, these reports will be used to track progress and identify measures that need to be improved, adjusted, or removed. The report will also serve to inform City Council, Planning Commission, and the general public about implementation progress on measures, as well as overall progress towards the City's GHG reduction targets.

Full implementation of the GHG reduction measures in this CAP will require City staff to further evaluate the cost, effectiveness, and benefits of each individual measure. Evaluating CAP measure performance entails monitoring the level of community participation, costs, and potential barriers to implementation, as well as actual reductions in fuel consumption, vehicle miles traveled, energy usage, water usage, landfilled waste, or other activities that result in GHG emissions reductions. This evaluation of measure effectiveness in reducing local GHG emissions will assist the City when it updates this CAP to maintain successful measures and reevaluate or replace under-performing ones.

CAP Update

The City will prepare a CAP update every five years, beginning in 2026. CAP updates would reflect the findings and recommendations of the monitoring reports and inventory updates. Future CAP updates would be necessary to account for any new State or federal legislation that may affect the CAP, and to focus on GHG reduction strategies that may have been difficult to implement previously due to a lack of appropriate technologies or high upfront implementation costs.

Figure 4-1 outlines the CAP implementation and monitoring schedule.

Implementation and Monitoring Schedule	
2020	<p>CAP Adopted City Council adopts plan and staff begins to implement CAP measures.</p> <p>Initial Set-up Staff performs initial start-up tasks and develops tools and methodologies for tracking implementation efforts and achievements. Staff will begin administering the CAP Checklist for environmental review of applicable projects.</p> <p>Climate Commission Established The City should establish a formal advisory group early in the implementation period to help provide ongoing program support and guidance, identify potential funding sources and partnerships, and monitor implementation.</p>
2020 & 2022	<p>Update GHG Emissions Inventory In coordination with SANDAG, the City will receive an updated 2018 GHG inventory in 2020. If funding is available, SANDAG will continue to provide updated GHG inventories every two years. However, if funding is not available, City staff will work on the development of an updated emissions inventory for the year 2020, to be published by 2022.</p>
2021 - 2025	<p>Monitoring Reports City staff will prepare an annual monitoring report and present the report to City Council and Planning Commission. Each monitoring report will identify CAP implementation efforts to date, assess the CAP's performance in achieving targets, and set implementation milestones for the following year.</p>
2025	<p>Measure Review and CAP Review Based on findings from the monitoring report and inventory updates, City staff will review the performance of each individual measure, evaluate the effectiveness of maintaining existing measures into the future, and identify new technologies and methodologies that did not exist at the time of CAP adoption.</p>
2026	<p>CAP Update Through the review of CAP measures and monitoring, the City</p>

Source: Ascent Environmental. 2020.

Figure 4-1

Climate Action Plan Implementation and Monitoring Schedule

4.3 Ongoing Engagement

Continued engagement and participation from the community is critical for implementation of the CAP. This includes individual residents and business, community organizations, developers, property owners, other local and regional government agencies, and others. While this CAP focuses on measures in which the City has a role, many of the measures require partnerships, collaboration, and active engagement. Specific measures, such as increasing transit ridership (**Measure T-3.8**) or increasing citywide waste diversion, (**Measure S-8.1**) require the public to adopt new daily habits that reduce GHG emissions.

The City is also committed to educating the public about the important role individuals play in combating climate change. Effective and long-term climate action and resilience in the City can only be achieved

Most measures will require ongoing public input to achieve maximum GHG reductions. Measures aimed at reducing waste generation, transitioning to alternative modes of transportation, and developing/updating plans will require public input and support.

through efforts that continue to change the way individuals interact with the environment. The creation of Climate Ambassadors or other such programs to educate residents in priority areas is a key strategy for achieving equity on the CAP implementation. Many of the measures in **Chapter 3** are focused on increasing community awareness and participation in existing programs or connecting the

community with new information, tools, funding, or resources to take action. Thus, this CAP serves as a resource that supports community-based action.

4.4 Funding Sources

Implementation of GHG reduction measures to increase energy efficiency and reduce the use of non-renewable resources will result in substantial cost-savings for the City and its residents in the long term. The City will incur initial start-up, ongoing administration, staffing, and enforcement costs. The City will be proactive in seeking cost-effective implementation and strategic funding opportunities and developing partnerships to share costs. All measures with potential for significant costs will be brought to City Council for consideration and approval.

To reduce the cost burden of implementation, a variety of funding sources are available to the City. A preliminary summary of funding and financing options are summarized in **Table 4-4**; however, these funding sources and programs are subject to change over time. As the CAP is updated and monitored, the City will need to reevaluate its overall costs and funding sources available. Leveraging funding opportunities would facilitate successful implementation of the GHG reduction measures.

The State's Climate Change Funding Wizard website provides updates for funding available to cities, residents, and businesses for projects and activities that reduce GHG emissions and improve local resiliency.

Funding Source	Description
For City Operations	
California Department of Resources Recycling and Recovery ("CalRecycle")	<p>CalRecycle grant programs allow jurisdictions to assist public and private entities in management of waste streams. Incorporated cities and counties in California are eligible for funds. Program funds are intended to:</p> <ul style="list-style-type: none"> ▪ Reduce, reuse, and recycle all waste. ▪ Encourage development of recycled-content products and markets.

Table 4-4 Potential Funding Sources to Support Greenhouse Gas Reduction Measures	
Funding Source	Description
	<ul style="list-style-type: none"> Protect public health and safety and foster environmental sustainability.
California Air Resources Board (“CARB”)	<p>CARB offers several grants, incentives, and credit programs to reduce on-road and off-road transportation emissions. Residents, businesses, and fleet operators can receive funds or incentives depending on the program. The following programs can be utilized to fund local measures:</p> <ul style="list-style-type: none"> Air Quality Improvement Program (Assembly Bill [“AB”] 118); Loan Incentives Program; and California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project
Transportation-Related Federal and State Funding	<p>For funding measures related to transit, bicycle, or pedestrian improvements, the following funding sources from the Southern California Association of Governments (“SCAG”) may be utilized:</p> <ul style="list-style-type: none"> Sustainability Planning Grant Program; Fixed Guide Way Capital Investment Grants; Job Access and Reverse Commute and New Freedom Programs; and Enhanced Mobility of Seniors & Individuals with Disabilities
New Development Impact Fees	<p>These types of fees may have some potential to provide funding for proposed programs and projects, but such fees are best implemented when the real estate market and overall regional economic conditions are strong.</p>
General Obligation Bond	<p>A general obligation bond is a form of long-term borrowing and could be utilized to fund municipal improvements.</p>
Other Funding Mechanisms for Implementation	<p>Grants may be available from the Strategic Growth Council (“SGC”) or the State Department of Conservation (“DOC”) to fund sustainable community planning, natural resource conservation, and development, and adoption.</p>
For Community Operations	
San Diego Gas & Electric (“SDG&E”)	<p>SDG&E is one of the utilities participating in the Go Solar initiative. A variety of rebates are available for existing and new homes. Photovoltaics, thermal technologies, and solar hot water projects are eligible. Single-family homes, commercial development, and affordable housing are eligible.</p>
Property-Assessed Clean Energy (“PACE”)	<p>The PACE finance program is intended to finance energy and water improvements within a home or business through a land-secured loan, and funds are repaid through property assessments. Municipalities are authorized to designate areas where property owners can enter into contractual assessments to receive long-term, low-interest loans for energy and water efficiency improvements, and renewable energy installation on their property. Financing is repaid through property tax bills. SANDAG has implemented the Home Energy Renovation Opportunity (“HERO”; a PACE program) in San Diego County to assist residents in financing residential energy efficiency and solar retrofits.</p>
Clean Vehicle Rebate Project	<p>Individual, fleet operators, local government entities, and businesses can apply for rebates for purchases of plug-in electric hybrids (“PHEVs”), battery electric vehicles (“BEVs”), fuel-cell electric vehicles (“FCEVs”), and other non-highway, motorcycle and commercial BEVs.</p>
Energy Upgrade California	<p>Program is intended for home energy upgrades. Funded by the American Recovery and Reinvestment Act, California utility ratepayers, and private contributions. Utilities administer the program, offering homeowners the choice of one of two upgrade packages—basic or advanced. Homeowners are connected to home energy professionals and can receive up to \$4,000 back on an upgrade through the local utility. Rebates, incentives, and financing are available.</p>

Funding Source	Description
Federal Tax Credits for Energy Efficiency	Tax credits for energy efficiency can be promoted to residents.
Energy Efficient Mortgages (“EEM”)	An EEM is a mortgage that credits a home’s energy efficiency in the mortgage itself. Residents can finance energy saving measures as part of a single mortgage. To verify a home’s energy efficiency, an EEM typically requires a home energy rating of the house by a home energy rater before financing is approved. EEMs typically are used to purchase a new home that is already energy efficient, such as an ENERGY STAR® qualified home.
Private Funding	Private equity can be used to finance energy improvements, with returns realized as future cost savings. Rent increases can fund retrofits in commercial buildings. Net energy cost savings can fund retrofits in households. Power Purchase Agreements (“PPA”) involve a private company that purchases, installs, and maintains a renewable energy technology through a contract that typically lasts 15 years. After 15 years, the company would uninstall the technology or sign a new contract. On-Bill Financing (“OBF”) can be promoted to businesses for energy-efficiency retrofits. Funding from OBF is a no-interest loan that is paid back through the monthly utility bill. Lighting, refrigeration, heating, ventilation, and air conditioning, and light-emitting diode streetlights are all eligible projects.
Community Choice Aggregation (“CCA”) Revenue	Revenue generated by a local CCA program may be used to fund or incentivize GHG reduction measures.
Housing Rehabilitation Loan Programs	Critical Home Repair Program through Habitat for Humanity provides home improvements for low-income homeowners to improve home efficiency, safety, and accessibility. The U.S. Department of Housing and Urban Development (“HUD”) Community Development Block Grant (“CDBG”) program provides communities with resources to address redevelopment needs, specifically for home rehabilitation. HUD also administers the HOME program, providing grants to improve affordable housing opportunities and conditions.
U.S. Department of Energy (“DOE”)	The Weatherization Assistance Program reduces energy costs for low-income households by increasing the energy efficiency of their homes, while ensuring their health and safety. It is the nation’s largest whole-house energy efficiency program. The program has created an industry, producing new jobs and technologies, all the while helping the most vulnerable families.
Department of Food and Agriculture	The Healthy Soils Program stems from the California Healthy Soils Initiative, a collaboration of state agencies and departments to promote the development of healthy soils on California’s farmlands and ranchlands. The Healthy Soils Incentives Program provides financial assistance for implementation of conservation management that improve soil health, sequester carbon and reduce GHG emissions. The Healthy Soils Demonstration Projects showcase California farmers and rancher’s implementation of Healthy Soils Practices.
California Public Utilities Commission	The Solar on Multifamily Affordable Housing (“SOMAH”) program provides financial incentives for installing photovoltaic (“PV”) energy systems on multifamily affordable housing in California. The program will deliver clean power and credits on energy bills to hundreds of thousands of the state’s affordable housing residents. SOMAH’s unique, community-based approach ensures long-term, direct financial benefits for low-income households, helps catalyze the market for solar on multifamily housing and creates jobs, job training for local tenants, and tenant protections..

Table 4-4 Potential Funding Sources to Support Greenhouse Gas Reduction Measures

Funding Source	Description
California Department of Community Services and Development	California’s Low-Income Weatherization Program (“LIWP”) provides low-income households with solar photovoltaic (“PV”) systems and energy efficiency upgrades at no cost to residents. The program plays an important role in ensuring that all Californians have the opportunity to benefit from California’s Climate Investments and services. LIWP funds energy efficiency upgrades and solar for low-income single-family homes and multifamily affordable housing. These upgrades improve the livability of housing and contribute to the health of communities through improved air quality. They also help lower operating costs for affordable housing administrators, helping to preserve valuable below-market housing for low-income families.
CAL Fire	Through the California Climate Investments (“CCI”) Urban & Community Forestry Grant Program, CAL FIRE works to optimize the benefits of trees and related vegetation through multiple-objective projects as specified in the California Urban Forestry Act of 1978 (Public Resources Code 4799.06-4799.12). These projects result in a net GHG benefit, and provide environmental services and cost-effective solutions to the needs of urban communities and local agencies. Co-benefits of the projects include increased water supply, clean air and water, reduced energy use, flood and storm water management, recreation, urban revitalization, improved public health, and producing useful products such as bio-fuel, clean energy, and high quality wood.
General Funding and Staff Capacity	
CivicSpark Program	Supports sustainability-focused research, planning, and implementation projects throughout California by providing public agencies and other organizations with capacity building support and community engagement. This program provides volunteer engagement through AmeriCorps fellows to provide added staff capacity for eleven months
California Climate Investments (“CCI”)	CCI is the statewide initiative that provides funds from the Cap-and-Trade program for GHG reducing projects and programs. Funds can support a variety of projects including affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, sustainable agriculture, recycling, and more. Numerous State programs listed above are funded by CCI; however, the program continues to evolve and is updated by the State periodically to include new or modified programs.

Source: Ascent Environmental 2020



Chapter 5
CLIMATE ADAPTATION

Attachment 2

This chapter summarizes climate change-related impacts that may affect the City of Escondido (“City”) in the future and evaluates how these impacts would potentially affect the community’s population, functions, and structures. Following identification of potential climate change—related impacts, this chapter outlines key strategies for improving community resiliency and adaptation, and addresses and provides equitable resilience and hazard mitigation for everyone in the community. The City is committed to ensuring socially equitable climate change outcomes by building on GHG emissions reduction strategies and through the implementation of adaptation strategies and measures.

5.1 Introduction

Long-term climate trends are not dependent on any single extreme event. A single large storm event or even a single wet or dry year may just be a normal fluctuation in atmospheric conditions. However, continuing changes that are sustained year after year can be attributed to a climate change. While there is general consensus that global climate change is occurring, there is less certainty as to the timing and potential consequences of climate change, particularly at the local level. Based on a climate system that is no longer staying within a stationary range of extremes, weather-related emergencies and climate hazards are expected to increase (Hay 2016). Our changing climate can affect every aspect of the local, natural environment – and each of these impacts often causes chain-reaction changes that affect people, places, resources, and other aspect of the ecosystem. If we hope to limit the negative impacts of climate change in Escondido, we must assess the range of possibilities, likelihoods, and consequences of climate risk and explore strategies for their prevention.

“Adaptation planning” is a process of identifying climate risks and opportunities, assessing the options to manage those risks and opportunities, and implementing actions to sustain and even improve the quality of life.

This chapter of the Climate Action Plan (“CAP”) provides a range of adaptation strategies and measures that the City can implement to be better prepared for and adapt to climate change. Through “adaptation planning” the City is undertaking a process of identifying climate risks and opportunities, assessing the options to manage these risks and opportunities, and implementing actions to sustain and even improve the community’s quality of life. However, this CAP is about much more than climate change. Rather than being indifferent to the reality that groups are situated differently relative to their exposure to pollution and access to resources and opportunity, our vision for a climate-positive future starts when we address existing disparities and advance more equitable outcomes. Not only will the City adapt and become more resilient to unavoidable impacts from climate change, the City will also position itself for a more positive future – one that addresses social equity and environmental justice to help mitigate the disproportionate harm faced by certain groups and classes in the city. This CAP has established a series of cross-cutting priorities to build thriving and resilient neighborhoods for all. Because the climate will keep changing over time, and our responses change with it, the adaptation strategies and measures identified in this chapter will be continuously monitored and updated by the City.

