



# **Council Meeting Agenda**

**MAY 12, 2021**

**CITY COUNCIL CHAMBERS**

**4:30 P.M. Closed Session; 5:00 P.M. Regular Session**

**201 N. Broadway, Escondido, CA 92025**

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

Public Comment: To submit comments in writing, please do so at the following link:  
<https://www.escondido.org/agenda-position.aspx>.

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

May 12, 2021  
4:30 p.m. Meeting

Escondido City Council

## CALL TO ORDER

**ROLL CALL:** Garcia, Inscoc, Martinez, Morasco, McNamara

## ORAL COMMUNICATIONS

In addition to speaking during particular agenda items, the public may address the Council on any item which is not on the agenda provided the item is within the subject matter jurisdiction of the City Council. State law prohibits the Council from discussing or taking action on such items, but the matter may be referred to the City Manager/staff or scheduled on a subsequent agenda. (Please refer to the back page of the agenda for instructions.) Speakers are limited to only one opportunity to address the Council under Oral Communications.

## CLOSED SESSION: (COUNCIL/RRB)

- I. CONFERENCE WITH LEGAL COUNSEL-- EXISTING LITIGATION (Government Code 54956.9(d)(1))
  - a. **Case Name:** Thomas Phelps v City of Escondido, WCAB  
**Case No:** ADJ12647739

## ADJOURNMENT



# Council Meeting Agenda

May 12, 2021  
5:00 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, Inscoe, Martinez, Morasco, McNamara

**PROCLAMATIONS:** National Public Works Week (May 16 - 23, 2021)  
Asian American and Pacific Islander Heritage Month

#### CLOSED SESSION REPORT

### ORAL COMMUNICATIONS

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

### CONSENT CALENDAR

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

1. [AFFIDAVITS OF PUBLICATION, MAILING AND POSTING \(COUNCIL/RRB\)](#)



2. [APPROVAL OF WARRANT REGISTER \(Council\)](#)

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

- 351851 352019 dated April 14, 2021
- 352020 352288 dated April 21, 2021
- 352289 352506 dated April 28, 2021

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

3. [APPROVAL OF MINUTES: Regular Meeting of April 21, 2021](#)

4. [TREASURER'S INVESTMENT REPORT FOR THE QUARTER ENDED MARCH 31, 2021 -](#)

Request the City Council receive and file the January through March 2021 Treasurer's Report.

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

5. [REIMBURSEMENT AGREEMENT TO EVALUATE A COMMUNITY FACILITIES DISTRICT FOR THE DEL PRADO PROJECT -](#)

Request the City Council approve authorizing the Mayor to execute a Reimbursement Agreement with CWC ESCONDIDO 113, LLC, for the Del Prado project, approved by the City Council on May 11, 2016. The developer has requested that a Community Facilities District for Facilities be formed for their project to fund development impact fees. CWC Escondido 113, LLC has offered to annex the project into Services CFD 2020-1 if the proposed Facilities CFD is approved.

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

RESOLUTION NO. 2021-56

6. [FINAL MAP, ESCONDIDO TRACT SUB16-0009B THE VILLAGES PROJECT - VILLAGE 2 -](#)

Request the City Council approve the Final Map for Escondido Tract SUB16-0009B, Village 2, a 56 lot Residential Subdivision with 50 single-family lots and 30 residential condominium units within 6 residential lots, all located at 1800 Country Club Lane.

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

7. [AMEND ENGINEERING AND TRAFFIC SURVEY \(SPEED ZONE\) ON KAUANA LOA DRIVE -](#)

Request the City Council approve to amend Engineering and Traffic Survey (speed survey) on Kauana Loa Drive.

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

RESOLUTION NO. 2021-60

8. [BID AWARD AND PUBLIC SERVICE AGREEMENT FOR SENIOR NUTRITION PROGRAM -](#)

Request the City Council approve authorizing the City Manager to execute the Public Services Agreement in the amount of \$197,737 with HumanGood SoCal dba Redwood Senior Homes and Services, the lowest responsive and responsible bidder for the Senior Nutrition Program.

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

RESOLUTION NO. 2021-63

9. **NOTICE OF COMPLETION FOR THE RECYCLED WATER EASTERLY MAIN AND TANKS PROJECT -**

Request the City Council approve authorizing the Deputy City Manager/Director of Utilities to file a Notice of Completion for the Recycled Water Easterly Main and Tanks Project.

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

RESOLUTION NO. 2021-62

10. **FISCAL YEAR 2020/21 PAUL COVERDELL FORENSIC SCIENCE IMPROVEMENT PROGRAM GRANT AND BUDGET ADJUSTMENT -**

Request the City Council approve authorizing the Chief of Police to accept a Fiscal Year 2020/21 California Office of Emergency Services (CalOES) Paul Coverdell Forensic Science Improvement Program Grant in the amount of \$51,682; execute all documents necessary for the management and completion of the grant scope; and authorize the necessary budget adjustment needed to spend grant funds.

Staff Recommendation: **Approval (Police Department: Edward Varso)**

RESOLUTION NO. 2021-66

11. **PERATON SOFTWARE MAINTENANCE AGREEMENT -**

Request the City Council approve authorizing the Mayor to execute, on behalf of the City, a Public Services Agreement with Peraton, Inc. regarding software maintenance services necessary for ongoing operation of the City's Computer Aided Dispatch System. In January 2021, Northrop Grumman agreed to sell its information technology and mission support services business and transfer existing contracts to Peraton.

Staff Recommendation: **Approval (Police Department: Edward Varso)**

RESOLUTION NO. 2021-65

12. **HOMELESS STREET OUTREACH GRANT PROGRAMS AND BUDGET ADJUSTMENT -**

Request the City Council approve to amend a contract with Interfaith Community Services to provide homeless street outreach in conjunction with a 2020 Homeless Emergency Aid Program (HEAP) grant, enter into a new contract with Interfaith Community Services to provide future homeless street outreach in conjunction with Emergency Solutions Grant Coronavirus (ESG-CV) funds, and to allow staff to apply for Homeless Housing, Assistance and Prevents (HHAP) funds to augment continuing street outreach efforts. It is also requested that City Council approve a budget adjustment for proper accounting for the 2020 HEAP grant.

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

a) RESOLUTION NO. 2021-68 b) RESOLUTION NO. 2021-69 c) RESOLUTION NO. 2021-70

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

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

## PUBLIC HEARINGS

13. [TENTATIVE SUBDIVISION MAP, MASTER AND PRECISE DEVELOPMENT PLAN, SPECIFIC PLAN AMENDMENT, AND PURCHASE AND SALES AGREEMENT \(SUB 20-0001, PHG 20-0009, ENV 20-0001\) -](#)

Request the City Council approve an amendment to the Downtown Specific Plan to eliminate the ground-floor commercial requirement and permit ground floor residential units within the Mercado District, along with a Master and Precise Development Plan to allow for a reduction in open space, setbacks and parking requirements. In conjunction with this action, it is requested that City Council approve a Tentative Subdivision Map for the development of 120 air-space condominium units located at 235 S. Pine Street and others, along with the vacation of public right-of-way along portions of W. 3rd Avenue, S. Pine Street and a public alley along the project frontages; and approve a Purchase and Sale Agreement of five City parcels.

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

- a) RESOLUTION NO. 2021-61 b) RESOLUTION NO. 2021-64
- c) ORDINANCE NO. 2021-05 (First Reading and Introduction)

## CURRENT BUSINESS

14. [OAKVALE ROAD REALIGNMENT PROJECT BID AWARD -](#)

Request the City Council approve authorizing the Mayor to execute a Public Improvement Agreement in the amount of \$8,467,520 with L.B. Civil Construction, Inc., the lowest responsive and responsible bidder for construction of the Oakvale Road Realignment Project.

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

RESOLUTION NO. 2021-45

15. [A\) FINANCIAL REPORT FOR THE QUARTER ENDED MARCH 31, 2021 AND BUDGET ADJUSTMENT REQUEST -](#)

Request the City Council receive and file the third quarter financial report and approve a budget adjustment to amend the Fiscal Year 2020/21 operating budget.

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

[B\) FISCAL YEAR 2021/22 PRELIMINARY OPERATING BUDGET STATUS –](#)

Request the City Council provide direction regarding the Fiscal Year 2021/22 General Fund Operating Budget.

Staff Recommendation: **Provide Direction (Finance Department: Christina Holmes)**

16. [FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM AND FISCAL YEAR 2021/22 CAPITAL IMPROVEMENT PROGRAM BUDGET STATUS -](#)

Request the City Council provide direction regarding the Five-Year Capital Improvement Program and the capital project appropriation requests for Fiscal Year 2021/22.

Staff Recommendation: **Provide Direction (Finance Department: Christina Holmes)**

## 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](http://www.escondido.org).

- [WEEKLY ACTIVITY REPORT -](#)

## ORAL COMMUNICATIONS

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

## ADJOURNMENT

### UPCOMING MEETING SCHEDULE

Date	Day	Time	Meeting Type	Location
May 19	Wednesday	4:00 & 5:00 p.m.	Regular Meeting	Council Chambers
May 26	Wednesday	4:00 & 5:00 p.m.	Regular Meeting	Council Chambers
June 2	-	-	No Meeting (Memorial Day)	-
June 9	Wednesday	4:00 & 5:00 p.m.	Regular Meeting	Council Chambers

## TO ADDRESS THE COUNCIL

Public Comment: To submit comments in writing, please do so at the following link:  
<https://www.escondido.org/agenda-position.aspx>.

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.

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

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

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

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

### LIVE BROADCAST

Council meetings are broadcast live on Cox Cable Channel 19 and U-verse Channel 99 – Escondido Gov TV. They can also be viewed the following Sunday and Monday evenings at 6:00 p.m. on those same channels. The Council meetings are also available live via the Internet by accessing the City's website at [www.escondido.org](http://www.escondido.org), and clicking the "Live Streaming –City Council Meeting now in progress" button on the home page.

**Please turn off all cellular phones and pagers while the meeting is in session.**

**The City Council is scheduled to meet the first four Wednesdays  
of the month at 4:00 in Closed Session and 5:00 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

O F

I T E M

P O S T I N G



# CITY COUNCIL STAFF REPORT

Consent Item No. 2

May 12, 2021

File No. 0400-40

SUBJECT: Approval of Warrants

DEPARTMENT: Finance Department

RECOMMENDATION:

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

351851 – 352019 dated April 14, 2021

352020 – 352288 dated April 21, 2021

352289 – 352506 dated April 28, 2021

FISCAL ANALYSIS:

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

April 8 – April 14, 2021, is \$ 1,145,838.68

April 15 – April 21, 2021, is \$ 2,261,919.48

April 22 – April 28, 2021, is \$ 980,071.78

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.

April 21, 2021  
5:00 P.M. Meeting

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 5:00 p.m. April 7, 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

PROCLAMATIONS: National Volunteer Week, April 18-24, 2021  
Mayor's Monarch Pledge Day 2021

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.

CLOSED SESSION REPORT

None.

ORAL COMMUNICATIONS

Barabara Godon – Expressed opposition towards cannabis.

Alicia Espinoza – Expressed opposition towards cannabis.

Ann Riddle – Expressed opposition towards cannabis.

Carol Green – Expressed opposition towards cannabis.

Carol Green – Expressed opposition towards cannabis.

Diane Grace – Expressed opposition towards cannabis.

Katie Poponyak – Expressed opposition towards cannabis.

Carol Green – Expressed opposition towards cannabis.

KB Strange – Expressed opposition towards cannabis.

Kelly McCormick – Expressed opposition towards cannabis.



Peggy Walker – Expressed opposition towards cannabis.

Todd Frank – Expressed support for the CEQA appeal of the North County Environmental Resources project.

Dante Coman – Requested the City Council form an Independent Police Oversight Commission.

Leslie Ellsworth – Requested the City Council form an Independent Police Oversight Commission.

Kevin Stevenson – Requested the City Council form an Independent Police Oversight Commission.

Cecilia Arias – Informed the Council of the “Smoke Free Outdoor” event held in Escondido by Vista Community Clinic.

Erika Carter – Informed the Council of the “Smoke Free Outdoor” event held in Escondido by Vista Community Clinic.

## CONSENT CALENDAR

MOTION: Moved by Deputy Mayor Morasco and seconded by Councilmember Inscoe to approve all consent calendar items, except items 4 and 6. 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:

- 351479 - 351673 dated March 31, 2021
- 351674 - 351850 dated April 7, 2021

Staff Recommendation: Approval (Finance Department: Christina Holmes)

3. APPROVAL OF MINUTES: Regular Meetings of March 24, 2021 and April 7, 2021

4. BID AWARD FOR THE WASHINGTON PARK SKATE SPOT PROJECT -

Request the City Council approve authorizing the Mayor to execute a Public Improvement Agreement with the lowest responsive and responsible bidder for the Washington Park Skate Spot Project. (File No. 0600-10, A-3352)

Staff Recommendation: Approval (Communications and Community Services Department: Danielle Lopez)

RESOLUTION NO. 2021-58

MOTION: Moved by Deputy Mayor Morasco and seconded by Councilmember Martinez to approve authorizing the Mayor to execute a Public Improvement Agreement with the lowest responsive and responsible bidder for the Washington Park Skate Spot Project. Approved unanimously.

5. AUTHORIZATION TO ACCEPT A \$12,000 GRANT FROM THE CALIFORNIA STATE LIBRARY, ON BEHALF OF THE ESCONDIDO PUBLIC LIBRARY, TO IMPROVE VIRTUAL PROGRAMMING -

Request the City Council approve authorizing the Escondido Public Library to accept a grant from the California State Library to purchase equipment and materials that will improve the quality of virtual programming; execute all documents necessary for the management and completion of the grant

scope; and authorize the necessary budget adjustment needed to establish a new project number for tracking and spending of grant funds. (File No. 0480-70)

Staff Recommendation: Approval (Communications and Community Services Department: Danielle Lopez)

RESOLUTION NO. 2021-57

6. APPROVAL OF THE FY 2020-21 TRAFFIC SIGNAL PRIORITY LISTS -

Request the City Council approve the FY 2020-21 Traffic Signal Priority List for new traffic signal projects and for modification of existing traffic signals, as recommended by the Transportation and Community Safety Commission. Established ranking criteria, including accident data and delay, has been used to set the order of priority for signal projects that will be budgeted as a part of the Capital Improvement Program. (File No. 1050-65)

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

RESOLUTION NO. 2021-36

James Nunez – Expressed support for the item.

Wendy Meier – Expressed opposition for the item.

MOTION: Moved by Councilmember Martinez and seconded by Councilmember Inscoe to approve the FY 2020-21 Traffic Signal Priority List for new traffic signal projects and for modification of existing traffic signals, as recommended by the Transportation and Community Safety Commission. Established ranking criteria, including accident data and delay, has been used to set the order of priority for signal projects that will be budgeted as a part of the Capital Improvement Program. Approved unanimously.

7. RIMINI STREET SUPPORT CONTRACT AUTHORIZATION -

Request the City Council approve authorizing the Mayor to execute on behalf of the City, a software maintenance contract for our Oracle PeopleSoft system with Rimini Street, Inc. (File No. 0600-10, A-3359)

Staff Recommendation: Approval (Information Systems Department: Rob Van De Hey)

RESOLUTION NO. 2021-55

**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**

8. PUBLIC HEARING FOR CITY OF ESCONDIDO LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT ZONES 1 THROUGH 38 -

Request the City Council hold a public hearing to receive input on the levy of the proposed annual assessments for the City of Escondido Landscape Maintenance District ("LMD") Zones 1 through 38. (File No. 0685-10)

Staff Recommendation: Receive Public Input (Engineering Services Department: Julie Procopio)

9. PUBLIC HEARING AND ADOPTION OF THE UPDATED TRAFFIC IMPACT ANALYSIS GUIDELINES -

Request the City Council approve adopting the Traffic Impact Analysis Guidelines. (File No. 0110-30)

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

RESOLUTION NO. 2021-47

MOTION: Moved by Councilmember Garcia and seconded by Councilmember Martinez to adopt the Traffic Impact Analysis Guidelines. Approved unanimously.

10. ANNUAL ACTION PLAN FOR FISCAL YEAR 2021-2022 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") FUNDING, FIFTH AMENDMENT TO THE FISCAL YEAR 2019-2020 ANNUAL ACTION PLAN, AND BUDGET ADJUSTMENT -

Request the City Council approve the following: 1) Fiscal Year 2021-2022 HOME, CDBG, and ESG budget and allocation to projects; 2) the City of Escondido's One Year Action Plan and submittal to HUD; 3) an amendment to the FY 2019-2020 One Year Action Plan and submittal to HUD; 4) budget adjustment for the proper classification of rental income. This is a required hearing for the Annual Action Plan for allocating federal HOME, CDBG, and ESG funds for projects and programs. (File No. 0870-11)

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

a) RESOLUTION NO. 2021-50 b) RESOLUTION NO. 2021-51 c) RESOLUTION NO. 2021-59

Christiann Stewart – Requested the City Council allocate funding to the Boys and Girls Club to repair the roof at their Baker Branch location.

Kelly Capen Douglas – Expressed support for the item on behalf of Voices for Children.

Mama's Kitchen – Expressed support for this item.

Patricia Huerta – Expressed support for the item on behalf of Escondido Education COMPACT.

MOTION: Moved by Councilmember Inscoe and seconded by Deputy Mayor Morasco to approve the following: 1) Fiscal Year 2021-2022 HOME, CDBG, and ESG budget and allocation to projects; 2) the City of Escondido's One Year Action Plan and submittal to HUD; 3) an amendment to the FY 2019-2020 One Year Action Plan and submittal to HUD; 4) budget adjustment for the proper classification of rental income. Approved unanimously.

## CURRENT BUSINESS

11. SINGLE-USE PLASTICS POLICY -

Request the City Council consider including a Single-Use Plastics Policy in the Climate Action Plan.

Staff Recommendation: None (Mayor Paul McNamara)

Aisha Wallace Palomares – Expressed support for the item.

Ana Marie Velasco – Expressed support for the item.

Brady Bradshaw – Expressed support for the item.

Cathy Hill – Expressed support for the item.

Gina Ruiz – Expressed support for the item.

Gretchen Gary – Expressed support for the item.

Maria Wallace – Expressed support for the item.

L. Upton – Expressed support for the item.

Michael Bronner – Expressed support for the item.

Mirandah Oliphant – Expressed support for the item.

Laura Minna Choe – Expressed support for the item.

Patricia Borchamenn – Expressed support for the item.

Victoria Morales – Expressed support for the item.

Kelsey Tyler – Expressed support for the item.

Laura Hunter – Expressed support for the item.

Laura Minna Choe – Expressed support for the item.

NO COUNCIL ACTION ON THIS ITEM

## FUTURE AGENDA

### 12. 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

Councilmember Inscoe - Attended a San Dieguito River Park Meeting.

Councilmember Martinez - Attended a League of California Cities Meeting and a San Diego County Water Authority Meeting.

Deputy Mayor Morasco - Wished everyone Happy Mother's Day and Happy Cinco De Mayo.

Mayor McNamara - Wished everyone Happy Mother's Day and Happy Cinco De Mayo.

## CITY MANAGER'S WEEKLY ACTIVITY REPORT

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

- WEEKLY ACTIVITY REPORT -

ORAL COMMUNICATIONS

None.

ADJOURNMENT

Mayor McNamara adjourned the meeting at 7:45 p.m.

---

MAYOR

---

CITY CLERK

## CITY COUNCIL STAFF REPORT

**Consent Item No. 4**

**May 12, 2021**

**File No. 0490-55**

SUBJECT: Treasurer's Investment Report for the Quarter Ended March 31, 2021

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 December 31, 2020, was filed with the City Clerk's Office on February 1, 2021 and presented to the City Council on February 10, 2021.

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 March 31, 2021 (Attachment "1")
- Summary of Investment Portfolio Yield for the last 12 months (Attachment "2")
- Schedule of Funds Managed by Outside Parties as of March 31, 2021 (Attachment "3")
- PFM's Investment Performance Review as of March 31, 2021 (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 January 1, 2021 to March 31, 2021, the City's investment portfolio increased from \$161.1 million to \$173.4 million. The adjusted average annual yield decreased from 1.433 percent to 1.182 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 \$12.3 million in the book value of the investment portfolio.

There are adequate funds to meet the next six-month's expected expenditures. As of March 31, 2021, the City complies with all requirements of the City's Investment Policy.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

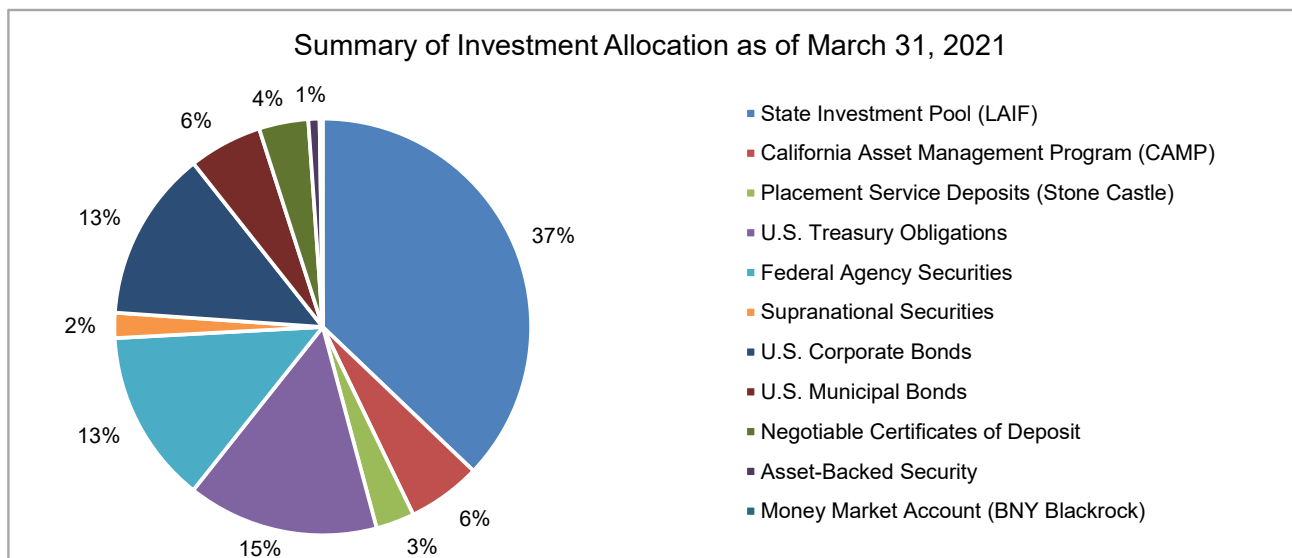
*Douglas Shultz*, City Treasurer  
05/05/21 8:20 p.m.

ATTACHMENTS:

1. Attachment "1" – Summary of Investment Allocation as of March 31, 2021
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 March 31, 2021
4. Attachment "4" – Investment Performance Review for the Quarter Ended March 31, 2021

**City of Escondido**  
**Summary of Investment Allocation**  
**as of March 31, 2021**

Investment Type	Book Value	Market Value	Percent of Portfolio at Market
State Investment Pool (LAIF)	\$ 65,101,027	\$ 65,101,027	37.13%
California Asset Management Program (CAMP)	10,015,325	10,015,325	5.71%
Placement Service Deposits (Stone Castle)	5,244,552	5,244,552	2.99%
U.S. Treasury Obligations	23,272,754	26,021,298	14.84%
Federal Agency Securities	25,533,154	23,616,859	13.47%
Supranational Securities	3,388,351	3,421,982	1.95%
U.S. Corporate Bonds	22,371,221	23,244,117	13.26%
U.S. Municipal Bonds	9,915,384	10,004,941	5.71%
Negotiable Certificates of Deposit	6,600,000	6,708,337	3.83%
Asset-Backed Security	1,524,829	1,526,482	0.87%
Money Market Account (BNY Blackrock)	423,794	423,794	0.24%
<b>Total Investment Portfolio - March 2021</b>	<b>\$ 173,390,391</b>	<b>\$ 175,328,714</b>	<b>100%</b>
<b>Reported Total Investments - December 2020</b>	<b>\$ 161,100,202</b>	<b>\$ 163,409,848</b>	
<b>Change from Prior Quarter</b>	<b>\$ 12,290,189</b>	<b>\$ 11,918,866</b>	
<b>Portfolio Duration</b>	<b>2.63</b>		





**CITY OF ESCONDIDO  
SUMMARY OF INVESTMENT PORTFOLIO YIELDS  
FOR THE LAST 12 MONTHS**

**As of March 31, 2021**

<u>Date</u>	<u>Book Value</u>	<u>Yield</u>
<b>Mar-21</b>	<b>\$173,390,390.46</b>	<b>0.839%</b>
<b>Feb-21</b>	<b>\$161,685,438.66</b>	<b>0.916%</b>
<b>Jan-21</b>	<b>\$161,233,731.14</b>	<b>0.947%</b>
<b>Dec-20</b>	<b>\$161,100,201.57</b>	<b>0.998%</b>
<b>Nov-20</b>	<b>\$147,388,852.63</b>	<b>1.121%</b>
<b>Oct-20</b>	<b>\$147,276,483.89</b>	<b>1.137%</b>
<b>Sep-20</b>	<b>\$147,000,670.24</b>	<b>1.187%</b>
<b>Aug-20</b>	<b>\$146,666,559.63</b>	<b>1.265%</b>
<b>Jul-20</b>	<b>\$149,438,614.04</b>	<b>1.308%</b>
<b>Jun-20</b>	<b>\$175,691,467.98</b>	<b>1.395%</b>
<b>May-20</b>	<b>\$169,745,327.26</b>	<b>1.475%</b>
<b>Apr-20</b>	<b>\$151,804,259.67</b>	<b>1.590%</b>
<b>Average Portfolio Interest Yields</b>		<b>1.182%</b>

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

## Attachment "3"

CITY OF ESCONDIDO  
 FUNDS MANAGED BY OUTSIDE PARTIES  
 As of March 31, 2021

Type of Funds / Institution	Market Value	Interest Rate	Type of Investment
<b><u>BOND FUNDS</u></b>			
<b>BANK OF NEW YORK:</b>			
1998-1 Rancho San Pasqual Assessment District	\$ 353,551.21	0.010%	Treasury
2012 Water Bond	0.45	0.000%	Treasury
2012 Wastewater Bond	0.68	0.000%	Treasury
2013 JPFA Reidy Creek Lease Revenue Bonds (2001 Refunding)	53,735.30	0.000%	Treasury
2013 Community Facility District - Hidden Trails (2001 Refunding)	0.04	0.000%	Treasury
2015 Community Facility District - Eureka Ranch (2006 Refunding)	114.00	0.000%	Cash/Treasury
2015A Wastewater Bond (2004A Refunding)	607,625.19	0.030%	Dreyfus Cash Management Fund
2015B Wastewater Bond (2004B Refunding)	230,040.50	0.030%	Dreyfus Cash Management Fund
2019 Water Bond	3.00	0.000%	Dreyfus Cash Management Fund
	<u>\$ 1,245,070.37</u>		
<b><u>SECTION 115 TRUST FUNDS</u></b>			
<b>PUBLIC AGENCY RETIREMENT SERVICES:</b>			
PARS Post-Employment Benefits Trust	\$14,780,854.60		Moderately Conservative HighMark PLUS
<b>TOTAL FUNDS MANAGED BY OUTSIDE PARTIES</b>	<b><u><u>\$ 16,025,924.97</u></u></b>		



# CITY OF ESCONDIDO

## **Investment Performance Review For the Quarter Ended March 31, 2021**

Client Management Team

PFM Asset Management LLC

Richard Babbe, CCM, Senior Managing Consultant

601 South Figueroa, Suite 4500

213 Market Street

Robert Cheddar, CFA, Managing Director

Los Angeles, CA 90017

Harrisburg, PA 17101-2141

Meredith LaBuda Sullivan, Portfolio Trader

949-230-6896

717-232-2723

Jeremy King, Key Account Manager

# Market Update

---

## QUARTERLY MARKET SUMMARY

Fixed Income Management

## SUMMARY

- In Q1, U.S. economic conditions were impacted by: (1) optimism regarding a lower COVID-19 caseload as vaccine inoculations ramped up despite initial logistical challenges; (2) a new administration in Washington pushing new policies and priorities; (3) improving economic data supported by an additional \$1.9 trillion in relief funds from the American Rescue Plan

Treasury yield curve.

- The Fed spent much of the first quarter continuing to convey its commitment to utilize the full scope of its monetary authority to facilitate economic recovery. As a result, the Fed made no changes to the near-zero fed funds policy rate and continued its large-scale monthly asset purchases. The Fed's most recent messaging has evolved to require actual outcomes—not just strong forecasts—before considering any current policy changes. Over the quarter, Fed Chairman Jerome Powell addressed the notable increase in longer term U.S. Treasury yields as unlikely to get out of hand, nor does the Fed expect any destructive breakout of inflation. Building on positive vaccine news and the new relief package, the Federal Open Market Committee (FOMC) raised its projections for real GDP growth to 6.5% for 2021 and now expects the unemployment rate to fall to 4.5% by year-end.
- Shorter-term U.S. Treasury yields remained low and range-bound, while longer-term Treasury yields rose sharply, steepening the yield curve.
- Amidst many market-moving events, domestic equity markets continued their march forward with the Dow Jones Industrial Average, S&P 500, and Nasdaq each posting record highs during the quarter. International and emerging market returns also continued to be strongly influenced by the degree of regional virus containment alongside the value of the U.S. Dollar bouncing off a multi-year low during Q1.

## ECONOMIC SNAPSHOT

- U.S. GDP posted a 4.3% expansion in the fourth quarter of 2020, although consumer spending grew at a tepid 2.4% pace. Meanwhile, housing construction was the star performer, growing at a 35.8% rate in the fourth quarter. GDP forecasts for the first quarter of 2021 range from 4.5% to 6.5%.
- The unemployment rate ended the quarter at 6.0%, down 0.7% from the end of 2020. Non-farm payrolls showed strong and accelerating improvement, topping out at 916,000 new jobs in March. Initial jobless claims remained elevated during the quarter but saw claims drop below 300,000 in March.
- U.S. manufacturing and services activity continued to recover at a healthy rate in Q1. The ISM Manufacturing and Service Sector purchasing manager indices (PMIs) surged to multi-year highs, indicating the strength of the business recovery that is underway. On the housing front, new and existing home sales slowed over the quarter largely due to a lack of inventory, although the 30-year mortgage rate rose sharply from 2.71% at the end of 2020 to 3.18% as of March 31, 2021.

## INTEREST RATES

- The U.S. Treasury yield curve steepened dramatically over the quarter. Maturities of less than one year were flat to lower over the quarter as they continued to be anchored by the Fed's zero-interest-rate policy. Yields on maturities of seven years or more rose sharply, steepening the curve and increasing the spread between the 2- and 10-year U.S. Treasury yields to 1.58%, the largest spread since June 2015. Inflation concerns, fueled by a combination of stimulus dollars and economic optimism, were the primary catalysts for the steeper curve.
- At quarter-end, the yield on a 3-month U.S. Treasury Bill stood at 0.02%. The 2-year note was 0.16% and the 5-year note 0.94%, while 10- and 30-year Treasuries ended the quarter at 1.74% and 2.41%, respectively.
- As a result of ultra-low short-term rates and a steeper curve, U.S. Treasury index returns were mixed for the quarter. Shorter-duration U.S. Treasury indices (two years and under) were relatively muted and only slightly positive. Longer maturity yields rose precipitously, resulting in the worst returns for 10- and 30-year constant maturity indices on record. For example, the 3-month and 1-year Constant Maturity U.S. Treasury Indices returned 0.03% and 0.07%, respectively. Meanwhile, the 5- and 7-year indices returned -2.41% and -4.60%, and the 10- and 30-year indices returned -7.10% and -16.25%, respectively.

## SECTOR PERFORMANCE

- Diversification away from U.S. Treasuries was generally additive to performance, but only modestly. Following three consecutive quarters of significant spread narrowing, most sectors held at tight levels. Two notable exceptions were the investment-grade (IG) corporate sector, where spreads widened a bit off record lows, and the mortgage-backed securities (MBS) sector, where slowing prepayments caused durations to extend materially. On balance, diversification remained a net positive to performance relative to Treasuries, but by a much smaller amount than in recent periods, as spreads began the quarter offering only modest incremental yield.
- The federal agency sector offered record low yield spreads, especially on maturities inside of five years. New issue supply was very light with few new issues. The sector posted modest positive excess returns for the quarter. Callable structures outperformed non-callables in Q1 but continue to trail sharply over the past 1-, 3-, and 5-year periods.
- The taxable municipal sector was one of the best-performing IG sectors in Q1. Excess returns bested most other alternatives by a wide margin. Absolute returns from the sector were generally positive, while other fixed income investments posted negative absolute returns in Q1, highlighting the value municipal debt had in fixed income portfolios to start the year.
- IG corporates generated muted excess returns over the quarter (although still positive) compared to other spread sectors. Spreads drifted wider as yields rose, and new issue supply came at a near-record pace for a first calendar quarter. As a result, the relative outperformance of corporates over U.S. Treasuries was generally muted as incremental income from the sector largely offset the adverse impact of the widening spread.
- Federal agency-backed MBS excess returns were positive in aggregate, but low coupon pass-throughs notably underperformed. Conventional 30-year collateral generated modest outperformance relative to 15-year, while higher coupons performed better as prepayments slowed. Commercial MBS was again additive to performance while providing insulation against typical adverse rate-sensitive mortgage duration movements.

## QUARTERLY MARKET SUMMARY

## Economic Snapshot

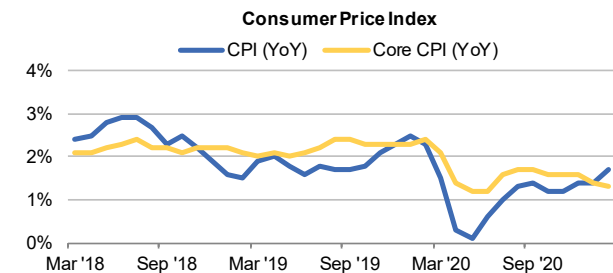
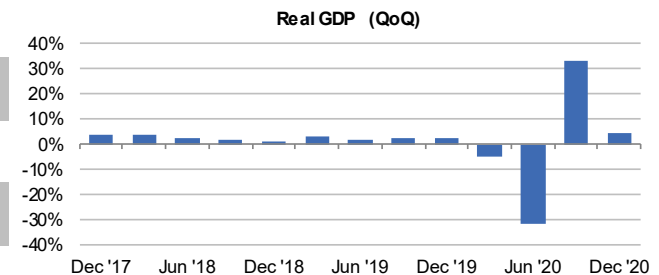
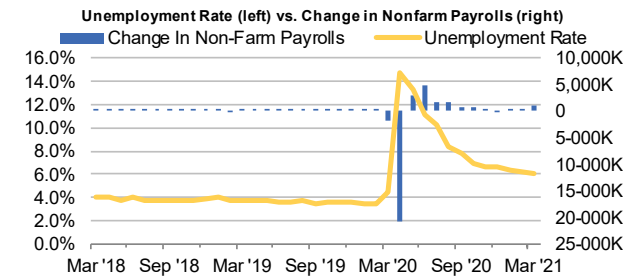
Labor Market		Latest	Dec '20	Mar '20
Unemployment Rate	Mar '21	6.0%	6.7%	4.4%
Change In Non-Farm Payrolls	Mar '21	916,000	-306,000	-1,683,000
Average Hourly Earnings (YoY)	Mar '21	4.2%	5.5%	3.5%
Personal Income (YoY)	Feb '21	4.3%	3.7%	1.8%
Initial Jobless Claims (week)	3/27/21	719,000	763,000	5,985,000

Growth		Latest	Dec '20	Mar '20
Real GDP (QoQ SAAR)	2020 Q4	4.3%	33.4% <sup>1</sup>	2.4% <sup>2</sup>
GDP Personal Consumption (QoQ SAAR)	2020 Q4	2.3%	41.0% <sup>1</sup>	1.6% <sup>2</sup>
Retail Sales (YoY)	Feb '21	6.3%	2.3%	-5.6%
ISM Manufacturing Survey (month)	Mar '21	64.7	60.5	49.7
Existing Home Sales SAAR (month)	Feb '21	6.22 mil.	6.65 mil.	5.35 mil.

Inflation / Prices		Latest	Dec '20	Mar '20
Personal Consumption Expenditures (YoY)	Feb '21	1.6%	1.2%	1.3%
Consumer Price Index (YoY)	Feb '21	1.7%	1.4%	1.5%
Consumer Price Index Core (YoY)	Feb '21	1.3%	1.6%	2.1%
Crude Oil Futures (WTI, per barrel)	Mar 31	\$59.16	\$48.52	\$20.48
Gold Futures (oz.)	Mar 31	\$1,714	\$1,895	\$1,583



1. Data as of Third Quarter 2020.

2. Data as of Fourth Quarter 2019.

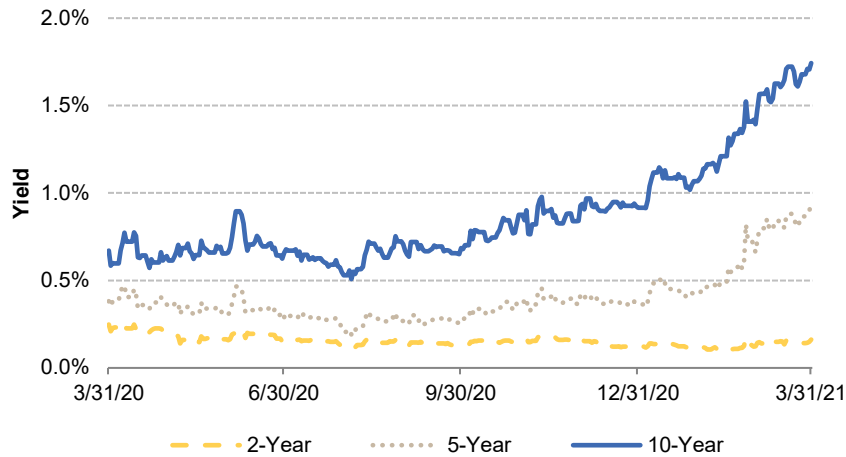
Note: YoY = year-over-year, QoQ = quarter-over-quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.

Source: Bloomberg.

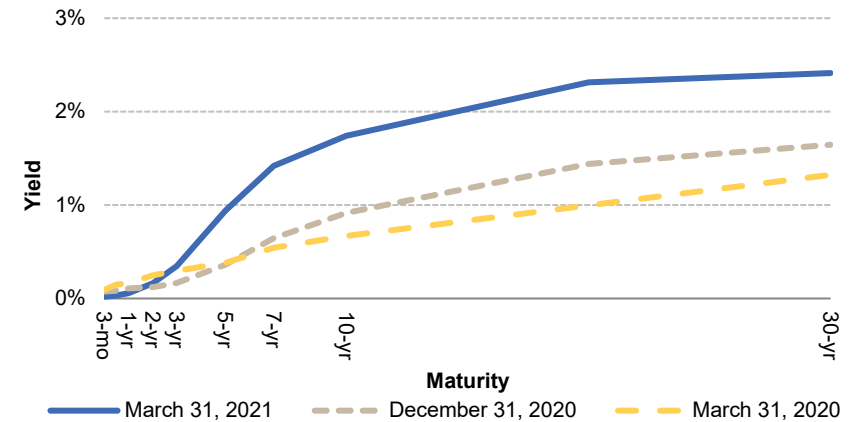
# QUARTERLY MARKET SUMMARY

## Interest Rate Overview

U.S. Treasury Note Yields



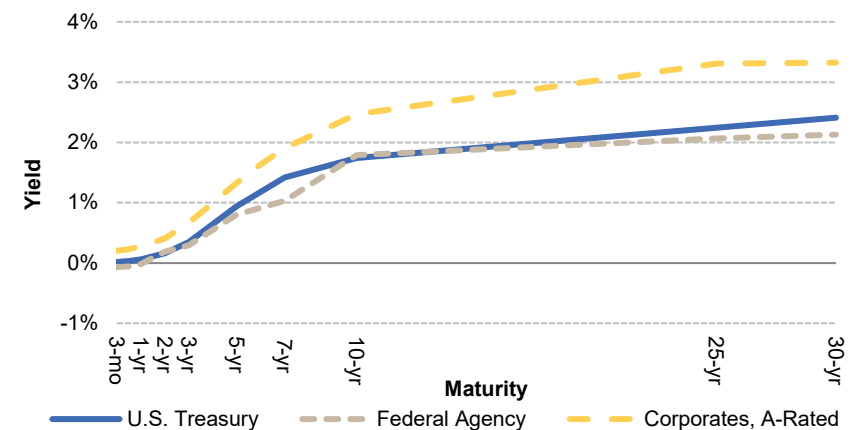
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Mar '21	Dec '20	Change over Quarter	Mar '20	Change over Year
3-Month	0.02%	0.07%	(0.05%)	0.09%	(0.07%)
1-Year	0.06%	0.11%	(0.05%)	0.16%	(0.10%)
2-Year	0.16%	0.12%	0.04%	0.25%	(0.09%)
5-Year	0.94%	0.36%	0.58%	0.38%	0.56%
10-Year	1.74%	0.92%	0.82%	0.67%	1.07%
30-Year	2.41%	1.65%	0.76%	1.32%	1.09%

Yield Curves as of 03/31/2021



Source: Bloomberg.

## QUARTERLY MARKET SUMMARY

Fixed Income Management

## ICE BofAML Index Returns

March 31, 2021	As of 03/31/2021		Returns for Periods ended 03/31/2021		
	Duration	Yield	3 Month	1 Year	3 Years
<b>1-3 Year Indices</b>					
U.S. Treasury	1.91	0.19%	(0.05%)	0.24%	2.77%
Federal Agency	1.77	0.22%	(0.02%)	0.69%	2.64%
U.S. Corporates, A-AAA rated	1.86	0.54%	(0.05%)	4.23%	3.65%
Agency MBS (0 to 3 years)	1.67	0.63%	(1.23%)	(0.43%)	3.58%
Taxable Municipals	1.69	0.87%	0.91%	4.74%	3.91%
<b>1-5 Year Indices</b>					
U.S. Treasury	2.66	0.37%	(0.52%)	(0.09%)	3.26%
Federal Agency	2.46	0.41%	(0.44%)	0.48%	2.86%
U.S. Corporates, A-AAA rated	2.77	0.85%	(0.61%)	5.14%	4.34%
Agency MBS (0 to 5 years)	2.45	1.19%	(0.81%)	0.27%	3.34%
Taxable Municipals	2.69	0.89%	0.15%	4.49%	3.95%
<b>Master Indices (Maturities 1 Year or Greater)</b>					
U.S. Treasury	7.01	1.05%	(4.61%)	(5.11%)	4.06%
Federal Agency	4.09	0.81%	(1.77%)	(0.34%)	3.87%
U.S. Corporates, A-AAA rated	8.24	2.03%	(5.04%)	5.06%	5.72%
Agency MBS (0 to 30 years)	3.54	1.49%	(1.15%)	0.10%	3.86%
Taxable Municipals	11.17	2.83%	(4.28%)	6.86%	6.99%

Returns for periods greater than one year are annualized.

Source: ICE BofAML Indices.



## QUARTERLY MARKET SUMMARY

Fixed Income Management

## DISCLOSURES

*All services are provided through separate agreements with each company.*

*Investment advisory services are provided by PFM Asset Management LLC, which is registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Additional applicable regulatory information is available upon request.*

*For more information regarding PFM's services or entities, please visit [www.pfm.com](http://www.pfm.com).*

*The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution and are subject to change. Information is 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.*

*© PFM Asset Management LLC. Further distribution is not permitted without prior written consent.*



# Investment Strategy & Portfolio Review

---

## Portfolio Recap

- Our strategy for the first quarter encompassed the following:
  - Maintained core allocations in most sectors while trimming allocations to agencies due to unattractive yield spreads.
  - The federal agency sector offered record low yield spreads, especially on maturities inside of five years. New issue supply was very light. The combination of light issuance and historically tight spreads led to our preference to reduce agency allocations. The supranational sector offered better supply dynamics and more opportunities to add to allocations during the quarter.
  - Investment grade corporates eked out muted excess returns as higher income offset modestly wider yield spreads. Supply was strong and rising rates put natural upward pressure on yields spreads. We continued our Q4 strategy of gradually reducing allocations, except for an occasional attractive new issue.
  - Mortgage-backed securities (MBS) performance was mixed for the quarter. Lower coupon pass-throughs performed poorly as prepayments slowed and durations extended. Higher coupons MBS generated strong positive excess returns, after generally poor performance in 2020. CMBS continued its strong and consistent positive performance.
  - In the taxable municipal sector, allocations were generally maintained as attractive offerings were limited despite robust issuance in the first quarter. Increased allocations to the sector in prior periods added notable value to portfolio performance as municipals were one of the best investment grade performers for the quarter.
  - Short-term credit (negotiable CDs and commercial paper) spreads stabilized, with some widening in the latter half of the quarter due to increased issuance. As a result, better opportunities became available to increase allocations and pick up incremental yield over short-term Treasuries and agencies.

## 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 3/31/21	% of Portfolio	% Change vs. 12/31/20	Permitted by Policy	In Compliance
U.S. Treasury	\$26,021,298	27.4%	6.8%	100%	✓
Federal Agency	\$20,521,559	21.6%	-9.2%	100%	✓
Agency CMOs	\$3,095,300	3.3%	0.3%	100%	✓
Supranationals	\$3,421,982	3.6%	0.9%	30%	✓
Municipal Obligations	\$10,004,941	10.5%	-	40%	✓
Asset-Backed	\$1,526,482	1.6%	0.04%	20%	✓
Certificates of Deposits	\$6,708,337	7.1%	4.6%	30%	✓
Corporate Notes	\$23,244,117	24.5%	0.2%	30%	✓
<b>Securities Total</b>	<b>\$94,544,016</b>	<b>99.6%</b>			
Accrued Interest	\$341,224				
<b>Securities Total</b>	<b>\$94,885,240</b>				
Money Market Fund	\$423,794	0.4%	0.3%	20%	✓
<b>Total Investments</b>	<b>\$95,309,034</b>	<b>100%</b>			

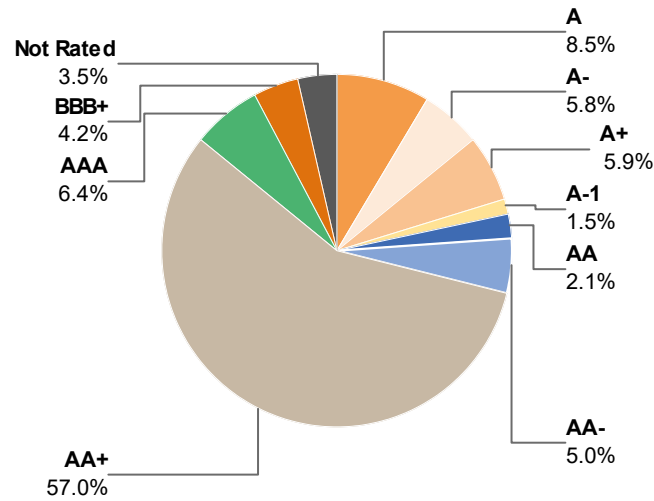
Market values, excluding accrued interest. Detail may not add to total due to rounding. Current investment policy as of May 2020.

**Portfolio Statistics**

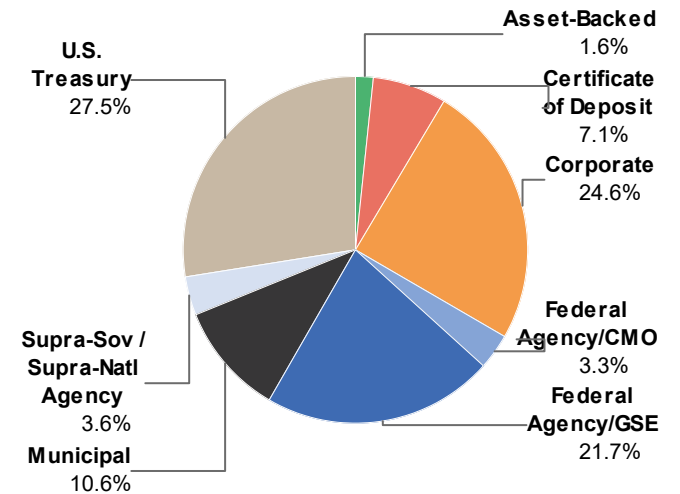
As of March 31, 2021

<b>Par Value:</b>	\$92,057,353
<b>Total Market Value:</b>	\$95,309,034
<b>Security Market Value:</b>	\$94,544,016
<b>Accrued Interest:</b>	\$341,224
<b>Cash:</b>	\$423,794
<b>Amortized Cost:</b>	\$93,040,379
<b>Yield at Market:</b>	0.51%
<b>Yield at Cost:</b>	1.31%
<b>Effective Duration:</b>	2.63 Years
<b>Average Maturity:</b>	2.73 Years
<b>Average Credit: *</b>	AA

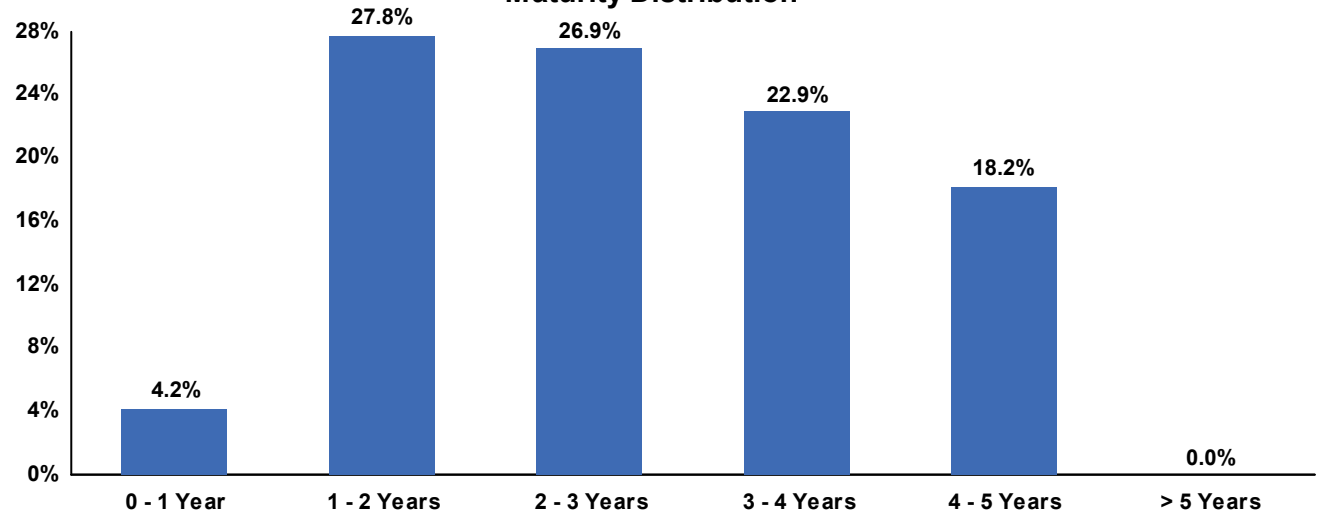
**Credit Quality (S&P Ratings)\*\***



**Sector Allocation**



**Maturity Distribution**

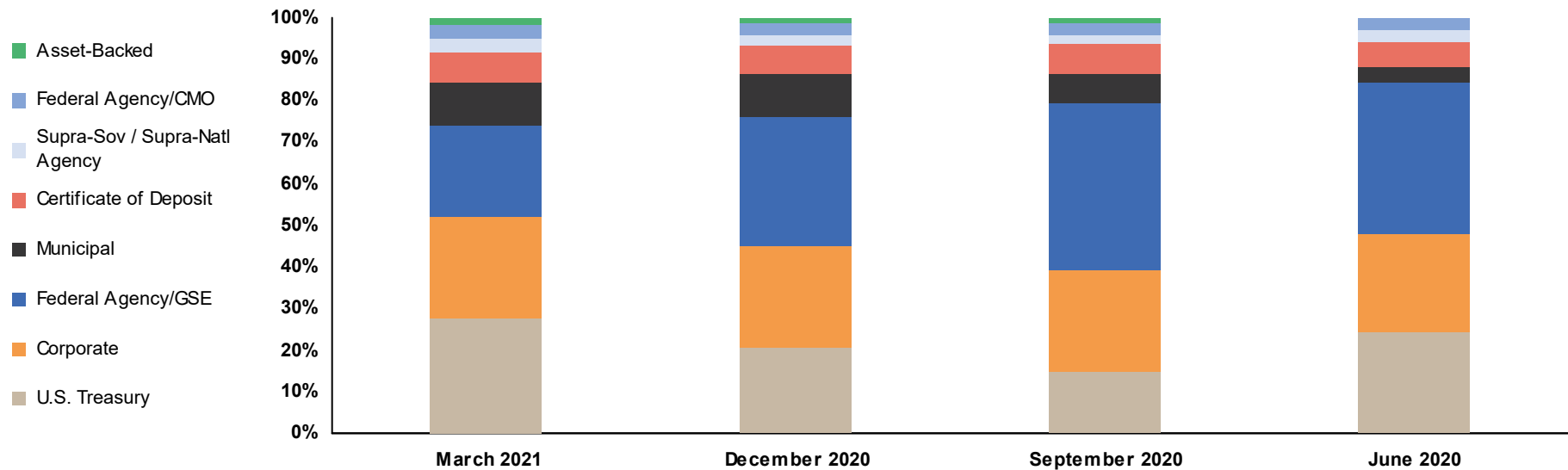


\* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

\*\*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	March 31, 2021		December 31, 2020		September 30, 2020		June 30, 2020	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	26.0	27.5%	19.6	20.7%	14.0	14.8%	22.8	24.3%
Corporate	23.2	24.6%	23.0	24.2%	23.0	24.4%	22.3	23.8%
Federal Agency/GSE	20.5	21.7%	29.3	30.8%	37.9	39.9%	33.8	36.1%
Municipal	10.0	10.6%	10.1	10.7%	6.7	7.1%	3.5	3.7%
Certificate of Deposit	6.7	7.1%	6.4	6.8%	7.2	7.6%	5.8	6.2%
Supra-Sov / Supra-Natl Agency	3.4	3.6%	2.6	2.7%	1.9	2.0%	2.7	2.9%
Federal Agency/CMO	3.1	3.3%	2.8	2.9%	2.8	3.0%	2.8	3.0%
Asset-Backed	1.5	1.6%	1.1	1.2%	1.1	1.2%	0.0	0.0%
<b>Total</b>	<b>\$94.5</b>	<b>100.0%</b>	<b>\$94.8</b>	<b>100.0%</b>	<b>\$94.6</b>	<b>100.0%</b>	<b>\$93.8</b>	<b>100.0%</b>

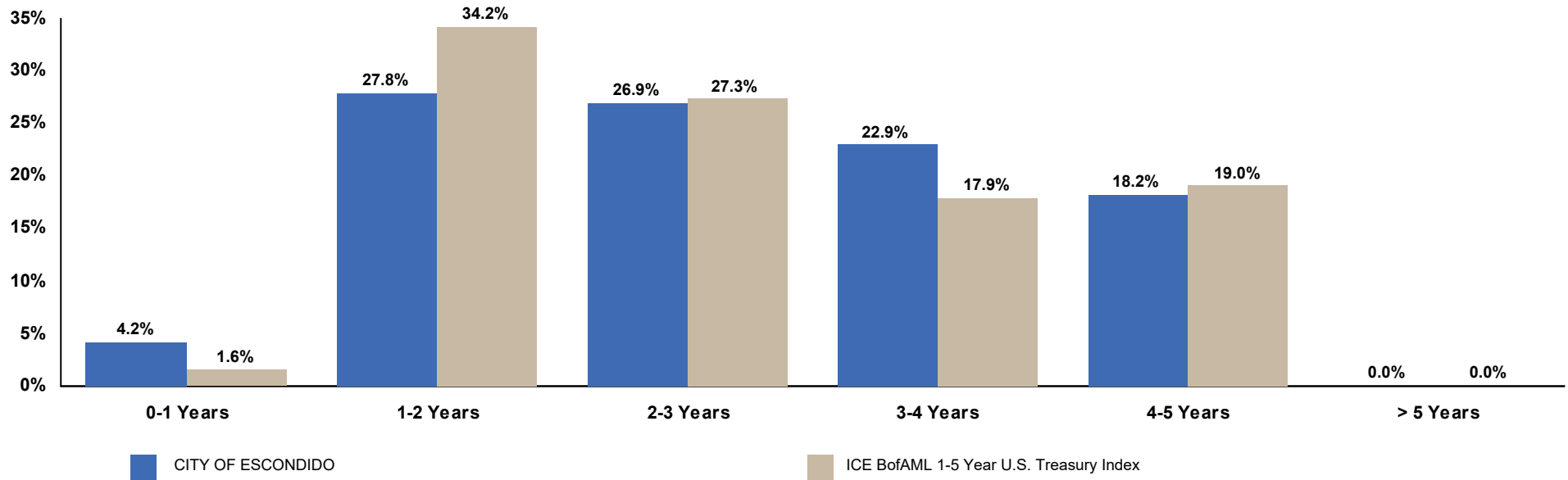


Detail may not add to total due to rounding.

**Maturity Distribution**

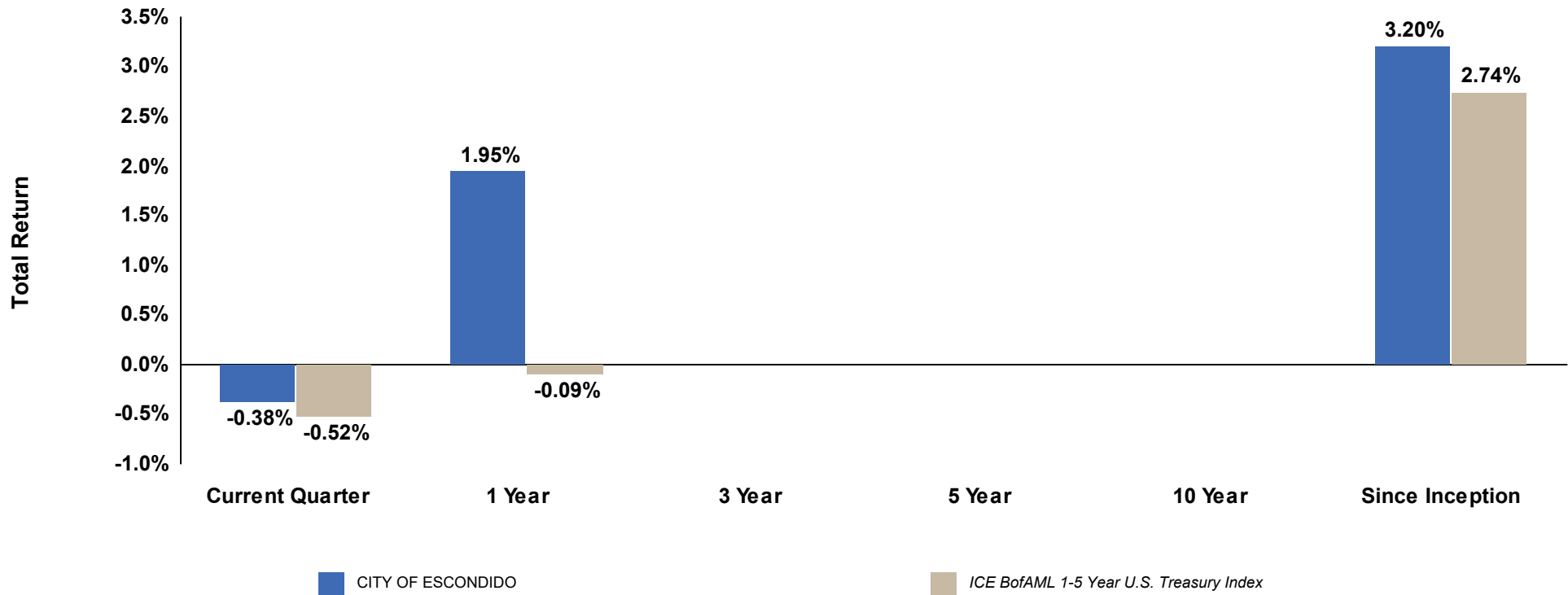
*As of March 31, 2021*

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	0.51%	2.73 yrs	4.2%	27.8%	26.9%	22.9%	18.2%	0.0%
ICE BofAML 1-5 Year U.S. Treasury Index	0.37%	2.73 yrs	1.6%	34.2%	27.3%	17.9%	19.0%	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	-0.38%	1.95%	-	-	-	3.20%
ICE BofAML 1-5 Year U.S. Treasury Index	2.60	-0.52%	-0.09%	-	-	-	2.74%
Difference		0.14%	2.04%	-	-	-	0.46%



Portfolio performance is gross of fees unless otherwise indicated.



**Portfolio Earnings****Quarter-Ended March 31, 2021**

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (12/31/2020)</b>	\$94,782,306.84	\$92,472,661.75
<b>Net Purchases/Sales</b>	\$513,104.66	\$513,104.66
<b>Change in Value</b>	(\$751,395.53)	\$54,612.82
<b>Ending Value (03/31/2021)</b>	\$94,544,015.97	\$93,040,379.23
<b>Interest Earned</b>	\$388,538.87	\$388,538.87
<b>Portfolio Earnings</b>	(\$362,856.66)	\$443,151.69

## Investment Strategy Outlook

- The vaccine rollout, accommodative monetary policy, and the new \$1.9 trillion of fiscal stimulus all point to continued improvement in U.S. economic fundamentals. 2021 GDP projections have been revised up several times, with current forecasts pointing to growth of 6% or more this year. That optimism, however, has also translated into increased inflation expectations, particularly in the near term, which is likely to continue to put upward pressure on longer-term rates.
- Our outlook for major investment-grade sectors includes the following:
  - Agencies: There is limited room for further spread tightening from current levels. With spreads likely to remain near zero over the coming quarter, the sector offers very little pickup compared to comparable Treasuries. We will likely look to continue to reduce allocations in favor of other opportunities.
  - Agency MBS: The Fed continues “to support the smooth functioning” of the MBS market through its ongoing agency MBS purchase program. While prepayments have remained elevated, the coming quarters should commence a meaningful slowing trend. We will look to maintain MBS portfolio allocations as spreads continue to sit at historically narrow levels, while continuing to avoid the low coupon structures most susceptible to duration extension.
  - Supranationals: Spreads compared to comparable Treasuries and agencies have widened and now present a reasonable alternative to other government securities. While new issues remain the best entry point, we will look to add Supranationals, most likely funded from reduced allocations to federal agencies.
  - Taxable Municipals: Although new issuance and secondary levels have gotten more expensive recently, we will likely maintain current allocations as the sector has been a boon for portfolio performance. As tax season approaches, the sector may experience some pressure, but this has yet to materialize into any significant spread widening in the sector. .
  - Corporates: Continued economic recovery, supportive monetary policy, lower expected supply, and strong global demand for U.S. credit will serve as support for the corporate sector. Credit spreads have widened from their extremely tight levels, providing some yield pickup, but they remain well below long-term averages. As a result, we will continue to be selective in seeking new additions to the sector.
  - Asset-Backed Securities (ABS): New issue activity has been elevated to start 2021, however, investor appetite remains robust and yield spreads remain near their recent floor. Collateral performance in consumer sectors has been stronger than expected and the strengthening of the economic expansion should continue to be a favorable tailwind. We will look to maintain holdings in the sector, but will evaluate new issues to offset paydowns.

# Issuer Distribution

---

## Issuer Distribution

As of March 31, 2021

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	26,021,298	27.5%
FANNIE MAE	11,105,356	11.8%
FREDDIE MAC	9,481,524	10.0%
FEDERAL HOME LOAN BANKS	3,029,979	3.2%
INTER-AMERICAN DEVELOPMENT BANK	2,666,515	2.8%
BLACKROCK INC	1,550,700	1.6%
BANK OF AMERICA CO	1,525,465	1.6%
THE BANK OF NEW YORK MELLON CORPORATION	1,499,773	1.6%
TOYOTA MOTOR CORP	1,427,256	1.5%
STATE OF CONNECTICUT	1,317,381	1.4%
SKANDINAVISKA ENSKILDA BANKEN AB	1,023,327	1.1%
NORDEA BANK ABP	1,023,187	1.1%
APPLE INC	975,292	1.0%
NEW YORK ST URBAN DEVELOPMENT CORP	941,967	1.0%
AMAZON.COM INC	913,050	1.0%
US BANCORP	890,739	0.9%
GOLDMAN SACHS GROUP INC	890,494	0.9%
ABBOTT LABORATORIES	881,804	0.9%

Top 5 = 55.3%

Top 10 = 63.1%

Issuer	Market Value (\$)	% of Portfolio
CHARLES SCHWAB	878,599	0.9%
DEERE & COMPANY	874,823	0.9%
THE WALT DISNEY CORPORATION	872,327	0.9%
VENTURA COUNTY COMM COLLEGE DISTRICT	866,984	0.9%
TRUIST FIN CORP	866,281	0.9%
AMERICAN HONDA FINANCE	863,878	0.9%
CATERPILLAR INC	858,514	0.9%
AMERICAN EXPRESS CO	855,659	0.9%
SOCIETE GENERALE	854,895	0.9%
CITIGROUP INC	818,000	0.9%
MORGAN STANLEY	811,107	0.9%
GENERAL DYNAMICS CORP	764,679	0.8%
INTL BANK OF RECONSTRUCTION AND DEV	755,467	0.8%
CITY & COUNTY OF SAN FRANCISCO	748,323	0.8%
CREDIT SUISSE GROUP RK	714,885	0.8%
FLORIDA STATE BOARD OF ADMIN FIN CORP	710,506	0.8%
COMCAST CORP	691,997	0.7%
UNITEDHEALTH GROUP INC	670,019	0.7%
DNB ASA	654,023	0.7%
STATE OF WISCONSIN	642,157	0.7%
TAMALPAIS UNION HIGH SCHOOL DISTRICT	639,858	0.7%

Issuer	Market Value (\$)	% of Portfolio
SUMITOMO MITSUI FINANCIAL GROUP INC	638,541	0.7%
CHEVRON CORPORATION	635,940	0.7%
PNC FINANCIAL SERVICES GROUP	630,635	0.7%
JP MORGAN CHASE & CO	624,741	0.7%
BARCLAYS PLC	545,046	0.6%
SAN DIEGO COUNTY WATER AUTHORITY	479,386	0.5%
PALOMAR COMMUNITY COLLEGE DISTRICT	438,187	0.5%
SAN JUAN UNIFIED SCHOOL DISTRICT	411,319	0.4%
LOS ANGELES COMMUNITY COLLEGE DISTRICT	405,228	0.4%
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT	400,675	0.4%
UNIVERSITY OF CALIFORNIA	374,576	0.4%
STATE OF MARYLAND	373,144	0.4%
PACCAR FINANCIAL CORP	363,032	0.4%
LONG BEACH COMMUNITY COLLEGE DISTRICT	361,463	0.4%
BRISTOL-MYERS SQUIBB CO	344,280	0.4%
CARMAX AUTO OWNER TRUST	325,405	0.3%
GM FINANCIAL CONSUMER AUTOMOBILE TRUST	300,588	0.3%
STATE OF MINNESOTA	273,842	0.3%
ORACLE CORP	257,705	0.3%
SAN DIEGO COMMUNITY COLLEGE DISTRICT	256,726	0.3%
FOCUS BANK	252,990	0.3%

Issuer	Market Value (\$)	% of Portfolio
BENEFICIAL BANK	252,365	0.3%
CAPITAL ONE FINANCIAL CORP	251,379	0.3%
LOCKHEED MARTIN CORP	250,295	0.3%
MEDALLION BANK UTAH	246,184	0.3%
NEW YORK & NEW JERSEY PORT AUTHORITY	243,370	0.3%
NISSAN AUTO LEASE TRUST	220,335	0.2%
PEPSICO INC	201,780	0.2%
BMW FINANCIAL SERVICES NA LLC	159,505	0.2%
HYUNDAI AUTO LEASE SECURITIZATION TRUST	139,923	0.2%
STATE OF MISSISSIPPI	119,851	0.1%
ADOBE INC	97,420	0.1%
MERCEDES-BENZ AUTO LEASE TRUST	90,073	0.1%
<b>Grand Total:</b>	<b>94,544,016</b>	<b>100.0%</b>

# 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)
<b>BUY</b>									
1/4/21	1/6/21	2,285,000	912828ZP8	US TREASURY NOTES	0.12%	5/15/23	2,285,142.52	0.13%	
1/12/21	1/20/21	140,000	44891TAD8	HALST 2021-A A4	0.42%	12/16/24	139,988.35	0.42%	
1/20/21	1/27/21	120,000	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/25	119,976.29	0.34%	
1/28/21	2/2/21	400,000	3137BTU25	FHMS K724 A2	3.06%	11/1/23	427,049.65	0.58%	
1/29/21	2/2/21	195,000	912828N30	US TREASURY NOTES	2.12%	12/31/22	202,842.59	0.12%	
1/29/21	2/2/21	1,200,000	91282CBC4	US TREASURY NOTES	0.37%	12/31/25	1,197,832.10	0.42%	
2/4/21	2/5/21	1,335,000	912828YM6	US TREASURY NOTES	1.50%	10/31/24	1,400,858.00	0.28%	
2/10/21	2/12/21	545,000	06742TWL6	BARCLAYS BANK PLC NY CERT DEPOS	0.29%	2/4/22	545,000.00	0.29%	
2/12/21	2/17/21	650,000	38141GXS8	GOLDMAN SACHS GROUP INC CORPORATE NOTES	0.85%	2/12/26	651,403.19	0.81%	
2/19/21	2/23/21	835,000	4581X0DK1	INTER-AMERICAN DEVELOPMENT BANK NOTES	1.75%	3/14/25	884,289.35	0.47%	
2/23/21	2/25/21	235,000	539830BE8	LOCKHEED MARTIN CORP NOTES (CALLABLE)	2.90%	3/1/25	257,061.02	0.87%	
2/25/21	2/26/21	345,000	91282CBH3	US TREASURY NOTES	0.37%	1/31/26	338,435.50	0.77%	
3/1/21	3/3/21	1,100,000	91282CBH3	US TREASURY NOTES	0.37%	1/31/26	1,083,466.53	0.69%	
3/2/21	3/10/21	160,000	05591RAD6	BMWLT 2021-1 A4	0.37%	7/25/24	159,993.65	0.37%	
3/4/21	3/8/21	700,000	369550BG2	GENERAL DYNAMICS CORP	3.50%	5/15/25	780,574.28	0.96%	
3/19/21	3/23/21	715,000	22552G3C2	CREDIT SUISSE NEW YORK CERT DEPOS	0.59%	3/17/23	715,000.00	0.59%	
3/31/21	4/5/21	1,950,000	912828X70	US TREASURY NOTES	2.00%	4/30/24	2,063,544.91	0.37%	
3/31/21	4/5/21	400,000	91282CBQ3	US TREASURY NOTES	0.50%	2/28/26	392,555.03	0.90%	
<b>Total BUY</b>		<b>13,310,000</b>					<b>13,645,012.96</b>		

## INTEREST

1/1/21	1/1/21	0	459058GU1	INTL BK RECON & DEVELOP SN NOTE	2.12%	7/1/22	956.70		
1/1/21	1/1/21	705,000	341271AD6	FL ST BOARD OF ADMIN TXBL REV BONDS	1.25%	7/1/25	2,586.76		
1/1/21	1/1/21	150,000	20772KJW0	CT ST TXBL GO BONDS	1.99%	7/1/24	1,665.00		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
1/1/21	1/1/21	640,000	977123X60	WI DEPT OF TRANS TXBL REV BONDS	0.62%	7/1/24	1,675.09		
1/1/21	1/25/21	665,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	1,696.86		
1/1/21	1/25/21	619,363	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	2,586.26		
1/1/21	1/25/21	225,683	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	393.44		
1/1/21	1/25/21	845,000	3137BHXY8	FHLMC MULTIFAMILY STRUCTURED P	2.79%	1/1/22	1,965.33		
1/1/21	1/25/21	280,111	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	543.26		
1/5/21	1/5/21	0	MONEY0002	MONEY MARKET FUND			8.73		
1/7/21	1/7/21	700,000	3135G0X24	FANNIE MAE NOTES	1.62%	1/7/25	5,687.50		
1/8/21	1/8/21	635,000	86565CKU2	SUMITOMO MITSUI BANK NY CERT DEPOS	0.70%	7/8/22	2,197.81		
1/10/21	1/10/21	790,000	3135G05G4	FANNIE MAE NOTES	0.25%	7/10/23	987.50		
1/13/21	1/13/21	240,000	3137EADB2	FREDDIE MAC GLOBAL NOTES	2.37%	1/13/22	2,850.00		
1/15/21	1/15/21	290,000	89237VAB5	TAOT 2020-C A3	0.44%	10/15/24	106.33		
1/15/21	1/15/21	205,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	105.92		
1/15/21	1/15/21	90,000	58769EAC2	MBALT 2020-B A3	0.40%	11/15/23	30.00		
1/15/21	1/15/21	220,000	65480EAD3	NALT 2020-B A3	0.43%	10/16/23	78.83		
1/16/21	1/16/21	300,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	112.50		
1/21/21	1/21/21	510,000	3137EAEU9	FREDDIE MAC NOTES	0.37%	7/21/25	945.63		
1/22/21	1/22/21	1,395,000	06051GFB0	BANK OF AMERICA CORP NOTE	4.12%	1/22/24	28,771.88		
1/25/21	1/25/21	510,000	3137EAET2	FREDDIE MAC NOTES	0.12%	7/25/22	322.29		
1/28/21	1/28/21	245,000	58403B6Y7	MEDALLION BANK UTAH CD	2.05%	6/28/21	426.57		
1/30/21	1/30/21	845,000	91159HHX1	US BANCORP	2.40%	7/30/24	10,140.00		
1/31/21	1/31/21	245,000	91282CAC5	US TREASURY NOTES	0.12%	7/31/22	153.13		
1/31/21	1/31/21	600,000	912828V80	US TREASURY NOTES	2.25%	1/31/24	6,750.00		
1/31/21	1/31/21	280,000	9128283V0	US TREASURY NOTES	2.50%	1/31/25	3,500.00		
1/31/21	1/31/21	740,000	912828Y87	US TREASURY NOTES	1.75%	7/31/24	6,475.00		
1/31/21	1/31/21	145,000	912828Y61	US TREASURY NOTES	2.75%	7/31/23	1,993.75		
2/1/21	2/1/21	815,000	808513AY1	CHARLES SCHWAB CORP NOTES	3.55%	2/1/24	14,466.25		
2/1/21	2/1/21	405,000	799408Z85	SAN RAMON VALLEY USD, CA TXBL GO BONDS	0.74%	8/1/25	840.83		
2/1/21	2/1/21	275,000	60412AVJ9	MN ST TXBL GO BONDS	0.63%	8/1/25	750.75		
2/1/21	2/1/21	375,000	574193TQ1	MD ST TXBL GO BONDS	0.51%	8/1/24	935.00		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/1/21	2/1/21	490,000	923040GU7	VENTURA CNTY CCD, CA TXBL GO BONDS	1.80%	8/1/24	4,410.00		
2/1/21	2/1/21	615,000	874857KJ3	TAMALPAIS UHSD, CA TXBL GO BONDS	1.97%	8/1/23	6,060.83		
2/1/21	2/1/21	415,000	798306WN2	SAN JUAN USD, CA TXBL GO BONDS	0.70%	8/1/24	744.51		
2/1/21	2/1/21	350,000	923040GT0	VENTURA CNTY CCD, CA TXBL GO BONDS	1.75%	8/1/23	3,062.50		
2/1/21	2/1/21	440,000	697511FB4	PALOMAR COMM COLL DIST, CA TXBL GO BONDS	0.79%	8/1/24	853.99		
2/1/21	2/1/21	350,000	542411NH2	LONG BEACH CCD, CA TXBL GO BONDS	1.74%	8/1/23	3,050.25		
2/1/21	2/1/21	95,000	00724PAA7	ADOBE INC CORP NOTE	1.70%	2/1/23	807.50		
2/1/21	2/1/21	410,000	54438CYK2	LOS ANGELES CCD, CA TXBL GO BONDS	0.77%	8/1/25	713.09		
2/1/21	2/1/21	245,000	797272QP9	SAN DIEGO CCD, CA TXBL GO BONDS	2.04%	8/1/24	2,506.35		
2/1/21	2/25/21	584,240	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	1,629.06		
2/1/21	2/25/21	665,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	1,696.86		
2/1/21	2/25/21	845,000	3137BHXY8	FHLMC MULTIFAMILY STRUCTURED P	2.79%	1/1/22	2,033.88		
2/1/21	2/25/21	225,276	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	392.73		
2/1/21	2/25/21	278,498	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	529.15		
2/2/21	2/2/21	0	MONEY0002	MONEY MARKET FUND			0.74		
2/3/21	2/3/21	800,000	025816BW8	AMERICAN EXPRESS CREDIT CORP NOTES	3.70%	8/3/23	14,800.00		
2/12/21	2/12/21	2,425,000	3137EAEPO	FREDDIE MAC NOTES	1.50%	2/12/25	18,187.50		
2/14/21	2/16/21	845,000	83369XDL9	SOCIETE GENERALE NY CERT DEPOS	1.80%	2/14/22	7,689.50		
2/15/21	2/15/21	575,000	912828D56	US TREASURY NOTES	2.37%	8/15/24	6,828.13		
2/15/21	2/15/21	90,000	58769EAC2	MBALT 2020-B A3	0.40%	11/15/23	30.00		
2/15/21	2/15/21	290,000	89237VAB5	TAOT 2020-C A3	0.44%	10/15/24	106.33		
2/15/21	2/15/21	660,000	110122DC9	BRISTOL-MYERS SQUIBB CO CORPORATE NOTES	3.87%	8/15/25	12,787.50		
2/15/21	2/15/21	205,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	105.92		
2/15/21	2/15/21	140,000	44891TAD8	HALST 2021-A A4	0.42%	12/16/24	40.83		
2/15/21	2/15/21	120,000	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/25	20.40		
2/15/21	2/15/21	220,000	65480EAD3	NALT 2020-B A3	0.43%	10/16/23	78.83		
2/16/21	2/16/21	300,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	112.50		
2/17/21	2/17/21	2,575,000	3130AJ7E3	FEDERAL HOME LOAN BANKS NOTES	1.37%	2/17/23	17,703.13		
2/22/21	2/22/21	880,000	023135AW6	AMAZON.COM INC BONDS	2.40%	2/22/23	10,560.00		
2/24/21	2/24/21	275,000	3137EAEV7	FREDDIE MAC NOTES	0.25%	8/24/23	349.48		

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)
2/25/21	2/25/21	2,000,000	3135G05X7	FANNIE MAE NOTES	0.37%	8/25/25	3,708.33		
2/26/21	2/26/21	1,000,000	65558TLL7	NORDEA BANK ABP NEW YORK CERT DEPOS	1.85%	8/26/22	9,455.56		
2/26/21	2/26/21	1,000,000	83050PDR7	SKANDINAV ENSKILDA BANK LT CD	1.86%	8/26/22	9,506.67		
2/28/21	2/28/21	245,000	58403B6Y7	MEDALLION BANK UTAH CD	2.05%	6/28/21	426.57		
2/28/21	2/28/21	845,000	254687FK7	WALT DISNEY COMPANY/THE	1.75%	8/30/24	7,393.75		
2/28/21	2/28/21	650,000	912828W48	US TREASURY NOTES	2.12%	2/29/24	6,906.25		
2/28/21	2/28/21	1,000,000	912828YC8	US TREASURY NOTES	1.50%	8/31/21	7,500.00		
3/1/21	3/1/21	380,000	79772EAE9	SAN FRAN COMM FAC DIST, CA TXBL REV BNDS	2.50%	9/1/22	4,750.00		
3/1/21	3/1/21	235,000	539830BE8	LOCKHEED MARTIN CORP NOTES (CALLABLE)	2.90%	3/1/25	3,407.50		
3/1/21	3/1/21	350,000	79772EAX7	SAN FRAN COMM FAC DIST, CA TXBL REV BNDS	2.50%	9/1/22	4,375.00		
3/1/21	3/25/21	224,867	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	392.02		
3/1/21	3/25/21	400,000	3137BTU25	FHMS K724 A2	3.06%	11/1/23	1,020.67		
3/1/21	3/25/21	583,191	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	1,746.59		
3/1/21	3/25/21	277,916	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	675.04		
3/1/21	3/25/21	665,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	1,696.86		
3/1/21	3/25/21	837,815	3137BHXY8	FHLMC MULTIFAMILY STRUCTURED P	2.79%	1/1/22	1,948.62		
3/2/21	3/2/21	0	MONEY0002	MONEY MARKET FUND			0.46		
3/6/21	3/6/21	835,000	24422ETG4	JOHN DEERE CAPITAL CORP	2.80%	3/6/23	11,690.00		
3/11/21	3/11/21	2,000,000	313378CR0	FHLB NOTES	2.25%	3/11/22	22,500.00		
3/12/21	3/12/21	1,500,000	3135G0U43	FANNIE MAE NOTES	2.87%	9/12/23	21,562.50		
3/12/21	3/12/21	950,000	037833DC1	APPLE INC CORP (CALLABLE) NOTES	2.10%	9/12/22	9,975.00		
3/14/21	3/14/21	1,365,000	4581X0CZ9	INTER-AMERICAN DEVEL BANK	1.75%	9/14/22	11,943.75		
3/14/21	3/14/21	835,000	4581X0DK1	INTER-AMERICAN DEVELOPMENT BANK NOTES	1.75%	3/14/25	7,306.25		
3/15/21	3/15/21	220,000	65480EAD3	NALT 2020-B A3	0.43%	10/16/23	78.83		
3/15/21	3/15/21	205,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	105.92		
3/15/21	3/15/21	290,000	89237VAB5	TAOT 2020-C A3	0.44%	10/15/24	106.33		
3/15/21	3/15/21	120,000	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/25	34.00		
3/15/21	3/15/21	140,000	44891TAD8	HALST 2021-A A4	0.42%	12/16/24	49.00		
3/15/21	3/15/21	945,000	650036DT0	NY ST URBAN DEV CORP TXBL REV BONDS	0.87%	3/15/25	1,872.68		
3/15/21	3/15/21	630,000	20772KEW5	CT ST TXBL GO BONDS	3.74%	9/15/25	11,790.45		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
3/15/21	3/15/21	640,000	91324PCC4	UNITEDHEALTH GROUP INC CORP NOTES	2.87%	3/15/23	9,200.00		
3/15/21	3/15/21	90,000	58769EAC2	MBALT 2020-B A3	0.40%	11/15/23	30.00		
3/16/21	3/16/21	300,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	112.50		
3/18/21	3/18/21	1,420,000	09247XAL5	BLACKROCK INC CORP NOTES	3.50%	3/18/24	24,850.00		
3/23/21	3/23/21	600,000	46625HJE1	JPMORGAN CHASE & CO CORP NOTES	3.25%	9/23/22	9,750.00		
3/23/21	3/23/21	1,150,000	3137EAEX3	FREDDIE MAC NOTES	0.37%	9/23/25	2,132.29		
3/28/21	3/28/21	245,000	58403B6Y7	MEDALLION BANK UTAH CD	2.05%	6/28/21	385.29		
3/31/21	3/31/21	50,000	9128284D9	US TREASURY NOTES	2.50%	3/31/23	625.00		
3/31/21	3/31/21	245,000	912828J76	US TREASURY NOTES	1.75%	3/31/22	2,143.75		
3/31/21	3/31/21	955,000	912828T34	US TREASURY NOTES	1.12%	9/30/21	5,371.88		
3/31/21	3/31/21	795,000	9128282Y5	US TREASURY NOTES	2.12%	9/30/24	8,446.88		
<b>Total INTEREST</b>		<b>58,611,961</b>					<b>447,568.58</b>		

## PAYDOWNS

1/1/21	1/25/21	1,613	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	1,613.44		0.00
1/1/21	1/25/21	35,122	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	35,122.44		0.00
1/1/21	1/25/21	407	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	407.01		0.00
2/1/21	2/25/21	1,049	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	1,049.35		0.00
2/1/21	2/25/21	409	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	408.86		0.00
2/1/21	2/25/21	581	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	581.49		0.00
2/1/21	2/25/21	7,185	3137BHXY8	FHLMC MULTIFAMILY STRUCTURED P	2.79%	1/1/22	7,185.25		0.00
3/1/21	3/25/21	19,180	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	19,180.09		0.00
3/1/21	3/25/21	1,674	3137BHXY8	FHLMC MULTIFAMILY STRUCTURED P	2.79%	1/1/22	1,674.25		0.00
3/1/21	3/25/21	570	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	570.01		0.00
3/1/21	3/25/21	6,012	3136AJB54	FANNIEMAE-ACES	3.34%	3/1/24	6,011.61		0.00
<b>Total PAYDOWNS</b>		<b>73,804</b>					<b>73,803.80</b>		<b>0.00</b>

# Portfolio Holdings

---

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
<b>SELL</b>									
1/4/21	1/6/21	1,000,000	3134GVR67	FREDDIE MAC NOTES	0.50%	6/16/23	1,000,777.78		500.00
1/4/21	1/6/21	1,285,000	3130AABG2	FHLB NOTES	1.87%	11/29/21	1,307,907.80		22,879.73
1/15/21	1/20/21	150,000	38141GWC4	GOLDMAN SACHS GROUP INC (CALLABLE) NOTE	3.00%	4/26/22	152,130.00		931.40
1/29/21	2/2/21	270,000	912828YC8	US TREASURY NOTES	1.50%	8/31/21	273,927.86		2,340.65
1/29/21	2/2/21	510,000	3137EAEW5	FREDDIE MAC NOTES	0.25%	9/8/23	511,707.37		1,102.87
1/29/21	2/2/21	10,000	912828YC8	US TREASURY NOTES	1.50%	8/31/21	10,145.48		2.34
1/29/21	2/2/21	240,000	3137EADB2	FREDDIE MAC GLOBAL NOTES	2.37%	1/13/22	245,477.63		3,367.04
1/29/21	2/2/21	690,000	3137EAEW5	FREDDIE MAC NOTES	0.25%	9/8/23	692,309.96		1,797.21
2/4/21	2/5/21	800,000	3135G0W66	FANNIE MAE NOTES	1.62%	10/15/24	843,796.22		10,659.97
2/4/21	2/5/21	535,000	3135G0W66	FANNIE MAE NOTES	1.62%	10/15/24	564,288.73		5,458.52
2/10/21	2/12/21	500,000	912828YC8	US TREASURY NOTES	1.50%	8/31/21	507,305.23		129.28
2/12/21	2/17/21	650,000	38141GWC4	GOLDMAN SACHS GROUP INC (CALLABLE) NOTE	3.00%	4/26/22	659,340.50		2,871.87
2/18/21	2/23/21	64,000	110122DC9	BRISTOL-MYERS SQUIBB CO CORPORATE NOTES	3.87%	8/15/25	72,437.19		26.07
2/18/21	2/23/21	285,000	110122DC9	BRISTOL-MYERS SQUIBB CO CORPORATE NOTES	3.87%	8/15/25	322,571.87		179.78
2/19/21	2/23/21	125,000	9128287A2	US TREASURY NOTES	1.62%	6/30/21	126,006.13		641.24
2/19/21	2/23/21	420,000	9128287A2	US TREASURY NOTES	1.62%	6/30/21	423,380.60		2,097.47
2/19/21	2/23/21	225,000	3137EAEV7	FREDDIE MAC NOTES	0.25%	8/24/23	225,828.88		548.28
2/23/21	2/25/21	235,000	3137EAEV7	FREDDIE MAC NOTES	1.50%	2/12/25	245,377.99		10,394.27
3/1/21	3/3/21	1,000,000	912828YC8	US TREASURY NOTES	1.50%	8/31/21	1,007,231.66		308.41
3/4/21	3/8/21	700,000	3137EAEV7	FREDDIE MAC NOTES	1.50%	2/12/25	727,645.33		27,311.41
3/9/21	3/10/21	140,000	3137EAEQ8	FREDDIE MAC NOTES	0.37%	4/20/23	140,783.77		826.04
3/19/21	3/23/21	940,000	22549L6F7	CREDIT SUISSE NEW YORK CERT DEPOS	0.52%	2/1/22	944,974.79		1,879.06
3/31/21	4/5/21	2,000,000	313378CR0	FHLB NOTES	2.25%	3/11/22	2,043,600.00		36,188.66
<b>Total SELL</b>		<b>12,774,000</b>					<b>13,048,952.77</b>		<b>132,441.57</b>

## 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
<b>U.S. Treasury Bond / Note</b>											
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	29.35	953,089.35	960,073.44
US 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	3,184.62	241,574.73	243,637.49
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	11.71	244,945.09	249,096.11
US 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	2,544.23	246,433.89	250,512.50
US 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	3,946.15	383,179.79	388,550.00
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	3,345.99	424,969.15	433,167.99
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	10,469.71	1,816,736.83	1,819,026.56
US TREASURY 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	50.76	244,900.74	245,038.27
US TREASURY 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	2,099.45	252,128.35	257,343.75
US TREASURY 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	1,675.82	3,997,382.92	3,999,375.20
US TREASURY 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	104.74	249,877.33	249,960.95
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	1,255.34	243,087.72	243,078.13
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	195,000.00	AA+	Aaa	1/29/2021	2/2/2021	202,464.84	0.12	1,041.66	201,843.66	201,703.12
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	3.42	50,893.40	52,335.94
US TREASURY NOTES 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	1,154.70	101,760.18	105,312.50



## 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
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 05/15/2020 0.125% 05/15/2023	912828ZP8	2,285,000.00	AA+	Aaa	1/4/2021	1/6/2021	2,284,732.23	0.13	1,080.96	2,284,758.73	2,282,143.75
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	2,678.78	760,102.19	795,343.75
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	660.91	149,573.19	153,564.06
US TREASURY 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	2,237.57	599,312.13	632,812.50
US TREASURY 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	1,201.09	646,525.47	683,718.75
US TREASURY NOTES DTD 05/01/2017 2.000% 04/30/2024	912828X70	1,950,000.00	AA+	Aaa	3/31/2021	4/5/2021	2,046,738.28	0.37	16,806.63	2,046,738.28	2,046,890.63
US TREASURY 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	6,158.84	1,233,556.35	1,287,015.63
US 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	2,146.41	741,840.64	771,912.50
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	1,697.60	589,254.25	611,835.94
US TREASURY NOTES DTD 10/02/2017 2.125% 09/30/2024	912828Y5	795,000.00	AA+	Aaa	12/2/2019	12/4/2019	811,334.77	1.68	46.16	806,847.81	839,842.93
US TREASURY NOTES DTD 10/31/2019 1.500% 10/31/2024	912828YM6	1,335,000.00	AA+	Aaa	2/4/2021	2/5/2021	1,395,492.19	0.28	8,408.29	1,393,052.99	1,380,473.44
US TREASURY NOTES DTD 11/30/2017 2.125% 11/30/2024	912828J7	1,480,000.00	AA+	Aaa	1/2/2020	1/6/2020	1,512,085.94	1.66	10,540.93	1,504,001.72	1,564,175.00
US 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	1,160.22	291,765.91	300,256.26
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	1,200,000.00	AA+	Aaa	1/29/2021	2/2/2021	1,197,421.88	0.42	1,131.22	1,197,505.28	1,171,875.00
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	345,000.00	AA+	Aaa	2/25/2021	2/26/2021	338,342.58	0.77	214.43	338,468.33	336,428.89

## 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
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	1,100,000.00	AA+	Aaa	3/1/2021	3/3/2021	1,083,113.28	0.69	683.71	1,083,386.10	1,072,671.82
US TREASURY NOTES DTD 02/28/2021 0.500% 02/28/2026	91282CBQ3	400,000.00	AA+	Aaa	3/31/2021	4/5/2021	392,359.38	0.90	195.65	392,359.38	392,125.00
<b>Security Type Sub-Total</b>		<b>25,480,000.00</b>					<b>25,766,327.38</b>	<b>0.89</b>	<b>87,967.05</b>	<b>25,711,851.88</b>	<b>26,021,297.80</b>
<b>Supra-National Agency Bond / Note</b>											
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	478.13	89,866.59	92,146.68
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	301.63	363,141.65	373,106.29
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	826.39	994,935.72	1,022,209.00
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	705.56	399,905.34	402,160.00
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	586.49	663,737.38	663,320.21
INTER-AMERICAN DEVELOPMENT BANK NOTES DTD 01/16/2020 1.750% 03/14/2025	4581X0DK1	835,000.00	AAA	Aaa	2/19/2021	2/23/2021	877,835.50	0.47	690.03	876,764.61	869,039.61
<b>Security Type Sub-Total</b>		<b>3,355,000.00</b>					<b>3,372,834.45</b>	<b>1.17</b>	<b>3,588.23</b>	<b>3,388,351.29</b>	<b>3,421,981.79</b>
<b>Municipal Bond / Note</b>											
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	791.67	379,222.50	389,538.00

## 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
<b>Municipal Bond / Note</b>											
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	729.17	349,515.02	358,785.00
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	1,904.12	240,000.00	243,369.60
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	1,016.75	350,000.00	361,462.50
VENTURA CNTY CCD, CA TXBL GO BONDS DTD 10/31/2019 1.750% 08/01/2023	923040GT0	350,000.00	AA+	Aa1	10/3/2019	10/31/2019	350,000.00	1.75	1,020.83	350,000.00	359,922.50
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	2,020.28	615,000.00	639,858.30
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	998.40	640,000.00	642,156.80
CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024	20772KJW0	150,000.00	A	Aa3	5/29/2020	6/11/2020	150,000.00	2.00	749.25	150,000.00	155,079.00
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	835.45	245,000.00	256,725.70
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	1,470.00	490,000.00	507,061.80
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	318.75	374,912.22	373,143.75
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	582.27	440,000.00	438,187.20
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	485.55	415,000.00	411,318.95

## 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
<b>Municipal Bond / Note</b>											
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	282.50	120,000.00	119,851.20
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	365.40	945,000.00	941,966.55
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	1,486.00	480,000.00	479,385.60
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	1,250.92	375,000.00	374,576.25
CT ST T/E GO BONDS DTD 06/25/2020 4.000% 06/01/2025	20772KKL2	400,000.00	A	Aa3	6/12/2020	6/25/2020	458,868.00	0.94	5,333.33	449,720.92	455,820.00
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	471.75	150,882.48	151,171.50
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	487.48	155,972.42	156,210.55
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	1,258.00	400,000.00	403,124.00
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	288.75	275,000.00	273,842.25
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	499.50	405,000.00	400,674.60
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	528.22	410,000.00	405,227.60
CT ST TXBL GO BONDS DTD 09/13/2018 3.743% 09/15/2025	20772KEW5	630,000.00	A	Aa3	11/17/2020	11/19/2020	716,706.90	0.83	1,048.04	710,158.34	706,482.00

## 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
<b>Security Type Sub-Total</b>		<b>9,785,000.00</b>					<b>9,928,278.05</b>	<b>1.19</b>	<b>26,222.38</b>	<b>9,915,383.90</b>	<b>10,004,941.20</b>
<b>Federal Agency Collateralized Mortgage Obligation</b>											
FHLMC MULTIFAMILY STRUCTURED P DTD 05/01/2015 2.791% 01/01/2022	3137BHXY8	836,140.50	AA+	Aaa	5/16/2019	5/21/2019	841,366.38	2.54	1,944.72	837,643.76	847,165.27
FNA 2013-M7 A2 DTD 05/01/2013 2.280% 12/01/2022	3136AEGQ4	258,736.37	AA+	Aaa	9/4/2019	9/9/2019	262,126.07	1.86	491.60	260,487.28	263,224.24
FHMS K724 A2 DTD 01/01/2017 3.062% 11/01/2023	3137BTU25	400,000.00	AA+	Aaa	1/28/2021	2/2/2021	427,015.63	0.58	1,020.67	425,451.85	422,190.56
FANNIEMAE-ACES DTD 04/01/2014 3.346% 03/01/2024	3136AJB54	577,179.10	AA+	Aaa	12/13/2019	12/18/2019	605,226.40	2.14	1,609.37	596,638.63	618,192.86
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	224,297.37	AA+	Aaa	11/20/2019	11/26/2019	224,291.98	2.09	391.03	224,293.56	229,179.75
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	690,781.13	715,346.94
<b>Security Type Sub-Total</b>		<b>2,961,353.34</b>					<b>3,057,964.74</b>	<b>1.97</b>	<b>7,154.25</b>	<b>3,035,296.21</b>	<b>3,095,299.62</b>
<b>Federal Agency Bond / Note</b>											
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	116.88	509,244.20	509,990.82
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	12,808.89	1,309,996.03	1,346,438.96
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	1,134.37	674,218.63	690,160.50
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	3,193.06	1,933,990.62	1,942,674.00
FREDDIE MAC NOTES DTD 04/20/2020 0.375% 04/20/2023	3137EAEQ8	660,000.00	AA+	Aaa	4/17/2020	4/20/2020	658,350.00	0.46	1,106.88	658,871.37	662,549.58
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	1,216.67	799,765.14	802,985.60

## 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
<b>Federal Agency Bond / Note</b>											
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	444.38	788,712.55	790,170.64
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	275,000.00	AA+	Aaa	9/1/2020	9/3/2020	274,994.50	0.25	70.66	274,995.56	274,996.98
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	2,276.04	1,589,143.96	1,595,227.50
FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAF A2	1,850,000.00	AA+	Aaa	12/2/2020	12/4/2020	1,848,168.50	0.28	1,503.13	1,848,365.87	1,848,007.55
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	2,654.17	698,314.23	727,756.40
FREDDIE MAC NOTES DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	315,000.00	AA+	Aaa	2/13/2020	2/14/2020	314,757.45	1.52	643.12	314,812.21	325,204.43
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	2,398.96	1,201,788.71	1,213,064.12
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	927.78	398,396.70	397,144.40
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	1,973.70	718,304.29	713,725.16
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	2,368.89	1,644,300.06	1,623,736.12
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	371.88	507,811.09	501,279.51
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	750.00	1,993,738.27	1,965,920.00
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	95.83	1,146,895.28	1,129,563.35
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	695.00	358,810.28	354,173.04
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	2,171.88	1,122,971.17	1,106,790.75

## 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
<b>Security Type Sub-Total</b>		<b>20,360,000.00</b>					<b>20,550,869.00</b>	<b>0.65</b>	<b>38,922.17</b>	<b>20,493,446.22</b>	<b>20,521,559.41</b>
<b>Corporate Note</b>											
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	9,533.33	800,748.27	818,000.00
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	4,854.06	844,679.39	863,878.15
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	1,052.92	945,134.31	975,291.85
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	433.33	604,541.90	624,741.00
ORACLE CORP NOTES DTD 10/25/2012 2.500% 10/15/2022	68389XAP0	250,000.00	A	Baa2	11/15/2017	11/16/2017	249,387.50	2.55	2,881.94	249,808.12	257,705.25
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	269.17	94,920.17	97,420.32
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	2,288.00	876,747.50	913,050.16
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	1,623.61	836,891.61	874,822.82
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	817.78	649,647.26	670,019.20
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	20,973.75	1,428,305.07	1,499,773.29
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	625.00	199,725.15	201,779.80
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	887.44	200,000.00	203,220.60

## 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
<b>Corporate Note</b>											
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	904.00	359,635.32	363,032.28
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	4,768.89	811,758.92	855,659.20
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	11,104.38	1,101,978.04	1,136,601.86
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	10,451.04	809,376.84	858,514.33
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	9,427.92	837,221.80	881,803.73
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	9,583.33	814,474.80	866,280.80
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	11,029.22	1,431,397.04	1,525,464.59
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	4,822.08	831,872.23	878,599.34
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	1,794.72	1,446,952.08	1,550,699.64
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	10,833.81	681,590.24	691,996.97
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	745,000.00	BBB+	A1	7/19/2019	7/23/2019	788,604.85	2.56	12,189.03	773,135.39	811,106.83
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	3,436.33	844,498.91	890,739.01
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	1,355.52	842,637.83	872,327.30



## 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
<b>Corporate Note</b>											
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	5,500.00	599,857.48	630,634.80
LOCKHEED MARTIN CORP NOTES (CALLABLE) DTD 02/20/2015 2.900% 03/01/2025	539830BE8	235,000.00	A-	A3	2/23/2021	2/25/2021	253,767.10	0.87	567.92	253,289.39	250,294.51
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	2,568.42	426,730.40	432,719.70
GENERAL DYNAMICS CORP DTD 05/11/2018 3.500% 05/15/2025	369550BG2	700,000.00	A	A2	3/4/2021	3/8/2021	772,884.00	0.96	9,255.56	771,739.97	764,679.30
BRISTOL-MYERS SQUIBB CO CORPORATE NOTES DTD 07/15/2020 3.875% 08/15/2025	110122DC9	311,000.00	A+	A2	9/30/2020	10/1/2020	355,423.24	0.87	1,539.88	350,630.69	344,280.11
GOLDMAN SACHS GROUP INC CORPORATE NOTES DTD 02/12/2021 0.855% 02/12/2026	38141GXS8	650,000.00	BBB+	A2	2/12/2021	2/17/2021	651,326.00	0.81	756.44	651,294.69	638,980.55
<b>Security Type Sub-Total</b>		<b>21,991,000.00</b>					<b>22,531,772.09</b>	<b>2.33</b>	<b>158,128.82</b>	<b>22,371,220.81</b>	<b>23,244,117.29</b>
<b>Certificate of Deposit - FDIC Insured</b>											
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	246,184.33
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	1,949.26	245,000.00	251,378.82
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	1,593.17	245,000.00	251,513.57
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	2,381.20	245,000.00	252,365.44
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	1,890.19	245,000.00	252,990.43
<b>Security Type Sub-Total</b>		<b>1,225,000.00</b>					<b>1,225,000.00</b>	<b>2.23</b>	<b>7,868.86</b>	<b>1,225,000.00</b>	<b>1,254,432.59</b>

## 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
<b>Certificate of Deposit</b>											
BARCLAYS BANK PLC NY CERT DEPOS DTD 02/12/2021 0.290% 02/04/2022	06742TWL6	545,000.00	A-1	P-1	2/10/2021	2/12/2021	545,000.00	0.29	210.73	545,000.00	545,046.32
SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	845,000.00	A-1	P-1	2/14/2020	2/19/2020	845,000.00	1.80	1,985.75	845,000.00	854,894.95
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	1,024.82	635,000.00	638,541.40
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	1,756.67	1,000,000.00	1,023,327.00
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	1,747.22	1,000,000.00	1,023,187.00
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	4,318.00	635,000.00	654,022.70
CREDIT SUISSE NEW YORK CERT DEPOS DTD 03/23/2021 0.590% 03/17/2023	22552G3C2	715,000.00	A+	Aa3	3/19/2021	3/23/2021	715,000.00	0.59	105.46	715,000.00	714,884.89
<b>Security Type Sub-Total</b>		<b>5,375,000.00</b>					<b>5,375,000.00</b>	<b>1.41</b>	<b>11,148.65</b>	<b>5,375,000.00</b>	<b>5,453,904.26</b>
<b>Asset-Backed Security</b>											
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	219,981.11	220,334.80
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	89,996.19	90,072.51
BMWLT 2021-1 A4 DTD 03/10/2021 0.370% 07/25/2024	05591RAD6	160,000.00	AAA	Aaa	3/2/2021	3/10/2021	159,993.65	0.37	34.54	159,993.76	159,505.07
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	289,981.26	290,654.04

## 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
<b>Asset-Backed Security</b>											
HALST 2021-A A4 DTD 01/20/2021 0.420% 12/16/2024	44891TAD8	140,000.00	AAA	Aaa	1/12/2021	1/20/2021	139,988.35	0.42	26.13	139,988.93	139,922.96
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	204,970.09	205,828.49
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	299,940.44	300,588.06
CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	120,000.00	AAA	NR	1/20/2021	1/27/2021	119,976.29	0.34	18.13	119,977.14	119,576.08
<b>Security Type Sub-Total</b>		<b>1,525,000.00</b>					<b>1,524,804.98</b>	<b>0.45</b>	<b>306.29</b>	<b>1,524,828.92</b>	<b>1,526,482.01</b>
<b>Managed Account Sub Total</b>		<b>92,057,353.34</b>					<b>93,332,850.69</b>	<b>1.31</b>	<b>341,306.70</b>	<b>93,040,379.23</b>	<b>94,544,015.97</b>
<b>Securities Sub-Total</b>		<b>\$92,057,353.34</b>					<b>\$93,332,850.69</b>	<b>1.31%</b>	<b>\$341,306.70</b>	<b>\$93,040,379.23</b>	<b>\$94,544,015.97</b>
<b>Accrued Interest</b>											<b>\$341,306.70</b>
<b>Total Investments</b>											<b>\$94,885,322.67</b>

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**

**May 12, 2021**

**File No. 0600-10, A-3363**

SUBJECT: Reimbursement Agreement to Evaluate a Community Facilities District for the Del Prado Project

DEPARTMENT: Engineering Services Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-56, authorizing the Mayor to execute a Reimbursement Agreement with CWC Escondido 113, LLC (“Developer”) to evaluate a request to form a Community Facilities District (“CFD”) for the Del Prado Project (“Project”).

FISCAL ANALYSIS:

The Developer reimburses all costs, including staff time and consultant costs.

PREVIOUS ACTION:

On May 11, 2016, the City Council approved SUB15-022 and SUB15-0023 approving the Project. On May 13, 2020, the City Council adopted Resolution of Formation 2020-44 for CFD 2020-1, the Citywide Services CFD.

BACKGROUND:

The Developer for the Project has requested the City consider formation of a CFD. The Developer proposes a newly formed CFD for the Project area to finance infrastructure costs and has offered to annex the Project into the Citywide Services CFD 2020-1.

Attachment “1” outlines the Developer’s proposal to finance development impact, water, and sewer fees through the formation of a CFD. The Developer’s consultant estimates that approximately \$3.1million in fees could be financed using a CFD with a resulting effective tax rate of 1.79%. These assumptions and analysis used by the Developer’s consultant will need to be confirmed by expert consultants hired by the City.

To assist with evaluating the Developer's proposal as well as to assist with the potential formation process, the City requires consultant services. The consultants will evaluate the proposal for conformance with the City’s Statement of Goals and Policies for Establishment of Community Facilities Districts. All costs are to be reimbursed by the Developer. The recommended consultant team includes a special tax consultant, Special District Financing & Administration, a local firm familiar with the City's special tax assessment administration. CSG Advisors is recommended as the



Reimbursement Agreement to Evaluate a CFD for the Del Prado Project  
May 12, 2021  
Page 2

financial advisor. Straddling Yocca Carlson & Rauth, P.C. is recommended as outside counsel to provide legal guidance.

This action allows staff to engage consultants, at the Developer's expense, to begin the process of evaluating the request for CFD formation and report back to City Council for direction in the next few months.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Julie Procopio*, Director of Engineering Services  
05/06/21 9:22 a.m.

ATTACHMENTS:

1. Attachment "1" – CWC Escondido 113, LLC Request
2. Resolution No. 2021-56
3. Resolution No. 2021-56 – Exhibit "A" Reimbursement Agreement

## California West

*A Legacy of Fine Living*

Julie Procopio  
Director of Engineering Services / City Engineer  
City of Escondido  
201 North Broadway  
Escondido, CA 92025

January 7, 2021

Re: Request to form a City of Escondido Community Facilities District (Del Prado)

Dear Ms. Procopio:

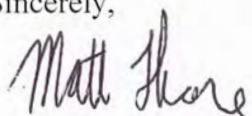
California West Communities ("CalWest") is the owner of the site known as Del Prado, located in the City of Escondido ("City"), southwest of the intersection of Brotherton Road and S. Centre City Parkway, consisting of 113 proposed residential townhome units ("Project").

As part of the development of this Project, CalWest would like to form a City Facilities Community Facilities District ("Facilities CFD") that would finance the Project's City development impact fees and water and sewer fees. As part of this request to the City, CalWest would agree to annex the Project into City Services CFD No. 2020-1.

The attached Exhibits 1 and 2 illustrate the proposed City Facilities CFD and tax rate analysis and list of fees proposed to be financed.

We look forward to discussing this proposal in further detail with you and your financing team. In addition, please advise us of the requested deposit amounts.

Sincerely,



Matt Thorne  
California West Communities

Cc: Blake Fontana, CalWest  
Chris Cole and Kelly Restelli, DPGF  
Christina Holmes and Rajesh Badri, City of Escondido  
Brad Neal, SYCR  
Barbara Hale-Carter, SDFA

Attachment "1"  
Exhibit 1  
CalWest Communities  
Del Prado  
Proposed City of Escondido CFD  
Bond Sizing and Total Tax Rate Analysis  
January 4, 2021

*PRELIMINARY DRAFT*  
*SUBJECT TO CHANGE*

**I. Home Prices and Combined Tax Rates:**

LAND USE INFORMATION					TOTAL TAX RATE ANALYSIS							CFD ANALYSIS
Plan No	Proposed City of Escondido Sq. Ft. Category	Home Size (Sq. Ft.)	No. Units	Estimated Base Home Price	Ad Valorem Tax Rate	Other Fixed Charges and Assess.	Existing Total Tax per Unit	Existing Total Tax Rate	Potential City of Escondido CFD No. 2020-1 Services CFD	Proposed City of Escondido Facilities CFD	Proposed Total Tax Rate	Total Proposed City of Escondido Facilities CFD Special Taxes
(a)		(a)	(a)	(a)	(b)	(c)			(d)	(e)		
1	< 1,250	1,143	20	\$ 489,900	\$ 5,661	\$ 32	\$ 5,693	1.16%	\$ 725	\$ 2,330	1.79%	\$ 46,603
2	1,251 - 1,400	1,287	26	504,900	5,835	32	5,867	1.16%	725	2,425	1.79%	63,042
3	1,401 - 1,550	1,549	38	539,900	6,239	32	6,271	1.16%	725	2,645	1.79%	100,520
4	> 1,550	1,578	29	544,900	6,297	32	6,329	1.16%	725	2,677	1.79%	77,626
	<b>Total / Wtd. Avg.</b>	<b>1,424</b>	<b>113</b>	<b>\$ 524,281</b>	<b>\$ 6,059</b>	<b>\$ 32</b>	<b>\$ 6,091</b>	<b>1.16%</b>	<b>\$ 725</b>	<b>\$ 2,547</b>	<b>1.79%</b>	<b>\$ 287,791</b>

Total Annual Special Taxes for Bonding (Annual CFD Revenues less \$30,000 annual administration/ 110% Coverage)

\$ 234,356

**II. CFD Bond Sizing & Construction Proceeds:**

Bond Amount (4.50% Interest, 30 Year Term, 29 Year Amortization)

- Underwriter Discount (2.00%)
- Reserve Fund (Annual Debt Service)
- Capitalized Interest (6 mos)
- Incidental Costs (Estimate)
- Total Net Construction Proceeds
- Per Unit

<b>TOTAL</b>
\$ 3,750,000
\$ (75,000)
(234,356)
(84,375)
(247,290)
<b>\$ 3,108,979</b>
<b>\$ 27,513</b>

**III. Allocation of Net Construction Proceeds (f):**

- City of Escondido DIF (100% of \$16,503 per unit - ESTIMATED CFD eligible DIF)
- City of Escondido Water & Sewer Fees (100% of \$11,010 per unit)

**Total Net Construction Proceeds**  
**Per Unit**

<b>TOTAL</b>
\$ 1,864,849
1,244,130
<b>\$ 3,108,979</b>
<b>\$ 27,513</b>

**IV. Footnotes:**

- (a) Product mix & pricing provided by CalWest on 1/4/21.
- (b) Includes 1.00% plus the following:
  - A tax of 0.03600% is charged for fiscal year 2020-21 by Palomar Pomerado Health to all parcels to pay debt service for outstanding bonds.
  - A tax of 0.03982% is charged for fiscal year 2020-21 by the Escondido Union School District to all parcels to pay debt service for outstanding bonds.
  - A tax of 0.03219% is charged for fiscal year 2020-21 by the Escondido Union High School District to all parcels to pay debt service for outstanding bonds.
  - A tax of 0.02106% is charged for fiscal year 2020-21 by the Palomar Community College District to all parcels to pay debt service for outstanding bonds.
  - A tax of 0.02304% is charged for fiscal year 2020-21 by the City of Escondido to all parcels to pay debt service for outstanding bonds for public safety improvements.
  - A tax of 0.00350% is charged for fiscal year 2020-21 by the Metropolitan Water District to all parcels to pay debt service for outstanding bonds.
- (c) Includes the following:
  - Metropolitan Water District levies an assessment of \$11.50 per acre, or \$11.50 per parcel, if less than an acre.
  - County of San Diego levies an assessment of \$2.28 per parcel for mosquito surveillance services.
  - County of San Diego levies an assessment of \$8.36 per parcel for vector control services.
  - San Diego County Water Authority levies an assessment of \$10.00 per acre, or \$10.00 per parcel, if less than an acre.
- (d) Represents the ESTIMATED fiscal year 2020-21 special tax rate for POTENTIALLY REQUIRED City of Escondido Services CFD No. 2020-1 for townhomes to finance Citywide public safety, maintenance and administrative expenses for services provided by the City. Further discussion with the City is required to determine if this project will be subject to CFD No. 2020-1.\*
- (e) Represents the ESTIMATED special tax rates for a PROPOSED City of Escondido CFD to finance City DIF and water and wastewater fees. \*A meeting with City staff would be required ASAP to determine if the City would support a new proposed CFD to finance the project's DIF and water and wastewater fees, and what the CFD terms would be.
- (f) Please refer to Exhibit 2 for additional details.

\*Per the conditions of approval, an HOA shall maintain lighting, signing, striping, parkway landscaping along Brotherton Rd. and S. Centre City Pkwy, irrigation, walls, fencing, storm water treatment basins/facilities, sewer laterals, common open spaces, public utilities easement areas and internal streets. Therefore, although it is anticipated that the project will not be subject to a City maintenance CFD/LMD, we have included the recently formed City of Escondido CFD No. 2020-1 in the event the City requires this project to annex into it.

**Exhibit 2**  
**CalWest Communities**  
**Del Prado**  
**Proposed City of Escondido CFD**  
**Preliminary Facilities List**

<b>City of Escondido Impact Fees*</b>	<b>Per Unit</b>	<b>No. Units</b>	<b>Total</b>
Traffic Local Fee	\$ 2,054	113	\$ 232,134
Regional Traffic Fee	2,583	113	291,896
Public Facilities Fee	4,873	113	550,597
Park Fee	6,533	113	738,240
Drainage Fees	460	113	51,982
<b>Total City of Escondido Fees:</b>	<b>\$ 16,503</b>		<b>\$ 1,864,849</b>
<b>City of Escondido Water &amp; Sewer Fees *</b>	<b>Per Unit/Meter</b>	<b>No. Units/Meters</b>	<b>Total</b>
Wastewater Connection Fee (Attached Unit, 3+ Bedrooms)	\$ 7,500	113	\$ 847,500
Water Connection Fee (Attached Unit, 3+ Bedrooms)	3,510	113	396,630
<b>Total Escondido Water Utilities Department Fees:</b>	<b>\$ 11,010</b>		<b>\$ 1,244,130</b>
<b>TOTAL AUTHORIZED FEES</b>	<b>\$ 27,513</b>	<b>113</b>	<b>\$ 3,108,979</b>

*\*Represents the ESTIMATED CFD eligible impact fees and water/sewer fees per the 8/25/20 Residential Fee Guide.*

RESOLUTION NO. 2021-56

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE MAYOR TO EXECUTE,  
ON BEHALF OF THE CITY, A  
REIMBURSEMENT AGREEMENT WITH  
CWC ESCONDIDO 113, LLC TO EVALUATE  
A REQUEST TO FORM A COMMUNITY  
FACILITIES DISTRICT FOR THE DEL  
PRADO PROJECT

WHEREAS, the City Council of the City of Escondido (“City”) has previously approved The Del Prado Project (“Project”) on May 11, 2016; and

WHEREAS, CWC Escondido 113, LLC, (the “Developer”) has requested that the City consider the formation of a Community Facilities District (“CFD”) to finance facilities associated with the Project; and

WHEREAS, the Developer has agreed to annex into the Citywide Services CFD in consideration for this request; and

WHEREAS, a reimbursement agreement allows staff to engage consultants, at the Developer’s expense, to begin the process of evaluating the request for CFD formation. The recommended consultant team includes Special District Financing & Administration, a local firm familiar with the City’s special tax assessment, CSG Advisors as an Independent Registered Municipal Advisor, and Stradling Yocca Carlson & Rauth, P.C. for outside counsel.

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 is authorized to execute, on behalf of the City, a Reimbursement Agreement to evaluate a CFD for the Project in the amount of \$265,485.00 to provide for the consultant and staff overhead costs related to Community Facilities District activities in a form substantially similar to Exhibit "A" and approved by the City Attorney.
3. That this resolution shall take effect immediately upon its adoption.



CITY OF ESCONDIDO  
DEPOSIT ACCOUNT AND REIMBURSEMENT AGREEMENT  
COMMUNITY FACILITIES DISTRICT NO. 2021-1  
OF THE CITY OF ESCONDIDO  
(DEL PRADO)

This Deposit Account and Reimbursement Agreement ("Agreement") is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2021 ("Effective Date"), by and between the City of Escondido, a California municipal corporation (the "City") and CWC Escondido 113, LLC ("Developer"). (The City and Developer each may be referred to herein as a "Party" and collectively as the "Parties.")

RECITALS

A. Developer is the owner of that certain real property located in the City of Escondido, having assessor's parcel numbers (APN) 238-130-1100, 238-130-2700, 238-130-2600, 238-130-3600, and 238-130-3500, and more particularly described on Exhibit A, attached hereto and incorporated herein by this reference ("Property").

B. Developer desires to develop on the Property 113 townhome style residential for sale units with 81 units proposed at the North parcel and 32 units proposed for the South parcel ("Project").

C. Pursuant to an application submitted by Developer, Developer has requested that the City consider the formation of a community facilities district to be designated "COMMUNITY FACILITIES DISTRICT NO. 2021-1 OF THE CITY OF ESCONDIDO (DEL PRADO)" (the "CFD") to cover the Property, the levy of special taxes within the CFD (the "Special Taxes"), and the issuance of bonds of the CFD in one or more series (the "Bonds"), pursuant to the Mello-Roos Community Facilities Act of 1982, Government Code section 53311 et seq., as amended (the "Act"), for the purpose of financing certain public capital facilities and services.

D. The City is willing to pursue the formation of the CFD, levy of Special Taxes, and the issuance of the Bonds, and the proposed expenditure of the proceeds thereof, provided that Developer deposits an amount of funds with the City to cover all of the City's costs relating to the formation of the CFD, the levy of the Special Taxes, and the issuance of the Bonds, and the Developer is willing to deposit such funds provided the funds are eligible to be reimbursed to Developer from the proceeds of the Special Taxes and the Bonds.

E. The City and Developer desire to enter into this Agreement to establish a deposit account into which Developer will provide the advancement of funds to pay for the City's costs incurred in connection with the formation of the CFD, the levy of the Special Taxes, and the issuance of the Bonds (collectively, the "CFD Activities"), as further described by the terms herein.

AGREEMENT

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. Recitals. The Recitals set forth above are included herein by reference as part of this Agreement and the Parties agree that said Recitals are essential facts to this Agreement.

2. Establishment of Deposit Account. The City shall establish a deposit account ("Deposit Account"), whereby the City shall hold funds deposited by Developer in trust. The City may draw such funds from the Deposit Account from time to time to cover any of the City's costs relating to the CFD Activities, as further described herein. The City shall at all times maintain records as to the City's expenditure of such funds.

3. Deposited Funds.

a. *Initial Deposit*. Developer, upon execution of this Agreement, shall deposit with the City the amount of \$97,735 ("Initial Deposit"), which the City shall place into the Deposit Account.

b. *Total Estimated Costs*. Developer shall provide deposits estimated to amount to a total of \$265,485, of which \$167,750 shall account for bond proceedings. The City shall place all deposits into the Deposit Account.

c. *Use of Funds*. The Initial Deposit, together with any subsequent additional deposits required to be made by Developer pursuant to the terms of this Agreement, shall be used to pay for the reasonable costs and expenses incurred for any authorized purpose in connection with the CFD Activities, including without limitation, each of the following, which are collectively referred to herein as the "Eligible Costs":

i. fees and expenses of any consultant or legal counsel engaged by the City in connection with the CFD Activities, including but not limited to any engineer, special tax consultant, financial advisor, bond counsel, disclosure counsel, or any other consultant deemed necessary or advisable by the City;

ii. preparation of official statements for the Bonds and the costs of appraisals, market absorption and feasibility studies, or other reports that are deemed necessary or advisable by the City made in connection with the CFD Activities;

iii. costs of publication of notices, preparation, and mailing of ballots and other costs related to any hearing, election, or other action or proceeding undertaken in connection with the formation of the CFD and the issuance of the Bonds;

iv. reasonable charges for City staff and City Attorney's Office time incurred in connection with the issuance of the Bonds, including a reasonable allocation of the City's related overhead expenses; and

v. any and all other actual costs and expenses incurred by the City in connection with the CFD Activities.

d. *Additional Deposits*. If, at any time, the unexpended and unencumbered balance of the Deposit Account is less than \$5,000, the City may request, in writing, that Developer make an additional deposit in an amount estimated to be sufficient (in the City's sole discretion) to pay for any future Eligible Costs. The City shall include with any such written request an estimated budget, by type, of the Eligible Costs anticipated to be funded by such additional deposit. Developer shall make the additional deposit within two weeks of the Developer's receipt of the City's request for such additional deposit, and if Developer fails to provide such additional deposit within two weeks from Developer's receipt of the City's request, the City may cease all work related to the CFD Activities.

e. *Accounting*. The City shall provide Developer with a periodic written summary of expenditures made from the Deposit Account, and the unexpended balance thereof, within 10 business



days of the City's receipt of the Developer's written request for such summary. The cost of providing any such summary shall be charged to the Deposit Account.

4. Reimbursement.

a. *Reimbursement of Deposit Account Funds.* If proceedings for the formation of the CFD or the issuance of the Bonds are terminated prior to issuance of the Bonds, the City, within 10 business days after official action by the City or the CFD to terminate such proceedings, shall return the then-unexpended and then-unencumbered portion of the Deposit Account to Developer, without interest. If the Bonds are issued by the CFD, the City shall reimburse Developer, without interest, for the portion of the Deposit Account that has been expended or encumbered, such reimbursement to be made within 10 business days after the issuance of the Bonds, and to be made solely from the proceeds of the Bonds. The City shall, within 10 business days after the issuance of the Bonds, return the then-unexpended and then-unencumbered portion of the Deposit Account to Developer, without interest.

b. *Reimbursement of Other Costs.* Nothing in this Agreement shall prohibit the reimbursement of other costs and expenses of Developer, or its assignee, incurred in connection with the formation of the CFD and the issuance of the Bonds from the proceeds of the Bonds, including but not limited to fees and expenses of Developer's (or Developer's assignee's) legal counsel or special tax consultant. Any such reimbursement shall be made solely from the proceeds of the Bonds and only to the extent otherwise permitted by the Act and otherwise authorized by law, at the reasonable discretion of the City, in the proceedings for the issuance of the Bonds.

5. No Commitment. Nothing in this Agreement shall be deemed to constitute the City's approval of the CFD Activities or the Project, and the City retains its discretion over the CFD Activities and the Project as otherwise authorized by law. No provision of this Agreement shall be construed as an agreement, promise, or warranty of the City or of the CFD to issue the Bonds. The City shall have no liability to Developer for any decision not to issue the Bonds.

6. Agreement Not Debt or Liability of the City. Pursuant to Section 53314.9(b) of the Act, this Agreement shall not constitute a debt or liability of the City. The City shall not in any event be liable under this Agreement other than to return any unexpended or unencumbered portions of the Deposit Account and to provide an accounting, as otherwise described in this Agreement. The City shall not be obligated to advance any of its own funds to pay for any Eligible Costs or any other costs incurred in connection with the CFD Activities. No Councilmember, officer, employee, consultant, or agent of the City shall be personally liable to any extent under this Agreement.

7. Termination. This Agreement may be terminated by either Party upon five business days' prior written notice to the other Party. If this Agreement is terminated by either Party, the City may disburse funds from the Deposit Account only to pay Eligible Costs through the date of the applicable Party's receipt of the written termination notice.

8. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assigns.

9. 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.

10. Governing Law. This Agreement and all rights and obligations arising from 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.

11. Amendment. This Agreement shall not be amended except in a writing signed by the City and Developer.

12. 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.

13. Notice. All notices, demands, approvals, requests, consents, or other communications provided for in this Agreement shall be personally served or made in writing and delivered to the appropriate Party at its address as follows, or at such other amended address as such Party may provide to the other Party in writing:

If to the City:

City of Escondido  
201 North Broadway  
Escondido, CA 92025  
Attn: Julie Procopio, PE  
Director of Engineering Services/City Engineer  
Phone: 760-839-4001  
Email: jprocopio@escondido.org

If to Developer:

CWC Escondido 113, LLC  
5927 Priestly Dr., Suite 110  
Carlsbad, CA 92008  
Attn: Robert Thorne  
California West Communities  
Phone: 760-918-2822  
Email: rthorne@californiawestcommunities.com

14. 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

CWC Escondido 113, LLC, a Delaware limited liability company

By: CWC ESCON 113 MGMT LP, a California limited partnership  
Its: Managing Member

By: CW PROJ MGMT LLC, a California limited liability company  
Its: General Partner

Date: 4.23.21

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Robert H. Thorne  
Chief Executive Officer

APPROVED AS TO FORM:

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

BY: \_\_\_\_\_

EXHIBIT A

Legal Description of Property

Del Prado North

Real property in the City of Escondido, County of San Diego, State of California, described as follows:

PARCEL A: [APN: 238-130-26-00 (AFFECTS: PARCEL 1) AND APN: 238-130-27-00 (AFFECTS: PARCEL 2)]

PARCELS 1 AND 2 OF PARCEL MAP NO. 5265, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, NOVEMBER 4, 1976.

PARCEL B: (APN: 238-130-11-00)

THE NORTHERLY 150 FEET OF THE WESTERLY 95 FEET OF THAT PORTION OF THE NORTH HALF OF LOT 4, IN BLOCK 29 OF HOMELAND ACRES ADDITION TO ESCONDIDO NO. 2, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO.1241, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 11, 1910, LYING WEST OF A LINE THAT IS PARALLEL WITH AND DISTANT 140 FEET MEASURED AT RIGHT ANGLES WESTERLY FROM THE WEST LINE OF THE LAND DESCRIBED IN DEED TO STATE OF CALIFORNIA, RECORDED JULY 27, 1936, IN BOOK 538, PAGE 241, OF OFFICIAL RECORDS.

Del Prado South

Real property in the City of Escondido, County of San Diego, State of California, described as follows:

PARCEL A: (APN: 238-130-35-00 AND PORTION OF 238-130-36-00)

PARCEL 2 AS SHOWN ON CERTIFICATE OF COMPLIANCE, AS EVIDENCED BY DOCUMENT RECORDED APRIL 23, 1993 AS INSTRUMENT NO. 1993-0250717 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 2 OF ESCONDIDO PARCEL MAP NO. 82-34 ACCORDING TO PARCEL MAP NO. 14087, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 23, 1985 AS FILE NO. 85-483847 OF OFFICIAL RECORDS.

TOGETHER WITH THE SOUTHERLY 15.00 FEET OF PARCEL 3, OF SAID PARCEL MAP 14087.

PARCEL B: (APN: PORTION OF 238-130-36-00)

PARCEL 3 AS SHOWN ON CERTIFICATE OF COMPLIANCE, AS EVIDENCED BY DOCUMENT RECORDED APRIL 23, 1993 AS INSTRUMENT NO. 1993-0250716 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 3 OF ESCONDIDO PARCEL MAP NO. 82-34 ACCORDING TO PARCEL MAP NO. 14087, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 23, 1985 AS FILE NO. 85-483847 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM THE SOUTHERLY 15.00 FEET OF SAID PARCEL 3.

## CITY COUNCIL STAFF REPORT

**Consent Item No. 6**

**May 12, 2021**

**File No. 0800-10**

SUBJECT: Final Map, Escondido Tract SUB16-0009B The Villages Project – Village 2

DEPARTMENT: Engineering Services

RECOMMENDATION:

It is requested that the City Council approve the Final Map for Tract SUB16-0009B, Village 2 of the Villages Project (“Project”), a 56 lot Residential Subdivision with 50 single-family lots and 30 residential condominium units within 6 residential lots, all located at 1800 Country Club Lane.

FISCAL ANALYSIS:

The Developer, Lennar Homes of California, a California Corporation (“Developer”), in accordance with the adopted fee schedule, pays for the cost for review of the Final Map.

PREVIOUS ACTION:

The Planning Commission recommended approval of the Project on October 24, 2017 as Resolution Number 6105, and subsequently the City Council approved the Tentative Map and the Country Club Lane Specific Alignment Plan on November 15, 2017 as Resolution 2017-153R.

BACKGROUND:

The Final Map for Tract SUB16-0009B, located as shown on Attachment 1, includes 50 single-family residential lots and 30 residential condominium units within six (6) residential lots. This is the second of three (3) Final Maps that together make up Tract SUB16-0009 - The Villages Project, a redevelopment of the previous Country Club Golf Course property. Staff has examined this Final Map and found it to be mathematically correct and in substantial conformance to the approved Tentative Map, and is subject to the conditions of approval. This Final Map conforms to the provisions of the Subdivision Map Act and any local ordinances applicable at the time of approval. The Planning Department has reviewed and approved this Final Map.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Julie Procopio*, Director of Engineering Services

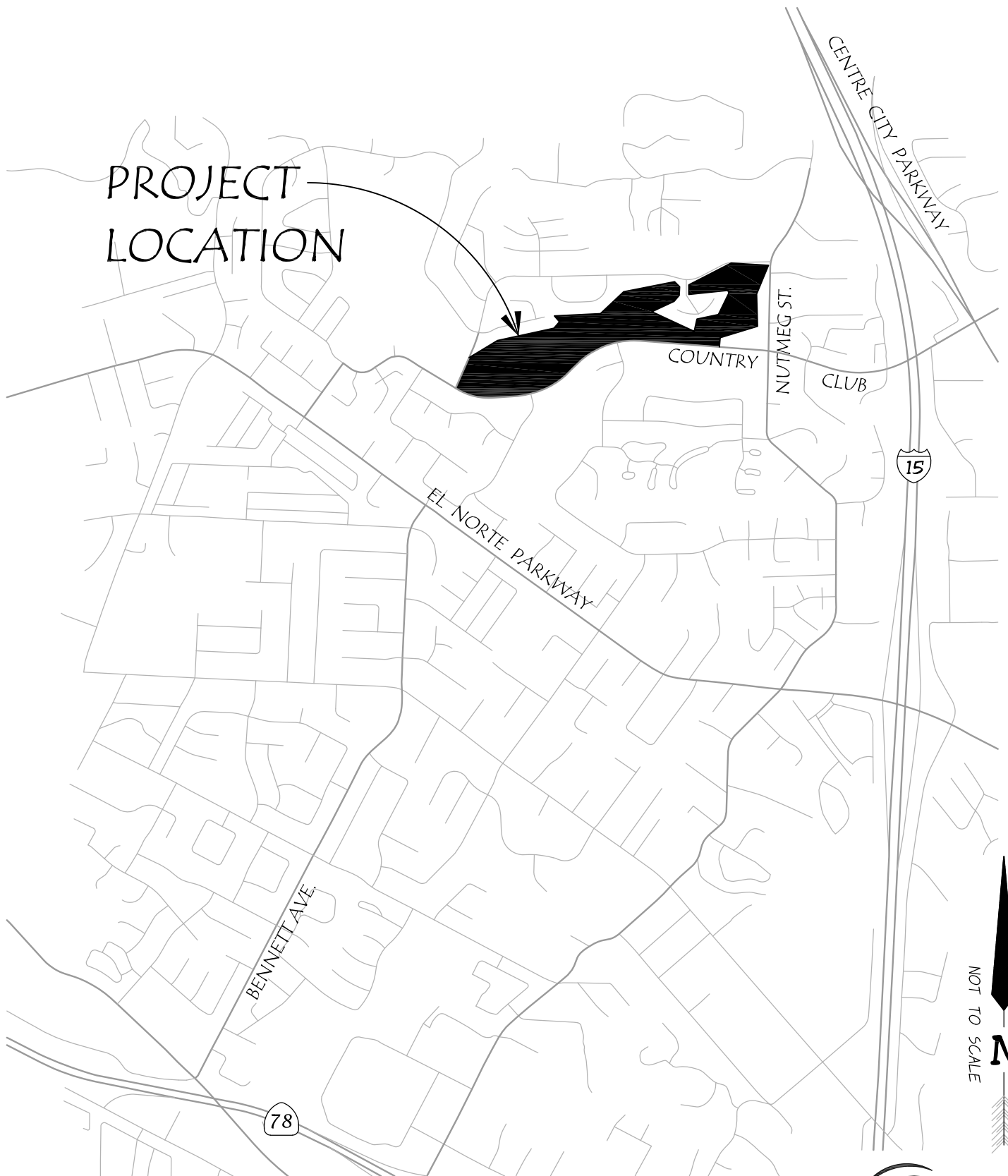
05/06/21 9:22 a.m.

ATTACHMENTS:

1. Attachment “1” – Site Location Map

# TRACT SUB16-0009B VILLAGES 2

PROJECT  
LOCATION



## CITY COUNCIL STAFF REPORT

**Consent Item No. 7**

**May 12, 2021**

**File No. 1010-20**

SUBJECT: Amend Engineering and Traffic Survey (Speed Zone) on Kauana Loa Drive

DEPARTMENT: Engineering Services Department, Traffic

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-60, to amend an Engineering and Traffic Survey (Speed Zone) on Kauana Loa Drive between Harmony Grove Road and City Limits/Oak View Way.

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 April 8, 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 one (1) speed survey that is an update of the current posted speed limit.



The results of the speed survey and recommended speed limit is 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 Survey and Recommended Speed Limit recommended on May 12, 2021.**

Street Name	Segment		Existing Posted Limit (MPH)	85th Percentile Speed (MPH)	Recommended Speed Limit (MPH)*
	From	To			
Kauana Loa Drive	Harmony Grove Road	City Limits/Oak View Way	40	36	35

*\*To be posted per Traffic Engineer*

Staff recommends approval of one (1) speed survey to post a speed limit of 35 mph on Kauana Loa Drive between Harmony Grove Road and City Limits/Oak View Way. This speed limit is based on an 85th percentile speed of 36 mph. The 85th percentile speed indicates that 35 mph is the safe and appropriate speed for this roadway.

Staff recommendation for the segment is consistent with the result of the current speed survey and in compliance with requirements of the California Vehicle Code and the CA-MUTCD.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Julie Procopio*, Director of Engineering Services  
 05/06/21 9:22 a.m.

ATTACHMENTS:

1. Resolution No. 2021-60

RESOLUTION NO. 2021-60

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AMENDING THE TRAFFIC SCHEDULE ON A  
SEGMENT OF KUANA LOA DRIVE

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. 2021-60 amending the

Traffic Schedule for the Speed Zone 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			
Kauana Loa Drive	Harmony Grove Road	City Limits/Oak View Way	40	36	35

*\*To be posted per Traffic Engineer*

## CITY COUNCIL STAFF REPORT

**Consent Item No. 8**

**May 12, 2021**

**File No. 0600-10, A-3360**

SUBJECT: Bid Award and Public Services Agreement for Senior Nutrition Program

DEPARTMENT: Community Services Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-63 authorizing the City Manager to execute a Public Services Agreement with HumanGood SoCal dba Redwood Senior Homes and Services in the amount of \$197,737 for the preparation and delivery of the Park Avenue Community Center (“Center”) Nutrition Program meals.

FISCAL ANALYSIS:

Funding for senior meal service is included in the FY 2021-2022 Senior Nutrition Budget in the amount of \$186,670. Additionally, CDBG funding in the amount of \$56,110 has been allocated to the budget. These grant funds will offset contract costs to the General Fund.

Furthermore, the City of Escondido (“City”) has been awarded a nutrition and transportation grant through the County of San Diego Aging and Independent Services, which commenced on February 1, 2020 and will continue through June 2023. This grant will also offset the senior meal services cost to the General Fund by a maximum of \$151,822 during FY 2021-2022.

PREVIOUS ACTION:

On April 21, 2021, the City Council approved Resolution No. 2021-50, approving the one-year action plan for fiscal year 2021-2022 Community Development Block Grant, Emergency Solutions Grant, and HOME Investment Partnerships Program Funding which includes funding for the Senior Nutrition Program.

On February 5, 2020, the City Council approved Resolution No. 2020-15, authorizing the Mayor and City Clerk to accept a grant from the County of San Diego for nutrition and transportation services designated for Escondido seniors, and execute contract documents on behalf of the City.

BACKGROUND:

The City has offered the Senior Nutrition Program for over 40 years. Escondido seniors who are faced with food scarcity, economic challenges, and now uncertainty due to the global health crisis find it difficult to make ends meet on a fixed income. The meal services offered through the Senior Nutrition Program present a solution to Escondido seniors to access good nutrition and combat isolation in a positive environment. As a result of this service, the senior community can continue to be an active

participant in the City's economic and civic growth as the health restrictions ease providing more social opportunities.

During the past year, the Senior Nutrition Program has experienced an increase in the number of seniors who participate in the program. In FY 2019-2020 staff served a total of 26,692 meals. By the end of FY 2020-2021, it is estimated that almost 40,000 meals will have been served. This increase is attributed to the substantial need that has been demonstrated during the pandemic and associated stay at home orders.

In March 2020, the City transitioned from a traditional congregate meal setting to offering grab & go and home delivery. This adaptation allowed the seniors to remain safe and healthy while still supporting their nutritional requirements. The City increased the number of seniors served from an average of 110 meals per day to 160 meals per day in the new format. In anticipation of the County permitting the return of meals served in congregate at the Center, we are shifting back to the original service model and engaging with a vendor to provide the hot meals.

In March 2021, a Request for Proposals ("RFP") was released on the City's website and emailed directly to three businesses who had expressed interest in offering congregate meal service for the Senior Nutrition Program. One bid was received. After reviewing the bid, Redwood Senior Homes and Services, located in Escondido, was determined to be a responsive, responsible bidder. Therefore, staff is recommending the bid be awarded to Redwood Senior Homes and Services.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Joanna Axelrod*, Deputy City Manager/Director of Communications and Community Services  
05/05/21 5:10 p.m.

ATTACHMENTS:

1. Resolution No. 2021-63
2. Resolution No. 2021-63 Exhibit "A"

RESOLUTION NO. 2021-63

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AWARDING A BID FOR THE SENIOR  
NUTRITION PROGRAM AND AUTHORIZING  
THE CITY MANAGER, TO EXECUTE, ON  
BEHALF OF THE CITY, A PUBLIC SERVICES  
AGREEMENT WITH HUMANGOOD SOCIAL  
DBA REDWOOD SENIOR HOMES AND  
SERVICES

WHEREAS, the City of Escondido (“City”) recognizes the need for nutrition services for elderly persons in our community; and

WHEREAS, on March 18, 2021 the City published a Request for Proposals (“RFP”) for the preparation of menus and meals for the City’s Senior Nutrition Program; and

WHEREAS, HumanGood SoCal, a California non-profit corporation, dba Redwood Senior Homes and Services, submitted a proposal in response to the City’s RFP; and

WHEREAS, City staff thoroughly reviewed the low bid submitted by HumanGood SoCal, a California non-profit corporation, dba Redwood Senior Homes and Services (“Redwood”), and have determined that it is the lowest responsive and responsible bidder; and

WHEREAS, the City Council desires at this time, and deems it to be in the best public interest, to approve a Public Services Agreement (“Agreement”) with Redwood to provide meal services for elderly persons; and

WHEREAS, the Deputy City Manager/Director of Communications and Community Services recommends approval of entering into an Agreement with Redwood for one year, in an amount not to exceed \$197,737.

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 Deputy City Manager /Director of Communications and Community Services.
3. That the City Manager is authorized to execute, on behalf of the City, a Public Services Agreement with Redwood, in a substantially similar form to that which is attached and incorporated to this Resolution as Exhibit "A", and subject to final approval as to form by the City Attorney.
4. That the City Manager is authorized to execute, on behalf of the City, amendments to the Public Services Agreement with Redwood where the cumulative price of the original agreement and all subsequent amendments is greater than 125% of the original agreement price.



CITY OF ESCONDIDO  
PUBLIC SERVICES AGREEMENT

This Public Services 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: Joanna Axelrod  
760-839-4871  
("CITY")

And: HumanGood SoCal  
a California non-profit corporation  
dba Redwood Senior Homes and Services  
710 West 13<sup>th</sup> Ave.  
Escondido, CA 92025  
Attn: Leif Cameron  
760-747-4306  
("CONTRACTOR").

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

WHEREAS, the Parties 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. CONTRACTOR 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 CONTRACTOR's completion of the Services, the CITY shall pay, and CONTRACTOR shall accept in full, an amount not to exceed the sum of **\$197,737**. CONTRACTOR 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. CONTRACTOR shall faithfully perform the Services in a proficient manner, to the

satisfaction of the CITY, and in accord with the terms of this Agreement. CONTRACTOR shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all reports and other information furnished by CONTRACTOR pursuant to this Agreement, except that CONTRACTOR shall not be responsible for the accuracy of information supplied by the CITY.

4. 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 CONTRACTOR with 10 days' advance written notice. CONTRACTOR 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 CONTRACTOR, then CONTRACTOR shall be compensated based on the work satisfactorily performed at the time of such termination. In no event shall CONTRACTOR be entitled to receive more than the amount that would be paid to CONTRACTOR for the full performance of the Services.
5. City Property. All original documents, drawings, electronic media, and other materials prepared by CONTRACTOR pursuant to this Agreement immediately become the exclusive property of the CITY, and shall not be used by CONTRACTOR for any other purpose without the CITY's prior written consent.
6. Insurance Requirements.
  - a. CONTRACTOR 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 CONTRACTOR, 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 CONTRACTOR 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) If CONTRACTOR 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 CONTRACTOR.
  - 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.* CONTRACTOR'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 CONTRACTOR'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, CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated in this Agreement, and CONTRACTOR 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.* CONTRACTOR hereby grants to the CITY a waiver of any right to subrogation that any insurer of CONTRACTOR may acquire against the CITY by virtue of the payment of any loss under such insurance. CONTRACTOR 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 CONTRACTOR, its agents, representatives, employees and subcontractors.
  - (7) *Self-Insurance.* CONTRACTOR 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. CONTRACTOR shall only be permitted to utilize such self-insurance if, in the opinion of the CITY, CONTRACTOR's (i) net worth and (ii) reserves for payment of claims of liability against CONTRACTOR are sufficient to adequately compensate for the lack of other insurance coverage required by this Agreement. CONTRACTOR's utilization of self-insurance shall not in any way limit the liabilities assumed by CONTRACTOR 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 CONTRACTOR executes this Agreement, CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR to stop work under this Agreement and/or withhold any payment that becomes due to CONTRACTOR until CONTRACTOR demonstrates compliance with the insurance requirements in this Agreement.

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

- a. CONTRACTOR (including CONTRACTOR'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 CONTRACTOR's performance of the Services or its failure to comply with any of its obligations contained in this Agreement, except where caused by the sole negligence or willful misconduct of the CITY.
- b. CONTRACTOR (including CONTRACTOR's agents, employees, and subcontractors, if any) shall defend, indemnify, 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 7 shall survive the termination of this Agreement.

8. Anti-Assignment Clause. Because the CITY has relied on the particular skills of CONTRACTOR in entering into this Agreement, CONTRACTOR 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 CONTRACTOR assigns this entire Agreement, including all rights and duties herein, to a third party with the CITY's prior written consent, CONTRACTOR shall be the sole payee under this Agreement. Any and all payments made pursuant to the terms of this Agreement are otherwise not assignable.

9. 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.

10. Independent Contractor. CONTRACTOR is an independent contractor, and no agency or employment relationship is created by the execution of this Agreement.

11. Amendment. This Agreement shall not be amended except in a writing signed by the CITY and CONTRACTOR.

12. 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 CONTRACTOR 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.

13. 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.

14. 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.
15. 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.
16. 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.
17. 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.
18. 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 CONTRACTOR shall promptly provide the other Party with notice of any changes to such contact information.
19. Business License. CONTRACTOR 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.
20. Compliance with Laws, Permits, and Licenses. CONTRACTOR 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. CONTRACTOR 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 CONTRACTOR to comply with this section.
21. Prevailing Wages. If applicable, pursuant to California Labor Code section 1770 et seq., CONTRACTOR agrees that a prevailing rate and scale of wages, in accordance with applicable laws, shall be paid in performing this Agreement. CONTRACTOR 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 CONTRACTOR to comply with this section.
22. Immigration Reform and Control Act of 1986. CONTRACTOR shall keep itself informed of and shall comply with the Immigration Reform and Control Act of 1986 ("IRCA"). CONTRACTOR represents and warrants that all of its employees and the employees of any subcontractor retained by CONTRACTOR who perform any of the Services under this Agreement, are and will be authorized to perform the Services in full compliance with the IRCA. CONTRACTOR 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. CONTRACTOR

agrees to comply with the IRCA before commencing any Services, and continuously throughout the performance of the Services and the term of this Agreement.

23. 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 signatories below.

IN WITNESS WHEREOF, this Agreement is executed by the Parties or their duly authorized representatives as of the Effective Date:

CITY OF ESCONDIDO

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

\_\_\_\_\_  
Jeffrey R. Epp, City Manager

Redwood Senior Homes and Services Corporation

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**

HumanGood SoCal, a California non-profit corporation, dba Redwood Senior Homes and Services ("Contractor"), will provide the City of Escondido, a California municipal corporation ("City"), nutritionally balanced meals as part of the City's Senior Nutrition Program (the "Program"). The Program is partially funded by the County of San Diego ("County").

#### **B. Location**

Contractor will deliver prepared meals to the Park Avenue Community Center, 210 E. Park Ave., Escondido, CA 92025 ("Park Avenue Community Center").

#### **C. Services**

Contractor shall provide meal preparation services as follows:

##### 1. Menu Preparation

- a. The City and Contractor will collaborate in the creation of menus that comply with specifications, as described in Exhibit 1 to this Scope of Work, which is attached hereto and incorporated herein by this reference. The City and Contractor shall assure that all meals meet the standards of Title III of the Older Americans Act, and Nutritional Guidelines of the County of San Diego Aging and Independence Services ("AIS"), as described in Exhibit 2 to this Scope of Work, which is attached hereto and incorporated by this reference. Contractor will comply fully with all requirements of the California Department of Aging Program Manual as described in Exhibit 3 to this Scope of Work, which is attached hereto and incorporated herein by this reference.
- b. All menus must be written in four-week cycles (minimum) and submitted to City staff by the first of the month prior. Only approved menus are to be used as a guide for meal preparation with the exception of deviations requested by City staff.
- c. Contractor will allow for occasional menu changes by the City due to diner preferences, food preparation or service difficulties, special events, etc.
- d. The City shall notify the Contractor of any variation from the current menu no less than one week before the meals are to be served. Vendor shall work with the City to comply with reasonable special menu requests for special events. A "Special Event" meal requests will be coordinated with Contractor to include specific meal items. The Contractor shall still comply with all nutritional meal requirements as outlined herein. If the Contractor determines that they cannot comply with the special meal request, the reason for the inability to fulfill the request will be communicated to the City prior to the submission of menus. A subsequent negotiation between both parties will take place to reach a reasonable compromise. Contractor shall work with the City to comply with reasonable special menu requests for special events up to four times per year as follows:

## **ATTACHMENT "A"**

### Scope of Work

- i. Wednesday, November 24, 2021 – Thanksgiving meal
    - ii. Thursday, December 24, 2021 – Christmas meal
    - iii. Thursday, December 31, 2021 – New Year’s meal
    - iv. Thursday, March 17, 2022 – St. Patrick’s Day meal
  - e. Menu items that are part of the approved normal menu rotation will be standardized as to menu item name, ingredients used, preparation method and manner in which they are delivered to the City. All meals delivered on any one day will have identical ingredient items.
  - f. The City and Contractor will work together to approve new menu items and changes in current menu items that will be added to the menu rotation. The Contractor shall provide to the City for all new menu items under consideration: ingredients, preparation method, serving method and proposed packaging for delivery. New menu items must be approved by the City before their use.
2. Meal Preparation and Delivery
- a. Contactor will prepare, on average, 130 congregate meals per day, Monday through Friday, except on City-recognized holidays described in Section D. The City will communicate the initial number of meals needed for the following day by 3 p.m. on the previous day including the last day of the week before the weekend, and provide final confirmation by 9 a.m. the day of, with the ability to increase or decrease initial order by 10 meals. Per day meals may increase to approximately 160 meals per day on special holiday lunches. The number of requested meals may be below these numbers. The City will be charged a flat per meal rate for congregate meals.
  - b. Contractor shall comply with all federal, state, AIS, local laws, and regulations governing the preparation and handling of food. Contractor will procure and keep in effect all necessary licenses, permits and food handlers’ cards required by law; and post such licenses, permits and cards in a prominent place within the meal preparation areas. In addition, all food prepared for the City will be prepared in a health-inspected facility. Upon request, Contractor will deliver to the City a copy of the Contractor’s last Health Inspection Report, beginning with the last restaurant/commercial kitchen operated by the Contractor.
  - c. Contractor shall deliver meals to the Park Avenue Community Center no later than 11 a.m., Monday through Friday. Exceptions must be mutually agreed upon, by both the City and Contractor, before changes are made regarding delivery. The Contractor is responsible for delivering items to the City that were missing or shorted immediately after it is noticed by the City staff and communicated to the Contractor.
  - d. At the time of meal transfer to the City, the City will account for the items delivered and sign Contractor’s receipt for those items. Discrepancies will be noted on the receipt form by the City. Each menu item will be listed as a separate line item, (e.g., “salad with dressing on the side” will be listed as “salad” and “dressing”). The City shall not be required to pay for food or service not meeting the specifications discussed in this contract, referenced documents and approved menus. Substandard meals may include, but are not limited to, under-sized portions, missing items, overcooked items, poor quality food items, and

## ATTACHMENT "A"

### Scope of Work

burnt food. Food may be procured by the City from alternate sources at Contractor's expense if the Contractor fails to deliver meals, portions of meals or suitable meals. The City has the right to deduct from fees paid to the Contractor the cost of food and preparation necessary to replace these meals. Even if deductions are made for missing or substandard meals, these situations are considered unacceptable.

- e. Contractor shall be responsible for ordering, purchasing, and paying for raw food items and consumable supplies to be used in the preparation of all meals. Food preparation shall occur at Contractor's site and under supervision of Contractor's employees. The Contractor will not deliver overcooked or undercooked food items. The Contractor may deliver uncooked food items if requested in advance by the City. Fresh or frozen vegetables will be cooked only to the point of tenderness at time of delivery to the City. Fresh fruit will be served daily or as required by AIS.
  - f. Contractor will prepare a quantity of food necessary to assure that shortages do not occur due to minor serving errors. The size of serving portions necessary to meet nutritional requirements will be communicated to the City with each meal.
  - g. The City agrees to provide beverages (not including milk and any beverage provided as a part of the nutritional meal requirements), all cutlery, service utensils, trays and other non-dietary items not specifically otherwise stated to be the Contractor's responsibility. All condiments normally associated with food items to be served will be provided by the Contractor and be shown on menus submitted to the City for approval.
  - h. Meal Assessments. Meal assessments shall be conducted by the City on an on-going basis. Contractor shall work with the City to comply with reasonable requests for changes in food type, preparation method and quality. Records will be maintained by City staff documenting the quality of food and service received from the Contractor. These records will be made available upon request
3. Reports, Records, and Logs
- a. City Access. Contractor will allow the City and AIS to have access to the Contractor's purchase documents and records, as well as food preparation, packaging and storage areas related to the performance of this contract to determine the adequacy of Contractor's purchasing, nutrition, and sanitation practices regarding meals provided under this Agreement.
  - b. Meal Transport Logs. Contractor and City shall jointly maintain a Meal Transport Log in substantially the same form as Exhibit 4 to this Scope of Work, which is attached hereto and incorporated by this reference. The Meal Transport Log shall include the following information: menu items, serving instructions, portion size, and temperature record. The temperature record will be implemented and maintained to ensure sanitary and safe food handling procedures. Temperature records shall include:
    - i. Food prep (minimum safe internal cooking temperatures, end cooking temperatures);

## ATTACHMENT "A"

### Scope of Work

- ii. Cooling Log Sheet  
([https://www.sandiegocounty.gov/content/dam/sdc/deh/fhd/food/pdf/publications\\_coolinglog.pdf](https://www.sandiegocounty.gov/content/dam/sdc/deh/fhd/food/pdf/publications_coolinglog.pdf));
  - iii. Refrigeration and freezer equipment (at facility opening and closing);
  - iv. Temperature of perishable food before loading for delivery; and
  - v. Dishwasher Log (ensuring proper temperature and sanitization per California Retail Food Code).
- c. Project Reports. Contractor will supply information to the City for project reports as needed (e.g., actual labor costs and raw food costs). Contractor will also supply information and comply with the reporting requirements described in Exhibit 2.

#### **D. Scheduling**

Contractor will provide meal services Monday through Friday except for the following City-recognized holidays:

Monday, July 5, 2021 – Independence Day (observed)  
Monday, September 6, 2021 – Labor Day  
Thursday, November 11, 2021 – Veteran’s Day  
Thursday, November 25, 2021 – Thanksgiving Day  
Friday, November 26, 2021 – Day After Thanksgiving  
Friday, December 24, 2021 – Christmas Day (observed)  
Friday, December 31, 2021 – New Year’s Day (observed)  
Monday, January 22, 2022 – Martin Luther King Jr. Day  
Monday, February 21, 2022 – President’s Day  
Monday, May 30, 2022 – Memorial Day

Inquiries relating to this Agreement, including scheduling or coordination matters, may be directed to Mary Rodelo at 760-839-4678 or [mrodelo@escondido.org](mailto:mrodelo@escondido.org).

#### **E. Contract Price and Payment Terms**

The contract price shall not exceed **\$197,737**. The contract price includes all labor, materials, equipment, and transportation required to perform the work. Services will be billed as services are performed based on the following rates.

Service	Rate
Congregate Meals	\$6.94 per meal
Meal Delivery Charge	\$20 per day

Invoices shall be prepared and submitted to City of Escondido, Park Avenue Community Center. Invoices shall contain the following information: description of services, unit prices, extended totals, and purchase order number. Payment will be made after services have been performed and within 30 days of receipt of an invoice for those services.



## ATTACHMENT "A"

### Scope of Work

#### F. Term

The term of this Agreement shall be from the Effective Date through **June 30, 2022**.

Menu preparation services as described in Section C(1) shall commence on **June 15, 2021**. All other services pursuant to this Agreement shall commence within five calendar days of the City's written notice to proceed.

This Agreement includes four successive one-year options to extend the contract term. In no event shall the term of this Agreement exceed a total of five years. If the City elects to exercise an option, the City will notify Contractor in writing at least 60 days prior to termination of the proceeding term. Extension of the term of this Agreement shall be by an amendment in accordance with Section 11 (Amendment) of this Agreement.

Options will be subject to the following price increase limitations:

1. Renewal Period 1 (July 2022- June 2023) Increase: Contractor stipulates that the cumulative total of Renewal Period 1 increases would not exceed 5% of the prices in effect at the end of the initial period.
2. Renewal Period 2 (July 2023- June 2024) Increase: Contractor stipulates that the cumulative total of Renewal Period 2 increases would not exceed 5% of the prices in effect at the end of the first renewal period.
3. Renewal Period 3 (July 2024- June 2025) Increase: Contractor stipulates that the cumulative total of Renewal Period 3 increases would not exceed 5% of the prices in effect at the end of the second renewal period.
4. Renewal Period 4 (July 2025- June 2026) Increase: Contractor stipulates that the cumulative total of Renewal Period 4 increases would not exceed 5% of the prices in effect at the end of the second renewal period.

#### G. Other

1. As a subcontractor of the City, Contractor awarded the Project shall be subject to all clauses, restrictions, mandates, terms, requirements, and conditions of the Senior Nutrition Program Agreement between the County of San Diego and the City (Contract No. 561764), as described in Exhibit 5, which is attached hereto and incorporated by this reference. Contractor acknowledges that it has reviewed and shall comply with all applicable terms and requirements of Exhibit 5 including, but not limited to, Articles 3, 7, 8, 9, 10, 11, 12, 13, 14, and 16.
2. Contractor will ensure staff and volunteer criminal background checks are completed prior to **June 15, 2021**. **All criminal background checks pursuant to this Agreement must comply** with all applicable licensing, certification, and funding requirements. At a minimum, background checks shall be in compliance with Board of Supervisors Policy C-28 and are required for all Contractor staff or volunteer assigned to sensitive positions. Sensitive positions are those that involve the staff's or volunteer's:
  - a. Physically supervision of minors or vulnerable adults;

## **ATTACHMENT "A"**

### Scope of Work

- b. Unsupervised physical contact with minors or vulnerable adults; and/or
  - c. Fiduciary responsibility to any County client, or direct access to, or control over, bank accounts or accounts with financial institutions of any client.
3. Contractor shall comply with all laws, ordinances, orders, rules and regulations (state, federal, municipal or promulgated by other agencies or bodies having or claiming jurisdiction) applicable to the performance of Contractor's obligations to the City, including those provisions required by the County Contract No. 547766 and under 2 C.F.R. Part 200, Appendix II as included in Exhibit 1 and Exhibit 2, which are attached hereto and incorporated by reference.
4. Contractor shall comply with all applicable federal, state, and local laws and regulations pertaining to wages and hours of employment.
5. Contractor certifies that in performing under the purchase order awarded by the City, it will comply with the County of San Diego Affirmative Action Program adopted by the County of San Diego Board of Supervisors, including all current amendments.

**EXHIBIT 1**  
**AGING & INDEPENDENCE SERVICES - COUNTY OF SAN DIEGO**

**CONTRACTOR/CATERER:**

**TITLE IIIC – MENU**

**CYCLE:**

**WEEK:**

<b>DATES</b> Month & Date					
	<b>MONDAY</b>	<b>TUESDAY</b>	<b>WEDNESDAY</b>	<b>THURSDAY</b>	<b>FRIDAY</b>
<b><u>ENTRÉE</u></b> Serving=2-3 oz. weight, cooked, edible protein portion					
<b><u>VEGETABLE</u></b> Serving= 1-2/day Vit. C = 25 mg/day Vit A = 233 mcg 3 days/week					
<b><u>FRUIT</u></b> Serving = 1/day					
<b><u>WHOLE GRAINS/ BREAD/ CEREAL/ PASTA/ RICE</u></b> Servings=1-2/day Size=1/2 cup, 1 oz wt, 1 ea					
<b><u>MILK, 2%, 1%, skim</u></b> Serving = 8 fl. oz.					
<b><u>DESSERT, optional</u></b>					
<b>MODIFICATIONS FOR HOME DELIVERED MEALS</b>					

## **EXHIBIT 2**

**TITLE 22. SOCIAL SECURITY DIVISION  
1.8. CALIFORNIA DEPARTMENT OF AGING  
CHAPTER 4.(1) TITLE III PROGRAMS  
PROGRAM AND SERVICE PROVIDER REQUIREMENTS  
ARTICLE 5. TITLE III C-ELDERLY NUTRITION PROGRAM  
Register 2018, No. 17**

§ 7638.5. Nutrition Requirements of Meals.

- (a) Compliance with dietary guidelines:
  - 1. In accordance with Section 339 of the OAA (42 U.S.C. 3030g-21), each meal shall provide the following to participating individuals:
    - a. If the program provides one (1) meal per day, a minimum of one-third (1/3) of the in the Dietary Reference Intakes (DRIs) by the Food and Nutrition Board, Institute of Medicine, National Academy of Sciences (2006), which are incorporated by reference.
    - b. If the program provides two (2) meals per day, a minimum of two-thirds (2/3) of the DRIs.
    - c. If the program provides three (3) meals per day, one hundred (100) percent of the RDAs.
  - 2. Meals shall comply with the Dietary Guidelines for Americans (2005. 6th.Edition) by the U.S. Department of Health and Human Services and the USDA, which is incorporated by reference.
- (b) A meal analysis approved by a registered dietitian shall be done to ensure compliance with subsection (a) above, using either:
  - 1. a meal component system, or
  - 2. a detailed nutritional analysis.
- (c) Food substitutions to meals originally planned must meet the requirements of this section and be approved by a registered dietitian.
- (d) Menus shall:
  - 1. Be planned for a minimum of four (4) weeks.
  - 2. Be posted in a location easily seen by participants at each congregate meal site.
  - 3. Be legible and easy to read in the language of the majority of the participants.
  - 4. Reflect cultural and ethnic dietary needs of participants, when feasible and appropriate.

Note: Authority cited: Sections 9102 and 9105, Welfare and Institutions Code. Reference: 42 U.S.C. 3030g-21.

**County of San Diego, Aging & Independence Services  
 NUTRITION REQUIREMENTS FOR MEALS  
 Senior Congregate and Home Delivered Meal Programs**

**MENU PLANNING PROCEDURES**

**Title 22 of the California Code of Regulations requires the following:**

1. Meals must provide a minimum of one-third (1/3) of the DRIs as established by the Food & Nutrition Board, National Academy of Sciences-National Research Council and
2. Meals shall comply with the 2010 Dietary Guidelines for Americans (DGAs) published by the USDA and the U.S. Dept. of Health & Human Services.

**In order to meet these requirements, menus shall be planned and served using the following components. The requirements are as follows:**

<b>MENU COMPONENT and TARGET NUTRIENTS</b>	<b>REQUIRED SERVINGS PER MEAL* Minimum of 550 calories</b>	<b>MINIMUM SERVING SIZES</b>
<b>Lean Meats or Beans Protein – Meats, Fish, Poultry, Legumes, Eggs and Cheese</b>	1 serving	2-3 ounces cooked and provide at least 15 g of protein from these foods. (Excludes skin, bones & breading)
<b>Vegetable (Includes potatoes)</b>	1-2 servings	½ cup cooked vegetables. 1 cup raw leafy greens.
<b>Fruit</b>	1 serving	1 medium sized whole fruit. ½ cup fresh, chopped, cooked, frozen, or canned fruit. ½ cup = one serving 1 cup = one serving of cubed fruit, strawberries, grapes or other similar sized items.
<b>Whole grain or enriched Bread/Pasta/Rice Couscous/Quinoa/ Kashka/Barley</b>	1-2 servings At least ½ of grain intake should be whole grains	1 slice bread (1 oz.) ½ Hamburger bun, bagel, English muffin or sandwich roll ½ cup cooked pasta, rice, etc.
<b>Low Fat Milk or Milk Alternate</b>	1 serving	1 cup or 8 ounces
<b>Dessert Can be the Fruit/Grain Serving</b>	Optional	Select food items high in fiber and low in fat and sugar
<b>Fiber</b>	>7 grams/meal or averaged over the week	Combination of fruits, vegetables, whole grain bread/pasta/rice, beans, legumes, lentils

<b>Sodium</b>	Target of less than 1,000 mg/meal (<1/2 tsp. salt)	Identify meals containing over 1,000 mg of sodium on the menu with an icon or asterisk referencing high sodium content.
<b>Potassium</b>	Target 1,565 mg /meal	May average over a week
<b>Oils</b>	7 grams or about 2 tsp.	Vegetable, nut and fish oils, soft vegetable oil spreads with 0 trans fat

\* The number of servings per meal estimates provision of 1/3 of the DRIs. Caloric value (1,600 Kcal/day) is based on a sedentary 70-year-old female.

## MEAL COMPONENTS & TARGET NUTRIENTS

1. **Vitamin C.** Each meal shall provide a food(s) containing a minimum of **25 milligrams of Vitamin C.**
2. **Vitamin A.** A food(s) containing a minimum of **233 mcg. of Vitamin A shall be served at least three (3) times per week for a five (5) day a week menu**, and four times per week for a seven day a week menu.
3. **Fiber.** Each meal shall provide **>7 grams of fiber per meal.** You may average fiber content over one week.
  - A. Fiber containing meal components are fruits, vegetables, breads/pasta/rice, whole grains and beans/lentils.
4. **Sodium.** Identify meals containing over 1,000 mg of sodium on the menu with an icon or asterisk referencing high sodium content.
  - A. It is recommended to incrementally decrease the amount of overall sodium in the meal over a period of time. Document efforts to reduce sodium content of meals.
  - B. The secondary goal is to decrease the number of high sodium food items (over 500 mg/serving) in a menu cycle.
  - C. **DO NOT use or salt substitutes such as potassium chloride.** Individuals should only use these products under the supervision of a healthcare professional.
5. **Potassium.** High potassium containing foods are encouraged, especially when high sodium food items are served.
6. **Protein.** Each meal shall provide a minimum of 2-3 ounces of cooked edible portion of **meat, fish, poultry, eggs, cheese, or the protein equivalent.**
  - A. The meat in sauces, soups, stews or casseroles, must be a minimum of 2-ounce weight and provide at least 15 grams of protein per serving.
  - B. Legume dishes include lentils, dried beans/peas, lima, kidney, navy, black, soybeans, pinto or garbanzo beans, black eyed peas, etc. A one half cup serving is equal to 1 ounce of meat.

- C. Count legumes as either a vegetable OR protein component. Do not count legumes as both a vegetable and a protein component.
  - D. A ½ cup serving of cottage cheese is equal to 2 ounces of protein. 2 Tbsp. of Peanut Butter equals 1 ounce of protein. One egg equals 1 ounce of protein.
  - E. Be as specific in the type of protein being used and method of preparation. Example: Turkey Meat Loaf, Chicken Enchiladas, Beef Enchiladas, Cheese Enchiladas, Baked Cod, Breaded Cod, Baked Swai, Baked Tilapia, etc. If a change in menu item is made, the Food Service Manager or Head Cook needs to notify the Nutrition Program Manager as soon as a change is made so participants can be informed.
7. **Vegetables.** Each meal shall contain **ONE – TWO (1-2) servings**, drained weight or volume, of **vegetables**.
- A. A serving of tossed green salad, chunky vegetables like potatoes, squash or cherry tomatoes or other large items shall be one (1) cup.
  - B. Potatoes, potato salad, sweet potatoes, etc. count as a vegetable, not a bread/starch.
  - C. Vegetables added as an ingredient to a menu item (example: mixed vegetables in tuna casserole or mushrooms in gravy) must be ½ cup per serving in order for it to count as a serving.
  - D. One cup of a cooked vegetable such as in a stir fry dish will count as 2 servings.
8. **Fruit.** Each meal shall contain **ONE (1) serving** of fresh, frozen or canned fruit packed in juice, light syrup, without sugar, or 100% fruit juice.
- A. Serving size of canned fruit is ½ cup drained.
  - B. Example of a serving size of unpeeled, whole fresh fruit is a small to medium sized banana, apple or orange.
  - C. Serving size of cubed fruit or items such as strawberries, grapes, etc. is 1 cup.
  - D. Fruit packed in heavy syrup shall be rinsed.
  - E. See #11 below for serving the fruit as dessert.
  - F. Fruit juice can be served however the DGAs encourage the consumption of whole fruit rather than 100% fruit juice. Fruit juice lacks dietary fiber, when consumed in excess can contribute to extra calories and is a high glycemic index food.
9. **Whole grain bread/rice/pasta/etc.** Each meal shall contain **ONE-TWO (1-2) servings of whole grain or enriched bread or bread alternatives (rice, pasta, macaroni, etc.)**
- A. One-half of the daily grain intake should be from whole grains. These include whole grain ingredients that include the word “whole”, “entire”, “cracked”, “crushed” or

"groats"; brown rice, oats, cornmeal, oat bran, wheat germ, rye and barley. Fifty-fifty mixtures of white and brown rice meet the requirement for whole grain.

- B. A serving of cooked pasta or rice is  $\frac{1}{2}$  cup. If one cup is served, it will count as 2 servings.
  - C. A serving of bread is one slice or a small dinner roll (1-ounce weight).
  - D. Hamburger buns, a whole bagel or English muffin, torpedo sandwich breads all count as **2 servings of bread**.
  - E. See #11 below for serving a whole grain/grain as dessert.
10. **Milk/Milk Alternate.** Each meal shall contain **eight (8) ounces of fortified fat-free milk, low-fat milk, 1 percent milk, or low-fat buttermilk.**
- A. Calcium fortified soy milk or other calcium fortified milk replacement with comparable nutrients equivalent to (1/3) of the DRI for calcium can be served.
11. Each meal can contain a **Dessert** to satisfy the caloric requirements or for additional nutrients.
- A. Whole, fresh fruit or canned fruit in its own juice, no sugar added, can be served as a dessert and counted as the fruit serving.
  - B. When a fruit-based dessert contains  $\frac{1}{2}$  **cup** of fruit per serving, it may be counted as a serving of fruit. Example: pumpkin pie, fruit cobbler, strawberry shortcake, Jello with 1/2c. fruit/veggies etc.
  - C. A whole grain-based dessert contains primarily whole grains. Example: Oatmeal cookies, whole wheat bread pudding, granola, oat bars, etc. can contribute to the whole grain requirement.
  - D. Any other type of sweet, sticky dessert would be optional.
12. **Oils.** Choose plant-based oils to provide flavor to meals, essential fatty acids and monounsaturated/polyunsaturated fatty acids.
- A. No food containing artificial trans-fat may be stored, distributed, served or used in the preparation of any food within a food facility.
  - B. Limit the consumption of solid fats. Common sources are: butter, beef/chicken/pork fat, stick margarine and shortening. Replace solid fats with plant-based oils with beneficial monounsaturated and polyunsaturated fatty acids such as olive oil, canola oil or peanut oil.
  - C. Margarine for bread or as a condiment is not required but recommended. For Dietary Guidelines compliance it is recommended that a soft margarine be used instead of butter or hard margarine.
  - D. If you are providing a choice in salad dressings, provide an olive oil/canola oil based vinaigrette as an option.



### **Other Considerations and Procedures:**

The successful bidder will utilize the menu format as referenced in Exhibit 3. If another format is used, serving sizes of each menu item must be included on menu.

1. Menus are to be planned for a minimum of 4 weeks.
2. A minimum of 2`months` menus are to be planned and submitted to the AIS-Registered Dietitian Nutritionist 4 weeks before implementation. The 4-week cycle and/or menu items can be repeated during the 2 months submitted.
3. Substitutions to meals originally planned must meet the above requirements and be approved by a registered dietitian.
4. Menus are to be posted at the nutrition center in a location easily seen by participants at each congregate meal site. The menus should be legible, easy to read and in the language of the majority of the participants.

Other condiments that are traditionally part of the entrée should be provided. Examples are salad dressing, mustard/ketchup/relish for hamburgers, salsa for Mexican food, cranberry sauce for turkey, etc.

Some entrees or menu items do not hold up well during delivery. This should be considered during menu planning.

### **Ethnic Meals**

Many of California local ENPs provide culturally appropriate meals for an ethnically diverse population. Programs that provide culturally appropriate meals that may be higher in sodium are encouraged by CDA to place a statement on each menu such as: "These meals may have higher sodium content than the recommendations made by the Dietary Guidelines for Americans."

The following are some suggestions to address the high sodium content of ethnic meals.

- Use low sodium soy sauce or dilute soy sauce with water to reduce sodium levels.
- Provide low sodium or diluted soy sauce as a condiment at meals, instead of adding them to meals during preparation.
- Encourage vendors to provide low sodium alternatives at a reasonable cost.
- Place potassium-rich foods on the menu consistently.
- Provide nutrition education on the health impacts of high sodium intake on older adults.