Section 5.4, *Adaptation Measures and Next Steps*, outlines the strategies and measures the City will implement to adapt to climate change, as well as the next steps in this implementation process. These strategies, measures, and next steps will be continually reviewed and refined over time to address changing climate impacts and understanding of adaptation. The City’s adaptation approach outlined within this chapter is based upon best available science, currently known adaptation practices, and a snapshot understanding of the city’s existing vulnerabilities. Additional background information on the methodology used to develop the adaptation measures is included in [Appendix F](#). In the future, the City

will reevaluate the feasibility and necessity of adaptation options as appropriate, continuing to use best available data, with reference to current State adaptation planning guidance.

5.2 Vulnerability Assessment

In the San Diego region, as well as throughout California, climate change is already affecting and will continue to affect the physical environment. It is the responsibility of all to prepare for increased temperatures, more frequent extreme weather events, and changes in precipitation patterns. Because impacts of climate change vary by location and other social and economic characteristics, it is important to specifically identify the projected severity of these impacts on the city and the surrounding area. Consideration of how the City can respond effectively to mitigate that risk, or how the City can and should respond to increasing future risk would make the community more prepared for projected climate impacts.

The goal of this section is to increase the understanding of the vulnerabilities associated with what is projected to happen in Escondido and encourage consideration of these impacts without creating further vulnerabilities or liabilities. The direct, or primary, changes analyzed for the city include increased temperatures, increased frequency of extreme weather events, and increased intensity and frequency of precipitation. Secondary impacts, which can occur because of one or more primary changes, are also assessed and include increased risk for wildfire, flooding, and landslides.



Source: City of Escondido

To begin assessing potential climate change impacts over time, Cal-Adapt (a climate change scenario-planning tool developed by the California Energy Commission [“CEC”] and the University of California Berkeley Geospatial Innovation Facility) was used. To address the uncertainty in future emissions of greenhouse gases (“GHGs”), Cal-Adapt uses Representative Concentration Pathways (“RCPs”), which encapsulate different possible future GHG emissions scenarios; a “medium” RCP emissions scenario that models a future where communities attempt to reduce GHG emissions and a business as usual (“BAU”) RCP scenario. The BAU emissions scenario predicts GHG emissions will continue to rise over the 21st century. The medium GHG emissions scenario predicts GHG emissions will level off in the middle of the 21st century (approximately 2040) and decrease to lower than 1990 levels by the end of the century (CAL ADAPT 2020). In consideration of “vulnerabilities” and the possible range of GHG emissions scenarios, it is important to assess how future GHG emissions and climate change conditions might impact populations differently. A significant health risk associated with climate change is exacerbation of health risks especially for communities with existing higher cumulative pollution exposures. Cumulative impacts are exposures and public health or environmental effects from all sources of pollution in a geographic area. Cumulative impacts also take into account groups of people that are especially sensitive to pollution’s effects, such as young children and people with asthma, etc.; and socioeconomic factors, such as poverty, race and ethnicity, and education. In particular, air pollution worsens as temperatures rise, stressing both the heart and lungs. A growing body of research into pollution and climate change is finding that minorities bear a disproportionate share of risks. Heat-island effects coupled with pollution sources are most likely to impact communities of color. The GHG emissions contributing to climate

change are linked with increased hospitalizations and deaths from cardiovascular disease and are connected with more asthma attacks and other respiratory problems (Scientific American 2019).

An important tool in assessing risks associated with pollution exposure and community vulnerabilities is the Office of Environmental Health Hazard Assessments statewide database, CalEnviroScreen. This model, which is periodically updated, identifies communities that are most affected by many sources of pollution, and where people are often especially vulnerable to pollution's effects. CalEnviroScreen uses environmental, health, and socioeconomic information to produce scores for every census tract in the state. Inclusion of CalEnviroScreen data (incorporated and reproduced fully as the Social Equity and Health Index Map in **Appendix F**) is part of the City's determination of vulnerable neighborhoods needing additional focus and priority.

5.2.1. Increased Temperatures

Temperature affects the smallest details of our daily life. It influences how you dress to stay comfortable, whether you enjoy outside activities, stay inside, or retreat to safer areas during weather-related emergencies and climate hazard events. It also has been found to affect the living organisms in various ways, including the physiology, behavior, growth, and distribution of plants and animals. Increases in average temperatures can have many impacts on the environment. For example, temperature plays an important part in the life cycle of insects. Many insects die during the colder winter months, but if temperature increases by just a couple of degrees, some of these insects would persist. This could lead to an increase in the insect population or a change in insect breeding habits, which could be devastating to farming practices and/or the agricultural crop industry and forest health. In addition, increased air temperatures can result in stagnant air masses, which could retain pollution from vehicles and industry for extended periods of time and would increase the frequency and intensity of conditions conducive to smog formation. A June 2020 study reported links to climate change and harm to newborn and unborn children. The study found a relationship with heat or air pollution linked to birth outcomes such preterm births, birth weights, and stillbirths (NY Times 2020). Children and the elderly are particularly vulnerable to respiratory, cardiovascular, and heat-related illnesses exacerbated by increased average temperatures, especially in areas already exposed to higher burdens of indoor and outdoor air pollution. Furthermore, numerous research studies have shown that indoor air temperature and circulation can impact one's level of productivity, as well as one's ability to learn, concentrate and remember important information (Schneider 2016). Warmer lakes, rivers, and streams threaten aquatic species by disrupting reproductive cycles, displacing cold-water species, through acidification, and/or creating dead zones in deep lakes. Warmer air temperatures may put inland communities at risk by expanding dry areas and their propensity to fuel wildfires.

Some areas of the city will also experience heat island effects. An urban heat island or a heat island effect is an urban or built-up area that is significantly warmer than its surrounding rural areas despite having similar climate systems. The temperature difference is usually due to human activities and from the modification of land surfaces. The temperature difference is usually larger at night than during the day and is most apparent when winds are weak. The City developed a mapping tool to identify at-risk areas. The 2020 Heat Vulnerability Map is provided in **Appendix F** and is referenced in Section 5.4, *Adaptation Measures and Next Steps*.



Source: City of Escondido

The greenhouse effect, described in **Chapter 1**, has already begun to heat the atmosphere beyond normal levels and will continue to do so over the next century, even if the City's emission reduction targets are met. From 1900 to 2000, the average global daily maximum temperature increased approximately 1.0 degrees Fahrenheit ("°F") (Nature 2019). Within the last 20 years, the average global temperature has increased by an additional 1.0 °F. Using Cal-Adapt, it was predicted there would be an average temperature increase of 3.0 to 10.0°F by 2099 worldwide (CAL ADAPT 2020). It is important to note that the tipping point to many of the aforementioned climatic changes is an increase of 1.0 to 2.0°F. Although future climate-risks depend on the rate and duration of the "warming," in the aggregate they are expected to be irreversible or irrecoverable if temperatures exceed 2.7°F (IPCC 2018). Using baseline observed temperatures in the city from 1960 to 2000, the collective projections from Cal-Adapt show an average maximum temperature increase of 3.9 to 4.9°F by 2050, and 5.4 to 9.6°F by 2099, depending on a range of GHG emissions scenarios.

5.2.2. Extreme Weather Events

Extreme weather events include extreme heat and storms. Extreme heat events generally include extreme heat days and heat waves. Extreme heat days are days in which the temperature is significantly greater than the historic average temperature and can be further exacerbated when combined with high relative humidity. Heat waves can occur when high daily temperatures persist for several days and if nighttime temperatures do not drop significantly enough to reduce nighttime cooling. Extreme heat events can further exacerbate the threat of wildfire by increasing the drying of vegetation. The frequency of extreme heat days, heat waves, and warm nights are a threat because they induce injury, illness, and death from the resulting heat waves and wildfires. Heat stroke and dehydration can occur during extreme heat and hazardous weather can cause injuries and, in some cases, death. Warmer climates have increased levels of harmful air pollutants, such as ground-level ozone, which can damage lung tissue, inflame airways, impair respiratory health, and aggravate lung diseases, which are amplified during extreme weather events. Extreme weather events also impact the transmission of food, water, and animal-borne diseases. Prolonged drought in dry areas can lead to property and infrastructure damage. Power outage, road surface deterioration, railroad track buckling, and bridge damage are some of the types of resource or asset failures that have occurred during extreme weather events.

Extreme weather events include extreme heat, heat waves, and extreme storms. These events can be extremely harmful to human populations, especially vulnerable populations, such as low-income communities and children.

Disruptions in daily life caused by property and infrastructure damage can mean lost work and school days and harm commercial trade. Extreme weather-related health risks also reduce productivity, such as when extreme heat curtails construction, or when more potent allergens and more air pollution lead to lost work and school days.

Cal-Adapt loosely defines extreme heat days at or above the 98th percentile daily maximum temperature for a given area based on observed historical climate data. For the city, an extreme heat day is a day in which the average temperature is greater than 97.1°F, and historical observations show an average of five extreme heat days per year from 1961 to 2000. The frequency of extreme heat days are projected to increase as average temperature increases, rising to 15 to 20 extreme heat days per year by 2050, and 21 to 40 extreme heat days per year by 2100 (CAL ADAPT 2020). Warm nights, defined by the 98th percentile daily minimum temperature, are project to increase as well. For the city, a warm night is a night during which average temperature is greater than 66.4°F. Historical observations show an average of five warm nights per year from 1961 to 2000, and projections show an average of 25 to 37 extreme heat nights by 2050, and 36 to 91 extreme heat nights by 2100 (CAL ADAPT 2020).



Source: City of Escondido

While the world is experiencing an overall warming trend, more significant changes are occurring in winter months beyond temperature — snowfall and large storms depend on moisture in the atmosphere, which is increasing as a result of climate change. Snowy weather patterns depend on the large-scale flow of the atmosphere, which is changing, too. A phenomenon, called “winter temperature dipole”, is shifting winter weather patterns. This phenomenon yields a severe temperature contrast between eastern and western North America, where cold periods in the winter have been increasing in their frequency, as arctic air is pushed into areas further south than where it has historically flowed. Many extreme temperature conditions that redistribute heat and produce some combination of clouds, precipitation, and wind are becoming more common. These atmospheric conditions will affect snowstorms, derechos, hailstorms, rainstorms, blizzards, low-pressure systems, lightning storms, hurricanes, typhoons, and twisters. Scientific studies indicate that extreme weather events, like large storms, are likely to become more frequent and/or more intense with climate change. Tropical storm activity in the Atlantic Ocean, the Caribbean, and the Gulf of Mexico has increased during the past 20 years (Earth Observatory 2020). Storm intensity is closely related to variations in sea surface temperature in the tropical Atlantic. Although Escondido is unlikely to experience snowstorms and derechos, climate change may result in changes to the atmospheric processes that could result in increased frequency of damaging winds, hailstorms, rainstorms, lightning storms, and hurricanes or other tropical storm systems.

5.2.3. Frequency and Intensity of Precipitation

Both the amount and distribution of precipitation are likely to change over the coming years. Southern California already experiences highly variable precipitation patterns, and climate change will further increase this volatility. The range of precipitation extremes will likely expand, resulting in fewer wet days and more dry days. More intense rainstorms could occur, distributing precipitation over a smaller window of time, followed by longer periods of minimal precipitation or drought.

The city is anticipated to experience more frequent extreme precipitation events and greater variability in the amount of rainfall from year to year.

The Cal-Adapt projections do not show a significant increase or decrease in the average annual precipitation for Escondido, which is observed to be 15.3 inches per year using the 1961 to 2000 baseline. However, as a result of increased climate variability, annual averages may not best represent the climate change-related impacts that would occur. For example, the average annual precipitation in Escondido from 1996 to 1999 was 15.3 inches, which is equal to the observed baseline average (CAL ADAPT 2020). The recorded precipitation for those years were 13.1, 14.0, 27.4, and 6.8 inches, respectively (CAL ADAPT 2020). Thus, while the average precipitation for those years suggests normalcy, the recorded rainfall for each year suggests the city is experiencing significant precipitation variability. The Cal-Adapt projections show yearly precipitation highs of 40 inches and lows of two to three inches, highlighting the variability and uncertainty of the projections on a year to year basis.

Extreme precipitation events can delay planting and harvesting, cause power outages, reduce transportation system efficiency, delay air travel, induce soil erosion and mudslides, and otherwise make it difficult for people to go about their daily business. The expansion of flood-prone areas, flood plains, and inundation zones could put more people and property at risk within the city. Higher year-to-year variability can change overall water availability, even if the yearly average does not change significantly over time. Wetter years will see a higher proportion of water lost to runoff, along with higher risk of flooding. Drier years will increase water demand, while also losing more to evaporation. Overall, these factors will lead to less water capture by constructed and natural environments, depleting the local water supply. It could also lead to more water entering the lakes from the surrounding watershed, bringing with it pesticides and invasive species.

5.2.4. Wildfire Risk

Wildfires in open, wildland areas typically display a range of fire behavior and fire characteristics that depend on factors such as vegetation fuel, terrain, types of past management, stage of succession after previous fires or other disturbances, and climate and weather patterns (including prevailing wind factors). Fire regimes (i.e. the general pattern of natural wildfire occurrence in a particular geography) may also be affected by terrain features and slope exposure. The city's environment consists of a broad mixture of urban settings, semi-urban settings, rural areas, and open space areas characterized by shrubs, native trees, and high fire fuel areas with steep topography. During the dry months, the wildfire risk in these open, vegetated areas can increase when exacerbated by occasional Santa Ana winds and high temperatures. Additionally, extreme weather conditions, such as high temperature, low humidity, and/or winds of extraordinary force, may cause an ordinary, localized fire to expand into one that is more intense and difficult to contain. Currently, about 43,388 homes within Escondido are located in the Fire Regime II & IV; this includes the wildland-urban interface, which is characterized by zones of transition between wildland and developed areas and often include heavy fuel

Wildfire occurrence would be exacerbated by climate change impacts including increased frequency of droughts, extreme heat days, and heat waves

loads that increase wildfire risk (City of Escondido 2018). The potential loss of these homes is valued at over 12 billion dollars. The City also has 426 critical facilities and infrastructure assets in these areas. The potential exposure of these assets is valued at over 1.9 billion dollars (City of Escondido 2018).

Increased temperatures and changes in precipitation patterns associated with climate change are expected to increase the risk of wildfire. Cal-Adapt's Wildfire Tool is a useful modeling tool to help predict the potential amount of area at risk of burning through the year 2100. According to Cal-Adapt's Wildfire Tool, because of the City's diverse environment, the amount of area at risk of burning will increase anywhere from 1.5 to 28.3 percent (based on different location attributes) (CAL ADAPT 2020). Even though areas with greater population are inherently more vulnerable than areas with less population, it is anticipated that fire behaviors and fire characteristics in urban areas are different than more fire prone, open space areas. Based on CalAdapt's Wildfire Tool, an increase in burn rates is most likely to occur within the eastern portions of the city, which include much of the unincorporated and open space lands.