## **EXHIBIT 3**



### **PROCEDURE MEMO**

## **FOOD TEMPERATURE DOCUMENTATION**

### **Background Information**

Our clients, both congregate and home delivered are one of the most susceptible populations to foodborne illness. Maintaining foods at proper temperatures will prevent the growth of disease causing bacteria. Bacteria can already be present in food or be introduced during food production or food service. By monitoring food temperature throughout the preparation and serving process, you are insuring that whatever bacteria may be present has been destroyed or is not multiplying at a rapid rate.

### **Procedure**

**All** potentially hazardous food (PHF) items, either served **hot or cold**, must be checked for temperatures. These include all menu items containing protein food items, cooked pasta/rice/grains/beans, cooked vegetables, cooked fruit, sliced tomatoes, cut melon, cut/chopped leafy greens, desserts containing protein, entrée salads and salads made from protein, salads with creamy dressings, sandwiches, and milk/dairy products.

If receiving more than one pan of the same food item, temp all to insure safe food temps.

### **When to Temp Foods**

Review the flow of food through your operation. Record the temperatures at the following Critical Control Points (CCPs) that apply to your operation.

- Completion of cooking/preparation – record on a temp log
- Removal from hot/cold holding or storage into carriers or HotShot (Congregate & HDM) – record on temp log
- Upon delivery of food, if satellite site or catered meal operation (Congregate & HDM) – record on temp log or Meal Transport Record
- Before serving (if holding time is more than 30 minutes) – record on temp log
- During serving, every 30 minutes – record on temp log

Temperature information should be reviewed by Food Service Manager and corrective action must be taken to insure the safety of the food.

Catered/Satellite Meal sites should report deficiencies to the Caterer/Food Service Manager immediately. Site Managers should take necessary Corrective Actions in consultation with the Food Service Manager about the status of the menu item.

For HDMs, temperature of the last meal on a HDM route should be taken **daily**. Record temperature on Driver's Log. Manager to take corrective action if temperatures do not meet standard.

### **Temperature Standard**

Hot food temperatures shall be at 135° F or above, cold food temperatures shall be at 41° F or below.

### **Documentation Standard**

Temperatures at the CCPs must be documented with:

- Actual temperature
- Date and Time
- Employee/volunteer initial

Temperatures can be recorded on any of the following:

- Meal Transport Log (Exhibit 6)
- Temperature Log

### **Maintenance of Temperature Records**

Temperature Logs that record only Date/Time/Temperature/Initial shall be kept for 6 months.

Documentation on Meal Transport Records and/or Monthly Menu sheets that also record # meals sent, # meals served, supply orders or other information in addition to temperatures must be kept for one year after the applicable fiscal year.

### **Food thermometers**

- Food thermometers must be readily available in food preparation and food service areas.
- Calibrate thermometers on a regular (at least weekly basis).

**EXHIBIT 4**

**CITY OF ESCONDIDO MEAL TRANSPORT LOG**

MENU

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATE:

# OF MEALS: \_\_\_\_\_

# SERVED: \_\_\_\_\_

MENU ITEMS NEEDED	SERVING INSTRUCTION & PORTION SIZE	TEMPERATURES
Condiments Needed:		
MANAGER'S COMMENTS:		

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

This agreement ("Agreement") is made and entered into effective as of the date of the last signature on the signature page by and between the County of San Diego, a political subdivision of the State of California ("County") and The City of Escondido, 201 N Broadway, Escondido, CA 92025 ("Contractor"), with reference to the following facts:

**RECITALS**

- A. The County, by action of the Board of Supervisors on October 10<sup>th</sup>, 2017 Minute Order No. 05 authorized the Director of Purchasing and Contracting, to award a contract for Senior Nutrition Services.
- B. Contractor is specially trained and possesses certain skills, experience, education and competency to perform these services.
- C. The Chief Administrative Officer made a determination that Contractor can perform the services more economically and efficiently than the County, pursuant to Section 703.10 of the County Charter.
- D. The Agreement shall consist of this document, Exhibit A Statement of Work, Exhibit B Insurance Requirements and Exhibit C, Pricing Schedule. In the event that any provision of the Agreement or its Exhibits, A, B or C, conflicts with any other term or condition, precedence shall be: First (1st) the Agreement; Second (2nd) Exhibit B; Third (3rd) Exhibit A; and Fourth (4th) Exhibit C.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**ARTICLE 1**  
**PERFORMANCE OF WORK**

- 1.1 Standard of Performance. Contractor shall, in good and workmanlike manner and in accordance with the highest professional standards, at its own cost and expense, furnish all of the labor, technical, administrative, professional and all other personnel, all supplies and materials, equipment, printing, transportation, training, facilities, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by County, necessary or proper to perform and complete the work and provide the services required of Contractor by this Agreement.
- 1.2 Contractor's Representative. The person identified on the signature page ("Contractor's Representative") shall ensure that Contractor's duties under this Agreement shall be performed on behalf of the Contractor by qualified personnel; Contractor represents and warrants that (1) Contractor has fulfilled all applicable requirements of the laws of the State of California to perform the services under this Agreement and (2) Contractor's Representative has full authority to act for Contractor hereunder. Contractor and County recognize that the services to be provided by Contractor's Representative pursuant to this Agreement are unique: accordingly, Contractor's Representative shall not be changed during the Term of the Agreement without County's written consent. County reserves the right to terminate this Agreement pursuant to Clause 7.1 "Termination for Default", if Contractor's Representative should leave Contractor's employ, or if, in County's judgment, the work hereunder is not being performed by Contractor's Representative.
- 1.3 Contractor as Independent Contractor. Contractor is, for all purposes of this Agreement, an independent contractor, and neither Contractor nor Contractor's employees or subcontractors shall be deemed to be employees of the County. Contractor shall perform its obligations under this Agreement according to the Contractor's own means and methods of work, which shall be in the exclusive charge and under the control of the Contractor, and which shall not be subject to control or supervision by County except as to the results of the work. County hereby delegates to Contractor any and all responsibility for the safety of Contractor's employees, which shall include inspection of property to identify potential hazards. Neither Contractor nor Contractor's employees or subcontractors shall be entitled to any benefits to which County employees are entitled, including without limitation, overtime, retirement benefits, workers' compensation benefits and injury leave.
- 1.4 Contractor's Agents and Employees or Subcontractors. Contractor shall obtain, at Contractor's expense, all agents, employees and subcontractors required for Contractor to perform its duties under this Agreement, and all such services shall be performed by Contractor's Representative, or under Contractor's Representatives' supervision, by persons authorized by law to perform such services. Retention by Contractor of any agent, employee or subcontractor shall be at Contractor's sole cost and expense, and County shall have no obligation to pay Contractor's agents, employees or subcontractors; to support any such person's or entity's claim against the Contractor; or to defend Contractor against any such claim.

Any subcontract or consultant agreement that is in excess of fifty thousand dollars (\$50,000) or twenty five percent (25%) of the value of the contract, whichever is less, or a combination of subcontracts or consultant agreements to the same individual or firm for the agreement period, or any subcontract or consultant agreement for professional medical or mental health services, regardless of value, must have prior concurrence of the Contracting Officer's Representative ("COR"). Contractor shall provide Contracting Officer Representative with copies of all other subcontracts relating to this Agreement entered into by Contractor within 30 days after the effective date of the subcontract. Such subcontractors of Contractor shall be notified

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

of Contractor's relationship to County. "Subcontractor" means any entity, other than County, that furnishes to Contractor services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.

- 1.4.1 Contractor Responsibility. In the event any subcontractor is utilized by Contractor for any portion of the project, Contractor retains the prime responsibility for carrying out all the terms of this Agreement, including the responsibility for performance and insuring the availability and retention of records of subcontractors in accordance with this Agreement.
  - 1.4.2 Mandated Clause. All subcontracts shall include the Standard Terms and Conditions required of Contractor Articles 3, 7, 8, 9, 10, 11, 12, 13, 14 and 16 herein.
  - 1.4.3 County Approval. As identified above, all subcontracts under this Agreement shall have prior written approval of the Contracting Officer Representative.
- 1.5 Off Shore Prohibition. Except where Contractor obtains the County's prior written approval, Contractor shall perform the work of this Agreement only from or at locations within the United States. Any County approval for the performance of work outside of the United States shall be limited to the specific instance and scope of such written approval, including the types of work and locations involved. Notwithstanding the foregoing, this Section shall not restrict the country or countries of origin of any assets purchased to provide the work hereunder; provided that when such assets are used to provide the work, such assets shall be used only from or at locations within the geographic boundaries of the United States.

**ARTICLE 2**  
**SCOPE OF WORK**

- 2.1 Statement of Work. Contractor shall perform the work described in the "Statement of Work" attached as Exhibit "A" to this Agreement, and by this reference incorporated herein, except for any work therein designated to be performed by County.
- 2.2 Right to Acquire Equipment and Services. Nothing in this Agreement shall prohibit the County from acquiring the same type or equivalent equipment and/or service from other sources, when deemed by the County to be in its best interest.
- 2.3 Responsibility for Equipment. For cost reimbursement agreements, County shall not be responsible nor be held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by Contractor or any of Contractor's employees, even though such equipment may be furnished, rented, or loaned to Contractor by County. The acceptance or use of any such equipment by Contractor or Contractor's employees shall be construed to mean that Contractor accepts full responsibility for and agrees to exonerate, indemnify and hold harmless County from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment, whether such damage be to the employee or property of Contractor, other Contractors, County, or other persons. Equipment includes, but is not limited to material, computer hardware and software, tools, or other things.
  - 2.3.1 Contractor shall repair or replace, at Contractor's expense, all County equipment or fixed assets that are damaged or lost as a result of Contractor negligence.
- 2.4 Non-Expendable Property Acquisition. County retains title to all non-expendable property provided to Contractor by County, or which Contractor may acquire with funds from this Agreement if payment is on a cost reimbursement basis, including property acquired by lease purchase Agreement. Contractor may not expend funds under this Agreement for the acquisition of non-expendable property having a unit cost of \$5,000 or more and a normal life expectancy of more than one year without the prior written approval of Contracting Officer Representative. Contractor shall maintain an inventory of non-expendable equipment, including dates of purchase and disposition of the property. Inventory records on non-expendable equipment shall be retained, and shall be made available to the County upon request, for at least three years following date of disposition. Non-expendable property that has value at the end of the Agreement (e.g. has not been depreciated so that its value is zero), and to which the County may retain title under this paragraph, shall be disposed of at the end of the Agreement as follows: At County's option, it may: 1) have Contractor deliver to another County contractor or have another County contractor pick up the non-expendable property; 2) allow the contractor to retain the non-expendable property provided that the contractor submits to the County a written statement in the format directed by the County of how the non-expendable property will be used for the public good; or 3) direct the Contractor to return to the County the non-expendable property.

**ARTICLE 3**  
**DISENTANGLEMENT**

3.1 General Obligations.

At County's discretion, Contractor shall accomplish a complete transition of the services as set forth in Exhibit A to this Agreement (for purposes of this Article 3.1, these shall be referred to as the "Disentangled Services") being terminated from Contractor and the Subcontractors to County, or to any replacement provider designated by County, without any interruption

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

of or adverse impact on the Disentangled Services or any other services provided by third parties. This process shall be referred to as the Disentanglement. Contractor shall fully cooperate with County and any new service provider and otherwise promptly take all steps, including, but not limited to providing to County or any new service provider all requested information or documentation, required to assist County in effecting a complete Disentanglement. Contractor shall provide all information or documentation regarding the Disentangled Services or as otherwise needed for Disentanglement, including, but not limited to, data conversion, client files, interface specifications, training staff assuming responsibility, and related professional services. Contractor shall provide for the prompt and orderly conclusion of all work required under the Agreement, as County may direct, including completion or partial completion of projects, documentation of work in process, and other measures to assure an orderly transition to County or the County's designee of the Disentangled Services. All Contractor work done as part of the Disentanglement shall be performed by Contractor and will be reimbursed by the County at no more than Contractor's costs, up to the total amount of this Agreement. Contractor shall not receive any additional or different compensation for the work otherwise required by the Agreement. Contractor's obligation to provide the Services shall not cease until the earlier of the following: 1) The Disentanglement is satisfactory to County, including the performance by Contractor of all asset-transfers and other obligations of Contractor provided in this Paragraph, has been completed to the County's reasonable satisfaction or 2) twelve (12) months after the Expiration Date of the Agreement.

3.2 Disentanglement Process.

The Disentanglement process shall begin on any of the following dates: (i) the date County notifies Contractor that no funds or insufficient funds have been appropriated so that the Term shall be terminated pursuant to the Agreement, Article 7; (ii) the date designated by County not earlier than sixty (60) days prior to the end of any initial or extended term that County has not elected to extend pursuant to the Agreement's, Signature Page, Agreement Term; or (iii) the date any Termination Notice is delivered, if County elects to terminate any or all of the Services pursuant to the Agreement, Article 7. Subject to Exhibit A Contractor's obligation to perform Disentangled Services, and County's obligation to pay for Disentangled Services, shall expire: (A) when funds appropriated for payment under this Agreement are exhausted, as provided in this Agreement, Article 7; (B) at the end of the initial or extended term set forth in this Agreement's, Signature Page, Agreement Term; or (C) on the Termination Date, pursuant to this Agreement, Article 7 (with the applicable date on which Contractor's obligation to perform the Services expires being referred to herein as the "Expiration Date"). Contractor and County shall discuss in good faith a plan for determining the nature and extent of Contractor's Disentanglement obligations and for the transfer of the Disentangled Services in process provided, however, that Contractor's obligation under this Agreement to provide all Disentangled Services shall not be lessened in any respect.

3.3 Specific Obligations.

The Disentanglement shall include the performance of the following specific obligations:

3.3.1 No Interruption or Adverse Impact

Contractor shall cooperate with County and all of the County's other service providers to ensure a smooth transition at the time of Disentanglement, with no interruption of Disentangled Services or other work required under the Agreement, no adverse impact on the provision of Disentangled Services or other work required under the Agreement or County's activities, no interruption of any services provided by third parties, and no adverse impact on the provision of services provided by third parties.

3.3.2 Third-Party Authorizations.

Without limiting the obligations of Contractor pursuant to any other clause in Exhibit A herein, Contractor shall, subject to the terms of any third-party agreements, procure at no charge to County any third-party authorizations necessary to grant County the use and benefit of any third-party agreements between Contractor and third-party contractors used to provide the Disentangled Services, pending their assignment to County. Similarly, at County's direction, Contractor shall obtain all legally necessary client consents or authorizations legally necessary to transfer client data to County or any new service provider.

3.3.3 Reserved

3.3.4 Return, Transfer and Removal of Assets.

3.3.4.1 Contractor shall return to County all County assets in Contractor's possession, pursuant to Paragraph 2.4 of the Agreement.

3.3.4.2 County shall be entitled to purchase at net book value those Contractor assets used for the provision of Disentangled Services to or for County, other than those assets expressly identified by the Parties as not being subject to this provision. Contractor shall promptly remove from County's premises, or the site of

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

the work being performed by Contractor for County, any Contractor assets that County, or its designee, chooses not to purchase under this provision.

3.3.5 Transfer of Leases, Licenses, and Agreements.

Contractor, at its expense, shall convey or assign to County or its designee such fully-paid leases, licenses, and other agreements used by Contractor, County, or any other Person in connection with the Disentangled Services, as County may select, when such leases, licenses, and other agreements have no other use by Contractor. Contractor's obligation described herein, shall include Contractor's performance of all obligations under such leases, licenses, and other agreements to be performed by it with respect to periods prior to the date of conveyance or assignment and Contractor shall reimburse County for any losses resulting from any claim that Contractor did not perform any such obligations.

3.3.6 Delivery of Documentation.

Contractor shall deliver to County or its designee, at County's request, all documentation and data related to County, including, but not limited to, the County Data and client files, held by Contractor, and Contractor shall destroy all copies thereof not turned over to County, all at no charge to County. Notwithstanding the foregoing, Contractor may retain one (1) copy of the documentation and data, excluding County Data, for archival purposes or warranty support.

3.4 Findings Confidential. Any reports, information, data, etc., given to or prepared or assembled by Contractor under this Agreement that the County requests to be kept as confidential shall not be made available to any individual or organization by the Contractor without the prior written approval of the County.

3.5 Publication, Reproduction or Use of Materials. No material produced, in whole or in part, under this Agreement shall be subject to copyright in the United States or in any other country. The County shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement. All reports, data and other materials prepared under this Agreement shall be the property of the County upon completion of this Agreement.

**ARTICLE 4**  
**COMPENSATION**

The Pricing Schedule, and/or budget are in Exhibit C and the compensation is on the Signature page. County will pay Contractor the agreed upon price(s), pursuant to Exhibit C for the work specified in Exhibit A, Statement of Work. The County is precluded from making payments prior to receipt of services (advance payments). Contractor shall provide and maintain an accounting and financial support system to monitor and control costs to assure the Agreements completion. Invoices are subject to the requirements below.

4.1 Fiscal for Provisional Rate, or Fixed Price Contracts with Cost Reimbursement Elements (Rev. 7/1/17)

4.1.1 General Principles. Contractor shall, comply with generally accepted accounting principles and good business practices, including all applicable cost principles published by the Federal Office of Management and Budget (OMB), including 2 CFR 200 - UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS "The Uniform Guidance", which can be viewed at [https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl). Contractor shall comply with all federal, State and other funding source requirements. Contractor shall, at its own expense, furnish all cost items associated with this Agreement except as herein otherwise specified in the budget or elsewhere to be furnished by County. Contractor shall submit annually to the County a cost allocation plan in accordance with The Uniform Guidance.

If the pricing schedule and budget are segregated, the Pricing Schedule is in Exhibit C-1 and the budget for cost reimbursement elements is in Exhibit C-2. Invoices are subject to the requirements of Paragraph 4.2 below.

4.1.2 Agreement Budget for Cost Reimbursement Elements. In no event shall the Agreement budget total be increased or decreased prior to County approved Agreement amendment. Some budget line item adjustments require County review and approval. Adjustments requiring County review and approval are listed in Exhibit C-2 "Contractor's Budget."

4.1.3 Administrative Adjustment. The COR may make administrative Agreement adjustments to change or modify the budget as long as the total Agreement amount or Agreement term is not modified.

4.1.4 Agreement Amendment. An Agreement amendment signed by the Contracting Officer is required to modify the total Agreement amount or Agreement term.

4.1.5 Maximum Price. During the performance period of this Agreement, the maximum price for the same or similar items and/or services shall not exceed the lowest price at which Contractor then offers the items and/or services to its most favored customer.



**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

**4.2 Invoices and Payment**

4.2.1 Invoices. County agrees to pay Contractor in arrears only after receipt and approval of properly completed monthly invoices by the Contracting Officer's Representative ("COR") for the work performed in the prior month. Invoices shall be detailed and itemized referencing the Agreement number and a detailed listing of each pay point target, accomplishment, unit price and/or percentages, and showing the appropriate calculation for each, or cost of each line item in the budget, and a progress report documenting the status and accomplishments of Contractor during the billing period pursuant to Exhibit C, documenting the total invoiced amount by Contractor. Contractor's monthly invoices shall include a statement certifying whether it is in compliance with Paragraph 8.16 of this Agreement

4.2.2 Provisional Rates / Cost Reimbursement Elements. For provisional rates, or cost reimbursement elements, Contractor shall maintain records of its actual costs, as required herein, for those services paid under a provisional rate or as cost reimbursement. Contractor's last payment each fiscal year shall be withheld until after County and Contractor reconcile Contractor's actual costs with the amount paid from the provisional rates, if any. If County has paid Contractor more than their actual costs, Contractor shall refund County the excess amount paid in accordance with Paragraph 4.2.3. If Contractor's actual costs are more than the amount paid by County, County will pay Contractor the difference, up to, but not to exceed the annual contract amount identified in the Signature Page, in accordance with Paragraph 4.2.3 County's obligation to pay is also subject to the other requirements of this Agreement.

4.2.3 Payments. Payment for the services performed under this Agreement shall be in accordance with Exhibit C, unless other payment methodologies are negotiated and agreed to by both Contractor and County. Contractor shall maintain supporting documentation of expenses as specified in Articles 11 and 13 for provisional rates or cost reimbursement elements. Payments will be made in arrears after receipt of properly completed invoice approved by the COR. Payment shall be NET 30 days from receipt and approval of invoice unless otherwise stated.

For Provisional Rates, County will reimburse the good faith estimate of the actual allowable, allocable and reasonable costs incurred associated with the work performed during the month of service. Contractor shall maintain supporting documentation of expenses as specified in Articles 11 and 13.

4.2.3.1 This monthly invoice shall reflect a good faith estimate of the actual allowable, allocable and reasonable costs incurred associated with the work performed during the month of service. This good faith estimate shall be based on the budgeted net unit cost for each service category, hereafter known as provisional rates, multiplied by the units provided.

4.2.3.2 Reconciliation of Good Faith Estimates to Actual Allowable Expenses. Contractor shall submit a cost report to complete a reconciliation of the actual allowable, allocable and reasonable expenses incurred associated with the work performed under this agreement twice annually at a minimum; the COR may require them more frequently. Cost reports submitted by Contractor shall include the actual allowable cumulative year to date expenses by service category for the period. Upon receipt of each cost report, County will reconcile year to date payments with year to date actual allowable, allocable and reasonable expenses and adjust the next monthly invoice for under payments or overpayments in excess of \$100. Cost reports shall also include total amounts over paid by the County to Contractor or under paid by the County to the Contractor for each month of service. At the end of each fiscal year, Contractor shall complete an annual reconciliation of the actual allowable expenses incurred associated with the work performed under this agreement for that fiscal year. Overpayments and underpayments will be adjusted during the fiscal year and at the end of the fiscal year as instructed by the COR.

4.2.3.3 Final Fiscal Year End Settlements. Contractor shall submit the final cost report reflecting the actual costs for reimbursement for services performed during the County fiscal year by the final fiscal year settlement date, which will be established by each program. This settlement date shall be no more than 60 calendar days from the end of the County fiscal year. Upon receipt of the fiscal year end cost report, County will reconcile year to date payments with fiscal year end actual allowable, allocable and reasonable expenses. County will reimburse Contractor for underpayments and will recoup overpayments from Contractor. County may, in its sole discretion, choose to not process invoices for reimbursement for services performed during that fiscal year after this date. The County fiscal year shall be defined as July 1, through June 30, unless otherwise defined in this Agreement. ||

4.2.3.4 Final Agreement Settlement Date. Contractor shall submit the final invoice for reimbursement for services performed during the final fiscal year of the contract by the final contract settlement date, which shall be no more than 60 calendar days from the final date of the contract services. County may, in its sole discretion, choose to not process invoices for reimbursement for services performed during the final fiscal year of the contract after the final Agreement settlement date.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

4.2.4 Full Compensation. Pending any adjustments by the COR and except as otherwise provided for in the cost reports submitted by Contractor to County if Provisional Rates are utilized, each invoice approved and paid shall constitute full and complete compensation to Contractor for all work completed during the billing period pursuant to Exhibit A and Exhibit C. This Agreement constitutes the entire Agreement between Contractor and County. Contractor shall be entitled only to payment and, if Provisional Rates or Reimbursable elements are included in this Agreement, reimbursement for allowable, allocable and reasonable costs, associated with services pursuant to Exhibit A.

4.2.5 Prompt Payment for Vendors and Subcontractors

4.2.5.1 Prompt payment for vendors and subcontractors.

4.1.5.1.1. Unless otherwise set forth in this paragraph, Contractor shall promptly pay its vendors and subcontractor(s) for satisfactory performance under its subcontract(s) to this Agreement. Such prompt payment shall be no later than thirty (30) days after Contractor receives payment for such services from County and shall be paid out of such amounts as are paid to Contractor under this Agreement.

4.1.5.1.1. Contractor shall include a payment clause conforming to the standards set forth in Paragraph 4.1.5.1.1 of this Agreement in each of its subcontracts, and shall require each of its subcontractors to include such a clause in their subcontracts with each lower-tier subcontractor or supplier.

4.2.5.2 If Contractor, after submitting a claim for payment to County but before making a payment to a vendor or subcontractor for the goods or performance covered by the claim, discovers that all or a portion of the payment otherwise due such vendor or subcontractor is subject to withholding from the vendor or subcontractor in accordance with the vendor or subcontract agreement, then the Contractor shall:

4.1.5.1.1. Furnish to the vendor or subcontractor and the COR within three (3) business days of withholding funds from its vendor or subcontractor a notice stating the amount to be withheld, the specific causes for the withholding under the terms of the subcontract or vendor agreement; and the remedial actions to be taken by the vendor or subcontractor in order to receive payment of the amounts withheld.

4.1.5.1.1. Contractor shall reduce the subcontractor's progress payment by an amount not to exceed the amount specified in the notice of withholding furnished under paragraph 4.1.5.1.1 of this Agreement and Contractor may not claim from the County this amount until its subcontractor has cured the cause of Contractor withholding funds;

4.1.5.1.1. Upon the vendor's or subcontractor's cure of the cause of withholding funds, Contractor shall pay the vendor or subcontractor as soon as practicable, and in no circumstances later than ten (10) days after the Contractor claims and receives such funds from County.

4.2.5.3 Contractor shall not claim from County all of or that portion of a payment otherwise due to a vendor or subcontractor that Contractor is withholding from the vendor or subcontractor in accordance with the subcontract agreement where Contractor withholds the money before submitting a claim to County. Contractor shall provide its vendor or subcontractor and the COR with the notice set forth in Paragraph 4.2.5.2.1 of this Agreement and shall follow Paragraph 4.2.5.2.3 of this Agreement when vendor or subcontractor cures the cause of Contractor withholding its vendors or subcontractor's funds.

4.2.5.4 Overpayments. If Contractor becomes aware of a duplicate contract financing or invoice payment or that County has otherwise overpaid on a contract financing or invoice payment, Contractor shall immediately notify the COR and request instructions for disposition of the overpayment.

4.2.6 Availability of Funding. The County's obligation for payment of any Agreement beyond the current fiscal year is contingent upon the availability of funding from which payment can be made. No legal liability on the part of the County shall arise for payment beyond June 30 of the calendar year unless funds are designated by the County and are made available for such performance.

County shall, in its sole discretion, have the right to terminate or suspend this Agreement or reduce compensation and service levels proportionately upon thirty (30) days' written notice to Contractor in the event that Federal, State or County funding for this Agreement ceases or is reduced prior to the ordinary expiration of the term of this Agreement. In the event of reduction of funding for the Agreement, County and Contractor shall meet within ten (10) days of written notice to renegotiate this Agreement based upon the modified level of funding. In this case if no Agreement is reached between County and Contractor within 10 days of the first meeting, either party shall have the right to terminate this Agreement within ten (10) days written notice of termination.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

In the event of termination of this Agreement in accordance with the terms of this Section, Contractor shall be entitled to retain all sums paid as of the effective date of such termination, subject to any payment offset to which County may be entitled, for damages or otherwise, under the terms of this Agreement. In the event of termination of this Agreement pursuant to this Section, in no event shall Contractor be entitled to any loss of profits on the portion of this Agreement so terminated, or to other compensation, benefits, reimbursements or ancillary services other than as herein expressly provided.

- 4.2.7 Conditions Prerequisite To Payments. County may elect not to make a particular payment if any of the following exists:
- 4.2.7.1 Misrepresentation. Contractor, with or without knowledge, made any misrepresentation of substantial and material nature with respect to any information furnished to County.
  - 4.2.7.2 Unauthorized Actions by Contractor. Contractor took any action pertaining to this Agreement, which required County approval, without having first received said County approval.
  - 4.2.7.3 Default. Contractor was in default under any terms and conditions of this Agreement.
  - 4.2.7.4 Fees for Service. Contractor implemented a schedule of fees to be charged to clients or third party client representatives without prior County approval, unless authorized elsewhere in this Agreement.
- 4.2.8 Withholding Of Payment. County may withhold reimbursement until reports, data, audits, or other information required for Agreement administration or to meet County, State, Federal or other funding source reporting or auditing requirements are received and approved by COR or designee. County may also withhold payment if, in County's opinion, Contractor is in noncompliance with this Agreement.
- 4.2.9 Interpretation of Claim Provisions. As used in this Article 4, the term "claim" refers to a claim filed pursuant to San Diego County Code of Administrative Ordinances Article V-A, "Processing and Certification of Routine Claims." The term "claim" as used in this Article 4 does not refer to a claim filed pursuant to San Diego County Code of Administrative Ordinances, Article X, "Claims against the County."
- 4.2.10 Severability Limits. Severability pertains only to those Agreements that originate in one fiscal year and end in another fiscal year. This Agreement is severable for and limited to the amounts in the attached budget. In no event shall Contractor exceed the Severability Limits.
- 4.2.11 Disallowance. In the event Contractor receives payment from County for a service, reimbursement for which is later disallowed by County or the State, the Federal government, or any other funding source, Contractor shall promptly refund the disallowed amount to County on request, or County may offset the amount disallowed from any payment due to or to become due to Contractor under this Agreement or any other Agreement. Similarly, a disallowance under a prior Agreement may be offset against this Agreement.
- 4.2.12 Partial Payment. If Contractor fails to perform specified services, provide specified products or perform services or provide products timely and in accordance with specified requirements, Contractor shall be paid only the reasonable cost for the services performed or products provided for the payment period as determined by the COR.
- 4.2.13 Project Generated Revenue. Project Generated Revenue realized by Contractor in excess of the Agreement budget shall be utilized in support of the Project.
- 4.2.13.1 Project Generated Revenue and Expenditures shall be reported at the end of the Agreement period.
  - 4.2.13.2 With COR approval, Contractor may expend a remaining balance of project generated revenue in the term of a subsequent County Agreement in support of this Project.
- 4.2.14 Rate of Expense. Contractor shall control its rate of expense in relation to units of service and anticipated revenues.
- 4.2.15 Contractor shall inform the COR when it is anticipated that the need for services will exceed the approved service units and budget; however, Contractor's claim/invoice shall not exceed the approved budget.
- 4.2.16 Any records of revenues, expenditures and/or clinical records under this Agreement shall be subject to compliance with Federal, State or local laws or regulations and may be audited and/or reviewed by the County and/or the appropriate Federal, State or County agency. In the event of an audit disallowance of any claimed cost which is subject to compliance with Federal, State or local law or regulations, Contractor shall be liable for any costs or lost revenue resulting therefrom.

COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM

**ARTICLE 5**  
**AGREEMENT ADMINISTRATION**

- 5.1 County's Agreement Administrator. The Director of Purchasing and Contracting is designated as the Contracting officer ("Contracting Officer") and is the only County official authorized to make any Changes to this Agreement. The County has designated the individual identified on the signature page as the Contracting Officer's Representative ("COR")
- 5.1.1 County's COR will chair Contractor progress meetings and will coordinate County's Agreement administrative functions. The COR is designated to receive and approve Contractor invoices for payment, audit and inspect records, inspect Contractor services, and provide other technical guidance as required. The COR is not authorized to change any terms and conditions of this Agreement. Only the Contracting Officer, by issuing a properly executed amendment to this Agreement, may make changes to the scope of work or total price.
- 5.1.2 Notwithstanding any provision of this Agreement to the contrary, County's COR may make Administrative Adjustments ("AA") to the Agreement, such as line item budget changes or adjustments to the service requirements that do not change the purpose or intent of the Statement of Work, the Terms and Conditions, the Agreement Term or the total Agreement price. Each AA shall be in writing and signed by COR and Contractor. All inquiries about such AA will be referred directly to the COR.
- 5.2 Agreement Progress Meeting. The COR and other County personnel, as appropriate, will meet periodically with the Contractor to review the Agreement performance. At these meetings the COR will apprise the Contractor of how the County views the Contractor's performance and the Contractor will apprise the County of problems, if any, being experienced. The Contractor shall also notify the Contracting Officer (in writing) of any work being performed, if any, that the Contractor considers being over and above the requirements of the Agreement. Appropriate action shall be taken to resolve outstanding issues. The minutes of these meetings will be reduced to writing and signed by the COR and the Contractor. Should the Contractor not concur with the minutes, the Contractor shall set out in writing any area of disagreement. Appropriate action will be taken to resolve any areas of disagreement.

**ARTICLE 6**  
**CHANGES**

- 6.1 Contracting Officer. The Contracting Officer may at any time, by a written order, make changes ("Changes"), within the general scope of this Agreement, in the definition of services to be performed, and the time (i.e.) hours of the day, days of the week, etc. and place of performance thereof. If any such Change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Agreement, whether changed or not changed by such an order, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified in writing accordingly. Such changes may require Board of Supervisors approval.
- 6.2 Claims. Contractor must assert any claim for adjustment under this clause within thirty (30) days from the date of receipt by the Contractor of the notification of Change; provided, however, that the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Agreement. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Agreement entitled "Disputes" (Article 15). However, nothing in this clause shall excuse the Contractor from proceeding with this Agreement as changed.

**ARTICLE 7**  
**SUSPENSION, DELAY AND TERMINATION**

- 7.1 Termination for Default. Upon Contractor's breach of this Agreement, County shall have the right to terminate this Agreement, in whole or part. Prior to termination for default, County will send Contractor written notice specifying the cause. The notice will give Contractor ten (10) days from the date the notice is issued to cure the default or make progress satisfactory to County in curing the default, unless a different time is given in the notice. If County determines that the default contributes to the curtailment of an essential service or poses an immediate threat to life, health or property, County may terminate this Agreement immediately upon issuing oral or written notice to the Contractor without any prior notice or opportunity to cure. In the event of termination under this Article, all finished or unfinished documents, and other materials, prepared by Contractor under this Agreement shall become the sole and exclusive property of County.

In the event of such termination, the County may purchase or obtain the supplies or services elsewhere, and Contractor shall be liable for the difference between the prices set forth in the terminated order and the actual cost thereof to the County. The prevailing market price shall be considered the fair repurchase price. Notwithstanding the above, Contractor shall not be relieved of liability to County for damages sustained by County by virtue of any breach of this Agreement by Contractor, and

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

County may withhold any reimbursement to Contractor for the purpose of off-setting until such time as the exact amount of damages due County from Contractor is determined.

If, after notice of termination of this Agreement under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, the rights and obligations of the parties shall, if this Agreement contains a clause providing for termination for convenience of the County, be the same as if the notice of termination had been issued pursuant to such clause.

- 7.2 Damages for Delay. If Contractor refuses or fails to prosecute the work, or any separable part thereof, with such diligence as shall ensure its completion within the time specified in this Agreement, or any extension thereof, or fails to complete said work within such time, County will be entitled to the resulting damages caused by the delay. Damages will be the cost to County incurred as a result of continuing the current level and type of service over that cost that would be incurred had the Agreement segments been completed by the time frame stipulated and any other damages suffered by County.
- 7.3 County Exemption from Liability. In the event there is a reduction of funds made available by County to Contractor under this or subsequent agreements, the County of San Diego and its Departments, officers and employees shall incur no liability to Contractor and shall be held harmless from any and all claims, demands, losses, damages, injuries, or liabilities arising directly or from such action.
- 7.4 Full Cost Recovery Of Investigation And Audit Costs. Contractor shall reimburse County of San Diego for all direct and indirect expenditures incurred in conducting an audit/investigation when Contractor is found in violation (material breach) of the terms of the Agreement.

At the sole discretion of the County, and subject to funding source restrictions and federal and State law, County may (1) withhold reimbursement for such costs from any amounts due to Contractor pursuant to the payment terms of the Agreement, (2) withhold reimbursement for such costs from any other amounts due to Contractor from County, and/or (3) require Contractor to remit a check for the total amount due (or a lesser amount specified by the County) to County within thirty (30) days of request by County. Alternatively, at the County's sole discretion, County and Contractor may enter into a written repayment plan for the reimbursement of the audit/investigation costs.

- 7.5 Termination for Convenience. The County may, by written notice stating the extent and effective date terminate this Agreement for convenience in whole or in part, at any time. The County shall pay the Contractor as full compensation for work performed in accordance with the terms of this Agreement until such termination:
- 7.5.1 The unit or pro rata price for any delivered and accepted portion of the work.
- 7.5.2 A reasonable amount, as costs of termination, not otherwise recoverable from other sources by the Contractor as approved by the County, with respect to the undelivered or unaccepted portion of the order, provided compensation hereunder shall in no event exceed the total price.
- 7.5.3 In no event shall the County be liable for any loss of profits on the resulting order or portion thereof so terminated.
- 7.5.4 County's termination of this Agreement for convenience shall not preclude County from taking any action in law or equity against Contractor for:
- 7.5.4.1 Fraud, waste or abuse of Agreement funds, or
- 7.5.4.2 Improperly submitted claims, or
- 7.5.4.3 Any failure to perform the work in accordance with the Statement of Work, or
- 7.5.4.4 Any breach of any term or condition of the Agreement, or
- 7.5.4.5 Any actions under any warranty, express or implied, or
- 7.5.4.6 Any claim of professional negligence, or
- 7.5.4.7 Any other matter arising from or related to this Agreement, whether known, knowable or unknown before, during or after the date of termination.
- 7.6 Suspension of Work. The Contracting Officer may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this Agreement for the period of time that the Contracting Officer determines appropriate for the convenience of the Government. County reserves the right to prohibit, without prior notice, contractor or contractor's employees, directors, officers, agents, subcontractors, vendors, consultants or volunteers from 1) accessing County data systems and County owned software applications, including websites, domain names, platforms, physical files, 2) treating County's patients, clients, or facility residents, or 3) providing any other services under this Agreement.

COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM

- 7.7 Remedies Not Exclusive. The rights and remedies of County provided in this article shall not be exclusive and are in addition to any other rights and remedies provided by law, equity, or under resulting order.

**ARTICLE 8**  
**COMPLIANCE WITH LAWS AND REGULATIONS**

- 8.1 Compliance with Laws and Regulations. Contractor shall at all times perform its obligations hereunder in compliance with all applicable federal, State, County, and local laws, rules, and regulations, current and hereinafter enacted, including facility and professional licensing and/or certification laws and keep in effect any and all licenses, permits, notices and certificates as are required. Contractor shall further comply with all laws applicable to wages and hours of employment, occupational safety, and to fire safety, health and sanitation.
- 8.2 Contractor Permits and License. Contractor certifies that it possesses and shall continue to maintain or shall cause to be obtained and maintained, at no cost to the County, all approvals, permissions, permits, licenses, and other forms of documentation required for it and its employees to comply with all existing foreign or domestic statutes, ordinances, and regulations, or other laws, that may be applicable to performance of services hereunder. The County reserves the right to reasonably request and review all such applications, permits, and licenses prior to the commencement of any services hereunder.
- 8.3 Equal Opportunity. Contractor shall comply with the provisions of Title VII of the Civil Rights Act of 1964 in that it will not discriminate against any individual with respect to his or her compensation, terms, conditions, or privileges of employment nor shall Contractor discriminate in any way that would deprive or intend to deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee because of such individual's race, color, religion, sex, national origin, age, handicap, medical condition, sexual orientation or marital status.
- 8.4 Affirmative Action. Each Contractor of services and supplies employing fifteen (15) or more full-time permanent employees, shall comply with the Affirmative Action Program for Vendors as set forth in Article IIIk (commencing at Section 84) of the San Diego County Administrative Code, which program is incorporated herein by reference. A copy of this Affirmative Action Program will be furnished upon request by COR or from the County of San Diego Internet web-site ([www.co.san-diego.ca.us](http://www.co.san-diego.ca.us)).
- 8.5 Non Discrimination. Contractor shall ensure that services and facilities are provided without regard to ethnic group identification, race, color, nation origin, creed, religion, age, sex, physical or mental disability, political affiliation or marital status in accordance with applicable laws, including, but not limited to, Title VI of the Civil Rights Act of 1964 (42 U.S.C 200-d), Section 162 (a) of the Federal-Aid Highway Act of 1973 (23 U.S.C 324), Section 504 of the Rehabilitation Act of 1973, The Civil Rights Restoration Act of 1987 (P.L. 100-209), Executive Order 12898 (February 11, 1994), Executive Order 13166 (August 16, 2000), Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000-d), the Age Discrimination of 1975 (42 U.S.C. 6101), Article 9.5, Chapter 1, Part 1, Division 2, Title 2 (Section 11135, et seq) of the California Government Code, Title 9, Chapter 4, Subchapter 6 (Section 10800, et seq) of the CCR and California Dept of Social Services Manual of Policies and Procedures (CDSS MPP) Division 21.
- 8.6 AIDS Discrimination. Contractor shall not deny any person the full and equal enjoyment of, or impose less advantageous terms, or restrict the availability of, the use of any County facility or participation in any County funded or supported service or program on the grounds that such person has Human Immunodeficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS) as those terms are defined in Title 3, Division 2, Chapter 8, Section 32.803, of the San Diego County Code of Regulatory Ordinances.
- 8.7 American with Disabilities Act (ADA) 1990. Contractor shall not discriminate against qualified people with disabilities in employment, public services, transportation, public accommodations and telecommunications services in compliance with the Americans with Disabilities Act (ADA) and California Administrative Code Title 24.
- 8.8 Political Activities Prohibited. None of the funds, provided directly or indirectly, under this Agreement shall be used for any political activities or to further the election or defeat of any candidate for public office. Contractor shall not utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither this Agreement nor any funds provided hereunder shall be utilized in support of any partisan political activities, or activities for or against the election of a candidate for an elected office.
- 8.9 Lobbying. Contractor agrees to comply with the lobbying ordinances of the County and to assure that its officers and employees comply before any appearance before the County Board of Supervisors. Except as required by this Agreement, none of the funds provided under this Agreement shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State and federal Legislatures, the Board of Supervisors of the County, or before any other local governmental entity. This provision shall not preclude Contractor from seeking necessary permits, licenses and the like necessary for it to comply with the terms of this Agreement.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

- 8.9.1 Byrd Anti-Lobbying Amendment. Contractor shall file Standard Form-LLL, "Disclosure Form to Report Lobbying," to certify that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Contractor shall disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award by Contractor or Contractor's Subcontractors. In accordance with 31 U.S.C. 1352, Contractor shall also file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed. Contractor shall include this provision in all subcontracts and require each of its subcontractors to comply with the certification and disclosure requirements of this provision.
- 8.10 Religious Activity Prohibited. There shall be no religious worship, instructions or proselytization as part of or in connection with the performance of this Agreement.
- 8.11 Drug and Alcohol-Free Workplace. The County of San Diego, in recognition of individual rights to work in a safe, healthful and productive work place, has adopted a requirement for a drug and alcohol free work place, County of San Diego Drug and Alcohol Use Policy C-25, available on the County of San Diego website. This policy provides that all County-employed Contractors and Contractor employees shall assist in meeting this requirement.
- 8.11.1 As a material condition of this Agreement, the Contractor agrees that the Contractor and the Contractor employees, while performing service for the County, on County property, or while using County equipment:
- 8.11.1.1 Shall not be in any way impaired because of being under the influence of alcohol or a drug.
- 8.11.1.2 Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal drug.
- 8.11.1.3 Shall not sell, offer, or provide alcohol or an illegal drug to another person; provided, however, that the foregoing restriction shall not be applicable to a Contractor or Contractor employee who as part of the performance of normal job duties and responsibilities prescribes or administers medically prescribed drugs.
- 8.11.2 Contractor shall inform all employees who are performing service for the County on County property or using County equipment of the County objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.
- 8.11.3 The County may terminate for default or breach this Agreement, and any other agreement the Contractor has with the County, if the Contractor, or Contractor employees are determined by the Contracting Officer not to be in compliance with the conditions listed herein.
- 8.12 Board of Supervisors' Policies. Contractor represents that it is familiar, and shall use its best efforts to comply, with the following policies of the Board of Supervisors, available on the County of San Diego website:
- 8.12.1 Board Policy B-67, which encourages the County's Contractors to offer products made with recycled materials, reusable products, and products designed to be recycled to the County in response to the County's requirements; and
- 8.12.2 Board Policies B-53 and B-39a, which encourage the participation of small and disabled veterans' business enterprises in County procurements; and
- 8.12.3 Zero Tolerance for Fraudulent Conduct in County Services. Contractor shall comply with County of San Diego Board of Supervisors Policy A-120 "Zero Tolerance for Fraudulent Conduct in County Services." There shall be "Zero Tolerance" for fraud committed by contractors in the administration of County programs and the provision of County services. Upon proven instances of fraud committed by independent contractors in connection with their performance under the Agreement, said contractor shall be subject to corrective action up to and including termination of the Agreement; and
- 8.12.4 Interlocking Directorate. In recognition of Board Policy A-79, available on the County of San Diego Website, not-for-profit Contractors shall not subcontract with related for-profit subcontractors for which an interlocking relationship exist unless specifically authorized in writing by the Board of Supervisors; and
- 8.12.5 Zero Tolerance in Coaching Medi-Cal or Welfare Clients (Including Undocumented Immigrants). The County of San Diego in recognition of its unique geographical location and the utilization of the Welfare and Medi-Cal systems by foreign nationals who are not legal residents of this county or country, has adopted a Zero Tolerance policy and shall aggressively prosecute employees and Contractors who coach Medi-Cal or Welfare clients (including undocumented immigrants), to obtain services for which they are not otherwise entitled.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

As a material condition of this Agreement, Contractor agrees that the Contractor and Contractor's employees, while performing service for the County, on County property or while using County equipment shall not:

- (a) in any way coach, instruct, advise, or guide any Medi-Cal or Welfare clients or prospective clients who are undocumented immigrants on ways to obtain or qualify for Medi-Cal assistance, for which they are not otherwise entitled.
- (b) support or provide funds to any organization engaged directly or indirectly in advising undocumented immigrants on ways to obtain or qualify for Medi-Cal assistance, for which they are not otherwise entitled.

Contractor shall inform all employees that are performing service for the County on County property or using County equipment of County's Zero Tolerance Policy as referenced herein.

County may terminate for default or breach this Agreement and any other agreement Contractor has with County, if Contractor or Contractor employees are determined not to be in compliance with the conditions stated herein.

- 8.13 Cartwright Act. Following receipt of final payment under the Agreement, Contractor assigns to the County all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright act (Chapter 2) (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the Contractor for sale to the County under this Agreement.
- 8.14 Hazardous Materials. Contractor shall comply with all Environmental Laws and all other laws, rules, regulations, and requirements regarding Hazardous Materials, health and safety, notices, and training. Contractor agrees that it will not store any Hazardous Materials at any County facility for periods in excess of ninety (90) days or in violation of the applicable site storage limitations imposed by Environmental Law. Contractor agrees to take, at its expense, all actions necessary to protect third parties, including, without limitation, employees and agents of the County, from any exposure to Hazardous Materials generated or utilized in its performance under this Agreement. Contractor agrees to report to the appropriate governmental agencies all discharges, releases, and spills of Hazardous Materials that are required to be reported by any Environmental Law and to immediately notify the County of it. Contractor shall not be liable to the County for the County's failure to comply with, or violation of, any Environmental Law. As used in this section, the term "Environmental Laws" means any and all federal, state or local laws or ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common law"), including, but not limited to, the Resource Conservation and Recovery Act, relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions or other similar substances or conditions. As used in this section the term "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (a) is a flammable, explosive, asbestos, radioactive nuclear medicine, vaccine, bacteria, virus, hazardous waste, toxic, overtly injurious or potentially injurious material, whether injurious or potentially injurious by itself or in combination with other materials; (b) is controlled, referred to, designated in or governed by any Environmental Laws; (c) gives rise to any reporting, notice or publication requirements under any Environmental Laws, or (d) is any other material or substance giving rise to any liability, responsibility or duty upon the County or Lessee with respect to any third person under any Environmental Laws.
- 8.15 Clean Air Act and Federal Water Pollution Control Act.
  - 8.15.1 Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. Contractor agrees to report each violation to the USDA and the appropriate EPA Regional Office.
  - 8.15.2 Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251 et seq.). Contractor agrees to report each violation to the USDA and the appropriate EPA Regional Office.
- 8.16 Debarment, Exclusion, Suspension, and Ineligibility.
  - 8.16.1 Contractor certifies that, except as disclosed to County and acknowledged in writing by County prior to the execution of this Agreement, Contractor, its employees, directors, officers, agents, subcontractors, vendors, consultants, and volunteers:
    - 8.16.1.1 Are not presently debarred, excluded, suspended, declared ineligible, voluntarily excluded, or proposed for debarment, exclusion, suspension or ineligibility by any federal, state, or local department or agency; and
    - 8.16.1.2 Have not within a 3-year period preceding this Agreement been convicted of, or had a civil or administrative judgment rendered against them for, the commission of fraud or a criminal offense or civil action in connection with obtaining, attempting to obtain, or performing a public (federal, State, or local) transaction; violation of federal or State anti-trust statutes or commission of embezzlement, theft, forgery,



COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM

bribery, falsification or destruction of records, making false statements, receiving stolen property; physical, financial or sexual abuse or misconduct with a patient or client, or medical negligence or malpractice;

8.16.1.3 Are not presently indicted or otherwise criminally, civilly or administratively charged by a government entity (federal, State, or local) with commission of any of the offenses enumerated in the paragraph above; and

8.16.1.4 Have not within a 3-year period preceding this Agreement had one or more public transaction (federal, State, or local) terminated for cause or default.

8.16.2 Contractor shall have an ongoing duty during the term of this Agreement to disclose to the County any occurrence that would prevent Contractor from making the certifications contained in this Section 8.16 on an ongoing basis. Such disclosure shall be made in writing to the COR and the County Office of Ethics and Compliance within five (5) business days of when Contractor discovers or reasonably believes there is a likelihood of such occurrence.

8.16.3 Contractor invoices shall include the following language:

I certify that the above deliverables and/or services were delivered and/or performed specifically for this Agreement in accordance with the terms and conditions set forth herein.

I further certify, under penalty of perjury under the laws of the State of California, that no employee or entity providing services under the terms and conditions of this Agreement is currently listed as debarred, excluded, suspended, or ineligible on the Federal System for Award Management (SAM: <http://SAM.gov>), the Federal Health and Human Services Office of Inspector General List of Excluded Individuals/Entities (LEIE: <http://exclusions.oig.hhs.gov>), or the State of California Medi-Cal Suspended and Ineligible list ([www.medical.ca.gov](http://www.medical.ca.gov)).

8.17 Display of Fraud Hotline Poster(s). As a material term and condition of this Agreement, Contractor shall:

8.17.1 Prominently display in common work areas within all business segments performing work under this Agreement County of San Diego Office of Ethics and Compliance Ethics Hotline posters;

8.17.2 Posters may be downloaded from the County Office of Ethics and Compliance website at: <http://www.sandiegocounty.gov/content/sdc/cao/oec.html>. Additionally, if Contractor maintains a company website as a method of providing information to employees, the Contractor shall display an electronic version of the poster(s) at the website;

8.17.3 If Contractor has implemented a business ethics and conduct awareness program, including a reporting mechanism, the Contractor need not display the County poster;

8.17.4 In the event Contractor subcontracts any of the work performed under this Agreement, Contractor include this clause in the subcontract(s) and shall take appropriate steps to ensure compliance by the subcontractor(s).

8.18 False Claims Act Training. Contractor shall, not less than annually, provide training on the Federal False Claims Act (31 USC 3729-3730) and State False Claims Act (California Government Code 12650-12653) to all employees, directors, officers, agents, subcontractors, consultants or volunteers providing services under this Agreement. Contractor shall maintain verification of this training. Contractor shall retain these forms, or an electronic version, in accordance with the Agreement requirement for retention of records. For the purposes of this section, "Subcontractor" shall include any entity, other than County, that furnishes to Contractor services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.

8.19 Code of Ethics. As a material term and condition of this Agreement, Contractor shall develop and implement a Code of Ethics or similar document and maintain it during the term of this Agreement. Additionally, Contractor shall train all employees and volunteers on the Code of Ethics, and all employees, volunteers, directors, officers, and agents shall certify that they have received training and have been provided an opportunity to ask questions of their employer regarding the Code of Ethics. Contractor shall retain these certifications in accordance with the Agreement's provision regarding retention of records. Contractor shall pass this requirement down to its subcontractors in its entirety. For purposes of this section, "Subcontractor" shall mean any entity, other than County, that furnishes to Contractor services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.

8.20 Compliance Program. Contractors with an agreement that exceeds more than \$250,000 in value annually shall establish, and maintain for the duration of this Agreement, a compliance program that meets the standards of Federal Sentencing Guidelines section 8B2.1 and 42 CFR 438.608 (b)(1) – (b) (7) regardless of funding source or services.

COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM

- 8.21 Investigations. Unless prohibited by an investigating government authority, Contractor shall cooperate and participate fully in any investigation initiated by County relative to this Agreement. Upon County's request, Contractor shall promptly provide to County any and all documents, including any and all communications or information stored digitally, and make available for interviews any employee(s) of Contractor identified by County. Contractor further agrees to immediately notify County if any employee, director, officer, agent, subcontractor, vendor, consultant or volunteer of Contractor comes under investigation by any federal, State or local government entity with law enforcement or oversight authority over the Agreement or its funding for conduct arising out of, or related to, performance under this Agreement.
- Contractor shall promptly make available to County all internal investigative results, findings, conclusions, recommendations and corrective action plans pertaining to the investigation in its possession as requested by the County, unless otherwise protected by applicable law or privilege.
- 8.22 Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms. Contractor shall, in accordance with 2 CFR 200.321 - Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms, take affirmative steps to include minority business, women's business enterprises, and labor surplus area firm by:
- 8.22.1 Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
  - 8.22.2 Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
  - 8.22.3 Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
  - 8.22.4 Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
  - 8.22.5 Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- 8.23 Procurement of Recovered Materials. Contractor shall comply with 2 CFR part 200.322. Contractor shall procure only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000. Contractor certifies that the percentage of recovered materials to be used in the performance of this Agreement will be at least the amount required by applicable specifications or other contractual requirements. For contracts over \$100,000 in total value, Contractor shall estimate the percentage of total material utilized for the performance of the Agreement that is recovered materials and shall provide such estimate to County upon request.
- 8.24 Contract Work Hours and Safety Standards. If mechanics or laborers are to be employed under this Agreement, Contractor shall comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Contractor shall compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Contractor shall not require any laborer or mechanic to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous.

ARTICLE 9  
CONFLICTS OF INTEREST; CONTRACTOR'S CONDUCT

- 9.1 Conflicts of Interest. Contractor presently has no interest, including but not limited to other projects or independent agreements, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. The Contractor shall not employ any person having any such interest in the performance of this Agreement. Contractor shall not hire County's employees to perform any portion of the work or services provided for herein including secretarial, clerical and similar incidental services except upon the written approval of County. Without such written approval, performance of services under this Agreement by associates or employees of County shall not relieve Contractor from any responsibility under this Agreement.
- 9.1.1 California Political Reform Act and Government Code Section 1090 Et Seq. Contractor acknowledges that the California Political Reform Act ("Act"), Government Code section 81000 et seq., provides that Contractors hired by a public agency, such as County, may be deemed to be a "public official" subject to the Act if the Contractor advises the agency on decisions or actions to be taken by the agency. The Act requires such public officials to disqualify themselves from participating in any way in such decisions if they have any one of several specified "conflicts of interest" relating to the decision. To the extent the Act applies to Contractor, Contractor shall abide by the Act. In

COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM

addition, Contractor acknowledges and shall abide by the conflict of interest restrictions imposed on public officials by Government Code section 1090 et seq.

9.2 Conduct of Contractor.

- 9.2.1 Contractor shall inform the County of all Contractor's interests, if any, that are, or that Contractor believes to be, incompatible with any interests of the County.
- 9.2.2 Contractor shall not, under circumstances that might reasonably be interpreted as an attempt to influence the recipient in the conduct of his duties, accept any gratuity or special favor from individuals or organizations with whom the Contractor is doing business or proposing to do business, in accomplishing the work under this Agreement.
- 9.2.3 Contractor shall not use for personal gain or make other improper use of confidential information, which is acquired in connection with his employment. In this connection, the term "confidential information" includes, but is not limited to, unpublished information relating to technological and scientific development; medical, personnel, or security records of the individuals; anticipated materials requirements or pricing actions; and knowledge of selections of Contractors or subcontractors in advance of official announcement.
- 9.2.4 Contractor, its employees, directors, officers, agents, subcontractors, vendors, consultants, and volunteers shall not offer, directly or indirectly, any unlawful gift, gratuity, favor, entertainment, or other item(s) of monetary value to an employee or official of the County.
- 9.2.5 Referrals. Contractor further covenants that no referrals of clients through Contractor's intake or referral process shall be made to the private practice of any person(s) employed by the Contractor.

9.3 Prohibited Agreements. As required by Section 67 of the San Diego County Administrative Code, Contractor certifies that it is not in violation of the provisions of Section 67, and that Contractor is not, and will not subcontract with, any of the following:

- 9.3.1. Persons employed by County or of public agencies for which the Board of Supervisors is the governing body;
- 9.3.2. Profit-making firms or businesses in which employees described in sub-section 9.3.1, above, serve as officers, principals, partners, or major shareholders;
- 9.3.3. Persons who, within the immediately preceding twelve (12) months came within the provisions of the above sub-sections and who (1) were employed in positions of substantial responsibility in the area of service to be performed by the Agreement, or (2) participated in any way in developing the Agreement or its service specifications; and
- 9.3.4. Profit-making firms or businesses, in which the former employees described in sub-section 9.3.3 above, serve as officers, principals, partners, or major shareholders.

9.4 Limitation of Future Agreements or Grants. It is agreed by the parties to the Agreement that Contractor shall be restricted in its future contracting with the County to the manner described below. Except as specifically provided in this clause, Contractor shall be free to compete for business on an equal basis with other companies.

- 9.4.1 If Contractor, under the terms of the Agreement, or through the performance of tasks pursuant to this Agreement, is required to develop specifications or statements of work and such specifications or statements of work are to be incorporated into a solicitation, Contractor shall be ineligible to perform the work described within that solicitation as a prime or subcontractor under an ensuing County agreement. It is further agreed, however, that County will not, as additional work, unilaterally require Contractor to prepare such specifications or statements of work under this Agreement.
- 9.4.2 Contractor may not apply for nor accept additional payments for the same services contained in the Statement of Work.

**ARTICLE 10**  
**INDEMNITY AND INSURANCE**

- 10.1 Indemnity. County shall not be liable for, and Contractor shall defend and indemnify County and the employees and agents of County (collectively "County Parties"), against any and all claims, demands, liability, judgments, awards, fines, mechanics' liens or other liens, labor disputes, losses, damages, expenses, charges or costs of any kind or character, including attorneys' fees and court costs (hereinafter collectively referred to as "Claims"), related to this Agreement or the work covered by this Agreement and arising either directly or indirectly from any act, error, omission or negligence of Contractor or its Contractors, licensees, agents, servants or employees, including, without limitation, Claims caused by the sole passive negligent act or the concurrent negligent act, error or omission, whether active or passive, of County Parties. Contractor shall have no obligation,

COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM

however, to defend or indemnify County Parties from a Claim if it is determined by a court of competent jurisdiction that such Claim was caused by the sole negligence or willful misconduct of County Parties.

- 10.2 Insurance. Prior to execution of this Agreement, Contractor must obtain at its own cost and expense, and keep in force and effect during the term of this Agreement, including all extensions, the insurance specified in Exhibit "B," "Insurance Requirements," attached hereto.

ARTICLE 11  
AUDIT AND INSPECTION OF RECORDS

The County shall have the audit and inspection rights described in this section.

- 11.1 Audit and Inspection. Contractor agrees to maintain and/or make available within San Diego County accurate books and accounting records relative to all its activities under this Agreement. Authorized federal, State or County representatives shall have the right to monitor, assess, or evaluate Contractor's performance pursuant to this Agreement, said monitoring, assessments, or evaluations to include but not limited to audits, inspection of premises, reports, and interviews of project staff and participants. Contractor assertions of confidentiality shall not be a bar to full access to the records.

At any time during normal business hours and as often as County may deem necessary, Contractor shall make available to County, State or federal officials for examination all of its records with respect to all matters covered by this Agreement and will permit County, State or federal officials to audit, examine and make excerpts or transcripts from such records, and to make audits of all invoices, materials, payrolls, records of personnel, information regarding clients receiving services, and other data relating to all matters covered by this Agreement. If an audit is conducted, it will be done in accordance with generally accepted government auditing standards as described in "Government Auditing Standards," published for the United States General Accountability Office or the institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

If any services performed hereunder are not in conformity with the specifications and requirements of this Agreement, County shall have the right to require the Contractor to perform the services in conformity with said specifications and requirements at no additional increase in total Agreement amount. When the services to be performed are of such nature that the difference cannot be corrected, County shall have the right to (1) require Contractor immediately to take all necessary steps to ensure future performance of the services in conformity with requirements of the Agreement, and (2) reduce the Agreement price to reflect the reduced value of the services performed. In the event Contractor fails to perform the services promptly or to take necessary steps to ensure future performance of the service in conformity with the specifications and requirements of the Agreement, County shall have the right to either (1) by agreement or to otherwise have the services performed in conformity with the Agreement specifications and charge to Contractor any cost occasioned to County that is directly related to the performance of such services, or (2) terminate this Agreement for default as provided in the Termination clause.

- 11.2 External Audits. Contractors will provide the following to the COR:
- 11.2.1 Contractor shall provide COR a copy of all notifications of audits or pending audits by federal or State representatives regarding contracted services identified in this Agreement no later than three (3) business days of Contractor receiving notice of the audit.
  - 11.2.2 Contractor shall provide COR with a copy of the draft and final State or federal audit reports within twenty four (24) hours of receiving them (Health and Human Services Agency (HHS) Contractors shall also provide electronic copies to Agency Contract Support (ACS) at ACS.HHSA@sdcounty.ca.gov).
  - 11.2.3 Contractor shall provide COR a copy of the contractor's response to the draft and final State or federal audit reports at the same time as response provided to the State or federal representatives.
  - 11.2.4 Unless prohibited by the government agency conducting the audit, Contractor shall provide COR a copy of all responses made by the federal or State audit representative to the contractors' audit response no later than three (3) business days of receiving it. This will continue until the federal or State auditors have accepted and closed the audit.
- 11.3 Cost or Pricing Data. If the Contractor submitted cost or pricing data in connection with the pricing of this Agreement or any change or modification thereto, unless such pricing was based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities of the general public, or prices set by law or regulation, the Contracting Officer or his representatives who are employees of the County or its agent shall have the right to examine all books, records, documents and other data of the Contractor related to the negotiation pricing or performance of such Agreement, change or modification, for the purpose of evaluating the accuracy, completeness and currency of the cost or pricing data submitted.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

- 11.4 Availability. The materials described above shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit or reproduction, until the expiration of three (3) years from the date of final payment under this Agreement, or by section 11.4.1 and 11.4.2, below:
- 11.4.1 If this Agreement is completely or partially terminated, the records relating to the work terminated shall be made available for a period of three (3) years from the date of any resulting final settlement.
- 11.4.2 Record that relate to appeals under the "Disputes" clause of this Agreement, or litigation or the settlement of claims arising out of the performance of this Agreement, shall be made available until such appeals, litigation, or claims have been disposed of, or three years after Agreement completion, whichever is longer. County shall keep the materials described above confidential unless otherwise required by law.
- 11.5 Subcontract. The Contractor shall insert a clause containing all the provisions of this Article 11 in all subcontracts hereunder except altered as necessary for proper identification of the contracting parties and the contracting officer.

**ARTICLE 12**  
**INSPECTION OF SERVICE**

- 12.1 Subject to Inspection. All performance (including services, materials, supplies and equipment furnished or utilized in the performance of this Agreement, and workmanship in the performance of services) shall be subject to inspection and test by the County at all times during the term of this Agreement. Contractor shall cooperate with any inspector assigned by the County to permit the inspector to determine whether Contractor's performance conforms to the requirements of this Agreement. County shall perform such inspection in a manner as not to unduly interfere with Contractor's performance.
- 12.2 Specification and Requirements. If any services performed by Contractor do not conform to the specifications and requirements of this Agreement, County may require Contractor to re-perform the services until they conform to said specifications and requirements, at no additional cost, and County may withhold payment for such services until Contractor correctly performs them. When the services to be performed are of such a nature that Contractor's cannot correct its performance, the County shall have the right to (1) require the Contractor to immediately take all necessary steps to ensure future performance of services conforms to the requirements of this Agreement, and (2) reduce the Agreement price to reflect the reduced value of the services received by County. In the event Contractor fails to promptly re-perform the services or to take necessary steps to ensure that future performance of the service conforms to the specifications and requirements of this Agreement, the County shall have the right to either (1) without terminating this Agreement, have the services performed, by agreement or otherwise, in conformance with the specifications of this Agreement, and charge Contractor, and/or withhold from payments due to Contractor, any costs incurred by County that are directly related to the performance of such services, or (2) terminate this Agreement for default.

**ARTICLE 13**  
**USE OF DOCUMENTS AND REPORTS**

- 13.1 Findings Confidential. Any reports, information, data, etc., given to or prepared or assembled by Contractor under this Agreement that the County requests to be kept as confidential shall not be made available to any individual or organization by the Contractor without the prior written approval of the County.
- 13.2 Ownership, Publication, Reproduction and Use of Material. All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the sole and exclusive property of County. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by Contractor in the United States or in any other country without the express written consent of County. County shall have unrestricted authority to publish, disclose, distribute and otherwise use, copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.
- 13.3 Confidentiality. Contractor agrees to maintain the confidentiality of and take industry appropriate and legally required measures to prevent the unlawful disclosure of any information that is legally required to be kept confidential. Except as otherwise allowed by local, State or federal law or regulation and pursuant to this Section 13.3, Contractor agrees to only disclose confidential records where the holder of the privilege, whether the County, or a third party, provides written permission authorizing the disclosure.
- 13.4 Public Records Act. The California Public Records Act ("CPRA") requires County to disclose "public records" in its actual or constructive possession unless a statutory exemption applies. This generally includes contracts and related documents. If County receives a CPRA request for records relating to the Agreement, County may, at its sole discretion, either determine its response to the request without notifying Contractor or notify Contractor of the request. If County determines its response to the request without notifying Contractor, Contractor shall hold County harmless for such determination. If County notifies

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

Contractor of the request, Contractor may request that County withhold or redact records responsive to the request by submitting to County a written request within five (5) business days after receipt of the County's notice. Contractor's request must identify specific records to be withheld or redacted and applicable exemptions. Upon timely receipt of Contractor's request, County will review the request and at its sole discretion withhold and/or redact the records identified by Contractor. Contractor shall hold County harmless for County's decision whether to withhold and/or redact pursuant to Contractor's written request. Contractor further agrees that its defense and indemnification obligations set forth in Section 10.1 of this Agreement extend to any Claim (as defined in Section 10.1) against the County Parties (as defined in Section 10.1) arising out of County's withholding and/or redacting of records pursuant to Contractor's request. Nothing in this section shall preclude Contractor from bringing a "reverse CPRA action" to prevent disclosure of records. Nothing in this section shall prevent the County or its agents or any other governmental entity from accessing any records for the purpose of audits or program reviews if that access is legally permissible under the applicable local, State or federal laws or regulations. Similarly, County or its agent or designee may take possession of the record(s) where legally authorized to do so.

- 13.5 Maintenance of Records. Contractor shall maintain all records relating to its performance under this Agreement, including all records of costs charged to this Agreement, and shall make them available within San Diego County for a minimum of five (5) years from the ending date of this Agreement, or longer where required by funding source or while under dispute under the terms of this Agreement, unless County agrees in writing to an earlier disposition. Contractor shall provide any requested records to County within two (2) business days of request.
- 13.6 Custody of Records. County, at its option, may take custody of Contractor's client records upon Agreement, termination, expiration, or at such other time as County may deem necessary. County agrees that such custody will conform to applicable confidentiality provisions of State and federal law. Said records shall be kept by County in an accessible location within San Diego County and shall be available to Contractor for examination and inspection.
- 13.7 Audit Requirement.
- (a) Contractor shall annually engage a Licensed Certified Public Accountant licensed to perform audits and attests in the State of California to conduct an annual audit of its operations. Contractors that expend \$750,000 or more of federal grant funds per year shall also have an audit conducted in compliance with Government Auditing Standards, which includes Single Audit Act Amendments and the Compliance Supplement (2 CFR part 200 App. XI). Contractors that are commercial organizations (for-profit) are required to have a non-federal audit if, during its fiscal year, it expended a total of \$750,000 or more under one or more HHS awards. 45 CFR part 74.26(d) incorporates the threshold and deadlines of the Compliance Supplement but provides for-profit organizations two options regarding the type of audit that will satisfy the audit requirements. Contractor shall include a clause in any agreement entered into with an audit firm, or notify the audit firm in writing prior to the audit firm commencing its work for Contractor, that the audit firm shall, pursuant to 31 U.S.C. 7503, and to the extent otherwise required by law, provide access by the federal government or other legally required entity to the independent auditor's working papers that were part of the independent auditor's audit of Contractor. Contractor shall submit two (2) copies of the annual audit report, the audit performed in accordance with the Compliance Supplement, and the management letter to the County fifteen (15) days after receipt from the independent Certified Public Accountant but no later than nine (9) months after the Contractor's fiscal year end.
- (b) Contractor shall immediately notify County upon learning that Contractor's independent Certified Public Accountant may or will issue a disclaimer of opinion due to substantial doubt of Contractor's ability to continue as a going concern.
- 13.8 Reports. Contractor shall submit reports required in Exhibit A and additional reports as may be requested by the COR and agreed to by the Contractor. Format for the content of such reports may be developed by County. The timely submission of these reports is a necessary and material term and condition of this Agreement and Contractor agrees that failure to meet specified deadlines will be sufficient cause to withhold payment. Contractor shall submit to County within thirty (30) days of the termination of this Agreement a report detailing all work done pursuant to this Agreement by Contractor.
- 13.9 Evaluation Studies. Contractor shall participate as requested by the County in research and/or evaluative studies designed to show the effectiveness and/or efficiency of Contractor services or to provide information about Contractor's project.

**ARTICLE 14**  
**INFORMATION PRIVACY AND SECURITY PROVISIONS**

- 14.1 Recitals. This Article is intended to protect the privacy and security of County information that Contractor may create, receive, access, store, transmit, and/or destroy under this Agreement. In addition to the below Responsibilities, contractor shall be in compliance with the following rules, regulations, and agreements, *as applicable*:

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

- 14.1.1 Health Insurance Portability and Accountability Act, specifically, Public Law 104-191, the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005, 42USC section 17921 et seq., and 45CFR Parts 160 and 164, collectively referred to as "HIPAA;,"
- 14.1.2 County agreements with the State of California, collectively referred to as "State Agreements" and posted on the County's website at: [www.cosdcompliance.org](http://www.cosdcompliance.org), including:
  - 14.1.2.1 The Medi-Cal Privacy and Security Agreement Between the California Department of Health Care Services (DHCS) and the County;
  - 14.1.2.2 The Medi-Cal Behavioral Health Services Performance Agreement between DHCS and the County;
  - 14.1.2.3 The San Diego County Alcohol and Drug Program Administrator Agreement between DHCS and the County
  - 14.1.2.4 The Refugee Health Agreement between the California Department of Public Health (CDPH) and the County;
  - 14.1.2.5 The HIV/AIDS Case Reporting System Data Use Agreement between CDPH and the County;
  - 14.1.2.6 The Childhood Lead Poisoning Prevention Program between CDPH and the County;
  - 14.1.2.7 The Standard Agreement between the County and the California Department of Aging; and
  - 14.1.2.8 The Agreement for Whole Person Care Pilot Program for San Diego County with DHCS.
- 14.1.3 Title 42 Code of Federal Regulations, Chapter 1, Subchapter A, Part 2.
  
- 14.2 **Definitions.** Terms used, but not otherwise defined, in this Article shall have the same meaning as defined by HIPAA.
  - 14.2.1 "Breach" of Protected Health Information (PHI) shall have the same meaning given to the term "breach" under HIPAA and "breach" of Personal Information (PI)/Personally Identifiable Information (PII) shall have the same meaning as given to it under the State Agreements.
  - 14.2.2 "Business Associate," when applicable, shall mean the Contractor.
  - 14.2.3 "County PHI" shall have the same meaning as PHI under HIPAA, specific to PHI under this Agreement.
  - 14.2.4 "County PI/PII" shall have the same meaning as PI/PII under the State Agreements, specific to PI/PII under this Agreement.
  - 14.2.5 "Covered Entity," when applicable, shall mean the County.
  - 14.2.6 "Security incident" shall have the same meaning as defined by the State Agreements.
  
- 14.3 **Responsibilities of Contractor.**
  - 14.3.1 **Use and Disclosure of County PHI/PI/PII.** Contractor shall use the minimum County PHI/PI/PII required to accomplish the requirements of this Agreement or as required by Law. Contractor may not use or disclose County PHI/PI/PII in a manner that would violate HIPAA or the State Agreements if done by the County.
  - 14.3.2 **Safeguards.** Contractor shall develop and maintain a HIPAA-compliant information privacy and security program to prevent use or disclosure of County PHI/PI/PII, other than as required by this Agreement.
  - 14.3.3 **Mitigation.** Contractor shall mitigate, to the extent practicable, any harmful effects caused by violation of the requirements of this Article, as directed by the County.
  - 14.3.4 **Subcontractors.** Contractor shall ensure that any agent, including a subcontractor, to whom it provides County PHI/PI/PII, imposes the same conditions on such agents that apply to Contractor under this Article.
  - 14.3.5 **Cooperation with County.**
    - 14.3.5.1 Contractor shall provide access to County PHI/PI/PII, as well as internal practices and records related to County PHI/PI/PII, at the written request of County within ten (10) calendar days.
    - 14.3.5.2 Contractor will assist County regarding individual's access, copy, amendment, accounting of disclosure, and other such requests for County PHI/PI/PII in the time and manner designated by County.
  - 14.3.6 **Breach Reporting.** Contractor shall report breaches and suspected security incidents to County, to include:
    - 14.3.6.1 **Initial Report.**
      - 14.3.6.1.1 Contractor shall email County Contracting Officer's Representative (COR) and HHS Privacy Officer immediately upon the discovery of a suspected security incident that involves data provided to County by the Social Security Administration, as per the State Agreements.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

- 14.3.6.1.2 Contractor shall email COR and HHS Privacy Officer immediately of breaches and suspected privacy incidents involving 500 or more individuals.
- 14.3.6.1.3 Contractor shall additionally submit an online County "Privacy Incident Report" through the online portal at [www.cosdcompliance.org](http://www.cosdcompliance.org) within one (1) business day.
- 14.3.6.2 Investigation Report. Contractor shall immediately investigate such suspected security incident or breach and provide the County a complete report of the investigation within seven (7) working days using County's "Privacy Incident Report" online form.
- 14.3.6.3 Notification. Contractor will comply with County's request to notify individuals and/or media and shall pay any costs of such notifications, as well as any costs associated with the breach. County shall approve the time, manner and content of any such notifications before notifications are made.
- 14.3.7 Designation of Individuals. Contractor shall designate a Privacy Official and a Security Official to oversee its privacy and security requirements herein.
- 14.3.8 Data Security. Contractor shall comply with, as applicable, data privacy and security requirements specified by HIPAA and the State Agreements, which may include, but are not limited to:
  - 14.3.8.1 Workforce members, including employees, interns, volunteers, subcontractors, etc., with access to applicable County PHI/PI/PII shall:
    - 14.3.8.1.1 Complete privacy and security training to include a signed certification within thirty (30) days of hire, and at least annually thereafter; and
    - 14.3.8.1.2 Sign a confidentiality statement, prior to access to such PHI/PI/PII; and
  - 14.3.8.2 Computer warning banners for all systems containing applicable County PHI/PI/PII
  - 14.3.8.3 Comprehensive, annual security risk assessments
  - 14.3.8.4 Policies and internal controls to ensure secure transport and storage of County PHI/PI/PII in cars, airplanes, trains, and buses.
  - 14.3.8.5 Sufficient administrative, physical, and technical controls in place to protect County PHI/PI/PII
- 14.3.9 Termination. Upon termination of the Agreement for any reason, Contractor shall return or destroy all County PHI/PI/PI, except County PHI/PI/PI necessary for Contractor to continue its proper management and administration or to carry out its legal responsibilities, as mutually agreed upon by the Parties. If the Parties mutually agree that return or destruction of County PHI/PI/PI is infeasible, Contractor shall extend the protections of this Article to such County PHI/PI/PI for so long as Contractor maintains such County PHI/PI/PI.

**ARTICLE 15**  
**DISPUTES**

Notwithstanding any provision of this Agreement to the contrary, the Contracting Officer shall decide any dispute concerning a question of fact arising out of this Agreement that is not otherwise disposed of by the parties within a reasonable period of time. The decision of the Contracting Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary or so grossly erroneous as necessarily to imply bad faith. Contractor shall proceed diligently with its performance hereunder pending resolution by the Contracting Officer of any such dispute. Nothing herein shall be construed as granting the Contracting Officer or any other administrative official, representative or board authority to decide questions of law, or issues regarding the medical necessity of treatment or to pre-empt any medical practitioners' judgment regarding the medical necessity of treatment of patients in their care. The foregoing does not change the County's ability to refuse to pay for services rendered if County disputes the medical necessity of care.

**ARTICLE 16**  
**GENERAL PROVISIONS**

- 16.1 Assignment and Subcontracting. Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the County; County's consent shall not be unreasonably withheld. The Contractor shall make no agreement with any party for furnishing any of the work or services herein contained without the prior written consent of the COR, pursuant to Paragraph 1.4.
- 16.2 Contingency. This Agreement shall bind the County only following its approval by the Board of Supervisors or when signed by the Purchasing and Contracting Director.



**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

- 16.3 Entire Agreement. This Agreement, together with all Exhibits attached hereto and other agreements expressly referred to herein, constitute the entire agreement between the parties with respect to the subject matter contained herein. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, including any proposals from Contractor and requests for proposals from County, are superseded.
- 16.4 Sections and Exhibits. All sections and exhibits referred to herein are attached hereto and incorporated by reference.
- 16.5 Further Assurances. Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement and the intentions of the parties.
- 16.6 Governing Law. This Agreement shall be governed, interpreted, construed and enforced in accordance with the laws of the State of California.
- 16.7 Headings. The Article captions, Clause and Section headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the construction or interpretation of any term or provision hereof.
- 16.8 Modification Waiver. Except as otherwise provided in Article 6, "Changes," above, no modification, waiver, amendment or discharge of this Agreement shall be valid unless the same is in writing and signed by both parties.
- 16.9 Neither Party Considered Drafter. Despite the possibility that one party may have prepared the initial draft of this Agreement or played the greater role in the physical preparation of subsequent drafts, neither party shall be deemed the drafter of this Agreement and that, in construing this Agreement in case of any claim that any provision hereof may be ambiguous, no such provision shall be construed in favor of one party on the ground that such provision was drafted by the other.
- 16.10 No Other Inducement. The making, execution and delivery of this Agreement by the parties hereto has been induced by no representations, statements, warranties or agreements other than those expressed herein.
- 16.11 Notices. Notice to either party shall be in writing and personally delivered; sent by certified mail, postage prepaid, return receipt requested; or emailed to the County's or Contractor's designated representative (or such party's authorized representative). Any such notice shall be deemed received by the party (or such party's authorized representative) on the earliest of the date of personal delivery, three (3) business days after deposit in the U.S. Mail, or upon sending of an email from which an acknowledgement of receipt has been received other than an out of office, unavailable, or undeliverable reply.
- 16.12 Severability. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 16.13 Successors. Subject to the limitations on assignment set forth in Clause 16.1 above, all terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, legal representatives, successors, and assigns.
- 16.14 Time. Time is of the essence for each provision of this Agreement.
- 16.15 Time Period Computation. All periods of time referred to in this Agreement shall be calendar days, unless the period of time specifies business days. Calendar days shall include all days of the week, including holidays. Business days shall be Monday through Friday, excluding County observed holidays.
- 16.16 Waiver. The waiver by one party of the performance of any term, provision, covenant or condition shall not invalidate this Agreement, nor shall it be considered as a waiver by such party of any other term, provision, covenant or condition. Delay by any party in pursuing any remedy or in insisting upon full performance for any breach or failure of any term, provision, covenant or condition shall not prevent such party from later pursuing remedies or insisting upon full performance for the same or any similar breach or failure.
- 16.17 Third Party Beneficiaries Excluded. This Agreement is intended solely for the benefit of the County and its Contractor. Any benefit to any third party is incidental and does not confer on any third party to this Agreement any rights whatsoever regarding the performance of this Agreement. Any attempt to enforce provisions of this Agreement by third parties is specifically prohibited.
- 16.18 Publicity Announcements and Materials. All public announcements, including those issued on Contractor letterhead, and materials distributed to the community shall identify the County of San Diego as the funding source for contracted programs identified in this Agreement. Copies of publicity materials related to contracted programs identified in this Agreement shall be filed with the COR. County shall be advised at least twenty four (24) hours in advance of all locally generated press releases and media events regarding contracted services identified in this Agreement. Alcohol and Drug Prevention Services

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

Contractors shall notify COR or designee at least five (5) business days in advance of all Contractor generated media releases and media events regarding contracted services identified in this Agreement.

- 16.19 Critical Incidents. Contractor shall have written plans or protocols and provide employee training for handling critical incidents involving: external or internal instances of violence or threat of violence directed toward staff or clients; loss, theft or unlawful accessing of confidential client, patient or facility resident Personal Information (PI), Personally Identifiable Information (PII) and/or Personal Health Information (PHI); fraud, waste and/or abuse of Agreement funds; unethical conduct; or violation of any portion of San Diego County Board of Supervisors Policy C-25 "Drug & Alcohol Use" while performing under this Agreement. Contractor shall report all such incidents to the COR within one business day of their occurrence. However, if this Agreement includes Article 14, Contractor must adhere to the timelines and processes contained in Article 14.
- 16.20 Responsiveness to Community Concerns. Unless prohibited by applicable State or federal law, Contractor shall notify County within one business day of receipt of any material complaints including but not limited to complaints referring to issues of abuse or quality of care, submitted to Contractor orally or in writing, regarding the operation of Contractor's program or facility under this Agreement. Contractor shall take appropriate steps to acknowledge receipt of said complaint(s) from individuals or organizations. Contractor shall take appropriate steps to utilize appropriate forums to address or resolve any such complaints received. Nothing in this provision shall be interpreted to preclude Contractor from engaging in any legally authorized use of its facility, property or business as approved, permitted or licensed by the applicable authority.
- 16.21 Criminal Background Check Requirements. Contractor shall ensure that criminal background checks are required and completed prior to employment or placement of any employee, director, officer, agent, subcontractor, consultant or volunteer in compliance with any licensing, certification, funding, or Agreement requirements, including the Statement of Work, which may be higher than the minimum standards described herein. At a minimum, background checks shall be in compliance with Board of Supervisors Policy C-28, available on the County of San Diego website, and are required for any individuals identified above who will be providing services under this Agreement or who will be assigned to sensitive positions funded by this Agreement. Sensitive positions are those that: (1) physically supervise minors or vulnerable adults; (2) have unsupervised physical contact with minors or vulnerable adults; and/or (3) have a fiduciary responsibility to any County client, or direct access to, or control over, bank accounts or accounts with financial institutions of any client. If this Agreement includes Article 14, Contractor must also adhere to requirements contained in Article 14.

Contractor shall have a documented process for reviewing the information and determine if criminal history demonstrates behavior that could create an increased risk of harm to clients. Contractor shall document review of criminal background findings and consideration of criminal history in the selection of such persons listed above in this section

- 16.21.1 Contractor shall utilize a subsequent arrest notification service during employee or volunteer's tenure or perform criminal history annually.
- 16.21.2 Contractor shall keep the documentation of their review and consideration of the individual's criminal history on file in accordance with paragraph 13.4 "Maintenance of Records."

16.21.3 Definitions

- A. Activities of Daily Living: The basic tasks of everyday life, such as eating, bathing, dressing, toileting, and transferring.
- B. Minor: Individuals under the age of eighteen (18) years old.
- C. Sensitive Position: A job with responsibilities that can be criminally abused at great harm to the Agreement or the clients served. All positions that (1) physically supervise minors or vulnerable adults, (2) have unsupervised physical contact with minors or vulnerable adults, or (3) have fiduciary responsibility to a County client or direct access to, or control over client bank accounts, or serve in a financial capacity to the County client.
- D. Vulnerable Adult: (1) Individuals age eighteen (18) years or older, who require assistance with activities of daily living and who may be put at risk of abuse during service provision; (2) Individuals age eighteen (18) years or older who have a permanent or temporary limited physical and/or mental capacity that may put them at risk of abuse during service provision because it renders them: unable to make decisions for themselves, unable to physically defend themselves, or unaware of physical abuse or other harm that could be perpetrated against them.
- E. Volunteer: A person who performs a service willingly and without pay.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**

- 16.22 Health Insurance. Contractors providing direct services to the public shall ask if the client and any minor(s) for whom they are responsible have health insurance coverage. If the response is “no” for client or minor(s) the Contractor shall refer the client to Covered California at <https://www.coveredca.com/> or to 1-800-300-1506.
- 16.23 Survival. The following sections or articles of this Agreement shall survive the expiration or earlier termination of this Agreement: Sections 8.1, 8.13, 8.14, 8.15, 8.21, 10.1, 11.1, 11.2, and 11.4, and Articles 7 and 13.

/

/

/

COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM

SIGNATURE PAGE

**AGREEMENT TERM.** The initial term of this Agreement shall begin the 1st day of February 2020 and end on June 30, 2020. ("Initial Term").

**OPTION TO EXTEND.** The County shall have the option to extend the term of this Agreement for 3 increments of 1 year(s) each for a total of 3 years beyond the expiration of the Initial Term, not to exceed June 30, 2023, pursuant to Exhibit C Pricing Schedule or other applicable pricing provisions of this Agreement. Unless County notifies Contractor in writing not less than thirty (30) days prior to the expiration date that the County does not intend to extend the Agreement, the Agreement will be automatically extended for the next option period.

Options to Extend For One To Six Additional Months at End of Agreement. County shall also have the option to extend the term of this Agreement, in one or more increments, for a total of no less than one (1) and no more than six (6) calendar months ("Incremental Options"). The County may exercise each Incremental Option by providing written notice to Contractor no fewer than fifteen (15) calendar days prior to expiration of this Agreement. The rates in effect at the time an Incremental Option is exercised shall apply during the term of the Incremental Option.

**COMPENSATION:** Pursuant to Exhibit C or other applicable pricing provisions of this Agreement, County agrees to pay Contractor a sum not to exceed one hundred thirty two thousand six hundred ninety three dollars and sixty eight cents (\$132,693.68) for the initial term of this Agreement and a sum not to exceed two hundred thirty three thousand eight hundred sixty three dollars and eight cents (\$233,863.08) for each of the 3 one-year option periods, for a maximum Agreement amount of eight hundred thirty four thousand two hundred eighty two dollars and ninety two cents (\$834,282.92), in accordance with the method of payment stipulated in Article 4.

**COR.** The County has designated the following individual as the Contracting Officer's Representative ("COR")

Patricia Rollin, Administrative Analyst III  
5560 Overland Avenue, Ste. 310  
San Diego, CA 92123  
Phone 858-505-6533 and email Patricia.Rollin@sdcounty.ca.gov


**CONTRACTOR'S REPRESENTATIVE.** The Contractor has designated the following individual as the Contractor's Representative.

Jilaine Hernandez, Community Services Supervisor III  
201 N Broadway Avenue  
Escondido, CA 92025  
Phone 760-839-4934, FAX 760-839-6269 and email jahernandez@escondido.org

IN WITNESS WHEREOF, County and Contractor have executed this Agreement effective as of the date of the last signature below.

COUNTY OF SAN DIEGO

CITY OF ESCONDIDO

By:  for  
JOHN M. PELLEGRINO, Director  
Department of Purchasing and Contracting

By:   
PAUL MCNAMARA, Escondido Mayor

Date: 2/10/2020  
S. Figueroa

Date: 2-7-2020

By:   
ZACHARY BECK, Escondido City Clerk

Date: 2-10-2020

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

**1. Scope of Work/Purpose**

Contractor shall provide nutritionally sound meals to individuals sixty (60) years of age and older living throughout San Diego County and may provide transportation to and from the congregate dining site. The meals shall be provided in a congregate (group setting) at Senior Dining Centers. There is no charge to the senior for these services, but Contractor shall provide the opportunity for the senior to make a contribution at a suggested donation amount. The eligible population for Title III C-1. As defined as individuals sixty (60) years of age or older, with emphasis on those in greatest economic and social need with particular attention to low-income minority older individuals, older individuals with Limited English Proficiency (LEP), and older individuals residing in rural areas.

**2. Background Information**

The Senior Nutrition Program, which began in the County of San Diego in 1975, is funded through Title III of the Older Americans Act, a federal program administered by State and County governments and operated under rules, policies, and regulations of the California Department of Aging (CDA). County of San Diego Health and Human Services Agency (HHSA), Aging & Independence Services (AIS), as the designated Area Agency on Aging, oversees this program. Nutrition services assist older individuals to live independently by promoting better health and reduced isolation through a program of coordinated congregate meals, home-delivered meals, transportation and supportive services. In fiscal year 2017/2018 various contractors served approximately 7,500 clients with lunches at several sites throughout the county, and many contractors also served approximately 2,300 clients with home-delivered meals. Breakfast is also provided at some sites and to some home-delivered meal recipients.

*Live Well San Diego* Vision: The County of San Diego, Health and Human Service Agency (HHSA), supports the *Live Well San Diego* vision of Building Better Health, Living Safely, and Thriving. *Live Well San Diego*, developed by the County of San Diego, is a comprehensive, innovative regional vision that combines the efforts of partners inside and outside County government to help all residents be healthy, safe, and thriving. All HHSA partners and contractors, to the extent feasible, are expected to advance this vision. Building Better Health focuses on improving the health of residents and supporting healthy choices. Living safely seeks to ensure residents are protected from crime and abuse, neighborhoods are safe, and communities are resilient to disasters and emergencies. Thriving focuses on promoting a region in which residents can enjoy the highest quality of life.

On December 13, 2016, the San Diego County Board of Supervisors at the recommendation of Chairman Ron Roberts and Supervisor Greg Cox unanimously voted to establish the *Live Well San Diego* Food System Initiative (Initiative), which positions the County of San Diego to take on a greater role in the advancement of a safe, healthy, and robust food system. As part of the Initiative, the County Board of Supervisors also received the Eat Well Practices, a guide for expanding healthy, local and sustainable food and beverage options for the County. The County updated this policy to reflect the San Diego County Board of Supervisors' direction as well as United States Department of Agriculture (USDA) regulations, General Services Administration's Wellness and Sustainability requirements and Center for Disease Control's Smart Food Choices: How to Implement Food Service Guidelines in Public Facilities.

Information about *Live Well San Diego* can be found on the County's website and a website dedicated to the vision:

2.1 [http://www.sdcounty.ca.gov/hhsa/programs/sd/live\\_well\\_san\\_diego/index.html](http://www.sdcounty.ca.gov/hhsa/programs/sd/live_well_san_diego/index.html)

2.2 <http://www.LiveWellSD.org>

**3. Goals**

3.1 Contractor shall provide the services described herein to accomplish the following goals:

3.1.1 Assist individuals sixty (60) years of age and older to live independently by promoting better health and reduced isolation as a result of the Senior Nutrition Program, a program of coordinated congregate meals and transportation to and from congregate meal sites.

3.2 Contractor shall comply with the Regulations/Standards that apply to the Title IIIC Elderly Nutrition

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

Program(ENP).

3.2.1 Regulation websites are as follows:

[California Code of Regulations - Title 22, Division 1.8](#)

[California Retail Food Code \(CRFC\)](#)

[California Welfare and Institutions Code](#)

<https://www.acl.gov/about-acl/authorizing-statutes/older-americans-act>

<https://www.aging.ca.gov/PM/> (For Year 2012 – PM12-17(P) and attachment)

[Occupational Safety and Health Administration \(OSHA\)](#)

[Dietary Guidelines for Americans 2015 \(DGA\) CDA Standard Agreement](#)

#### **4. Deliverables**

##### **4.1 Meals.**

4.1.1 Meals shall be planned in accordance with:

4.1.1.1 Title 22, Social Security, Division 1.8 California Department of Aging, Chapter 4 (1) Title III Programs – Program and Service Provider Requirements, Article 5. Title III C- Elderly Nutrition Program (herein referred to as Title 22) Section 7638.5 Nutrition Requirements of Meals:

[https://www.aging.ca.gov/ProgramsProviders/AAA/Nutrition/Code\\_of\\_Regulations/](https://www.aging.ca.gov/ProgramsProviders/AAA/Nutrition/Code_of_Regulations/)

4.1.1.2 CDA Program Memo 12-17 (P) Nutrition Older Americans Act Nutrition Services Menu Guidance for Compliance with Dietary Guidelines for Americans, 2010:

<https://www.aging.ca.gov/PM/> (For Year 2012 – PM12-17(P) and attachment).

4.1.2 Each meal shall contain at least one-third (1/3) of the current Dietary Reference Intakes (DRIs) as established by the Food and Nutrition Board, Institute of Medicine, National Academy of Sciences (2007), which are incorporated by reference.

[http://www.nationalacademies.org/hmd/~media/Files/Activity%20Files/Nutrition/DRI-Tables/2\\_%20RDA%20and%20AI%20Values\\_Vitamin%20and%20Elements.pdf?la=en](http://www.nationalacademies.org/hmd/~media/Files/Activity%20Files/Nutrition/DRI-Tables/2_%20RDA%20and%20AI%20Values_Vitamin%20and%20Elements.pdf?la=en)

4.1.2.1 If the program provides two (2) meals per day, second meal shall be different from the first meal and a minimum of two-thirds (2/3) of the DRI shall be provided.

4.1.3 Meals shall comply with the Dietary Guidelines for Americans (2015, 8th edition) established by the U.S. Department of Agriculture and the U.S. Department of Health and Human Services.  
<http://fnic.nal.usda.gov/dietary-guidance/dietary-guidelines>

4.1.4 Contractor shall submit menus to the County's Registered Dietitian for review and approval four (4) weeks prior to the start of the month. Menus shall reflect cultural and ethnic dietary needs of participants, when feasible and appropriate.

4.1.5 Contractor shall meet, when feasible, the Guidelines for Congregate/Custodial Meal Programs in the Eat Well Standards and shall not supersede Section 4.1.1 above.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

[http://www.livewellsd.org/content/dam/livewell/topics/Eat-Well-Practices/PDFs\\_EatWell/Eat%20Well%20Practices.pdf](http://www.livewellsd.org/content/dam/livewell/topics/Eat-Well-Practices/PDFs_EatWell/Eat%20Well%20Practices.pdf)

- 4.1.6 Contractor shall include, when feasible, the use of locally grown foods and identify potential partnerships with local producers and providers of locally grown foods.
- 4.1.7 Contractor shall ensure that each food facility has equipment necessary for preparing and serving meals that are safe and of good quality.
- 4.1.8 The County's Registered Dietitian shall provide input, review, and approval of the menus to ensure compliance with Title 22 CCR 7634.3 (d)(1) and Title 22 CCR 7638.
- 4.2 Congregate Meals. Contractor shall provide the maximum number of meals annually, pursuant to Exhibit C, to eligible seniors in a congregate setting a minimum of five (5) days per week. A lesser frequency must be approved in advance by the County.
- 4.2.1 Contractor shall complete an initial client assessment to determine the eligibility of participants. Factors include age and nutrition screening assessments. All assessments shall be made available to the Contracting Officer's Representative (COR) and County's Registered Dietitian upon request.
- 4.2.2 Contractor shall complete a reassessment on an annual basis prior to or on the date of the original assessment.
- 4.2.3 Participants shall not be means tested [OAA 315(b)(3)].
- 4.2.4 Contractor shall have a paid staff member or a trained volunteer responsible for the day-to-day activities at each site, and be physically present on site during the time nutrition program activities are taking place.
- 4.2.5 Contractor shall ensure that each congregate meal site has equipment, including tables and chairs that is sturdy and appropriate for older individuals. Tables shall be arranged to assure ease of access and encourage socialization. (Title 22 s7638.1(b)(3)).
- 4.2.6 All congregate nutrition sites shall be open and accessible to the public.
- 4.2.7 Contractor shall ensure that eligible individuals with ADA accessibility requirements are not excluded from, or restricted in, participating in the program.
- 4.2.7.1 All sites shall be ADA accessible. CDA Standard Agreement Exhibit D. Article II, C.3
- 4.2.7.1.1 Americans with Disabilities Act (ADA) regulations and design:
- <https://www.ada.gov/>
- 4.2.7.2 Contractor shall make accommodations for individuals with ADA accessibility requirements.
- 4.2.8 Contractor shall post monthly menus at the congregate site in a location easily seen by participants, be legible and in the language of the majority of the participants. Daily meal(s) shall match the County's Registered Dietitian approved menu.
- 4.3 Transportation. Contractor shall provide units of transportation annually, pursuant to Exhibit C, to eligible program participants. Contractor shall count each trip to or from a senior dining center for participation in the meal program as a one-way trip.
- 4.3.1 Contractor's staff and/or volunteers providing transportation services shall possess a current and valid driver's



**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

license issued by the State of California, and Contractor shall maintain a copy(ies) of said licenses on site for review by COR. Drivers shall maintain the appropriate type of California license for the type and size of the vehicle being driven to transport passengers

- 4.4 Nutrition Education. Contractor shall provide a minimum of four (4) nutrition education programs per contract year to participants in each of Contractor's congregate sites.
- 4.4.1 Nutrition Education services shall be provided in accordance with Title 22, Section 7638.11 Nutrition Education Services for Participants.
- 4.4.2 Nutrition Education shall include teaching participants about healthful food choices, balancing food and physical activity, and promoting behaviors recommended in the Dietary Guidelines for Americans.
- 4.4.3 An annual needs assessment shall be performed by the Contractor to determine the nutrition education services needed by congregate meal and transportation participants.
- 4.4.4 The County's Registered Dietitian shall provide input, review and approve the content of nutrition education prior to presentation.
- 4.4.5 Contractor shall develop an annual nutrition education plan which shall be implemented, monitored by the County's Registered Dietitian and kept on file for review by the County. The plan shall meet the requirements of Title 22, Section 7638.11 Nutrition Education Services for Participants.

**5. Target Population and Geographic Service Area**

- 5.1 Contractor shall provide services to eligible population for Title III C-1 and Title III B. As defined as individuals sixty (60) years of age or older, with emphasis on those in greatest economic and social need with particular attention to low-income minority older individuals, older individuals with Limited English Proficiency (LEP), and older individuals residing in rural areas. The areas identified as greatest economic and social need are in red on the AIS Senior Nutrition Map:  
<http://sdcounty.maps.arcgis.com/apps/webappviewer/index.html?id=c1da92cfb82d4294a7356e2965310f0f>
- 5.2 Client address must be in the following zip codes to qualify as a Rural Area:
- 5.2.1 91905 – Boulevard
- 5.2.2 91906 – Campo
- 5.2.3 91916 – Descanso
- 5.2.4 91917 - Dulzura
- 5.2.5 91934 – Jacumba
- 5.2.6 91935 – Jamul
- 5.2.7 91962 – Pine Valley
- 5.2.8 91963 – Potrero
- 5.2.9 91980 – Tecate
- 5.2.10 92003 – Bonsall
- 5.2.11 92004 – Borrego Springs/Ocotillo Wells



COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM  
EXHIBIT A – STATEMENT OF WORK  
CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION

- 5.2.12 92036 – Julian
- 5.2.13 92059 – Pala
- 5.2.14 92061 – Pauma Valley, Pala
- 5.2.15 92066 – Ranchita, Warner Springs
- 5.2.16 92070 – San Ysabel
- 5.2.17 92082 – Valley Center
- 5.2.18 92068 – Warner Springs

5.3 Contractor shall post congregate dining site location(s), days of service, hours of service and type(s) of meal served (breakfast and/or lunch) on Contractor's website.

- 5.3.1 Congregate Meal Site: North Inland Region: Escondido Senior Center, 210 Park Avenue, Escondido, CA 92025, Monday thru Friday, 11:30 am to 12:20 pm (Lunch)

## 6. Payment for Services

6.1 Contractor shall submit a monthly claim for the actual service deliverables for the prior month to the COR by the fifteenth (15<sup>th</sup>) of the following month.

6.1.1 Invoices/Claims will not be processed for payment until COR-approved, which will occur once all required information is included and submitted to COR.

6.2 Funding Components: Fiscal Terms and Conditions. The Senior Nutrition Program is funded by the following components and follow the fiscal terms and conditions listed below:

6.2.1 Older Americans Act (OAA)/California Department of Aging (CDA) Title III Allocation. This funding is allocated as follows:

6.2.1.1 State of California Title III C-1 Funding Stream. This is the fixed supplemental rate dollar amount for a portion of Contractor's congregate meals costs. Payments are monthly compensation payments to Contractor for the provision of congregate meals according to Exhibit A, Statement of Work

6.2.1.2 State of California Title III B Funding Stream. This is the fixed supplemental rate dollar amount for a portion of Contractor's transportation costs. Payments are monthly compensation payments to Contractor for the provision of transportation (one-way trips) services according to Exhibit A, Statement of Work.

6.2.2 Nutrition Services Incentive Program (NSIP). This is the fixed supplemental rate dollar amount for incentive payments from the NSIP. NSIP payments are monthly incentives based on the number of meals served per Exhibit C – Pricing Schedule. This amount will be determined annually by the County, based on funds received from the State and Contractor's prior year's performance (i.e., meals served). NSIP funds shall only be used to purchase food to be used in the Senior Nutrition Program and not to meet cost sharing or to match funds for any other federal program.

6.2.3 One-Time-Only (OTO) Allocation. OTO allocations are one-time annual monetary awards for the purchase of equipment/vehicle that enhances the delivery of services to the eligible population which are directly related to the Senior Nutrition Program. OTO awards are based on funds received from the State of California, and must be approved in advance by the County. Contractor shall procure the goods or services

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

by utilizing competitive measures, and provide documentation of receiving three (3) or more quotes to substantiate fair and reasonable pricing. County will reimburse costs upon submission of receipts with the invoice in the month following the month in which the expenditure(s) occurred.

- 6.2.4 Contractor's program income. Program income means revenue generated by the Contractor from contract supported activities and may include:
- 6.2.4.1 Voluntary contributions received from a participant or other party for services received.
  - 6.2.4.2 Income from usage or rental fees of real or personal property acquired with grant funds or funds provided under this Agreement.
  - 6.2.4.3 Royalties received on patents and copyrights from contract supported activities.
  - 6.2.4.4 Proceeds from the sale of items purchased under a CDA contract agreement. No equipment purchased with CDA funds will be sold without preapproval from the County and the CDA.
  - 6.2.4.5 Contractor shall not receive funds from another source for the cost of the same meal, equipment, or services [2 CFR 200.403(f)][45 CFR 75.403(f)] and OAA Title VI. In order to avoid duplicate reimbursement, Contractor shall not claim the cost of the same meal, equipment or services from another funding source.
- 6.2.5 Contractor's other revenue, such as fundraising and other donations. The fixed supplement rates are determined to offset the cost of providing services based on and subject to availability of funds from the State of California, California Department of Aging (CDA). Said compensation is not designed to fully fund the Senior Nutrition Program. Funding provided by County is only intended to supplement meal cost.
- 6.2.6 The County shall have the authority to increase or reduce the contract compensation, via the issuance of an amendment, signed by the County's Director of Purchasing and Contracting.
- 6.2.7 Contractor shall create a waiting list only when Contractor projects to serve over the contracted amount allocated in Exhibit C. If Contractor projections determines a need to establish a waiting list Contractor shall provide written notification to COR within twenty-four hours (24) prior to establishing a waiting list and provide the following:
- 6.2.7.1 Justification as to why eligible individuals are being placed on waiting list.
  - 6.2.7.2 Justification of the ranking of the eligible individual placement on the waiting list shall be based on greatest need and/or in accordance with Contractor's established policy and approved by COR. Copy of policy shall be provided to COR annually.

**7. General Requirements for Service Delivery**

- 7.1 Contractor's food services shall comply with the California Code of Regulations, Title 22, The California Retail Food Code (CRFC) (<https://www.cdph.ca.gov/Programs/CEH/DFDCS/CDPH%20Document%20Library/FDB/FoodSafetyProgram/CaliforniaRetailFoodCode.pdf>)
- 7.2 Contractor shall comply with the Division of Occupational Safety and Health (Cal/OSHA), Department of Industrial Relations requirements (<https://www.dir.ca.gov/dosh/>) regarding staff and participant safety.
- 7.3 Contractor shall possess and maintain a valid health permit from the County of San Diego Department of Environmental

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

Health (<http://www.sdcountry.ca.gov/deh/>) for food preparation sites and shall post the permit as required. A copy of a valid health permit for a subcontracted Caterer or Vendor must be kept on file by the Contractor,

- 7.4 Food preparation is defined as packaging, processing, assembling, portioning, or any operation that changes the form, flavor or consistency of food.
- 7.5 A Limited Service Charitable Feeding Site Registration from the County of San Diego Department of Environmental Health (<http://www.sdcountry.ca.gov/deh/>) is required for satellite sites and catered meal sites where no food preparation is taking place.
- 7.6 The County's Registered Dietitian shall conduct announced and unannounced site visits to food preparation and congregate meal sites quarterly for compliance with the above stated regulations.
- 7.7 Contractor shall provide County-supplied SNAP/CalFresh program information to all senior nutrition clients as the information is available.
- 7.8 Contractor shall ensure policies that support tobacco-free environments are in place, which includes:
  - 7.8.1 Smoke-free entrances.
  - 7.8.2 Smoke-free facilities (no designated smoking areas).
  - 7.8.3 No smoking signs are posted at all entrances/exits.
- 7.9 Staff and Volunteer Orientation and Training.
  - 7.9.1 All of Contractor staff, paid and volunteer, shall be oriented and trained to perform their assigned responsibilities and tasks per Title 22 CCR 7636.5 (a)-(f).
    - 7.9.1.1 At a minimum, training shall include:
      - 7.9.1.1.1 Food safety, prevention of foodborne illness, and HACCP principles.
      - 7.9.1.1.2 Accident prevention, instruction on fire safety, first aid, choking, earthquake preparedness, and other emergency procedures.
    - 7.9.1.2 Contractor shall provide a minimum of four (4) hours of in-service staff training annually to paid and volunteer congregate and home delivered meal staff.
    - 7.9.1.3 Contractor shall provide a yearly written plan that shall be developed, implemented and maintained by the Contractor that identify who is to be trained, who will conduct training, content and date scheduled.
    - 7.9.1.4 The County's Registered Dietitian shall review and approve the content of the staff/volunteer training prior to presentation.
    - 7.9.1.5. Contractor training sessions shall be evaluated by those receiving the training and attendance records shall be maintained and on file.
  - 7.9.1 Contractor shall ensure all staff and volunteers are trained in elder abuse awareness and know how and when to report if they suspect an elder may have symptoms of abuse or neglect. Contractor shall contact local law enforcement or call 1-800-510- 2020 to report suspected elder abuse.
  - 7.9.2 Contractor shall comply with the Division of Occupational Safety and Health (Cal/OSHA), California Department of Industrial Relations requirements regarding staff and participant safety. All Contractor

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

facilities are subject to inspection and approval.

- 7.10 Performance Expectations. Contractor shall maintain ninety-five percent (95%) compliance with service levels stated in this Agreement. A Performance Improvement Plan may be required to be submitted by Contractor if Contractor consistently (i.e., three (3) consecutive months or more) falls below ninety percent (90%) of the service levels. Service levels shall be reviewed monthly, quarterly, and annually by Contractor and County staff. Failure to bring service levels up to the contracted levels may result in re-negotiation of the contracted service levels or termination of the contract. The Exhibit C – Pricing Schedule may be revised to be commensurate with the lower level of service(s).
- 7.11 Reference to AIS. All printed materials, publicity, and media outreach prepared or conducted by Contractor shall include a reference to County of San Diego Health and Human Services Agency (HHSA), Aging & Independence Services (AIS) as the funding source. County of San Diego logos shall be included as appropriate. Copies of publicity materials related to programs identified in this contract shall be provided to the COR in advance for pre-approval as referenced in Section 16.18 of the contract.
- 7.12 Match. Contractor shall provide a minimum of an eleven point eleven percent (11.11%) match for program costs in cash or in-kind contributions. In-kind contributions are defined as the value of non-cash contributions donated to support the project or program (e.g., property, service, etc.).
- 7.13 Cultural Competence and Diversity. Contractor shall support the County of San Diego, Health and Human Services Agency, Aging & Independence Services (AIS) through organizational and systematic practices demonstrating cultural competence and diversity. Contractor shall have an employee training plan that addresses these competencies and shall provide a copy to the COR annually. All services provided shall be oriented to meet the linguistic and cultural needs of the diverse clients to be served.
- 7.14 Vehicles. Contractor shall provide their own vehicles to deliver meals to nutrition sites and/or to transport clients to congregate sites unless vehicles are provided by the County. Vehicles may be provided by County, through this Agreement based on need and the availability of funding but are not guaranteed. Contractor shall comply with all rules and regulations of the State of California Department of Motor Vehicles, the California Code of Regulations, the California Retail Food Code, Exhibit B –Insurance Requirements, Exhibit B-1 – Vehicle Usage Agreement and a separate usage, maintenance, and operations agreement which shall be incorporated herein.
- 7.15 AIS Contractor Meetings. AIS may schedule Contractor meetings on an as-needed basis pertaining to the needs of the contract requirements. Contractor shall have at least one representative present at all meetings. These meetings are at the discretion of AIS and will be held at the AIS office at 5560 Overland Ave, San Diego, CA 92123 and location is subject to change if needed.
- 7.16 Detailed Budget. Contractor shall use the Nutrition Contract Budget Template to submit a detailed budget with line items to the COR on an annual basis no later than July 1<sup>st</sup> of each fiscal year

**8 Specific Requirements for Service Delivery**

- 8.9 Meal Service. Contractor shall:
  - 8.9.1 Provide a hot or other appropriate meal approved by the County Registered Dietitian that meets minimum nutrition requirements, served a minimum of five (5) or more days a week in a congregate setting that is open to the public [45 CFR 1321.53(b)(3)].
  - 8.9.2 Each meal shall comply with the most recent DGA and provide each participating older individual:
    - 8.9.2.1 A minimum of 33 1/3 percent DRIs per meal if the program provides one meal per day.
    - 8.9.2.2 A minimum of 66 2/3 percent DRIs per meal if the program provides 2 meals per day.
    - 8.9.2.3 If providing multiple meals per day, program shall ensure that each participant is receiving both

COUNTY CONTRACT NUMBER 561764  
AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM  
EXHIBIT A – STATEMENT OF WORK  
CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION

meals, or that each of the meals provides 33 1/3 percent DRIs

- 8.10 Staffing/Administration. Contractor shall maintain an adequate number of qualified persons to assure the satisfactory implementation of: program leadership; program planning; provision of nutrition services; transportation; outreach and other services; volunteer activities; financial and contract management; data collection for required federal, State and County reports and records. **Notification of program changes must be made to the County within twenty-four (24) hours when said changes will affect the delivery of services to the participants.**
- 8.10.1 Contractor shall comply with Title 22 Section 7636.3 Staff Qualifications. [https://www.aging.ca.gov/ProgramsProviders/AAA/Nutrition/Code\\_of\\_Regulations/](https://www.aging.ca.gov/ProgramsProviders/AAA/Nutrition/Code_of_Regulations/)
- 8.11 Meal Contributions by Eligible Participants. Eligible persons receiving nutrition services shall be given the opportunity to contribute to the cost of the service provided and shall determine for themselves what they are able to contribute. Contractor shall post a suggested donation amount. Contractor shall not deny services to any person because of failure to contribute [OAA 315(b)(4)]22CCR 7638.9]. Methods to receive contributions shall ensure anonymity and protect the privacy and confidentiality of each recipient with respect to the recipient's contribution or lack of contribution. Contractor shall provide a 30-day notification to participants of increases in recommended donations.
- 8.11.1 Contractor shall establish written procedures to protect contributions and fees from loss, mishandling, and theft. Such procedures shall be kept on file at Contractor's site, and provided to the COR annually for pre-approval.
- 8.11.2 Contributions are considered program income and shall be used in support of the nutrition program.
- 8.11.3 Meal participants shall be informed that there is no obligation to contribute and contributions are purely voluntary.
- 8.12 Meal Charges for Staff and Guests under Sixty (60) Years of Age. Contractor may serve meals to staff and guests under sixty (60) years of age if doing so shall not deprive an eligible participant of a meal. These individuals shall pay at least the full cost of the meal. Contractor shall post the price for guests under sixty (60) years of age.
- 8.12.1 Charges for meals are considered program income and shall be used in support of the nutrition program.
- 8.13 Records, Reports and Distribution Information. Contractor shall maintain a system for the collection of data that will accurately reflect the Contractor's program and financial operations, will meet requirements with respect to confidentiality, and fulfill the information required by this contract.
- 8.13.1 Contractor shall have a clear sign-in process utilized at each meal. Guests under sixty (60) years of age shall be recorded separately or in a way that clearly indicates they are under sixty (60) years of age.
- 8.13.2 Contractor shall report all program income and match to the County on a monthly basis.
- 8.14 Holidays. A maximum of twelve (12) recognized holiday closings will be allowed per year. A holiday schedule must be submitted to the COR at the beginning of each fiscal year for pre-approval, no later than thirty (30) days after the start of the new fiscal year. Additional closures will be handled on a case-by-case basis and require a minimum of thirty (30) days advance notice to the County.
- 8.6.1 If more than twelve (12) holiday closings are taken, Contractor must make up the days lost.
- 8.15 Data Collection and Reporting.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

- 8.15.1 Contractor shall utilize the AIS-identified automated data collection system to:
  - 8.7.1.1 Register and maintain all CDA required client demographic and assessment data for all active clients. AIS Client Intake & Assessment Form shall be used to collect required information.
  - 8.7.1.2 Track and report all service unit delivery data (via bar-coding and manual data entry) on an on- going basis.
- 8.15.2 Contractor shall maintain and report accurate daily meal counts, nutrition education, and transportation units in the County-identified automated data collection system.
- 8.15.3 Contractor shall submit monthly summary reports of the information listed in 8.7 and claims to the designated COR by the fifteenth (15<sup>th</sup>) of the month following the month in which the services were provided. Claims will be paid upon successful determination of reconciled data as mentioned in paragraphs 8.7.1.1 and 8.7.1.2.
- 8.15.4 Contractor shall submit a completed report of actual costs expended for each service category at the end of each contract fiscal year for the term of the contract, as requested by the County, in the form and format as provided by COR.
- 8.16 Customer Satisfaction Survey. Contractor shall annually obtain the views of participants regarding the services received through the development and utilization of a customer satisfaction survey.
  - 8.16.1 Contractor shall provide a summary report of the results of the satisfaction survey to the COR by the fifteenth (15<sup>th</sup>) of the month following the completion of the survey cycle.
  - 8.16.2 Contractor shall make all survey results available to COR upon request.
- 8.17 Grievance Procedure. Contractor shall develop a written grievance process per Title 22 CCR 7400(a)(2)-(3) for clients to report grievances pertaining to the nutrition program, inclusive of the complainant’s rights to privacy. The process shall be posted in a visible and accessible area of each congregate site. Homebound individuals shall be notified of the grievance process in writing. Contractor shall provide copy to COR annually for pre-approval.

**9 Disaster Preparedness**

- 9.1 As a provider of critical services to seniors and individuals with ADA accessibility requirements during a disaster, each multipurpose senior center and each senior center, as defined in subdivisions (j) and (n) of Section 9591 (n) “Senior center” means a community focal point on aging, where older individuals as individuals or in groups come together for services and activities which enhance their dignity, support their independence, and encourage their involvement in and with the community. Senior center programs consist of a variety of services and activities in areas, such as education, creative arts, recreation, advocacy, leadership development, employment, health, nutrition, social work, and other supportive services.

WELFARE AND INSTITUTIONS CODE - WIC

DIVISION 8.5. MELLO-GRANLUND OLDER CALIFORNIANS ACT [9000 - 9750] (*Division 8.5 repealed and added by Stats. 1996, Ch. 1097, Sec. 13.*)

CHAPTER 9.5. Multipurpose Senior Centers And Senior Centers Emergency Operations Plans [9625- 9625.] (*Chapter 9.5 added by Stats. 2006, Ch. 620, Sec. 2.*)

- 9.2 Contractor shall:

- 9.2.1 Develop and maintain a written emergency operations plan to ensure preparedness and the ability to continue

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT A – STATEMENT OF WORK**  
**CONGREGATE MEALS WITH TRANSPORTATION IN THE NORTH INLAND REGION**

to deliver services during and post-disaster. Contractor shall submit the plan for review and pre-approval by COR annually and shall keep the plan on site.

- 9.2.1.1 This emergency operation plan shall include, but not be limited to, all of the following:
- 9.2.1.2 Facility preparation procedures to identify the location of first aid supplies, secure all furniture, appliances, and other free-standing objects, and provide instructions for operating gas and water shutoff valves.
- 9.2.1.3 An inventory of neighborhood resources that shall include, but not be limited to, the identification and location of all the following nearby resources:
  - 9.2.1.3.1 Generators
  - 9.2.1.3.2 Telephones
  - 9.2.1.3.3 Hospitals and public health clinics
  - 9.2.1.3.4 Fire stations and police stations
- 9.2.1.4 Evacuation procedures, including procedures to accommodate those who will need assistance in evacuating the center. This evacuation plan shall be located in an area that is accessible to the public.
- 9.2.1.5 Procedures to accommodate seniors, individuals with ADA accessibility requirements, and other community members in need of shelter at the senior center, in the event that other community facilities are inoperable.
- 9.2.1.6 Personnel resources necessary for post disaster response.
- 9.2.1.7 Procedures for conducting periodic evacuation drills, fire drills, and earthquake drills.
- 9.2.1.8 Procedures to ensure service continuation after a disaster.
- 9.2.1.9 Consideration of cultural and linguistic barriers in emergency and evacuation plans, and ways to appropriately address those barriers.
  - 9.2.1.9.1 In the development of the emergency operations plans required by this chapter, multipurpose senior centers and senior centers shall coordinate with the local Area Agency on Aging, as defined in Section 9006, and other relevant agencies and stakeholders.  
*(Amended by Stats. 2013, Ch. 352, Sec. 537. (AB 1317) Effective September 26, 2013. Operative July 1, 2013, by Sec. 543 of Ch. 352.)*
- 9.2.1.10 Where feasible and appropriate, make arrangements for the availability of meals to participants during a major disaster, as defined in 42 U.S.C. 5122(2).

9.3 Provide the County with the following:

- 9.3.1 Primary and secondary emergency contact phone numbers.
- 9.3.2 Status updates, upon request, during and post-disaster, including the following at a minimum:
  - 9.3.2.1.1 Operability of sites and/or services.
  - 9.3.2.1.2 Services provided to the target population.
  - 9.3.2.1.3 Service capacity.

**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT B – INSURANCE REQUIREMENTS**

Without limiting Contractor's indemnification obligations to County, Contractor shall provide at its sole expense and maintain for the duration of this contract, or as may be further required herein, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of the work by the Contractor, his agents, representatives, employees or subcontractors.

**1. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

- A. Commercial General Liability, Occurrence form, Insurance Services Office form CG0001.
- B. Automobile Liability covering all owned, non-owned, hired auto Insurance Services Office form CA0001.
- C. Automobile Physical Damage providing ACV Comprehensive and Collision on Program vehicles.
- D. Workers' Compensation, as required by State of California and Employer's Liability Insurance.

**2. Minimum Limits of Insurance**

Contractor shall maintain limits no less than:

- A. Commercial General Liability including Premises, Operations, Products and Completed Operations, Contractual Liability, and Independent Contractors Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. The General Aggregate limit shall be \$4,000,000.
- B. Automobile Liability: \$1,000,000 each accident for bodily injury and property damage.
- C. Automobile Physical Damage: Coverage shall include a Loss Payable clause to the County of San Diego. Maximum deductible of \$2,500 per occurrence
- C. Employer's Liability: \$1,000,000 each accident for bodily injury or disease. Coverage shall include waiver of subrogation endorsement in favor of County of San Diego.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. As a requirement of this contract, any available insurance proceeds in excess of the specified minimum limits and coverage stated above, shall also be available to the County of San Diego.

**3. Deductibles and Self-Insured Retentions**

Any self-insured retention must be declared to and approved by County Risk Management.

**4. Other Insurance Provisions**

The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions:

A. Additional Insured Endorsement

The County of San Diego, the members of the Board of Supervisors of the County and the officers, agents, employees and volunteers of the County, individually and collectively are to be covered as additional insureds on the General Liability policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. General Liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO from CG 2010 11 85 or **both** CG 2010, CG 2026, CG 2033, or CG 2038; **and** CG 2037 forms if later revisions used).

B. Primary Insurance Endorsement

For any claims related to this contract, the Contractor's insurance coverage, including any excess liability policies, shall be primary insurance at least as broad as ISO CG 2001 04 13 as respects the County, the members of the Board of Supervisors of the County and the officers, agents, employees and volunteers of the County, individually and collectively. Any insurance or self-insurance maintained by the County, its officers, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.



**COUNTY CONTRACT NUMBER 561764**  
**AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM**  
**EXHIBIT B – INSURANCE REQUIREMENTS**

C. Notice of Cancellation

Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the County.

D. Severability of Interest Clause

Coverage applies separately to each insured, except with respect to the limits of liability, and that an act or omission by one of the named insureds shall not reduce or avoid coverage to the other named insureds.

**General Provisions**

**5. Qualifying Insurers**

All required policies of insurance shall be issued by companies which have been approved to do business in the State of California by the State Department of Insurance, and which hold a current policy holder's alphabetic and financial size category rating of not less than A, VII according to the current Best's Key Rating guide, or a company of equal financial stability that is approved in writing by County Risk Management.

**6. Evidence of Insurance**

Prior to commencement of this Contract, but in no event later than the effective date of the Contract, Contractor shall furnish the County with a copy of the policy declaration and endorsement pages along with the certificates of insurance and amendatory endorsements effecting coverage required by this clause. Policy declaration and endorsement pages shall be included with renewal certificates and amendatory endorsements submissions and shall be furnished to County within thirty days of the expiration of the term of any required policy. Contractor shall permit County at all reasonable times to inspect any required policies of insurance.

**7. Failure to Obtain or Maintain Insurance; County's Remedies**

Contractor's failure to provide insurance specified or failure to furnish certificates of insurance and amendatory endorsements or failure to make premium payments required by such insurance, shall constitute a material breach of the Contract, and County may, at its option, terminate the Contract for any such default by Contractor.

**8. No Limitation of Obligations**

The foregoing insurance requirements as to the types and limits of insurance coverage to be maintained by Contractor, and any approval of said insurance by the County are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Contractor pursuant to the Contract, including, but not limited to, the provisions concerning indemnification.

**9. Review of Coverage** County retains the right at any time to review the coverage, form and amount of insurance required herein and may require Contractor to obtain insurance reasonably sufficient in coverage, form and amount to provide adequate protection against the kind and extent of risk which exists at the time a change in insurance is required.

**10. Self-Insurance**

Contractor may, with the prior written consent of County Risk Management, fulfill some or all of the insurance requirements contained in this Contract under a plan of self-insurance. Contractor shall only be permitted to utilize such self-insurance if in the opinion of County Risk Management, Contractor's (i) net worth, and (ii) reserves for payment of claims of liability against Contractor, are sufficient to adequately compensate for the lack of other insurance coverage required by this Contract. Contractor's utilization of self-insurance shall not in any way limit liabilities assumed by Contractor under the Contract.

**11. Subcontractors' Insurance**

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors. Such Additional Insured endorsement shall be attached to the certificate of insurance in order to be valid and on a form at least as broad as ISO from CG 2010 11 85 or both CG 2010, CG 2026, CG 2033, or CG 2038; and CG 2037 forms if later revisions used. If any sub contractor's coverage does not comply with the foregoing provisions, Contractor shall defend and indemnify the County from any damage, loss, cost, or expense, including attorneys' fees, incurred by County as a result of subcontractor's failure to maintain required coverage.

**12. Waiver of Subrogation**

Contractor hereby grants to County a waiver of their rights of subrogation which any insurer of Contractor may acquire against County by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the County for all work performed by the Contractor, its employees, agents and subcontractors.

**COUNTY CONTRACT NUMBER 561764  
 AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM  
 EXHIBIT C – PRICING SCHEDULE**

**COMPENSATION:** The compensation listed below is not designed to fully fund the program. The fixed supplemental rates are developed annually based on funding and determined to offset the cost of providing services. These rates are subject to availability of funding from the State of California, California Department of Aging (CDA) and can change annually. A completed report of actual costs (closeout report) expended shall be submitted at the end of the fiscal year.

**BASE PERIOD February 1, 2020 – June 30, 2020**

<b>Services</b>	<b>Proposed Number of Service Meals</b>	<b>County's Fixed Supplemental Rate</b>	<b>Total</b> (Multiply the # of Service Meals by the County Supplemental Rate or Incentive Payment for the total)	<b>Contractor's Match</b> (Multiply the total by 11.11% for total contractor match)
<b>Congregate Meals</b>	16,907	\$4.96	\$83,858.72	\$9,316.70
<b>Home-Delivered Meals</b>	N/A	N/A	N/A	N/A
<b>Transportation</b> (Number of proposed Congregate Meals)	6,229	\$5.75	\$35,816.75	\$3,979.24
<b>Incentive Payments*</b> (Number of proposed Congregate Meals)	16,907	\$0.77	\$13,018.39	N/A
<b>Incentive Payments*</b> (Number of proposed Home-Delivered Meals)	N/A	N/A	N/A	N/A
<b>GRAND TOTAL:</b>			\$132,693.68	\$13,295.94

\*Nutrition Services Incentive Payment (NSIP) dollar amounts are estimates ONLY and may be adjusted based on actual prior year number of meals served.

**1. Cost Reimbursement**

- 1.1. Contractor may be reimbursed for items purchased under this agreement in accordance with SOW paragraph 6.2.3 for One-Time-Only (OTO) Funds.
- 1.2. OTO Funds are based funds received from the State of California. The County cannot guarantee the receipt of the funds and all expenditures must be approved in advance by the County.
- 1.3. Contractor shall procure County approved goods and services through competitive measures further defined in SOW paragraph 6.2.3.
  - 1.3.1. Contractor shall provide a log of purchases made during the billing period and provide with an invoice for reimbursement. Information provided shall include:
    - 1.3.1.1. Description of item purchased
    - 1.3.1.2. Description of competitive measures taken to make said purchase
      - 1.3.1.2.1. Back up documentation providing competitive measures were taken.
    - 1.3.1.3. Total Price of item(s) purchased
    - 1.3.1.4. Date of items(s) purchased

**COUNTY CONTRACT NUMBER 561764  
 AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM  
 EXHIBIT C – PRICING SCHEDULE**

**OPTION 1 - July 1, 2020 – June 30, 2021**

<b>Services</b>	<b>Proposed Number of Service Meals</b>	<b>County's Fixed Supplemental Rate</b>	<b>Total</b> (Multiply the # of Service Meals by the County Supplemental Rate or Incentive Payment for the total)	<b>Contractor's Match</b> (Multiply the total by 11.11% for total contractor match)
<b>Congregate Meals</b>	26,496	\$4.96	\$131,420.16	\$14,600.78
<b>Home-Delivered Meals</b>	N/A	N/A	N/A	N/A
<b>Transportation</b> (Number of proposed Congregate Meals)	14,268	\$5.75	\$82,041.00	\$9,114.76
<b>Incentive Payments*</b> (Number of proposed Congregate Meals)	26,496	\$0.77	\$20,401.92	N/A
<b>Incentive Payments*</b> (Number of proposed Home-Delivered Meals)	N/A	N/A	N/A	N/A
<b>GRAND TOTAL:</b>			\$233,863.08	\$23,715.53

\*Nutrition Services Incentive Payment (NSIP) dollar amounts are estimates ONLY and may be adjusted based on actual prior year number of meals served.

**1. Cost Reimbursement**

- 1.1. Contractor may be reimbursed for items purchased under this agreement in accordance with SOW paragraph 6.2.3 for One-Time-Only (OTO) Funds.
- 1.2. OTO Funds are based funds received from the State of California. The County cannot guarantee the receipt of the funds and all expenditures must be approved in advance by the County.
- 1.3. Contractor shall procure County approved goods and services through competitive measures further defined in SOW paragraph 6.2.3.
  - 1.3.1. Contractor shall provide a log of purchases made during the billing period and provide with an invoice for reimbursement. Information provided shall include:
    - 1.3.1.1. Description of item purchased
    - 1.3.1.2. Description of competitive measures taken to make said purchase
      - 1.3.1.2.1. Back up documentation providing competitive measures were taken.
    - 1.3.1.3. Total Price of item(s) purchased.
    - 1.3.1.4. Date of items(s) purchased.

**COUNTY CONTRACT NUMBER 561764  
 AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM  
 EXHIBIT C – PRICING SCHEDULE**

**OPTION 2 - July 1, 2021 – June 30, 2022**

<b>Services</b>	<b>Proposed Number of Service Meals</b>	<b>County's Fixed Supplemental Rate</b>	<b>Total</b> (Multiply the # of Service Meals by the County Supplemental Rate or Incentive Payment for the total)	<b>Contractor's Match</b> (Multiply the total by 11.11% for total contractor match)
<b>Congregate Meals</b>	26,496	\$4.96	\$131,420.16	\$14,600.78
<b>Home-Delivered Meals</b>	N/A	N/A	N/A	N/A
<b>Transportation</b> (Number of proposed Congregate Meals)	14,268	\$5.75	\$82,041.00	\$9,114.76
<b>Incentive Payments*</b> (Number of proposed Congregate Meals)	26,496	\$0.77	\$20,401.92	N/A
<b>Incentive Payments*</b> (Number of proposed Home-Delivered Meals)	N/A	N/A	N/A	N/A
<b>GRAND TOTAL:</b>			\$233,863.08	\$23,715.53

\*Nutrition Services Incentive Payment (NSIP) dollar amounts are estimates ONLY and may be adjusted based on actual prior year number of meals served.

**1. Cost Reimbursement**

- 1.1. Contractor may be reimbursed for items purchased under this agreement in accordance with SOW paragraph 6.2.3 for One-Time-Only (OTO) Funds.
- 1.2. OTO Funds are based funds received from the State of California. The County cannot guarantee the receipt of the funds and all expenditures must be approved in advance by the County.
- 1.3. Contractor shall procure County approved goods and services through competitive measures further defined in SOW paragraph 6.2.3.
  - 1.3.1. Contractor shall provide a log of purchases made during the billing period and provide with an invoice for reimbursement. Information provided shall include:
    - 1.3.1.1. Description of item purchased
    - 1.3.1.2. Description of competitive measures taken to make said purchase
      - 1.3.1.2.1. Back up documentation providing competitive measures were taken.
    - 1.3.1.3. Total Price of items(s) purchased
    - 1.3.1.4. Date of items(s) purchased

**COUNTY CONTRACT NUMBER 561764  
 AGREEMENT WITH CITY OF ESCONDIDO FOR SENIOR NUTRITION PROGRAM  
 EXHIBIT C – PRICING SCHEDULE**

**OPTION 3 - July 1, 2022 – June 30, 2023**

<b>Services</b>	<b>Proposed Number of Service Meals</b>	<b>County's Fixed Supplemental Rate</b>	<b>Total</b> (Multiply the # of Service Meals by the County Supplemental Rate or Incentive Payment for the total)	<b>Contractor's Match</b> (Multiply the total by 11.11% for total contractor match)
<b>Congregate Meals</b>	26,496	\$4.96	\$131,420.16	\$14,600.78
<b>Home-Delivered Meals</b>	N/A	N/A	N/A	N/A
<b>Transportation</b> (Number of proposed Congregate Meals)	14,268	\$5.75	\$82,041.00	\$9,114.76
<b>Incentive Payments*</b> (Number of proposed Congregate Meals)	26,496	\$0.77	\$20,401.92	N/A
<b>Incentive Payments*</b> (Number of proposed Home-Delivered Meals)	N/A	N/A	N/A	N/A
<b>GRAND TOTAL:</b>			\$233,863.08	\$23,715.53

\*Nutrition Services Incentive Payment (NSIP) dollar amounts are estimates ONLY and may be adjusted based on actual prior year number of meals served.

**1. Cost Reimbursement**

- 1.1. Contractor may be reimbursed for items purchased under this agreement in accordance with SOW paragraph 6.2.3 for One-Time-Only (OTO) Funds.
- 1.2. OTO Funds are based funds received from the State of California. The County cannot guarantee the receipt of the funds and all expenditures must be approved in advance by the County.
- 1.3. Contractor shall procure County approved goods and services through competitive measures further defined in SOW paragraph 6.2.3.
  - 1.3.1. Contractor shall provide a log of purchases made during the billing period and provide with an invoice for reimbursement. Information provided shall include:
    - 1.3.1.1. Description of item purchased
    - 1.3.1.2. Description of competitive measures taken to make said purchase
      - 1.3.1.2.1. Back up documentation providing competitive measures were taken.
    - 1.3.1.3. Total Price of items(s) purchased
    - 1.3.1.4. Date of items(s) purchased

## CITY COUNCIL STAFF REPORT

**Consent Item No. 9**

**May 12, 2021**

**File No. 0600-95**

SUBJECT: Notice of Completion for the Recycled Water Easterly Main and Tanks Project

DEPARTMENT: Utilities Department, Construction and Engineering Division

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-62, authorizing the Deputy City Manager / Director of Utilities to file a Notice of Completion for the Recycled Water Easterly Main and Tanks Project.

FISCAL ANALYSIS:

The Recycled Water Easterly Main and Tanks Project was completed for \$10,237,516.09. This amount exceeded the originally approved contract amount by 6.1 percent, which is within the 10 percent contingency permitted for construction projects.

PREVIOUS ACTION:

On September 19, 2018, the City Council adopted Resolution No. 2018-116, authorizing the Mayor and City Clerk to execute a Public Improvement Agreement with SC Valley Engineering, Inc., the lowest responsive and responsible bidder, in the amount of \$9,652,000 for construction of the Recycled Water Easterly Main and Tanks Project (also known as the Blended RO Line Project – Package 2A & 2B). The City Council also approved a budget adjustment, in the amount of \$2,808,038.52, to fund Capital Improvement Project No. 801202.

BACKGROUND:

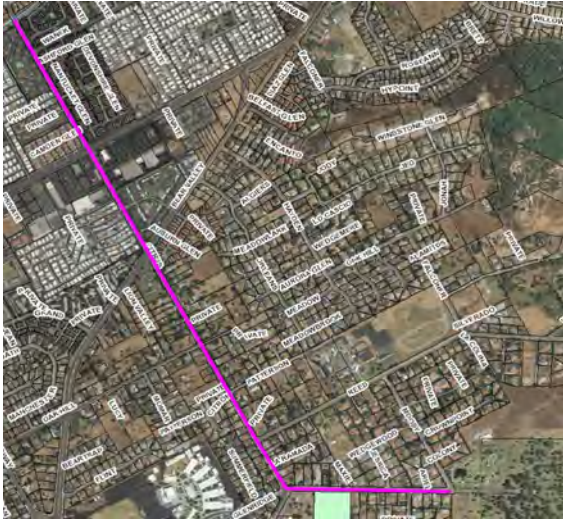
The Recycled Water Easterly Main and Tanks Project (“Project”) now extends the existing recycled water pipeline from the Citrus Avenue crossing of Escondido Creek to the Hogback Reservoir. This project constructed approximately 2.6 miles of 24-inch ductile iron pipe (DIP) and polyvinyl chloride (PVC) recycled water pipeline, and a new 350,000-gallon bolted steel tank and associated yard piping; installation of small diameter fiber optic conduits; and converted the existing 1.2-Million-gallon Hogback Reservoir to recycled water.

The Project was split into two separate sections as described and shown in the maps below:

- The first section of pipeline traversed southeast along Citrus Avenue, then east along Glenridge Road, where it connected to the existing recycled waterline located at the intersection of Moody Drive and Glenridge Road near the entrance to the Oak Hill Memorial Park. The recycled water pipeline which traverses through the Oak Hill Memorial Park was installed as a part of the Cemetery Area Waterline Project.

Notice of Completion for the Recycled Water Easterly Main and Tanks Project  
May 12, 2021  
Page 2

- The second section of the Project connects to the southern portion of the Oak Hill Memorial Park, then heads south within an existing easement along a private dirt road, then southwest along Canyon Crest, and east along Mountain View Drive. From Mountain View Drive, the new pipeline traverses south within an existing easement along a private road up towards the Hogback Reservoir. The new 350,000-gallon bolted steel tank is located adjacent to the existing 1.2 Million-gallon Hogback Reservoir, which has been converted to recycled water.



Notice of Completion for the Recycled Water Easterly Main and Tanks Project  
May 12, 2021  
Page 3

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

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

05/05/21 4:51 p.m.

*Angela Morrow*, Deputy Director of Utilities/Construction & Engineering

05/05/21 4:52 p.m.

ATTACHMENTS:

1. Resolution No. 2021-62



RESOLUTION NO. 2021-62

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE DEPUTY CITY  
MANAGER / DIRECTOR OF UTILITIES TO  
FILE A NOTICE OF COMPLETION FOR THE  
RECYCLED WATER EASTERLY MAIN AND  
TANKS PROJECT

WHEREAS, on September 19, 2018, the City Council adopted Resolution No. 2018-116, authorizing execution of the Public Improvement Agreement for the construction of the Recycled Water Easterly Main and Tanks Project (also known as the Blended RO Line Project – Package 2A & 2B) in the amount of \$9,652,000; and

WHEREAS, on September 19, 2018, the City Council approved a budget adjustment in the amount of \$2,808,038.52 to the Capital Improvement Project No. 801202; and

WHEREAS, the construction for the Recycled Water Easterly Main and Tanks was completed by SC Valley Engineering, Inc.; and

WHEREAS, the City of Escondido staff and the Deputy City Manager / Director of Utilities deems the filing of the Notice of Completion to be valid and recommends approval; and

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

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

1. That the above recitations are true.
2. That the City Council accepts the recommendation of the Deputy City Manager / Director of Utilities.
3. That the City Council hereby approves the request to file a Notice of Completion for the Recycled Water Easterly Main and Tanks Project.

## CITY COUNCIL STAFF REPORT

**Consent Item No. 10**

**May 12, 2021**

**File No. 0480-70**

SUBJECT: Fiscal Year 2020/21 Paul Coverdell Forensic Science Improvement Program Grant and Budget Adjustment

DEPARTMENT: Police Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-66 authorizing the Chief of Police to accept a FY 2020-21 California Office of Emergency Services (CalOES) Paul Coverdell Forensic Science Improvement Program Grant in the amount of \$51,682; execute all documents necessary for the management and completion of the grant scope; and authorize the necessary budget adjustment needed to spend grant funds.

FISCAL ANALYSIS:

Grant funds will be used to purchase cameras, software, and accreditation fees for the forensic unit for crime scene investigation. This will have no impact on the General Fund Budget.

BACKGROUND:

The Escondido Police Department has received a FY 2020-21 CalOES Paul Coverdell Forensic Science Improvement Program Grant in the amount of \$51,682, funded through the Bureau of Justice Assistance. Grant funding must be used to cover costs associated with acquiring and maintaining accreditation for crime labs, reducing backlogs, and improving the quality and timeliness of forensic science services.

The Escondido Police Department proposes to utilize grant funds to purchase the following items:

- Five specialized camera systems that will allow Forensic Services Unit members to photograph crime scene evidence and fingerprints (\$33,410)
- Licenses for software systems that manage and store digital evidence and allow detailed comparisons of latent prints and fingerprints (\$11,940)
- Costs associated with annual fees required to maintain Crime Lab accreditation (\$6,332)

Grant funds will improve the quality and timeliness of forensic science services within the City of Escondido.

XX  
XX  
Page 2

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Edward Varso*, Chief of Police

05/05/21 5:32 p.m.

ATTACHMENTS:

1. Budget Adjustment
2. Resolution No. 2021-66



**CITY OF ESCONDIDO**  
**BUDGET ADJUSTMENT REQUEST**

Date of Request: April 29, 2021

Department: Police Department

Division: Police Administration

Project/Budget Manager: Lisa Rodelo 4905  
 Name Extension

Council Date (if applicable): May 12, 2021  
 (attach copy of staff report)

<u><b>For Finance Use Only</b></u>	
Log #	_____
Fiscal Year	_____
_____	Budget Balances
_____	General Fund Accts
_____	Revenue
_____	Interfund Transfers
_____	Fund Balance

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
Revenue	4128-451-New Project Number	51,682	
Police Grants	451-New Project Number	51,682	

Explanation of Request:

A budget adjustment is needed to spend FY 2020-21 Paul Coverdell Forensic Science Improvement Program Grant from California Office of Emergency Services for Operating Supplies.

**APPROVALS**

DocuSigned by:

*Edward Varso* 5/4/2021  
 Department Head B66897264BD... Date

*Jodi Coco* 5/4/2021  
 Finance F22DD68BFC2B4F3... Date

\_\_\_\_\_  
 City Manager Date

\_\_\_\_\_  
 City Clerk Date

Distribution (after approval): Original: Finance

RESOLUTION NO. 2021-66

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE CHIEF OF POLICE TO ACCEPT A FY 2020-21 CALIFORNIA OFFICE OF EMERGENCY SERVICES (CALOES) PAUL COVERDELL FORENSIC SCIENCE IMPROVEMENT PROGRAM GRANT IN THE AMOUNT OF \$51,682; EXECUTE ALL DOCUMENTS NECESSARY FOR THE MANAGEMENT AND COMPLETION OF THE GRANT SCOPE; AND AUTHORIZE THE NECESSARY BUDGET ADJUSTMENT.

WHEREAS, the City of Escondido desires to improve the quality and timeliness of forensic science services; and

WHEREAS, the Escondido Police Department has designated the FY 2020-21 Paul Coverdell Forensic Science Program Grant to conduct specific programs to address these goals; and

WHEREAS, the Paul Coverdell Forensic Science Program Grant will be funded from funds made available by the California Office of Emergency Services (hereafter referred to as CalOES), through the Bureau of Justice Assistance.

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

1. That the above recitations are true.
2. That the City Council authorizes the Chief of Police of the City of Escondido to accept the the Paul Coverdell Forensic Science Program Grant from

CalOES, in the amount of \$51,682 and execute all documents necessary for the management and completion of the grant scope.

3. That the City Council hereby also approves and authorizes the necessary budget adjustment needed to establish a new project number for tracking and spending of grant funds.

4. That grant funds received hereunder shall not be used supplant expenditures controlled by this body.



# CITY COUNCIL STAFF REPORT

Consent Item No. 11

May 12, 2021

File No. 0600-10, A-3362

SUBJECT: Peraton Software Maintenance Agreement

DEPARTMENT: Police Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-65 authorizing the Mayor to execute, on behalf of the City of Escondido (“City”), a Public Services Agreement with Peraton, Inc. (“Peraton”) regarding software maintenance services necessary for ongoing operation of the City’s Computer Aided Dispatch (“CAD”) System (the “Agreement”).

FISCAL ANALYSIS:

The Police Department Operating Budget will cover the total cost of the Agreement which shall not exceed \$843,394. The total contract price includes a one-time fee of \$9,045 for a modification of CLETS Interface services. Remaining services pursuant to the Agreement shall be subject to the following yearly rates:

Start Date	1/1/2021	1/1/2022	1/1/2023	1/1/2024
Stop Date	12/31/2021	12/31/2022	12/31/2023	12/31/2024
CommandPoint® CAD/MIS	\$140,201	\$147,210	\$154,572	\$162,301
AVL with AVRR	\$6,502	\$6,827	\$7,168	\$7,526
CLETS via eSUN	\$8,139	\$8,546	\$8,973	\$9,422
CommandPoint® MAP	\$777	\$816	\$857	\$900
CommandPoint® GDI Tools	\$3,232	\$3,394	\$3,564	\$3,742
CommandPoint® Mobile	\$34,728	\$36,464	\$38,287	\$40,201
<b>Annual Total</b>	<b>\$193,579</b>	<b>\$203,257</b>	<b>\$213,421</b>	<b>\$224,092</b>

BACKGROUND:

Escondido Police and Fire rely on the CAD system to facilitate incident response and communication in the field with Police and Fire units that utilize Mobile Data Computers (“MDCs”). The CAD system is used for resource management, location verification, dispatching resources, unit status management and transfer of data to other reporting/management systems.



Beginning in approximately 2003, the City began contracting with Peraton's predecessor, Northrop Grumman Systems Corporation ("Northrop"), for CAD software system services. Since 2003, the City and Northrop entered into several agreements regarding CAD system services, including numerous amendments thereto.

In January 2021, the City was advised that Northrop had entered into a definitive agreement to sell its information technology and mission support services business to Peraton. This sale from Northrop to Peraton is expected to close in the first half of 2021, subject to regulatory approvals and customary closing conditions.

As a result of the sale from Northrop to Peraton, the City was asked to execute a consent to assignment of its CAD systems agreement with Northrop to Peraton. After inspection of the underlying agreements between the City and Northrop, the City Attorney's Office advised that new agreements between the City and Peraton regarding CAD software services should be executed in lieu of the requested consent to assignment. Accordingly, the Agreement between the City and Peraton for CAD software services is now being recommended for approval.

The Agreement will include the same services at the same yearly rates as the former CAD Software agreement between the City and Northrop, which was approved by City Council in December 2019.

The Police Department, Information Systems Department, and City Attorney's Office staff recommend approval of the Agreement as in the City's best interest and to ensure uninterrupted CAD software services necessary for ongoing operations of the Police and Fire Departments.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Edward Varso*, Chief of Police  
05/05/21 5:32 p.m.

ATTACHMENTS:

1. Resolution No. 2021-65
2. Resolution No. 2021-65 – Exhibit "A" Public Services Agreement with Peraton Inc.

RESOLUTION NO. 2021-65

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE MAYOR TO EXECUTE,  
ON BEHALF OF THE CITY, A PUBLIC  
SERVICES AGREEMENT WITH PERATON  
INC.

WHEREAS, the City of Escondido (“City”) Police and Fire Departments rely on the Computer Aided Dispatch (“CAD”) system to facilitate incident response, communication, resource management, location verification, dispatching resources, unit status management, and transfer of data to other reporting and management systems; and

WHEREAS, the City recognizes the need for ongoing operation of the City’s CAD system; and

WHEREAS, the City desires to enter into a Public Services Agreement with Peraton, Inc. (“Peraton”) regarding software maintenance services necessary for ongoing operation of the City’s CAD system (“Agreement”); and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to approve the Agreement for essential CAD system software services.

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 Chief of Police regarding execution of the Agreement.

3. That the City Council authorizes the Mayor to execute, on behalf of the City, a Public Services Agreement with Peraton in substantially the same form as Exhibit "A", which is attached hereto and incorporated by this reference, subject to final approval as to form by the City Attorney.



CITY OF ESCONDIDO  
PUBLIC SERVICES AGREEMENT

This Public Services 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: Steve Lewandowski  
760-839-4969  
("CITY")

And: Peraton Inc.  
a Maryland corporation  
12975 Worldgate Drive  
Herndon, VA 20170  
Attn: Cindy Williams  
703-668-6000  
("CONTRACTOR").

(The CITY and CONTRACTOR each may be referred to herein as a “Party” and collectively as the “Parties.”)

WHEREAS, the CITY previously contracted with Northrop Grumman Systems Corporation, a Delaware corporation (“Northrop”), for Computer Aided Dispatch (“CAD”) system services;

WHEREAS, Northrop has entered into a definitive agreement to sell its information technology and mission support services business to CONTRACTOR (the “Transaction”);

WHEREAS, the Transaction is expected to close in the first half of 2021, subject to regulatory approvals and customary closing conditions;

WHEREAS, the Parties desire to enter into this Agreement for the performance of CAD services described herein; and

WHEREAS, the Parties desire that this Agreement will supersede any previous agreements, proposals, presentations, understandings, and arrangements between the Parties relating to the performance of CAD 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. CONTRACTOR 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 CONTRACTOR's completion of the Services, the CITY shall pay, and CONTRACTOR shall accept in full, an amount not to exceed the sum of **\$843,394**. CONTRACTOR 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. If this Agreement is amended at any time, additional compensation of CONTRACTOR contained in any subsequent amendments shall not exceed a cumulative total of 25% of the maximum payment provided for in this Section 2, unless approved by resolution of the City Council.
3. Performance. CONTRACTOR shall faithfully perform the Services in a proficient manner, to the satisfaction of the CITY, and in accord with the terms of this Agreement. CONTRACTOR shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all reports and other information furnished by CONTRACTOR pursuant to this Agreement, except that CONTRACTOR shall not be responsible for the accuracy of information supplied by the CITY.
4. 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 CONTRACTOR with 10 days' advance written notice. CONTRACTOR 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 CONTRACTOR, then CONTRACTOR shall be compensated based on the work satisfactorily performed at the time of such termination. In no event shall CONTRACTOR be entitled to receive more than the amount that would be paid to CONTRACTOR for the full performance of the Services.
5. City Property. All original documents, drawings, electronic media, and other materials prepared by CONTRACTOR pursuant to this Agreement immediately become the exclusive property of the CITY, and shall not be used by CONTRACTOR for any other purpose without the CITY's prior written consent.
6. Insurance Requirements.
  - a. CONTRACTOR 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 CONTRACTOR, 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 CONTRACTOR 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) If CONTRACTOR 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 CONTRACTOR.
- 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.* CONTRACTOR'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 CONTRACTOR'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, CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated in this Agreement, and CONTRACTOR 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.* CONTRACTOR hereby grants to the CITY a waiver of any right to subrogation that any insurer of CONTRACTOR may acquire against the CITY by virtue of the payment of any loss under such insurance. CONTRACTOR 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 CONTRACTOR, its agents, representatives, employees and subcontractors.
  - (7) *Self-Insurance.* CONTRACTOR 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. CONTRACTOR shall only be permitted to utilize such self-insurance if, in the opinion of the CITY, CONTRACTOR's (i) net worth and (ii) reserves for payment of claims of liability against CONTRACTOR are sufficient to adequately compensate for the lack of other insurance coverage required by this Agreement. CONTRACTOR's utilization of self-

insurance shall not in any way limit the liabilities assumed by CONTRACTOR 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 CONTRACTOR executes this Agreement, CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR to stop work under this Agreement and/or withhold any payment that becomes due to CONTRACTOR until CONTRACTOR demonstrates compliance with the insurance requirements in this Agreement.

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

- a. CONTRACTOR (including CONTRACTOR'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 attorney's fees and other related litigation costs and expenses (collectively, "Claims"), of every nature caused by, or in connection with CONTRACTOR's negligent performance of the Services or its failure to comply with any of its obligations contained in this Agreement, except where caused by the sole negligence or willful misconduct of the CITY.
- b. CONTRACTOR (including CONTRACTOR's agents, employees, and subcontractors, if any) shall defend, indemnify, 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 7 shall survive the termination of this Agreement.

8. Anti-Assignment Clause. Because the CITY has relied on the particular skills of CONTRACTOR in entering into this Agreement, CONTRACTOR 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 CONTRACTOR assigns this entire Agreement, including all rights and duties herein, to a third party with the CITY's prior written consent, CONTRACTOR shall be the sole payee under this Agreement. Any and all payments made pursuant to the terms of this Agreement are otherwise not assignable.

9. 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.
10. Independent Contractor. CONTRACTOR is an independent contractor, and no agency or employment relationship is created by the execution of this Agreement.
11. Amendment. This Agreement shall not be amended except in a writing signed by the CITY and CONTRACTOR.
12. 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 CONTRACTOR 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.
13. 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.
14. 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.
15. 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.
16. 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.
17. 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.
18. 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 CONTRACTOR shall promptly provide the other Party with notice of any changes to such contact information.
19. Compliance with Laws, Permits, and Licenses. CONTRACTOR 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. CONTRACTOR 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 CONTRACTOR to comply with this section.



20. Prevailing Wages. If applicable, pursuant to California Labor Code section 1770 et seq., CONTRACTOR agrees that a prevailing rate and scale of wages, in accordance with applicable laws, shall be paid in performing this Agreement. CONTRACTOR 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 CONTRACTOR to comply with this section.
21. Immigration Reform and Control Act of 1986. CONTRACTOR shall keep itself informed of and shall comply with the Immigration Reform and Control Act of 1986 ("IRCA"). CONTRACTOR represents and warrants that all of its employees and the employees of any subcontractor retained by CONTRACTOR who perform any of the Services under this Agreement, are and will be authorized to perform the Services in full compliance with the IRCA. CONTRACTOR 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. CONTRACTOR agrees to comply with the IRCA before commencing any Services, and continuously throughout the performance of the Services and the term of this Agreement.
22. Limitation of Liability. Neither Party hereto shall be liable to the other for any incidental, consequential, or other indirect damages, including but not limited to lost profits, business interruption, or costs for substitute goods, technology, or services. Under no circumstances shall CONTRACTOR be liable to CITY for any amounts in excess of the insurance coverage stated in Section 6 of this Agreement. Liability of CONTRACTOR to CITY in contract, under any warranty, or any other actions, claims, damages, disabilities or expenses not covered under Section 6 or Section 7 of this Agreement shall not exceed \$1,000,000.
23. Prior Agreements. This Agreement supersedes and extinguishes all prior contracts between the Parties, including those between the City and Northrop, regarding or relating to the Services described herein that may now exist or have in the past existed.
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 signatories 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

Peraton Inc.

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**

Peraton Inc., a Maryland corporation ("Contractor"), will provide the City of Escondido, a California municipal corporation ("City"), with Computer Aided Dispatch ("CAD") system hardware services. (The City and Contractor each may be referred to herein as a "Party" and collectively as the "Parties.")

#### **B. Location**

Contractor will provide remote services to the City's Police and Fire Headquarters located at 1163 N. Centre City Parkway, Escondido, CA 92026.

#### **C. Services**

1. Software System – For purposes of this Agreement, the term "Software System" shall include the following products and interfaces:
  - a. CommandPoint™ Computer Aided Dispatch System ("CAD");
  - b. CommandPoint™ Management Information System ("MIS");
  - c. CommandPoint™ Mobile Data Computer System ("MDCS");
  - d. CommandPoint™ Automatic Vehicle Location Software ("AVL") with Automatic Vehicle Routing Recommendation ("AVRR") plus Road Closure Monitor ("RCM");
  - e. CommandPoint™ Tactical Map Display Software ("TMD");
  - f. CommandPoint™ Geographical Data Interchange Software ("GDI");
  - g. CLETS via eSUN;
  - h. CommandPoint™ Map;
  - i. CommandPoint™ GDI Tools;
  - j. CommandPoint™ Mobile;
  - k. CommandPoint InterfacePoint;
  - l. AT&T Vesta E911 ("ANI/ALI");
  - m. USDD Fire Station Alerting;
  - n. EPAGE SMTP Paging;
  - o. NetRMS Police RMS Transfer;
  - p. Priority Dispatch Paramount ProQA;
  - q. W.A.T.E.R. SFTP Fire RMS Transfer (will be replaced by ImageTrend);
  - r. Kologik RCIP CAD-to-CAD; and
  - s. ImageTrend Fire RMS Transfer.
  
2. Severity Level – Problems that prevent the actual execution of a critical function of the Software System shall be defined as "Serious." Serious system problems include:
  - a. Complete Software System outage;
  - b. The failure of a major portion of the database engine or message switching system;
  - c. In CAD systems:
    - i. The loss of a major portion of complaint receiving or dispatch terminals;

## ATTACHMENT "A"

### Scope of Work

- ii. The inability to dispatch an area or areas;
  - iii. The loss of unit suggestion;
  - iv. The loss of the geographical validation applications;
  - d. In records systems:
    - i. The failure of the MUX process;
    - ii. The failure of the INCIDENT or INTAKE modules;
  - e. Loss of communications with the mobile data controller, other than such loss due to malfunction occurring outside of the Software System; system response times doubling and continuing beyond 15 minutes, other than such doubling due to malfunction occurring outside of the Software System.
3. Maintenance Services
- a. With respect to the Software System, Contractor agrees to perform, or cause to be performed, the following maintenance services:
    - i. Contractor will retain a complete copy of the Software System source code;
    - ii. If during the term of this Agreement:
      - (1) The City discovers defects in the Software System such that same will not perform in accordance with Contractor's design;
      - (2) The City notifies Contractor of such defects; and
      - (3) Such defects are reproducible, then Contractor will provide, or cause to be provided, timely corrections of such defects. As applicable and required, the City shall be responsible for installing corrections to applicable workstation software.
    - iii. If problems arise concerning the Software System, Contractor will provide a reasonable amount of telephone assistance within the following schedule:
      - (1) Basic software service shall be provided five days per week from 5:30 a.m. through 5:30 p.m. Pacific Time excluding Contractor's designated holidays.
      - (2) Calls made outside the above basic service times will be billable at the rate of \$1,000 per call for the first four hours of consultation. Additional consultation will be billable at the rate of \$250 per hour.
      - (3) However, if Serious problems arise (see 3. Severity Level) and the City cannot correct them by following the system management procedures previously supplied by Contractor, calls made outside of the Basic service times will not be billable. The determination of whether an after-hours call is billable will be made solely by Contractor.
    - iv. If Serious problems arise from the Contractor application and the City cannot correct them by following system management procedures previously supplied by Contractor, Contractor will provide assistance to restore the Software System operations 24-hours a day, 365 days a year without additional charge to the City.

## **ATTACHMENT "A"**

### Scope of Work

- b. With respect to the Software System, Contractor will not perform, or cause to be performed under the scope of this agreement, duties of Oracle database administration. Oracle database administration shall be the responsibility of the City. The City is also responsible for the provision of all Oracle licensing. Should the City request, in writing, Contractor's assistance with Oracle database administration as it pertains to the Software System or a Contractor application.
  - c. Software Improvements and Upgrades
    - i. Contractor shall make available at least one software upgrade per year as part of this maintenance. Such software upgrade shall consist of improvements Contractor may have performed and made available generally to its CommandPoint™ CAD customers. This is applicable only to those features or functions included in the base Functional Specification Design at the time of the signing of the Agreement under which the Software was installed. There is no obligation under this provision to provide any new features or functionality for which NGIT normally charges its customers.
  - d. Installation of Corrections, Improvements and Upgrades
    - i. Contractor shall provide changes and installation support to the Software Products including updates, upgrades, releases, patches, corrections or improvements by telephone modem or the appropriate transport media, all at the option of Contractor. The City shall provide installation, distribution, support or access as may be reasonably required to successfully install the changes. The City will be responsible for installation of all client-based software as supplied by Contractor.
4. Modification of CLETS Interface – Contractor will modify the City's CommandPoint® CAD eSun CLETS interface to add a new default Reason Code of "C" for Criminal Justice to the interface message header used for all CLETS query transactions in accordance with CLETS technical bulletin AB1747. Modification services will include:
- a. A remote project kick-off meeting to review the completion schedule, dependencies, planned activities, and City responsibilities;
  - b. Contractor will update the City's eSun CLETS interface to include the default Reason Code of "C" for Criminal Justice to the interface message header;
  - c. Contractor shall conduct internal lab testing of the new message header and correct any issues found during testing;
  - d. Contractor will merge the CLETS interface update into the current CommandPoint® CAD 2.16 baseline into a service pack for site installation;
  - e. Remote installation and testing of the 2.16 service pack with the CLETS modification on the Escondido Test CAD system; and
  - f. Remote deployment of the 2.16 service pack on the City's Live CAD system and verify proper CLETS transaction functionality.

## ATTACHMENT "A"

### Scope of Work

#### D. Scheduling

Inquiries relating to this Agreement, including scheduling and service issues, Contractor may contact either:

1. Steven Lewandowski at [slewandowski@escondido.org](mailto:slewandowski@escondido.org) or 760-535-2272; or
2. Livier Valenzuela at [lvalenzuela@escondido.org](mailto:lvalenzuela@escondido.org) or 760-497-5301.

#### E. Term

The term of this Agreement shall be from the Effective Date of the Agreement through **December 31, 2024**.

#### F. Contract Price and Payment Terms

The contract price shall not exceed **\$843,394**. The contract price includes all labor, materials, and licensing required to perform the work. Licensing will be billed in full upon receipt of the Purchase Order. 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. Purchase Order number must be included on the invoice.

The contract price includes a one-time fee of \$9,045 for services described in Section C(4). Regarding the remaining services described in Section C, the following yearly rates shall remain in effect throughout the term of this Agreement:

Start Date	1/1/2021	1/1/2022	1/1/2023	1/1/2024
Stop Date	12/31/2021	12/31/2022	12/31/2023	12/31/2024
CommandPoint® CAD/MIS	\$140,201	\$147,210	\$154,572	\$162,301
AVL with AVRR	\$6,502	\$6,827	\$7,168	\$7,526
CLETS via eSUN	\$8,139	\$8,546	\$8,973	\$9,422
CommandPoint® MAP	\$777	\$816	\$857	\$900
CommandPoint® GDI Tools	\$3,232	\$3,394	\$3,564	\$3,742
CommandPoint® Mobile	\$34,728	\$36,464	\$38,287	\$40,201
<b>Annual Total</b>	<b>\$193,579</b>	<b>\$203,257</b>	<b>\$213,421</b>	<b>\$224,092</b>

#### G. Other

Contractor 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 Contract may be terminated at the end of the fiscal year for which

**ATTACHMENT "A"**  
Scope of Work

sufficient funding is not appropriated and authorized. The City is not obligated to pay Contractor for any amounts not duly appropriated and authorized by City Council.

## CITY COUNCIL STAFF REPORT

**Consent Item No. 12**

**May 12, 2021**

**File No. 0480-70**

SUBJECT: Homeless Street Outreach Grant Programs and Budget Adjustment

DEPARTMENT: Community Development Department/Housing & Neighborhood Services Div.

RECOMMENDATION:

It is requested that the City Council:

- Adopt Resolution No. 2021-68 to amend a contract with Interfaith Community Services in a not-to-exceed amount of \$188,880 to provide homeless street outreach in conjunction with a 2020 Homeless Emergency Aid Program (“HEAP”) grant, and authorize the Mayor to execute the amendment;
- Adopt Resolution No 2021-69 to conditionally commit Emergency Solutions Grant – Coronavirus (“ESG-CV”) funds to Interfaith Community Services in a not-to-exceed amount of \$249,995 to provide future homeless street outreach, and to authorize the Director of Community Development to execute the agreement;
- Adopt Resolution No. 2021-70 to allow staff to apply for Homeless Housing, Assistance and Prevention (“HHAP”) funds to augment continuing street outreach efforts; and
- Approve a budget adjustment for proper accounting for the 2020 HEAP grant.

FISCAL ANALYSIS:

City of Escondido (“City”) staff recommends that the City Council adopt Resolution Nos. 2021-68 and 2021-69 with not-to-exceed amounts of \$188,880 and 249,995, respectively. The contract amendment with Interfaith Community Services (Resolution No. 2021-68) would be within the \$192,955 HEAP grant budget. The new contract with Interfaith Community Services (Resolution No. 2021-69) would be charged to Account No. ESGCV4, which has an available balance of \$250,000. Therefore, sufficient funds are available for continuity of services. HEAP Grant funds and ESG-CV Grant funds would be utilized to provide outreach to homeless individuals. There are no match requirements for these funds.

PREVIOUS ACTION:

City Council has taken multiple actions on each funding source. Previous actions relating to each grant are included in the individual grant discussion within the background section of this report.



## BACKGROUND AND ANALYSIS:

Street outreach provides essential services necessary to reach out to unsheltered homeless people, connecting them with emergency shelter, housing, or critical services, and providing urgent, non facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. Essential services consist of engagement, case management, emergency health services, emergency mental health services, transportation, and services for special populations (homeless youth, victim services, and services for people living with HIV/AIDS).

In order to conduct street outreach and help homeless individuals to become sheltered, City staff receives multiple state and federal grants.

### **HEAP Funds:**

On October 10, 2018, City Council adopted Resolution No. 2018-153 declaring a shelter crisis in Escondido and authorizing the Deputy City Manager or his designee to apply for HEAP funds.

On March 20, 2019, City Council adopted Resolution No. 2019-46 authorizing an agreement with Interfaith Community Services to employ a social worker to provide outreach and homeless case management services in Escondido. The contract was dependent on receiving HEAP funds.

HEAP funds are one-time State funds authorized by SB 850 in July 2018. Funds for the County of San Diego were awarded to be distributed by the Regional Task Force on the Homeless ("RTFH") to provide immediate emergency assistance to people experiencing homelessness or who are at imminent risk of homelessness in San Diego County. The City applied for and received funding to conduct street outreach via a contract with Interfaith Community Services ("Interfaith"). Although the City initially considered the purchase of a vehicle for use by outreach social workers, this was removed from the budget. Due to successes in the first year, RTFH renewed the City's grant funding for a second year. The City's contract with Interfaith was amended on August 12, 2020 to extend the contract for a second year.

As the end of Year 2 approaches, several individual budget line items in the City's contract with Interfaith have come in under budget. Any funds which are not used will be returned to the State. After consultation with RTFH and Interfaith, RTFH proposed a budget adjustment to the contract between RTFH and the City to allow for the purchase of a vehicle. A vehicle will allow outreach workers greater reach into areas where homeless reside and allow them to transport homeless individuals to services. This vehicle will be used by outreach workers serving homeless residents in Escondido only. This change will require a second amendment to the City's contract with Interfaith.

Attachment 1 is a budget adjustment to allow the City to access all of the second-year funding.

**ESG-CV Funds:**

The City's 2015-2019 Five Year Consolidated Plan was adopted in 2015 and was amended in 2017 to include the ESG funds. The Plan established priorities for the use of these federal funds over the five-year period. Community Development Block Grant ("CDBG") funds must be used to develop programs and projects which principally serve low- and moderate-income persons. ESG funds must be used to serve the homeless or people at-risk of homelessness. The 2015-2019 Five Year Consolidated Plan is accessible electronically at the link provided below.

[https://www.escondido.org/Data/Sites/1/media/pdfs/Neighborhood/FY\\_2015-2019\\_Five-Year\\_Consolidated\\_Plan.pdf?v=2](https://www.escondido.org/Data/Sites/1/media/pdfs/Neighborhood/FY_2015-2019_Five-Year_Consolidated_Plan.pdf?v=2)

On March 27, 2020, the President of the United States signed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), Public Law 116-136 into law, providing \$2.2 trillion in federal funds to respond to the COVID-19 pandemic. The CARES Act included \$5 billion for the Community Development Block Grant – Coronavirus ("CDBG-CV") and \$4 billion for the Emergency Solutions Grant ("ESG-CV") program to prevent, prepare for and respond to the COVID-19 pandemic. HUD allocated CDBG-CV funds to entitlement jurisdictions in three rounds and ESG-CV funds in two rounds. The City initially received \$1,070,024 in CDBG-CV funds through the first round of funding, none in the second, and \$1,324,858 in the third round. The City received \$552,803 in ESG-CV funds through the first round of funding and \$3,934,624 in the second round.

On May 20, 2020, the City Council amended the City's Citizen Participation Plan and confirmed policy priorities for both CDBG-CV and ESG-CV funding. Council reaffirmed existing priorities in the Consolidated Plan and directed staff to work with current subrecipients to allocate additional funds as efficiently as possible. The Citizen Participation Plan is accessible electronically at the link provided below.

<https://www.escondido.org/Data/Sites/1/media/PDFs/Neighborhood/draftcpp.pdf?v=3>

The City Council approved on June 24, 2020, a second amendment to its FY 2019-2020 Annual Action Plan in order to receive Round 1 CDBG-CV funds and ESG-CV funds. At HUD's direction, all activities associated with all rounds of coronavirus funding will amend the FY 2019-2020 Annual Action Plan.

On December 16, 2020, the City Council approved a third amendment to its FY 2019-2020 Annual Action Plan to accept Round 2 ESG-CV funds.

On March 3, 2020, the City Council approved a fourth amendment to its FY 2019-2020 Annual Action Plan to accept Round 3 CDBG-CV funds and allocate funding to projects and programs. This amendment included \$250,000 in ESG-CV funds for Homeless Street Outreach.

The City released a Request for Proposals (“RFP”) to identify an agency to provide Homeless Outreach Services that will be coordinated with the Escondido Police Department’s Community Oriented Policing and Problem Solving (“COPPS”) unit on March 24, 2021. The City received a single proposal from Interfaith. The proposal includes a two-person, full-time team (case manager (licensed clinician) and homeless outreach worker), supplies and equipment, a small flex fund, and the 10% federal de minimis rate for indirect costs through August 31, 2022. This team would have access to the vehicle purchased with HEAP funds. Outreach efforts will be compliant with the Continuum of Care’s Street Outreach Standards, and will coordinate with the COPPS unit ensuring that the outreach workers will be out in the community continually meeting with individuals, connecting them to services and leveraging public and private resources.

Staff recommends conditionally committing ESG-CV funds to this project. No actual commitment of funds may occur at this time, and no such commitment would occur through the City Council’s approval of Resolution 2021-69. Any actual, final commitment is dependent on HUD’s acceptance of the Action Plan; the completion of environmental review under the National Environmental Policy Act (“NEPA”) and the receipt of NEPA environmental clearance from HUD; if necessary, the completion of environmental review for the project under the California Environmental Quality Act (“CEQA”); the City’s receipt of appropriate insurance verification from the subrecipient; and the subrecipient’s acceptance of City contract terms.

Further, the current action requested of City Council is merely to conditionally commit ESG-CV funds to the project for the purpose of potential budgetary planning, rather than an actual commitment of funds to the project or the approval of the project itself. Thus, the instant action is not a project as defined by CEQA. The project must fully comply with CEQA, including evaluating any potential significant environmental effects, within the context of any entitlement process for the project, and the City reserves the right to approve, deny, or condition any potential project, or mitigate the environmental effects of such project, as otherwise may be required or authorized under CEQA or other applicable laws.

**Homeless Housing, Assistance and Prevents (HHAP) funds:**

HHAP funds are one-time State funds authorized by AB 101 in July 2019. Funds for the County of San Diego were awarded to be distributed by RTFH to provide local jurisdictions with funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges. RTFH received approximately \$18.8 million; most of which will undergo a grant application process. A total of \$3 million is available to current HEAP recipients in order to extend current projects. While the City will fund the outreach workers using ESG-CV funds, there is continued need for flexible funding in order to address the immediate needs of homeless individuals. Flex funds can be used to address urgent physical needs such as providing meals, blankets, clothes, or toiletries in unsheltered locations, to pay for primary documents (such as state identification cards, drivers licenses, or birth records, only when the primary documents are necessary for a program participant to obtain critical services), transportation, and short terms hotel/motel costs if appropriate

emergency shelter is not available. Staff proposes applying for \$12,500 in order to provide a flex fund to be used by ESG-CV funded outreach workers and City management of the grant.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Mike Strong*, Director of Community Development

05/05/21 5:15 p.m.

ATTACHMENTS:

1. Attachment 1 – Budget Adjustment
2. Resolution 2021-68
3. Resolution 2021-68 Exhibit “A” Second Amendment to Consulting Agreement
4. Resolution 2021-69
5. Resolution 2021-69 Exhibit “A” Consulting Agreement
6. Resolution 2021-70



**CITY OF ESCONDIDO**  
**BUDGET ADJUSTMENT REQUEST**

Date of Request: May 12, 2021  
 Department: Community Development  
 Division: Housing & Neighborhood Services  
 Project/Budget Manager: Karen Youel x4518  
 Name Extension  
 Council Date (if applicable): May 12, 2021  
 (attach copy of staff report)

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

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
RTFH - HEAP grant (year 2)	401-4127- HEAP20	\$192,995	
HEAP Funded Social Worker	401-HEAP20	\$192,995	

Explanation of Request:

A Budget Adjustment is needed to receive and spend HEAP grant funds (year 2) from the Regional Task Force on the Homeless.