The California Department of Forestry and Fire Protection ("CAL FIRE"), in collaboration with the City, has developed the City's Fire Hazard Severity Zone Map identifying Very High Fire Hazard Severity Zones that are included in the City's Local Responsibility Area ("LRA") (See Appendix F). The map identifies areas in the City included in the different fire hazard areas. Due to topography and vegetation, properties located within and surrounding the Very High Fire Hazard Severity Zones have increased risks of wildfires and associated hazards than that of most areas within the city.



Source: City of Escondido

In addition to increased threats to human safety, the increased frequency of wildfire results in the release of harmful air pollutants into the atmosphere, which dissipate and can affect the respiratory health of residents across a broad geographical scope. Particulate matter (soot and smoke), carbon monoxide, nitrogen oxides, and other pollutants are emitted during the burning of vegetation, and can cause acute (short-term) and chronic (long-term) cardiovascular and respiratory illness, especially those suffering from pre-existing cardiovascular or respiratory conditions. The issue may be even more complicated with an increased burden in specific, vulnerable populations such as the elderly, children, homeless, minorities and non-English speaking populations, and agricultural and outdoor workers. The complex interplay between social and economic factors that these groups and classes experience cause them to generally be more susceptible to certain systemic illnesses because of a lack of targeted health care policies and/or lack of access to adequate health care.

5.2.5. Flooding and Landslides

Several factors determine the severity of floods, including rainfall intensity and duration. Along with reductions in the amount of snowpack and accelerated snowmelt, scientists project greater storm intensity. Climate change is predicted to vary the frequency, intensity, and duration of extreme storm events, such as sustained periods of heavy precipitation and increased rainfall intensity during precipitation, resulting in more direct runoff. Flash floods occur when a large amount of rain falls over a short period of time. The city's flooding potential will also be exacerbated when experiencing atmospheric rivers, or narrow streams of warm, concentrated precipitation, often resulting in considerable rainfall over a short period of time. Under higher emissions scenarios, the intensity and magnitude of atmospheric rivers are expected to become more severe, resulting in increased regional and localized flooding. With the added potential increases in the frequency and intensity of wildfires due to climate change, there is potential for more floods following wildfires, which will increase sediment loads and impact water quality. Floodwaters during storm events can interact with sources of pollution and distribute hazardous pollutants locally and regionally. The resulting water contamination may lead to human health impacts, as well as degradation of ecosystems.



Source: City of Escondido

Currently, the city experiences localized flooding in several areas during heavy rainfall and extreme weather events. Historically, the city has experienced property-related losses and damage because of localized flooding. As variability in precipitation frequency and intensity occurs, what is currently considered a 100-year flood may occur more often than projected, further increasing the risk of flooding to communities already located in these areas. Currently, there are 1,399 homes in the city located within the 100-year floodplain mapped areas. As these floodplain maps are updated and revised to account for increased flooding as a result of climate change, it is anticipated more homes in the city would be located within these areas of risk. The potential exposure or loss of residential buildings currently located within the 100-year floodplain is valued at \$393,819,000 (City of Escondido 2018). During flooding events, infrastructure (e.g., roadways, power lines) may be damaged, resulting in disruptions to communications, energy transmission, public services, and transportation systems. There are 37 critical facilities and City assets within the 100-year floodplain, with an asset value of \$43,352,000 (City of Escondido 2018). Flood events can also cause considerable property damage from extended exposure to water, and structural damage from erosion and mudslides. There are approximately 76 homes at high risk and 22 homes at moderate risk, with a potential exposure or loss value of \$27,587,000 (City of Escondido 2018). A snapshot assessment of potential home threat exposure is provided in the City's 2018 Multi-Jurisdictional Hazard Plan, with tabular excerpts provided in [Appendix F](#).

5.3 Social Equity and Environmental Justice

Environmental issues are almost always rooted in economic and social issues. In fact, climate change is a direct product of extended environmental and social policies. An ironic, yet unfortunate, aspect of climate change is that the individual, businesses, agencies, or organizations most responsible for

This City's vision of climate justice is where solutions begin with addressing the needs of those who are most vulnerable to climate change and/or experiencing disparate outcomes.

causing climate change are often the ones that are the least affected by it. The world's richest households, businesses, and industries generate more than half of the GHG emissions and the poorest half contribute just 10 percent of all emissions (The Guardian 2015). Even though all residents and businesses will all be affected by a changing climate, they will be impacted in different ways. The interactions between climate change and health are numerous. Not only will climate change have significant health impacts, but how we prepare to, mitigate, and adapt to our changing climate will also influence human health. Preparing and responding to climate change is a powerful opportunity to improve the health of Escondido's residents. To do this, the City will need to determine the scope and extent of existing social and economic vulnerabilities and disparities and identify ways to make the community less susceptible to, or able to cope with, the adverse effects of climate change.

Social equity, as a term, is more than just the fair, just, and equitable distribution of public services and implementation of public policy; it also means understanding and giving people what they need to enjoy full and healthy lives. If properly incorporated into planning efforts, social equity ensures traditionally disadvantaged and under-represented groups equally experience the positive outcomes of these planning efforts. This involves being inclusive of both dominant and marginalized groups, and ensuring that the benefit to one does not result in the detriment to the other. Planning for equity does not stifle growth or impede development. Instead, it expands opportunities to all members of a community and builds local resiliency.

This City's vision of climate justice is where solutions begin with addressing the needs of those who are most vulnerable to climate change and/or experiencing disparate outcomes. This CAP proposes a concrete approach for addressing social equity in implementation. Using the map and analysis discussed below, the City will prioritize neighborhoods with a 50 percent ranking in the State Office of Environmental Health Hazard Assessment ("OEHHA") CalEnviroScreen for priority investments and early implementation of focused measures to support social equity and environmental justice. By focusing efforts on vulnerable neighborhoods and populations, the City will provide equitable protection from environmental hazards and burdens. Climate adaptation planning efforts must involve all social groups and classes in the development and implementation of environmental policies, and ensure equitable benefits to all community members from projects funded and directed by the City (a snapshot assessment of Escondido's unique socio-economic profile is provided in [Appendix F](#)).



Source: City of Escondido

5.3.1. Social Equity and Health Index Map

Climate adaptation measures should not be implemented without consideration of wider social equity and environmental justice concerns. Understanding these vulnerability factors and the populations affected is critical for crafting climate change adaptation measures. Although disaster impacts can vary from hazard to hazard, vulnerability indicators – or measurable variables – allow for the quantification and comparison of climate risk within cities, counties, or sub-regions. The City created a mapping tool, called a Social Equity and Healthy Index Map to use data from the State OEHHA CalEnviroScreen to designate priority investment neighborhoods ("PINs") to measure the degree to which climate change would impact different geographical areas and to evaluate levels of access to opportunity within a census tract. The data-backed mapping tool created a heat map of related risk factors. All indicators fall into one of five

broader categories: housing, mobility, economic, environmental, community characteristics, and health. The overlap of these risk factors highlight areas of greater cumulative risk that should be prioritized when implementing corresponding adaptation strategies. As a result, a significant majority of the adaptation actions include implementation steps that will require the City to prioritize these actions in areas of highest need. The 2020 Social Equity and Healthy Index Map is provided in [Appendix F](#) and is referenced in Section 5.4, *Adaptation Measures and Next Steps*.

5.4 Adaptation Measures and Next Steps

The CAP provides evidence-based measures to reduce GHG emissions and preventative measures to address the negative outcomes of climate change. In implementing the measures listed in this section, this CAP also outlines how the City will adapt and improve its resilience to existing and future climate change impacts. As documented in this chapter and [Appendix F](#), the City’s sensitivity and vulnerability to climate change is influenced by diverse demographic and socio-economic factors. The City will strive to achieve climate justice (the concept that no group of people should disproportionately bear the burden of climate impacts or the health costs of adaptation) by addressing these factors. The City’s most vulnerable communities will be considered as a priority for investments in adaptation to assure near-term co-benefits of improved quality of life while contributing to GHG reduction targets. As this is the beginning of the City’s process of developing its adaptation strategies and measures, many early initiatives are exploratory in nature and aim to identify potential changes or actions to respond to the impacts of concern. The City will begin responding to climate change impacts through the initiation of two climate adaptation strategies.

Strategy A-1: Become a “Climate Smart” Leader

Table 5-1 Strategy A-1: Become a “Climate Smart” Leader	
Measure A-1.1: Fully anticipate, plan for, and mitigate the risks of climate change and seize the opportunities associated with the social and environmental change.	
Recognize climate impact variables as a risk in how the City manages programs, projects, and infrastructure.	
Target Year	Adaptation Action
2020	Annually monitor climate change research and best practices to improve the understanding of local climate change, weather-related emergencies and climate hazards, and to support climate change preparation efforts in local, state, and federal partners.
2023	Adopt established methods for projecting the lifecycle carbon emissions of land use and transportation investments and begin to prioritize projects that have the greatest potential to sustain future changes and changing weather-related emergencies and climate hazards.
2023	Assess climate impacts in the 2023 MJHMP update, incorporate social equity and environmental justice concepts to the extent practicable, and develop system wide approach to prepare for and respond to changing weather-related emergencies and climate hazard events.
2024	Complete planning and establish priorities for plantings, materials, and infrastructure specifications that will be resilient to climate change hazards and be cost-effective over the lifetime of the asset in infrastructure design.
2025	Update the “2020 Escondido Climate Adaptation Study”.

Table 5-1 Strategy A-1: Become a “Climate Smart” Leader

Measure A-1.2: Make sure that everyone is given the opportunity to be prepared for the current and future risks that are exacerbated by climate impacts.

Develop and build capacity for a transparent and inclusive education and outreach processes and design a decision-making framework to achieve equitable access and other climate health-related goals.

Target Year	Adaptation Action
2020	Designate point of contact(s) to establish and maintain staff ability and capacity to ensure effective implementation and equitable outcomes of climate action efforts. Initiate interdepartmental education and planning with City staff to motivate and seek opportunities for creative partnerships to jumpstart priority actions.
2022	Identify and create collaborative partnerships with community-based organizations including vulnerable populations to broaden and diversify community engagement, and to support community-based initiatives that align with climate action planning priorities.
2023	Partner with interested organizations to develop a climate change adaptation public outreach and education program. Engage typically underrepresented vulnerable populations by creating neighborhood climate ambassador liaisons (“Climate Ambassadors”). Climate Ambassadors can conduct outreach and secure commitment in priority investment neighborhoods (“PINs”) to support climate actions, initiate major initiatives, and coordinate investments, etc.
2025	<p>Provide quality information and/or “how-to” resources for local climate adaptation using interactive approaches that may include competition, feedback, and recognition. Activities may include:</p> <ul style="list-style-type: none"> ▪ Provide free technical assistance to businesses. ▪ Develop working groups with workforce development and training organizations to integrate green jobs into existing work. ▪ Develop and implement a local green business program to provide recognition for business achievements. ▪ Partner with business groups to conduct Fix-It Fairs or participate in street-fairs by engaging under-served businesses in learning about sector opportunities ▪ Hold regular workshops with building contractors on green building best practices.
2026	<p>Minimize health issues and disparities caused by weather-related emergencies and climate hazard events (such as extreme heat days), especially for populations most vulnerable to these impacts, by improving the preparation for and response from health, community service, public safety, and emergency staff, resources, and/or services. Actions may include:</p> <ul style="list-style-type: none"> ▪ Leverage partnerships and support organizations to provide assistance to vulnerable populations in high fire hazard areas. ▪ Advertise outdoor worker protection measures, including heat safety and employment security. ▪ Develop a cool zone plan in consultation with resident, business, and community groups and provide updates in conspicuous locations online and on social media when cool zones are activated. ▪ Educate homeowners and tenants of multi-family housing about weatherization projects and the cost savings gained from energy efficient homes through training programs. ▪ Develop evacuation assistance plans and advertise their availability to vulnerable populations in hazard areas and be prepared to implement these plans as part of climate hazard-related emergency operations. ▪ Utilize citywide publication and social media to reach a broad audience to advertise preparedness, risks of potential climate hazard events, and/or implementation status of these measures.

Measure A-1.3: Hardwire social equity and environmental justice into new programs and projects.

Focus planning and intervention programs in priority investment neighborhoods (“PINs”) that currently experience social or environmental injustice and/or bear a disproportionate burden of potential public health impacts.

Target Year	Adaptation Action
2020	Develop a specific strategy or plan to redress social equity disparities by prioritizing and targeting CAP implementation projects into the most vulnerable areas as defined by the “2020 Social Equity and Health Index Map”.
2020	Maximize mitigation benefits locally by prioritizing Escondido community specific (i.e. local) mitigation for GHG emissions and biological impacts/habitat loss. If no local mitigation credits or mitigation opportunities are available, allow project applicants to seek out regional solutions first. If no regional solutions are available then State solutions, with a preference to proximity.
2023	Consider establishing equity considerations for recreation/parks programming, planning, engineering, and public works projects, such as: <ul style="list-style-type: none"> ▪ Does the proposed action generate burdens either directly or indirectly to vulnerable populations? If yes, are there opportunities to avoid, minimize, or reduce those impacts? ▪ Can the benefits of the proposed action be targeted in ways to reduce vulnerable population disparities? ▪ Are the benefits of the proposed action broadly accessible to residents or businesses of vulnerable populations?

Measure A-1.4: Develop working relationships with other agencies and continue to analyze climate impacts.

Establish working groups and collaborate with regional and State agencies and groups to promote becoming “Climate Smart” and promote complementary adaptation strategy development.

Target Year	Adaptation Action
2020	Work with SANDAG and NCTD to make the regional transportation network more resilient, incorporate consideration of climate impacts as part of infrastructure planning and development, and prioritize transportation investments that have the capacity to adapt to climate change, while promoting social equity and environmental justice.
2022	Work with law enforcement, CAL FIRE, City of San Marcos, County of San Diego, City of Vista, and City of Poway to ensure updates for wildfire hazard maps and reduce risk from high fire hazard areas. <ul style="list-style-type: none"> ▪ Model future climate conditions to identify at-risk areas. ▪ Develop effective response mechanisms and evacuation scenarios. ▪ Identify areas within General Plan planning area where future development should be avoided, reconsidered, or mitigated, due to fire hazards.

Notes: CAL FIRE = California Department of Forestry and Fire Protection; City = City of Escondido; GHG = greenhouse gas; MJHMP = Multi-Jurisdictional Hazard Mitigation Plan; NCTD = North County Transit District; SANDAG = San Diego Association of Governments

Source: City of Escondido 2020.

Strategy A-2: Build Thriving and Resilient Neighborhoods

Table 5-2 Strategy A-2: Build Thriving and Resilient Neighborhoods

Measure A-2.1: Make sure that everyone has equitable access to healthy environments in which to live, work, and play.

Recognize the importance of the ecosystem in improving personal, environmental, and economic health

Target Year	Adaptation Action
2022	Identify and create collaborative partnerships with community-based organizations (e.g. San Diego Food System Alliance, California Food Link, San Diego New Farmers Guild, etc.) to develop equitable programmatic resources to increase the production and consumption of home grown and locally sourced food by supporting farmers’ markets; expanding community gardens on public and private lands; and other forms of urban agriculture to: <ul style="list-style-type: none"> ▪ Support more resilient local agriculture on school campuses and at other public institutions or assembly spaces (e.g. church grounds, etc.) to help mitigate climate change and adapt to its impacts. ▪ Facilitate “Farm-to-School” programs for small farm-based businesses. ▪ Create local food maps and food distribution plans to preserve the affordability of local and sustainable food systems to ensure food security, nutrition, and public health. ▪ Support existing programs and/or create new programs to reduce investment risk and facilitate sustainable farming practices to connect more people to more local, farm-fresh foods.
2022	Establish partnerships with local businesses and groups to provide educational opportunities for residents to gain skills in organic gardening, fruit production, composting, food preservation, and cooking healthy foods.
2023	Review and update heat response plans to: <ul style="list-style-type: none"> ▪ Coordinate operations of readily accessible cooling centers. ▪ Recommend potential ways for property managers and homeowners’ associations to implement Cool Zones. ▪ Develop an “early warning system” and response plans that alert residents, businesses, and community members, especially those most vulnerable to heat, when projected heat conditions exceed 100 degrees.
2024	Develop incentives to increase the planting of fruit trees in appropriate areas on private property.
2024	Use regulatory and voluntary tools to increase access to neighborhood parks, passive parklands, parklets, and/or pop-up recreation programs to increase parkland coverage and/or expand equitable access to recreational opportunities.
2025	Consider ways to improve equitable access to clean and sustainable energy. This could include the creation of a Clean Energy Equity Plan to support low-income residents and small organizations to purchase or obtain renewable energy. Also develop a program to engage with the Solar on Multi-Family Housing Program (“SOMAH”) to support local green job training.

Measure A-2.2: Create “climate safe and decent” housing options.

Support more comfortable and resilient homes and buildings to proactively adapt to changing weather-related emergencies and climate hazard events.

Target Year	Adaptation Action
2020	Increase the use of public and private roofs for rooftop gardens. Provide education on how private property owners can use rooftop gardens as an eco-friendly alternative to: bring greenery into a sterile space, provide a place to relax

Table 5-2 Strategy A-2: Build Thriving and Resilient Neighborhoods

	or grow food, delay stormwater runoff, and cool the building to reduce energy consumption. Expand green roof installations through outreach and incentives, such as the Stormwater Credit Fee.
2023	Update the building code to require new private buildings to have operable windows, providing choice levels of light, and wall-to-wall ventilation.
2023	Update the building code to mandate the installation of cool roofs on all new and retrofitted roofs on multi-family projects.
2025	Pursue a green jobs plan component to the Clean Energy Equity Plan.
2027	Develop and implement a mitigation plan for power outages, which may include the following: <ul style="list-style-type: none"> ▪ Adopt an ordinance that requires new senior housing or large care facilities to install air conditioning in all units and on-site home energy batteries and energy storage. The ordinance shall also require conversion projects to provide adequate on-site temperature-controlled spaces in indoor common areas, if any. ▪ Adopt an ordinance that requires new affordable housing projects to install air conditioning in all units. Require affordable rehabilitation projects or other conversions to provide adequate on-site temperature-controlled spaces in indoor common areas, if any.
2028	Consider ways to reduce reliance on centralized sources for energy including: <ul style="list-style-type: none"> ▪ Facilitate access to local, decentralized renewable energy by incorporating renewable energy projects into CCA or other community-wide renewable programs. ▪ Complete a micro-grid feasibility study and begin implementation.

Measure A-2.3: Build capacity for adaptive neighborhoods.

Reduce risks and impacts from increased temperatures, exacerbated air pollution risks, drought conditions, and precipitation variability in the areas around homes and businesses.

Target Year	Adaptation Action
2022	Utilize the “2020 High Fire Hazard Map” to better manage the risk of wildfires as a result of drier summers, especially in areas where homes are next to natural open space areas: <ul style="list-style-type: none"> ▪ Enforce statutory standards for provision of defensible space inhibiting wildfire spread on private properties, and implement brush clearing and fuel breaks to manage the potential spread of wildfire. Fuel breaks should be implemented in areas where they make sense with efforts to avoid or minimize impact to important habitat unless it is necessary to protect structures. Evaluate other ways to reduce risks in and around wildland-urban interface areas that are rated as high fire hazard areas, such as improving the quality and plant palette around wildfire prone areas, and/or other ways to reduce risks in and around high fire hazard areas. ▪ Partner with SANDAG, other agencies, and North San Diego County cities for funding or acquisition and management of lands conserved for habitat protection and/or agricultural use. ▪ Develop opportunities to transfer development rights from very high fire hazard areas to less at-risk areas (e.g. urban infill areas, etc.) and/or seek other regulatory ways to incentivize land conservation or open space preservation. ▪ When analyzing new residential projects in very high fire hazard areas, incorporate evacuation route planning into the analysis. Evaluate brush fire spread and wildland fire behavior characteristics that utilize a 60 mph prevailing wind factor at a minimum, or higher wind speeds, if documented, as necessary.
2024	Adopt plant palettes in the Landscape Ordinance to withstand drought conditions and promote plant-type resilience (in street and park trees, green roofs, etc.). Adopt a new tree code in the Landscape Ordinance that considers tree

Table 5-2 Strategy A-2: Build Thriving and Resilient Neighborhoods

	selections so that tree plantings are known to perform well in the general climate conditions, are climate resilient trees, and will increase canopy or vegetative cover. As part of the next CAP update, monitor tree canopy changes due to development and determine if policy and rule changes are needed.
2024	Utilize the “2020 Heat Vulnerability Map” to identify at-risk areas and help inform decisions and priorities about implementing ways to cool the urban environment. When evaluating programs, projects, and infrastructure in at risk areas and priority investment neighborhoods (“PINs”), prioritize efforts that decrease the urban heat island effect, especially in areas with populations most vulnerable to heat, through strategies like revegetation, tree preservation, new plantings, depaving and porous pavement, green infrastructure, and site specific development design.
2025	Coordinate a more integrated approach to flood or water-surge event planning and consider new innovative ways to adapt to climate impacts, including the following: <ul style="list-style-type: none"> ▪ Update the Jurisdictional Runoff Management Plan to develop stream and riparian restoration program strategies and work to naturalize and/or protect creek watershed areas. ▪ Implement a program that systematically identify areas with underserved storm drains and secure funding for their upsizing. ▪ Increase resilience of natural systems by keeping natural resources areas and establish a fund to acquire or protect land in particularly vulnerable areas.
2027	Develop, adopt, and implement integrated plans for mitigating climate impacts in wildland-urban interface areas that include, but are not limited to the following: <ul style="list-style-type: none"> ▪ Collaborate with agencies managing public lands to identify, develop, or maintain corridors and linkages between undeveloped areas. ▪ Use purchase of development rights or conservation easements to protect climate-vulnerable habitats. ▪ Develop, adopt, and implement integrated plans for mitigating wildfire impacts in the wildland-urban interface. ▪ Assess the financing capabilities and implementation feasibility of the Multiple Habitat Conservation Plan (“MHCP”) or open space management.

Measure A-2.4: Build a sustainable and resilient transportation network.

Align the transportation system improvements with quality of life and enable a variety environmentally friendly choices that feature green infrastructure and have the capacity to adapt to climate impacts.

Target Year	Adaptation Action
2023	Work with NCTD to build more bus shelter amenities to help prevent health effects from long sun exposure and incentivize usage of public transportation.
2024	Evaluate and pursue stable funding sources and financing strategies to accelerate and sustain natural and green infrastructure within the public right-of-way.
2025	Conduct walk audits around prioritized schools, transit boarding areas, and parks to encourage Safe Routes to Schools, Transit, and Parks.
2026	Give greater weight to investing in improvements to transportation infrastructure that are projected to be affected by multiple climate changes and/or build in flexible options that can adapt to changing conditions.

Notes: CCA = community choice aggregation; City = City of Escondido; NCTD = North County Transit District; mph = miles per hour
 Source: City of Escondido 2020.



Attachment 2

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Climate Action Plan Consistency Review Checklist

Project # _____

Introduction

The City of Escondido ("City") adopted an updated Climate Action Plan ("CAP") in [Insert Date of CAP Adoption] by Resolution No. [Insert number]. The CAP outlines strategies and measures that the City will undertake to achieve its proportional share of State greenhouse gas ("GHG") emissions reduction targets. The CAP's strategies and measures are designed to reduce GHG emissions for build-out under the General Plan. The CAP does so by (1) calculating a baseline GHG emissions level as of 2012; and (2) estimating future GHG emissions under a business as usual standard; and (3) implementing state mandated GHG reduction targets. Measures to reduce GHG emissions for projects with land use consistent with the City's General Plan are found in the CAP.

Analysis of GHG emissions and potential climate change impacts from new development is required under CEQA. The purpose of the CAP Consistency Checklist ("Checklist") is to provide a streamlined review process for proposed development projects that trigger environmental review pursuant to the California Environmental Quality Act ("CEQA").

The City's CAP is a qualified GHG emissions reduction plan in accordance with State CEQA Guidelines Section 15183.5. Pursuant to CEQA Guidelines Sections 15064(h)(3), 15130(d), and 15183(b), a project's incremental contribution to a cumulative GHG emissions effect may be determined not to be cumulatively considerable if it complies with the requirements of a CAP. Projects that are consistent with the General Plan and implement applicable CAP GHG reduction measures may incorporate by reference the CAP's cumulative GHG analysis. Conversely, projects that are consistent with the General Plan, but do not implement CAP GHG reduction measures, as well as General Plan Amendments and Annexations that increase emissions beyond CAP projections — will require a project-level GHG analysis.

The purpose of this Checklist is to implement GHG reduction measures from the CAP and determine if development would demonstrate consistency with the CAP's assumptions for implementation. Projects that are consistent with the CAP, as determined through the use of this Checklist, may rely on the CAP for the cumulative impact analysis of GHG emissions. Projects that are not consistent with the CAP must prepare a comprehensive project-specific analysis of GHG emissions, including quantification of existing and projected GHG emissions, incorporation of the measures in this Checklist to the extent applicable, and demonstration of consistency with a VMT threshold currently in development by the City. Cumulative GHG impacts could be significant for any project that is not consistent with the CAP.

This Checklist may be updated periodically to incorporate new GHG reduction techniques, include reference to or requirements of new ordinances adopted by the City, or to comply with later amendments to the CAP or local, State, or federal law. Comprehensive updates to this Checklist will be coordinated with each CAP update. Administrative updates to the Checklist may occur regularly, as

necessary for the purpose of keeping the Checklist up-to-date and implementable. Updates to the CAP Checklist associated with an update to the City's CAP would require City Council approval and shall comply with CEQA.

Applicability and Procedures

This Checklist is required only for discretionary projects¹ that are subject to and not exempt from CEQA. Projects that are exempt from CEQA are deemed to be consistent with the City's CAP, and no further review is necessary, with the exception of a Class 32 "In-Fill Development Projects" categorical exemption (State CEQA Guidelines Section 15332), for which projects are required to demonstrate consistency with the CAP through this Checklist.

General procedures for Checklist compliance and review are described below. Specific guidance is also provided under each of the questions under Steps 1 and 2 of the Checklist.

- The City's Community Development Department reviews development applications relative to environmental review requirements under Article 47 of the Escondido Zoning Code. These environmental quality regulations implement CEQA and State CEQA Guidelines by applying the provisions and procedures contained in CEQA to development projects proposed within the City.
- The project proponent or applicant must demonstrate if the project request is CAP compliant to the satisfaction of the Director of Community Development. In doing so, the project proponent or applicant must provide written documentation to demonstrate the applicability of the Checklist; and provide substantial evidence that demonstrates how the proposed project would implement each applicable Checklist requirement described herein.
- If a question in the Checklist is deemed not applicable (N/A) to a project, written documentation and substantial evidence supporting that conclusion shall be provided to the satisfaction of the Director of Community Development.
- Development projects requiring discretionary review that cannot demonstrate consistency with the CAP using this Checklist shall prepare a separate, project-level GHG analysis as part of the CEQA document prepared for the project and may be required to prepare an Environment Impact Report ("EIR").
- The specific applicable requirements outlined in the Checklist shall be required as conditions of project approval for CAP compliant projects with streamlined GHG emissions assessments.

¹ In this context, a project is any action that meets the definition of a "Project" in Section 15378 of the State CEQA Guidelines.

Application Information

Contact Information

Project No. and Name: _____

Property Address and APN: _____

Applicant Name and Co.: _____

Contact Phone: _____ Contact Email: _____

Was a consultant retained to complete this checklist? Yes No
If Yes, complete the following:

Consultant Name: _____ Contact Phone: _____

Company Name: _____ Contact Email: _____

Project Information

1. What is the size of the project site (acres)? _____

2. Identify all applicable proposed land uses:

Residential (indicate # of single-family dwelling units): _____

Residential (indicate # of multi-family dwelling units): _____

Commercial (indicate total square footage): _____

Industrial (indicate total square footage): _____

Other (describe use and indicate size): _____

3. Provide a description of the project proposed. This description should match the basic project description used for the CEQA document. The description may be attached to the Checklist if there are space constraints.

Step 1: Land Use Consistency

The first step in this section evaluates a project's GHG emissions consistent with the City's *Guidance to Demonstrating Consistency with the City of Escondido Climate Action Plan for Discretionary Projects Subject to CEQA* (Guidance Document). A summary of the process for determining the required level of analysis for these projects is provided in Figure 1, "Require Level of Analysis Flowchart," provided in the Guidance Document.

The CAP contains in-City GHG projections for 2020, 2030, and 2035. Measures to reduce GHG emissions for projects with land use consistent with the General Plan are found in the CAP. If any one of these calculations is erroneous, the CAP fails to accomplish this purpose. Therefore, the first step of this checklist is to determine if the project's anticipated growth would have been included in the CAP's business-as-usual land use and activity projections. This section allows the City to determine a project's consistency with the land use assumptions used in the CAP. Projects that are consistent with the General Plan may incorporate by reference the CAP's cumulative GHG analysis.

For projects that are determined to be consistent with CAP projections, the next step is to identify if the project would be estimated to emit fewer than 500 metric tons of carbon dioxide equivalent (MTCO_{2e}) annually. If found to emit fewer than 500 MTCO_{2e}, a project would not contribute considerably to cumulative climate change impacts as stated in the City's Guidance Document. Therefore, these projects would be considered consistent with the CAP.

Additionally, at the time of this CAP Checklist preparation, the City is in the process of developing screening thresholds for vehicle miles traveled (VMT) consistent with State legislation. . Thus, projects that would be below both the GHG and VMT screening level thresholds would not be anticipated to result in cumulative GHG impacts and conflict with the City's ability to achieve its GHG reduction targets.