**APPROVALS**

DocuSigned by:			
<i>Mike Strong</i>	5/4/2021		
Department Head	Date	City Manager	Date
<i>Jodi Coco</i>	5/4/2021		
Finance	Date	City Clerk	Date

Distribution (after approval): Original: Finance

RESOLUTION NO. 2021-68

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE MAYOR TO EXECUTE A  
SECOND AMENDMENT TO A CONSULTING  
AGREEMENT WITH INTERFAITH COMMUNITY  
SERVICES FOR THE PROVISION OF A  
HOMELESS CASE MANAGER

WHEREAS, California's Governor Edmund G. Brown, Jr. and the members of the California Legislature have recognized the urgent and immediate need for funding at the local level to combat homelessness; and

WHEREAS, the Governor and Legislature have provided funding to local governments under the Homeless Emergency Aid Program ("HEAP") as part of SB 850 and the 2018-19 Budget Act (Chapter 48, Statutes of 2018); and

WHEREAS, the San Diego Regional Taskforce for the Homeless (RTFH) released a Request for Project Proposals on January 31, 2019, seeking applications from agencies interested in providing critical services to, support movement toward, and access to housing for people experiencing homelessness; and

WHEREAS, the City of Escondido ("City") applied for and was granted HEAP funds from RTFH in order to fund a Social Worker to work with the Escondido Police Department and Housing and Neighborhood Services Division; and

WHEREAS, on March 21, 2019 the City entered into a Consulting Agreement with Interfaith Community Services ("Interfaith") the provision of a Social Worker to provide homeless case management services on March 21, 2019 and amended that contract on August 12, 2020; and

WHEREAS, the City would now like to modify the budget in the Amended Consulting Agreement to allow for the purchase of equipment.

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 a modified agreement between the City and Interfaith Community Services is necessary to appropriately expend HEAP funds.
3. That the City Council authorizes the Mayor to execute, on behalf of the City, a Consulting Agreement with Interfaith Community Services in substantially the same format as Exhibit "A" which is attached hereto and incorporated by this reference, subject to final approval as to form by the City Attorney.



CITY OF ESCONDIDO  
SECOND AMENDMENT TO CONSULTING AGREEMENT

This Second Amendment to Consulting Agreement ("Second 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: Karen Youel  
760-839-4518  
("CITY")

And: Interfaith Community Services, Inc.  
a California non-profit corporation  
550 W. Washington Ave.  
Escondido, CA 92025  
Attn: Greg Anglea  
760-489-6380, ext. 230  
("CONSULTANT").

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

WHEREAS, the Parties entered into that certain Consulting Agreement dated April 24, 2019, which was subsequently amended by a First Amendment dated August 12, 2020 (collectively, the "Agreement"), wherein CITY retained CONSULTANT to provide homeless case management services to further enhance the work of the CITY's Community Oriented Policing and Problem Solving ("COPPS") Unit and provide services to homeless residents within the CITY as more specifically described in the Agreement; and

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

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. The CONSULTANT shall furnish all of the Services described in "Attachment A" to this Second



Amendment.

- 2. The CITY will compensate CONSULTANT in an amount not to exceed the sum of **\$188,880**, pursuant to the conditions contained in "Attachment A" to this Second Amendment.
- 3. All other terms of the Agreement not referenced in this Second Amendment shall remain unchanged and in full force and effect. In the event of a conflict between a provision of the Agreement and this Second Amendment, this Second Amendment shall prevail.
- 4. This Second Amendment and the Agreement, together with any attachments or other documents described or incorporated therein, if any, constitute the entire agreement and understanding of the Parties, and there are no other terms or conditions, written or oral, controlling this matter.
- 5. This Second 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 Second 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 Second Amendment, the effective date of this Second Amendment shall be the latest date of execution set forth by the names of the signatories below.

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

CITY OF ESCONDIDO

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

\_\_\_\_\_  
Paul McNamara  
Mayor

Interfaith Community Services, Inc.

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**

Interfaith Community Services, Inc., a California non-profit corporation ("Contractor") will provide the City of Escondido, a California municipal corporation ("City") with homeless outreach management and street outreach services to further enhance the work of the existing Community Oriented Policing and Problem Solving ("COPPS") unit and provide services to homeless residents in Escondido.

Contractor will provide street outreach services, including the provision of client flexible financial assistance that enable creative solutions to client challenges not currently covered through other funding options.

#### **B. Location**

Contractor will provide services at various locations within the City Escondido. Services shall be non-facility-based.

#### **C. Services**

1. Contractor shall recruit, hire, and train a 1.0 full time equivalent employee ("FTE") Homeless Outreach Case Manager ("Manager"). The Manager shall oversee the homeless case management services. The Manager must be a social worker with the following minimum qualifications:
  - a. Bachelor's degree in Social Work, Psychology, or other behavioral health disciplines;
  - b. Master's degree in Social Work
  - c. An active State of California license in social work;
  - d. Three years' experience providing case management services; and
  - e. Bilingual English/Spanish preferred.
2. Contractor will provide. 0.2 FTE Program Manager/SOAR Consultation 0.25 FTE Bridge Behavioral Clinician, 0.05 FTE Behavioral Health Director.
3. The Manager must be able to pass an Escondido Police Department background check.
4. Contractor shall ensure that case management services shall be available 40 hours per week, Monday through Friday, eight hours per day. Contractor must ensure that case management services are also available on occasional nights and weekend as may be required.
5. The Manager and Outreach Worker shall provide direct services to homeless clients and recently housed individuals and families, including but not limited to:
  - a. Intake, assessment, and case management; and
  - b. Client advocacy (e.g. resources and referrals) with the goal of supporting client self-sufficiency.
6. The Manager shall work in collaboration with the City's COPPS unit to further enhance the work of the existing COPPS unit and provide comprehensive services to homeless residents in the City.

## **ATTACHMENT "A"**

### Scope of Work

7. The Manager's responsibilities include, but are not limited to:
  - a. Complete a comprehensive case management assessment for each homeless client by developing a detailed case plan that includes identifying barriers to housing. The plan shall include a timeline and measures for each goal and shall be updated to monitor progress towards goals as the client's needs change at least every 90 days or as changes occur in client's progress;
  - b. Participate in the County-side Coordinated Entry System (CES);
  - c. Obtain signed multi-agency release of information agreements in order to connect clients to internal and external partner programs and services;
  - d. Enter client level data through the Homeless Management Information System ("HMIS"), Clarity, as well as service provider's additional client assessment and tracking tools;
  - e. Link homeless clients to housing, medical, mental health, addiction and recovery services, food, clothing, transportation, employment, Social Security and Social Security Disability assistance, and financial services based on the client's individual plan;
  - f. Assist homeless clients in enrolling in mainstream benefits and obtain identification (e.g. California Driver's License, California Identification Card and/or Social Security card);
  - g. Assist homeless clients in identifying housing options based on the individualized plan, and work to obtain and maintain permanent housing with the client for a period of up to nine months after housing placement based; Maintain regular communication, both written and verbal, with the COPPS Lieutenant and the City's Housing & Neighborhood Services Manager and attend regular scheduled case management meetings to review the Manager's caseload;
  - h. Work collaboratively with the COPPS unit, Quality of Life team members, other service providers, and community parties to identify homeless individuals in need of case management services;
  - i. Work with the COPPS unit and Housing & Neighborhood Services Manager to maximize partnerships with service providers, community organizations and individuals to cultivate resources and stay connected to the changing needs of the community;
  - j. Maintain accurate and thorough documentation of client meetings and interactions in a timely manner, including conversations, and progress towards goals;
  - k. Maintain data on each program participant and program milestones, and provide required reports along with the monthly invoice;
  - l. Maintain data on each program participant and program milestones, and provide required reports along with the monthly invoice;
  - m. Identify gaps in homeless services and assistance needs in Escondido, and develop recommendations for community and program improvements in support of the City's Strategic Plan Regarding Homelessness in Escondido;

## ATTACHMENT "A"

### Scope of Work

- n. Participate in community meetings in support of the Homeless Response Plan or case management duties;
  - o. Collaborate with the COPPS unit, the Housing and Neighborhood Services Division, city departments and staff, other government agencies, and Escondido faith centers, service clubs, businesses, nonprofit organizations, and community members. and
  - p. Participate in the annual Point-in-Time Count as coordinated by the he Regional Task Force on the Homeless ("RTFH").
8. Contractor will serve 100 individual in the City of Escondido who are experiencing homelessness. Over the course of this contract, there will be a minimum of 400 instances of services, 20 unsheltered persons will become sheltered, and 5 homeless persons shall enter permanent housing.
9. Contractor shall furnish all general office supplies, printing costs, and postage associated with normal office and service operations related to case management duties.
10. Contractor will purchase a vehicle to be used by the Homeless Outreach team for outreach in Escondido. At the end of the Agreement term, Contractor will continue to use the vehicle for assigned outreach in Escondido for a minimum period of 5 years.
11. Funding for this contract is provided by a HEAP grant from the Regional Taskforce for the Homeless (RTFH). Contractor will cooperate with all reasonable requests for information and reporting requirements from RTFH including:
- a. Monthly invoices for services rendered
  - b. Monthly Programmatic Reports of service will be due on or before the 13<sup>th</sup> day of the following month (for example, reports for work conducted between July 1 – July 30 are due to the City no later than August 13<sup>th</sup>), including, but not limited to
    - i. Amount of Award with activities
    - ii. Contract expenditures
    - iii. Unduplicated number of homeless persons or persons at imminent risk of homelessness served
    - iv. Number of instance of service (defined in RTFH NOFA dated September 5, 2018)
    - v. Increases in capacity for new and existing programs
    - vi. The number of unsheltered homeless persons becoming sheltered
    - vii. The number of homeless persons entering permanent housing
    - viii. Progress made toward local homeless goals
    - ix. Alignment between HEAP funded programs and "Housing First" principles adopted by the Homeless Coordinating and Financing Council
    - x. Any other effects from HEAP funding

## ATTACHMENT "A"

### Scope of Work

12. At the request of the RTFH and/or City, Contractor shall provide, at its own expense, a financial audit prepared by a certified public accountant.
13. All records relating to the Contractor's services provided pursuant to its Second Amendment must be retained for a minimum of five years after the termination of this Second Amendment. If any litigation, claim, negotiation, audit, monitoring, inspection or other action commences before the expiration of the required five-year record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.

#### **D. Scheduling and Coordination**

Inquires relating to this Second Amendment, including scheduling and necessary coordination with City staff, may be directed to Karen Youel at 760-839-4518 or [kyouel@escondido.org](mailto:kyouel@escondido.org).

#### **E. Payment Terms and Schedule**

The total contract price of this Second Amendment shall not exceed **\$188,880**. Invoices must be submitted monthly after the services have been performed; payments will be paid after all expense documentation, requisite program participation, and milestone report documents are reviewed, and within 30 days of receipt of invoice for those services.

The contract price of this Second Amendment shall comply with the following budget, which shall remain in effect throughout the term of this Second Amendment:

Personnel Expenses	Budget Allotment
Personnel with Benefits @ 38%	\$131,025
Total	\$131,025
Non-Personnel Expenses	Budget Allotment
Program Delivery Supplies	\$300
Telephone, Fax, and Internet	\$947
Travel/Mileage	\$1,800
Client Flex Funds	\$9,440
Training	\$500
Equipment	\$36,786
Total	\$49,773
Indirect (10% federal deminus rate)	\$8,082
<b>Total</b>	<b>\$188,880</b>

## **ATTACHMENT "A"**

### Scope of Work

#### Budget Narrative:

1. The \$131,025 Personnel budget allotment includes 1.0 FTE Case Manager, 0.2 FTE Program Manager/SOAR Consultation, 0.25 Bridge Behavioral Health Clinician, and 0.1 FTE Behavioral Health Director to supervise and support this brand-new program. This is including benefits and taxes.
2. The \$300 Program Delivery Supplies budget allotment includes expenses required to provide new staff assigned to the proposed project and tools to perform their daily duties.
3. The \$947 Telephone, Fax, and Internet budget allotment includes expenses associated with establishing communication services for personnel directly assigned to this project.
4. The \$1,800 Travel/Mileage budget allotment includes mileage for field work assessing and providing case management services throughout the City of Escondido, as well as program-related travel to meetings, forums, businesses, faith centers, and presentations as indicated by the City. The Travel/Mileage budget allotment may also cover rental of a vehicle (and gas).
5. The \$9,440 Client Flex Funds budget allotment will be used by HEAP funded staff to help clients address their barriers to services and housing.
6. The \$500 Training budget allotment will cover [add description of training].
7. The \$36,786 Equipment budget allotment will cover purchase of necessary equipment including a vehicle, databases, and occupancy charges associated with the social worker.

#### **F. Term**

The term of this Second Agreement shall be from the Effective Date of this Second Amendment through May 30, 2021. All contract funds shall be expended by May 31, 2021. Final invoice must be submitted by Thursday, June 3, 2021.

#### **G. Other**

The Manager is an employee of the Contractor and no agency or employment relationship with the City is created by the execution of this Second Amendment.

RESOLUTION NO. 2021-69

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
CONDITIONALLY COMMITTING FUNDS  
FOR THE PROVISION OF HOMELESS  
OUTREACH SERVICES AND AUTHORIZING  
THE COMMUNITY DEVELOPMENT  
DIRECTOR TO EXECUTE AGREEMENTS  
FOR USE OF ESG-CV FUNDS

WHEREAS, the City OF Escondido (“City”) is a recipient of Emergency Solutions Grant – Coronavirus (“ESG-CV”) funds from the United States Department of Housing and Urban Development (“HUD”); and

WHEREAS, the City of Escondido allocated \$250,000 for the provision of Homeless Outreach Services in the FY 2019-2020 Annual Action Plan and released an Request for Proposals (“RFP”) for the provisions of services; and

WHEREAS, Interfaith Community Services has submitted a proposal; and

WHEREAS, the City Council desires at this time, and deems it to be in the best public interest, to approve a Subrecipient Agreement (“Agreement”) with Interfaith Community Services to provide street outreach to homeless individuals; and

WHEREAS, ESG-CV funds cannot be committed to projects until certain conditions are met including HUD’s acceptance of the Action Plan; the completion of environmental review under the National Environmental Policy Act (“NEPA”) and the receipt of NEPA environmental clearance from HUD; if necessary, the completion of environmental review for the project under the California Environmental Quality Act

("CEQA"); the City's receipt of appropriate insurance verification from the subrecipient; and the subrecipient's acceptance of City contract terms;

WHEREAS, the current action requested of City Council is merely to conditionally commit ESG-CV funds to the project for the purpose of potential budgetary planning, rather than an actual commitment of funds to the project or the approval of the project itself. Thus, the instant action is not a project as defined by CEQA. The project must fully comply with CEQA, including evaluating any potential significant environmental effects, within the context of any entitlement process for the project, and the City reserves the right to approve, deny, or condition any potential project, or mitigate the environmental effects of such project, as otherwise may be required or authorized under CEQA or other applicable laws; and.

WHEREAS, the City Council also desires to authorize the Director of Community Development to execute agreements to provide for the use of ESG-CV funds.

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 Community Development Director is hereby authorized to execute, on behalf of the City, an Agreement with Interfaith Community Services for the provision of homeless outreach services using ESC-CV in substantially the same format as Exhibit "A" which is attached hereto and incorporated by this reference, subject to final approval as to form by the City Attorney.





**SUBRECIPIENT AGREEMENT**  
between  
CITY OF ESCONDIDO  
and  
INTERFAITH COMMUNITY SERVICES, INC.  
for  
the use of Emergency Solutions Grant (ESG-CV) Funds  
Provision of Homeless Outreach Services

This SUBRECIPIENT AGREEMENT (“Agreement”) is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2021 (“Effective Date”), by and between the City of Escondido, a California municipal Corporation (“Grantee”), and Interfaith Community Services, a California Public Benefit Corporation (“Subrecipient”). (The City and Subrecipient may each individually be referred to herein as a “Party” and collectively as the “Parties.”)

WHEREAS, the Grantee has been allocated Emergency Solutions Grants program (“ESG”) stimulus funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act (“ESG-CV Funds”) from the United States Department of Housing and Urban Development (“HUD”), pursuant to Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. §§ 11371–78) (the “Act”), for the rehabilitation or conversion of buildings for use as emergency shelter for the homeless, for the payment of certain expenses related to operating emergency shelters, for essential services related to emergency shelters and street outreach for the homeless, and for homeless prevention and rapid re-housing assistance. [Catalogue of Federal Domestic Assistance (CFDA) 14.231; Federal Award Identification Number (FAIN) [E-20-MW-06-0552].]; and

WHEREAS, the Grantee has approved the provision of funds under the Act to be used by the Subrecipient as provided in the Subrecipient’s Work Plan, attached hereto as **Exhibit A** and incorporated herein by this reference, and as further modified by any negotiated Statement of Work (“Work Plan”); and

WHEREAS, the Subrecipient represents that it shall perform the work as set forth in the Work Plan pursuant to the Budget, attached hereto as **Exhibit B** and incorporated herein by this reference (“Budget”); and

WHEREAS, the Subrecipient warrants that it has the expertise and experience to perform the work set forth in the Work Plan; and

WHEREAS, the Grantee shall provide ESG-CV Funds to the Subrecipient in the amount set forth in the Budget, and pursuant to the terms of this Agreement; and

NOW, THEREFORE, in consideration of the foregoing recitals and based on the mutual covenants, terms, and conditions expressed herein, the Parties mutually agree as follows:

- I. **TERM.** The term of this Agreement shall be from the June 1, 2021 through August 31, 2022 (“Term”).

## II. SCOPE OF SERVICES

- A. General Administration. In compliance with all of the terms and conditions of this Agreement, the Subrecipient shall provide the services set forth in the Scope of Work, which provides a description of each activity, including the services to be performed, the person or entity providing the services, the estimated number for recipients of the services, and the manner and means of the services. The Subrecipient represents and warrants that the services to be provided to implement the Scope of Work shall be performed in a competent, professional, and satisfactory manner in accordance with the ESG.
- B. Statement of Work.
1. The Subrecipient represents that it will negotiate a Statement of Work in accordance with the Work Plan, which shall include an accurate schedule for performance and completion of the work ("Statement of Work").
  2. The Statement of Work shall be in sufficient detail to provide a sound basis for Grantee to effectively monitor performance under this Agreement.
  3. The Statement of Work shall draw a nexus between the ESG and the Subrecipient's work to prevent, prepare for, or respond to the COVID-19 pandemic.
  4. The Subrecipient shall ensure that there are no duplications of benefits. A duplication of benefits exists when a program beneficiary receives assistance from multiple funding sources totaling an amount that exceeds the need for a particular funding need.
- C. Use of Funds.
1. The Subrecipient agrees to use any ESG-CV Funds provided by the Grantee pursuant to the provisions of this Agreement, the Work Plan, the Statement of Work, and the Budget. The Subrecipient's failure to perform as required may, in addition to other remedies set forth in this Agreement, result in the readjustment of the amount of ESG-CV Funds the Grantee is otherwise obligated to pay to the Subrecipient under this Agreement.
  2. The Subrecipient shall use any ESG-CV Funds to pay for necessary and reasonable costs to operate the ESG, including wages, administrative costs, employee benefits comparable to other similarly situated employees, and other allowable costs as described in the Budget.
  3. If the Subrecipient uses any ESG-CV Funds for the purpose of acquiring real property or to reduce the cost of financing of the acquisition of real property, there shall be no alteration of the use of the acquired real property and no additional encumbrances placed on such real property during the Term of this Agreement, without prior written consent of the Grantee, such consent not to be unreasonably withheld.
  4. The Subrecipient shall, upon receipt of ESG-CV Funds for the purpose of acquiring or improving real property, cause a Deed of Trust, secured by a Promissory Note, to be executed and recorded, in favor of the Grantee, for the amount of the ESG-CF Funds provided by the Grantee.

5. If the Subrecipient uses ESG-CV Funds for the purpose of acquiring or improving real property, and further encumbers such real property without first giving notice to the Grantee and obtaining the Grantee's written consent, such consent not to be unreasonably withheld, such occurrence shall be cause for termination or revocation of this Agreement and reversion of the assets as described in this Agreement, or collection on any Promissory Note executed in favor of the Grantee.

### III. BUDGET

- A. The Subrecipient shall adhere to the Budget specified in Exhibit B.
- B. The Subrecipient represents that the Budget includes only allowable costs and an accurate analysis of costs applicable to ESG-CV Funds pursuant to 24 C.F.R. § 576.100, which includes requirements for compliance with the following in addition to other requirements as stated in 2 C.F.R. Part 200, Subpart E (Cost Principles).
- C. The Budget shall be in sufficient detail to provide a sound basis for the Grantee to effectively monitor performance under this Agreement.
- D. The Grantee may require a more detailed Budget breakdown than what is contained in Exhibit B, and the Subrecipient shall provide such supplementary Budget information in a timely fashion in the form and content prescribed by the Grantee. Any changes to the Budget may only be made by written amendment signed by both the Grantee and the Subrecipient

### IV. PAYMENT

- A. The total amount of ESG-CV Funds to be paid by the Grantee under this Agreement shall not exceed \$249,995.
- B. Any payment of ESG-CV Funds shall be made in installments determined by the Grantee. Payment shall be made to the Subrecipient through the submission of monthly invoices, in a form prescribed by the Grantee, detailing such expenses. The Grantee shall pay such invoices within 30 days after receipt thereof, provided the Grantee is satisfied that such expenses have been incurred pursuant to and within the scope of this Agreement and that the Subrecipient is otherwise in compliance with the terms and conditions of this Agreement.
- C. Payments to the Subrecipient are contingent upon HUD's delivery of payment to the Grantee.
- D. Payments to the Subrecipient may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 2 C.F.R. § 200.302.

- V. NOTICES. All notices required by this Agreement shall be in writing and delivered to the appropriate Party via U.S. mail (postage prepaid), commercial courier, or personal delivery, and addressed as follows:

#### If to the Grantee

City of Escondido  
Housing & Neighborhood Services Division  
201 N. Broadway  
Escondido, CA 92115

If to the Subrecipient

Interfaith Community Services  
550 West Washington  
Escondido, CA 92025

VI. GENERAL CONDITIONS

A. General Compliance.

1. The Subrecipient shall comply with all applicable federal, state, and local laws, regulations, and policies governing the funds provided under this Agreement, including but not limited to federal ESG-CV financial and contractual procedures and 2 C.F.R. Part 200.
2. The Subrecipient shall lawfully secure any permits required for the activities described in the Scope of Work and shall maintain any presently required permits.
3. The Subrecipient shall obtain and maintain all licenses, registrations, accreditations, and inspections from all agencies governing its operations. The Subrecipient shall ensure that its staff and volunteers also obtain and maintain all required licenses, registrations, accreditations, and inspections from all agencies regulating the Subrecipient's operations.
4. The Subrecipient shall utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. Independent Contractor. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. The Subrecipient is an independent contractor and no agency or employment relationship, either express or implied, is created by the execution of this Agreement. The performance of the Activities is an integral part of the regular business operations of the Subrecipient. The Subrecipient shall have exclusive control over all work performed by its employees and the manner in which it is performed and shall determine the method, details, and means of performing the Activities. In addition to any other indemnification required by the Subrecipient under this Agreement, the Subrecipient indemnifies Grantee for any claims, losses, costs, fees, liabilities, damages, or injuries suffered by the Grantee arising out of the Subrecipient's breach of this section.

C. Grantee Recognition. The Subrecipient shall insure recognition of the role of the Grantee in the Subrecipient's performance of the activities through this Agreement. Any activity, facility, or item performed or utilized pursuant to this Agreement shall be prominently labeled as to its funding source. In addition, the Subrecipient shall include a reference to the support provided in this Agreement in all publications made possible with funds made available under this Agreement.

D. Amendment.

1. The Grantee or the Subrecipient may amend this Agreement at any time provided that such amendment makes specific reference to this Agreement; is executed in writing and signed by a duly authorized representative of each Party; and is approved by the Grantee's governing body.

2. The Grantee may, in its discretion, amend this Agreement to comply with federal, state, or local laws, regulations, guidelines, or policies, except that if any such amendment results in a change in the funding or the Activities under this Agreement, such amendment may be made only by written amendment signed by both the Grantee and the Subrecipient as otherwise required by this Agreement.

## VII. INDEMNIFICATION & INSURANCE

A. Indemnification, Duty to Defend, and Hold Harmless. The Subrecipient (including the Subrecipient's agents, employees, and subcontractors, if any) shall hold harmless, defend, and indemnify the Grantee, 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 the Subrecipient's (including the Subrecipient's agents, employees, and subcontractors, if any) performance of the Activities 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 Grantee. This provision shall survive the termination of this Agreement.

B. Insurance.

1. The Subrecipient shall comply with the insurance requirements of 2 C.F.R. §§ 200.310 and 200.447.
2. The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud, and undue physical damage.
3. The Subrecipient 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 Activities, and the results of such work, by the Subrecipient, its agents, representatives, employees, or subcontracts. Insurance coverage shall be at least as broad as the following:
  - a. *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, \$4,000,000 general aggregate.
  - b. *Automobile Liability.* ISO Form CA 00 01 covering any auto (Code 1), or if the Subrecipient 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 Grantee and approved in writing by the Grantee's Risk and Safety Division.
  - c. *Workers' Compensation.* Workers' 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.

- d. *Professional Liability (Errors and Omissions)*. Professional Liability (Errors and Omissions) appropriate to the Subrecipient's professions, with limits no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.
  - e. If the Subrecipient maintains broader coverage and/or higher limits than the minimums otherwise required by this Agreement, the Grantee requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Subrecipient.
4. Each insurance policy required by this Agreement must be acceptable to the Grantee's City Attorney and shall meet the following requirements:
- a. *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 Grantee.
  - b. *Additional Insured Status*. Both the Commercial General Liability and the Automobile Liability policies must name the Grantee (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.
  - c. *Primary Coverage*. The Subrecipient's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 with respect to the Grantee, its officials, officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by the Grantee, its officials, officers, agents, employees, or volunteers shall be in excess of the Subrecipient's insurance and shall not contribute with it.
  - d. *Notice of Cancellation*. Each insurance policy shall provide that coverage shall not be canceled, except with prior written notice to the Grantee.
  - e. *Subcontractors*. If applicable, the Subrecipient shall require and verify that all subcontractors maintain insurance meeting all the requirements stated within this Agreement, and the Subrecipient shall ensure that the Grantee (including its officials, officers, agents, employees, and volunteers) is an additional insured of any insurance required from a subcontractor.
  - f. *Waiver of Subrogation*. The Subrecipient hereby grants to the Grantee a waiver of any right to subrogation that any insurer of the Subrecipient may acquire against the Grantee by virtue of the payment of any loss under such insurance. The Subrecipient agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but his subsection shall apply regardless of whether or not the Grantee 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 Grantee for all work performed by the Subrecipient, its agents, representatives, employees, and subcontractors.
  - g. *Self-Insurance*. The Subrecipient may, with the Grantee's prior written consent, fulfill some or all of the insurance requirements contained in this Agreement under a plan of self-insurance. The Subrecipient shall only be permitted to utilize such self-insurance if, in the opinion of the Grantee, the Subrecipient's (i) net worth and (ii) reserves for

payment of claims of liability against the Subrecipient are sufficient to adequately compensate for the lack of other insurance coverage required by this Agreement. The Subrecipient's utilization of self-insurance shall not in any way limit the liabilities assumed by the Subrecipient pursuant to this Agreement.

- h. *Self-Insured Retentions.* Self-insured retentions must be declared to and approved by this Grantee.
5. *Verification of Coverage.* At the time the Subrecipient executes this Agreement, the Subrecipient shall provide the Grantee 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 Grantee reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this Agreement, at any time.
6. *Special Risks or Circumstances.* The Grantee 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.
7. *No Limitation of Obligations.* The insurance requirements in this Agreement, including the types and limits of insurance coverage the Subrecipient must maintain, and any approval of such insurance by the Grantee, are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Subrecipient pursuant to this Agreement, including but not limited to any provisions in this Agreement concerning indemnification.
8. 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 the Subrecipient fails to comply with any such insurance requirements in this Agreement, in addition to any other remedies the Grantee may have, the Grantee may, at its sole option, (i) immediately terminate this Agreement, or (ii) order the Subrecipient to stop work under this Agreement and/or withhold any payment that becomes due to the Subrecipient until the Subrecipient demonstrates compliance with the insurance requirements in this Agreement.

## VIII. TERMINATION

- A. Suspension or Termination. The Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which may include (but is not limited to) the following:
  1. Failure to comply with any of the federal, state, or local laws, regulations, executive orders, HUD guidelines, policies, or directives referred to herein, or any federal, state, or local laws, regulations, executive orders, HUD guidelines, policies, or directives that may become applicable to this Agreement at any time;
  2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement, as determined by Grantee in its sole discretion;
  3. Ineffective or improper use of funds provided under this Agreement; or

4. Submission by the Subrecipient to the Grantee a report that is incorrect or incomplete in any material respect.
- B. The Grantee shall have the right to terminate this Agreement immediately or withhold payment of invoice for failure of the Subrecipient to comply with the terms and conditions of this Agreement. If the Grantee decides to terminate this Agreement, after a full evaluation of all circumstances has been completed, the Subrecipient shall, upon written request, have the right to an appeal process. The Grantee shall attach a copy of the appeal process to any termination notice.
- C. If the Grantee finds that the Subrecipient has violated any term or condition of this Agreement, the Subrecipient shall be required to:
  1. Repay all monies received from the Grantee under this Agreement; and
  2. Transfer possession of all materials and equipment purchased with grant money to the Grantee.
- D. In the case of early termination, the Grantee may make a final payment to the Subrecipient upon receipt of a Final Report and invoices covering eligible costs incurred prior to such termination. The total of all payments, including the final payment, shall not exceed the amount specified in this Agreement.
- E. Termination for Convenience. This Agreement may be terminated for convenience by either Party, in whole or in part, by setting forth the reasons for such termination, the effective date of such termination, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the Agreement in its entirety. Grantee and Subrecipient agree to provide written notice to the other party within 30 days prior to the effective date of any termination for convenience. In the event that HUD withdraws any portion of the City's ESG-CV funds, the City shall not be obligated to reimburse the Subrecipient for any activity expense incurred and may recover reimbursed amounts already paid. The Grantee shall notify the Subrecipient if such event by HUD occurs.

## IX. ADMINISTRATIVE REQUIREMENTS

### A. Financial Management.

1. Accounting Standards. The Subrecipient shall comply with 2 C.F.R. Part 200 and shall adhere to the accounting principles and procedures required therein, including following Generally Accepted Accounting Principles (GAAP) as defined in 2 C.F.R. § 200.49. The Subrecipient shall utilize adequate internal controls and maintain necessary source documentation for all costs incurred.
2. Cost Principles. The Subrecipient shall administer its program in conformance with 2 C.F.R. Part 200, Subpart E. These principles shall be applied for all costs incurred, whether charged on a direct or indirect basis.
3. Separation of Accounts. All funds received by the Subrecipient from the Grantee pursuant to this Agreement shall be maintained separate and apart from any other fund of the Subrecipient, or of any principal or member of the Subrecipient, in an account in a federally



insured banking or savings and loan institution. No monies shall be withdrawn from such account except for expenditures authorized by this Agreement.

4. Audit of Account. The Grantee shall include an audit of the account maintained by the Subrecipient in the City's annual audit of all ESG-CV Funds pursuant to federal regulations found in Title 24 of the Code of Federal Regulations and other applicable federal laws and regulations.

B. Documentation and Record Keeping.

1. Records and Reports to Be Maintained. The Subrecipient shall maintain all records and reports required by the regulations specified in 24 C.F.R. §§ 576.2 and 576.407, and 2 C.F.R. Part 200, that are pertinent to the activities to be funded under this Agreement. Such records and reports shall include but shall not be limited to:
  - a. records providing a full description of each activity undertaken;
  - b. records demonstrating that each activity undertaken meets one of the ESG-CV Eligible Activities;
  - c. records documenting the number, race, and income level of persons and/or families participating in or benefiting from the Subrecipient's program;
  - d. records documenting the acquisition, improvement, use, or disposition of real property or equipment acquired or improved with ESG-CV Funds;
  - e. records documenting compliance with the fair housing and equal opportunity components of the program;
  - f. records documenting all ESG-CV Funds received from the Grantee;
  - g. records documenting expenses as identified in the Budget;
  - h. records documenting how duplication of benefits has been avoided;
  - i. any other related records as the Grantee may require;
  - j. Payment Request/Invoice Reports;
  - k. Quarterly Performance and Demographic Reports;
  - l. Final Evaluation Reports;
  - m. any such other reports as the Grantee may require;
5. Homeless Management Information System (HMIS). The Subrecipient shall adopt and comply with all required Homeless Management Information System ("HMIS") policies and procedures, including data collection, privacy, and security requirements. The Subrecipient shall use HMIS and other pertinent data collected in the community to assist with evaluating ESG-CV activities within the context of broader system performance and to inform subsequent ESG-CV program allocations. The Subrecipient shall consistently collect and report performance data to integrate into HMIS. The Subrecipient shall provide

HMIS data necessary for specific elements of the Consolidated Plan and Consolidated Annual Performance Evaluation Report (CAPER).

6. Retention. The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.
3. Client Data. The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but shall not be limited to, client name, address, income level, or any other basis for determining eligibility, and description of service provided. Such information shall be made available to the Grantee monitors or their designees for review upon request.
4. Disclosure. The Subrecipient understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities under this Agreement, may be prohibited by state and federal law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.
6. Audits & Inspections. All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States, or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Such monitoring activities may also include, but are not limited to, questioning employees and participants in the program and entering any premises or any site in which any of the services of activities funded by ESG-CV Funds are conducted or in which any of the records of the Subrecipient are stored. In the event the Subrecipient does not make any requested documents or records available within the City of Escondido, California, the Subrecipient shall pay all necessary and reasonable expenses incurred by the City in conducting any audit at the location where such documents or records are maintained. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the audit requirements within this Agreement shall constitute a violation of this Agreement and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and 2 C.F.R. Part 200, Subpart F.
7. Additional Documentation. The Subrecipient shall provide further documentation as the Grantee may request in relation to the requirements of this Agreement.

C. Reporting and Payment Procedures.

1. Program Income. Program income shall have the same meaning provided in 2 C.F.R. § 200.80. For purposes of ESG, program income will also include any amount of a security or utility deposit returned to the Subrecipient. The Subrecipient shall use all income received from the ESG-CV Funds only for the same purposes for which the ESG-CV Funds may be expended pursuant to the terms and conditions of this Agreement. Costs paid by program income may count toward meeting the matching requirements, provided the costs are eligible ESG costs that supplement the program.
2. Indirect Costs. If indirect costs are charged, the Subrecipient shall develop an indirect cost allocation plan for determining the Subrecipient's appropriate share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.
3. Payment Procedures. The Grantee shall pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with the approved Budget and Grantee policy concerning payments. With the exception of certain advances, payments shall only be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments shall be adjusted by the Grantee in accordance with advance fund balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this Agreement for costs incurred by the Grantee on behalf of the Subrecipient.
4. Progress Reports. The Subrecipient shall submit regular progress reports to the Grantee in the form, content, and frequency required by the Grantee.

D. Use and Reversion of Assets.

1. Upon the termination or expiration of the Term of this Agreement, the Subrecipient shall transfer to the Grantee any ESG-CV Funds on hand at the time of such termination or expiration, in addition to any accounts receivable attributable to the use of such ESG-CV Funds.
2. Any real property under the Subrecipient's control that was acquired or improved in whole or in part with ESG-CV Funds shall either be:
  - a. used to meet one of the eligible activities stated in 24 C.F.R. §§ 576.100-109 until five years after termination or expiration of the Term of this Agreement, or for such longer periods of time as determined to be appropriate by the Grantee; or
  - b. disposed of in a manner that results in the Grantee being reimbursed in the amount of the current fair market value of the property less any portion of the value attributable to expenditures of non-ESG-CV Funds for acquisition or improvement of the property. Reimbursement to the Grantee shall not be required after the period specified in Section IX(D)(2)(a) of this Agreement.

X. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights.

1. Compliance. The Subrecipient agrees to comply with local and state civil rights laws and regulations, including but not limited to the Unruh Civil Rights Act, California Civil Code § 51, and the Fair Employment and Housing Act, California Government Code section 12900 et seq. The Subrecipient also agrees to comply with Title VI of the Civil Rights Act of 1964, as amended; Title VIII of the Civil Rights Act of 1968, as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974, as amended ("HCDA"); Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Age Discrimination Act of 1975; Executive Order 11063, as amended; Executive Order 11246, as amended, and of the rules, regulations, and relevant orders of the United States Secretary of Labor.
2. Land Covenants. This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352). In regard to the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this Agreement, the Subrecipient shall cause or require a covenant running with the land to be inserted within the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease, or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.
3. Section 504. The Subrecipient agrees to comply with all federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), which prohibits discrimination against the individuals with disabilities or handicaps in any federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.
4. Executive Order 11246 (Nondiscrimination Provisions). During the performance of this Agreement, the Subrecipient agrees as follows:
  - a. The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, or an individual's status in any group or class protected by applicable federal, state, or local laws. The Subrecipient will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, or an individual's status in any group or class protected by applicable federal, state, or local laws. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
  - b. The Subrecipient will, in all solicitations or advancements for employees placed by or on behalf of the Subrecipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, or an individual's status in any group or class protected by applicable federal, state, or local laws.

- c. The Subrecipient will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Subrecipient's legal duty to furnish information.
- d. The Subrecipient will send to each labor union, or representative of workers with whom the Subrecipient has a collective bargaining agreement or other contract or other understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments under Section 202 of Executive Order 11246, as amended, and any other commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- e. The Subrecipient will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the United States Secretary of Labor.
- f. The Subrecipient will furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required by Executive Order 11246, as amended; the rules, regulations, and relevant orders of the United States Secretary of Labor; and any such information or reports otherwise required hereunder, and will permit access to its books, records, and accounts by the Grantee, HUD or its agent, the United States Secretary of Labor, or other authorized federal officials for purposes of investigation to ascertain compliance with such rules, regulations, and orders, and the provisions stated herein.
- g. In the event of the Subrecipient's noncompliance with the nondiscrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Subrecipient may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provide in Executive Order 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the United States Secretary of Labor, or as otherwise provided by law.
- h. The Subrecipient will include the provisions of Section X(A)(4)(a)-(h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the United States Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The Subrecipient will take such action with respect to any subcontract or purchase order as may be directed by the United States Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Subrecipient becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of

such direction, the Subrecipient may request the United States to enter into such litigation to protect the interests of the United States.

B. Affirmative Action.

1. Approved Plan. The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965, as amended. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds, consistent with the Affirmative Action Program Policy articulated in **Exhibit C**, which is attached hereto and incorporated herein by this reference.
2. Women- and Minority-Owned Businesses. The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the term "small business" shall mean a business that meets the criteria set forth in Section 3(a) of the Small Business Act, as amended (15 U.S.C. § 632), and the terms "minority business enterprise" and "women's business enterprise" shall mean a business at least 51% owned and controlled by minority group members or women, as further defined in 15 U.S.C. § 632(n). For the purpose of this definition, "minority group members" are such groups including but not limited to African Americans, Hispanic Americans, Native Americans, Indian tribes, Asian Pacific Americans, Native Hawaiian Organizations, and other minorities. The Subrecipient may rely on written representations by a business regarding its status as a women's business enterprise or minority business enterprise in lieu of an independent investigation.
3. Prior Discrimination. The Subrecipient shall comply with 24 C.F.R. Part 6, with respect to affirmative action necessary to overcome the effects of prior discrimination, if any, and such affirmative action shall be incorporated into the Subrecipient's Affirmative Action Program.

C. Employment Restrictions.

1. Prohibited Activity. The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities, inherently religious activities, lobbying, political patronage, and nepotism activities.
2. Labor Standards.
  - a. The Subrecipient shall comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act, as amended; the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. § 327 et seq.); and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient shall comply with the Copeland Anti-Kick Back Act (18 U.S.C. § 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 C.F.R. Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.
  - b. The Subrecipient, except with respect to the rehabilitation or construction of residential property containing fewer than eight units, all contractors engaged under contracts in excess of \$2,000 for construction, renovation, or repair work financed in whole or in

part with assistance provided under this Agreement, shall comply with federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 C.F.R. Parts 1, 3, 5, and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

c. Workers' Compensation and Safety. The Subrecipient shall comply with all federal and state workers' compensation and safety laws, including but not limited to the applicable provisions of Divisions 4 and 5 of the California Labor Code and all amendments thereto, and all similar and applicable state or federal acts or laws.

3. Economic Opportunities for Low- and Very Low-Income Persons. The Subrecipient shall ensure that employment and other economic opportunities generated by the program shall, to the greatest extent feasible, be directed to low- and very-low-income persons, particularly those who are recipients of government assistance for housing. Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. § 1701u, and regulations at 24 C.F.R. Part 135 apply to this Agreement, except that homeless individuals have priority over other Section 3 residents in accordance with 24 C.F.R. § 576.405(c).

D. Conduct.

1. Assignability. The Subrecipient shall not assign or transfer any interest in this Agreement without the Grantee's prior written consent; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts.

a. Approvals. The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the Grantee's prior written consent.

b. Monitoring. The Subrecipient shall monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content. The Subrecipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process. The Subrecipient shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with any documentation concerning the selection process.

3. Hatch Act. The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.
4. Conflict of Interest. In the procurement of supplies, equipment, construction, and services by the Subrecipient, the conflict of interest provisions in 2 C.F.R. §§ 200.317-326 and 24 C.F.R. § 576.404 shall apply.
5. Lobbying. The Subrecipient hereby certifies that:
  - a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;
  - b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the Subrecipient will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
  - c. The Subrecipient will require that the certification language expressed in subparagraph (d) be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly:
  - d. Lobbying Certification. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
6. Copyright. If this Agreement results in the creation or production of any copyrightable work, material, or invention, the Grantee and grantor agency reserves the right to a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, such work, material, or invention for governmental purposes.
7. Religious Activities. The Subrecipient agrees that funds provided under this Agreement shall not be utilized for inherently religious activities, such as worship, religious instruction, or proselytization, as part of the Subrecipient's program or services. If the Subrecipient conducts such activities, the activities must be offered separately, in time or location, from such programs or services, and participation must be voluntary for the participants. The Subrecipient shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief. If the Subrecipient is a religious organization, it retains its independence from federal, state, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that the religious organization



does not use direct ESG-CV Funds to support any inherently religious activities. The Subrecipient agrees that rehabilitation of structures by the religious organization in connection with such program must be in sound accord with 24 C.F.R. § 576.406.

8. Ineligibility of Subrecipients. The Subrecipient shall not use ESG-CV Funds directly or indirectly in its operations or to employ, award contracts to, or otherwise engage the services of or fund any contractor or subcontractor, during any period of disbarment, suspension, or placement in ineligibility status of the Subrecipient or such contractor or subcontractor under the provisions of 24 C.F.R. Part 24.

## XI. ENVIRONMENTAL CONDITIONS

- A. Air and Water. The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:
  1. Clean Air Act, 42 U.S.C. § 7401 et seq., as amended, and all regulations and guidelines issued thereunder;
  2. Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., as amended, and all regulations and guidelines issued thereunder, including but not limited to the requirements within 33 U.S.C. § 1318 relating to inspection, monitoring, entry, reports, and information; and
  3. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R. Part 50, as amended.
- B. Flood Disaster Protection. In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. § 4001), the Subrecipient shall ensure that for activities located in an area identified by the Federal Emergency Management Act (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).
- C. Lead-Based Paint. The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 C.F.R. Part 35, Subpart B. Such regulations require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment, and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of federal funds applied to a property, paint testing, risk assessment, treatment, and/or abatement may be conducted.
- D. Historic Preservation. The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, 16 U.S.C. § 470, as amended, and the procedures set forth in 36 C.F.R. Part 800, insofar as they apply to the performance of this Agreement. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are 50 years old or older, or that are included on a federal, state, or local historic property list.

XII. DRUG-FREE WORKPLACE. Throughout the Term of this Agreement, the Subrecipient shall provide a drug-free workplace by:

- B. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Subrecipient's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
- C. Establishing an ongoing drug-free awareness program to inform employees about:
  - 1. the dangers of drug abuse in the workplace;
  - 2. the Subrecipient's policy of maintaining a drug-free workplace;
  - 3. any available drug counseling, rehabilitation, and employee assistance programs; and
  - 4. the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- D. Requiring that each employee who is engaged in the performance of activities under the Agreement be given a copy of the statement required by Section XII(A) of this Agreement and notifying such employee that, as a condition of employment, the employee will (i) abide by the terms of the statement, and (ii) notify the Subrecipient and appropriate Grantee officials in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- E. Notifying the Grantee and HUD, in writing, within 10 calendar days after receiving notice from an employee under Section XII(C) of this Agreement, or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number of each affected grant.
- F. Within 30 days of receiving notice of any violation, the Subrecipient shall take appropriate personnel action against the applicable employee, up to and including termination, and requiring each such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.
- G. For the purposes of this Section XII, "employee" shall mean a person directly engaged in the performance of work under this Agreement, including (i) all "direct charge" employees; (ii) all "indirect charge" employees, unless their impact or involvement is insignificant to the performance of work under this Agreement; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under this Agreement and on the Subrecipient's payroll.

XIII. MISCELLANEOUS

- A. 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 provisions of this Agreement shall not affect the legality, validity, applicability, or enforceability of the remaining provisions of this Agreement.
- B. 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 Parties 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.
- C. 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.
- D. Anti-Waiver Clause. None of the provisions of this Agreement shall be waived by the Grantee because of previous failure to insist upon strict performance, nor shall any provision be waived because any other provision has been waived by the Grantee, in whole or in part.
- E. 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.
- F. Multiple Copies of Agreements/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.
- G. Provisions Cumulative. The provisions in this Agreement are cumulative to, in addition to, and not in limitation of any other rights or remedies available to the Grantee.
- H. Business License. The Subrecipient 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.
- I. Compliance with Laws, Permits, and Licenses. The Subrecipient 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, including but not limited to any such laws, statutes, codes, ordinances, regulations, and other legal requirements expressly referenced in this Agreement. The Subrecipient shall obtain any and all permits, licenses, and other authorizations necessary to perform the Activities. Neither the Grantee, nor any elected or appointed boards, officers, officials, employees, or agents of the Grantee, shall be liable, at law or in equity, as a result of any failure of the Subrecipient to comply with this paragraph.
- J. Immigration Reform and Control Act of 1986. The Subrecipient shall keep itself informed of and shall comply with the Immigration Reform and Control Act of 1986 ("IRCA"). The Subrecipient represents and warrants that all of its employees and the employees of any subcontractor retained by the Subrecipient who perform any of the activities under this

Agreement, are and will be authorized to perform such activities in full compliance with the IRCA. The Subrecipient affirms that as a licensed 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 activities under this Agreement. The Subrecipient agrees to comply with the IRCA before commencing any activities under this Agreement, and continuously throughout the performance of such activities and the Term of this Agreement.

- K. 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 signatories below.

IN WITNESS WHEREOF, this Agreement is executed by the Parties or their duly authorized representatives as of the Effective Date.

CITY OF ESCONDIDO

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

\_\_\_\_\_  
Michael Strong  
Director of Community Development

INTERFAITH COMMUNITY SERVICES, INC.

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.

## EXHIBIT A

### Scope of Work

#### **Interfaith Community Services, Inc. – Homeless Case Management Services**

##### **A. General.**

Interfaith Community Services, Inc., a California non-profit corporation ("Contractor") will provide the City of Escondido, a California municipal corporation ("City") with homeless outreach management and street outreach services to further enhance the work of the existing Community Oriented Policing and Problem Solving ("COPPS") unit and provide services to homeless residents in Escondido.

Contractor will provide essential street outreach services for unsheltered homeless individuals in the City of Escondido. Outreach services will generally include:

1. Connecting unsheltered homeless individuals with emergency shelter, housing, and critical services;
2. Connecting unsheltered homeless individuals with urgent, non-facility-based care to unsheltered homeless individuals who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility; and
3. Engagement, case management, emergency health services, emergency mental health services, transportation, and services for homeless youth, victim services, and services for people living with HIV ("Special Populations").

##### **B. Location.**

Services provided by Contractor will be performed at various locations within the City Escondido. Services shall be non-facility-based.

##### **C. Homeless Case Management Services.**

1. Contractor shall recruit, hire, and train a 1.0 full time equivalent employee ("FTE") Homeless Outreach Case Manager ("Manager"). The Manager shall oversee the homeless case management services. The Manager must be a social worker with the following minimum qualifications:
  - a. Bachelor's degree in Social Work, Psychology, or other behavioral health disciplines;
  - b. An active State of California license in social work;
  - c. Three years' experience providing case management services; and
  - d. Bilingual (English/Spanish) preferred.
2. Contractor will provide 1.0 FTE Homeless Outreach Worker ("Outreach Worker") and 0.1 FTE Clinical Services Program Manager.
3. The Manager must be able to pass an Escondido Police Department background check.
4. Contractor shall ensure that case management services shall be available 40 hours per week, Monday through Friday, eight hours per day. Contractor must ensure that case management services are also available on occasional nights and weekend as may be required.

5. The Manager and Outreach Worker shall provide direct services to homeless clients and recently housed individuals and families, including but not limited to:
  - a. Intake, assessment, and case management; and
  - b. Client advocacy (e.g. resources and referrals) with the goal of supporting client self-sufficiency.
6. The Manager shall work in collaboration with the City's COPPS unit to further enhance the work of the existing COPPS unit and provide comprehensive services to homeless residents in the City.
7. The Manager's responsibilities include, but are not limited to:
  - a. Collaborate with the City's COPPS unit, the Housing and Neighborhood Services Manager, City departments and staff, other government agencies, and Escondido faith centers, service clubs, businesses, nonprofit organizations, and community members;
  - b. Assist in the development of housing-focused outreach approaches, to include providing program materials and referral training sessions to homeless-focused community partners and shelter services (e.g. outreach to motels, churches, downtown merchants, and community members);
  - c. Develop and implement creative, trusting client service engagement opportunities for homeless individuals and families on the streets by reaching out to those that are currently not being served or are underserved by existing community service delivery systems;
  - d. Build trust relationships and leverage motivational interventions for the City's homeless residents that facilitate acceptance of care for their needs, access to services, and resources, encouraging them to become integrated into services, while providing support and guidance as they transition from street to shelter;
  - e. Create a platform for business owners and community members to report homeless activity in an area. The platform must provide business owners and community members the ability to share the location of homeless activity, describe or identify the activity of concern, the reporter's contact information, and follow-up information if they choose. The platform must provide homeless outreach teams information necessary to support team deployment, engagement, efforts to target reported homeless activity, and follow-up with community members if requested. Homeless outreach responses must remain focused on service engagement, community education, and information for business owners. Contractor will not engage in activities seen as enforcement;
  - f. Facilitate and maintain community relationships to create individualized referral pathways for homeless residents into those programs and services needed to fulfill their case plan;
  - g. Engage with the Bridge to Housing Network of homeless service and shelter providers;
  - h. Assist with screening of potential clients for the homelessness prevention and rapid rehousing programs;
  - i. Research and assist in implementing best practices on street outreach to assist homeless community members in acquiring self-sufficiency and stable housing;
  - j. Help develop, implement, and support a comprehensive, layered collaboration with all stakeholders, elected officials, City staff, businesses, service clubs, nonprofit agencies, other government agencies, faith centers, and private community activists to support efforts to prevent, reduce, and end homelessness in the City;

- k. Complete a comprehensive case management assessment for each homeless client by developing a detailed case plan that includes identifying barriers to housing. The plan shall include a timeline and measures for each goal and shall be updated to monitor progress towards goals as the client's needs change at least every 90 days or as changes occur in client's progress;
  - l. Obtain signed multi-agency release of information agreements in order to connect clients to internal and external partner programs and services;
  - m. Enter client level data through the Homeless Management Information System ("HMIS"), Clarity, as well as service provider's additional client assessment and tracking tools;
  - n. Connect homeless clients to housing, medical, mental health, addiction and recovery services, food, clothing, transportation, employment, Social Security and Social Security Disability assistance, and financial services based on the client's individual plan;
  - o. Assist homeless clients in enrolling in mainstream benefits and obtain identification (e.g. California Driver's License, California Identification Card and/or Social Security card);
  - p. Assist homeless clients in identifying housing options based on the individualized plan, and work to obtain and maintain permanent housing with the client for a period of up to nine months after housing placement based;
  - q. Maintain regular communication, both written and verbal, with the COPPS Lieutenant and the City's Housing & Neighborhood Services Manager;
  - r. Attend case management meetings with City staff and COPPS staff to review the Manager's caseload;
  - s. Maintain accurate and thorough documentation of client meetings and interactions in a timely manner, including conversations, and progress towards goals;
  - t. Maintain data on each program participant and program milestones, and provide required reports along with the monthly invoice; and
  - u. Participate in the annual Point-in-Time Count as coordinated by the the Regional Task Force on the Homeless ("RTFH").
8. Contractor will serve 150 individuals in the City who are experiencing homelessness. Throughout the term of the City's agreement with Contractor, there will be a minimum of 1,000 instances of services, 20 unsheltered persons will become sheltered, and 10 homeless persons shall enter permanent housing.
  9. Contractor shall furnish all general office supplies, printing costs, and postage associated with normal office and service operations related to case management duties.
  10. Contractor will cooperate with all reasonable requests for information and reporting requirements from RTFH including:
    - a. Monthly invoices for services rendered; and
    - b. Monthly Programmatic Reports of service will be due on or before the 15<sup>th</sup> day of the following month, including but not limited to:
      - i. Number of unduplicated homeless persons served;
      - ii. Number and types of unduplicated instances of services;
      - iii. Number of case management plans created;

- iv. Number of unduplicated homeless persons entering emergency shelter/treatment facilities;
  - v. Number of unduplicated persons entering permanent housing;
  - vi. Number of calls and referrals from COPPS team, the City's Public Works Department, community members and local businesses
  - vii. Average number of encounters per client;
  - viii. Where unduplicated services are occurring; and
  - ix. Number of hours works and locations of work.
11. Contractor will also provide feedback on the clientele being served and successes and challenges to outreach in order to continue to evolve City's Homeless Outreach programs.
12. At the request of the City, Contractor shall provide, at its own expense, a financial audit prepared by a certified public accountant.
13. All records relating to the Contractor's services provided pursuant to its agreement with the City must be retained for a minimum of five years after the termination of the agreement. If any litigation, claim, negotiation, audit, monitoring, inspection or other action commences before the expiration of the required five-year record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.

**D. Limitations.**

The Manager is an employee of the Contractor and no agency or employment relationship with the City is created by the execution of Contractor's agreement with the City.

**E. Term.**

The term of this Agreement shall be from June 1, 2021 to August 31, 2022. All contract funds shall be expended by August 31, 2022.

**F. Payment Terms and Schedule**

The total contract price of the agreement between Contractor and the City as described herein shall not exceed \$249,955. Invoices must be submitted monthly after the services have been performed; payments will be paid after all expense documentation, requisite program participation, and milestone report documents are reviewed, and within 30 days of receipt of invoice for those services.



**EXHIBIT B**

Budget

**Interfaith Community Services, Inc. – Homeless Case Management Services**

Personnel Expenses	Budget Allotment
Case Manager (1.0 FTE)	\$90,625
Homeless Outreach Worker (1.0 FTE)	\$57,200
Clinical Services Program Manager (0.1 FTE)	\$7,550
Benefits @ 38%	\$59,043
Total	\$214,418
Non-Personnel Expenses	Budget Allotment
Travel, mileage, and training	\$500
Equipment	\$3,000
Database software/licenses	\$500
Cell Phone, Fax and Internet	\$2,800
Bus Passes	\$800
Occupancy Expenses	\$1,500
Office Supplies	\$500
Flex Fund	\$3,250
Total	\$12,850
Indirect (10% federal deminus rate)	\$22,727
<b>Total</b>	<b>\$249,995</b>

EXHIBIT C

Affirmative Action Program Policy

**AFFIRMATIVE ACTION PLAN**

SUBRECIPIENT: \_\_\_\_\_

STREET ADDRESS: \_\_\_\_\_

CITY, STATE, ZIP: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_

IRS/ID: \_\_\_\_\_

1. The Subrecipient named above is committed to a policy of Affirmative Action to ensure Equal Employment Opportunity in response to Executive Orders 10925, 11114, and 11246, as amended, and relevant requirements adopted by the City, including all provisions of the Subrecipient Agreement concurrently entered into between the Subrecipient and the City.
2. The official designated by the Subrecipient to be Equal Employment Officer is:  
\_\_\_\_\_.
3. The Subrecipient will document fully its affirmative actions, which will be at least as extensive as the following:
  - a. The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, or an individual's status in any group or class protected by applicable federal, state, or local laws. The Subrecipient will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, or an individual's status in any group or class protected by applicable federal, state, or local laws. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
  - b. The Subrecipient will ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites and in all facilities at which the Subrecipient's employees are assigned to work. The Subrecipient, where possible, will assign two or more women to each construction project. The Subrecipient shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of, and carry out, the Subrecipient's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.
  - c. The Subrecipient will establish and maintain a current list of minority and female recruitment sources and provide written notification to minority and female recruitment sources and to community organizations when the Subrecipient or its unions have employment opportunities available and maintain a record of the organizations' responses.

- d. The Subrecipient will maintain a current file on the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Subrecipient by the union or, if referred, not employed by the Subrecipient, this shall be documented in the file with the reason therefore, along with whatever additional actions the Subrecipient may have taken.
- e. The Subrecipient will provide immediate written notification to the Director of Office of Federal Contract Compliance Programs when the union or unions with which the Subrecipient has a collective bargaining agreement has not referred to the Subrecipient a minority person or woman sent by the Subrecipient, or when the Subrecipient has other information that the union referral process has impeded the Subrecipient 's efforts to meet its obligations.
- f. The Subrecipient will develop on-the-job training opportunities and/or participate in training programs for the area that expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Subrecipient 's employment needs, especially those programs funded or approved by the Department of Labor. The Subrecipient shall provide notice of these programs to the sources compiled under subsection (b) above.
- g. The Subrecipient will disseminate the Subrecipient 's Equal Employment Opportunity policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Subrecipient in meeting its Equal Employment Opportunity obligations; by including the policy in any policy manual and collective bargaining agreement; by publicizing the policy in the company newspaper, annual report, and similar publications; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the policy on bulletin boards accessible to all employees at each location where construction work is performed.
- h. The Subrecipient will review, at least annually, the company's Equal Employment Opportunity Policy and Affirmative Action obligations with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions, including specific review of these items with on-site supervisory personnel including but not limited to superintendents and general foremen, prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- i. The Subrecipient will disseminate the Subrecipient's Equal Employment Opportunity policy externally by including it in any advertising in the news media, specifically including minority and female news media and providing written notification to and discussing the Subrecipient's Equal Employment Opportunity policy with other Subrecipients and Contractors with whom the Subrecipient does, or anticipates doing, business.

- j. The Subrecipient will direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students, and to minority and female recruitment and training organizations serving the Subrecipient's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Subrecipient shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
  - k. The Subrecipient will encourage present minority and female employees to recruit other minority persons and women and where reasonable, provide after-school, summer, and vacation employment to minority and female youth, both on the site and in other areas of a Subrecipient's workforce.
  - l. The Subrecipient will validate all tests and other selection requirements where there is an obligation to do so.
  - m. The Subrecipient will conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, such opportunities.
  - n. The Subrecipient will ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment-related activities to ensure that the Equal Employment Opportunity policy, Affirmative Action policy, and the Subrecipient's related obligations are being carried out.
  - o. The Subrecipient will ensure that all facilities and company activities are non-segregated except that separate and single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
  - p. The Subrecipient will document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
  - q. The Subrecipient will conduct a review, at least annually, of all supervisors' adherence to and performance under the Subrecipient's Equal Employment Opportunity policy and Affirmative Action obligations.
4. Subrecipients, subcontractors, and related contractors shall maintain all required records for a period of four years, or until audited, and permit access by the City to all such records.

Signed: \_\_\_\_\_  
Equal Employment Officer

Signed: \_\_\_\_\_  
Authorized Officer/Title

Print: \_\_\_\_\_

Print: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

RESOLUTION NO. 2021-70

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING APPLICATION FOR, AND THE  
RECEIPT OF, A HOMELESS HOUSING,  
ASSISTANCE AND PREVENTION GRANT  
FROM THE SAN DIEGO REGIONAL TASK  
FORCE FOR THE HOMELESS

WHEREAS, the State of California has provided funds for the Homeless Housing, Assistance and Prevention Grant Program (“HHAP”) under Assembly Bill 101; and

WHEREAS, the State of California’s Business, Consumer Services, and Housing Agency is the administering agency of HHAP funds and has awarded one-time block grant funds to the San Diego Regional Task Force for the Homeless (“RTFH”); and

WHEREAS, the RTFH has determined it will accept Letters of Interest from current Homeless Emergency Aid Program (“HEAP”) grantees to continue activities currently funded under a HEAP grant; and

WHEREAS, the City of Escondido (“City”) is currently a recipient of HEAP funds for the provision of Escondido Homeless Case Management to provide street outreach, including the provision of client flex funds to provide homeless residents with resources that are not available through mainstream social services; and

WHEREAS, the City Council of the City of Escondido has authorized federal Emergency Solutions Grant – Coronavirus funds for the provision of street outreach with a minimal budget for client flex funds; and

WHEREAS, the City Council of the City of Escondido authorizes the submittal of a Letter of Interest and any grant application for HHAP funds for additional client flex funds, and the acceptance of HHAP funds, if approved .

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 hereby directs and authorizes the Community Development Director or his designee to apply for and submit the grant application to the RTFH.
3. That the City Council appoints the Community Development Director, or his designee, as agent to conduct all negotiations, execute and submit all documents to the RTFH including, but not limited to applications, agreements, payment requests and so on, which may be necessary for the completion of the project.

## CITY COUNCIL STAFF REPORT

**Public Hearing Item No. 13**

**May 12, 2021**

**File No. 0800-70**

SUBJECT: Tentative Subdivision Map, Master and Precise Development Plan, Specific Plan Amendment, and Purchase and Sales Agreement - SUB 20-0001, PHG 20-0009 and ENV 20-0001

DEPARTMENT: Community Development Department, Planning Division

RECOMMENDATION:

It is requested that the City Council conduct a public hearing on the site development proposal located generally at 235 S. Pint Street and take action on the recommendations of City of Escondido ("City") staff and the Planning Commission, which recommends that the City Council:

- 1) Introduce Ordinance No. 2021-05 for an amendment to the Downtown Specific Plan to eliminate the ground-floor commercial requirement and permit ground-floor residential units within the Mercado District, along with a Master Development Plan to allow the proposed site development with a reduction in open space, setbacks, and parking provisions;
- 2) Adopt Resolution No. 2021-61 approving a Precise Development Plan and Tentative Subdivision Map for the development of 120 air-space condominium units, along with the vacation of public right-of-way along portions of W. 3rd Avenue, S. Pine Street and a public alley along the project frontages; and
- 3) Adopt Resolution No. 2021-64 authorizing the Mayor to execute documents necessary for the sale of 5 City parcels (APNs 233-032-07-00, -08-00, -12-00, -13-00 and -14-00) to Second and Pine Apartments, LP.

PROJECT DESCRIPTION:

Renovation Realty, Inc. ("Applicant") submitted an application for a Tentative Subdivision Map and a Master and Precise Development Plan for the development of two, four story buildings (up to approx. 65 feet in height) to accommodate 120 air-space condominium units ("Project") with a density of approximately 51.5 dwelling units per acre within the Mercado District of the Downtown Specific Plan (see Attachment 1). The design includes a mix of studio, one-bedroom, and two-bedroom units. A total of 179 parking spaces are proposed, which include a combination of enclosed garages with open tandem parking in front, on-site covered and uncovered spaces, angled parking along the S. Pine Street frontage, and perpendicular spaces along the W. 3rd Avenue frontage. Vacation of a portion of W. 3rd Avenue and S. Pine Street along the Project frontage also is requested, along with the alley that bisects



the site. An amendment to the Downtown Specific Plan is requested to eliminate the ground-floor commercial requirement and permit ground-floor residential units along W. 2nd Avenue through a Planned Development Permit process. (Note that the remainder of the site already allows ground-floor residential uses through the Planned Development Permit process.) The proposed Planned Development, consisting of a Master and Precise Development Plan, includes a request for a parking reduction from the required 208 spaces to 179 spaces (a reduction of 29 spaces or 14%), a 49% reduction in the overall open space requirement, and the allowance of ground-floor residential uses throughout the project site. The Planned Development also includes a request to allow up to 70 square feet in wall signage; minor setback encroachment for screen wall along 2nd Avenue, and reduction in covered parking spaces from 120 (one per unit) to 73 covered spaces. All of the existing structures would be demolished in order to accommodate the Project. The Project is partially located on City-owned surplus real property; therefore, this request also includes approval of a Purchase and Sale Agreement.

LOCATION:

The approximately 2.33-acre Project site is addressed at 235 S. Pine Street and surrounding properties (APNs 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-13-00, 233-032-14-00, 233-032-17-00, 233-032-18-00, 233-032-19-00, and 233-032-21-00) (“Subject Property” or “Project Site”) and is depicted in Attachment “1” to the Planning Commission staff report, which itself is attached hereto as Attachment “1”.

FISCAL ANALYSIS:

**1. Municipal Services Funding**

New development can provide a significant benefit to a city or county. As part of the overall decision-making process to move forward with a proposed development Project, it is important to evaluate the contributions and demands that development will place upon a public agency’s general fund and the city or county’s ability to provide ongoing public services. To avoid the need for a city or county to subsidize new development, cities and counties can establish or require special funding mechanisms to ensure that new development pays for itself.

In 2019, the City of Escondido hired a financial consultant who conducted a Fiscal Impact Analysis (“FIA”) and determined that future ongoing revenue received as a result of new residential units throughout the City is less than the cost to provide municipal services, including police, fire and infrastructure maintenance, to those new units. In January 2020, the results of the FIA were presented to the City Council. On April 8, 2020, a Resolution was passed declaring the City’s intent to form a

Community Facilities District (collectively referred to herein as the “CFD”) to offset the cost of governmental services associated with new development, as identified in the FIA.

CFD No. 2020-1, CityWide Services, was formed by the City Council on May 13, 2020. The special tax that will be assessed on properties as a result of the development of new residential units is based upon the FIA that was prepared to support the creation of CFD No. 2020-01. Developers to whom these residential project entitlements are assigned are responsible to establish an otherwise lawful funding mechanism to provide a source of funds for the on-going municipal services required for the project. The benefit of voluntarily entering CFD No. 2020-01 as the chosen funding mechanism is that the process is significantly streamlined, which saves staff time and costs to Developers. Based on the Resolution adopting CFD No. 2020-1, the subject property falls under the Downtown Specific Plan rate (>30 du/ac) at \$783 per unit per year through June 30, 2021. Based on a 120-unit development, the current estimated annual amount for ongoing services is \$93,960, subject to annual adjustments.

The City’s General Plan requires that the impact of any discretionary project on City service demands be evaluated for conformance with the City’s quality of life standards. Overall, CFD No. 2020-01 is not mandatory — it is just one option for an applicant to fund the additional public services that are required by a project. The City Council may deny a project based on the fact that an applicant refuses to fund any services, or condition a project on funding services through some type of otherwise lawful funding mechanism. The proposed actions considered by the City Council on May 12, 2021 will seek Council resolution to approve the Project with the condition that the Project would then be responsible, through either participation in the CFD or another lawful funding mechanism, to pay the \$93,960 of costs required to serve it. (This funding requirement is reflected in condition no. A.11 of Exhibit “D of Resolution No. 2021-61.) If the applicant proposes another funding mechanism to pay for the costs of future, ongoing public services required by the Project, all costs for forming and implementing an alternative funding mechanism, including costs for consultants, elections, and any legal challenge, are to be at the applicant’s sole expense. The City would also need to determine and ensure that the Project pays for any additional fiscal burdens placed upon the City’s operational budget as a result of the future development. The payment of development impact fees, as well as annexation into the CFD or establishment of another funding mechanism, is necessary to avoid or lessen the likelihood of future impacts related to the provision of public services, as well as to maintain General Plan conformance to enable Project approval and implementation.

The Applicant has suggested that the Project may not be subject to the CFD, or another lawful funding mechanism, and may not be required to fund ongoing costs of municipal services because the Project preceded the creation and implementation of CFD No. 2020-01. As an independent review body, the City Council should consider this concern; and may, after considering the totality of public input, conduct its own General Plan consistency review and analysis and issue its own determinations as a decision-

making body. Should the City Council provide a “pipeline exemption” for this Project, it is recommended that the City Council remove condition no. A.11 from Exhibit “D” of Resolution No. 2021-61; and add a declaration to Resolution No. 2021-61 to state that the City Council reviewed and considered the scope of the Project, including potential changes to the conditions of approval, and finds that the Project, considering all of its aspects, does not frustrate General Plan compliance.

## **2. Purchase and Sale Agreement**

The 2.33-acre Project is partially located on 5 City-owned parcels consisting of approximately 0.93 acres addressed at 509 W. 2nd Avenue, 201 S. Pine Street, and 542 W. 3rd Avenue (APNs 233-032-0700, -0800, -1200, -1300 and -1400). The City received an unsolicited offer from Second and Pine Apartments, LP, expressing their interest in purchasing the 5 parcels and incorporate them into the Project. The sales price is based on the 2020 appraised value of \$1,325,000, that factors in the condition that the Project would be required to enter into the CFD, or another lawful funding mechanism, to pay the \$93,960 annual costs required to serve it. Of course, local fees, permitting, and regulations adds to construction costs and therefore the price of land. That is, the price of the land increases when the cost of construction decreases. Therefore, if condition no. A.11 was removed from Exhibit “D” of Resolution No. 2021-61, the property’s value would increase and the 2020 appraised value would be adjusted to \$1,403,600. Should the City Council provide a “pipeline exemption” for this Project, the final purchase price and the Purchase Sale Agreement would be modified accordingly with Resolution No. 2021-64. The proceeds, less closing costs, would be deposited into a City account and assigned to the Housing Successor Agency. (The City-owned properties were formerly held by the former Escondido redevelopment agency.) The proposed Purchase and Sale Agreement allows for a 90-day feasibility period upon payment of a \$25,000 initial deposit, with an additional \$75,000 due at the expiration of the feasibility period. The deposit shall be credited to the purchase price upon close of escrow. A copy of the draft Purchase and Sale Agreement is attached to Resolution No. 2021-64.

### **PLANNING COMMISSION RECOMMENDATION:**

On April 13, 2021, the Planning Commission voted 4-3 (Commissioners Barba, Doan and Ramirez voting “no”) to recommend that the City Council approve the Project as conditioned. The Planning Commission discussion primarily focused on various components of the Project including parking for residents and guests and how it would be managed, use of a “Transit Pass” to encourage residents to use public transportation, and pedestrian access across the Pine Street and 3rd Avenue frontages and through the alley. Commissioner Doan also inquired into provisions of affordable units. A majority of the Planning Commissioners recommended approval of the Project, and also added a condition to provide public access through the alley to ensure continued connectivity and access. A majority of the Planning Commissioners also requested that the Project fund ongoing costs of municipal services, through a CFD or another lawful funding mechanism. The Planning Commission staff report and

Planning Commission meeting minutes are provided as Attachments 1 and 2, respectively. Six members of the public (including the Project applicant) spoke at the hearing. Such testimony took the form of written testimony read aloud at the hearing, in conformance with current procedures in place in light of the COVID-19 pandemic. Other written correspondence was forwarded to the Planning Commissioner's prior to the hearing.

#### BACKGROUND:

The approximately 2.33-acre Project Site (which includes the proposed vacated street sections) is comprised of 11 parcels and has been previously developed with a variety of residential and commercial uses. The site contains structures older than 50 years in age, including a 1955 contemporary-style commercial structure (Estrada's Restaurant); 1951 unframed single-story stucco-clad adobe structure previously used as a Sunday school with a small outbuilding; 1958 Minimal Traditional single-story stucco-clad residence; 1915 vernacular style wooden-clad single-story residence; and a 1980s residential structure currently used to support a pallet storage operation. Lopez Market grocery store, which was located at the northeastern corner of 2nd Avenue and Pine Street, was demolished in 2014, with fragments of slab and the flooring remaining. None of the structures are listed on the City's Historic Sites Survey. Only one of the existing residential structures on the site remains occupied.

The Project Site is relatively flat, and drains to the southwest. The property fronts onto, and takes access from W. 2nd Avenue on the north, S. Quince Street on the west, W. 3rd Avenue on the south, and S. Pine Street on the east. The site is bisected (east/west) by a 20-foot-wide paved public alley. Surrounding land uses include commercial and residential uses to the north, commercial and industrial uses to the south and west, a restaurant to the northwest (Mi Guadalajara), and multi-family residential development to the east (across Centre City Parkway). Vegetation on the site primarily consists of ornamental landscaping associated with the previous uses and a variety of mature trees. The site does not contain any sensitive habitat or resources.

#### *Project Design*

The Project Site is L-shaped and fronts onto public streets on all sides. The Project design includes an interior courtyard for parking that includes covered and uncovered spaces, garages, and access to trash facilities and other utilities. A dedicated area also would be provided for moving and other larger trucks. Access to the courtyard parking area would be provided from the existing alley that bisects the Project Site from east to west (taking access from S. Quince Street and S. Pine Street). The alley is proposed to be vacated along a portion the Project frontage, but retained along the adjacent restaurant (Mi Guadalajara) frontage. An emergency access and utility easement would be retained along the alley. A portion of S. Pine Street and W. 3rd Avenue is also proposed to be vacated across the Project frontages, and is intended to

provide on-site parking spaces for the residents, guests and service vehicles. The City will retain public utility easements over these vacated areas along with a public use easement along the sidewalks. On-street parking also would be provided along 2nd Avenue, but these would be open to general public use.

The Project consists of two, 4-story structures that include studio, one-, and two-bedroom units. Unit sizes range from 523 square feet for the studio units to 1,119 square feet for the two-bedroom units. Access to the units are provided from an interior hallway. A single-car-garage and additional tandem parking space in front of the garage would be provided for each of the two-bedroom units. The buildings are approximately 47.5 feet in height to the top of roof parapets, with limited rooftop tower elements ranging from 54 to 65 feet in height. The Zoning Code (Article 56) allows certain architectural elements to exceed height requirements such as rooftop screening, towers, and other non-habitable features. The Project utilizes a California/Mediterranean style of architecture with varying wall planes and rooflines, S-type tile roofs, white and earth tone stucco exterior and trim colors, exposed rafter tails and wooden window elements, fabric window awnings and arched entryways with tile accents. Private upper-story decks and/or ground-floor patios are provided for certain units. A leasing office, office entry and interior lounge area are located at the corner of W. 2nd Avenue and S. Pine Street, along with a pedestrian plaza to provide a more commercial storefront type element at this corner. A small encroachment into the front setback along 2nd Avenue is proposed to accommodate a corner of the screen wall for the pool/spa areas. Modifications to setback provisions are permitted through the Planned Development process. Project plans are included with this staff report as Exhibit “D” to draft City Council Ordinance No. 2021-05.

## ANALYSIS:

### 1. General Plan / Zoning

The City’s General Plan land-use designation for the Project Site is Specific Plan Area (SPA 9). Multi-family residential development of up to 100 dwelling units per acre, with a maximum height of up to four stories and 60 feet, is permitted within the Mercado District. Based on the size of the Project Site (2.33 acres), the underlying zoning would allow up to 233 units. The request to construct 120 units resulting in an overall density of 51.5 dwelling units per acre, with four-story structures up to approximately 60 feet in height, is consistent with the land use density and development requirements envisioned for this area. The Project has a density/yield that falls short of the maximum density allowed on the subject property. As conditioned, the unused balance of residential density would be transferred to the Density Transfer Program.

The City is taking steps to encourage, promote, and facilitate the development of housing consistent with policies 1.1 and 2.1 of the Housing Element of the General Plan, while accommodating the City's share of regional housing needs, consistent with Government Code section 65584. No Net Loss Law (Government Code section 65863) ensures development opportunities remain available throughout the planning period to accommodate a jurisdiction's Regional Housing Needs Allocation ("RHNA"), especially for lower- and moderate-income households. In general, jurisdictions cannot approve new housing at significantly lower densities or at different income categories than was projected in the Housing Element without making specific findings and identifying other sites that could accommodate these units and affordability levels "lost" as a result of the approval. The so-called "no net loss" provisions apply when a site is included in the jurisdiction's Housing Element's inventory of sites and is either rezoned to a lower residential density or is approved at a lower residential density than shown in the Housing Element. (Gov't Code § 65863(b).)

As noted previously, the Applicant proposes to construct 120 units on the subject property. The underlying zoning would allow up to 233 units. Although the subject property permits residential development through its underlying zoning designation, the Project Site is not identified in the vacant/underutilized sites land inventory of the City's Fifth Cycle (current) Housing Element. Because the provision of "no net loss" applies to housing located on any site listed in the City's Housing Element, the City does not need to determine if this Project or a decision related to this Project would be subject to No Net Loss Law and its remedies. Additionally, no net loss provisions do not apply to projects that are already under review prior to adoption of the City's Sixth Cycle Housing Element (currently in process).

The General Plan also requires that the City periodically assess ongoing staffing needs to adequately operate and maintain public facilities and services in order to achieve and maintain the quality of life thresholds. Quality of Life Threshold Policy 1.1, Housing Policy 1.1, Public Facility Financing Policy 3.2, and Public Facility Deficiencies Policy 5.4 requires, among other things, that the impact of any discretionary project on City service demand be evaluated so that the City may be able to appropriately address long term budget consequences of maintaining all of the infrastructure and/or services that comes with development projects. As conditioned, the payment of development impact fees, as well as annexation into the CFD or establishment of another funding mechanism, is necessary to avoid or lessen the likelihood of future impacts related to the provision of public services.

## 2. Specific Plans Goals and Objectives:

The proposed Project would be consistent with the goals and objectives of the Mercado District of the Downtown Specific Plan, which encourages opportunities for residential development

around a local commercial node. The land use concept for the Mercado District accommodates a housing type for those who do not want or need a traditional detached single-family home with yard, but who may prefer an urban area. The District offers flexibility to allow new higher-density housing options. The Project would redevelop an underutilized parcel and abandoned uses. The Project also would increase the residential population within the area, thereby increasing the volume of shoppers, frequency of diners, and patrons to local businesses. The additional residents along the corridor ultimately would continue to improve the overall economics of the area and the business community while providing additional ownership opportunities.

The Downtown Specific Plan currently requires ground-floor commercial uses within the portion of the Project Site fronting on W. 2nd Avenue. Ground-floor residential is permitted on the remainder of the Project Site subject to the processing of a Planned Development Permit. The proposed amendment would allow ground-floor residential uses throughout the Project Site through a Planned Development Permit process. Commercial uses would still be allowed on the ground floor; however, residential uses could also be proposed. As reflected in the proposed site development plan application, the Project would locate the leasing office and certain open space/recreational amenities within the ground floor area at the corner of W. 2nd Avenue and S. Pine Street to maintain the commercial look along this retail corridor. Whereas the use of property (i.e. residential use on the ground floor) triggers the need for a Specific Plan Amendment, the Planned Development Permit process gives a property owner flexibility in determining how best to develop or redevelop his or her property, but also allows the City to maintain a level of control that would ensure that ground floor residential uses are designed in a manner that is appropriate for the surrounding environment. The Specific Plan Amendment request consists of a revision to Figure II-4 of the Downtown Specific Plan (Exhibit “C” to Ordinance No. 2021-05) to designate the site as allowing ground-floor residential land uses.

### 3. Climate Action Plan Consistency:

The City’s ability to grow its population and economy while meeting reduction targets for greenhouse gas (“GHG”) emissions will require broad-based community participation. The Climate Action Plan (“CAP”) is intended to achieve reductions from all sources and sectors, existing and new. This is emphasized by the fact that the City’s GHG reduction targets are a reduction below baseline GHG emissions. Therefore, GHG emissions in the City need to be reduced below existing levels, while additional GHG emissions are generated by growth through 2035. 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 outlined in the CAP, or through a self-developed program.

For land use development requests, when a proposed project is compared with an adopted plan, such as the CAP, the analysis generally examines the existing physical conditions at the time the notice of preparation is published, or if no notice of preparation is published, at the time environmental analysis is commenced as well as the occurrence of the potential future conditions discussed in the plan. The City updated its 2013 Climate Action Plan (“2013 CAP”) on March 10, 2021, through City Council Resolution No. 2021-37 (“2021 CAP”). The adoption of the 2021 CAP subsequent to the date the Project application was deemed complete shall not constitute a valid basis to disapprove or condition approval of the Project. Rather, the 2013 CAP shall be used as a basis to review and consider the Project. The 2013 CAP established a screening threshold of 2,500 metric tons carbon dioxide equivalent (“MTCO<sub>2e</sub>”) 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 and/or a self-developed program. Projects that are projected to emit fewer than 2,500 MTCO<sub>2e</sub> annually would not make a considerable contribution to the cumulative impact of climate change, and therefore, such projects do not need to demonstrate consistency with the 2013 CAP. The Project emits fewer than 2,500 MTCO<sub>2e</sub>, and is consistent with the land use assumptions utilized to create business-as-usual estimates for future year analysis. Therefore, the Project is consistent with the 2013 CAP.

#### 4. Planned Development (Master and Precise Development Plan)

The DSP contains provisions enabling an applicant to request modifications to standards contained in the DSP pursuant to approval of a Planned Development Application (DSP pp. III-19 and III-27). A description of the proposed modifications to the development standards are described below.

##### *a. Parking Requirements for Multi-Family Housing Projects*

The Applicant has requested a reduction in the required number of parking spaces (208 spaces required in accordance with the DSP parking requirements) to provide a total of 179 spaces on-site for residents and guests. This results in a reduction of 29 spaces. The Project would provide two dedicated parking spaces, consisting of a single-car garage and tandem space in front, for each of the 31, two-bedroom units. One parking space would be available for each of the studio and one-bedroom units (total of 89 spaces) with 57 spaces remaining to be allocated to specific units, guests, and service vehicles. The parking spaces (angled and perpendicular) located along W. 3rd Avenue and S. Pine Street would be posted for resident and resident-guest parking only. Striped spaces along 2nd Avenue are located within the public right-of-way and are available for public use. The Downtown Specific Plan allows for a reduction in parking spaces subject to justification based on a parking assessment.



The Downtown Specific Plan encourages a shift in orientation away from streets primarily designed for automobile use in an effort to facilitate a shift toward a multimodal transportation network. The requested parking reduction encourages the use of alternate transportation options such as bus and rail transit, bicycling, and walking. The Project is located within 1/3 mile (an approximately 8-minute walk) of the Escondido Transit Center. The Escondido Transit Center is a multi-modal station that is serviced by North County Transit District (NCTD) that includes various bus lines/services and the Sprinter light rail. Within the vicinity of the site, Class II bicycle lanes are provided on Centre City Parkway, and there are Class I bicycle paths that connect the Escondido Creek Trail at the transit center to the Inland Rail Trail regional bikeway system. Section III.B.1 “Parking” of the Downtown Specific Plan allows for modifications to the parking requirements through the Planned Development process, with appropriate justification.

A Parking Assessment was prepared for the Project by Linscott, Law & Greenspan (Attachment 3 to the Planning Commission staff report). The assessment evaluates alternate parking rates based on industry best practices, parking demand rates for higher density developments in close proximity to transit, etc. The assessment indicates that smart growth development that features dense, mixed land uses with pedestrian and bicycle amenities, especially areas within 1/3 mile of a light rail station, generate a lower parking demand than elsewhere in the San Diego region and have a number of owned vehicles per household (between 1.0 – 1.3 per household) substantially lower than the national average (2.0 vehicles per household). Therefore, the parking assessment prepared by Linscott, Law & Greenspan recommends a parking supply rate of 1.25 spaces per unit or a minimum of 150 spaces. Based on the current design of the site development plan, the Project would provide 179 on-site spaces (1.49 ratio).

Based on the parking analysis and proximity to transit services, staff supports the requested reduction in parking. However, the Project would implement additional measures as part of a parking management plan to ensure sufficient parking is provided.

Parking Management Plan (to include, as conditioned):

- Parking Assignment Plan for all residents for the studio, one- and two-bedroom units (at least one space for each unit, with two spaces for the two-bed units)
- Potential flex spaces for guest parking during certain timeframes
- Secure bicycle parking (short and long term)
- Parking Monitoring Plan to adjust the parking management plan as needed.

- Transit Pass Assistance Program where the developer provides incentives for residents and employees who utilize monthly transit passes.

*b. Open Space and Landscaping:*

A minimum of 300 square feet of open space is required per unit, which equates to 36,000 square feet of open space for the 120-unit Project. The Project would provide a combination of private and common open space areas totaling 18,333 square feet. Active open space areas include indoor and outdoor area such as indoor fitness room and separate lounges, outdoor pool/spa and seating area, and roof deck seating, landscape and BBQ entertainment counter space with wooden overhead trellis. The Project also includes private, ground-floor patios for select units and private balconies/decks on upper stories. The W. 2nd Avenue, S. Pine Street., W. 3rd Avenue, and S. Quince Street frontages will include a combination of shrubs, groundcover, and street trees.

In order to accommodate the Project's site design and achieve the desired density, the Project proposes a 49 percent reduction in open space from 300 square feet per unit to 152 square feet per unit. Collectively, the Project provides functional common and private open space areas that enhance the quality of life for the occupants. However, due to the density, the Project has a deficiency of up to 17,667 square feet of open space. As of this writing, the DSP allows for a reduction in required open space (up to 50 percent) to be considered on a case-by-case basis through the Planned Development Permit process, in exchange for alternative open space benefiting the public such as paying a per-square-foot in-lieu that contributes toward the cost of installing, improving and/ or expanding parkland or facilities in the downtown area or providing on-site publicly accessible outdoor, street-level open space.

In order to satisfy the DSP open space reduction requirement, the Applicant would be required to pay an in-lieu fee of \$12.50 per square foot reduction of open space for the total amount of space deficiency. The proposed reduction of 17,667 SF of open space results in an in-lieu fee equivalent of \$220,837. This contribution would provide additional funding to the City to develop and maintain park and open space areas within the downtown area. In staff's opinion, the Project, in considering all of its aspects, meets the spirit of the open space provisions contained in the Downtown Specific Plan and contributes a reasonable amount of open space on a per-unit basis that contributes to a cleaner environment and a healthier, more livable project setting.