Step 1: Land Use Consistency		
Checklist Item (Check the appropriate box and provide an explanation and supporting documentation for your answer)	Yes	No
<p>1. Is the proposed project consistent with the City’s existing General Plan land use designation?</p> <p>If “Yes”, proceed to Question 3 of Step 1.</p> <p>If “No”, proceed to Question 2 of Step 1.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>2. If the proposed project is not consistent with the existing General Plan land use designation, does the project include a General Plan Amendment that would generate GHG emissions equal to or less than estimated emissions generated under the existing designation?</p> <p>If “Yes”, provide estimated project emissions under both existing and proposed designation(s) for comparison and proceed to Question 3 of Step 1.</p> <p>If “No”, the project’s GHG impact is potentially significant, and a GHG analysis must be prepared in accordance with the City’s Guidance Document and applicable CEQA Guidelines. The project would not be eligible for GHG streamlining provisions of the CAP. The project must incorporate each of the measures identified in Step 2 to mitigate cumulative GHG emissions impacts unless a measure is determined to be infeasible in accordance with CEQA Guidelines Section 15091. Proceed and complete a project specific GHG analysis, and Step 2 of the Checklist.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>3. The size and type of projects listed below would emit fewer than 500 MTCO₂e per year. Based on this threshold, does the proposed project exceed these characteristics?</p> <ul style="list-style-type: none"> ▪ <u>Single-Family Housing</u>²: 36 dwelling units ▪ <u>Multi-Family Housing</u>: 55 dwelling units ▪ <u>Office</u>: 43,000 square feet ▪ <u>Commercial Space</u>: 20,000 square feet ▪ <u>Regional Shopping Center</u>: 18,000 square feet ▪ <u>Restaurant</u>: 6,500 square feet ▪ <u>General Light Industrial</u>: 58,000 square feet ▪ <u>Warehouse (Unrefrigerated)</u>: 233,000 square feet ▪ <u>Warehouse (Refrigerated)</u>: 62,000 square feet ▪ <u>Mixed-Use</u>: See the City’s Guidance Document³ for methods to estimate mixed-use development thresholds ▪ <u>Other</u>: For project types not listed in this section the need for GHG analysis and mitigation will be made on a project-specific basis, considering the 500 MTCO₂e per year screening threshold. <p>If “Yes”, proceed to Question 2 of Step 1.</p> <p>If “No”, in accordance with the City’s CAP screening criteria, the project’s GHG impact is less than significant and is not subject to the measures of the CAP.</p>	<input type="checkbox"/>	<input type="checkbox"/>

² Single-Family Housing developments are defined as single-family detached homes on individual lots. All other residential use types (e.g. single-family attached, condo/townhouse, apartment) should be considered “Multi-Family Housing” for the purposes of comparing a project to the screening thresholds.

³ *Guidance for Demonstrating Consistency with the City of Escondido Climate Action Plan for discretionary Projects Subject to CEQA*, available at [\[INSERT LINK TO THRESHOLDS MEMO WHEN PUBLISHED\]](#)

Step 2: CAP Measures Consistency

The second step of CAP consistency review is to evaluate a project’s consistency with the applicable strategies and measures of the CAP. Each Checklist item is associated with specific GHG reduction measures in the City’s CAP.

Step 2: CAP Measures Consistency

Checklist Item <small>(Check the appropriate box and provide an explanation for your answer. Please use additional sheets if necessary)</small>	Yes	No	N/A
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Parking and Transportation Demand Management

1. Electric Vehicle Charging Stations (Measures T-1.3 & T-1.4)

All Projects: Will the project install electric vehicle charging stations (EVCSs) consistent with the following requirements:

- Comply with the most recently updated version of the California Building Energy Efficiency Standards (Title 24, Part 6)?
- For multi-family residential and commercial (i.e. office and retail commercial) projects, will the project install electric vehicle charging stations at a minimum of 10 percent of the total parking spaces provided?
- For single-family residential projects, will the project install at least one EVCS in each new single-family home?

Check “N/A” only if the project is not proposing any parking; or if the project does not propose any construction activities.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Please substantiate how the project satisfies question 2:

2. Pedestrian Infrastructure (Measure T-3.2)

All Projects: If the following conditions are met, would the project pay its fair-share contribution or fully install pedestrian infrastructure improvements?

- The project frontage is located along a roadway for which pedestrian improvements are identified in the City’s Street Design Manual, Pedestrian Master Plan, Trail Master Plan, or Safe Routes to School and Transit Plans;
- The proposed project would include site design amenities with pedestrian access points from the existing, identified roadway; and,
- The identified pedestrian improvements have not yet been installed. Or if they have been installed, the infrastructure is being redesigned, upgraded, and/or maintained to promote universal access.

Check “N/A” only if the project does not propose any construction activities.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Please substantiate how the project satisfies question 3:

Step 2: CAP Measures Consistency

Checklist Item	Yes	No	N/A
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(Check the appropriate box and provide an explanation for your answer. Please use additional sheets if necessary)

3. Transportation Demand Management and Transit (Measures T-3.4 and T-3.6)

Single-Family Projects: N/A

Multi-Family Residential Projects: If the project is located in the Downtown Specific Plan area and is proposing a reduction in over 15 percent of the required amount of on-site vehicular parking, would the project implement the following policies or programs?

- The project would provide six-month transit passes to new residents;
- The project establishes strong connections in site design to promote convenient access and transit orientation; and,
- The project would monitor transit use by new residents for the first six months of project operations.

Non-Residential Projects: If the project is located within the Downtown Specific Plan, South Centre City Specific Plan, or East Valley Parkway Specific Plan, will the project implement Transportation Demand Management (TDM) program that includes, at a minimum:

- “End-of-trip” facilities for bicycle commuters (e.g. bicycle parking spaces, showers, lockers);
- Discounted monthly North County Transit District (NCTD) passes or transit subsidies;
- Informational material (provided to each employee or tenant) for carpool and vanpool ride-matching services; and
- Parking cash-out policies.

Check “N/A” only if the project is a single-family residential project; if the project is multi-family or non-residential but not located within the aforementioned specific plans; or if the project does not propose any construction activities..

Please substantiate how the project satisfies question 4:

Step 2: CAP Measures Consistency

Checklist Item (Check the appropriate box and provide an explanation for your answer. Please use additional sheets if necessary)	Yes	No	N/A
<p>4. Bicycle Infrastructure (Measure T-3.5)</p> <p><u>All Projects:</u> If the following conditions are met, would the project pay its fair-share contribution to bicycle infrastructure improvements?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Intersection or roadway improvements are proposed as part of the project; and <input type="checkbox"/> The City’s Bicycle Master Plan for identifies bicycle infrastructure improvements at any intersection(s) or roadway segment(s) that would be impacted as part of the project. <p>Check “N/A” if the intersection or roadway improvements required are fully in place to the satisfaction of the Director of Community Development; or if the project does not propose any construction activities.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please substantiate how the project satisfies question 5:

Building Energy Use and Efficiency

<p>5. Alternately Fueled Water Heaters (Measures E-4.1 and E-4.4)</p> <p><u>Residential Projects:</u> If the project is a new single-family or multi-family residential development, will the project install electric heat pump water heaters?</p> <p><u>Non-Residential Projects:</u> If the project is non-residential, will the project install electric heat pump water heaters?</p> <p>Check “N/A” only if the project is non-residential and has an alteration and addition with a permit value of \$200,000 or less; or if the project does not propose any construction activities.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Please substantiate how the project satisfies question 7:

Step 2: CAP Measures Consistency

Checklist Item	Yes	No	N/A
(Check the appropriate box and provide an explanation for your answer. Please use additional sheets if necessary)			

6. Electric Cooking Appliances (Measure E-4.2)

Single-Family Residential Projects: N/A

Multi-Family Residential Projects: If the project is a new multi-family residential development, will the project install only electric cooking appliances?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Non-Residential Projects: N/A

Check "N/A" only if the project is a single-family residential or non-residential project, or if the project does not propose any construction activities.

Please substantiate how the project satisfies question 8:

7. Zero Net Energy (Measure E-5.2)

Residential Projects: N/A

Commercial Projects: If the project is a new commercial retail or office development, would the project achieve zero net energy (i.e. the total amount of energy used on-site is equal to the amount of renewable energy created on-site) and comply with the most recently updated California Building Energy Efficiency Standards (Title 24, Part 6)?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Check "N/A" only if the project is a residential or project, or if the project does not propose any construction activities.

Please substantiate how the project satisfies question 9:

Step 2: CAP Measures Consistency

Checklist Item (Check the appropriate box and provide an explanation for your answer. Please use additional sheets if necessary)	Yes	No	N/A
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Landscaping and Land Conservation

8. Landscape Water Consumption (Measure W-6.2)

Single-Family Residential Projects: If the project is proposing a single-family or townhome model home development, would the project:

- Fully equip all model homes with greywater systems and rain barrels (or other rainwater capture systems); and,
- Offer greywater systems and rain barrels (or other rainwater capture systems) as an add-on option for new homes.

Non-Residential Projects: N/A

Check "N/A" if the project is not a single-family or townhome model home development; or if the project does not propose any construction activities.

Please substantiate how the project satisfies question 10:

9. Tree Planting (Measure C-9.1)

All Projects: Would the project plant trees consistent with the following requirements?

- Would the project plant a minimum of one tree for every four new parking spaces and/or demonstrate 50% canopy coverage?

Residential Projects: In addition to the planting requirements above for all projects, would the project be consistent with the following requirement?

- Would the project plant a minimum of one tree per dwelling unit or pay an in-lieu fee?

Check "N/A" only if the project is not proposing any landscaping; or if the City's landscape ordinance would not apply to the project.

Please substantiate how the project satisfies question 11:

EXHIBIT “C”
FINAL IS/MND, RESPONSE TO COMMENTS, AND MMRP
Planning Case No.: PHG 18-0009

The following links have been provided to review the documents electronically.

- Draft Initial Study and Mitigated Negative Declaration

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/CAPUpdate/ISMND/EscondidoCAPIS06.19.20.pdf>

- Final Errata, Response to Comments, and MMRP

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/CAPUpdate/ISMND/EscondidoCAPRTCMemoMMRP.pdf>

A hardcopy of the Exhibit is available for review in the Office of the Planning Division during normal business hours. To obtain a copy, please contact the City Clerk at (760) 839-4617 or Planning Division at (760) 839-4671.

ATTACHMENT 3

CITY COUNCIL STAFF REPORT PHG 18-0009 (February 10, 2021) Public Correspondences

The following links have been provided to review the documents electronically.

- Batch 1 - March 21 to July 3, 2018

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/CAPUpdate/Correspondences/CAPCORRBatch1.pdf>

- Batch 2 - July 4 to August 20, 2018

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/CAPUpdate/Correspondences/CAPCORRBatch2.pdf>

- Batch 3 - August 21 to December 4, 2018

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/CAPUpdate/Correspondences/CAPCORRBatch3.pdf>

- Batch 4 - December 5, 2018 to June 25, 2020

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/CAPUpdate/Correspondences/Attachment2doc03231920200617090953.pdf>

- Batch 5 - June 26, 2020 to August 7, 2020

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/CAPUpdate/Correspondences/doc03462920200806105355.pdf>

- Batch 6 - August 8, 2020 to September 3, 2020

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/CAPUpdate/Correspondences/doc03604120200903125423.pdf>

- Batch 7 - September 4, 2020 to November 10, 2020

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/ClimateActionPlan/doc03863720201110155041.pdf>

A hardcopy of the Attachment is available for review in the Office of the Planning Division during normal business hours. To obtain a copy, please contact the City Clerk at (760) 839-4617 or Planning Division at (760) 839-4671.

Escondido Community Advisory Group on Climate and Environmental Action
Subcommittee on Equitable and Effective Measures for the ECAP



January 29, 2021

Mayor and City Council
City of Escondido
Via Email

Re: ECAG recommendations for the Escondido Climate Action Plan Update

Dear Mayor and City Council,

The Escondido Community Advisory Group on Environmental and Climate Action (ECAG) has been very active since our inception in February 2020. The ECAG formed two subcommittees, one to support a Single-Use Plastics ban in the city, and the second to provide framework & commentary and ultimately to support a 'gold-standard' climate and adaptation plan for the city. We were hugely inspired by the commitment of the city council, we have fully participated in the ECAP process for the past year, and we met again on January 26, 2021 to develop our final recommendations. As a result, we urge the City Council to make the following amendments to the ECAP prior to its adoption.

A. Revised actions in Solid Waste actions to include plastics and improve performance date.

We strongly support the inclusion of a Zero-Waste policy in the ECAP. However, the lack of language related to the role of single-use plastics is a serious omission. In fact, to support zero waste programs, without a plastics focus, 90% diversion is virtually impossible. The ECAG makes the following edits requests, and Director Mike Strong, when queried at the Planning Commission meeting said he did not object to these edits. We ask the Council to adopt the changes in **yellow** below.

- *Work with the franchise waste hauler and other partners to assess the infrastructure needed to support composting and waste diversion goals.*
- *Develop a Zero Waste Plan that includes single-use plastic reduction measures in order to meet waste diversion goals.*
- *Prioritize community education to **PIN's** (priority investment neighborhoods) and **local businesses***
- *Start building the necessary infrastructure for waste diversion and anaerobic digester processing.*
- *Move up the citywide **diversion rate goal for 90%** to 2030*

Escondido Community Advisory Group on Climate and Environmental Action
Subcommittee on Equitable and Effective Measures for the ECAP



Supporting Actions Edits:

- *Explore opportunities with franchise waste hauler and other local business organizations to develop and encourage participation in commercial food scrap collection and plastics reduction programs.*
- *Explore partnership with the Escondido School Districts to work on Zero Waste Schools Initiative.*

B. Commit to implementation of Community Choice Energy

The commitment to achieve 100 percent clean renewable energy is expected to yield the largest reduction in the ECAP (over 42,000 MT). The **only way** to achieve such reductions is through a **community choice energy** program. The city should designate a date by which the city will join an aggregation program.

“City will join a community choice aggregation program as soon as possible, and no later than 2023”

C. Adopt an Adaptation Measure to develop a Green Infrastructure Plan.

Unifying many of our earlier recommendations around parks, riparian restoration, urban forest, and shade along walk/bike paths to encourage quality of life and alternatives to transportation, we created a new recommendation which includes many of these options in a coordinated plan.

“Develop a Green Infrastructure Plan for Urban Escondido to maximize parks, open space, natural water quality improvements, green rights-of-way, trails, riparian restoration areas, and other measures to create a plan to ensure connected and accessible green space throughout the city.”

D. Restore and improve the staff recommendation to avoid development in high-risk fire zones.

The staff supported Adaptation action under **Measure A-2.3: Build capacity of adaptive neighborhoods** previously read:

“Avoid the siting of new land use densities (i.e. density increases) in very high fire hazard areas and identify areas within the General Plan planning area where future development should be avoided, reconsidered, or mitigated due to fire hazards.”

Avoiding development in natural ecosystem areas has high desirability as it significantly reduces GHG emissions via carbon sequestration and reducing VMT. In addition, as more

Escondido Community Advisory Group on Climate and Environmental Action
Subcommittee on Equitable and Effective Measures for the ECAP



and more residents receive letters that their fire insurance is being cancelled, we strongly recommend restoring this adaptation action in Measure A-2.3. Premiums and nonrenewal

rates have skyrocketed in California’s fire prone regions since 2015, as insurers say the market in some fire prone regions simply isn’t sustainable. As of March 31st 2021, another 235,000 existing homes in these “very high fire hazard areas” will no longer be insurable in the voluntary market, where homeowners are now subsequently seeking out last-resort FAIR plan insurance options that offer only limited protection at premium rates two to three times that of previous voluntary comprehensive coverage. With wildfires growing larger and more intense in the coming years, this situation will only become exacerbated, and therefore it is critical for the ECAP to identify areas within the General Plan where future development should be avoided due to extreme fire hazards.

We recommend the following be restored and strengthened to the Climate Action Plan.

“Avoid the siting of new land-use densities (i.e. density increases and annexations) in ‘Very High Fire Hazard’ areas. Development in native wildlands & chaparral ecosystems significantly decreases carbon sequestration, threatens critical wildlife, expands vehicle miles traveled, and poses significant fire risk to humans and property.”

E. Add inclusionary housing and investigate Tiny Home housing ordinances to Measure A-2.2: Create “climate safe and decent” housing options.

The California Air Resources Board’s 2018 report on SB 375 implementation identified a need to provide more affordable housing choices near jobs and transit to help reverse the trend in rising Vehicle Miles Traveled (VMT). The following should be added to the ECAP.

“Adopt an inclusionary housing ordinance and investigate tiny home ordinances.”

F. Bring ECAP in closer alignment with Executive Order N-79-20 setting a goal related to purchase of electric vehicles

Governor Newsom’s recent executive order [N-79-20](#) states:

It shall be a goal of the State that 100 percent of in-state sales of new passenger cars and trucks will be zero-emission by 2035. It shall be a further goal of the State that 100 percent of medium- and heavy-duty vehicles in the State be zero-emission by 2045 for all operations where feasible and by 2035 for drayage trucks. It shall be further a goal of the State to transition to 100 percent zero-emission off-road vehicles and equipment by 2035 where feasible.

Escondido Community Advisory Group on Climate and Environmental Action
Subcommittee on Equitable and Effective Measures for the ECAP



Now that state law will prohibit the sale of new cars and light trucks fueled by gas or diesel in California after 2035, the goal for city purchase of electric vehicles should be greatly increased. Measure T-1.1, which currently set a goal of only 11 new EVs by 2035, is insufficient. Fleet 'Life of Service' and depreciation schedules warrant planning and integration beginning now. Infrastructure including electric/solar charging systems, training and purchase strategies are all elements our fleet manager should be addressing now, as opposed to waiting until it becomes an emergency. **We recommend that the city set a goal of 60% conversion of the fleet by 2030 and complete the rotation of conversion of the municipal fleet by 2035.**

G. Establish a Climate Commission

The ECAG requests that the City Council implement the ECAG and Planning Commission recommendation to establish and support a Climate Commission to oversee and support implementation, new partnerships, identification of funding sources, and assure accountability. The Commission needs to be tasked with a focus on implementing climate mitigation and adaptation and should be comprised of issue area experts, business, residents, and community stakeholders. We oppose assigning ECAP oversight to the Planning Commission without significant changes to membership and operations.

It is our experience that, in part due to the planning and development role of the Planning Commission, its current leadership and a majority of Commissioners do not have a strong grasp of climate change impacts, understanding of proven strategies to address them, and/or a commitment to address the issue. In the absence of a Climate Commission, a Council Subcommittee including the Mayor and open to the public would be preferable to assigning this role to the Planning Commission.

H. The City Council must either add or restore GHG reduction measures to be consistent with the draft CEQA analysis.

The Council should address the deficiency created by Measure T-2.3 from the draft plan. These actions were planned for 9,032 MTCO₂e of reductions. This was a significant reduction and was not replaced with other reductions. The Council should restore the original recommendation and the reductions to align with the CEQA documents. Otherwise, the plan cannot be qualified, does not meet minimum state standards, and the General Plan is undermined.

Further, a CAP that only minimally meets the GHG reduction goals, is not what the Council requested or what we support. We recommend that reductions in excess of the minimum standard be restored in one of the following ways, both which result in an ECAP 7,000 MT above minimum requirement.

- a. Restore the original, reasonable measure with performance dates;

Attachment 4

Escondido Community Advisory Group on Climate and Environmental Action Subcommittee on Equitable and Effective Measures for the ECAP



or

- b. Adopt the compromise offered by Commissioners Serrato and Barba to extend the 2030 performance date to 2035 which would recapture 5,000 MT of those lost **and** accelerate purchase of electric vehicles by the city and seek grant funding to subsidize resident purchase of electric vehicles a (bicycles/cars) equivalent to 1,000 MT by 2035 and adopt a home retrofit program equivalent to 1,000 MT by 2035.

With these additions/revisions made to the ECAP, we support the ECAP as a truly 'gold-standard' climate action plan. We wish to thank Mike Strong for his help, support, and openness during this process. From our work over the past year and after the most destructive wildfire season CA has seen to date, it has become clearer with every passing day that strong & immediate climate action is mandatory for a desirable & livable future to indeed be possible.

We have enjoyed being of service to the city in this way.

Sincerely,

Escondido Community Advisory Members

Tim Swift, Aisha Wallace-Palomares, Ana Maria Velasco, Richard Miller, Maria Wallace, Mat Vasilakis, Kate Barba, Laura Hunter, Christine Nava, Janis Jones, Phil Church, Gwen Smith, Thor Emblem III

From: earthlover@sbcglobal.net
To: [Paul McNamara](#); [Consuelo Martinez](#); [Joe M. Garcia](#); [Tina Inscoc](#); [Michael Morasco](#)
Cc: [Mike Strong](#); [Dao Doan](#); [Rick Paul](#); ["Linda Stanwood"](#); [Ingrid Rainey](#); [Kate Barba](#); yourfriendnathan@gmail.com
Subject: [EXT] Recent climate related articles relating to the ECAP
Date: Monday, February 1, 2021 10:36:29 AM

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender email address AND know the content is safe.

Dear Mayor and Councilmembers,

The news just keeps growing on positive actions underway to address our climate crisis. Here are a few articles, just from the last few days, that relate to the issues the city will decide in our ECAP update: equity, increase purchase/use of electric vehicles, and aggressive carbon reduction targets. You'll note that these also have the same planning horizon as our draft ECAP-- 2035.

We hope you have a chance to review these items. This is a hopeful and exciting time and we have an opportunity to get on the 'electric bandwagon' with a gold-standard ECAP!

Thank you,
Laura Hunter

- GM's electric goal by 2035
<https://www.nytimes.com/2021/01/28/business/gm-zero-emission-vehicles.html>
- San Diego County sets course for zero emissions
<https://gpsnews.ucsd.edu/county-partners-with-uc-san-diego-on-plan-to-reach-zero-emissions-by-2035/>
- County leaders are teaming up with UC San Diego to create a blueprint for reducing the region's carbon footprint to zero by 2035 and Establishes a Climate Advisory Committee.
<https://www.sandiegouniontribune.com/news/environment/story/2021-01-27/san-diego-county-teams-with-ucsd-on-plan-for-zero-carbon-by-2035>
- The San Diego City Council recently approved a proposal to transform

the Valencia Business Park into a renewable energy campus for businesses and organizations in the sustainable energy field, officially known as the San Diego Energy Equity Campus.....It will offer space to nonprofits and organizations that focus on equitable approaches to sustainability, Booker said. Future tenants could include a nonprofit that provides solar electricity to low-income families and a logistics company that is converting its truck fleet to electric, Booker said.

<https://www.sandiegouniontribune.com/communities/san-diego/story/2021-01-31/proposal-to-transform-valencia-business-park-into-renewable-energy-hub-moves-forward>

CITY COUNCIL STAFF REPORT

Current Business Item No. 16

February 10, 2021

File No. 0670-70

SUBJECT: Grand Avenue Vision Plan – Phase 1 Project Update

DEPARTMENT: Engineering Services Department

RECOMMENDATION:

It is requested that the City Council receive a presentation on the status of the Grand Avenue Vision Plan – Phase 1 Project (“Project”).

FISCAL ANALYSIS:

The Project is partially funded with a SANDAG Smart Growth Incentive Program Grant, in the amount of \$1,443,161, and matching TransNet funding, in the amount of \$1,100,000.

PREVIOUS ACTION:

On February 13, 2019, the City Council approved the grant agreement and budgeted grant matching funds to implement the first phase of the Grand Avenue Vision Plan. City Council authorized a Consulting Agreement for Design on August 21, 2019.

BACKGROUND:

In 2017, downtown merchants, property owners, residents and other key stakeholders came together to develop a vision to revitalize Escondido's historic Grand Avenue. Concept plans were developed and a public meeting was held on October 12, 2017, to receive community input on the concepts. The City Council approved the Grand Avenue Vision Plan on February 14, 2018, and authorized staff to submit grant applications to SANDAG. The cost to implement the full Vision Plan is estimated at \$15-million.

SANDAG selected the first phase of the Grand Avenue Vision Project to receive funding. The Project includes the following components:

Narrowing of Grand Avenue to one (1) lane in each direction between Escondido and Juniper, and restriping of parking lanes to include diagonal parking on at least one (1) side of the street.

Extension of the sidewalk on the north side of the street between Maple and Broadway to expand outdoor dining opportunities and increase walkable space.

Installation of new street lighting between Maple and Kalmia, and removal of the medians.

Public Outreach:

A Consultant contract for design services was authorized by the City Council in August 2019. Building on the Vision Plan, the designer prepared elevation sketches and a concept plan that includes ideas to enhance the streetscape with the goal of seeking feedback from the public. A Project website was developed and includes the plans: <https://www.escondido.org/grand-avenue-vision-project.aspx> .

A survey was sent to downtown business owners, property owners, along with key stakeholders and was advertised on the City's website in July 2020. Survey respondents overwhelmingly supported the concepts offered, with 75% strongly agreeing or agreeing that the proposed improvements will add beauty and economic vitality to Grand Avenue. When asked to identify their favorite features, more than 72% of survey respondents identified the string lighting, 42% supported incorporating public art, and 33% supported enhanced fencing. Key Project features required by the grant, including wider sidewalks and diagonal parking, were identified as favorite features of 51% and 46% of respondents, respectively.

Economic Development and Engineering staff have met with each business owner and property owner that front the sidewalk expansion area (north side of Grand Avenue between Maple and Broadway). Specific feedback from each was requested on the location of fencing to support outdoor dining. Responses from the businesses and property owners was very supportive of the Project and many businesses desire to expand outdoor dining areas.

Status and Next Steps:

Based on feedback received from the public, the string (or festoon) lighting has been incorporated into the Project between Maple and Kalmia. The new street light fixtures will replace the pedestrian lights and serve as a mounting point for the festoon lighting. Decorative fencing has also been included and fencing materials are currently being evaluated.

The Project will be presented to the Public Art Commission on February 8, 2021 to discuss the potential to incorporate public art in the Project. The Historic Preservation Commission will review proposed light fixtures, fencing and sidewalk finishes in February.

Input from each Commission will be incorporated into the 90-percent complete designs in March 2021. Design completion is anticipated in the Spring of 2021 with construction to follow in Summer of 2021.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Julie Procopio, Director of Engineering Services
02/04/21 9:43 a.m.



FUTURE CITY COUNCIL AGENDA ITEMS

Updated February 4, 2021

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

February 17, 2021 NO MEETING (President's Day)

February 24, 2021 NO MEETING

March 3, 2021
6:00 p.m.
State of the City Video followed by Regular Council Meeting

CONSENT CALENDAR

PUBLIC HEARINGS

CURRENT BUSINESS

Adoption of Ordinance Amending Campaign Control Ordinance
(M. McGuinness)
It is requested that the City Council consider the adoption and introduction of Ordinance No. 2021-04 amending Article 7 of Chapter 2 of the Municipal Code to (1) strike Section 2-107(b) and (2) except from the definition of "person" a Political Party Committee as defined.

Mountain View Park Update
(J. Axelrod)
Update on the historic property related to the field house historic assessment and restoration.

WORKSHOP

Homelessness Update
(R. Van De Hey)
This workshop will share the City's strategy and efforts on homelessness and transiency. Our mission in the City of Escondido is to work with our partners, communities and businesses to manage and reduce homelessness. The workshop will explain how we utilize resources, multiple disciplines, and cross-departmental teamwork to address the specific needs of the diverse groups suffering from homelessness while minimizing negative community impacts.

FUTURE AGENDA ITEMS

Weekly Activity Report



February 4, 2021

COVID-19 UPDATES



Escondido Wins Healthy Infrastructure Award

The City of Escondido has been awarded the 2020 National Fitness Campaign Healthy Infrastructure Award for the Mountain View Fitness Court in the category of Innovation for cultivating: *“the most forward-thinking, unique and powerful strategy, idea or campaign element that can be shared as “best practice” to all Campaign partners in the following year.”*

Read more about the award here:

<https://nationalfitnesscampaign.com/news/2020-healthy-infrastructure-award-winners>

Escondido’s first Fitness Court was installed and opened in Mountain View Park, with more locations on the way. For more information about the court, visit:

<https://recreation.escondido.org/fitness-court>



February Business Newsletter

The February Economic Development newsletter is out now. This issue highlights COVID-19 resources as well as a business spotlight and information about the Escondido Creek Trail. Read and subscribe [here](#).

Follow the City on Social Media

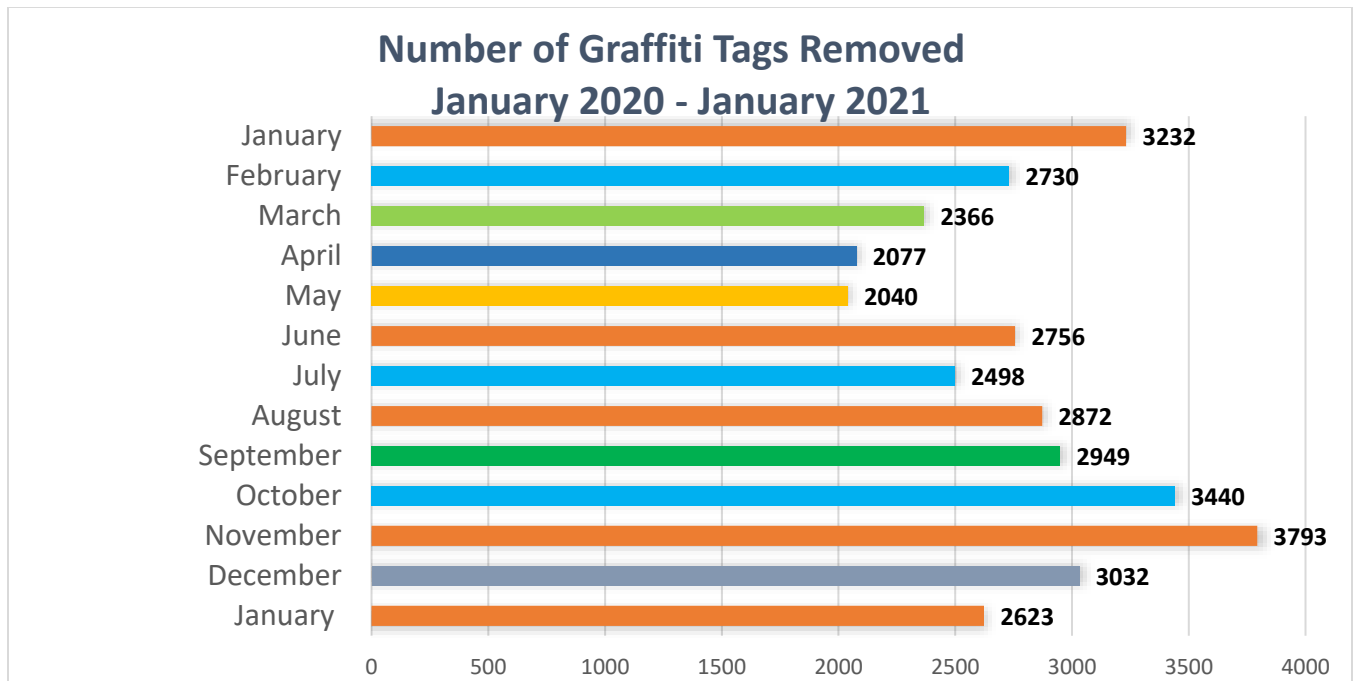
To stay up to date with the latest happenings in Escondido, follow the City on social media. We share important information, articles, photography, events and more on all of our platforms.