It should be noted that the City is currently investigating an amendment to the Downtown Specific Plan to right-size open space requirements based on project density. As of this writing, it is unknown without the requisition of an urban and planning/design consultant and public input process if the open space standards should change and/or what new open space standards might apply to new high-density projects in the future. It is also unknown if or when the City Council would change or alter existing policy. Nonetheless, in anticipation of the potential amendment, the Applicant is requesting to use 200 square feet as a baseline for determining the in-lieu fee. This would equate to a minimum of 24,000 square feet of required open space and a 5,667 square foot deficiency (rather than the 17,667 square foot deficiency previously identified) resulting in an in-lieu fee of \$70,837 (rather than \$220,837). The City Council has previously indicated it would consider reductions in open space requirements on a case-by-case basis within the Downtown Specific Planning Area. However, staff's recommendation is to apply the current standards on the Project to determine the deficiency and the resulting in-lieu fee. This condition has been added subsequent to the Planning Commission review. As conditioned, the payment of \$220,837 would be required prior to building occupancy and be remitted to the City in addition to any other development impact fees required.

*c. Project Signage:*

Signage for residential development within the Mercado District is limited to 2 square feet per unit and maximum of 60 square feet per project and 30 square feet per sign. The Project proposes one wall sign which would consist of individual letters located over the main arched entry feature/driveway fronting onto S. Pine Street. The sign would be approximately 70 square feet in size, which staff believes is appropriate and in scale with the overall size of the building. The Master and Precise Development Plan does not include details on additional signage, but the plan would include additional allocation for leasing office signage, directional signage in accordance with the Sign Ordinance (Article 66), along with the allowance for any freestanding monument type signage in accordance with the Downtown Specific Plan provisions.

ENVIRONMENTAL REVIEW:

California Environmental Quality Act ("CEQA") Guidelines list classes of projects that have been determined not to have a significant effect on the environment and as a result are exempt from further environmental review under CEQA. The Project qualifies for an exemption under CEQA Guidelines section 15332 (In-fill Development Projects) and CEQA Guidelines section 15312 (Surplus Government Property Sales). The CEQA Notice of Exemption prepared for the Project (included as Attachment 3

to the City Council staff report) demonstrates that the Project qualifies for the exemption and does not have a significant effect on the environment.

CONCLUSION:

The proposed project is consistent with the General Plan and Downtown Specific Plan as the Project would revitalize the Subject Property and expand the residential base, which would provide much needed housing to accommodate existing and future housing needs. Staff believes the proposed Project provides for a well-designed site and building design that will be beneficial to the Mercado District of the Downtown Specific Plan and will serve as a catalyst for continued revitalization of the corridor and help stabilize the surrounding commercial areas.

Both the Planning Commission and staff recommend the City Council approve the proposed Master and Precise Development Plan, Tentative Subdivision Map, amendment to the Downtown Specific Plan, Vacation of Right-of-Way, and Purchase and Sale Agreement.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Mike Strong*, Director of Community Development  
05/06/21 9:42 a.m.

*Jay Paul*, Senior Planner  
05/06/21 9:14 a.m.

ATTACHMENTS:

1. Attachment 1 – Planning Commission staff report (April 13, 2021)
2. Attachment 2 – Planning Commission Minutes - Draft (April 13, 2021)
3. Attachment 3 – Notice of Exemption
4. Attachment 4 – Written Correspondence
5. Ordinance No. 2021-05
6. Ordinance No. 2021-05 – Exhibits A, B, C, and D
7. Resolution No. 2021-61
8. Resolution No. 2021-61 – Exhibits A, B, C, and D
9. Resolution No. 2021-64
10. Resolution No. 2021-64 – Exhibits A



# PLANNING COMMISSION

**Agenda Item No.: G.1**  
**Date: April 13, 2021**

**PROJECT NUMBER / NAME: SUB 20-0001, PHG 20-0009 and ENV 20-0001 / Casa Mercado**

**REQUEST:** Tentative Subdivision Map, and Master and Precise Development Plan for the development of two, four-story buildings to accommodate up to 120 air-space condominium units. The project includes a request for a reduction in open space and parking. An amendment to the Downtown Specific Plan is requested to eliminate the ground-floor commercial requirement and permit ground floor residential units through a Planned Development Permit process. The project is located on City-owned property and will require approval of a Purchase and Sale Agreement, as a concurrent discretionary action to be presented at the time the project is presented to the City Council. Vacation of a portion of W. 3rd Avenue, S. Pine Street and public alley across the project frontages also is requested.

**LOCATION:** 235 S. Pine Street and surrounding properties

**APN / APNS:** 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-13-00, 233-032-14-00, 233-032-17-00, 233-032-18-00, 233-032-19-00, and 233-032-21-00

**GENERAL PLAN / ZONING:** Specific Plan Area (SPA 9) / Specific Plan (Downtown Specific Plan – Mercado District)

**APPLICANT:** Renovation Realty, Inc.

**PRIMARY REPRESENTATIVE:** Cannon Christian, Renovation Realty, Inc.

**DISCRETIONARY ACTIONS REQUESTED:** Tentative Subdivision Map, Master and Precise Development Plan, and Specific Plan Amendment

**PREVIOUS ACTIONS:** N/A

**PROJECT PLANNER:** Jay Paul, Senior Planner

**CEQA RECOMMENDATION:** Approve the Categorical Exemption pursuant to CEQA Guidelines section 15332 (In-fill Development Projects)

**STAFF RECOMMENDATION:** Approval

**REQUESTED ACTION:** Approve Planning Commission Resolution No. 2021-02

**CITY COUNCIL HEARING REQUIRED:**  YES  NO

**REPORT APPROVALS:**

Mike Strong, Community Development Director  
 Adam Finestone, City Planner

**BACKGROUND:**

The approximately 2.33-acre Project site (which includes the vacated street sections) is comprised of 11 parcels and has been previously developed with a variety of residential and commercial uses. The site contains structures older than 50 years in age, including a 1955 contemporary-style commercial structure (Estrada's Restaurant); 1951 unframed single-story stucco-clad adobe structure previously used as a Sunday school with a small outbuilding; 1958 Minimal Traditional single-story stucco-clad residence; 1915 vernacular style wooden-clad single-story residence; and a 1980s residential structure currently used to support a pallet storage operation. Lopez Market grocery store, which was located at the northeastern corner of 2nd Avenue and Pine Street, was demolished in 2014, with fragments of slab and the flooring remaining. None of the structures are listed on the City's Historic Sites Survey. Only one of the existing residential structures on the site remains occupied.

The Project site is relatively flat, and drains to the southwest. The property fronts onto, and takes access from, W. 2nd Avenue on the north, S. Quince Street on the west, W. 3rd Avenue on the south, and S. Pine Street on the east. The site is bisected (east/west) by a 20-foot-wide paved public alley. Surrounding land uses include commercial and residential uses to the north, commercial and industrial uses to the south and west, a restaurant to the northwest (Mi Guadalajara), and multi-family residential development to the east (across Centre City Parkway). Vegetation on the site primarily consists of ornamental landscaping associated with the previous uses and a variety of mature trees. The site does not contain any sensitive habitat or resources.

**A. SUMMARY OF REQUEST:**

Renovation Realty, Inc. ("Applicant") submitted an application for a Tentative Subdivision Map and a Master and Precise Development Plan for the development of two, four story buildings (up to approx. 65 feet in height) to accommodate 120 air-space condominium units with a density of approximately 51.5 dwelling units per acre within the Mercado District of the Downtown Specific Plan (see Attachment 1). The design includes a mix of studio, one-bedroom, and two-bedroom units. 179 parking spaces are proposed, which include a combination of enclosed garages with open tandem parking in front, on-site covered and uncovered spaces, angled parking along the S. Pine Street frontage, and perpendicular spaces along the W. 3rd Avenue frontage. Vacation of a portion of W. 3rd Avenue and S. Pine Street along the project frontage also is requested, along with the alley that bisects the site. An amendment to the Downtown Specific Plan is requested to eliminate the ground-floor commercial requirement and permit ground-floor residential units along W. 2nd Avenue through a Planned Development Permit process. (Note that the remainder of the site already allows ground-floor residential uses through the Planned Development Permit process.) The proposed Planned Development, consisting of a Master and Precise Development Plan, includes a request for a parking reduction from the required 208 spaces to 179 spaces (a reduction of 29 spaces or 14%), a 49% reduction in the overall open space requirement, and the allowance of ground-floor residential uses throughout the project site. The Planned Development also includes a request to allow up to 70 square feet in wall signage; minor setback encroachment for screen wall along 2nd Avenue, and reduction in covered parking spaces from 120 (one per unit) to 73 covered spaces. All of the existing structures would be demolished in order to accommodate the project.

**B. SUPPLEMENTAL DETAILS OF REQUEST:**

1. Property Size:	2.33 acres (this figure includes vacated street sections)	
2. Number of Units:	120 air-space condominium units	
	<u>Required:</u>	<u>Provided:</u>
3. Unit Sizes:	N/A in DSP or for Planned Developments	Range from 525 sq. ft. – 1,119 sq. ft.
4. Unit Types:	N/A	20 studios 69 one bedroom <u>31 two bedroom</u> 120 total units
5. Density:	100 du/ac maximum	51.5 du/ac
6. Lot Coverage / Floor Area Ratio:	N/A (per specific plan)	N/A
7. Building Height:	Up to 60' and 4 stories	4 stories, 47.5' to main roof parapet, 54' to 65' roof and tower elements. The Zoning Code allows certain non-habitable architectural features to exceed height limits, such as towers, parapets and mechanical screens.
8. Vehicle Parking:	<u>208 total spaces</u> 178 resident spaces and <u>30 guest spaces</u> (Including one covered space per unit required)	179 (31 single-car garages with 29 tandem spaces in front of garages (up to 25% tandem spaces allowed), 42 covered space (carports), 14 uncovered open spaces, 42 private-use spaces along W. 3rd Avenue and 20 private-use spaces along S. Pine Street. One dedicated loading/unloading space is also provided.

Attachment "1"

Project Name: SUB 20-0001, PHG 20-0009 and ENV 20-0001  
 Planning Commission Meeting  
 Date: April 13, 2021

9. Bicycle Parking:	Per CBC	Per CBC, includes secured bicycle parking room.
10. Setbacks		
a) Front Yard and Street Side	14' face of curb	14' min. face of curb
b) Rear Yard (W. 3 <sup>rd</sup> Ave)	5' surface parking	5' min provided for perpendicular parking spaces provided along 3rd Ave.
c) Interior Side Yard	None	None (alley considered the interior side yard)
11. Useable Open Space	36,000 SF min. (300 SF per unit)	18,333 SF total (11,800 SF common) (6,533 SF of private patios/decks for 1 and 2-bedroom units)
12. Signage:	Wall signs: per DSP max. 60 SF per project; max. 30 SF per sign	Building signage consisting of one wall sign with individual letters ("Casa Mercado") on arched entry element facing Pine Street driveway, up to 70 SF.
13. Trash:	Trash enclosures provided	
14. Lighting:	Per Escondido Zoning Code (Article 35) and Building Code	
15. Heating and Ventilation:	Roof-Mounted HVAC units with screening proposed for units.	

**C. PROJECT ANALYSIS:**

1. General Plan Conformance:

The City's General Plan land-use designation for the project site is Specific Plan Area (SPA 9). Multi-family residential development of up to 100 dwelling units per acre, with a maximum height of up to four stories and 60 feet, is permitted within the Mercado District. Based on the size of the project site (2.33 acres), the underlying zoning would allow up to 233 units. The request to construct 120 units resulting in an overall density of 51.5 dwelling units per acre, with four-story structures up to approximately 60 feet in height, is consistent with the land use density and development requirements envisioned for this area.



## Attachment "1"

Project Name: SUB 20-0001, PHG 20-0009 and ENV 20-0001

Planning Commission Meeting

Date: April 13, 2021

The City is taking steps to encourage, promote, and facilitate the development of housing consistent with policies 1.1 and 2.1 of the Housing Element of the General Plan, while accommodating the City's share of regional housing needs, consistent with Government Code section 65584. No Net Loss Law (Government Code section 65863) ensures development opportunities remain available throughout the planning period to accommodate a jurisdiction's Regional Housing Needs Allocation ("RHNA"), especially for lower- and moderate-income households. In general, jurisdictions cannot approve new housing at significantly lower densities or at different income categories than was projected in the Housing Element without making specific findings and identifying other sites that could accommodate these units and affordability levels "lost" as a result of the approval. The so-called "no net loss" provisions apply when a site is included in the jurisdiction's Housing Element's inventory of sites and is either rezoned to a lower residential density or is approved at a lower residential density than shown in the Housing Element. (Gov't Code § 65863(b).)

As noted previously, the Applicant proposes to construct 120 units on the subject property. The underlying zoning would allow up to 233 units. Although the subject property permits residential development through its underlying zoning designation, the Project site is not identified in the vacant/underutilized sites land inventory of the City's Fifth Cycle (current) Housing Element. Because the provision of "no net loss" applies to housing located on any site listed in the City's Housing Element, the City does not need to determine if this Project or a decision related to this Project would be subject to No Net Loss Law and its remedies. Additionally, no net loss provisions do not apply to projects that are already under review prior to adoption of the City's Sixth Cycle Housing Element (currently in process).

### Specific Plan Conformance:

The proposed Project would be consistent with the goals and objectives of the Mercado District of the Downtown Specific Plan, which encourages opportunities for residential development around a local commercial node. The land use concept for the Mercado District accommodates a housing type for those who do not want or need a traditional detached single-family home with yard, but who may prefer an urban area. The District offers flexibility to allow new higher-density housing options. The Project would redevelop an underutilized parcel and abandoned uses. The Project also would increase the residential population within the area, thereby increasing the volume of shoppers, frequency of diners, and patrons to local businesses. The additional residents along the corridor ultimately would continue to improve the overall economics of the area and the business community while providing additional ownership opportunities.

### 2. Climate Action Plan Consistency:

The City's ability to grow its population and economy while meeting reduction targets for greenhouse gas ("GHG") emissions will require broad-based community participation. The Climate Action Plan ("CAP") is intended to achieve reductions from all sources and sectors, existing and new. This is emphasized by the fact that the City's GHG reduction targets are a reduction below baseline GHG emissions. Therefore, GHG emissions in the City need to be reduced below existing levels, while additional GHG emissions are generated by growth

through 2035. 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 outlined in the CAP, or through a self-developed program.

For land use development requests, when a proposed project is compared with an adopted plan, such as the CAP, the analysis generally examines the existing physical conditions at the time the notice of preparation is published, or if no notice of preparation is published, at the time environmental analysis is commenced as well as the occurrence of the potential future conditions discussed in the plan. The City updated its 2013 Climate Action Plan ("2013 CAP") on March 10, 2021, through City Council Resolution No. 2021-37 ("2021 CAP"). The adoption of the 2021 CAP subsequent to the date the Project application was deemed complete shall not constitute a valid basis to disapprove or condition approval of the Project. Rather, the 2013 CAP shall be used as a basis to review and consider the Project. The 2013 CAP established a screening threshold of 2,500 metric tons carbon dioxide equivalent ("MTCO<sub>2e</sub>") 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 and/or a self-developed program. Projects that are projected to emit fewer than 2,500 MTCO<sub>2e</sub> annually would not make a considerable contribution to the cumulative impact of climate change, and therefore, such Projects do not need to demonstrate consistency with the 2013 CAP. The Project emits fewer than 2,500 MTCO<sub>2e</sub>, and is consistent with the land use assumptions utilized to create business-as-usual estimates for future year analysis. Therefore, the Project is consistent with the 2013 CAP.

### 3. Site Design:

#### a) Project Access, Circulation and Parking:

The project site is L-shaped and fronts onto public streets on all sides. The Project design includes an interior courtyard for parking that includes covered and uncovered spaces, garages, and access to trash facilities and other utilities. A dedicated area also would be provided for moving and other larger trucks. Access to the courtyard parking area would be provided from the existing alley that bisects the project site from east to west (taking access from S. Quince Street and S. Pine Street). The alley is proposed to be vacated along a portion the project frontage, but retained along the adjacent restaurant (Mi Guadalajara) frontage. An emergency access and utility easement would be retained along the alley. A portion of S. Pine Street and W. 3rd Avenue is also proposed to be vacated across the project frontages, and is intended to provide on-site parking spaces for the residents, guests and service vehicles. The City will retain public utility easements over these vacated areas along with a public use easement along the sidewalks. On-street parking also would be provided along 2nd Avenue, but these would be open to general public use.

Parking Requirements for Multi-Family Housing Projects

The Applicant has requested a reduction in the required number of parking spaces (208 spaces required in accordance with the DSP parking requirements) to provide a total of 179 spaces on-site for residents and guests. This results in a reduction of 29 spaces. The project would provide two dedicated parking spaces, consisting of a single-car garage and tandem space in front, for each of the 31, two-bedroom units. One parking space would be available for each of the studio and one-bedroom units (total of 89 spaces) with 57 spaces remaining to be allocated to specific units, guests, and service vehicles. The parking spaces (angled and perpendicular) located along W. 3rd Avenue and S. Pine Street would be posted for resident and resident-guest parking only. Striped spaces along 2nd Avenue are located within the public right-of-way and are available for public use. The Downtown Specific Plan allows for a reduction in parking spaces subject to justification based on a parking assessment.

The Downtown Specific Plan encourages a shift in orientation away from streets primarily designed for automobile use in an effort to facilitate a shift toward a multimodal transportation network. The requested parking reduction encourages the use of alternate transportation options such as bus and rail transit, bicycling, and walking. The project is located within 1/3 mile (an approximately 8-minute walk) of the Escondido Transit Center. The Escondido Transit Center is a multi-modal station that is serviced by North County Transit District (NCTD) that includes various bus lines/services and the Sprinter light rail. Within the vicinity of the site, Class II bicycle lanes are provided on Centre City Parkway, and there are Class I bicycle paths that connect the Escondido Creek Trail at the transit center to the Inland Rail Trail regional bikeway system. Section III.B.1 "Parking" of the Downtown Specific Plan allows for modifications to the parking requirements through the Planned Development process, with appropriate justification.

A Parking Assessment was prepared for the project by Linscott, Law & Greenspan (Attachment 3 to this staff report). The assessment evaluates alternate parking rates based on SANDAGs Smart Growth parking rates/strategies that specify various parking demand rates for higher density developments in close proximity to transit. According to the SANDAG Smart Growth Concept Map, the Project site is located within the Town Center Smart Growth Opportunity Area, which features numerous civic and cultural features anchored by the Escondido Transit Center. The assessment indicates that smart growth development that features dense, mixed land uses with pedestrian and bicycle amenities, especially areas within 1/3 mile of a light rail station, generate a lower parking demand than elsewhere in the San Diego region and have a number of owned vehicles per household (between 1.0 – 1.3 per household) substantially lower than the national average (2.0 vehicles per household). Therefore, the parking assessment recommended a parking supply rate of 1.25 spaces per unit or a minimum of 150 spaces, and the project would provide 179 on-site spaces (1.49 ratio).

## Attachment "1"

Project Name: SUB 20-0001, PHG 20-0009 and ENV 20-0001

Planning Commission Meeting

Date: April 13, 2021

Based on the parking analysis and proximity to transit services, staff supports the requested reduction in parking. However, the project would implement additional measures as part of a parking management plan to ensure sufficient parking is provided.

Parking Management Plan (to include):

- Parking Assignment Plan for all residents for the studio, one- and two-bedroom units (at least one space for each unit, with two spaces for the two-bed units)
- Potential flex spaces for guest parking during certain timeframes
- Secure bicycle parking (short and long term)
- Parking Monitoring Plan to adjust the parking management plan as needed.
- Transit Pass Assistance Program where the developer provides incentives for residents and employees who utilize monthly transit passes.

b) Open Space and Landscaping:

A minimum of 300 square feet of open space is required per unit, which equates to 36,000 square feet of open space for the 120-unit Project. The Project would provide a combination of private and common open space areas totaling 18,333 square feet. Active open space areas include indoor and outdoor area such as indoor fitness room and separate lounges, outdoor pool/spa and seating area, and roof deck seating, landscape and BBQ entertainment counter space with wooden overhead trellis. The Project also includes private, ground-floor patios for select units and private balconies/decks on upper stories. The W. 2nd Avenue, S. Pine Street., W. 3rd Avenue, and S. Quince Street frontages will include a combination of shrubs, groundcover, and street trees.

In order to accommodate the Project's site design and achieve the desired density, the Project proposes a 49 percent reduction in open space from 300 square feet per unit to 152 square feet per unit. Collectively, the Project provides functional common and private open space areas that enhance the quality of life for the occupants. However, due to the density, the project has a deficiency of up to 17,667 square feet of open space. As of this writing, the DSP allows for a reduction in required open space (up to 50 percent) to be considered on a case-by-case basis through the Planned Development Permit process, in exchange for alternative open space benefiting the public such as paying a per-square-foot in-lieu that contributes toward the cost of installing, improving and/ or expanding parkland or facilities in the downtown area or providing on-site publically accessible outdoor, street-level open space.

In order to satisfy the DSP open space reduction requirement, the Applicant would be required to pay an in-lieu fee of \$12.50 per square foot reduction of open space for the total amount of space deficiency. The proposed reduction of 17,667 SF of open space amounts to an in-lieu fee of \$220,837. In staff's opinion, the project meets the spirit of the open space provisions contained in the Downtown Specific Plan and contributes a

reasonable amount of open space on a per-unit basis that contributes to a cleaner environment and a healthier, more livable project setting.

It should be noted that the City is currently investigating an amendment to the Downtown Specific Plan to right-size open space requirements based on project density. In anticipation of the potential amendment, the Applicant is requesting to use 200 square feet as a baseline for determining the in-lieu fee. This would equate to a minimum of 24,000 square feet of required open space and a 5,667 square foot deficiency (rather than the 17,667 square foot deficiency previously identified) resulting in an in-lieu fee of \$70,837 (rather than \$220,837). The City Council has previously indicated it would consider reductions in open space requirements on a case-by-case basis within the Downtown Specific Planning Area.

4. Building Design:

a) Architectural Design, Colors/Materials and Unit Mix:

The Project consists of two, 4-story structures that include studio, one-, and two-bedroom units. Unit sizes range from 523 square feet for the studio units to 1,119 square feet for the two-bedroom units. Access to the units are provided from an interior hallway. A single-car-garage and additional tandem parking space in front of the garage would be provided for each of the two-bedroom units. The buildings are approximately 47.5 feet in height to the top of roof parapets, with limited rooftop tower elements ranging from 54 to 65 feet in height. The Project utilizes a California/Mediterranean style of architecture with varying wall planes and rooflines, S-type tile roofs, white and earth tone stucco exterior and trim colors, exposed rafter tails and wooden window elements, fabric window awnings and arched entryways with tile accents. Private upper-story decks and/or ground-floor patios are provided for certain units. A leasing office, office entry and interior lounge area are located at the corner of W. 2nd Avenue and S. Pine Street, along with a pedestrian plaza to provide a more commercial storefront type element at this corner. A small encroachment into the front setback along 2nd Avenue is proposed to accommodate a corner of the screen wall for the pool/spa areas. Modifications to setback provisions are permitted through the Planned Development process. Project plans are included with this staff report as Exhibit "D" to draft Planning Commission Resolution No. 2021-01.

b) Project Signage:

Signage for residential development within the Mercado District is limited to 2 square feet per unit and maximum of 60 square feet per project and 30 square feet per sign. The project proposes one wall sign which would consist of individual letters located over the main arched entry feature/driveway fronting onto S. Pine Street. The sign would be approximately 70 square feet in size, which staff believes is appropriate and in scale with the overall size of the building. The Master and Precise Development Plan does not include details on additional signage, but the plan would include additional allocation for leasing office signage, directional signage in accordance with

the Sign Ordinance (Article 66), along with the allowance for any freestanding monument type signage in accordance with the Downtown Specific Plan provisions.

5. Specific Plan Amendment – Downtown Specific Plan

The Downtown Specific Plan currently requires ground-floor commercial uses within the portion of the project site fronting on W. 2<sup>nd</sup> Avenue. Ground-floor residential is permitted on the remainder of the project site subject to the processing of a Planned Development Permit. The proposed amendment would allow ground-floor residential uses throughout the project site through a Planned Development Permit process. Commercial uses would still be allowed on the ground floor, however residential uses could also be proposed. The project would locate the leasing office and certain open space/recreational amenities within the ground floor area at the corner of W. 2nd Avenue and S. Pine Street to maintain the commercial look along this retail corridor. The Planned Development Permit process gives a property owner flexibility in determining how best to develop or redevelop his or her property, but also allows the City to maintain a level of control that would ensure that ground floor residential uses are designed in a manner that is appropriate for the surrounding environment. The amendment would require a revision to Figure II-4 of the Downtown Specific Plan (Attachment 3) to designate the site as allowing ground-floor residential land uses.

**D. FISCAL ANALYSIS:**

New development can provide a significant benefit to a city or county. As part of the overall decision-making process to move forward with a proposed development Project, it is important to evaluate the contributions and demands that development will place upon a public agency's general fund and the city or county's ability to provide ongoing public services. To avoid the need for a city or county to subsidize new development, cities and counties can establish or require special funding mechanisms to ensure that new development pays for itself.

In 2019, the City of Escondido hired a financial consultant who conducted a Fiscal Impact Analysis ("FIA") and determined that future ongoing revenue received as a result of new residential units throughout the City is less than the cost to provide municipal services, including police, fire and infrastructure maintenance, to those new units. In January 2020, the results of the FIA were presented to the City Council. On April 8, 2020, a Resolution was passed declaring the City's intent to form a Community Facilities District (collectively referred to herein as the "CFD") to offset the cost of governmental services associated with new development, as identified in the FIA.

CFD No. 2020-1, CityWide Services, was formed by the City Council on May 13, 2020. The special tax that will be assessed on properties as a result of the development of new residential units is based upon the FIA that was prepared to support the creation of CFD No. 2020-01. Developers to whom these residential project entitlements are assigned are responsible to establish an otherwise lawful funding mechanism to provide a source of funds for the on-going municipal services required for the project. The benefit of voluntarily entering CFD No. 2020-01

## Attachment "1"

Project Name: SUB 20-0001, PHG 20-0009 and ENV 20-0001  
Planning Commission Meeting  
Date: April 13, 2021

as the chosen funding mechanism is that the process is significantly streamlined, which saves staff time and costs to Developers.

Based on the Resolution adopting CFD No. 2020-1, the subject property falls under the Downtown Specific Plan rate (>30 du/ac) at \$783 per unit per year through June 30, 2021. Based on a 120-unit development, the current estimated annual amount for ongoing services is \$93,960, subject to annual adjustments.

The Applicant has suggested that the Project may not be subject to CFD No. 2020-01 based on the timing of the application. However, conditions have been added to Exhibit "D" to Resolution No. 2021-02 to require that the Project fund the ongoing costs of municipal services in the amount determined by the City through annexing into the CityWide Services CFD. In the alternative, the Applicant could propose another funding mechanism to pay for the costs of future, ongoing public services required by the Project. All costs for forming and implementing an alternative funding mechanism, including costs for consultants, elections, and any legal challenge, are to be at the Applicant's sole expense. If the Applicant chooses to pursue an alternative funding source rather than annexing into CFD No. 2020-01, the City needs to determine and ensure that the Project pays for any additional fiscal burdens placed upon the City's operational budget as a result of the future development. The payment of development impact fees, as well as annexation into the CFD or establishment of another funding mechanism, is necessary to avoid or lessen the likelihood of future impacts related to the provision of public services, as well as to maintain General Plan conformance to enable Project approval and implementation.

### **E. ENVIRONMENTAL STATUS:**

California Environmental Quality Act (CEQA) Guidelines list classes of projects that have been determined not to have a significant effect on the environment and as a result are exempt from further environmental review under CEQA. The Project qualifies for an exemption under CEQA Guidelines section 15332 (In-fill Development Projects). The CEQA Notice of Exemption prepared for the Project (included as Attachment 4 to the Planning Commission staff report) demonstrates that the Project qualifies for the exemption and does not have a significant effect on the environment.

### **F. PUBLIC INPUT:**

Staff has not received any correspondence from the public regarding the project as of the writing of this report.

### **G. CONCLUSION AND RECOMMENDATION:**

The proposed Project is consistent with the General Plan and the Downtown Specific Plan because it encourages higher density urban residential growth within the Mercado District. The Project would further the Land Use and Community Form goals in Chapter II of the Escondido General Plan, including those related to community character and smart growth, as well as the

Attachment "1"

Project Name: SUB 20-0001, PHG 20-0009 and ENV 20-0001

Planning Commission Meeting

Date: April 13, 2021

Housing goals in Chapter IV of the General Plan, which include planning for sustainable growth and providing housing opportunities for all income groups and household types.

All land use development applications that consist of a Tentative Subdivision Map, Master and Precise Development Plan, and Specific Plan Amendment are subject to design review and the final decision-maker is the City Council. The proposed Project is consistent with the guiding principles for the Downtown Specific Plan identified in the Land Use and Community Form Element of the Escondido General Plan because such principles accommodate the type of high-density urban development envisioned for the area. The proposed Project also provides for a well-designed, residential development that will be beneficial to its future residents and provide visual appeal in an area that is currently undergoing significant revitalization.

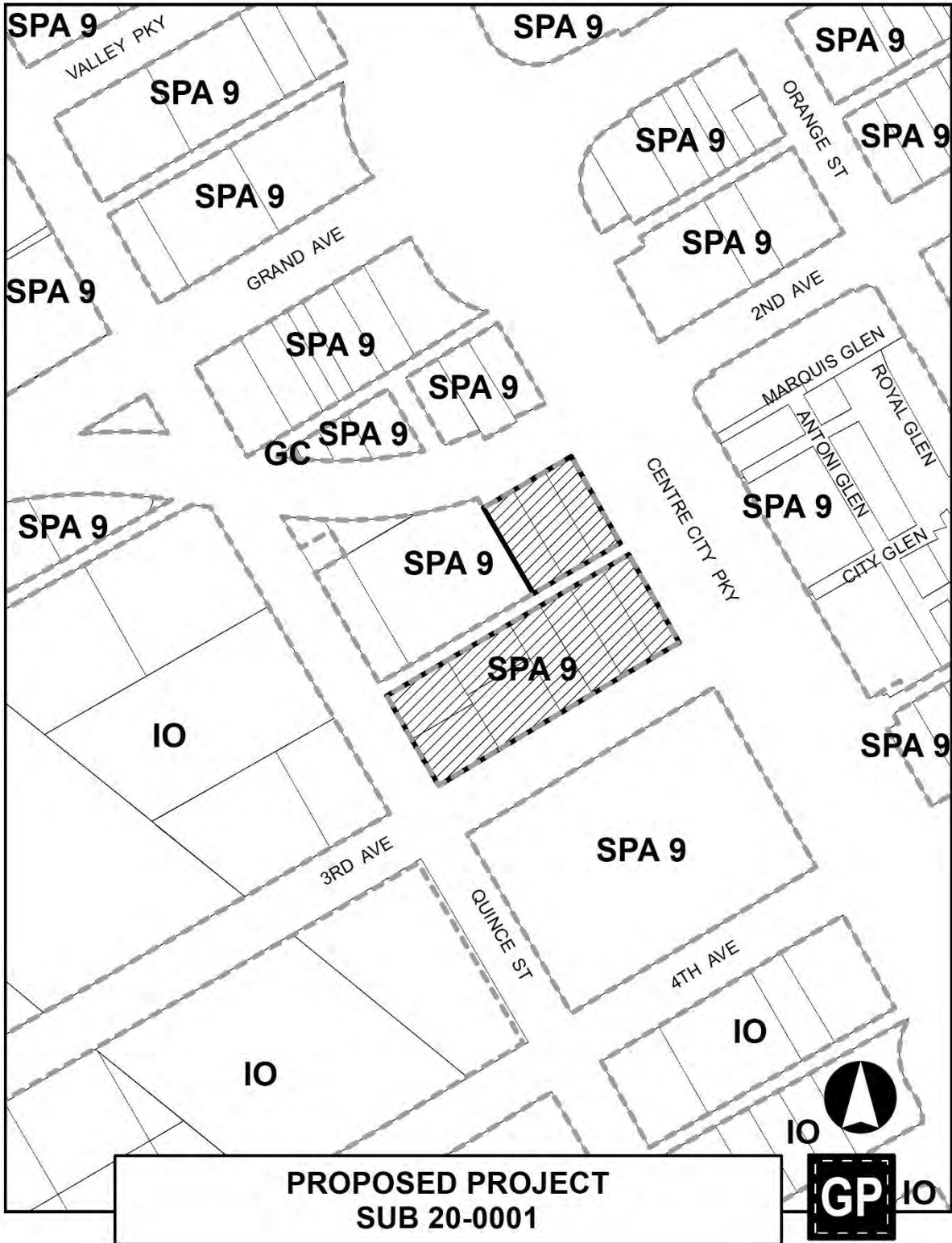
Staff recommends that the Planning Commission adopt Resolution 2021-02, recommending that the City Council approve the proposed Tentative Subdivision Map, Master and Precise Development Plan, and Specific Plan Amendment, as described in this staff report and as detailed in Exhibits "A" through "D" to Draft Planning Commission Resolution No. 2021-02.

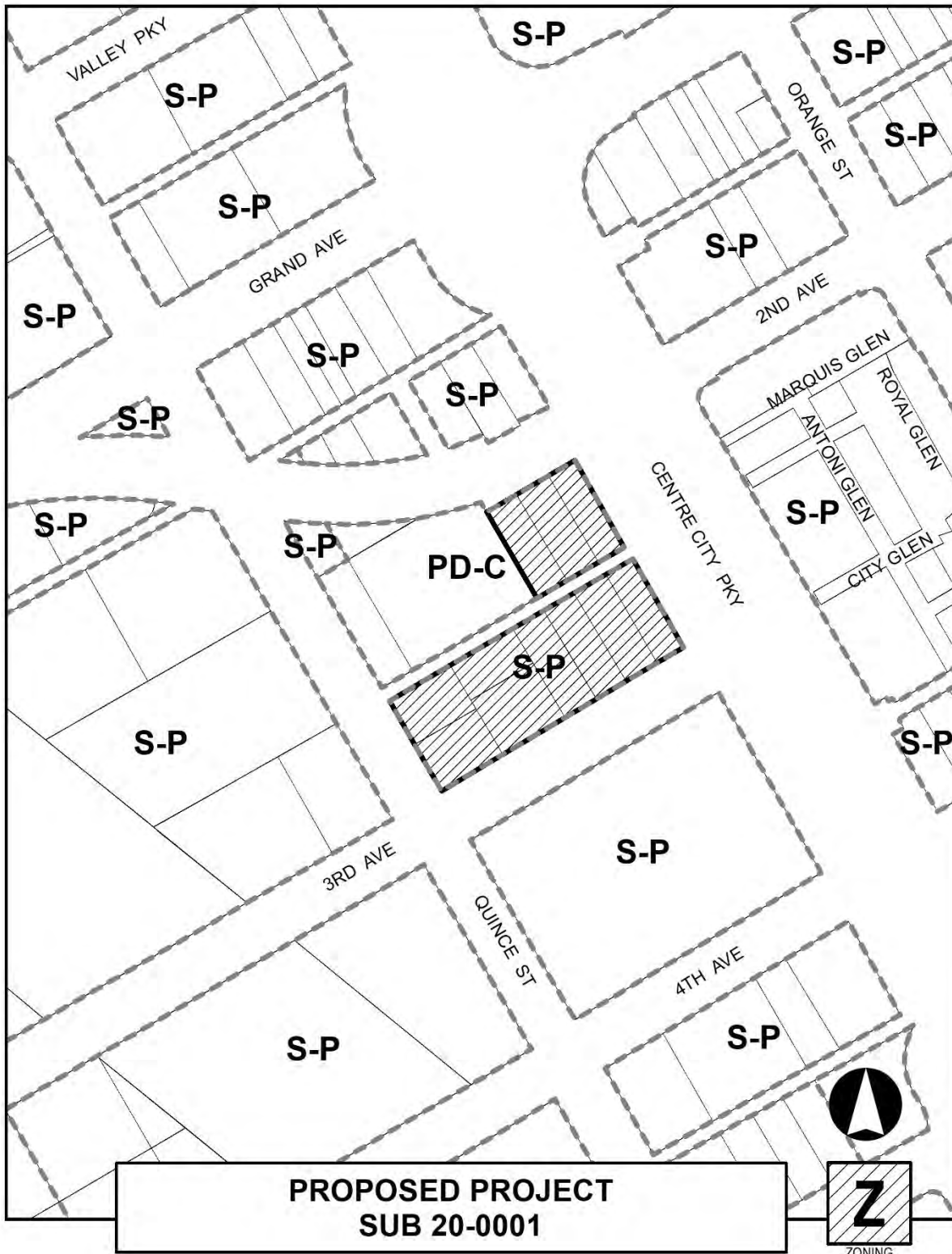
**ATTACHMENTS:**

1. Location and General Plan Map
2. Parking Assessment
3. Downtown Specific Plan Amendment
4. Categorical Exemption
5. Draft Planning Commission Resolution No. 2021- 02 – Exhibits A, B, C and D



**ATTACHMENT 1**









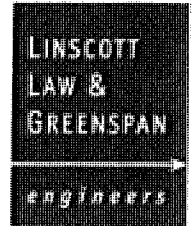
**PROPOSED PROJECT  
SUB 20-0001**



**A**

AERIAL

Attachment "1"  
**ATTACHMENT 2**



April 24, 2020

Mr. Jay Paul  
Senior Planner  
City of Escondido  
201 N. Broadway  
Escondido, CA 92025

Subject: **Second and Pine Apartments Project Parking Assessment**

Dear Mr. Paul:

**Introduction**

Linscott, Law & Greenspan, Engineers (LLG) has prepared this memorandum to provide parking consulting services associated with proposed Second and Pine Apartments Project.

The Project proposes the construction of 120 multi-family dwelling units within two four-story buildings at a density of 68.7 du/acre prior to proposed street and alley vacations. Parking is proposed with access provided from the alley between W. 2<sup>nd</sup> Avenue and W. 3<sup>rd</sup> Avenue. A total of 179 parking spaces are planned to be provided within a combination of ground-level covered garages, tandem parking spaces, carports, diagonal street parking on S. Pine Street, and street parking on W. 3<sup>rd</sup> Avenue. The northern half of W. 3<sup>rd</sup> Avenue is planned to be vacated to accommodate private on-street parking.

The Project's site plan is included in *Attachment A*.

**City of Escondido Code Requirements**

The Project proposes 20-studios, 69-one-bedroom units, and 31-two-bedroom units. Based on the City of Escondido's Parking Requirement for Multiple Residential Dwelling Units as outlined in the Escondido Municipal Code, a total of 208 parking spaces would need to be provided, as summarized in *Table A*. This equates to approximately 1.73 parking spaces per unit.

Engineers & Planners  
Traffic  
Transportation  
Parking

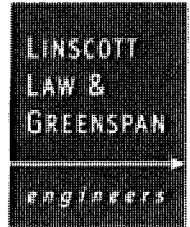
**Linscott, Law &  
Greenspan, Engineers**  
4542 Ruffner Street  
Suite 100  
San Diego, CA 92111  
858.300.8800 T  
858.300.8810 F  
www.llgengineers.com

Pasadena  
Irvine  
San Diego  
Woodland Hills

Philip M. Linscott, PE (1924-2009)  
William A. Law, PE (1921-2018)  
Jack M. Greenspan, PE (Ret.)  
Paul W. Wilkinson, PE (Ret.)  
John P. Keating, PE  
David S. Shender, PE  
John A. Boardman, PE  
Clare M. Look Jaeger, PE  
Richard E. Barretto, PE  
Keil D. Maberry, PE  
Walter B. Musial, PE  
An LGWB Company Founded 1956



Mr. Jay Paul  
 April 24, 2020  
 Page 2



**Table A**  
**Required Parking <sup>a</sup>**

Unit Type	Units	Parking Rate	Parking Spaces Required
Studio	20	1 / Unit	20
One-Bedroom	69	1.5 / Unit	104
Two-Bedroom	31	1.75 / Unit	54
Guest Parking	120	0.25 / Unit	30
<b>Total</b>			<b>208</b>

**Footnotes:**

- a. Based on the City of Escondido's Parking Requirement for Multiple Residential Dwelling Units as outlined in the Escondido Municipal Code. Each unit shall have a minimum of one (1) covered parking space. In addition, there shall be provided a guest parking space for each four (4) units or fraction thereof. On-street parking spaces, when approved by the staff development committee, may be counted toward fulfilling this requirement. Street frontages abutting the subject property and which are included in the circulation element of the general plan shall not be included in fulfilling this requirement.

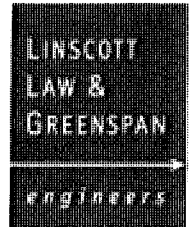
The nature of the Project's transit oriented development (TOD), with its higher densities, close proximity to transit, (1/3 of a mile from the Escondido Transit Center) commercial, and retail, as well as the availability of convenient bicycle facilities, encourage lower parking usage than what is currently required in the City's code. Recommended parking management strategies that could support the use of lower parking rates as well as facilitate parking operations are also included in this letter report.

**Active Transportation**

**Public Transit**

The Project is located within 1/3 mile of the Escondido Transit Center, an approximate 8-minute walk. The Escondido Transit Center is a multimodal station that is serviced by North County Transit District (NCTD) and provides access to 15 BREEZE bus lines, two San Diego Metropolitan Transit System (MTS) bus lines, Riverside Transit Agency bus route 217, regional Greyhound bus lines, and the SPRINTER light rail line. The SPRINTER typically runs on 30-minute headways Monday through Friday and stops at 15 stations between Escondido and Oceanside including the Escondido Transit Center, the Vista Transit Center, and the Oceanside Transit Center. From the Oceanside Transit Center, riders can access the AMTRAK and COASTER commuter rail services to other regional destinations.

Mr. Jay Paul  
April 24, 2020  
Page 3



#### Bicycle Facilities

Within the vicinity of the Project site, Class II bicycle lanes are provided on Center City Parkway in the north/south direction. The Inland Rail Trail links the regional bikeway system of Oceanside, Vista, San Marcos and Escondido to the west and connects to the Escondido Creek Trail at the transit center. The Escondido Creek Trail is a 6.5-mile long paved trail that spans the entire length of Escondido from Valley Center Road to Harmony Grove Road. The recent construction of Class I facilities along Valley Parkway provides a convenient connection from City Hall to the transit center.

According to the City of Escondido Bicycle Master Plan, Class II bicycle lanes are proposed on Quince Street and 2nd Avenue/Crescent Road/Grand Avenue/Valley Parkway near the Project site.

#### Reduced Parking Requirements

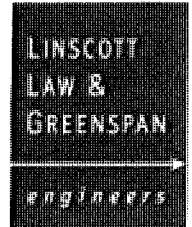
Because of the Project's location near the City's hub for entertainment and retail, with immediate access to the transit center and convenient bicycle and pedestrian facilities, the Project is anticipated to experience a lower parking demand than more suburban areas.

#### SANDAG Smart Growth

According to the SANDAG Smart Growth Concept Map, the Project site is located within the Town Center Smart Growth Opportunity Area which features numerous civic and cultural features anchored by the Escondido Transit Center. The *SANDAG Parking Strategies for Smart Growth* (June 2010) states that Smart Growth developments which features dense, mixed land uses with pedestrian and bicycle amenities generate a lower parking demand than elsewhere in the San Diego region. In addition, the report states that for areas within 1/3 mile of a light rail station and more than ten miles from a central business district, the average number of owned vehicles per household is between 1.0-1.3 which is substantially lower than the national average of 2.0 vehicles per household (2000 U.S. Census).

*SANDAG Parking Strategies for Smart Growth* specifies various parking demand rates within transit-oriented developments that average a blended rate of 1.12 parking spaces per dwelling unit regardless of the number of bedrooms. These parking demand rates are based on actual survey data for transit-oriented developments. As recommended in the SANDAG study, a 10% buffer should be applied to the demand rate and therefore recommends a parking supply rate of 1.25 spaces per dwelling unit ( $1.12 \times 1.10 = 1.23$ , recommends 1.25).

Mr. Jay Paul  
 April 24, 2020  
 Page 4



Recommended Parking Supply

Based on a review of SANDAG's Smart Growth parking rates, as well as the location characteristics of the Project with higher densities, proximity to transit, commercial, and retail, as well as access to convenient bicycle and pedestrian facilities, a parking supply rate of 1.25 parking spaces per dwelling unit would be appropriate for this Project.

Using a rate of 1.25 spaces per units, 150 spaces would be necessary for the 120-unit Project. Since 179 spaces are planned to be provided, enough parking would be provided using SANDAG smart growth rates.

Actual Parking Counts

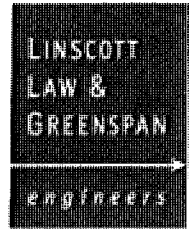
In order to determine if the City of Escondido's Parking Requirement accurately estimates the number of parking spaces needed, a parking survey was conducted at a similar apartment complex. Several different sites in Escondido and San Marcos were surveyed. While it was challenging to find an ungated site without garages, one site was identified.

The parking demand at the Reidy Creek Apartment complex, located at 1350 Morning View Drive in the City of Escondido, was observed over a two-day period. This complex provides 198-units, was 98% occupied, and 289-on-site parking spaces are provided. A total of 60 off-site parking spaces are also available along both sides of Morning View Drive, immediately adjacent to the complex. It is expected that some of the residents of the Reidy Creek apartments utilize a portion of the off-site parking. For the purposes of this study, it was estimated that 50% of the parking demand along Morning View Drive is generated by the Reidy Creek complex, and the remaining 50% is generated by the apartment complexes located across the street.

Parking occupancy counts at the Reidy Creek Apartments were conducted on July 16<sup>th</sup> and July 17<sup>th</sup>, 2019 at midnight in order to capture peak parking demand. The maximum demand of 284 vehicles (254 vehicles parked on-site, and 30 Reidy Creek related vehicles parked off-site on Morning View Drive) was observed on July 17<sup>th</sup>. This equates to an actual demand of approximately 1.47 parking spaces per unit. The two-days of parking observation data is included in *Attachment B*.

Based on the proposed Project's current site plan, a total of 179 parking spaces are planned to be provided within a combination of ground-level covered garages, tandem parking spaces, carports, diagonal street parking on S. Pine Street, and street parking on W. 3rd Avenue. The northern half of W. 3rd Avenue is planned to be vacated to accommodate private on-street parking. This equates to approximately 1.49 parking spaces per unit, which is slightly higher than the actual demand of 1.47 parking spaces per unit observed at the Reidy Creek Apartments.

Mr. Jay Paul  
April 24, 2020  
Page 5



### **Parking Management Plan**

It is recommended that the Project implement additional measures to further reduce parking demand. The following parking management strategies have been identified to augment and support the use of lower parking rates.

#### Parking Assignment Plan

The Project should implement a parking assignment plan for all residents. At a minimum, one parking space should be assigned per dwelling unit. Additional spaces should be reserved and assigned to two-bedroom units as requested by individual tenants. The remaining parking spaces should be designated as flex spaces for temporary guest parking during normal business hours (8 AM - 6 PM) and become available for residents overnight. Overnight guests should be provided a temporary use parking permit to park in the flex spaces overnight.

In order to better manage the parking facilities, the Project developer should endeavor to restrict tenant units to 1 or 2 vehicles per unit. Lease agreements for tenants should also include detailed information regarding the following:

- Parking Assignment Plan
- Parking Restrictions
- Guest Parking
- Towing Policy

#### Bicycles and Pedestrians

In order to promote pedestrian and bicycle activity in the vicinity of the Project site, the Project developer should provide informational kiosks in the leasing office with lists and maps to local destinations within 1/2 mile of the site including entertainment venues, parks and public spaces, restaurants, retail shops, etc. Transit information including BREEZE bus routes and schedules and SPRINTER schedules should also be provided.

In addition, the Project should also encourage active transportation by providing on-site bicycle storage. Short term bike racks as well as long-term bicycle storage within the parking garage should be provided for residents and guests.

#### Parking Monitoring

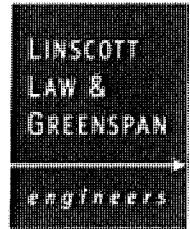
The Project developer should monitor parking demand at the Project site over a period of six months during the first year of Project opening. If necessary, the Parking Management Plan should be adjusted to reflect the observed parking demand.

### **Potential Parking Demand Management Strategies**

In addition to the Parking Management Plan discussed above, the Project could consider implementing the following supplemental strategies to further reduce parking demand. Based on the results of the parking monitoring plan, one or more of these



Mr. Jay Paul  
 April 24, 2020  
 Page 6



measures should be implemented if the observed parking demand is higher than expected.

Unbundled Parking

Instead of assigning parking spaces to specific units, parking spaces could be unbundled from the lease agreement. Tenants would be required to purchase a parking space in addition to their rent. In traditional bundled parking agreements, the monthly rent includes the hidden cost of parking. By breaking out the fees for parking separate from the lease agreement, the price for renting the apartment would decrease and the parking would be charged separately. Unbundling parking helps tenants understand the true monetary cost of parking and would provide an incentive for reducing their own individual parking demand and may influence their choice of owning a car. This may also make housing more affordable by not forcing residents who do not own a car to pay for parking.

By unbundling parking, on-site parking demand would naturally decrease, however off-site parking demand could potentially increase in the surrounding area. The Project would need to take this into account when considering this strategy.

According to *SANDAG Parking Strategies for Smart Growth*, unbundled parking could potentially reduce parking demand by 5-10%.

Off-Site Joint Use Parking

As described in the *Downtown Specific Plan*, off-site joint use parking agreements can be used to offset parking demand experienced by a site. In order to maximize the potential effectiveness of a joint-use parking agreement, the Project should consider an agreement with a use that experiences peak parking demand at a different time of day than the Project. For example, offices, retail, and banks generally operate during normal business hours and are closed overnight. Residential peak parking typically occurs between the hours of 10 PM and 6 AM when these uses are non-operational.

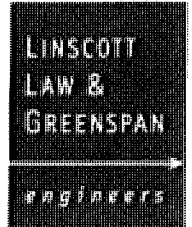
The joint-use parking facility must be within 1/4 mile of the site and there should be no conflicts in the operating hours of the principal use of the joint-use parking facility as described above.

Within the vicinity of the Project site, there are several bank and office sites which may fit the criteria for a joint-use parking agreement.

Transit Pass Assistance Program

In order to encourage the use of public transportation, the Project developer could provide incentives for residents and employees who utilize monthly transit passes. For example, upon the execution of a lease, new residents would be provided with a one-month NCTD pass. The Project is located within 1/3 mile of the Escondido Transit Center. At the time this assessment was conducted, a NCTD pass that was valid for the

Mr. Jay Paul  
April 24, 2020  
Page 7



SPRINTER and BREEZE had a cost of \$59.00 per month. By providing incentives, such as free passes for new tenants or reimbursement (partial or full), parking demand would inherently be lower due to the reduction in residents' need for a personal vehicle. According to the *SANDAG Parking Strategies for Smart Growth*, transit pass assistance programs could potentially reduce parking demand by 5-20%.

**Conclusions**

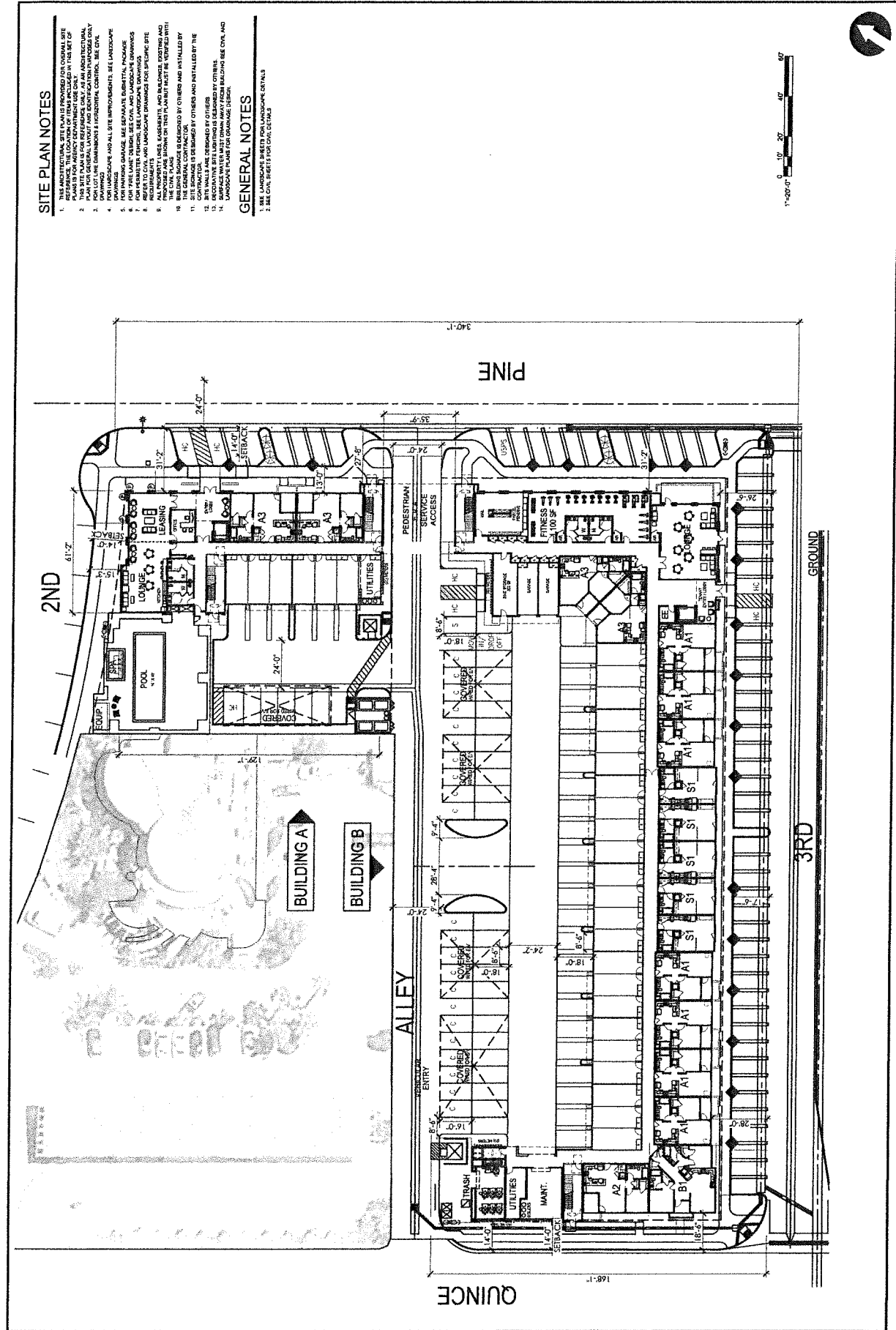
Using *SANDAG Parking Strategies for Smart Growth* parking rates (1.25 spaces per unit), 150 spaces would be required. Since 179 spaces are planned, it can be concluded that sufficient parking will exist. In addition, several parking management plan strategies are recommended to further reduce parking demand. Finally, an actual parking demand survey at a similar site also shows that 179 spaces is adequate.

Please call me if you have any questions.

Sincerely,  
Linscott, Law & Greenspan, Engineers

A handwritten signature in black ink, appearing to read "J. Boarman". The signature is fluid and cursive, written over a light gray background.

John Boarman, P.E.  
Principal  
California Registration: C50033



**SITE PLAN NOTES**

1. THIS ARCHITECTURAL SITE PLAN IS PROVIDED FOR GENERAL SITE REFERENCE. THE LOCATION OF ITEMS INCLUDED IN THIS SET OF DRAWINGS IS FOR REFERENCE ONLY. AN ARCHITECTURAL SITE PLAN IS NOT A CONTRACT DOCUMENT AND DOES NOT CONTROL THE LOCATION OF ITEMS OR THE DESIGN OF ITEMS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR OBTAINING ALL NECESSARY APPROVALS FROM ALL APPLICABLE AGENCIES.
2. THIS SITE PLAN IS FOR REFERENCE ONLY. AN ARCHITECTURAL SITE PLAN IS NOT A CONTRACT DOCUMENT AND DOES NOT CONTROL THE LOCATION OF ITEMS OR THE DESIGN OF ITEMS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR OBTAINING ALL NECESSARY APPROVALS FROM ALL APPLICABLE AGENCIES.
3. FOR LOT LINES, DIMENSIONS & VERTICAL CONTROL, SEE CIVIL DRAWINGS.
4. FOR LANDSCAPE AND ALL SITE IMPROVEMENTS, SEE LANDSCAPE DRAWINGS.
5. FOR "FIRE LANE" DESIGN, SEE CIVIL AND LANDSCAPE DRAWINGS.
6. FOR "FIRE LANE" DESIGN, SEE CIVIL AND LANDSCAPE DRAWINGS.
7. FOR "FIRE LANE" DESIGN, SEE CIVIL AND LANDSCAPE DRAWINGS.
8. FOR "FIRE LANE" DESIGN, SEE CIVIL AND LANDSCAPE DRAWINGS.
9. PREPARED AND SHOWN ON THIS PLAN MAY BE VERTICAL WITH THE GENERAL CONTRACTOR.
10. BUILDING SHOWN OR OTHERWISE INDICATED BY OTHERS AND INSTALLED BY THE GENERAL CONTRACTOR.
11. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
12. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
13. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
14. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
15. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
16. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
17. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
18. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
19. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
20. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
21. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
22. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
23. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
24. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
25. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
26. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
27. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
28. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
29. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
30. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
31. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
32. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
33. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
34. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
35. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
36. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
37. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
38. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
39. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
40. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
41. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
42. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
43. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
44. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
45. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
46. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
47. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
48. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
49. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
50. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
51. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
52. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
53. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
54. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
55. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
56. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
57. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
58. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
59. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
60. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
61. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
62. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
63. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
64. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
65. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
66. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
67. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
68. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
69. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
70. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
71. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
72. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
73. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
74. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
75. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
76. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
77. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
78. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
79. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
80. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
81. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
82. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
83. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
84. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
85. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
86. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
87. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
88. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
89. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
90. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
91. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
92. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
93. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
94. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
95. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
96. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
97. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
98. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
99. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
100. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.

**GENERAL NOTES**

1. SEE LANDSCAPE SHEETS FOR LANDSCAPE DETAILS.
2. SEE CIVIL SHEETS FOR CIVIL DETAILS.


  
**Figure A**  
**Site Plan**  
 PINE STREET APARTMENTS

N:\31900\Figures  
 Date: 04/16/20  
**Elnscoff Law & Greenspan**  
 engineers

**Attachment B**

**Reidy Creek**

Location	1350 Mornig View Drive Escondido, CA 92026	
Units		198
1 BR		100
2 BR		98
Occupancy Rate	98%	
Occupied Units	194	
Max Demand (Spaces)	284	(July 17, 2019)
Parking Rate / Unit	1.47	

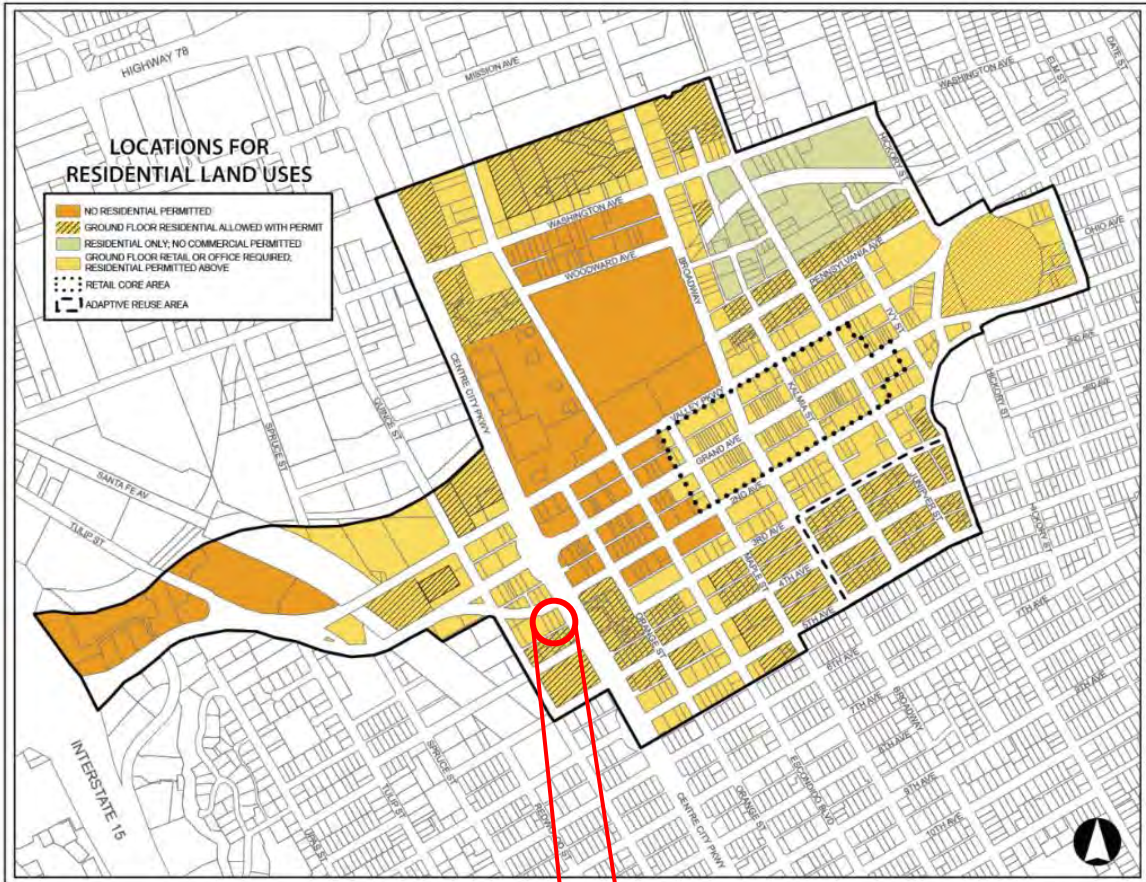
**Parking Demand Observations**

<u>Date</u>	<u>On-Site Supply</u>	<u>On-site Demand</u>	<u>Total</u>
7/16/2019	289	255	
	<u>Off-Site Supply</u>	<u>Off-site Demand</u>	
	60	55	
		Reidy Creek Demand = 28	283
7/17/2019	<u>On-Site Supply</u>	<u>On-site Demand</u>	
	289	254	
	<u>Off-Site Supply</u>	<u>Off-site Demand</u>	
	60	60	
		Reidy Creek Demand = 30	284

N:\3091\Parking\Study Locations\Parking Occupancy.xlsx

### ATTACHMENT 3

Proposed Amendment to the Downtown Specific Plan to allow ground-floor residential  
DSP Figure II-4



Page II-12

LAND USES

FIGURE II-4



**ATTACHMENT 4**



**CITY OF ESCONDIDO  
PLANNING DIVISION  
201 NORTH BROADWAY  
ESCONDIDO, CA 92025-2798  
(760) 839-4671**

**Notice of Exemption**

**To:** San Diego Assessor/Recorder/County Clerk  
Attn: Fish and Wildlife Notices  
1600 Pacific Highway, Room 260  
San Diego, CA 92101  
MS A-33

**From:** City of Escondido  
201 North Broadway  
Escondido, CA 92025

**Project Title/Case No.:** CASA MERCADO / SUB 20-0001, PHG 20-0009, and ENV 20-0001

**Project Location - Specific:** The approximately 2.33-acre site fronts on W. 2nd Avenue, S. Pine Street, W. 3rd Avenue, and S. Quince Street. The site is located within the Mercado District of the Downtown Specific Planning Area and is comprised of 11 parcels (APNs, 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-13-00, 233-032-14-00, 233-032-17-00, 233-032-18-00, 233-032-19-00, and 233-032-21-00). The reference address is 235 S. Pine Street.

**Project Location - City:** Escondido **Project Location - County:** San Diego

**Description of Project:** Tentative Subdivision Map and Master and Precise Development Plan for the development of two, four-story buildings (up to approx. 65 feet in height) to accommodate up to 120 air-space condominium units with a density of approximately 51.5 dwelling units per acre. 179 parking spaces are proposed. Vacation of a portion of W. 3rd Avenue, S. Pine Street, and public alley along the project frontages also is requested. An amendment to the Downtown Specific Plan is requested to eliminate the ground-floor commercial requirement and permit ground-floor residential units through the Planned Development Permit process. All of the existing structures would be demolished. The project is partially located on City-owned property and requires approval of a Purchase and Sale Agreement, as a concurrent discretionary action.

**Name of Public Agency Approving Project:** City of Escondido

**Name of Person or Agency Carrying Out Project:**

Name: Renovation Realty, Inc. (Rep: Cannon Christian) Telephone: (858) 243-3621

Address: 4830 Viewridge Avenue, Ste D., San Diego, CA 92123

Private entity  School district  Local public agency  State agency  Other special district

**Exempt Status:** Categorical Exemption. CEQA Guidelines section 15332 (In-Fill Development Projects).

**Reasons why project is exempt:**

The proposed project qualifies for a categorical exemption pursuant to CEQA Guidelines section 15332, as an in-fill development project meeting all applicable conditions, as further described below.

**General Plan and Zoning Consistency**

The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations. The City's General Plan land use designation for the project site is Specific Plan (SP). The project site is located within the Mercado District (M) of the Downtown Specific Plan (SPA 9). Multi-family residential and condominium type development up to 100 dwelling units per acre and buildings up to 4 stories and 60 feet in height are permitted within the Mercado District of the Downtown Specific Plan. The Downtown Specific Plan allows for modifications to development standards through the discretionary Planned Development process. The project thus adheres to the criteria of CEQA Guidelines section 15332(a).



### **Project Location, Size, and Context**

Public Resources Code section 21072 defines a “qualified urban use” as “any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.” The project is on a site within City limits that is no more than five acres and substantially surrounded by qualified urban uses.

The approximately 2.33-acre project site is located within an urban downtown area of the City, and has been previously developed with residential and commercial-type development. The site is surrounded by urban development and public streets. The project thus adheres to the criteria of CEQA Guidelines section 15332(b).

### **Endangered, Rare, or Threatened Species**

The project site is located within the highly developed and urban area of the City, and developed with residential and commercial uses. The site is surrounded on all sides by either developed properties and/or city streets. No riparian habitat or other sensitive natural community or potential jurisdictional features were observed within the project site or within a 100-foot boundary from the project site. It was therefore concluded that the project would not result in any significant biological impacts. The project thus adheres to the criteria of CEQA Guidelines section 15332(c).

### **Traffic**

A Traffic Impact Analysis (TIA) was prepared for the project by Linscott, Law & Greenspan (January 2020). The Project is anticipated to generate up to 720 daily trips with 58 trips (12 inbound/46 outbound) in a.m. peak hour and 65 trips (46 inbound/19 outbound) during p.m. peak hour. It was concluded that the project would not result in any significant traffic or transportation related impacts.

### **Noise**

A Noise Technical Report was prepared for the Project by Helix Environmental Planning (August 2019). The proposed condominium development would be compatible with the adjacent uses, and as such, the project is not anticipated to generate any significant increases to the existing ambient noise level. Operational noise sources, would not exceed allowable City limits, and construction-related impacts are short term and would cease once the project is completed. It was therefore concluded that the project would not result in any significant noise impacts.

### **Air Quality**

An Air Quality Technical Report was prepared for the Project by Helix Environmental Planning (August 2019). Due to the residential nature of the project and number of proposed condominium units (120 units), the project would not exceed screening-level criteria thresholds for construction or operational level impacts, nor create any operational related dust or odor-related impacts. Project emissions also would not exceed the GHG screening threshold of 2,500 MT CO<sub>2</sub>e established by the City of Escondido Climate Action Plan. It was therefore concluded that the project would not result in any significant air quality or GHG impacts.

### **Water Quality**

A preliminary drainage study and Storm Water Quality Management Plan was prepared for the project. Storm water quality impacts during construction would be prevented through implementation of a grading and erosion control plan that is required by the City's Grading and Erosion Control Ordinance (Article 55 of the Escondido Municipal Code) and the State General Permit to Discharge Stormwater Associated with Construction Activities (NPDES No. CA2000002), which requires preparation of a Storm Water Pollution Prevention Plan (SWPPP) by a Qualified SWPPP Developer. It was therefore concluded that the project would not result in any significant water quality impacts.

For the foregoing reasons, with respect to traffic, noise, air quality, and water quality, the project adheres to the criteria of CEQA Guidelines section 15332(d).

### **Utilities and Public Services**

The Fire Department indicated that appropriate fire protection can be provided with the implementation of the required building/site design features. Appropriate fire flow would be provided to the project site with the installation of the required water line upgrades and fire hydrants.

Sewer and water would be provided by the City of Escondido. San Diego Gas and Electric (SDG&E) would provide electrical service to the site. The Engineering Division indicated that appropriate utilities will be provided to the project with existing facilities located within existing streets or easements. Escondido Disposal, Inc. would provide trash service.

It was therefore concluded that the project would not result in any significant utility or public service impacts. The project thus adheres to the criteria of CEQA Guidelines section 15332(e).

Attachment "1"

The proposed project or its circumstances also would not result in any exceptions to categorical exemptions, as identified in CEQA Guidelines section 15300.2, as further described below:

**Location:** Not applicable to Class 32 exemption

**Cumulative Impact:** All resource topics associated with the project have been analyzed and were found to pose no significant impact. The project would not make a cumulatively considerable contribution to a significant cumulative impact.

**Significant Effect:** There are no known unusual circumstances applicable to the project or project site that could result in a significant effect on the environment.

**Scenic Highways:** The project is not located in the vicinity of any designated or eligible state scenic highway.

**Hazardous Waste Sites:** There are no on-site hazardous waste sites associated with the project site listed under Government Code section 65962.5.

**Historic Resources:** A Cultural Resource Study, dated July 2019, was prepared for the project by PanGis. It was concluded the project will not cause a substantial adverse change in the significance of a historical resource. None of the documented cultural resources within the project area are considered historical resources for the purposes of CEQA, and none are considered historic properties under Section 106 of NHPA. Tribal outreach and consultation also were conducted in accordance with State Senate Bill 18 and State Assembly Bill 52.

For the foregoing reasons, the project is categorically exempt pursuant to CEQA Guidelines section 15332, as an in-fill development project.

**Lead Agency Contact Person:** Jay Paul, Planning Division Area Code/Telephone/Extension (760) 839-4537

Signature: *J Paul* April 8, 2021  
Jay Paul, Senior Planner Date

Signed by Lead Agency Date received for filing at OPR: N/A



**ATTACHMENT 5**

Planning Commission  
Hearing Date: April 13, 2021

Effective Date: April 14, 2021

PLANNING COMMISSION RESOLUTION NO. 2021-02

A RESOLUTION OF THE PLANNING COMMISSION  
OF THE CITY OF ESCONDIDO, CALIFORNIA,  
RECOMMING APPROVAL OF A TENTATIVE  
SUBDIVISION MAP, MASTER AND PRECISE  
DEVELOPMENT PLAN AND SPECIFIC PLAN  
AMENDMENT

APPLICANT: Renovation Realty, Inc.

CASE NO: SUB 20-0001; PHG 20-0009

WHEREAS, Renovation Realty, Inc. ("Applicant"), filed a land use development application, Planning Case No. SUB 20-0001 and PHG 20-0009 ("Application") constituting a request for a Tentative Subdivision Map and Master and Prevised Development Plan for 120 air-space condominium units ("Project") on an approximately 2.25 acre site located at 235 S. Pine Street (APNs 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-13-00, 233-032-14-00, 233-032-17-00, 233-032-18-00, 233-032-19-00, and 233-032-21-00), in the Downtown Specific Plan (SPA 9) Mercado District. The project also includes a request for a reduction in open space and parking, along with an Amendment to the Downtown Specific Plan to eliminate the ground-floor commercial requirement and permit ground floor residential units. The project includes vacation of a portion of 3rd Avenue across the project frontage; and

WHEREAS, the subject property is all that real property described in Exhibit "A," which is attached hereto and made a part hereof by this reference as though fully set forth herein ("Property"); and

WHEREAS, the Application was submitted to, and processed by, the Planning Division of the Community Development Department in accordance with the rules and regulations of the Escondido Zoning Code and the applicable procedures and time limits specified by the Permit Streamlining Act (Government Code section 65920 et seq.) and the California Environmental Quality Act (Public Resources Code section 21000 et seq.) ("CEQA"); and

WHEREAS, multi-family residential condominium development is a permitted use within the Mercado District, subject to the approval of Tentative Subdivision Map and Master and Precise Development Plan, in accordance with Article 19 of the Escondido Zoning Code; and

WHEREAS, pursuant to CEQA and the CEQA Guidelines (Title 14 of California Code of Regulations, Section 15000 et. seq.), the City is the Lead Agency for the Project, as the public agency with the principal responsibility for approving the proposed Project; and

WHEREAS, the Planning Division studied the Application, performed necessary investigations, prepared a written report, and hereby recommends approval of the Project as depicted on the plan set shown in Exhibit "B," which is attached hereto and made a part hereof by this reference as though fully set forth herein; and

WHEREAS, City staff provided public notice of the application in accordance with City and State public noticing requirements; and

WHEREAS, on April 13, 2021, the Planning Commission held a duly noticed public hearing as prescribed by law, at which time the 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 regarding the Project. 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 by the Applicant;
- b. Oral testimony from City staff, interested parties, and the public;
- c. The staff report, dated April 13, 2021, 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, the 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.

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 Planning Commission, in its independent judgment, has determined the Project to be exempt from environmental review pursuant to CEQA Guidelines section 15332 (In-fill Development Projects). All of the requirements of CEQA have been met.

3. After consideration of all evidence presented, and studies and investigations made by the Planning Commission and on its behalf, the Planning Commission makes the following substantive findings and determinations, attached hereto as Exhibit "C," relating to the information that has been considered. In accordance with the Findings of Fact and the foregoing, the Planning Commission reached a recommendation on the matter as hereinafter set forth.

4. The Planning Commission hereby recommends that the City Council **approve** the Application to use Property for the Project, subject to each and all of the conditions hereinafter set forth in Exhibit "D." The Planning Commission expressly declares that it would not have approved this Application except upon and subject to each and all of said conditions, each and all of which shall run with the land and be binding upon the Applicant, the owner, and all subsequent owners of the Property, and all persons who use the Property for the use permitted hereby.

5. The development plans for the Project are on file in the Planning Division of the Community Development Department and are available for inspection by anyone interested herein, and the development plans are incorporated herein by this reference as if they were fully set forth herein. The Project is conditionally approved as set forth on the Application and Project drawings, all designated as approved by the Planning Commission, and which shall not be altered without the express authorization by the

Planning Division. Any deviations from the approved development plans shall be reviewed by the City for substantial compliance and may require amendment by the appropriate hearing body.

BE IT FURTHER RESOLVED that, pursuant to Government Code section 66020(d)(1):

1. NOTICE IS HEREBY GIVEN that the Project is subject to dedications, reservations, and exactions, as specified in the Conditions of Approval. The Project is subject to certain fees described in the City of Escondido's Development Fee Inventory on file in both the Community Development and Public Works Departments. The Applicant shall be required to pay all development fees of the City then in effect at the time and in such amounts as may prevail when building permits are issued. It is the City's intent that the costs representing future development's share of public facilities and capital improvements be imposed to ensure that new development pays the capital costs associated with growth. The Applicant is advised to review the Planned Fee Updates portion of the web page, [www.escondido.org](http://www.escondido.org), and regularly monitor and/or review fee-related information to plan for the costs associated with undertaking the Project.

2. NOTICE IS FURTHER GIVEN that the 90-day period during which to protest the imposition of any fee, dedication, reservation, or other exaction described in this Resolution begins on the effective date of this Resolution, and any such protest must be in a manner that complies with Government Code section 66020.

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 13th day of April, 2021, by the following vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAINED: COMMISSIONERS:

ABSENT: COMMISSIONERS:

---

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

**EXHIBIT "A"**

**Legal Description**

**SUB 20-0001, PHG 20-0009, and ENV 20-0001**

The land hereinafter referred to is situated in the City of Escondido, County of San Diego, State of CA, and is described as follows:

Lot 7 and 8, Block 88 of Escondido in the City of Escondido, County of San Diego, State of California according to Map thereof No. 336, filed in the Office of the County Recorder of San Diego County, July 10, 1886. Excepting therefrom the Easterly 6 feet of Lot 8.

APN: 233-032-19-00

APN: 233-032-10-00

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ESCONDIDO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOTS 9 AND 10 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-07-00; 233-032-08-00

PARCEL 2:

LOTS 3, 4 AND 5 OF BLOCK 88 OF ESCONDIDO, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-12-00; 233-032-13-00; 233-032-14-00

PARCEL 3:

LOTS 7 AND 8 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

EXCEPT THE EASTERLY 6 FEET OF LOT 8.

APN(S): 233-032-10-00; 233-032-19-00

PARCEL 4:

LOT 6 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-11-00

PARCEL 5:

THE SOUTHEASTERLY ONE HALF OF LOTS 1 AND 2 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 33-032-17-00

# EXHIBIT "B"

## SUB 20-0001, PHG 20-0009, and ENV 20-0001



**Project Team**

**APPLICANT/OWNER**  
PRIMOR PROPERTIES INC.  
10000 LA JOLLA VILLAGE CENTER  
SAN DIEGO, CA 92121  
CONTACT: PAUL MAYER

**RESIDENTIAL ARCHITECT**  
ARCHITECTS ORANGE  
10000 LA JOLLA VILLAGE CENTER  
ORANGE, CA 92668  
CONTACT: SERAFIN MARRANAN  
KALLAU, TRAVIS MCHONEY

**CONSULTING ARCHITECT**  
SRA ARCHITECTS  
10000 LA JOLLA VILLAGE CENTER  
VANCOUVER, BC V8V 1T1  
CONTACT: SOREN RASMUSSEN

**CIVIL ENGINEER**  
ENGINEERING SOLUTIONS  
10000 LA JOLLA VILLAGE CENTER  
CANYON LAKE, CA 92587  
CONTACT: DAVID CURRINGTON

**LANDSCAPE ARCHITECT**  
GMP SOBRENTO VALLEY SUITE 200  
10000 LA JOLLA VILLAGE CENTER  
SAN DIEGO, CA 92121  
CONTACT: JOHN PATTERNSON

**VICINITY MAP**

**PROPOSED PROJECT: SUB 20-0001  
TITLE PAGE**



**CASA MERCADO APARTMENTS  
ESCONDIDO, CA**

**PROJECT DESCRIPTION**

A FOUR STORY, 120 UNIT APARTMENT PROJECT,  
CONSISTING OF 4 STORY TYPE V-A ON GRADE,  
WITH FULL 13 AUTOMATIC SPRINKLER SYSTEM

GROSS LAND AREA: 2.33 ACRES  
TOTAL UNITS: 120 UNITS  
DENSITY: 51.5 DU/AC

**EXISTING/PROPOSED USES**

EXISTING USES:	COMMERCIAL / LIGHT INDUSTRIAL
PROPOSED USES:	RESIDENTIAL (120 UNITS)

**CODE SUMMARY**

CODE	ADOPTED EDITION
BUILDING CODE	2016 CALIFORNIA BUILDING CODE
FIRE CODE	2016 CALIFORNIA FIRE CODE
INDUSTRY CODE	2016 BUILDING EFFICIENCY STANDARDS FOR RESIDENTIAL AND HIGH RESIDENTIAL BUILDINGS
PLUMBING CODE	2016 CALIFORNIA PLUMBING CODE
ELECTRICAL CODE	2016 CALIFORNIA ELECTRICAL CODE
POOL CODE	2017 CALIFORNIA GREEN BUILDING STANDARDS

**PARKING SUMMARY**

Type	Units	Factor	Parking
Residential Units	120	1.00	120
1 BR	80	1.00	80
2 BR	30	1.00	30
3 BR	10	1.00	10
Guest	100	1.00	100
Total Required Residential Units: 120			

**REQUIRED ACCESSIBLE STALLS**

Stalls	Required	Standard	Met (1:B)	Total
27	27	1	1	2

**REQUIRED ELECTRIC VEHICLE STALLS**

Facility	Facility	Additional	Additional
27	27	2	2

\* INCLUDED IN TOTAL PARKING PROVIDED

**RESIDENTIAL BUILDING SUMMARY**

UNITS	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	%	TOTAL	BLDG B
51	5	5	5	5	16.7%	20	20
STUDIOS	5	5	5	5	16.7%	20	0
A1	7	8	8	8	26.6%	31	3
A2	3	3	3	3	10.0%	12	4
A2-ALT	0	6	6	6	13.0%	18	3
A3	2	2	2	2	6.7%	8	8
1-BEDS	12	19	19	19	57.8%	69	14
B1	1	4	4	4	13.3%	13	3
B2	0	3	3	3	7.5%	9	9
B2-ALT	0	3	3	3	7.5%	9	3
B3	0	10	10	10	26.6%	31	6
TOTAL	18	34	34	34	100%	120	51

**UNIT SUMMARY**

UNIT TYPE	RENTABLE UNIT FLOOR AREA	NUMBER OF UNITS	TOTAL DUS <sup>2</sup>	UNIT %	FOJA (UNIT %)
S1	505	20	10,100	16.7%	16.7%
A1	694	31	19,344	28.8%	28.8%
A2	744	12	8,928	15.0%	15.0%
A2-ALT	801	18	14,418	25.0%	25.0%
A3	704	8	5,632	9.7%	9.7%
B1	1,030	13	13,390	22.5%	22.5%
B2	1,030	9	9,270	15.5%	15.5%
B2-ALT	1,115	9	10,035	17.3%	17.3%
TOTAL	716	120	91,824	100%	100%

**TOTAL AMENITY SPACE**

AMENITY TYPE	SF
OUTDOOR DECK/POOL	3,400
INDOOR	4,500
TOTAL AMENITY SPACE	7,900

**TOTAL STORAGE SPACE**

TYPE OF STORAGE PER UNIT	QUANTITY
1ST FLOOR	20
2ND FLOOR	20
3RD FLOOR	20
4TH FLOOR	20
TOTAL STORAGE PROVIDED	80
TOTAL STORAGE REQUIRED	120

**PARKING PROVIDED**

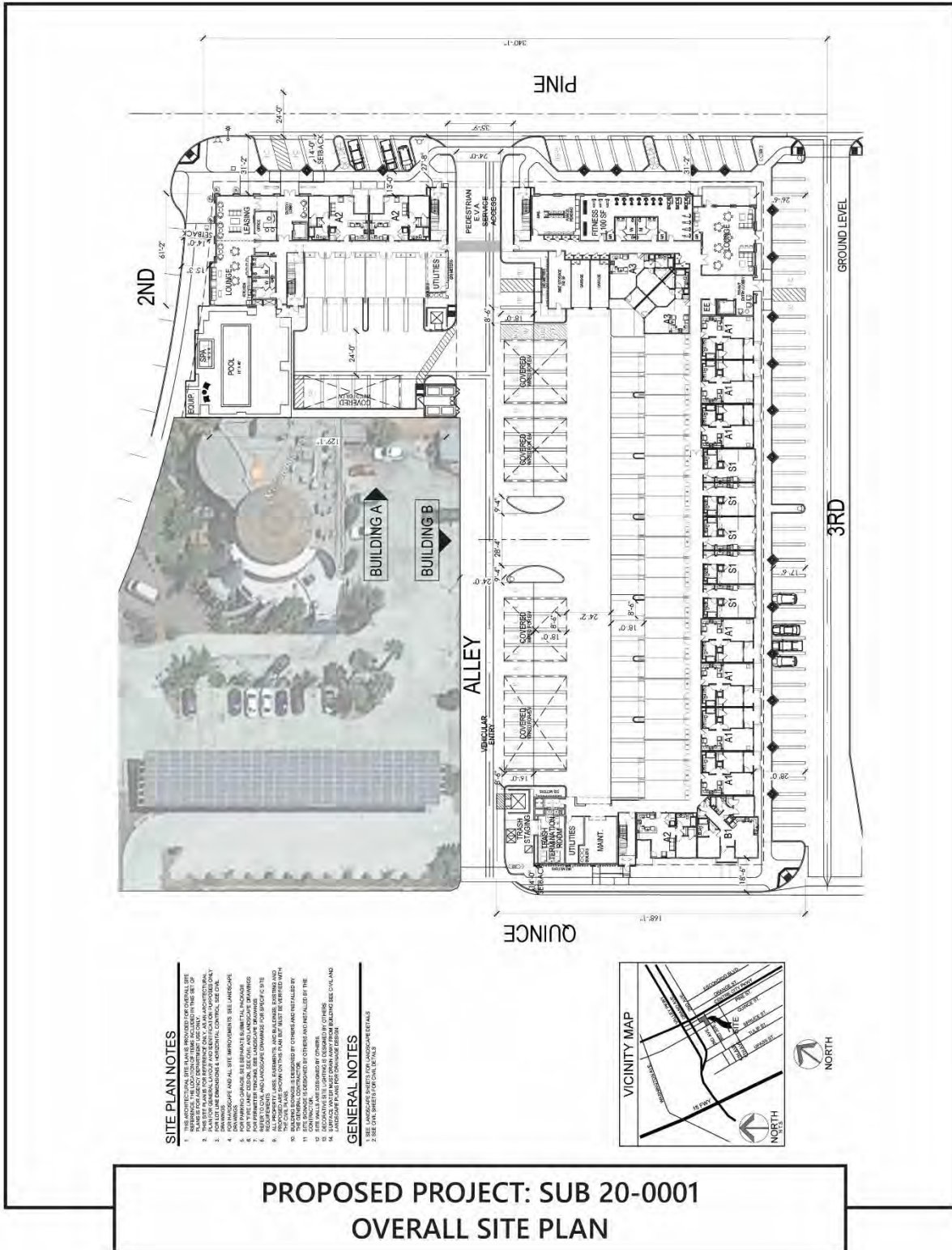
PARKING TYPE	QUANTITY	QUANTITY
OPEN STANDARD	7	3.4%
OPEN COMPACT	5	2.8%
CARPORIS COMPACT (108'x41')	16	10.1%
CARPORIS STANDARD (108'x71')	23	12.8%
OPEN STANDARD ON PILE (31'x71')	29	18.2%
OPEN STANDARD ON PILE (31'x71')	17	9.5%
MANICATED OPEN	26	15.6%
MANICATED GARAGE	7	3.9%
HOV'S (2+)	1	0.6%
HOV'S (3+)	1	0.6%
TOTALS	179	100%
PARKING RATIO	1.49	

\*% OF STALLS MET FOR BY CHANGES INCLUDED IN TOTAL PARKING PROVIDED

**PARKING BREAKDOWN**

PARKING TYPE	QUANTITY
2 BEDS PARKING (8.25 SPACES PER UNIT)	80
REMAINING STUDIOS + 1BD	62
REMAINING SPACES	11.7
PARKING RATIO FOR STUDIOS / 1BD'S	1.31

**PROPOSED PROJECT: SUB 20-0001  
PROJECT INFORMATION**

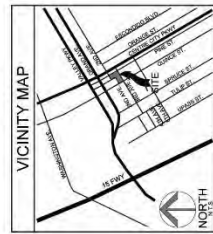


**SITE PLAN NOTES**

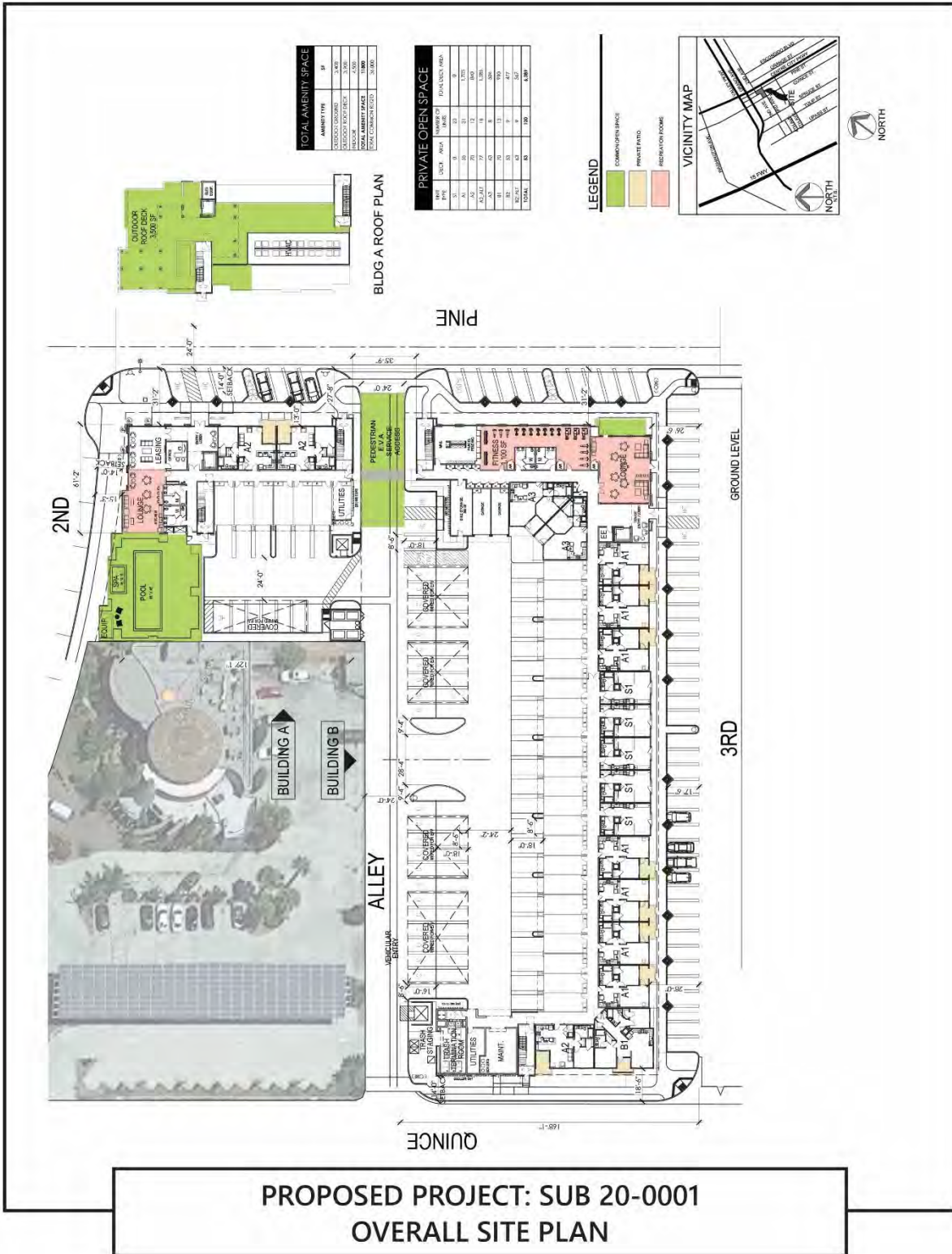
1. THIS SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
2. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
3. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
4. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
5. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
6. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
7. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
8. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
9. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
10. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
11. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
12. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
13. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
14. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
15. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
16. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
17. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
18. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
19. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
20. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.

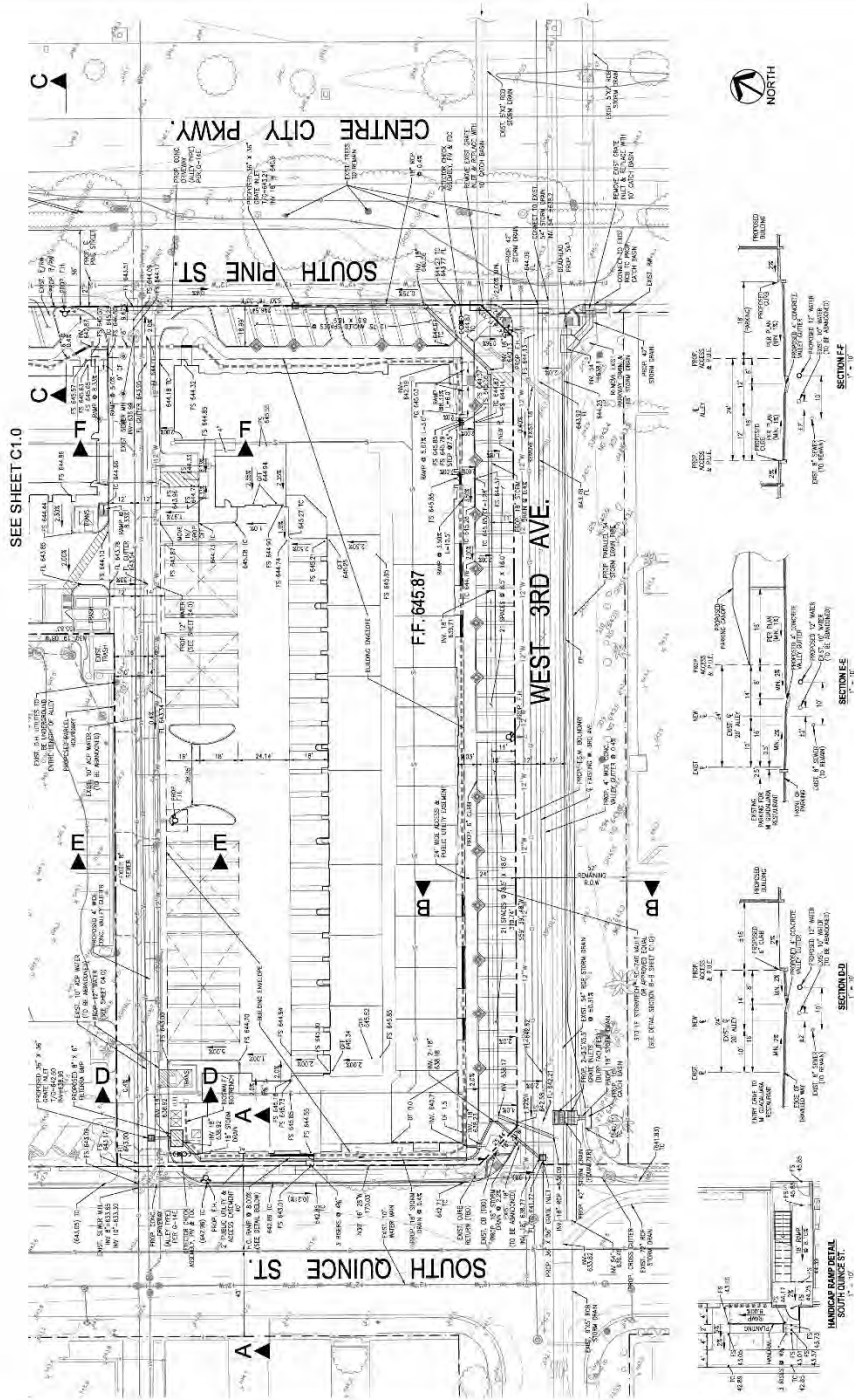
**GENERAL NOTES**

1. THE LANDSCAPE SHALL BE AS SHOWN ON THE ATTACHED LANDSCAPE PLAN.
2. SEE CIVIL SHEETS FOR CIVIL DETAILS.



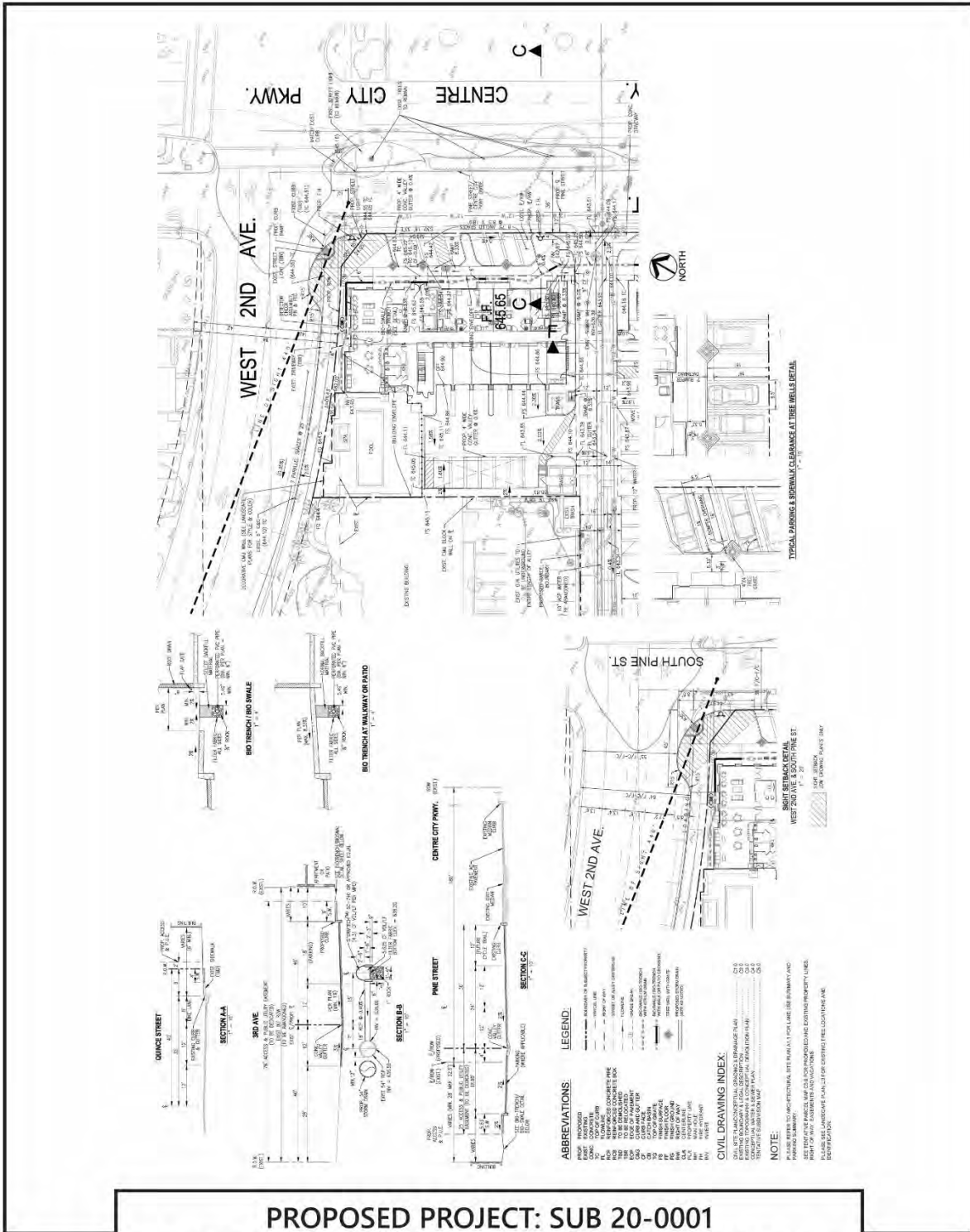
**PROPOSED PROJECT: SUB 20-0001  
OVERALL SITE PLAN**



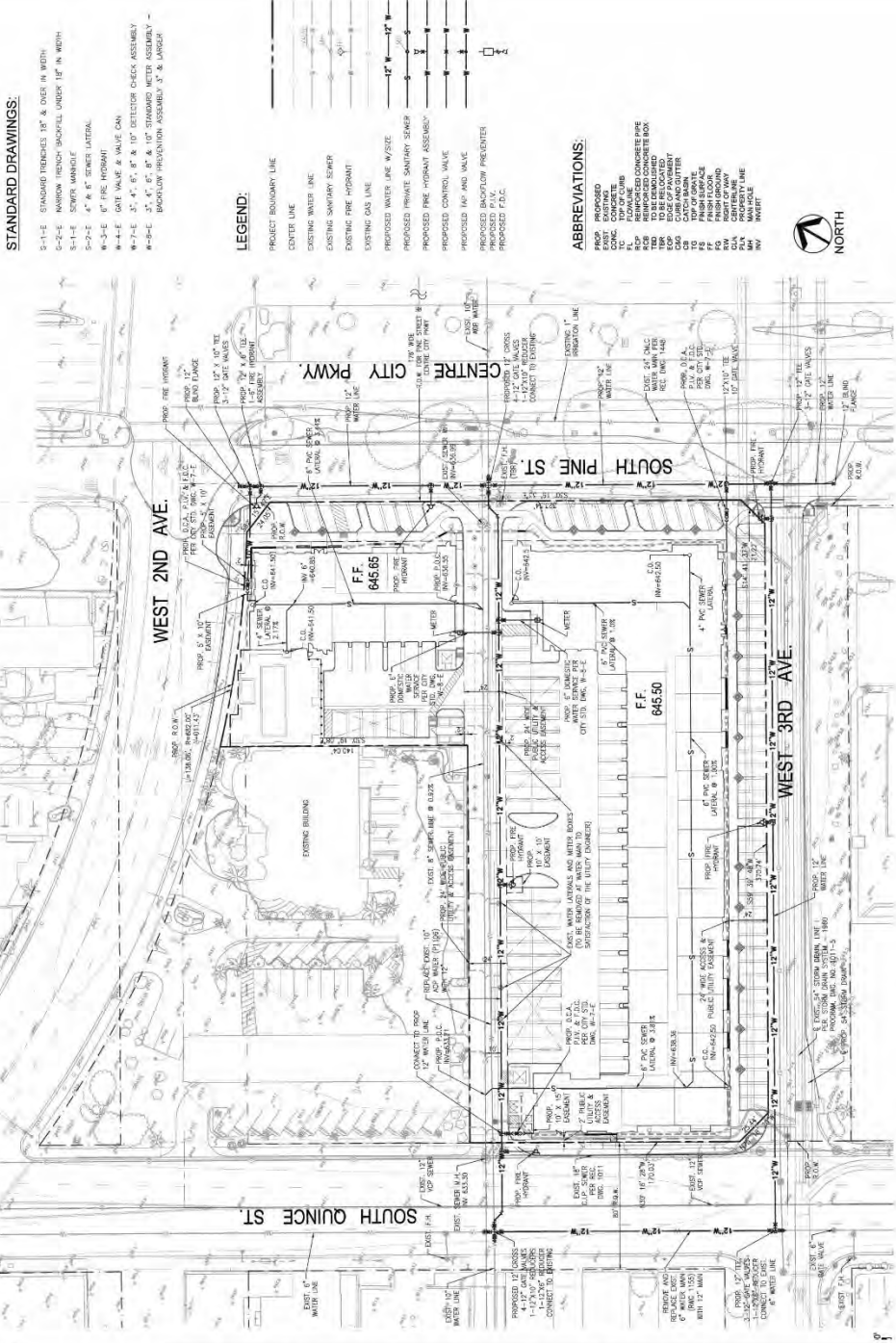


**PROPOSED PROJECT: SUB 20-001**  
**CIVIL SITE PLAN & CONCEPTUAL GRADING & DRAINAGE PLAN**





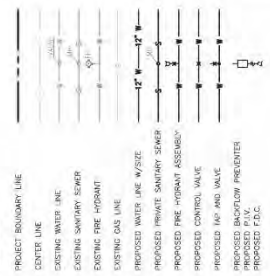
**PROPOSED PROJECT: SUB 20-001  
CIVIL SITE PLAN & CONCEPTUAL GRADING & DRAINAGE PLAN**



**STANDARD DRAWINGS:**

- S-1-E ENHANCED TECHNIQUES 18" & OVER W/ WIDTH
- S-2-E NARROW "MINO" SHOULDER CHECK 10" W/ WIDTH
- S-1-E SEWER MANHOLE
- S-2-E 12" & 18" SEWER LATERAL
- M-3-E 10" FIRE HYDRANT
- M-4-E 8" FIRE HYDRANT
- M-5-E 6" FIRE HYDRANT
- M-7-E 3", 4", 6", 8", 10", 12" DETECTOR CHECK ASSEMBLY
- M-8-E 3", 4", 6", 8", 10", 12" STANDARD METER ASSEMBLY - BACKFLOW PREVENTION ASSEMBLY 3" & LARGER

**LEGEND:**

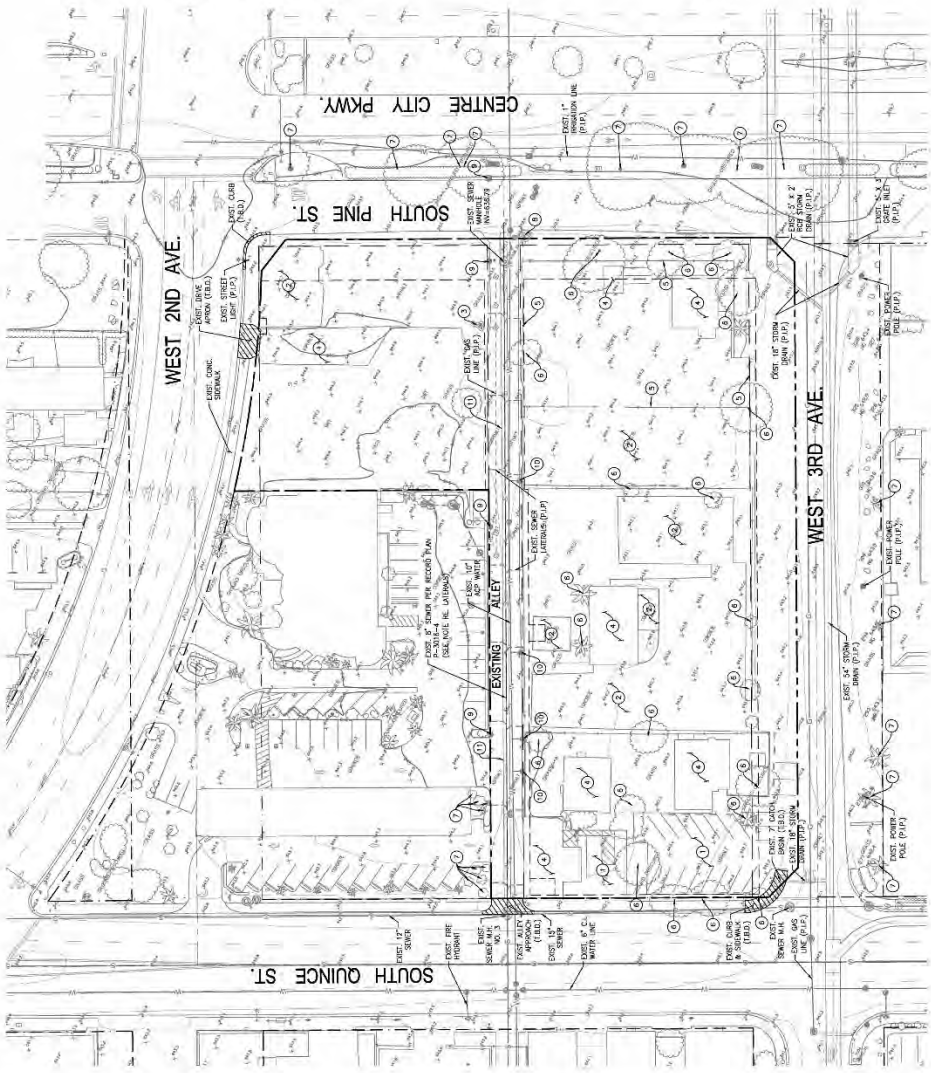


**ABBREVIATIONS:**

- PROJ PROPOSED
- EXIST EXISTING
- TO TOP OF CURB
- RCP REINFORCED CONCRETE PIPE
- TO BE REMOVED
- TO BE ENLARGED
- ESP EDGE OF PAVEMENT
- CBS CAST IRON
- CI CAST IRON
- FINISH SURFACE
- FF FINISH FLOOR
- DIRT OF ROAD
- DN DRAINAGE
- P.V.C. POLYVINYL CHLORIDE
- INVERT



**PROPOSED PROJECT: SUB 20-001  
CONCEPTUAL WATER & SEWER PLAN**



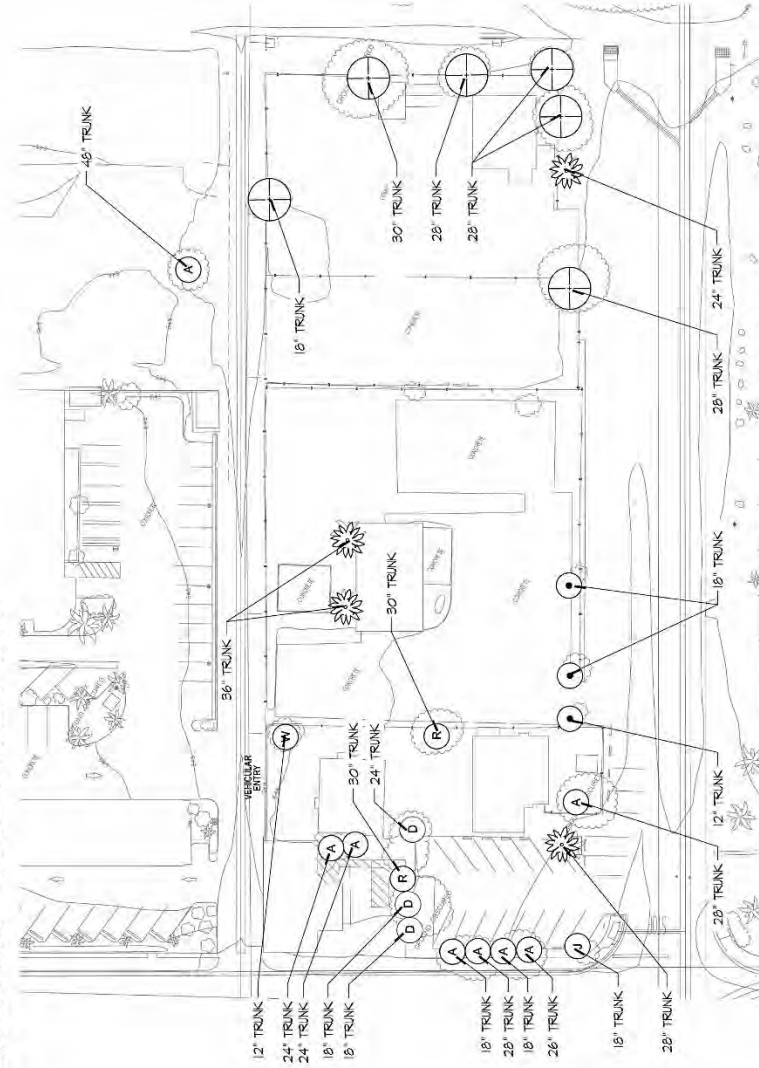
- NOTES:**
- 1 EXISTING ASPHALT TO BE DEMOLISHED AND REMOVED TO AN APPROPRIATE DISPOSAL SITE OR RECYCLED ON-SITE UNDER APPROVED ON-SITE RECYCLING PLAN.
  - 2 EXISTING CONCRETE TO BE DEMOLISHED AND REMOVED TO AN APPROPRIATE DISPOSAL SITE OR RECYCLED ON-SITE UNDER APPROVED ON-SITE RECYCLING PLAN.
  - 3 EXISTING GAS METERS TO BE DISCONNECTED AND DELIVERED TO GAS COMPANY. DEMOLISH EXISTING BOLLARDS, REMOVE EXISTING UNDERGROUND GAS PPF AND CAP AT MAIN APPROVED ON-SITE RECYCLING PLAN.
  - 4 EXISTING STRUCTURE TO BE DEMOLISHED AND REMOVED TO AN APPROPRIATE DISPOSAL SITE OR RECYCLED ON-SITE UNDER APPROVED ON-SITE RECYCLING PLAN.
  - 5 EXISTING CONCRETE CURB TO BE REMOVED AND SALVAGED OR DISPOSED OF.
  - 6 EXISTING TREE TO BE REMOVED.
  - 7 EXISTING TREE TO BE PROTECTED IN PLACE.
  - 8 EXISTING FIRE HYDRANT AND BOLLARDS TO BE RELOCATED.
  - 9 EXISTING POWER POLE AND ELECTRICAL LINE TO BE UNDERGROUND.
  - 10 EXISTING WATER METER TO BE REMOVED AND RETURNED TO WATER PROVIDER.
  - 11 EXISTING CONCRETE CUTTER TO BE DEMOLISHED & DISPOSED OF.
- EXISTING SEWER LATERALS ARE SHOWN IN APPROXIMATE LOCATION PER RECORD PLAN P-30184. TWO LATERALS SERVE THE LOT TO THE NORTH. ALL OTHERS ARE TO BE ABANDONED IN PLACE.

- ABBREVIATIONS:**
- EXIST. EXISTING
  - PROP. PROPOSED
  - RMPC REMOVED CONCRETE PIPE
  - RMPCB REMOVED CONCRETE BOX
  - CI CEMENT IN PLACE
  - TO BE DEMOLISHED
  - PPF PROTECT IN PLACE
  - MAN MANHOLE



**PROPOSED PROJECT: SUB 20-001**  
**EXISTING TOPOGRAPHY & CONCEPTUAL DEMOLITION PLAN**

EXISTING TREE INVENTORY



- ⊕ EUCALYPTUS SP.
- ☼ WASHINGTONIA ROBUSTA
- ⊙ CUPRESSUS SEMPERVIRENS
- ⊙ AREBUTUS UNEDO
- ⊙ DRACAENA
- ⊙ JACARANDA MIMOSIFOLIA
- ⊙ RHUS LANCEA
- ⊙ CHILOPSIS LINEARIS

NOTE: EXISTING TREES SHALL BE REMOVED AS THEY FALL WITHIN THE FOOTPRINT OF THE PROPOSED BUILDING AND ARE NOT OF A SALVAGEABLE QUALITY



PROPOSED PROJECT: SUB 20-0001  
EXISTING TREE INVENTORY





VIEW AT QUINCE STREET LOOKING EAST 2



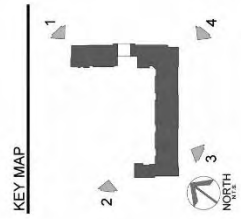
VIEW ON 2ND AVE LOOKING SOUTH 1



VIEW ON PINE STREET LOOKING WEST 4



VIEW AT 3RD AVE LOOKING NORTH 3



**PROPOSED PROJECT: SUB 20-0001  
CONCEPTUAL PERSPECTIVES**



VIEW AT ENTRY TO ALLEY 6



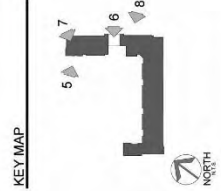
VIEW AT POOL DECK AMENITY 5



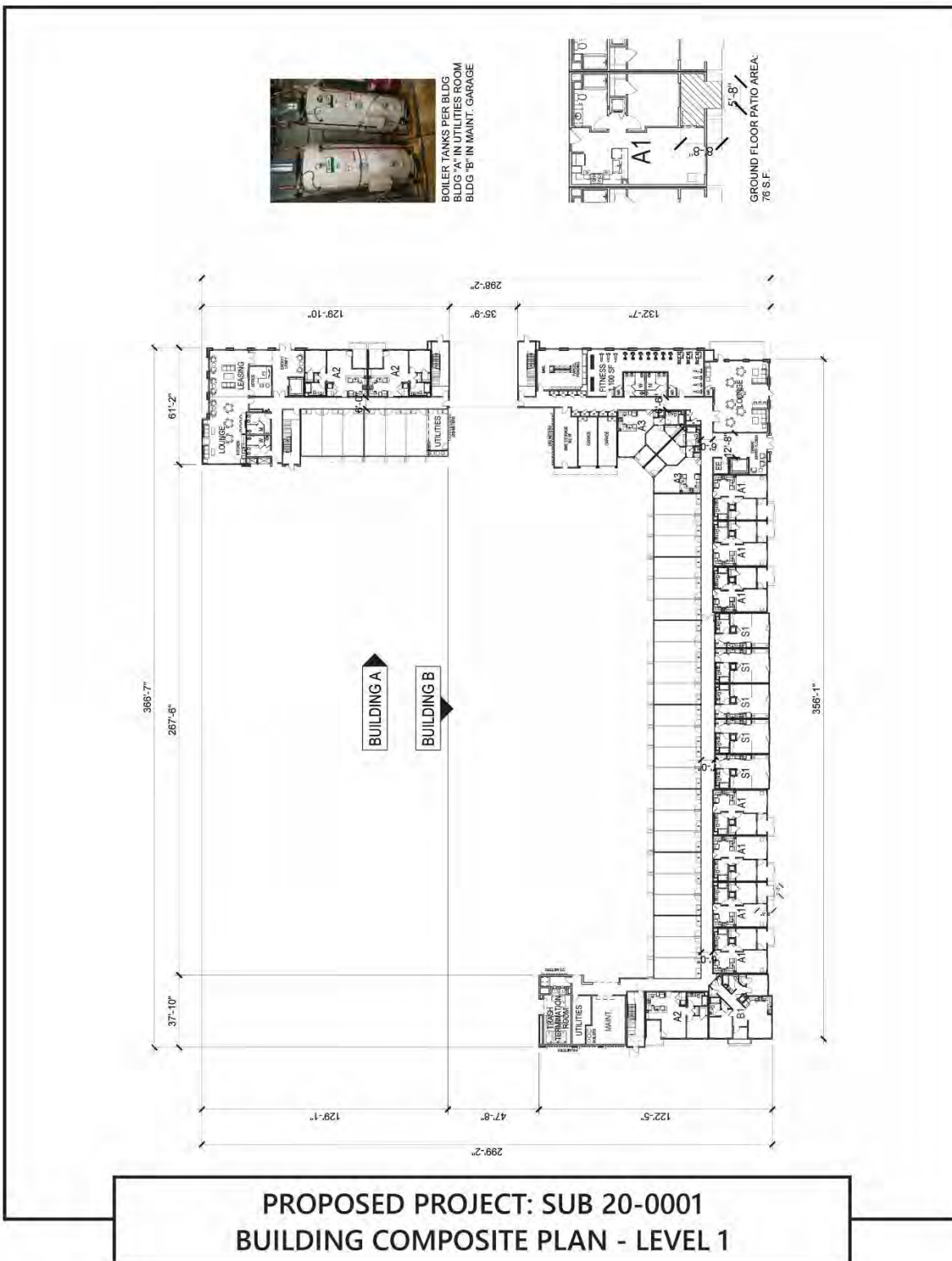
VIEW ON 3RD AVE NORTHWEST 8



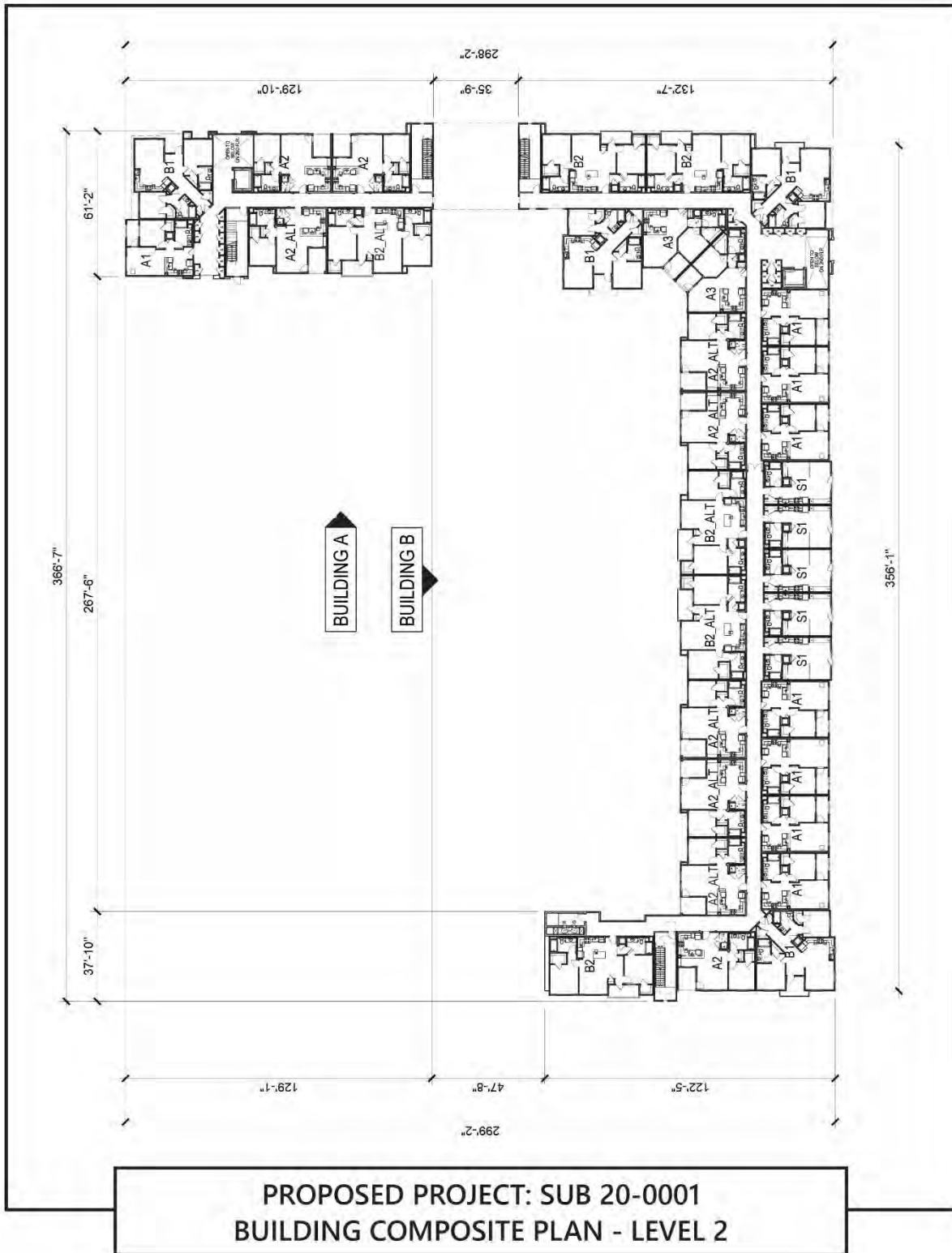
VIEW AT ROOF DECK AMENITY 7

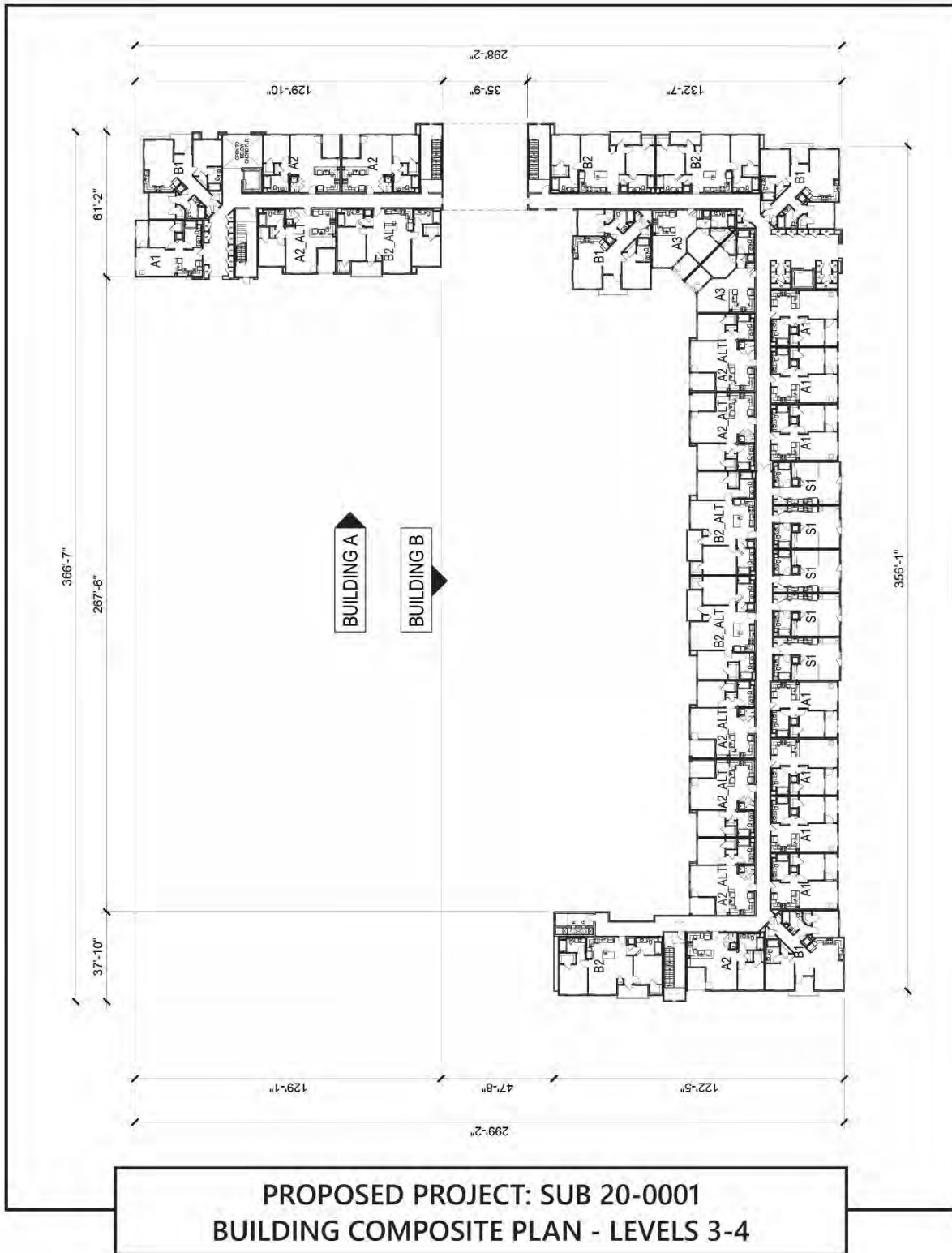


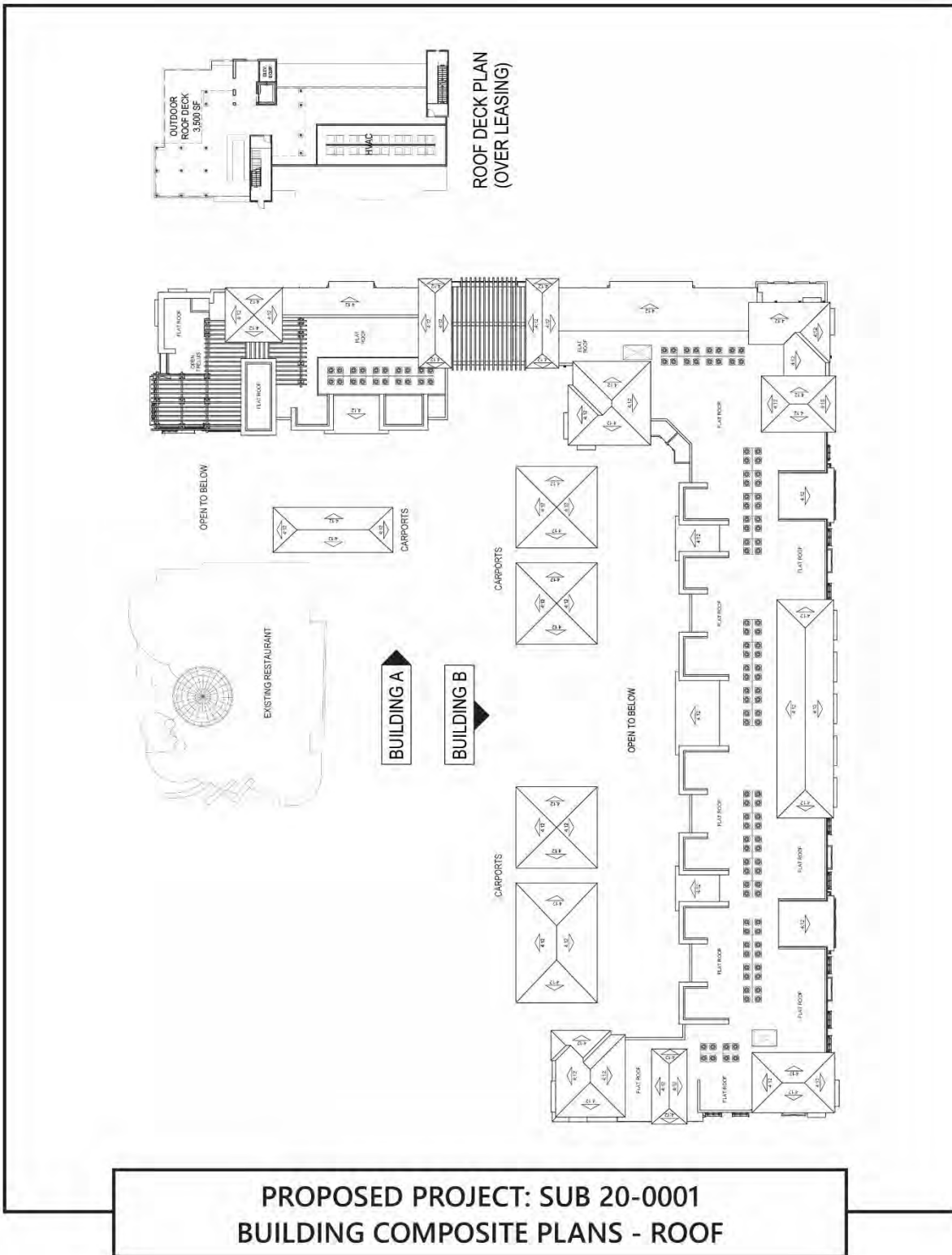
**PROPOSED PROJECT: SUB 20-0001  
CONCEPTUAL PERSPECTIVES**

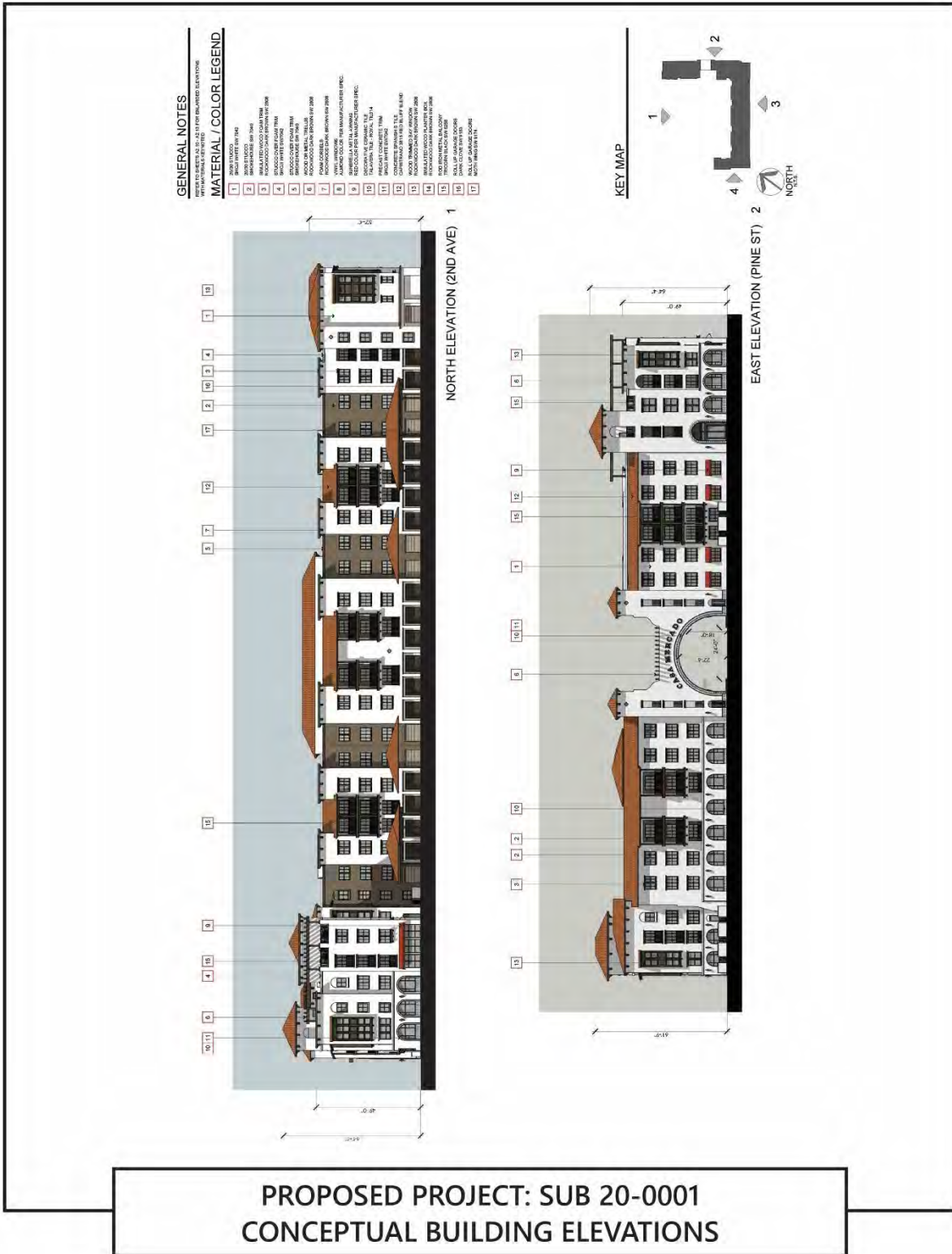




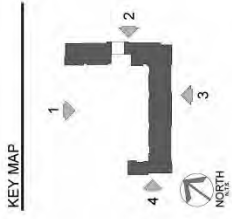








- GENERAL NOTES**  
 REFER TO SHEET 20-001.02 FOR BUILDING ELEVATIONS
- MATERIAL / COLOR LEGEND**
- |    |           |
|----|-----------|
| 1  | RED BRICK |
| 2  | BRICK     |
| 3  | BRICK     |
| 4  | BRICK     |
| 5  | BRICK     |
| 6  | BRICK     |
| 7  | BRICK     |
| 8  | BRICK     |
| 9  | BRICK     |
| 10 | BRICK     |
| 11 | BRICK     |
| 12 | BRICK     |
| 13 | BRICK     |
| 14 | BRICK     |
| 15 | BRICK     |
| 16 | BRICK     |
| 17 | BRICK     |

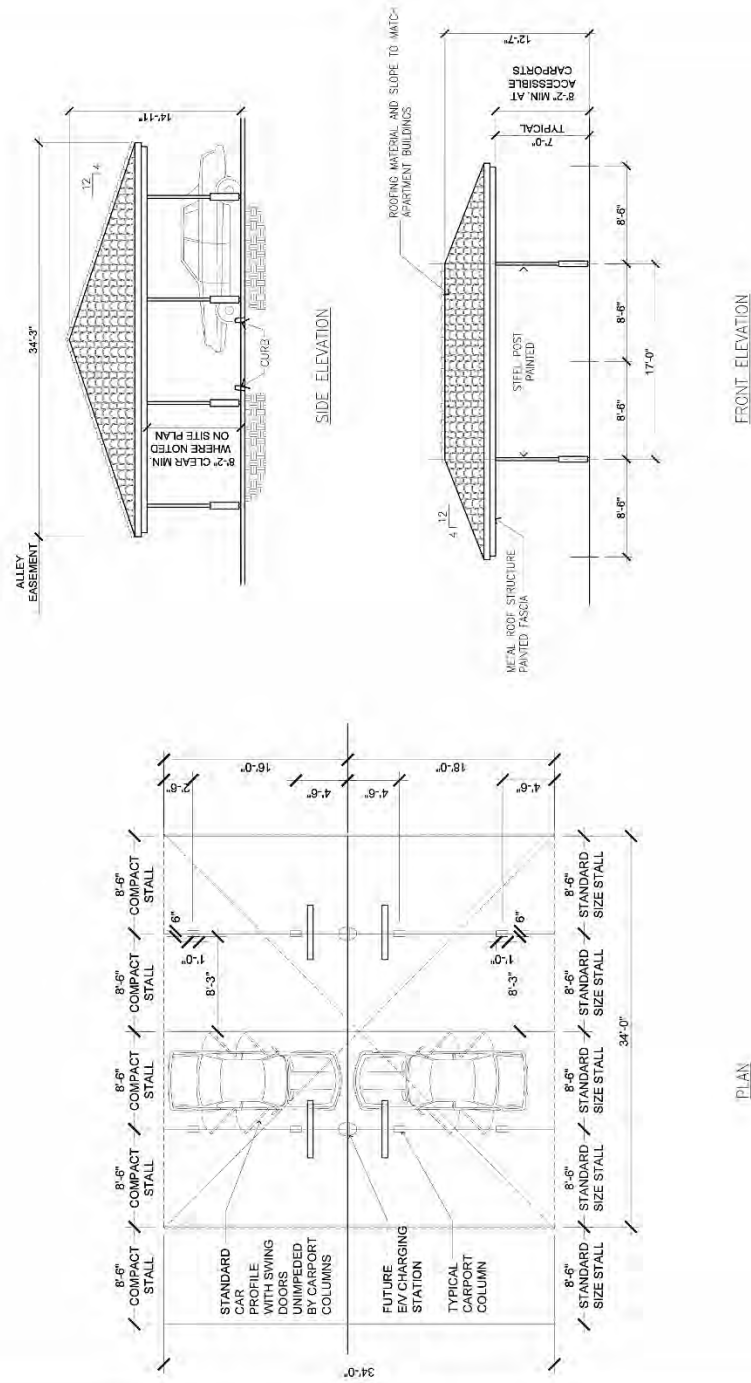


**PROPOSED PROJECT: SUB 20-001  
 CONCEPTUAL BUILDING ELEVATIONS**

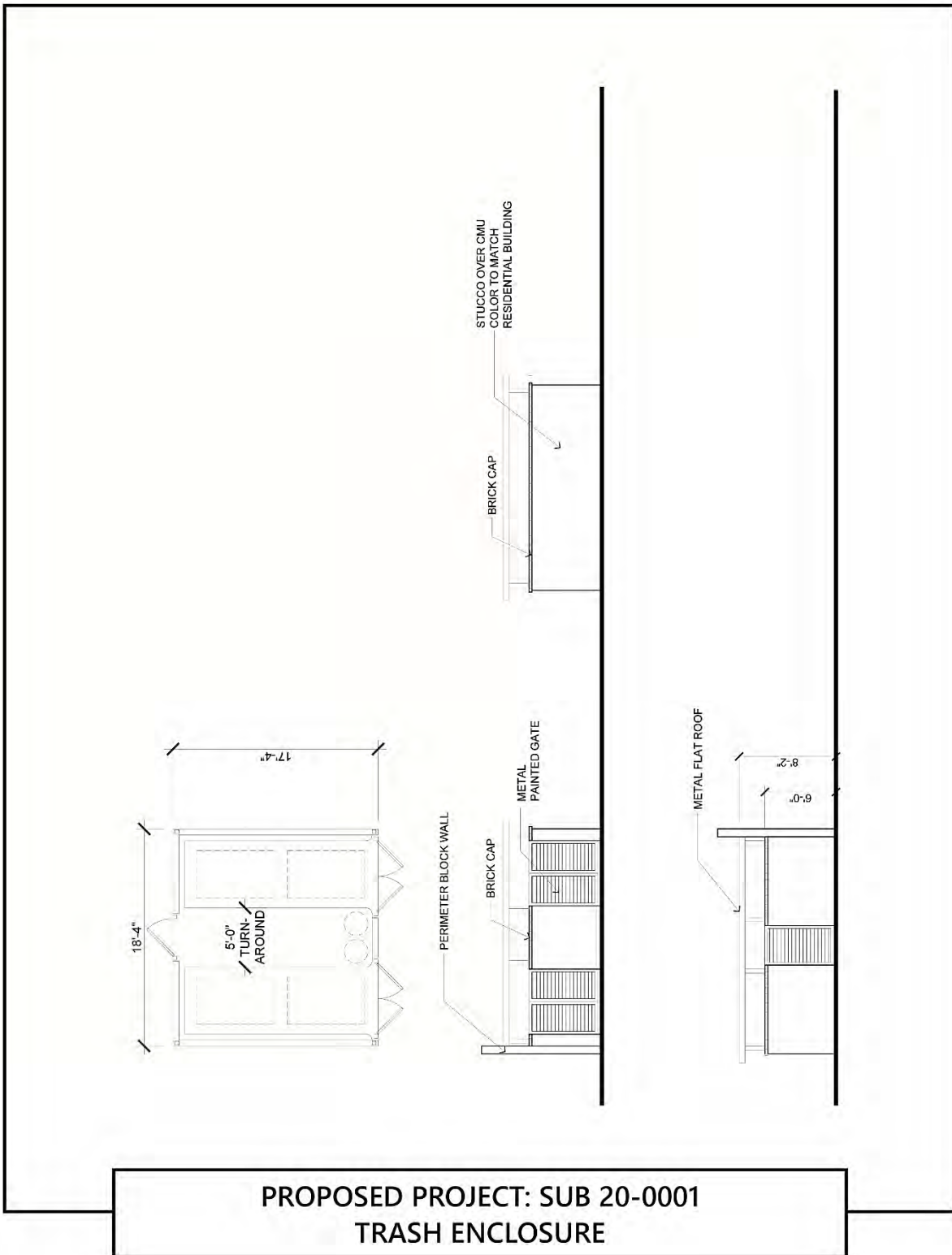








**PROPOSED PROJECT: SUB 20-0001  
PARKING EXHIBIT**



**PROPOSED PROJECT: SUB 20-0001  
TRASH ENCLOSURE**

**TRASH NARRATIVE**

THE TRASH NARRATIVE DESCRIBES THE WASTE MANAGEMENT PLAN FOR THE PROPOSED PROJECT. THE WASTE MANAGEMENT PLAN IS A REQUIRED COMPONENT OF THE WASTE MANAGEMENT PLAN AND IS REQUIRED TO BE SUBMITTED TO THE LOCAL HEALTH DEPARTMENT FOR REVIEW AND APPROVAL. THE WASTE MANAGEMENT PLAN IS REQUIRED TO BE SUBMITTED TO THE LOCAL HEALTH DEPARTMENT FOR REVIEW AND APPROVAL. THE WASTE MANAGEMENT PLAN IS REQUIRED TO BE SUBMITTED TO THE LOCAL HEALTH DEPARTMENT FOR REVIEW AND APPROVAL.

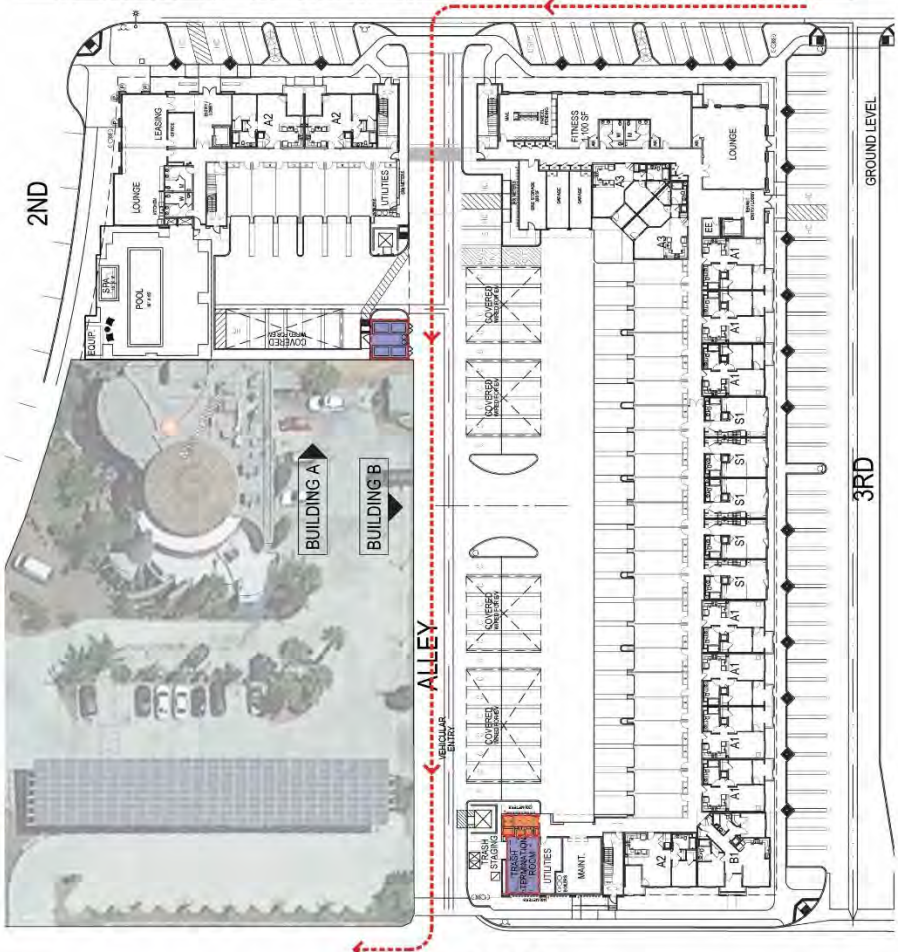
FOR EACH OF THE PROPOSED BUILDINGS, THE WASTE MANAGEMENT PLAN IS REQUIRED TO BE SUBMITTED TO THE LOCAL HEALTH DEPARTMENT FOR REVIEW AND APPROVAL. THE WASTE MANAGEMENT PLAN IS REQUIRED TO BE SUBMITTED TO THE LOCAL HEALTH DEPARTMENT FOR REVIEW AND APPROVAL. THE WASTE MANAGEMENT PLAN IS REQUIRED TO BE SUBMITTED TO THE LOCAL HEALTH DEPARTMENT FOR REVIEW AND APPROVAL.

- TRASH HAULER TRUCK ROUTE
- TRASH TERMINATION ROOM/ TRASH ENCLOSURE
- TRASH CHUTE ROOM



**TRASH SUMMARY**

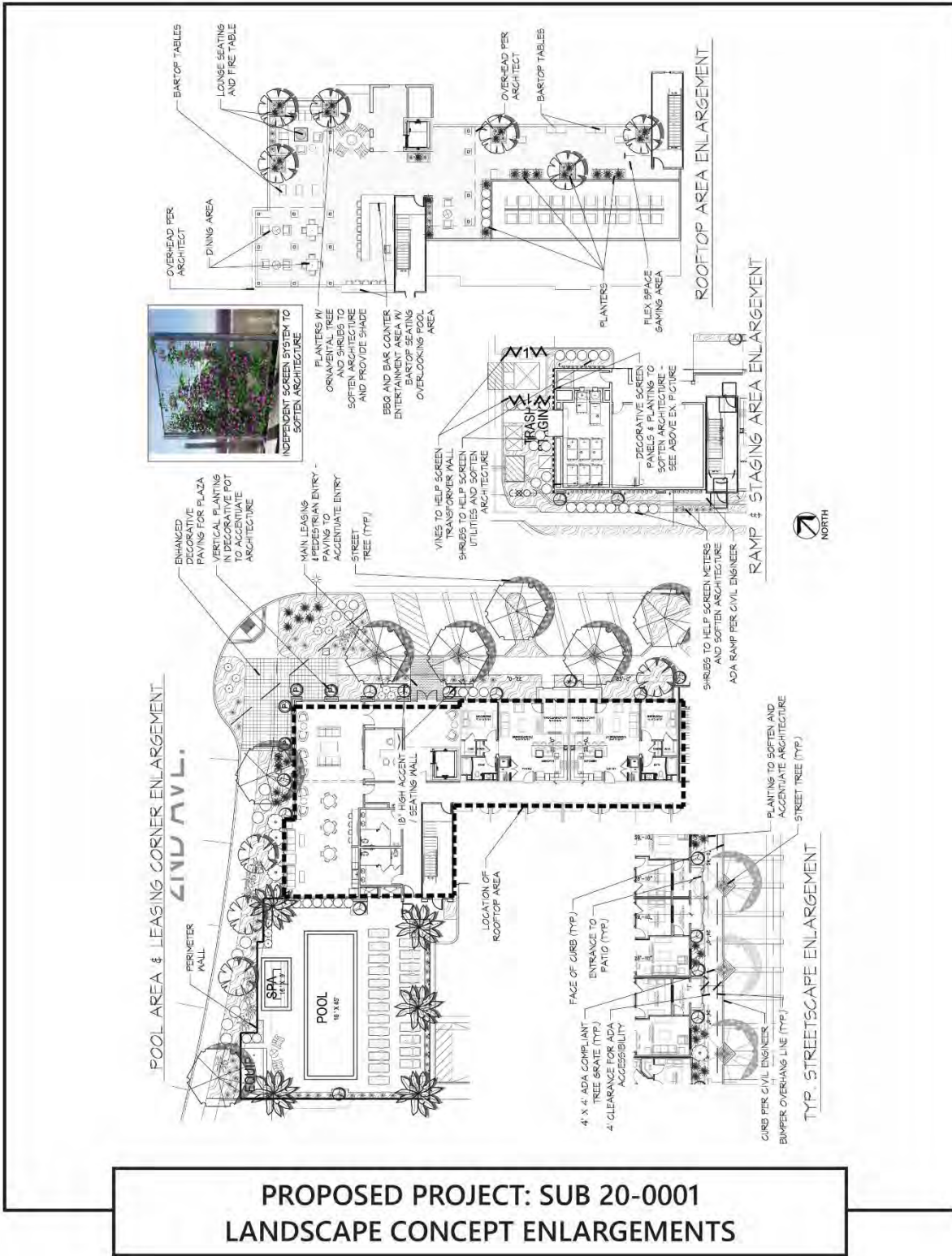
SOLID WASTE CALCULATIONS		RECYCLING CALCULATIONS		LIQUID WASTE CALCULATIONS	
TYPE	AMOUNT (CY)	TYPE	AMOUNT (CY)	TYPE	AMOUNT (CY)
RESIDENTIAL	100	RECYCLING	20	LIQUID WASTE	50
COMMERCIAL	200	RECYCLING	40	LIQUID WASTE	100
INDUSTRIAL	300	RECYCLING	60	LIQUID WASTE	150
TOTAL	600	TOTAL	120	TOTAL	300



**PROPOSED PROJECT: SUB 20-001  
WASTE MANAGEMENT PLAN**







**PROPOSED PROJECT: SUB 20-001  
LANDSCAPE CONCEPT ENLARGEMENTS**





## EXHIBIT "C"

### Findings of Fact/Factors to be Considered SUB 20-0001, PHG 20-0009, and ENV 20-0001

#### Environmental Determination(s)

1. Pursuant to the California Environmental Quality Act (Public Resources Code section 21000 et. seq.) ("CEQA"), and its implementing regulations (14 C.C.R. § 15000 et seq.) ("CEQA Guidelines"), the City of Escondido ("City") is the Lead Agency for the project ("Project"), as the public agency with the principal responsibility for approving the Project.
2. The Project qualifies for an exemption from further environmental review pursuant to CEQA Guidelines section 15332 (In-Fill Development Projects) because such categorical exemption applies to proposed developments within city limits on sites of no more than five acres substantially surrounded by urban uses, where the site has no habitat value for special status species, can be adequately served by all required utilities and public services, and the project would not result in any significant effects relating to traffic, noise, air quality, or water quality. (CEQA Guidelines § 15332(b)-(e)). Technical studies were requested by the Planning Division to substantiate the categorical exemption as applied to the Project. The proposed Project meets the following criteria:
  - a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
  - b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
  - c. The project site has no value as habitat for endangered, rare or threatened species.
  - d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
  - e. The site can be adequately served by all required utilities and public services

The Project also does not trigger any exceptions to the categorical exemption as listed in CEQA Guidelines section 15300.2.

3. The Planning Commission has independently considered the full administrative record before it, which includes but is not limited to the April 13, 2021, Planning Commission Staff Report; testimony by staff and the public; and other materials and evidence submitted or provided to it. The administrative record demonstrates that each of the above requirements have been satisfied. No substantial evidence has been submitted that would support a finding that any of the above-described exemption requirements has not been satisfied. The Project will not

have a significant effect on the environment, and all of the requirements of CEQA have been met.

**Tentative Subdivision Map Determination(s)**

1. The location, design, and residential density of the proposed 120-unit condominium development are consistent with the goals and policies of the Escondido General Plan because high-density residential and mixed-use development is permitted and encouraged in the Mercado District of the Downtown Specific Plan. The proposed infill residential Project would be in conformance with General Plan Housing Goals and Policies to plan for quality, managed, and sustainable growth, and provide a range of housing opportunities for all income groups and populations with special needs, and which encourage a compact, efficient urban form that promotes transit, supports nearby commercial establishments and takes advantage of infrastructure improvements installed to accommodate their intended intensities.
2. The Project site is physically suitable for the proposed density of development because the property is within a commercial and high-density redevelopment area that was previously used for residential and commercial purposes. Development of the property will assist in the ongoing revitalization of the Mercado District of the Downtown Specific Plan area by establishing a permanent residential base along the transitioning corridor. The Mercado District permits multi-family development with a maximum density up to 100 dwelling units per acre. Based on the Project area within the Southern Entry District (2.33 acres) the underlying zoning would allow up to 233 units with structures up to 4 stories and 60 feet in height. The request to construct 120 units (overall density of 51.5 du/ac) with 4-story structures up to 65 feet in height is consistent with the land use density and development requirements envisioned for this area. The Zoning Code allows certain non-habitable architectural features to exceed height limits, such as towers, parapets and mechanical screens. Furthermore, the proposed Tentative Subdivision Map is consistent with applicable provisions of the General Plan that address growth management and maintaining the fiscal stability of the City because the Applicant is required to minimize ongoing costs to taxpayers through annexation into a CFD or establishment of another funding mechanism.
3. The approval of the proposed Project would be based on sound principles of land use and is well-integrated with its surroundings near residentially and commercially developed properties because adequate parking, access, on-site circulation, utilities, landscaping and open space would be provided (as detailed in the staff report). The residential Project also would not be out of character for the area which contains other multi-story residential developments. The design of the Project would be in conformance with the Mercado District of the Downtown Specific Plan because the Project would provide residential units to accommodate a wide range of housing needs (with ownership opportunities). The Project includes a variety of amenities such as individual balconies for each unit along with various common areas and features. All vehicular traffic generated by the Project will be accommodated safely and without degrading the level of service on the adjoining streets or intersections.

4. The Project would not result in the destruction of desirable natural features, nor be visually obstructive or disharmonious with surrounding areas because the site is not located on a skyline or intermediate ridge, and the site does not contain any significant topographical features. The proposed grading design would not result in any manufactured slopes or pad elevations that would create any significant adverse visual or compatibility impacts with adjacent lots.
5. The Project site is physically suitable for this proposed type of residential development and density of development. Approval of the Tentative Subdivision Map would not violate the requirements, goals, policies, or spirit of the General Plan or Downtown Specific Plan. The site is suitable for this residential type of development and density because the General Plan and Mercado District of the Downtown Specific Plan allow for multi-story high-density residential development of up to 100 dwelling units per acre. The request to construct 120 units (overall density of 51.5 du/ac) with 4-story structures up to 65 feet in height is consistent with the land use density and development requirements envisioned for this area. The Zoning Code allows certain non-habitable architectural features to exceed height limits, such as towers, parapets and mechanical screens.
6. The Project would be compatible with the surrounding uses because the subject site is within an urban commercial/residential area developed with a variety of commercial and multi-story residential developments of varying density and design. The site is relatively flat and extensive grading is not proposed. The topography of the site allows for appropriate pedestrian access and the creation of buildable pad areas without the need to export or import significant quantities of dirt. The Project would be compatible with the surrounding area because the subject site is located within an urban commercial/residential area developed with a variety of commercial and multi-story residential developments of varying density and design. Adequate access and public utilities can be provided to the site. All vehicular traffic generated by the Project will be accommodated safely and without degrading the level of service on the adjoining streets or intersections. Appropriate noise attenuation would be provided for the new units. The proposed Project also would not result in a significant impact to biological or natural resources.
7. The design of the subdivision and the type of improvements are not likely to cause serious public health problems. The Project's proposed street alignments, grades and widths; drainage and sanitary facilities and utilities, including alignments and grades thereof; location and size of all required easements and rights-of-way; unit configuration; traffic and emergency access; grading; and open space and recreational amenities were all reviewed for compliance with relevant City policies and codes. The Project would not cause substantial environmental damage and would avoid injury to fish or wildlife, or their habitat because the site is located within an urban setting and previously has been developed with a residential/commercial use.
8. The design of the map and the type of improvements will not conflict with easements of record, or easements established through court judgments, or acquired by the population at large, for access through, or use of property within the proposed map because any existing easements

and improvements will either be accommodated within the project design; be quitclaimed prior to recordation of the map; or alternate provisions provided.

9. All permits and approvals applicable to the proposed map pursuant to the Escondido Zoning Code (Chapter 33 Zoning) and the Downtown Specific Plan have been or will be obtained prior to the recordation of the map.
10. The proposed map and associated Master and Precise Development Plan will not conflict with regional or local housing goals because the proposed infill residential Project would be in conformance with General Plan Housing Goals and Policies to expand the stock of all housing; increase homeownership; plan for quality managed and sustainable growth; and encourage a compact, efficient urban form that promotes transit, supports nearby commercial establishments and takes advantage of infrastructure improvements installed to accommodate their intended intensities. The proposed Project would not diminish the Quality-of-Life Standards of the General Plan as the Project would not materially degrade the level of service on adjacent streets or public facilities, create excessive noise, and adequate on-site parking, circulation and public services could be provided to the site. The Project would comply with all development standards of the applicable zone and observe the density of the General Plan and area plans, as noted in the sections above.
11. In consideration of the above, the proposed Project meets all of the requirements of section 66474 of the California Government Code and the proposed map meets all of the requirements or conditions imposed by the Subdivision Map Act and the Escondido Zoning Code, as detailed in the staff report, the Escondido General Plan and above findings.

### **Master and Precise Development Plan**

1. The location, design, and residential density of the proposed planned development are consistent with the goals and policies of the Escondido General Plan because high-density residential and mixed-use development is permitted and encouraged in Specific Plan Area (SPA 9). The proposed infill residential project would be in conformance with General Plan Housing Goals and Policies to plan for quality managed and sustainable growth and provide a range of housing opportunities for all income groups and populations with special needs, and which encourage a compact, efficient urban form that promotes transit, supports nearby commercial establishments and takes advantage of infrastructure improvements installed to accommodate their intended intensities. The site is physically suitable for the proposed density of development because the property is within a high-density redevelopment area and the project will assist in the ongoing revitalization of the Mercado District and Downtown retail core by establishing a permanent residential base in the downtown area. The subject site is located within the Mercado District of the Downtown Specific Plan, which allows multi-family mixed-use development up to 100 du/ac. Based on the property size of 2.33 acres, the Mercado District would allow up to 233 units and a four-story structure up to 60 feet in height. The request to construct 120 units and a 4-story structure up to 65 feet in height is consistent with the land use density and development requirements envisioned for this area. The Zoning Code allows certain non-habitable architectural features to exceed height limits, such as

towers, parapets and mechanical screens. The project density of 51.5 du/ac is consistent with the allowable density for the project site.

The proposed Planned Development, consisting of a Master and Precise Development Plan, includes a request for a parking reduction from 208 spaces to 179 spaces (30 spaces or 14%), a 49 percent reduction in the overall open space requirement, and the allowance of ground-floor residential uses throughout the project site. The Planned Development also includes a request to allow up to 70 square feet in wall signage; minor setback encroachment for screen wall along 2nd Avenue, and reduction in covered parking spaces from 120 (one per unit) to 73 covered spaces. The Downtown Specific Plan allows for modifications to development standards through the Planned Development process. The proposed modifications to the development standards would be appropriate for this project, as discussed in the Planning Commission staff report dated April 13, 2021.

2. The proposed location of the development allows the planned development to be well integrated with its surroundings by providing a high-density mixed-use residential housing project in close proximity to transit, and near retail and other commercially developed properties. Adequate parking, circulation, utilities and access would be provided for the development (as detailed in the staff report). The project also would not be out of character for the area because the Mercado District of the Downtown Specific Plan envisions an upscale urban area with a mix of high-density residential and commercial development, and the proximity to the Escondido Transit Center makes the density appropriate. The overall mass and scale of the buildings is appropriate for the proposed location due to the street-oriented appeal and urban design characteristics, along with the quality of the architectural design and use of a variety of building materials and colors.
3. All vehicular traffic generated by the proposed development would be accommodated safely and without causing undue congestion upon adjoining streets, as determined by the Engineering Division and detailed in the preliminary Traffic Assessment that was prepared for the project by Linscott, Law and Greenspan.
4. The overall design of the proposed residential mixed-use development would produce an attractive, efficient and stable environment for living, because adequate residential amenities, parking, and landscaping would be provided, and the design of the development is consistent with a high quality, urban infill project that will provide housing opportunities within walking distance of downtown commercial and retail services consistent with the City's vision for the downtown area. The project includes sufficient on-site open space amenities appropriate for this high-density urban development, including a podium and roof-deck common open areas with view decks and outdoor seating areas, and private balconies for each unit.
5. The proposed development would be well integrated into its surroundings, because the new structures would incorporate compatible and integrated architecture, materials and colors, and the project would not be visually obstructive or disharmonious with surrounding areas, or harm major views from adjacent properties. The proposed grading design would not result in any manufactured slopes or pads that would create any significant adverse visual or compatibility

impacts with adjacent lots, nor block any significant views. Extensive grading is not required to support the project, and the project would not result in the destruction of desirable natural features, nor be visually obstructive or disharmonious with surrounding areas because the site is not located on a skyline or intermediate ridge, and the site does not contain any significant topographical features.

6. Utilizing the Planned Development process allows flexibility from the Downtown Specific Plan requirements in order to achieve a high-density residential project in the urban core. The project would provide residential opportunities integrated into a comprehensive and self-contained development, which creates an environment of sustained desirability and stability through the controls offered and regulated through the Planned Development process.
7. The project would provide an environment of sustained desirability and stability because city services and adequate access would be provided; adequate parking would be provided; the proposed architecture would be integrated into its surroundings; and the project could serve as a catalyst for further revitalization efforts in the area.
8. The improvements are not likely to cause substantial environmental concerns because the property was previously developed as with residential and commercial uses. The site does not contain any sensitive or protected habitat or other environmental concerns as determined during the environmental review. The design of the project and the type of improvements are not likely to cause serious public health problems because the project will not degrade the levels of service on the adjoining streets or drainage system as the project incorporates street and drainage improvements are part of the project and city sewer and water is available to the site.

### **No Net Loss**

1. No Net Loss Law (Government Code section 65863) applies when a site is included in the jurisdiction's Housing Element's inventory of sites and is either rezoned to a lower residential density or is approved at a lower residential density or affordability level than shown in the Housing Element. The City does not need to determine if this Project or a decision related to this Project would be subject to No Net Loss Law and its remedies. The Project site is not identified in the vacant/underutilized sites land inventory of the City's Fifth Cycle (current) Housing Element (i.e. Figure XI-1 and matrix Figure XI-2 of Chapter XI of the General Plan).

### **Specific Plan Amendment:**

1. The public health, safety and welfare would not be adversely affected by the proposed amendment to the Downtown Specific Plan because the amendment would refine development standards in a manner that would allow a development that would assist in ongoing efforts to promote an economically vibrant downtown with high-density residential uses in close proximity to the Escondido Transit Center.

## Attachment "1"

The proposed action to amend the Downtown Specific Plan to change the location for mandatory ground-floor residential land uses seek to remove governmental constraints aimed at improving, maintaining, and developing housing opportunities in the Escondido community. The Amendment is necessary to ensure future projects are feasible and not unduly constrained by housing development, while facilitating the reasonable application of land use regulation to ensure desired community character is preserved.

2. The proposed amendment to the Downtown Specific Plan would not be detrimental to surrounding properties because it would assist in implementation of the vision and goals identified in the Specific Plan. The proposed changes would have no effect on the residential density allowed in the area and would not allow any new commercial uses that are not already permitted in the Specific Plan. Additionally, the amendment would allow a development that would increase the residential population in an area where public transportation is readily available and would support the economic viability of existing and future businesses in the project vicinity.
3. The proposed amendment to the Downtown Specific Plan would be consistent with the General Plan because it would not increase residential densities allowed by the General Plan, would not detrimentally impact levels of service on area roadways, would not unduly burden public services in the area, and would be consistent with the transit-oriented development opportunities envisioned for the project area. It would also retain the General Plan vision which states the Downtown Specific Plan shall provide a range of retail, office, financial, cultural and residential opportunities. The specific plan goal to create an efficiently organized, aesthetically pleasing and vibrant downtown is further enabled and enhanced as a result of the proposed amendment.

## EXHIBIT "D"

### PLANNING CASE NOS. SUB 20-0001 and PHG 20-0009

#### CONDITIONS OF APPROVAL

This Project is conditionally approved as set forth on the application received by the City of Escondido on **January 21, 2020**, and the Project drawings consisting of Site Plans, Floor Plans, Sections, Architectural Elevations, Civil Sheets/Grading, Concept Landscape Plans and Colored Elevations; all designated as recommended for approval on **April 13, 2021**, and shall not be altered without express authorization by the Community Development Department.

For the purpose of these conditions, the term "Applicant" shall also include the Project proponent, owner, permittee, or its successor(s) in interest, as may be applicable.

#### A. General:

1. **Acceptance of Permit.** Should the Applicant fail to file a timely and valid appeal of this Permit within the applicable appeal period, such inaction by the Applicant shall be deemed to constitute all of the following on behalf of the Applicant:
  - a. Acceptance of the Permit by the Applicant; and
  - b. Agreement by the Applicant to be bound by, to comply with, and to do all things required of or by the Applicant pursuant to all of the terms, provisions, and conditions of this Project Permit or other approval and the provisions of the Escondido Municipal Code or Zoning Code applicable to such Permit.
2. **Permit Expiration.** If the Permit was filed as or concurrent with a Tentative Map, the Permit shall expire thirty-six (36) months from the effective date of approval, unless additional time is granted pursuant to the Map Act or to the Escondido Municipal Code. If not filed as concurrent with a Tentative Map application, the Permit shall automatically expire after one (1) year from the date of this approval, or the expiration date of any extension granted in accordance with the Escondido Municipal Code and Zoning Code.

The Permit shall be deemed expired if a building permit has not been obtained or work has been discontinued in the reliance of that building permit. If no building permits are required, the City may require a noticed hearing to be scheduled before the authorized agency to determine if there has been demonstrated a good faith intent to proceed, pursuant to and in accordance with the provision of this Permit.

3. **Certification.** The Director of Community Development, or his/her designee, is authorized and directed to make, or require the Applicant to make, all corrections and modifications to the Project drawings and any other relevant document comprising the



Project in its entirety, as necessary to make them internally consistent and in conformity with the final action on the Project. This includes amending the Project drawings as necessary to incorporate revisions made by the decision-making body and/or reflecting any modifications identified in these conditions of approval. Three copies of final Approved Plan set, shall be submitted to the Planning Division for certification. Said plans must be certified by the Planning Division prior to submittal of any post-entitlement permit, including grading, public improvement, landscape, or building plans for the Project.

**4. Conformance to Approved Plans.**

- a. The operation and/or use of the subject property shall be consistent with the Project Description and Details of Request, designated with the Approved Plan set.
- b. Nothing in this Permit shall authorize the Applicant to intensify the authorized activity beyond that which is specifically described in this Permit.
- c. Once a permit has been issued, the Applicant may request Permit modifications. "Minor" modifications may be granted if found by the Director of Community Development to be in substantial conformity with the Approved Plan set, including all exhibits and Permit conditions attached hereto. This includes modifications to the Grading Exemptions for the slope and wall up to an additional one foot in height. Modifications beyond the scope described in the Approved Plan set may require submittal of an amendment to the Permit and approval by the authorized agency.

**5. Limitations on Use.** Prior to any use of the Project site pursuant to this Permit, all Conditions of Approval contained herein shall be completed or secured to the satisfaction of the Community Development Department.

**6. Certificate of Occupancy.**

- a. No change in the character of occupancy or change to a different group of occupancies as described by the Building Code shall be made without first obtaining a Certificate of Occupancy from the Building Official, as required, and any such change in occupancy must comply with all other applicable local and state laws.
- b. Prior to final occupancy, a Planning Final Inspection shall be completed to ensure that the property is in full compliance with the Permit terms and conditions. The findings of the inspection shall be documented on a form and content satisfactory to the Director of Community Development.

**7. Availability of Permit Conditions.**

- a. Prior to Final Map recordation, the Applicant shall cause a covenant regarding real property to be recorded that sets forth the terms and conditions of this Permit approval and shall be of a form and content satisfactory to the Director of Community Development.
- b. The Applicant shall make a copy of the terms conditions of this Permit readily available to any member of the public or City staff upon request. Said terms and conditions shall be printed on any construction plans that are submitted to the Building Division for plan check processing.

**8. Right to Entry.** The holder of this Permit shall make the premises available for inspection by City staff during construction or operating hours and allow the investigations of property necessary to ensure that minimum codes, regulations, local ordinances and safety requirements are properly followed. The Applicant shall provide such business records, licenses, and other materials necessary upon request to provide evidence of compliance with the conditions of approval, as well as federal, state, or laws.

**9. Compliance with Federal, State, and Local Laws.** Nothing in this Permit shall relieve the Applicant from complying with conditions, performance standards, and regulations generally imposed upon activities similar in nature to the activity authorized by this permit. (Permits from other agencies may be required as specified in the Permit's Details of Request.) This Permit does not relieve the Applicant of the obligation to comply with all applicable statutes, regulations, and procedures in effect at the time that any engineering permits or building permits are issued unless specifically waived herein.

No part of this Permit's approval shall be construed to permit a violation of any part of the Escondido Municipal or Zoning Code. During Project construction and after Project completion, the Applicant shall ensure the subject land use activities covered by this Permit is conducted in full compliance with all local and state laws.

**10. Fees.** The appropriate development fees and Citywide Facility fees shall be paid in accordance with the prevailing fee schedule in effect at the time of building permit issuance, to the satisfaction of the Director of Community Development. Through plan check processing, the Applicant shall pay development fees at the established rate. Such fees may include, but not be limited to: Permit and Plan Checking Fees, Water and Sewer Service Fees, School Fees, Traffic Mitigation Fees, Flood Control Mitigation Fees, Park Mitigation Fees, Fire Mitigation/Cost Recovery Fees, and other fees listed in the Fee Schedule, which may be amended. Arrangements to pay these fees shall be made prior to building permit issuance to the satisfaction of the Community Development Department.

- 11. Community Facility District or Funding Mechanism.** The Applicant shall fund all on-going operational costs of providing municipal services required for the Project. Such funding shall occur through either an agreement to form or annex into a Community Facilities District ("CFD") or the establishment of another lawful funding mechanism reasonably acceptable to the City ("Public Services Funding Agreement"). The provisions of the Public Services Funding Agreement shall specify any terms and limitations necessary to implement the CFD or other funding mechanism to offset the impacts to public services associated with the Project. The City Manager, or City Manager's designee, shall be authorized to approve and execute the Public Services Funding Agreement, and the Public Services Funding Agreement shall be finalized prior to the City's issuance of any permit for the Project.
- 12. Public Art Partnership Program.** All requirements of the Public Art Partnership Program, Ordinance No. 86-70 shall be satisfied prior to any building permit issuance. The ordinance requires that a public art fee be added at the time of the building permit issuance for the purpose of participating in the City Public Art Program.
- 13. Clerk Recording.**
- a. Exemption.** The City of Escondido hereby notifies the Applicant that the County Clerk's Office requires a documentary handling fee of \$50.00 in order to file a Notice of Exemption. In order to file the Notice of Exemption with the County Clerk, in conformance with California Environmental Quality Act (CEQA) Section 15062, the Applicant should remit to the City of Escondido Planning Division, within two working days of the final approval of the Project (the final approval being the date of this letter) a certified check payable to the "County Clerk" in the amount of \$50.00. The filing of a Notice of Exemption and the posting with the County Clerk starts a 35-day statute of limitations period on legal challenges to the agency's decision that the Project is exempt from CEQA. Failure to submit the required fee within the specified time noted above will result in the Notice of Exemption not being filed with the County Clerk, and a 180-day statute of limitations will apply.
  - b.** For more information on filing fees, please refer to the County Clerk's Office and/or the California Code of Regulations, Title 14, Section 753.5.
- 14. Legal Description Adequacy.** The legal description attached to the application has been provided by the Applicant and neither the City of Escondido nor any of its employees assume responsibility for the accuracy of said legal description.
- 15. Application Accuracy.** The information contained in the application and all attached materials are assumed to be correct, true, and complete. The City of Escondido is relying on the accuracy of this information and Project-related representations in order to process this application. Any permits issued by the City may be rescinded if it is determined that

the information and materials submitted are not true and correct. The Applicant may be liable for any costs associated with rescission of such permits.