- [Facebook](#): @CityofEscondido
- [Instagram](#): @CityofEscondido
- [Twitter](#): @Escondido_CA
- [NextDoor](#): Escondido, CA



BY THE NUMBERS

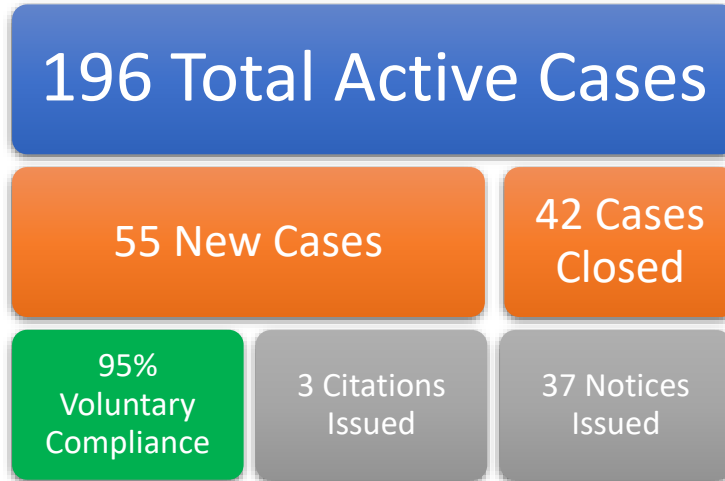
Public Works:



Graffiti Restitution:

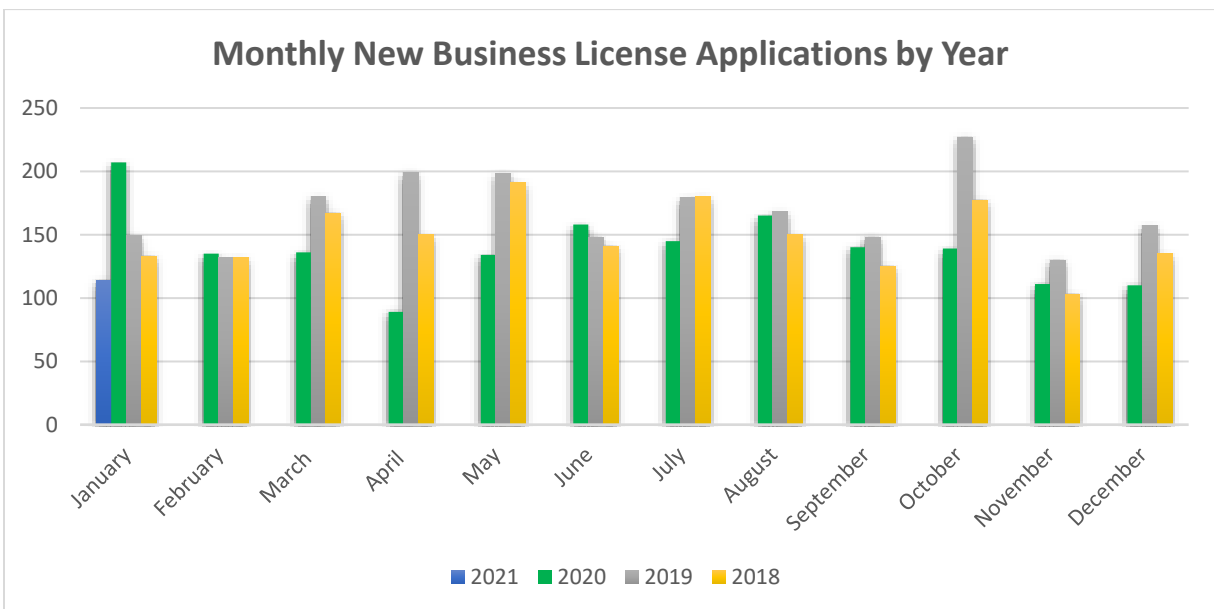
Collected Past Week	Collected Year to Date
\$0	\$253.96

Code Enforcement:



Total Code Cases (Year To Date)	174
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Business Licenses:



COMMUNITY DEVELOPMENT & ENGINEERING

Building Permits and Inspections:

1. This week the counter staff conducted in person meetings with 122 applicants and were able to process 83 applications and issue 100 permits.
2. The total permit valuation for the week was \$7,139,138.00.
3. This week there were 230 building inspections completed.

Development and Capital Projects Update:

Curious what's happening with development projects around the city? See below for milestone activities that have happened since last week. Skip to the bottom of this section for a list of projects that are in progress but do not have an update this week. To learn about previous applications for residential and commercial development permits, please visit the [Development Project Information Archive](#) page or contact the [Planning Division](#).

County of San Diego Projects:

1. The County of San Diego ("County") has been processing a land use application for a new recycling facility, just north of the City of Escondido. The project site is located west of Interstate 15 (I-15) along Mesa Rock Road. The project, called "North County Environmental Resources," includes a 12,000-square-foot steel building, a 100,000-gallon water tank, and a recycling facility for wood, construction debris, and concrete and asphalt. The City of Escondido ("City") previously submitted comments to County staff on October 14, 2019 expressing some concerns about the project, its operation, and its potential impact on the environment. A second letter was sent on June 24, 2020. Despite project opposition, the City was notified that the County approved the project on November 3, 2020, which started the 10-day appeal period. The City filed an appeal of that decision to the County of San Diego Planning and Development Services Department on November 12, 2020. This last week City staff was notified the City of Escondido appeal will be considered by the County of San Diego Planning Commission on February 5, 2021.

Commercial / Office / Industrial:

1. 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 request includes a new 4,000 square foot convenience store with eight (8) fuel dispenser pumps that can accommodate up to sixteen (16) vehicles. The Planning Commission reviewed the application on December 16, 2020 and voted to recommend approval to the City Council. The City Council approved the project on January 13, 2021. City staff is working with the applicant to bring in grading, landscaping, street improvement, and building permits.
2. Carvana – (Developer: Jo Ryan, Carvana) 559 N. Hale Avenue – An approved vending machine car dealership. The project consists of an approximately 5,800 square feet, eight-(8) tier glass and steel tower structure up to 75 feet in height. Demolition of the old Talone's Meat Market has been completed. It is anticipated that building permits will be

issued next week. After it is completed, site improvements will be made to implement the project.

3. Raising Cane's Restaurant – (Developer: Ada Fermin, PM Design Group) 1280 W. Valley Parkway – An approved demolition of vacant, former Coco's restaurant building and construction of new 3,744 square foot drive-through restaurant for Raising Cane's. The applicant is looking to pull demolition permits and will likely be able to do so within the next couple of weeks.
4. Burros and Fries - (MPA Architects) 1107 E. Valley Parkway – An approved 5,224 square foot commercial building, with associated landscaping and parking. The building includes a 1,850 square foot drive-through restaurant (Burros and Fries) and 3,374 square feet of additional retail space. The contractor has placed new curb and gutter along with a new turn lane on Valley Parkway.
5. Medical Office Building West (MOB-West, Developer Palomar Pomerado Health) – Substantial Conformance on a previously approved Plot Plan submitted January 26, 2021, for the development of a three-story medical office/outpatient facility approximately 72,000 square foot. The majority of the parking will be centrally located in the center of the site. The proposed project is located in Planning Area 4 of the Escondido Resource & Technology Center (ERTC) Specific Plan.

Housing:

6. Canterbury Gardens Apartment Project (Developer: Kensington Canterbury Gardens, LLC) - A Plot Plan application was submitted on January 26, 2021, for the development of an apartment project at 2402 South Escondido Boulevard (the site of the Canterbury Gardens retail store). The project proposes to demolish the existing structures on the site, and construct 44 townhome-style, market-rate rental units. Units will range in size from 1,028 to 1,254 square feet, will be three stories in height, and will have two to three bedrooms. Each unit will have a private two-car garage, and 11 guest parking spaces will be provided. An amenity area with barbeque and outdoor seating will also be included. City staff is currently conducting a review of the application.
7. 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. Grading started this week.
8. Oak Creek (Builder: KB Homes) – this is an approved residential project for 65 single-family residential lots on approximately 44 acres at Felicita Road and Hamilton Lane. KB Homes has started the road widening improvements for the section of Hamilton Rd between Felicita and Miller along with a section of Hamilton east of Miller. The scope of work will include new sidewalk, curb and gutter along with road widening improvements. Work will be completed in two phases. KB Homes has started the road widening improvements for the section of Hamilton Rd between Felicita and Miller along with a section of Hamilton east of Miller. Last week the contractor completed the rough grading, placed concrete for the new curb and gutter and paved one half of Hamilton Road. Phase I of the asphalt placement is complete. Phase II will focus the south side of Hamilton.

Concrete is scheduled to be placed next week, with paving to follow. Hamilton will be restricted to a single lane east bound travel with west bound traffic detoured. Work is scheduled to be completed by mid-February. Message boards have been placed notifying residents of the road work, closure and detours.

9. 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 developer, Trumark, has nearly completed onsite water, storm drain and sewer utilities and is working on pedestrian ramps and sidewalks. The contractor has completed the video detection camera installation at the intersection of El Norte and Lincoln Avenue. The contractor is now focusing on new home construction.
10. Jack's Creek TR 951 and SUB 17-0026 – (Developer New Pointe Development). A 12-lot, single-family residential subdivision on 3.31 acres. The site is located at the westerly terminus of Jack's Creek Road, north of El Norte Parkway, addressed as 640 Oakwood Creek Glen, formally 2888 E. Washington Avenue. The contractor has completed the grading for 11 of the 12 new home pads. Framing has started for six of the homes.
11. Palomar Heights (Developer: Ninia Hammond, Integral Communities) – Demolition and redevelopment of the old Palomar Hospital site with 510 multi-family units with 10,000 square feet of commercial. The project was reviewed and approved by the City Council on January 27, 2021. A project webpage containing draft documents and plans can be accessed at the following link:
<https://www.escondido.org/palomarheights.aspx>
12. The Villages at Escondido Country Club (Builder: Lennar Homes) 380 residences located on the former golf course off of Country Club Lane, north of El Norte Parkway. In Village I, Lennar has opened the model homes to the public and there is a lot of vertical construction. Many of the homes built are now under contract.

The Plot Plan for the new commercial center was approved on January 5, 2021 and the builder is finalizing the landscape plans. New construction at the commercial center, branded "Basecamp," should commence in the next couple of weeks. All Plot Plan approvals have been provided for the three neighborhood parks, and when developed, the parks will be open to the public. Curb and gutter was placed last week on the east side of Country Club, east of the traffic circle to Lorraine Place. In Village II, final clearing and grubbing, along with rough grading has been completed. The contractor is working with the Vista Irrigation District to complete the realignment of their water main that crosses the project site. In Village III, rough grading is nearing completion and the contractor is installing the storm drain, private water, and sewer lines.

City Projects or Other Capital Improvement Projects:

13. 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. Phase 1 is complete. SDG&E initiated Phase 2. Construction is scheduled to conclude in July 2021. Potholing for the new gas main is ongoing in both the County and City section of the project.

14. Spruce Street/Transit Center Pedestrian Bridge Project – The contractor, Palm Engineering, has completed two of the three channel reaches with planting remaining in one reach. The project has entered the final punch list phase for completion and is scheduled to be presented to the City Council on February 10, 2021, for a Partial Notice of Completion for areas 2 and 3.
15. Storm Drain Pipe Lining and Rehabilitation Project Phase II - This project consists of storm drain cleaning, inspection, CCTV, repairing and grouting of voids, point repairs, grouting of existing flow line, cured in place piping lining, storm drain structure floor repairs, post CCTV and inspection, overall rehabilitation of existing corrugated metal pipe storm drain systems. This week, the contractor is on site cleaning the corrugated metal pipe storm drains prior to making repairs.
16. Multi Neighborhood Street Light L.E.D. retrofit Project Phase II - This project generally consists of the removal of approximately 725 non-LED street light fixtures and safety light fixtures, and the replacement with specified LED street light fixtures and LED safety light fixtures at various locations within the City of Escondido. A pre-construction meeting take place in the upcoming weeks.
17. Creek Trail Crossing - At the January 14, 2021 Transportation & Community Safety Commission meeting, the final design for the Creek Trail Crossings project that improves all seven Creek Trail intersections between Juniper and Citrus was approved. Improvements include a signal at Midway and rapid flashing beacons with bulb-outs, where the roadway width permits, at other locations. The project also fills in sidewalk gaps along Citrus and Midway. Final plans will be reviewed by the granting agency in February construction funding will be programmed by the California Transportation Commission in May with construction to begin by late summer.
18. School and Traffic Safety Projects - Each year the Traffic Commission prioritizes and funds traffic safety projects focused on improving pedestrian and vehicle safety. Projects are nominated by each School District, COMPACT, residents and staff. This year four priority projects were completed, including crosswalk improvements at Oak Hill and Citrus, crosswalk improvements on Lincoln Avenue near Pioneer Elementary, pedestrian countdown timers at five intersections and an Audible Pedestrian Signal at El Norte and Centre City Parkway that serves the sight impaired.
19. State Route 78 - Caltrans, in association with Hazard Construction will be making improvements to State Route 78 over the coming months. Crews will work between Broadway to Flora Vista Street on State Route 78. At the conclusion of the work later this fall, residents and motorists will see and feel an improvement in ride quality and the extension of the service life of the roadway. Pedestrians and cyclists will benefit from the reconstruction of 83 curb ramps to be ADA compliant, modifying seven traffic signals with vehicle 2 infrastructure (V2I), traffic signal upgrades, upgraded crosswalks and pedestrian

signals, and a Class III bike route. The majority of the work will occur during the night with working hours from 8:30 pm to 5:00 am. For additional information contact Caltrans Public Information officer, Stephen Welborn at 619-913-9452.

Ongoing Projects - No Updates This Week:

Projects that do not have any changes or updates this week will be listed here to indicate that they're still in progress. When an update occurs, the project will appear above in the Development and Capital Projects section.

Commercial / Office / Industrial:

20. 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.
21. ERTC/Palomar Health Parking Structure (Developer: McCarthur Construction). An application request was received on October 21, 2020 to build 1,906 parking spaces at the new hospital campus. The proposed parking garage is six stories.

Housing:

22. Villa Portofino – (Developer: Chris Post, ATC Design Group) 15 apartment units in a three-story building with parking garage at 2690 S. Escondido Blvd.
23. Hacienda De Vega Redevelopment – (Developer: Tony Cassolato) An approved proposed residential condominium development consisting of 42 three-story attached townhomes on 1.75 acres.
24. Harvest Hills, formerly called Safari Highlands Ranch (Developer: Jeb Hall, Concordia Homes) - 550 residential subdivision, east of Rancho San Pasqual. A project webpage containing draft documents and plans can be accessed at the following link:
<https://www.escondido.org/safari-highlands-ranch-specific-plan.aspx>
25. North Avenue Estates (Developer: Casey Johnson) – This is an approved residential project for 34 lots at North Avenue/Conway Drive.
26. 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. A project webpage containing draft documents and plans can be accessed at the following link:
<https://www.escondido.org/daley-ranch-resort-specific-plan.aspx>
27. Pradera (Developer: Moses Kim, Lennar Homes) – This approved project consists of a 70-unit single-family development located at the northeastern corner of Ash Street and Lehner Avenue.

28. Casa Mercado Apartments (Developer: Paul Mayer, Pemcor) – A four-story, 120-unit apartment complex on 2.31 acres on Second Avenue and Pine Street.
29. Fig Apartments (Developer Claude Marengo) – A 15-unit, three-story, multi-family residential apartment complex consisting of three stories on 0.59 acres.
30. 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.
31. Iwashita Apartments (Developer: Iwashita Development) – A seven-story, mixed-use project at 322 S. Escondido Boulevard for 172 units.
32. Interfaith Recuperative Care Facility/Hotel – (Developer: Interfaith) 555 North Center City Parkway – Conversion of the existing lodging facility (America’s Best Value Inn) and construction of new residential care facility designed to provide quality emergency housing, services, and supervision to at-risk individuals, homeless, etc. The application proposes to conduct this service, and be permitted, as a hotel.
33. Apollo Residential Care (NOAA Group) – An approved Conditional Use Permit for an assisted living and memory care facility, with 78 units accommodating 99 beds at 3141 East Valley Parkway.
34. East Valley Parkway Apartments (Developer: John Wurster) – A 50-unit mixed use affordable apartment complex consisting of four stories situated on a 21,000 square foot vacant parcel in the historic District of the Downtown.
35. Habitat for Humanity 10-Unit Condominium Development (Developer: San Diego Habitat for Humanity) – An approved residential project involving 10 condominium units at 245 E. El Norte Parkway. All units will be for sale to low-income households.
36. Nutmeg Condo General Plan Amendment (Developer: Jim Simmons, CCI) – An approved 137 townhome condo unit project, located on both sides of Nutmeg between I-15 and Centre City Parkway.
37. Membrane-Filtration Reverse Osmosis Facility/MFRO (Developer: City of Escondido Utilities Department) 901 W. Washington.
38. Lake Wohlford Replacement Dam – the project involves a new dam downstream (west) of the existing dam and partial deconstruction of the existing dam. The replacement dam would feature an outlet tower that is integrated into the dam’s upstream face; the top of the existing outlet tower would be demolished, and the bottom of the existing outlet tower and the outlet pipe would be filled with sand and abandoned in place. The project would entail improvement and extension of an existing unpaved access road located west of the Lake Wohlford Marina, extending it to the right (north) abutment of the replacement dam.

POLICE DEPARTMENT UPDATES:

Between January 24-30, officers located and arrested suspects in four separate stolen vehicles. One led officers on a pursuit that ended when the suspect drove onto a pedestrian plaza. Another fled from the police until the suspect was cornered down a private driveway. A 3rd driver was under the influence of drugs and crashed into a tree, and was located walking away from the scene. And during the fourth incident a suspect fled into a hotel room where officers also discovered individuals that were likely suspects in recent burglary cases.

On January 26, an officer stopped a car and made contact with the driver. During the contact, the officer discovered that the driver was in possession of numerous types of illegal street drugs. He was also in possession of stolen mail, credit cards, and IDs. The investigation led the police to the man's hotel room at a local casino, which netted more drugs and fraudulent items. In all, the man was arrested on 17 different charges with at least 24 separate victims.

On January 29, officers stopped a car in the area of Centre City Pkwy and Felicita Ave. As the officer approached the car, they noticed the front passenger toss something into the back seat. The officers discovered that it was a bag of Xanax pills. During the investigation, officers learned that the three occupants were involved in drug sales and possessed approximately 600 Xanax pills. They were in possession of burglary tools and checks that were probably stolen during a burglary. All three suspects were arrested.

Community Outreach:

Folks from Amicus Church surprised PD staff by dropping off meals at the police station to show their appreciation for the department. We are very appreciative of the kind gesture and food never goes to waste around the PD. Thanks for your support that signifies the great relationship our City staff has with our community.

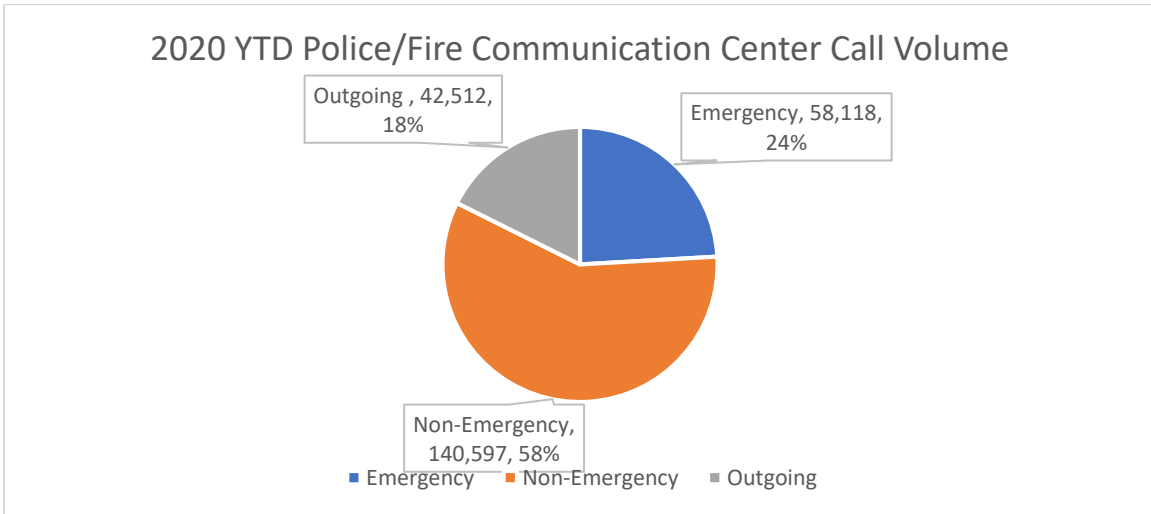
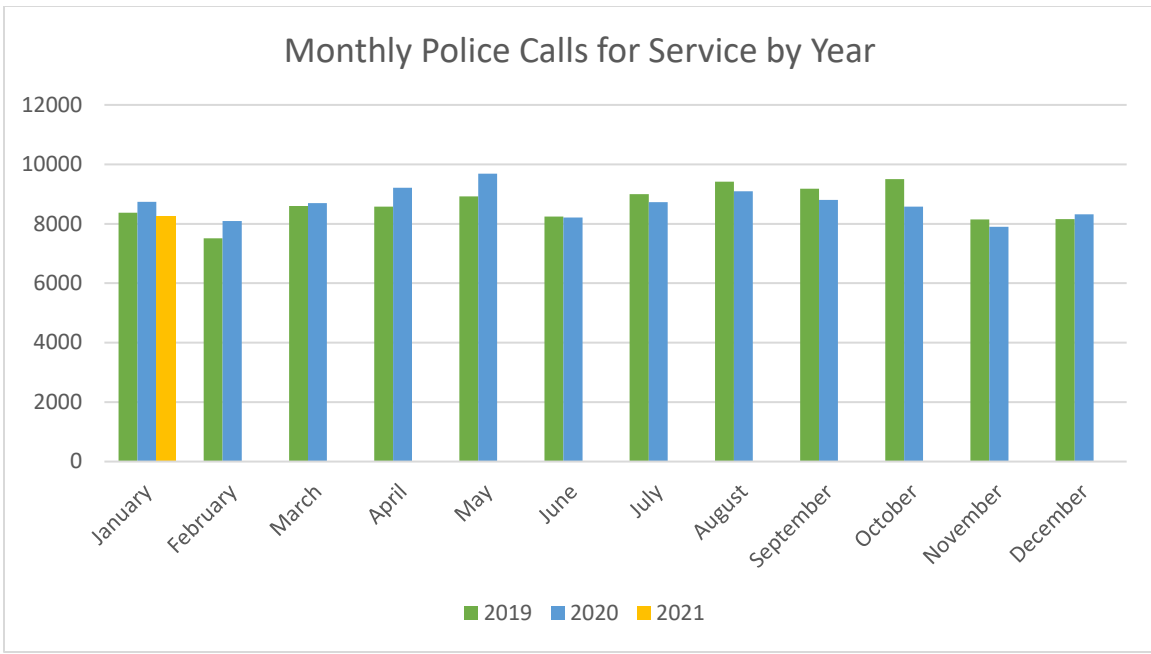
Community Tools:

- www.arjjs.org For crime data/mapping, Megan's Law info, etc.
- www.myneighborhoodupdate.net Search for Escondido, CA to see radio call information.

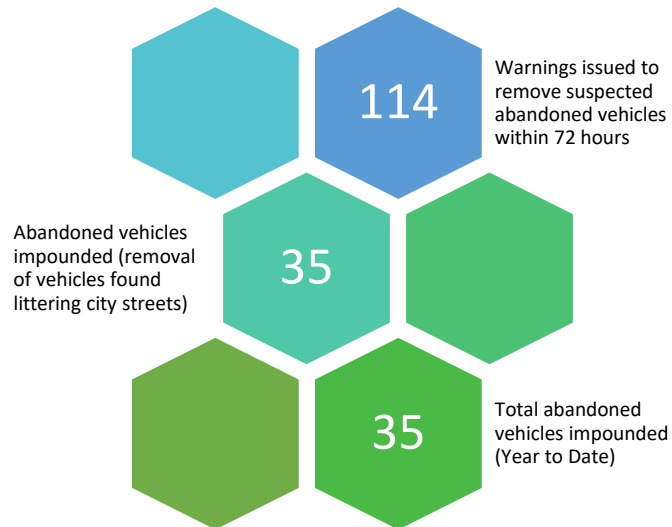


Tip of the Week:

Did you know that the police department has the city divided into geographical response areas? There are 3 sectors divided by Centre City Pkwy and Ash St respectively. Each of the 3 sectors have 4 beats. Each officer is assigned to a beat so that they are able to get to know the area and the people that they are responsible for patrolling.



January Abandoned Vehicle Data



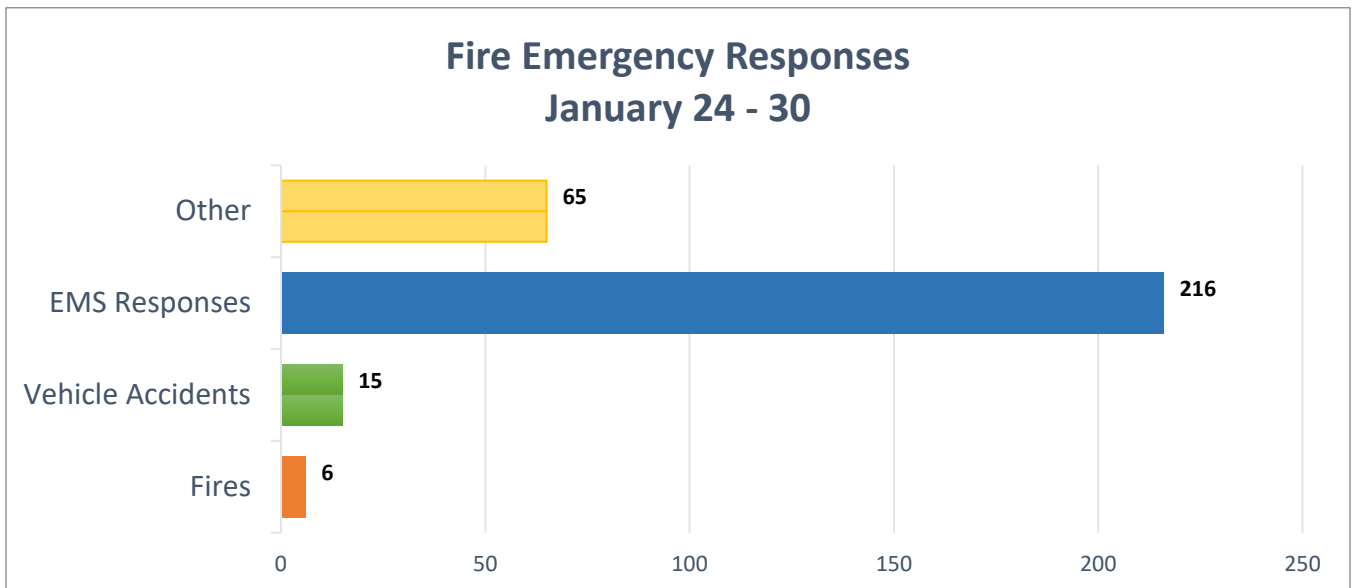
FIRE DEPARTMENT UPDATES:

On Tuesday, January 26 the Escondido Fire Department responded to a possible gas leak at 1125 Vulcan Place. On the way to the incident, the call was upgraded to a full structure response. Upon arrival, fire crews found a working fire in and around the chimney area of a two-story residence. The fire was extinguished and crews conducted salvage and overhaul. This fire was the second recent fire in the city involving a “zero clearance” or manufactured fireplace.

On Tuesday, January 26 at 12:13 p.m., fire crews responded to the new car area of the Mossy Nissan dealership for a reported vehicle fire. The driver of a pick-up truck, while driving on Auto Park Way, noticed smoke coming from his vehicle and pulled into the Nissan parking lot, parking close to several new vehicles. By the time firefighters arrived, the pick-up was fully involved with fire. Firefighters quickly extinguished the pick-up and prevented any damage to the other nearby vehicles.



On Thursday, January 28 at 10:49 a.m., firefighters responded to a reported hazardous materials incident at Escondido Disposal on West Mission Avenue. It was reported that 30 employees had evacuated the building and some were experiencing symptoms from an unknown gas release in a pile of trash. Fire crews requested additional resources which included San Diego County Environmental Health and San Diego Hazmat teams. In all, 12 patients were assessed and treated on scene, but none required transportation to the hospital. The possible gas release was investigated by both the Hazmat teams, but a source was not determined.



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