**16. Enforcement.** If any of the terms, covenants or conditions contained herein shall fail to occur or if they are, by their terms, to be implemented and maintained over time, the City of Escondido shall have the right to deny or withhold subsequent permit approvals or permit inspections that are derived from the application entitlements herein granted; issue stop work orders; pursue abatement orders, penalties, or other administrative remedies as set forth in state and local laws; or institute and prosecute litigation to compel compliance with said conditions or seek damages for their violation. The applicant/developer shall be notified in advance prior to any of the above actions being taken by the City and shall be given the opportunity to remedy any deficiencies identified by the City.

**17. Indemnification, Hold Harmless, Duty to Defend.**

a. The Applicant shall indemnify, hold harmless, and defend (with counsel reasonably acceptable to the City) the City, its Councilmembers, Planning Commissioners, boards, commissions, departments, officials, officers, agents, employees, and volunteers (collectively, "Indemnified Parties") 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, at law or in 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 (i) any business, work, conduct, act, omission, or negligence of the Applicant or the owner of the Property (including the Applicant's or the owner of the Property's contractors, subcontractors, licensees, sublessees, invitees, agents, consultants, employees, or volunteers), or such activity of any other person that is permitted by the Applicant or owner of the Property, occurring in, on, about, or adjacent to the Property; (ii) any use of the Property, or any accident, injury, death, or damage to any person or property occurring in, on, or about the Property; or (iii) any default in the performance of any obligation of the Applicant or the owner of the Property to be performed pursuant to any condition of approval for the Project or agreement related to the Project, or any such claim, action, or proceeding brought thereon. Provided, however, that the Applicant shall have no obligation to indemnify, hold harmless, or defend the City as to any Claims that arise from the sole negligence or willful misconduct of the City. In the event any such Claims are brought against the City, the Applicant, upon receiving notice from the City, shall defend the same at its sole expense by counsel reasonably acceptable to the City and shall indemnify the City for any and all administrative and litigation costs incurred by the City itself, the costs for staff time expended, and reasonable attorney's fees (including the full reimbursement of any such fees incurred by the City's outside counsel, who may be selected by the City at its sole and absolute discretion and who

may defend the City against any Claims in the manner the City deems to be in the best interests of the City).

- b. The Applicant further and separately agrees to and shall indemnify, hold harmless, and defend the City (including all Indemnified Parties) from and against any and all Claims brought by any third party to challenge the Project or its approval by the City, including but not limited to (i) any Claims related to the Project's environmental determinations or environmental review documents, or any other action taken by the City regarding environmental clearance for the Project or any of the Project approvals; and (ii) any Claims related to the Agreement of Purchase and Sale and Joint Escrow Agreements executed by the City and the Applicant, including but not limited to any challenge to the City's determination that the disposition of the Property is exempt from the January 1, 2020 amendments to the Surplus Land Act (California Government Code section 54220 et seq.). Such indemnification shall include the Applicant's payment for any and all administrative and litigation costs and expenses incurred by the City in defending against any such Claims, including payment for all administrative and litigation costs incurred by the City itself, the costs for staff time expended, and reasonable attorney's fees (including the full reimbursement of any such fees incurred by the City's outside counsel, who may be selected by the City at its sole and absolute discretion and who may defend the City against any Claims in the manner the City deems to be in the best interests of the City and the Project).
- c. The City, in its sole discretion and upon providing notice to the Applicant, may require the Applicant to deposit with the City an amount estimated to cover costs, expenses, and fees (including attorney's fees) required to be paid by the Applicant in relation to any Claims referenced herein, which shall be placed into a deposit account from which the City may draw as such costs, expenses, and fees are incurred. Within 14 days after receiving written notice from the City, the Applicant shall replenish the deposit account in the amount the City determines is necessary in the context of the further defense of such Claims. To the extent such deposit is required by the City, the amount of such deposit and related terms and obligations shall be expressed in a written Deposit Account Agreement, subject to the City Attorney's approval as to form. The City, in its sole and reasonable discretion, shall determine the amount of any initial deposits or subsequent deposits of funds, and the Applicant may provide documentation or information for the City to consider in making its determinations. Nothing within this subsection shall be construed as to relieve the Applicant's obligations to indemnify, hold harmless, or defend the City as otherwise stated herein.

**B. Construction, Maintenance, and Operation Obligations:**

- 1. **Code Requirements.** All construction shall comply with the applicable requirements of the Escondido Municipal Code, Escondido Zoning Code, California Building Code; and the requirements of the Planning Division, Engineering Services Department, Director of Community Development, Building Official, City Engineer, and the Fire Chief in carrying

out the administration of said codes. Approval of this Permit request shall not waive compliance with any City regulations in effect at the time of Building Permit issuance unless specifically waived herein.

As a condition of receiving the land use approvals specified herein, Applicant shall maintain the property subject to the approvals in compliance with all applicable city codes governing the condition or appearance of the property. In addition to compliance with such basic standards, the property subject to these approvals shall also be maintained free of trash, plant debris, weeds, and concrete (other than existing foundations and permanent structures). Any signs placed on the property advertising such property for sale or rent shall be in accordance with applicable laws, and be kept clean, in like-new condition, and free from fading and graffiti at all times. This condition shall be applicable from the date the land use is approved. The failure to comply with this condition shall subject the approvals specified herein to revocation for failure to comply.

- 2. Agency License and Permitting.** In order to make certain on- or off-site improvements associated with the Approved Plan set, the Permit request may require review and clearance from other agencies. Nothing in these Conditions of Approval shall be construed as to waive compliance with other government agency regulations or to obtain permits from other agencies to make certain on- or off-site improvements prior to Final Map recordation, grading permit issuance, building permit issuance, or certificate of occupancy as required. This review may result in conditions determined by the reviewing agency.

At all times during the effective period of this Permit, the Applicant and any affiliated responsible party shall obtain and maintain in valid force and effect, each and every license and permit required by a governmental agency for the construction, maintenance, and operation of the authorized activity.

- 3. Utilities.** All new utilities and utility runs shall be underground, or fee payment in-lieu subject to the satisfaction of the City Engineer.
- 4. Signage.** All proposed signage associated with the Project must comply with Article 66 (Sign Ordinance) of the Escondido Zoning Code. Separate sign permits will be required for Project signage. All non-conforming signs shall be removed. The Applicant shall submit with any sign permit graphic/list of all signs to be removed and retained, along with any new signage proposed.
- 5. Noise.** All Project generated noise shall conform to the City's Noise Ordinance (Ordinance 90-08).
- 6. Lighting.** All exterior lighting shall conform to the requirements of Article 35 (Outdoor Lighting Ordinance) of the Escondido Zoning Code.

- 7. General Property Maintenance.** The property owner or management company shall maintain the property in good visual and functional condition. This shall include, but not be limited to, all exterior elements of the buildings such as paint, roof, paving, signs, lighting and landscaping. The Applicant shall paint and re-paint all building exteriors, accessory equipment, and utility boxes servicing the Project, as necessary to maintain clean, safe, and efficient appearances.
- 8. Anti-Graffiti.** The Applicant shall remove all graffiti from buildings and wall surfaces within 48 hours of defacement, including all areas of the job site for when the Project is under construction.
- 9. Anti-Litter.** The site and surrounding area shall be maintained free of litter, refuse, and debris. Cleaning shall include keeping all publicly used areas free of litter, trash, and garbage.
- 10. Roof, Wall, and Ground Level Equipment.** All mechanical equipment shall be screened and concealed from view in accordance with Section 33-1085 of the Escondido Zoning Code.
- 11. Trash Enclosures.** Appropriate trash enclosure(s) or other approved trash system shall be approved by the Planning and Engineering Division. The property owner or management company shall be responsible for ensuring that enclosures are easily assessable for garbage and recyclables collection; and that the area is managed in a clean, safe, and efficient manner. Trash enclosure covers shall be closed when not in use. Trash enclosures shall be regularly emptied. There shall be the prompt removal of visible signs of overflow of garbage, smells emanating from enclosure, graffiti, pests, and vermin.
- 12. Staging Construction Areas.** All staging areas shall be conducted on the subject property, subject to approval of the Engineering Department. Off-site staging areas, if any, shall be approved through the issuance of an off-site staging area permit/agreement.
- 13. Disturbance Coordinator.** The Applicant shall designate and provide a point-of-contact whose responsibilities shall include overseeing the implementation of Project, compliance with Permit terms and conditions, and responding to neighborhood concerns.
- 14. Construction Waste Reduction, Disposal, and Recycling.** Applicant shall recycle or salvage for reuse a minimum of 65% of the non-hazardous construction and demolition waste for residential projects or portions thereof in accordance with either Section 4.408.2, 4.408.3, or 4.408.4 of the California Green Building Standards Code; and/or for non-residential projects or portions thereof in accordance with either Section 5.408.1.1, 5.408.1.2, or 5.408.1.3 of the California Green Building Standards Code. In order to ensure compliance with the waste diversion goals for all residential and non-residential construction projects, the Applicant must submit appropriate documentation as described in Section 4.408.5 of the California Green Building Standards Code for residential projects

or portions thereof, or Section 5.408.1.4 for non-residential projects or portions thereof, demonstrating compliance with the California Green Building Standards Code sections cited above.

**15. Construction Equipment Emissions.** Applicant shall incorporate measures that reduce construction and operational emissions. Prior to the City's issuance of the demolition and grading permits for the Project, the Applicant shall demonstrate to the satisfaction of the Planning Division that its construction contractor will use a construction fleet wherein all 50-horsepower or greater diesel-powered equipment is powered with California Air Resources Board ("CARB") certified Tier 4 Interim engines or equipment outfitted with CARB-verified diesel particulate filters. An exemption from this requirement may be granted if (i) the Applicant provides documentation demonstrating that equipment with Tier 4 Interim engines are not reasonably available, and (ii) functionally equivalent diesel PM emission totals can be achieved for the Project from other combinations of construction equipment. Before an exemption may be granted, the Applicant's construction contractor shall demonstrate to the satisfaction of the Director of Community Development that (i) at least two construction fleet owners/operators in San Diego County were contacted and those owners/operators confirmed Tier 4 Interim equipment could not be located within San Diego County during the desired construction schedule, and (ii) the proposed replacement equipment has been evaluated using the California Emissions Estimator Model ("CalEEMod") or other industry standard emission estimation method, and documentation provided to the Planning Division confirms that necessary project-generated functional equivalencies in the diesel PM emissions level are achieved.

**C. Parking and Loading/Unloading.**

1. A minimum of 179 parking spaces, as shown on the Project plans, shall be provided at all times. Said parking spaces provided by the Applicant, and any additional parking spaces provided above the required, minimum amount, shall be dimensioned per City standards and be maintained in a clean, well-marked condition. The stripping shall be drawn on the plans or a note shall be included indicating double-stripping per City standards.
2. Parking for disabled persons shall be provided (including "Van Accessible" spaces) in full compliance with the State Building Code.
3. No contractor or employee may store, or permit to be stored, a commercial or construction vehicle/truck; or personal vehicle, truck, or other personal property on public-right-of-way or other public property without permission of the City Engineer.

**D. Landscaping:** The property owner or management company assumes all responsibility for maintaining all on-site landscaping; any landscaping in the public right-of-way adjacent to the property, including potted plants; and any retaining and freestanding walls in a manner that satisfies the conditions contained herein.

1. Landscaped areas shall be maintained in a flourishing manner. Appropriate irrigation shall be provided for all landscape areas and be maintained in a fully operational condition.



2. All existing planting and planter areas, including areas within the public right-of-way, shall be repaired and landscaping brought into compliance with current standards. All dead plant material shall be removed and replaced by the property owner or management company.
3. If at the time of planning final inspection that it is determined that sufficient screening is not provided, the Applicant shall be required to provide additional landscaping improvements to the satisfaction of the Planning Division.
4. The landscaped areas shall be free of all foreign matter, weeds and plant material not approved as part of the landscape plan.
5. Failure to maintain landscaping and the site in general may result in the setting of a public hearing to revoke or modify the Permit approval.
6. **Landscaping Plans.** Applicant shall install all required improvements including screening walls, retaining walls, storm improvements, and landscaping in substantial conformance to the planting and irrigation schedule as shown on the final Approved Plan set.
  - a. A final landscape and irrigation plan shall be submitted to the Planning Division for review and approval, if meeting any of the criteria listed under Section 33-1323 of the Zoning Code. Five copies of detailed landscape and irrigation plans shall be submitted to the Engineering Services Department with the second submittal of the grading plan. The initial submittal of the landscape plans shall include the required plan check fees, paid in accordance with the prevailing fee schedule in effect at the time of submittal. Details of Project fencing and walls, including materials and colors, shall be provided on the landscape plans. (Building permits may also be required.) The landscape and irrigation plans shall be reviewed and approved by the Planning Division and Engineering Services Department prior to issuance of grading permits, and shall be equivalent or superior to the conceptual landscape plans included as part of the Approved Plan set, to the satisfaction of the Planning Division. The required landscape and irrigation plans(s) shall comply with the provisions, requirements and standards outlined in Article 62 (Landscape Standards) of the Escondido Zoning Code, except where stricter requirements are imposed by the State of California.
  - b. Screening walls, retaining walls, storm improvements, and landscaping (i.e. planting and irrigation) is to be provided prior to final occupancy.
  - c. The installation of the landscaping and irrigation shall be inspected by the Project landscape architect upon completion. He/she shall complete a Certificate of Landscape Compliance certifying that the installation is in substantial compliance with the approved landscape and irrigation plans and City standards. The

Applicant shall submit the Certificate of Compliance to the Planning Division and request a final inspection.

- d. Any new freestanding walls and/or retaining walls shall incorporate decorative materials or finishes, and shall be indicated on the landscaping plans. (Building permits may also be required.) All freestanding walls visible from points beyond the Project site shall be treated with a protective sealant coating to facilitate graffiti removal. The sealant shall be a type satisfactory to the Director of Community Development.
- e. New or retrofitted trash enclosures shall accommodate vertical climbing plants, vines with support trellis panels, clinging non-deciduous or fast growing shrubbery that will screen the enclosures wall surface. The Director of Community Development shall find that the proposed landscaping design, material, or method provides approximate equivalence to the specific requirements of this condition or is otherwise satisfactory and complies with the intent of these provisions.

**E. Specific Planning Division Conditions:**

**1. Historic/Cultural**

- a. Prior to issuance of demolition and/or grading permits, appropriate photo documentation of the site and buildings shall be completed by a qualified cultural/historic consultant utilizing the appropriate California Office of Historic Preservation DPR forms/format. The final photos/forms shall be submitted to the Escondido Planning Division.
- b. Salvage Materials. Prior to demolition, distinctive representative architectural elements (interior and exterior features) shall be identified, and if feasible, salvaged for reuse in relation to the proposed plan. If reuse on-site is not feasible, opportunities shall be made for the features to be donated to various interested historical or archival depositories, to the satisfaction of the Director of Community Development.
- c. The City Planning Division recommends the applicant enter into a Tribal Cultural Resource Treatment and Monitoring Agreement (also known as a pre-excavation agreement) with a tribe that is traditionally and culturally affiliated with the project location (TCA Tribe) prior to issuance of a grading permit. The purposes of the agreement are: (1) to provide the applicant with clear expectations regarding tribal cultural resources and (2) to formalize protocols and procedures between them. The applicant/owner and the TCA Tribe responsible for the protection and treatment of, including but not limited to, Native American human remains, funerary objects, cultural and religious landscapes, ceremonial items, traditional gathering areas and cultural items, located and/or discovered through a monitoring program in conjunction with the construction of the project, including additional archaeological surveys and/or studies,

excavations, geotechnical investigations, grading, and all other ground-disturbing activities.

- d. Prior to issuance of a grading permit, the applicant shall provide written verification to the City that a qualified archaeologist and a Native American monitor associated with a TCA Tribe have been retained to implement the monitoring program. The archaeologist shall be responsible for coordinating with the Native American monitor. This verification shall be presented to the City in a letter from the project archaeologist that confirms the selected Native American monitor is associated with a TCA Tribe. The City, prior to any pre-construction meeting, shall approve all persons involved in the monitoring program.
- e. The qualified archaeologist and a Native American monitor shall attend the pre-grading meeting with the grading contractors to explain and coordinate the requirements of the monitoring program.
- f. During the initial demolition, site grading, excavation, or disturbance of the ground surface, the qualified archaeologist and the Native American monitor shall be on-site full-time. The frequency of inspections shall depend on the rate of excavation, the materials excavated, and any discoveries of tribal cultural resources as defined in California Public Resources Code Section 21074. Archaeological and Native American monitoring will be discontinued when the depth of grading and soil conditions no longer retain the potential to contain cultural deposits. The qualified archaeologist, in consultation with the Native American monitor, shall be responsible for determining the duration and frequency of monitoring.
- g. In the event that previously-unidentified tribal cultural resources are discovered, the qualified archaeologist and the Native American monitor shall have the authority to temporarily divert or temporarily halt ground disturbance clearly non-significant deposits shall be minimally documented in the field and collected so the monitored grading can proceed.
- h. If a potentially significant tribal cultural resource is discovered, the archaeologist shall notify the City of said discovery. The qualified archaeologist, in consultation with the City, the TCA Tribe, and the Native American monitor, shall determine the significance of the discovered resource. A recommendation for the tribal cultural resource's treatment and disposition shall be made by the qualified archaeologist in consultation with the TCA Tribe and the Native American monitor and be submitted to the City for review and approval.
- i. If a potentially significant tribal cultural resources and/or unique archaeological resource is discovered, the avoidance and/or preservation of the significant tribal cultural resource and/or unique archaeological resource must first be considered and evaluated as required by CEQA. Where any significant tribal cultural resources and/or

unique archaeological resources have been discovered and avoidance and/or preservation measures are deemed to be infeasible by the City, then a research design and data recovery program to mitigate impacts shall be prepared by the qualified archaeologist (using professional archaeological methods), in consultation with the TCA Tribe and the Native American monitor, and shall be subject to approval by the City. The archaeological monitor, in consultation with the Native American monitor, shall determine the amount of material to be recovered for an adequate artifact sample for analysis. Before construction activities are allowed to resume in the affected area, the research design and data recovery program activities must be concluded to the satisfaction of the City.

- j.** As specified by California Health and Safety Code Section 7050.5, if human remains are found on the project site during construction or during archaeological work, the person responsible for the excavation, or his or her authorized representative, shall immediately notify the San Diego County Coroner's office. Determination of whether the remains are human shall be conducted on-site and in situ where they were discovered by a forensic anthropologist, unless the forensic anthropologist and the Native American monitor agree to remove the remains to an off-site location for examination. No further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains shall occur until the Coroner has made the necessary findings as to origin and disposition. A temporary construction exclusion zone shall be established surrounding the area of the discovery so that the area would be protected, and consultation and treatment could occur as prescribed by law. In the event that the remains are determined to be of Native American origin, the Most Likely Descendant, as identified by the Native American Heritage Commission, shall be contacted in order to determine proper treatment and disposition of the remains in accordance with California Public Resources Code section 5097.98. The Native American remains shall be kept in-situ, or in a secure location in close proximity to where they were found, and the analysis of the remains shall only occur on-site in the presence of a Native American monitor.
- k.** If the qualified archaeologist elects to collect any tribal cultural resources, the Native American monitor must be present during any testing or cataloging of those resources. Moreover, if the qualified archaeologist does not collect the cultural resources that are unearthed during the ground disturbing activities, the Native American monitor, may at their discretion, collect said resources and provide them to the TCA Tribe for respectful and dignified treatment in accordance with the TCA Tribe's cultural and spiritual traditions. Any tribal cultural resources collected by the qualified archaeologist shall be repatriated to the TCA Tribe. Should the TCA Tribe or other traditionally and culturally affiliated tribe decline the collection, the collection shall be curated at the San Diego Archaeological Center. All other resources determined by the qualified archaeologist, in consultation with the Native American monitor, to not be tribal cultural resources, shall be curated at the San Diego Archaeological Center.

- I. Prior to the release of the grading bond, a monitoring report and/or evaluation report, if appropriate, which describes the results, analysis and conclusion of the archaeological monitoring program and any data recovery program on the project site shall be submitted by the qualified archaeologist to the City. The Native American monitor shall be responsible for providing any notes or comments to the qualified archaeologist in a timely manner to be submitted with the report. The report will include California Department of Parks and Recreation Primary and Archaeological Site Forms for any newly discovered resources.

## **2. Noise**

- a. Prior to issuance of building permits, the building plans shall incorporate the required building materials described in the Helix Noise Technical Study (Section 4.1.6) to ensure all rooms comply with the relevant interior noise standards of 45 CNEL for habitable areas. Appropriate means of air circulation and provision of fresh air also shall be incorporated into the final building plans to ensure that windows would be able to remain closed.

## **3. Hazardous Materials**

- b. Any materials containing asbestos that will be disturbed during demolition activities must be managed in accordance with any applicable local, State and Federal regulations by a licensed abatement contractor under controlled conditions. Current federal and state regulations require any repair, renovation and/or demolition of such materials be conducted only by workers and/or contractors who have been properly trained in the correct handling of asbestos. All asbestos work should be accomplished under the direction of an Independent State Certified Asbestos Consultant with oversight performed by a State Certified Site Surveillance Technician. The materials must be disposed of at an approved facility licensed to handle such waste.

## **4. Design/Operational**

- a. All walls shall be constructed out of decorative materials and include a matching cap (mortar cap not allowed). This shall be clearly noted on the grading plans and landscape plans.
- b. The project shall incorporate a minimum of 1 tree per dwelling unit into the project landscape plans. Specimen sized trees (minimum 24" box) shall be incorporate into the project street frontages along Pine Street, 3<sup>rd</sup> Avenue and Quince Street, where feasible.
- d. All mechanical equipment visible from adjacent streets shall incorporate an architectural screen and landscaping around the units to complement the design of the units. The screens for the rooftop equipment shall be tall enough and designed

to provide adequate noise attenuation from the rooftop recreation space. The screens shall be included on either the building and/or landscape plan.

- e. An appropriate mix of trees, shrubs and ground cover shall be incorporated into the overall landscape design and slopes.
- f. Permitted animals/pets shall be allowed in conformance with those identified in the Escondido Zoning Code for R-4 zoned properties, unless more restrictive standards are applied by the property owner and included in the project CC&Rs.
- g. Balconies and patios shall be kept in a neat and orderly manner. Items shall not be hung over, across or on balconies or patios (such as towels, clothing, etc.). This shall be incorporated into the CC&Rs.
- h. The project shall be managed by a professional management company. A self-managed HOA shall not be allowed. This shall be reflected in the project CC&Rs.
- i. Washer/Dryer hook ups shall be provided within each unit

### **BUILDING**

1. Approval and subsequent development are subject to all conditions and requirements of the California Building Code and Building Division.

### **FIRE**

1. Fire underground line, Fire sprinkler, and Fire alarm plans shall be deferred submittals to the Escondido Fire Department.
2. No combustibles shall be brought to the site without and adequate water supply and installed approved access.

### **ENGINEERING CONDITIONS**

#### **GENERAL**

1. The Developer shall provide the City Engineer with a Subdivision Guarantee and Title Report covering subject property.
2. The location of all existing on-site and adjacent utilities and storm drain facilities shall be determined by the Developer's engineer. If a conflict occurs with the proposed project or improvements, arrangements for relocation of the conflicting utilities/facilities shall be made

with the owner of the utility/facility prior to approval of the Grading plans and Final Map. This utility/facility relocation work shall be completed prior to issuance of Building Permits.

3. Improvement plans prepared by a Civil Engineer, required for all public street, utility, and storm drain improvements, and Grading/Private Improvement plans prepared by Civil Engineer, required for all grading, drainage and private onsite improvement design, shall be submitted for review through the virtual plan review portal as a single package containing all items on the Engineering Plan Review Checklist. Landscaping Plans shall be prepared by a Landscape Architect and shall also be submitted through the virtual plan review portal with the second final engineering resubmittal.
4. The Developer shall post securities in accordance with the City prepared Bond and Fee Letter based on a final Engineer's Estimate of Grading and Improvements Cost prepared by the project engineer. The Developer is required to provide a Cash Clean Up deposit for all grading, landscaping, private Improvements and onsite drainage improvements prior to approval of Grading Plans and issuance of Grading Permit. This Cash Clean Up Deposit amount shall be 10% of the total cost of the project private improvements, drainage and landscaping. The Developer is required to provide Performance (100% of total public improvement cost estimate), Labor and Material (50% of total public improvement cost estimate) and Guarantee and Warrantee (10% of total public improvement cost estimate) bonds for all public improvements prior to approval of the Improvement Plans and issuance of Building Permits. All improvements shall be completed prior to issuance of a Certificate of Occupancy.
5. All final engineering plans for the construction of all required off-site and on-site improvements and grading shall be approved and surety bonds and agreements in a form acceptable to the City Attorney shall be posted by the Developer with the City of Escondido prior to approval and recording of the Final Map and approval of the Grading Plan for this Subdivision.
6. No Building Permits shall be issued for any construction within this Subdivision until the Final Subdivision Map is recorded and either:
  - a) All conditions of the Tentative Subdivision Map have been fulfilled, or
  - b) Those conditions unfulfilled at the time of an application for Building Permits shall be secured and agreements executed in a form and manner satisfactory to the City Attorney and City Engineer.
7. If site conditions change adjacent to the proposed development prior to completion of the project, the Developer will be responsible to modify his/her improvements to accommodate these changes. The determination and extent of the modification shall be to the satisfaction of the City Engineer.
8. All project construction shall be constructed in a manner that does not damage existing public improvements. Any damage shall be determined by and corrected by the Developer to the satisfaction of the City Engineer.

9. The Developer's engineer shall submit to the Planning Department 3 copies of the Tentative Map as presented to the Planning Commission and approved by the City Council together with any changes contained in the adopted final conditions of approval. The Tentative Map will be certified by the Planning Department verifying that they are an accurate reproduction of the approved and conditioned Tentative Map and must be included with the first Final Engineering submittal for plan check to the Engineering Department.

**STREET IMPROVEMENTS AND TRAFFIC**

1. Public street and drainage improvements shall be constructed to City Standards as required by the Subdivision Ordinance and to the satisfaction of the City Engineer prior to first occupancy. Specific details, including final street improvement widths, right-of-way widths, concrete curb and gutters, curb returns and pedestrian ramps, drainage, lighting, etc. shall be to the satisfaction of the City Engineer.
2. Prior to the first occupancy the developer shall construct street improvements, including but not limited to, concrete curb, gutter, sidewalk, street lights, street trees, paving and base on the following streets adjoining the project boundaries:

<b><u>STREET</u></b>	<b><u>CLASSIFICATION</u></b>
Pine Street	Mod. Local Collector – (36' curb to curb)
Quince Street	Collector - (64' curb to curb)
3rd Avenue	Mod. Residential - (24' drive w/ perp. parking)
Alley	Alley Standard – 24' wide w/ ribbon gutter

See appropriate typical sections in the current Escondido Design Standards for additional design details.

3. Public sidewalk construction along Quince Street shall be contiguous to the curb in accordance with current Escondido Design Standards.
4. Public sidewalk construction along Pine Street and 3rd Avenue shall be contiguous to the curb behind private perpendicular and diagonal parking spaces.
5. Pedestrian access easement will be required beyond the right-of-way to allow the public use of these public sidewalks along Pine Street and 3rd Avenue.
6. All on-site access, alleyways, and parking areas shall be private. Typical sections, alignments, curb return, and design details shall be to the satisfaction of the City Engineer, Community Development Director, and City Fire Marshal. The private street improvements shall include, but not be limited to, the construction of concrete curb and gutter, sidewalks (one side only), street lights, paving and base.



Attachment "1"

7. The address of each building shall be posted in such a manner that the address is clearly visible from the street. The addressing shall be determined and placed in a manner and location approved by the City Engineer, Community Development Director, and Fire Marshal.
8. LED Street Lights shall be installed in accordance with City Standards and per Escondido Standard Drawing No. E-1-E along Pine Street at its intersection with the alley and 3rd Avenue and along Quince at its intersection with the alley and 3rd Avenue.
9. All existing public street lights along all Project frontages must be either retrofitted or replaced with an LED street light in accordance with Escondido Standard Drawing No. E-1-E. Where replaced the existing street light equipment shall be removed and salvaged to the City Public Works yard.
10. Street lighting shall be required on all on-site private access and alley ways. It shall be the responsibility of the Property Owner's or Home Owner's Association to maintain the street lighting system and such maintenance responsibility shall be clearly stated in the CC&Rs.
11. The Developer may be responsible for an overlay of Quince Street, Pine Street, and 2nd Avenue due to the many utility trenches necessary to serve this project. The determination of the extent of the overlay shall be to the satisfaction of the City Engineer.
12. The Developer shall remove and replace all damaged sidewalk, curb and gutter, along all project frontages to the satisfaction of the City Engineer prior to issuance of a Certificate of Occupancy.
13. The Developer's Traffic engineer shall prepare and submit for approval by the City Engineer a complete Signing and Striping plan for all improved and modified roadways. The Developer will be responsible for removal of all existing and the construction of all new signing and striping in compliance with the current CA MUTCD standards and to the satisfaction of the City Engineer. The signing and striping plan shall be submitted together with the first submittal of the Improvement and Grading Plan sets.
14. Adequate horizontal sight distance shall be provided at all driveways. Increased parkway widths, open space easements, and restrictions on landscaping may be required at the discretion of the City Engineer.
15. Any gated entrances shall be approved by the City Engineer, Building Official, and the Fire Marshal with the location and operation of the gates and equipment shown on and approved with the project grading and improvement plans. Any proposed gated entrance will require Building plans be approved and Building Permits issued for the structural, mechanical, and electrical aspects. The architectural details of the gate and entry way design are typically shown on the project landscape plans.
16. The Developer will be required to provide a detailed detour and traffic control plan, for all construction and staging activities within existing rights-of-way to the satisfaction of the City Engineer. This plan shall include any proposed sidewalk closures and provide for alternate pedestrian access around the project site. This plan shall be approved prior to the issuance of an Encroachment Permit for construction or other project activities within the public right-of-way.

**GRADING and ONSITE PRIVATE IMPROVEMENTS**

1. A site grading and erosion control plan prepared by a registered Civil Engineer shall be approved by the Engineering Department prior to issuance of building permits. The first submittal of the grading plan shall be accompanied by three copies of the preliminary soils and geotechnical report. The Soils Engineer will be required to indicate in the soils report that he/she has reviewed the grading design and found it to be in conformance with his/her recommendations.
2. All private access drives and parking areas shall be paved with a minimum of 3" asphalt concrete over 6" of aggregate base or 7" Portland cement concrete over 6" aggregate base. All paved areas exceeding 15% slope or less than 1.0% shall be paved with Portland cement concrete.
3. Any proposed retaining walls not a part of the building foundations or stem walls shall be shown on and permitted as part of the site grading plan. Profiles and structural details shall be shown on the site grading plan and the Soils Engineer shall state on the plans that the proposed retaining wall design is in conformance with the recommendations and specifications as outlined in the Geotechnical report. Structural calculations shall be submitted for review by a Consulting Engineer for all walls not covered by Regional or City Standard Drawings. The Developer will be required to pay for all required third party structural engineering review of these structural calculations and details. Stem walls, foundation structures, or deepened footings that are to be constructed as part of a building structure will be permitted as part of the Building Department plan review and Building Permit process.
4. All retaining walls and screen walls, stairs and raised landings shall be constructed completely within the Project property and shall not encroach into the public R/W.
5. The Developer will be required to obtain permission from adjoining property owners for any off-site grading or other work necessary to construct the project and/or the required improvements, or the Developer shall modify the project design so the construction in question is contained within the project's property lines.
6. Erosion control, including riprap, interim slope planting, sandbags, or other erosion control measures shall be provided to control sediment and silt from the project. The Developer shall be responsible for maintaining all erosion control facilities throughout the project.
7. The Developer shall be responsible for the recycling of all excavated materials designated as Industrial Recyclables (soil, asphalt, sand, concrete, land clearing brush and rock) at a recycling center or other location(s) approved by the City Engineer.
8. A Construction General Permit is required from the State Water Resources Control Board for all storm water discharges associated with a construction activity where clearing, grading, and excavation results in a land disturbance of one or more acres.
9. All blasting operations performed in connection with the improvement of the project shall conform to the City of Escondido Blasting Operations Ordinance.

10. All existing foundations, structures, trees not otherwise designated "to remain" on the Tentative Map, shall be removed or demolished from the site.
11. All driveway grades shall conform to current Escondido Design Standards and Escondido Standard Drawings.

## **DRAINAGE**

1. Final on-site and off-site storm drain improvements shall be determined to the satisfaction of the City Engineer and shall be based on a Final Drainage Study to be prepared by the Engineer of Work. The drainage study shall be in conformance with the City of Escondido Design Standards.
2. The Developer shall install a public parallel 54" reinforced concrete storm drain pipe in 3<sup>rd</sup> Avenue together with a new or modified junction structure downstream at Quince Street where the 2 existing 54" storm drain joins an existing 9'x5' reinforced concrete box culvert. A grated drainage burp-out structure shall be designed and constructed on both the existing and proposed 54" RCP storm drain pipes in 3<sup>rd</sup> Avenue just upstream of the junction structure; all to the satisfaction of the City Engineer.
3. The Developer shall remove the existing undersized 18" storm drain connectors and grated inlets in Pine Street and shall install 2 new 42" storm drain pipes connecting the existing dual 5'x2' reinforced concrete box culverts coming under Pine Street to the proposed and existing 54" storm drain pipes in 3<sup>rd</sup> Avenue and construct a new curb inlet on Pine Street all per City Design Standards to the satisfaction of the City Engineer.
4. The Developer shall install a new curb inlet at the southeast corner of Quince and 3<sup>rd</sup> Avenue and connect it to the new 54" RCP storm drain in 3<sup>rd</sup> Avenue and this inlet shall include a mechanical filtering device that shall be the responsibility of the Home Owners Association to maintain.
5. The Developer shall install a Type-G inlets in the flowlines of the proposed ribbon gutters in the alley, in 3<sup>rd</sup> Avenue, and along Pine Street and these shall be connected to project's stormwater treatment and hydromodification facilities.
6. All on-site storm drains are private. The responsibility for maintenance of these storm drains shall be that of the Home Owner's Association. Provisions stating this shall be included in the CC&Rs.
7. The project shall limit drainage flows to their pre-construction rates. Details and calculations for any detention vaults shall be submitted and approved as part of the grading plan check.
8. A Final Storm Water Quality Management Plan (SWQMP) in compliance with the City's latest adopted Storm Water Design Manual shall be prepared for all newly created or replaced onsite impervious areas, impervious frontage, and required offsite improvements. The SWQMP shall be submitted for approval with the final improvement and grading plans. The SWQMP shall include both treatment and hydromodification calculations, post-

construction storm water treatment measures, and maintenance requirements and responsibilities both for onsite treatment and all facilities located in the public right-of-way. The SWQMP shall demonstrate how any proposed proprietary best management practices like modular wetlands meet bio-filtration treatment requirements in accordance with the City's Storm Water Design Manual. Additional stormwater treatment facilities or modular wetland units may be required to treat all portions of the site and disturbed right-of-way areas.

9. All site drainage with emphasis on the parking and driveway areas shall be treated to remove expected contaminants. The City highly encourages the use of bio-retention areas where possible as the primary method of storm water retention and treatment. The landscape plans will need to reflect these areas of storm water treatment.
10. Trash enclosures shall be constructed to comply with storm water quality management requirements to the satisfaction of the City Engineer.
11. The Developer will be required to have the current owner of the property sign, notarize, and record a Storm Water Control Facility Maintenance Agreement.
12. All onsite and offsite storm water treatment and retention facilities and their drains including modular wetlands, bio-retention basins and planters, any permeable paver areas shall be considered private. The responsibility for maintenance and repair of all project constructed/installed post construction storm water treatment facilities both onsite and in the adjacent public right-of-way shall be that of the Home Owners Association.
13. The Developer shall design and construct any permeable surfaces proposed for the project to the specifications of the version of the County of San Diego Green Streets manual approved by the County at the time the grading permits are issued. All permeable surfaces within the project footprint that are subject to vehicular traffic shall be designed for H20 loading.
14. The Home Owners Association shall perpetually maintain any permeable surfaces in accordance to the standards established by the County of San Diego Green Streets manual in effect at the time the grading permits are issued. City shall have the right to inspect all permeable surfaces as needed to ensure they function as designed. City shall have the right to require qualified third-party testing at the property owner's expense when surface failure is suspected. Contractor qualifications are outlined in the County of SD Green Streets manual. The Property owner or Home Owners Association will be required to repair or reinstall the permeable surface for all failing surfaces to County of San Diego Green Streets manual standards in place at the time of the grading permit. In the event of failure to maintain the permeable pavers system that result in not functioning as designed, the project owner will be responsible to replace the pervious pavers system with an alternate method of storm water treatment system.

**WATER SUPPLY**

1. The Developer is required at their sole expense to design and construct a looped 12-inch public water main. This 12-inch water main shall loop around the project beginning at the intersection of 2nd Avenue and Pine Street and shall extend south in Pine Street to the south side of 3rd Avenue, this 12-inch watermain shall then be extended west on 3rd Avenue to join the existing 6-inch water main in Quince Street and replace this 6-inch watermain in Quince Street north to the existing 10-inch watermain in the alley that bisects the project. This existing 10-inch watermain shall be replaced in the alley with a new 12-inch watermain from Quince Street to Pine Street with required separation from the existing sewer main where it shall connect to the new 12-inch watermain in Pine Street and the existing 10-inch coming from the east across Center City Parkway. The 12-inch water main shall be designed and constructed in accordance with the current City of Escondido Design Standards and Standard Drawings and to the satisfaction of the Utilities Engineer.
2. Fire hydrants together with an adequate water supply shall be installed at locations approved by the Fire Marshall. Fire hydrants shall connect to a minimum 8-inch water main.
3. The final locations and sizing of all required water mains, water services, fire hydrants, detector check assemblies, and other water appurtenances shall be designed and installed to the satisfaction of the Director of Utilities and the Utilities Engineer.
4. Fire suppression and sprinkler systems beyond the Detector Check Valves are private and shall be designed and constructed per current Building, Plumbing, and Fire Code Standards, and per the requirements of the City Fire Marshal and City Building Official and shall be approved by a separate submittal to the Building Department. Although private and approved by separate plans and permit, all fire suppression lines shall be shown for reference and review on the various final engineering plan sets.
5. All on-site water lines and backflow prevention devices beyond the City water meter or DCA shall be considered a private water system. The Home Owners Association shall be responsible for all maintenance of these water lines and appurtenances.
6. A 1-inch minimum water service, 1-inch water meter, and backflow prevention device shall be required for domestic water supply per City of Escondido Design Standards and Standard Drawings. Water meters and backflow prevention devices shall not be installed within a driveway apron or on private drive areas.
7. No trees or deep-rooted bushes shall be planted within 10-feet of any water mains.
8. There shall be no permanent structures located within the City's Public utility Easements.
9. Improvement plans for all proposed water mains shall be prepared by a Civil Engineer and submitted to the City of Escondido for review and approval.
10. All public water mains shall be located under asphalt or concrete pavement and not under curbs, gutters, medians or sidewalks.
11. Backflow prevention assemblies are private and should be located on private property. Backflows shall be located directly behind the public meter.

12. Any water services to be replaced, reconnected or relocated as a part of this project shall be replaced in entirety from the public water main to the public water meter to the satisfaction of the Utilities Engineer and Water Distribution Department.
13. Any fire hydrants to be replaced, reconnected or relocated as a part of this project shall be replaced in entirety from the public water main to the fire hydrant per the satisfaction of the Utilities Engineer and Water Distribution.
14. The Developer shall disconnect at the public main, all water services and fire hydrants laterals to be abandoned, to the satisfaction of the Utilities Engineer and Water Distribution Department.

### **SEWER**

1. A private 6-inch minimum PVC sewer lateral with a standard clean-out within 18-inches of the Public Utility Easement or ROW shall be constructed for the project and shown on the Improvement and Grading plans. Sewer laterals less than 8-inches in diameter shall connect to the sewer main with a wye or Inserta-Tee.
2. All sewer laterals shall be constructed per current City of Escondido Design Standards and Standard Drawings and per the current Uniform Plumbing Code.
3. No trees or deep-rooted bushes shall be planted within 15-feet of any sewer main or within 10-feet of any sewer lateral. Sewer laterals shall be 5-feet horizontally clear from other utilities.
4. All sewer laterals shall be considered a private sewer system. The Home Owners Association shall be responsible for all maintenance of sewer laterals to the public sewer main.
5. Any sewer mains, laterals, and appurtenances shall be designed and constructed per current City of Escondido Design Standards and Standard Drawings, and to the satisfaction of the Utilities Engineer.
6. The project design shall be such that all existing or new sewer manholes are accessible at all times by City Vactor trucks for maintenance.
7. The Developer shall cap and plug at the public sewer main all sewer lines and laterals to be abandoned, to the satisfaction of the Utilities Engineer and the City Inspector.
8. The location of all sewer laterals shall be shown on the grading and improvement plans.

### **LANDSCAPING**

1. Site landscaping and irrigation plan(s) for the project and for all right-of-way areas along the project frontages shall be prepared by a Licensed Landscape Architect and submitted to the Engineering Department with the second submittal of the grading plans for review and

approval by Engineering and Planning Departments. The initial submittal of the landscape plans shall include the required plan check fees.

### **FINAL MAP - EASEMENTS AND DEDICATIONS**

1. All private and public easements affecting subject property both proposed and existing to remain shall be shown, delineated, dimensioned, and clearly labeled on the Final Map and all plan sets.
2. The Developer shall grant all necessary public easements to the City on the Final Map, including Public Utility Easements, Fire Access Easements, Pedestrian Access Easements, etc.
3. The Developer shall dedicate to the public two (2) feet of public utility easement along the project's entire Quince Street frontage.
4. The Developer shall dedicate to the public 4' of public right-of-way for a total of 24' of public right-of-way along the alley in areas where the project does not include the properties on both sides of the alley
5. In areas where the project is located on both sides of the alley, the alley can be vacated and public utility and emergency access easements reserved, and the Developer shall dedicate an additional two (2) feet of public utility easement on each side of the alley in these areas.
6. A public utility easement or water easement shall be granted to the City of Escondido for any proposed public waterlines within the project. The easement shall include all fire hydrants, water meters and other public water appurtenances. The minimum easement width for public mains shall be 20-feet.
7. The project includes multiple proposed Street Vacations of the public right-of-way adjacent to and within the project boundary. Specific right-of-way areas to be vacated shall be determined to the satisfaction of the City Engineer. Public utility easements will be required to be reserved over portions of the rights-of-way areas being vacated.
8. The Developer is responsible for making the arrangements to vacate all streets or quitclaim all easements of record which conflict with the proposed development prior to approval of the final map. All street vacations shall be accomplished on the Final Map. If an easement of record contains an existing utility that must remain in service, proof of arrangements to quitclaim the easement once new utilities are constructed must be submitted to the City Engineer prior to approval of the Final Map. Building permits will not be issued for structures in which construction will conflict with existing easements or utilities, nor will any securities be released until the existing easements are quitclaimed.

### **REPAYMENTS AND FEES**

1. A cash security shall be posted to pay any costs incurred by the City to clean-up eroded soils and debris, repair damage to public or private property and improvements, install Best Management Practices devices and materials, and stabilize and/or close-up a non-responsive or abandoned project. Any moneys used by the City for cleanup or damage will be drawn from this security and the grading permit will be revoked by written notice to the Developer until the required cash security is replaced. The cleanup cash security shall be released upon final acceptance of the grading and improvements for this project. The amount of the cash security shall be 10% of the total estimated cost of the grading, retaining walls, walls, drainage facilities, landscaping and irrigation, and best management practices items of work up to a maximum of \$60,000, unless a higher amount is deemed necessary by the City Engineer.
2. The Developer shall be required to pay all development fees of the City then in effect at the time, and in such amounts as may prevail when Building Permits are issued.
3. The Applicant shall fund all on-going operational costs of providing municipal services required for the Project, the amount of such funding to be determined by the City Council at the time of Project approval. Such funding shall occur through either an agreement to form or annex into a Community Facilities District (CFD) or the establishment of another lawful funding mechanism reasonably acceptable to the City ("Public Services Funding Agreement"). The provisions of the Public Services Funding Agreement shall specify any terms and limitations necessary to implement the CFD or other funding mechanism to offset the impacts to public services associated with the project. The City Manager, or City Manager's designee, shall be authorized to approve and execute the Public Services Funding Agreement, and the Public Services Funding Agreement shall be finalized prior to the City's issuance of any permit for the Project.

### **UTILITY UNDERGROUNDING AND RELOCATION**

1. All existing overhead utilities within the subdivision boundary or along fronting streets and alley shall be relocated underground as required by the City's Subdivision and Undergrounding Ordinances.
2. The Developer shall sign a written agreement stating that they have made all such arrangements as may be necessary to coordinate and provide utility construction, relocation and undergrounding. All new utilities shall be constructed underground.

### **CC&Rs and Reciprocal Use and Maintenance Agreements**

1. Copies of the CC&Rs shall be submitted to the Engineering Department and Planning Department and approved prior to approval of the Final Map.



Attachment "1"

2. Copies of Comprehensive Reciprocal Use and Maintenance Agreement(s) between the future Lot Owners and future Home Owners Association(s) associated with all the Lots within this Subdivision and Project detailing the use of, rights to, the repair of, replacement and maintenance responsibilities of all recreation facilities, amenities, drainage and storm water facilities, walls and retaining walls, landscaping, utilities, infrastructure, parking, and access roadways required to be shared in common shall be submitted to the Planning Department and Engineering Department for review and approval prior to approval of the Final Map.
3. The Developer shall make provisions in the CC&Rs for maintenance, repair and replacement by the Home Owners' Association of all private parking areas and access drives to them, private utilities (including sewer and water), storm water and drainage facilities, private street lighting, landscaping both onsite and within fronting public rights-of-way. These provisions must be approved by the Engineering Department prior to approval of the Final Map.
4. The CC&Rs must state that the Home Owners' Association assumes liability for damage and repair to City utilities in the event that damage is caused by the property owners' association when repair or replacement of private utilities is done.
5. The CC&Rs must state that (if stamped concrete or pavers are installed the Home Owners' Association is responsible for replacing the stamped concrete or pavers in kind if the City has to trench for repair or replacement of a public utility.
6. The CC&Rs shall include provisions for the Home Owners' Association to maintain all of the Project's frontage landscaping, irrigation, fencing, graffiti removal from screen and retaining walls and maintenance of the multimodal and transit amenities and street furniture along all project frontages. The Developer as Declarant will be required to obtain a Continuing Encroachment Permit to conduct this ongoing maintenance in the City Right-of Way and the subsequent Home Owners Association will be required to do likewise as they succeed the Developer.
7. The CC&Rs shall reference the recorded Storm Water Control Facility Maintenance Agreement and the approved Storm Water Quality Management Plan (SWQMP) for the project.

**CITY OF ESCONDIDO**

**ACTION MINUTES OF THE REGULAR MEETING OF THE  
ESCONDIDO PLANNING COMMISSION  
VIDEO/VIRTUAL CONFERENCE**

**April 13, 2021**

The meeting of the Escondido Planning Commission was called to order at 7 p.m. by Chair Weiler, in the City Council Chambers, 201 North Broadway, Escondido, California.

**Commissioners present:** Stan Weiler, Chair; Ingrid Rainey, Vice-Chair; Katharine Barba, Commissioner; Dao Doan, Commissioner; Rick Paul, Commissioner; Herminia Ramirez, Commissioner; and Nathan Serrato, Commissioner.

**Commissioners absent:** None.

**Staff present:** Mike Strong, Director of Community Development; Kurt Whitman, Senior Deputy City Attorney; Owen Tunnell, Assistant City Engineer; Jay Paul, Senior Planner; and Joanne Tasher, Minutes Clerk.

**MINUTES:**

Moved by Vice-Chair Rainey, with the correction to item G.1 SUB 20-0006 to state that the motion for that item was not carried unanimously, and seconded by Commissioner Barba to approve the Action Minutes of the March 23, 2021, Planning Commission meeting. Motion carried unanimously (7-0). Ayes: Barba, Doan, Paul, Rainey, Ramirez, Serrato, and Weiler.

**WRITTEN COMMUNICATIONS: Received.**

Communication from Laura Hunter, Chair, Sierra Club North County Group Conservation Committee, dated April 5, 2021, regarding public communications with the Planning Commission, was submitted into the record.

Communication from Laura Hunter, dated April 7, 2021, regarding the Escondido Community Advisory Group (ECAG) proposal for a Climate Engagement Commission, was submitted into the record.

Communication from Laura Hunter, dated April 9, 2021, regarding a Los Angeles Times news article about wildfire risk and the halting of a residential development project, was submitted into the record.

Letter from Laura Hunter, Chair, Sierra Club North County Group Conservation Committee, dated April 12, 2021, regarding a Community Coalition request for action in advance of the Harvest Hills project consideration, was submitted into the record.

Written Communication for Agenda Item No. G.1, revised Conditions of Approval related to Section E.4 "Design/Operation," General Engineering Condition No. 8, and CC&Rs were submitted into the record.

**FUTURE NEIGHBORHOOD MEETINGS:** None.

**ORAL COMMUNICATIONS:** Received.

Correspondence from Patricia Borchmann, regarding the Housing and Community Investment Study from the March 23, 2021, Planning Commission meeting, was read into the record.

Correspondence from Laura Hunter, regarding public communications with the Planning Commission, was read into the record.

**PUBLIC HEARINGS:**

**1. TENTATIVE SUBDIVISION MAP, MASTER AND PRECISE DEVELOPMENT PLAN, AND SPECIFIC PLAN AMENDMENT– SUB 20-0001, PHG 20-0009, and ENV 20-0001:**

REQUEST: Tentative Subdivision Map, and Master and Precise Development Plan for the development of two, four-story buildings (up to approx. 65 feet in height) to accommodate up to 120 air-space condominium units with a density of approximately 51.5 dwelling units per acre. The design includes a mix of studio,

one-bedroom and two-bedroom units. 179 parking spaces are proposed that include a combination of enclosed garages with open tandem parking in front; on-site covered and uncovered spaces; angled parking along the S. Pine Street frontage; and perpendicular spaces along the W. 3rd Avenue frontage. Vacation of a portion of W. 3rd Avenue, S. Pine Street and public alley along the project frontages is requested. The proposed Planned Development includes a request for an approximately 14% (29 space) reduction in required parking from the required 208 spaces; allow a 49 percent reduction in the overall open space requirement and payment of in-lieu fees to off-set the reduction; minor encroachment into the 2nd Avenue setback to accommodate a screen wall; allow additional wall sign area up to 70 square feet; and reduction in covered parking spaces. An Amendment to the Downtown Specific Plan is requested to eliminate the ground-floor commercial requirement and permit ground floor residential units. All of the existing structures would be demolished. (The project is located on City-owned property and will require approval of a Purchase and Sale Agreement, as a concurrent discretionary action to be presented at the time the project is presented to the City Council.)

**PROPERTY SIZE AND LOCATION:** The approximately 2.33-acre site fronts onto 2nd Avenue, Pine Street, 3rd Avenue and Quince Street. Centre City Parkway is located to the east. The site is located within the Mercado District of the Downtown Specific Planning Area and is comprised of 11 parcels (APNs, 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-13-00, 233-032-14-00, 233-032-17-00, 233-032-18-00, 233-032-19-00, and 233-032-21-00). The reference address is 235 S. Pine Street.

**ENVIRONMENTAL STATUS:**The Project is categorically exempt pursuant to California Environmental Quality Act (CEQA) Guidelines section 15332 (In-Fill Development Projects).

**STAFF RECOMMENDATION:** Approval to City Council

**COMMISSIONER DISCUSSION:**

The Commissioners discussed various elements of the project including parking for residents and guests, use of a "Transit Pass" to encourage residents to use public transportation, pedestrian access through the alley, and wanting affordable units offered.

PUBLIC COMMENTS (Submitted written comments, read aloud for the record):

**Alicia Ruvalcaba**, submitted comments in opposition to the project.

**David Mathias**, submitted comments in favor of the project.

**Maritza Ruvalcaba**, submitted comments in opposition to the project.

**Ed McCoy**, submitted comments in favor of the project.

**John Jorgenson**, submitted comments in opposition to the project.

**COMMISSION ACTION:**

Motion by Commissioner Paul and seconded by Commissioner Serrato to recommended approval to City Council with the modifications to the Conditions of Approval as provided by City staff and the condition to allow continued public access through the alleyway. Motion carried 4-3. Ayes: Paul, Rainey, Serrato, and Weiler. Noes: Barba, Doan, and Ramirez.

**CURRENT BUSINESS:**

**1. Housing and Community Investment Study**

Staff provided an informational report and status update to the Commission.

**COMMISSIONER DISCUSSION:**

The Commissioners thanked Director Strong for his presentation and discussed the issue of affordable housing.

**COMMISSION ACTION:**

No action was taken; information was presented and discussed.

**2. Placing Items on Future Planning Commission Agendas and Commission Annual Work Plan**

Staff provided information for the creation an Annual Work Plan.

**COMMISSION DISCUSSION:**

Discussion between City staff and the Commissioners on the process of putting items on future agendas and creating a new work plan.

**COMMISSION ACTION:**

Commission directed staff to initiate preparation of a Commission Work Plan to be presented on April 27, 2021.

**3. Discussion and direction regarding a “Green Infrastructure Plan” and related details such as staff support (Commissioner Barba)**

Commissioner Barba continued the discussion to the next Planning Commission meeting scheduled for April 27, 2021, to fold the discussion into the Commission Work Plan.

**COMMISSION ACTION:**

No action taken; the item was continued to next meeting on April 27, 2021.

**4. Communication logistics with the Planning Commissioners**

Discussion on how members of the public can contact or send comments to the Planning Commissioners and recommended approach from Planning and the City Attorney’s Office to submitting public comments. (Commissioner Doan)

**COMMISSIONER DISCUSSION:**

Discussion between City staff and the Commissioners on the manner of how the public can communicate with the Commissioners. The City and Commission have to conform to the Brown Act. All public correspondence has to be retained in the administrative record.

**COMMISSION ACTION:**

No action was taken; information was presented and discussed.

**ORAL COMMUNICATIONS:** None.

**PLANNING COMMISSIONERS:** None.

**ADJOURNMENT:**

Chair Weiler adjourned the meeting at 10:24 p.m.

---

Mike Strong, Secretary to the  
Escondido Planning Commission

---

Joanne Tasher, Minutes Clerk



CITY OF ESCONDIDO
PLANNING DIVISION
201 NORTH BROADWAY
ESCONDIDO, CA 92025-2798
(760) 839-4671

Notice of Exemption

To: San Diego Assessor/Recorder/County Clerk
Attn: Fish and Wildlife Notices
1600 Pacific Highway, Room 260
San Diego, CA 92101
MS A-33

From: City of Escondido
201 North Broadway
Escondido, CA 92025

Project Title/Case No.: CASA MERCADO / SUB 20-0001, PHG 20-0009, and ENV 20-0001

Project Location - Specific: The approximately 2.33-acre site fronts on W. 2nd Avenue, S. Pine Street, W. 3rd Avenue, and S. Quince Street. The site is located within the Mercado District of the Downtown Specific Planning Area and is comprised of 11 parcels (APNs, 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-13-00, 233-032-14-00, 233-032-17-00, 233-032-18-00, 233-032-19-00, and 233-032-21-00). The reference address is 235 S. Pine Street.

Project Location - City: Escondido Project Location - County: San Diego

Description of Project: Tentative Subdivision Map, and Master and Precise Development Plan for the development of two, four-story buildings (up to approx. 64 feet in height) to accommodate up to 120 air-space condominium units with a density of approximately 51.5 dwelling units per acre. Up to 179 parking spaces are proposed. Vacation of a portion of W. 3rd Avenue, S. Pine Street, and public alley along the project frontage also is requested. An amendment to the Downtown Specific Plan is requested to eliminate the ground-floor commercial requirement and permit ground-floor residential units through the Planned Development Permit process. All of the existing structures would be demolished. The project is partially located on City-owned property (0.93 acres) and will require approval of a Purchase and Sale Agreement, as a concurrent discretionary action.

Name of Public Agency Approving Project: City of Escondido

Name of Person or Agency Carrying Out Project:

Name: Renovation Realty, Inc. (Rep: Cannon Christian) Telephone: (858) 243-3621

Address: 4830 Viewridge Avenue, Ste D., San Diego, CA 92123

Private entity School district Local public agency State agency Other special district

Exempt Status: Categorical Exemption. CEQA Guidelines section 15332 (In-Fill Development Projects) and section 15312 (Surplus Government Property Sales).

Reasons why project is exempt:

The proposed project qualifies for a categorical exemption pursuant to CEQA Guidelines section 15332, as an In-Fill Project, and section 15312 Surplus Government Property Sales meeting all applicable conditions, as further described below.

General Plan and Zoning Consistency

The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations. The City's General Plan land use designation for the project site is Specific Plan (SP). The project site is located within the Mercado District (M) of the Downtown Specific Plan (SPA 9). Multi-family residential and condominium type development up to 100 dwelling units per acre and buildings up to 4 stories and 60 feet in height are permitted within the Mercado District of the Downtown Specific Plan. The



## Attachment "3"

Downtown Specific Plan allows for modifications to development standards through the discretionary Planned Development process. The project thus adheres to the criteria of CEQA Guidelines section 15332(a).

### **Project Location, Size, and Context**

Public Resources Code section 21072 defines a "qualified urban use" as "any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses." The project is on a site within City limits that is no more than five acres and substantially surrounded by qualified urban uses.

The approximately 2.3-acre project site is located within an urban downtown area of the City, and has been previously developed with residential and commercial-type development. The site is surrounded by urban development and public streets. The project thus adheres to the criteria of CEQA Guidelines section 15332(b).

### **Endangered, Rare, or Threatened Species**

The project site is located within the highly developed and urban area of the City, and developed with residential and commercial uses. The site is surrounded on all sides by either developed properties and/or city streets. No riparian habitat or other sensitive natural community or potential jurisdictional features were observed within the project site or within a 100-foot boundary from the project site. It was therefore concluded that the project would not result in any significant biological impacts. The project thus adheres to the criteria of CEQA Guidelines section 15332(c).

### **Traffic**

A Traffic Impact Analysis (TIA) was prepared for the project by Linscott Law and Greenspan (January 2020). The Project is anticipated to generate up to 720 daily trips with 58 trips (12 inbound/46 outbound) in a.m. peak hour and 65 trips (46 inbound/19 outbound) during p.m. peak hour. It was concluded that the project would not result in any significant traffic or transportation related impacts.

### **Noise**

A Noise Technical Report was prepared for the Project by Helix Environmental Planning (August 2019). The proposed condominium development would be compatible with the adjacent uses, and as such, the project is not anticipated to generate any significant increases to the existing ambient noise level. Operational noise sources, would not exceed allowable City limits, and construction-related impacts are short term and would cease once the project is completed. It was therefore concluded that the project would not result in any significant noise impacts.

### **Air Quality**

An Air Quality Technical Report was prepared for the Project by Helix Environmental Planning (August 2019). Due to the residential nature of the project and number of proposed condominium units (120 units), the project would not exceed screening-level criteria thresholds for construction or operational level impacts, nor create any operational related dust or odor-related impacts. Project emissions also would not exceed the GHG screening threshold of 2,500 MT CO<sub>2</sub>e established by the City of Escondido Climate Action Plan. It was therefore concluded that the project would not result in any significant air quality or GHG impacts.

### **Water Quality**

A preliminary drainage study and Storm Water Quality Management Plan was prepared for the project. Storm water quality impacts during construction would be prevented through implementation of a grading and erosion control plan that is required by the City's Grading and Erosion Control Ordinance (Article 55 of the Escondido Municipal Code) and the State General Permit to Discharge Stormwater Associated with Construction Activities (NPDES No. CA2000002), which requires preparation of a Storm Water Pollution Prevention Plan (SWPPP) by a Qualified SWPPP Developer. It was therefore concluded that the project would not result in any significant water quality impacts.

For the foregoing reasons, with respect to traffic, noise, air quality, and water quality, the project adheres to the criteria of CEQA Guidelines section 15332(d).

### **Utilities and Public Services**

The Fire Department indicated that appropriate fire protection can be provided with the implementation of the required building/site design features. Appropriate fire flow would be provided to the project site with the installation of the required water line upgrades and fire hydrants.

Sewer and water would be provided by the City of Escondido. San Diego Gas and Electric (SDG&E) would provide electrical service to the site. The Engineering Division indicated that appropriate utilities will be provided to the project with existing facilities located within existing streets or easements. Escondido Disposal, Inc. would provide trash service.

Attachment "3"

It was therefore concluded that the project would not result in any significant utility or public service impacts. The project thus adheres to the criteria of CEQA Guidelines section 15332(e).

The proposed project or its circumstances also would not result in any exceptions to categorical exemptions, as identified in CEQA Guidelines section 15300.2, as further described below:

**Location:** Not applicable to Class 32 exemption

**Cumulative Impact:** All resource topics associated with the project have been analyzed and were found to pose no significant impact. The project would not make a cumulatively considerable contribution to a significant cumulative impact.

**Significant Effect:** There are no known unusual circumstances applicable to the project or project site that could result in a significant effect on the environment.

**Scenic Highways:** The project is not located in the vicinity of any designated or eligible state scenic highway.

**Hazardous Waste Sites:** There are no on-site hazardous waste sites associated with the project site listed under Government Code section 65962.5.

**Historic Resources:** A Cultural Resource Study, dated July 2019, was prepared for the project by PanGis. It was concluded the project will not cause a substantial adverse change in the significance of a historical resource. None of the documented cultural resources within the project area are considered historical resources for the purposes of CEQA, and none are considered historic properties under Section 106 of NHPA. Tribal outreach and consultation also were conducted in accordance with State Senate Bill 18 and State Assembly Bill 52.

For the foregoing reasons, the project and sale of surplus City property is categorically exempt pursuant to CEQA Guidelines section 15332, as an in-fill development project and section 15312 for surplus government property sales.

**Lead Agency Contact Person:** Jay Paul, Planning Division Area Code/Telephone/Extension (760) 839-4537

Signature: *J Paul* April 27, 2021  
Jay Paul, Senior Planner Date

Signed by Lead Agency Date received for filing at OPR: N/A

**From:** noreply@escondido.org <noreply@escondido.org>  
**Sent:** Tuesday, April 13, 2021 3:49 PM  
**To:** Joanne Tasher <jtasher@escondido.org>; Mike Strong <mstrong@escondido.org>; Adam Finestone <afinestone@escondido.org>; Kurt G. Whitman <kwhitman@escondido.org>  
**Subject:** Form Submission Received - (Community Development Department and related decision-making body Comment Form)

From Url: <https://www.escondido.org/public-comment-form.aspx>  
From IP Address: 172.98.87.145

**Email** [johnjorgensen@gmail.com](mailto:johnjorgensen@gmail.com)  
**Meeting type** Planning Commission  
**Meeting Date** 4/13/2021  
**Planning Case #** SUB 20-0001  
**Subject** Read Out Loud  
**Position** In Opposition  
**First and Last Name** John Jorgensen  
**Escondido Resident** True  
**Street Address** 215 Antoni Glen 1112  
**City** Escondido  
**State** CA  
**Zip** 92025

**Comments** I am for development of the city, new homes, and business, but Exemptions Exemptions Exemptions! Why don't we just toss the City Planning Commission all together? You can't be serious. What audacity. The bottom line is this proposal cuts out all the safe guards and rules that are designed to improve the quality of life and the standard of homes and infrastructure in Escondido. And the savings in dollars will go straight into the pockets of the developer. The city and new home owners will suffer the consequences for the next 50 years. Allowance of 51.5 dwellings per acre is excessive and should not be allowed. The area already has traffic problems, numerous accidents, racing of cars and motorcycles at high speeds, and with NOISY ILLEGAL EXHAUST systems. What is the plan to mediate the existing problems? Adding a 4 story building will multiply the noise for existing home owners as sound reverberates between the buildings. In summary I am against this plan as currently written and say NO TO ANY EXEMPTIONS. We can do better. We can do this the right way.

A form has been submitted, click the link below to view the submission:

**From:** noreply@escondido.org <noreply@escondido.org>  
**Sent:** Tuesday, April 13, 2021 11:43 AM  
**To:** Joanne Tasher <jtasher@escondido.org>; Mike Strong <mstrong@escondido.org>; Adam Finestone <afinestone@escondido.org>; Kurt G. Whitman <kwhitman@escondido.org>  
**Subject:** Form Submission Received - (Community Development Department and related decision-making body Comment Form)

From Url: <https://www.escondido.org/public-comment-form.aspx>  
From IP Address: 13.52.196.232

**Email** [emccoy1965@gmail.com](mailto:emccoy1965@gmail.com)  
**Meeting type** Planning Commission  
**Meeting Date** 4/13/2021  
**Planning Case #** SUB20-0001, PHG 20-0009, ENV 20-0001  
**Subject** Read Out Loud  
**Position** In Favor  
**First and Last Name** Ed McCoy  
**Escondido Resident** False  
**Street Address** 3305 Jasmine Pl  
**City**  
**State**  
**Zip**

**Comments** Chairperson and members of the Planning Commission, please accept this written statement as support for the new 120 unit residential project on 2nd Avenue. This is a very appropriate location for this type of development as it will further the City's goals of enlivening downtown as well as providing density near transit. This area is slowly transforming into a walkable neighborhood with a mixture of residential, restaurant, and retail uses. Additional housing will support local businesses and provide further impetus for more investment. Given the proximity to the transit station and the urban nature of the Downtown Specific Plan, parking and open space reductions are appropriate. Thank you, and we are hopeful you support this project.

A form has been submitted, click the link below to view the submission:  
<https://www.escondido.org/FormWizard/ViewSubmission.aspx?mid=5324&pageid=3185&rid=0c90bf71-4935-4a0e-a645-f8fa86e69183>

**From:** noreply@escondido.org <noreply@escondido.org>  
**Sent:** Monday, April 12, 2021 1:36 PM  
**To:** Joanne Tasher <jtasher@escondido.org>; Mike Strong <mstrong@escondido.org>; Adam Finestone <afinestone@escondido.org>; Kurt G. Whitman <kwhitman@escondido.org>  
**Subject:** Form Submission Received - (Community Development Department and related decision-making body Comment Form)

From Url: <https://www.escondido.org/public-comment-form.aspx>  
From IP Address: 98.175.254.180

**Email** [aliciarv81@live.com](mailto:aliciarv81@live.com)  
**Meeting type** Planning Commission  
**Meeting Date** 4/13/2021  
**Planning Case #** SUB 20-0001  
**Subject** Reduction in Parking  
**Position** In Opposition  
**First and Last Name** Alicia Ruvalcaba  
**Escondido Resident** True  
**Street Address** 2525 Old San Pasqual Rd.  
**City** Escondido  
**State** CA  
**Zip** 92027

**Comments** My name is Alicia Ruvalcaba and my family, and I operate and own Mi Guadalajara Restaurant. We are right next door to this property. We are happy about the new condominiums going up, our concern is parking. Pre-Covid we have always struggled with parking, especially on the weekends. Things are starting to slowly go back to normal and we know that this will be an issue again. I hope we can find a solution that works for everyone.

A form has been submitted, click the link below to view the submission:  
<https://www.escondido.org/FormWizard/ViewSubmission.aspx?mid=5324&pageid=3185&rid=1264696e-1552-4cec-8358-fc9119ae1552>

**From:** noreply@escondido.org <noreply@escondido.org>  
**Sent:** Monday, April 12, 2021 11:32 PM  
**To:** Joanne Tasher <jtasher@escondido.org>; Mike Strong <mstrong@escondido.org>; Adam Finestone <afinestone@escondido.org>; Kurt G. Whitman <kwhitman@escondido.org>  
**Subject:** Form Submission Received - (Community Development Department and related decision-making body Comment Form)

**From Url:** <https://www.escondido.org/public-comment-form.aspx>  
**From IP Address:** 38.22.62.245

**Email** [maritza.miguadalajara@gmail.com](mailto:maritza.miguadalajara@gmail.com)  
**Meeting type** Planning Commission  
**Meeting Date** 4/13/2021  
**Planning Case #** SUB 20-0001, PHG 20-0009, ENV 20-0001  
**Subject** Read out loud  
**Position** In Opposition  
**First and Last Name** Maritza Ruvalcaba  
**Escondido Resident** True  
**Street Address** 525 W 2nd Avenue  
**City** Escondido  
**State** Ca  
**Zip** 92025

**Comments** Hello my name is Maritza Ruvalcaba. My family owns and operates Mi Guadalajara Mexican Restaurant on 2nd Avenue and Quince Street. We have been in business in Escondido for nearly forty years. This proposed planned development is right next door to us. Parking has been an issue for us for many years. There is little street parking available in the area. We fear that the issues with parking that already exist are only going to get worse with this project. Our employees and customers, me included, use the street parking available on 2nd Avenue and the little parking that is available on Quince Street. They also park in the area where the former Lopez Market used to be, which is a part of the property included in this project. If this development plan is approved as is, our business will be significantly impacted. As business owners we take

#### Attachment "4"

issue with the fact that this development plan is seeking to accommodate up to 120 condominium units with a proposed 179 parking spaces. This is a 14% (30 space) reduction in parking from the required 209 spaces. Those 179 parking spaces divided between 120 condominium units means that each unit would get 1.49 parking spaces. In my opinion this is not nearly enough parking for this type of project. A simple internet search tells you that car ownership in San Diego County is approximately the same as the national average, which is two cars per household. Where will the residents of this proposed development park their second vehicles? When the residents have guests visiting them, where will those visitors park? Again, this area already has very little street parking available. We feel the need to point out that there are already two projects within a 1-2 mile radius of our business that have been approved to allow for parking reductions. The project across the street from us is located on the corner of Grand Avenue and Quince Street on a 0.4 acre lot. It is a 32 unit apartment building that the Escondido Planning Commission approved in 2019. The other project is a senior housing development on the corner of W Valley Parkway and Quince Street on a 1.47 acre lot. This project is a 145 unit development that was also approved in 2019. I ask you to truly consider the impact that all these projects will have on the local businesses in the area in the coming years. We believe that it is irresponsible and careless of the Escondido Planning Division to approve yet another project with a significant reduction in required parking in the area. To be clear, our main concern with the approval of this project is availability of parking in the area. Parking has been an issue for us for many years, and we fear the problem is only going to get worse. I appreciate the time and consideration of the members of the Planning Commission and staff.

A form has been submitted, click the link below to view the submission:

<https://www.escondido.org/FormWizard/ViewSubmission.aspx?mid=5324&pageid=3185&rid=f31782ce-c290-4293-a736-ca5eaf8c01ae>

**From:** noreply@escondido.org <noreply@escondido.org>  
**Sent:** Saturday, April 10, 2021 1:24:47 PM  
**To:** Joanne Tasher; Mike Strong; Adam Finestone; Kurt G. Whitman  
**Subject:** Form Submission Received - (Community Development Department and related decision-making body Comment Form)

From Url: <https://www.escondido.org/public-comment-form.aspx>  
From IP Address: 76.240.96.210

**Email** david.lyle.mathias@gmail.com  
**Meeting type** Planning Commission  
**Meeting Date** 4/13/2021  
**Planning Case #** SUB 20-0001  
**Subject** Read Out Loud  
**Position** In Favor  
**First and Last Name** David Mathias  
**Escondido Resident** True  
**Street Address** 215 Antoni Glen, Unit 1108  
**City** Escondido  
**State** CA  
**Zip** 92025

**Comments** Escondido Planning Commission & Esteemed Residents, My wife and I live in the Contempo Townhome community across Centre City Parkway from this proposal. We would like to voice our support of the development. We need this kind of development to attract new residents to our city, residents who will be home owners, tax payers, clients of our businesses and stores, and community members of our town. We want our town to thrive and believe this is a positive step towards that goal, along with the new Rowan Apartments, redevelopment of the Palomar Medical Center, and other similar projects. We should not fear change but welcome it and use it as a catalyst for positive growth. Allowing a 14% reduction in parking is disappointing, but reasonable. New development must account for parking within the space they are provided to ensure reasonable parking for the whole community. They should not receive any additional exemptions. Finally, we implore the Planning Commission to institute a speed limit of 35mph on Centre City Parkway from W Felicita Ave to HWY 78. We witness accidents on 2nd and Centre City and Grand and Centre City on a monthly basis. These roads are too fast and too dangerous for pedestrians and motorists in our downtown area. Thank you for your time and consideration, David & Claudia Mathias



ORDINANCE NO. 2021-05

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING AN AMENDMENT TO THE DOWNTOWN SPECIFIC PLAN AND MASTER DEVELOPMENT FOR A 120-UNIT CONDOMINIUM DEVELOPMENT AND AUTHORIZING THE FILING OF A NOTICE OF EXEMPTION

APPLICANT: Renovation Realty, Inc.  
CASE NO.: SUB 20-0001, PHG 20-0009 and ENV 20-0001

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) Renovation Realty, Inc. ("Applicant") filed a land use development application, Planning Case Nos. SUB 20-0001, PHG 20-0009 and ENV 20-0001 ("Application") constituting a request for a one-lot Tentative Subdivision Map, Master and Precise Development Plan for the development of 120 condominium units, Amendment to the Downtown Specific Plan, vacation of right-of-way and Purchase and Sale Agreement ("Project"). The approximately 2.33-acre Project site generally is located on the southwestern corner of W. 2nd Avenue and S. Pine Street, north of W. 3rd Avenue, east of S. Quince Street, addressed at 235 W. 2nd Avenue and others, (APNs 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-13-00, 233-032-14-00, 233-032-17-00, 233-032-18-00, 233-032-19-00, and 233-032-21-00), in the Mercado District of the Downtown Specific Plan, and more particularly described in Exhibit "A" attached to this Ordinance and incorporated by this reference as though fully set forth herein ("Property"); and

b) The Application was submitted to, and processed by, the Planning Division of the Community Development Department as Planning Case No. PHG 20-0009. The Applicant seeks approval of an Amendment to the Downtown Specific Plan to eliminate the ground-floor commercial requirement and permit ground-floor residential units within the Mercado District, as shown on Exhibit "C" (Specific Plan Amendment), along with a Master Development Plan to construct a 120 condominium project, as shown on Exhibits "D" (Master Development Plan), and on file in the Planning Division, and incorporated herein by this reference as though fully set forth.

c) The Planning Division of the Community Development Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for April 13, 2021. Following the public hearing on April 13, 2021, the Planning Commission adopted Resolution No. 2021-02, which recommended that the City Council, among other things, approve the Project, including actions to amend the Downtown Specific Plan and to adopt a Master Development Plan.

SECTION 2. An original copy of the proposed Amendment to the Downtown Specific Plan, and Master Development Plan and all other related Project materials are on file in the Office of the City Clerk, with a copy of each document submitted to the City Council for its consideration. The City Clerk, whose office is located at 201 North Broadway, Escondido, California 92025, is hereby designated as the custodian of the documents and other materials which constitute the record of proceedings upon which the City Council's decision is based, which documents and materials shall be available for public inspection and copying in accordance with the provisions of the California Public Records Act.

SECTION 3. The City Council did on May 12, 2021, hold a duly noticed public hearing as prescribed by law. Evidence was submitted to and considered by the City Council, including, without limitation:

- a) Written information including all application materials and other written and graphical information posted on the project website.
- b) Oral testimony from City staff, interested parties, and the public.
- c) The City Council staff report, dated May 12, 2021, which along with its attachments, is incorporated herein by this reference as though fully set forth herein, including the Planning Commission's recommendation on the request.
- d) Additional information submitted during the public hearing.

SECTION 4. Pursuant to the California Environmental Quality Act, Public Resource Code section 21000 et seq. ("CEQA") the Project is categorically exempt from environmental review in conformance with CEQA Guidelines section 15332 as an in-fill development project, and section 15312 for surplus government property sales. The City Council adopts such categorical exemption, which is provided as an attachment to the May 12, 2021 staff report and incorporated herein by this reference as though fully set forth herein, and a Notice of Exemption will be filed with the County Clerk.

SECTION 5. That, upon consideration of the Findings of Fact/Factors to be Considered, attached as Exhibit "B" and incorporated herein by reference as though fully set forth herein, the City Council approves the Specific Plan Amendment and the Master Development Plan, attached as Exhibits "C" and "D" respectively and incorporated herein by this reference as though fully set forth herein.

SECTION 6. Concurrently with the action on this Ordinance, the City Council is taking a number of actions in furtherance of the Project, as generally described in the May 12, 2021, City Council staff report. No single component of the series of actions made in connection with the Project shall be effective unless and until it is approved by an Ordinance or Resolution and is procedurally effective in the manner provided by state law. Therefore, this Ordinance shall become effective and operative only if City Council Resolution Nos. 2021-61 and 2021-64 are approved.

SECTION 7. All references within this Ordinance to "Applicant" or "Developer," shall be equally applicable to the current property owner and to any successors-in-interest or assigns, whether such successors or assigns own, control, or otherwise have development authority for all, a portion, or portions of that property included within the Project site.

SECTION 8. 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 9. That as of the effective date of this ordinance, all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 10. The City Council authorizes all subsequent action to be taken by City Officials consistent with this Ordinance.

SECTION 11. That the City Clerk is hereby directed to certify to the passage of this Ordinance and to cause the same or a summary to be prepared in accordance with

Government Code Section 36933, to be published one time within 15 days of its passage in a newspaper of general circulation, printed and published in the County and circulated in the City of Escondido.

SECTION 12. The Ordinance shall become effective 30 days from the date of the passage.

## EXHIBIT "A"

### Legal Description SUB 20-0001, PHG 20-0009, and ENV 20-0001

The land hereinafter referred to is situated in the City of Escondido, County of San Diego, State of CA, and is described as follows:

Lot 7 and 8, Block 88 of Escondido in the City of Escondido, County of San Diego, State of California according to Map thereof No. 336, filed in the Office of the County Recorder of San Diego County, July 10, 1886. Excepting therefrom the Easterly 6 feet of Lot 8.

APN: 233-032-19-00

APN: 233-032-10-00

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ESCONDIDO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

#### PARCEL 1:

LOTS 9 AND 10 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-07-00; 233-032-08-00

#### PARCEL 2:

LOTS 3, 4 AND 5 OF BLOCK 88 OF ESCONDIDO, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-12-00; 233-032-13-00; 233-032-14-00

#### PARCEL 3:

LOTS 7 AND 8 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

EXCEPT THE EASTERLY 6 FEET OF LOT 8.

APN(S): 233-032-10-00; 233-032-19-00

#### PARCEL 4:

LOT 6 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-11-00

#### PARCEL 5:

THE SOUTHEASTERLY ONE HALF OF LOTS 1 AND 2 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 33-032-17-00

## EXHIBIT "B"

### Findings of Fact/Factors to be Considered SUB 20-0001, PHG 20-0009, and ENV 20-0001

#### Environmental Determination(s)

1. Pursuant to the California Environmental Quality Act (Public Resources Code section 21000 et. seq.) ("CEQA"), and its implementing regulations (14 C.C.R. § 15000 et seq.) ("CEQA Guidelines"), the City of Escondido ("City") is the Lead Agency for the project ("Project"), as the public agency with the principal responsibility for approving the Project.
  
2. The Project qualifies for an exemption from further environmental review pursuant to CEQA Guidelines section 15332 (In-Fill Development Projects) because such categorical exemption applies to proposed developments within city limits on sites of no more than five acres substantially surrounded by urban uses, where the site has no habitat value for special status species, can be adequately served by all required utilities and public services, and the project would not result in any significant effects relating to traffic, noise, air quality, or water quality. (CEQA Guidelines § 15332(b)-(e)). The Purchase and Sale Agreement also qualifies for an exemption from further environmental review pursuant to CEQA Guidelines section 15312 (Surplus Government Property Sales). Technical studies were requested by the Planning Division to substantiate the categorical exemption as applied to the Project. The proposed Project meets the following criteria:
  - a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
  - b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
  - c. The project site has no value as habitat for endangered, rare or threatened species.
  - d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
  - e. The site can be adequately served by all required utilities and public services

The Project also does not trigger any exceptions to the categorical exemption as listed in CEQA Guidelines section 15300.2.

3. The City Council has independently considered the full administrative record before it, which includes but is not limited to the May 12, 2021, City Council Staff Report; testimony by staff and the public; and other materials and evidence submitted or provided to it. The administrative record demonstrates that each of the above requirements have been satisfied. No substantial evidence has been submitted that would support a finding that any of the above-described exemption requirements has not been satisfied. The Project will not have a significant effect on the environment, and all of the requirements of CEQA have been met.

## **Master Development Plan**

1. The location, design, and residential density of the proposed planned development are consistent with the goals and policies of the Escondido General Plan because high-density residential and mixed-use development is permitted and encouraged in Specific Plan Area (SPA 9). The proposed infill residential project would be in conformance with General Plan Housing Goals and Policies to plan for quality managed and sustainable growth and provide a range of housing opportunities for all income groups and populations with special needs, and which encourage a compact, efficient urban form that promotes transit, supports nearby commercial establishments and takes advantage of infrastructure improvements installed to accommodate their intended intensities. The site is physically suitable for the proposed density of development because the property is within a high-density redevelopment area and the project will assist in the ongoing revitalization of the Mercado District and Downtown retail core by establishing a permanent residential base in the downtown area. The subject site is located within the Mercado District of the Downtown Specific Plan, which allows multi-family mixed-use development up to 100 du/ac. Based on the property size of 2.33 acres, the Mercado District would allow up to 233 units and a four-story structure up to 60 feet in height. The request to construct 120 units and a 4-story structure up to 65 feet in height is consistent with the land use density and development requirements envisioned for this area. The Zoning Code allows certain non-habitable architectural features to exceed height limits, such as towers, parapets and mechanical screens. The project density of 51.5 du/ac is consistent with the allowable density for the project site.

The proposed Planned Development, consisting of a Master and Precise Development Plan, includes a request for a parking reduction from 208 spaces to 179 spaces (29 spaces or 14%), a 49 percent reduction in the overall open space requirement, and the allowance of ground-floor residential uses throughout the project site. The Planned Development also includes a request to allow up to 70 square feet in wall signage; minor setback encroachment for screen wall along 2nd Avenue, and reduction in covered parking spaces from 120 (one per unit) to 73 covered spaces. The Downtown Specific Plan allows for modifications to development standards through the Planned Development process. The proposed modifications to the development standards would be appropriate for this project, as discussed in the City Council staff report dated May 12, 2021.

2. The proposed location of the development allows the planned development to be well integrated with its surroundings by providing a high-density mixed-use residential housing project in close proximity to transit, and near retail and other commercially developed properties. Adequate parking, circulation, utilities and access would be provided for the development (as detailed in the staff report). The project also would not be out of character for the area because the Mercado District of the Downtown Specific Plan envisions an upscale urban area with a mix of high-density residential and commercial development, and the proximity to the Escondido Transit Center makes the density appropriate. The overall mass and scale of the buildings is appropriate for the proposed location due to the street-oriented



appeal and urban design characteristics, along with the quality of the architectural design and use of a variety of building materials and colors.

3. All vehicular traffic generated by the proposed development would be accommodated safely and without causing undue congestion upon adjoining streets, as determined by the Engineering Division and detailed in the preliminary Traffic Assessment that was prepared for the project by Linscott, Law and Greenspan.
4. The overall design of the proposed residential mixed-use development would produce an attractive, efficient and stable environment for living, because adequate residential amenities, parking, and landscaping would be provided, and the design of the development is consistent with a high quality, urban infill project that will provide housing opportunities within walking distance of downtown commercial and retail services consistent with the City's vision for the downtown area. The project includes sufficient on-site open space amenities appropriate for this high-density urban development, including a podium and roof-deck common open areas with view decks and outdoor seating areas, and private balconies for each unit.
5. The proposed development would be well integrated into its surroundings, because the new structures would incorporate compatible and integrated architecture, materials and colors, and the project would not be visually obstructive or disharmonious with surrounding areas, or harm major views from adjacent properties. The proposed grading design would not result in any manufactured slopes or pads that would create any significant adverse visual or compatibility impacts with adjacent lots, nor block any significant views. Extensive grading is not required to support the project, and the project would not result in the destruction of desirable natural features, nor be visually obstructive or disharmonious with surrounding areas because the site is not located on a skyline or intermediate ridge, and the site does not contain any significant topographical features.
6. Utilizing the Planned Development process allows flexibility from the Downtown Specific Plan requirements in order to achieve a high-density residential project in the urban core. The project would provide residential opportunities integrated into a comprehensive and self-contained development, which creates an environment of sustained desirability and stability through the controls offered and regulated through the Planned Development process.
7. The project would provide an environment of sustained desirability and stability because city services and adequate access would be provided; adequate parking would be provided; the proposed architecture would be integrated into its surroundings; and the project could serve as a catalyst for further revitalization efforts in the area.
8. The improvements are not likely to cause substantial environmental concerns because the property was previously developed as with residential and commercial uses. The site does not contain any sensitive or protected habitat or other environmental concerns as determined during the environmental review. The design of the project and the type of improvements are not likely to cause serious public health problems because the project will not degrade the levels of service on the adjoining streets or drainage system as the project incorporates street

and drainage improvements are part of the project and city sewer and water is available to the site.

9. The general provisions, conditions, and exceptions applicable to the underlying Downtown Specific Plan shall be applied in the planned development zone, unless a different regulation or standard is prescribed by an adopted planned development zone. Development standards related to parking, open space, and sign placement as described in the May 12, 2021 staff report shall be governed by site-specific the Master Development Plan standards, which shall be adopted as part of the zone. All other provisions of the Escondido Zoning Code shall prevail during the implementation and operation of the Project.

### **No Net Loss**

1. No Net Loss Law (Government Code section 65863) applies when a site is included in the jurisdiction's Housing Element's inventory of sites and is either rezoned to a lower residential density or is approved at a lower residential density or affordability level than shown in the Housing Element. The City does not need to determine if this Project or a decision related to this Project would be subject to No Net Loss Law and its remedies. The Project site is not identified in the vacant/underutilized sites land inventory of the City's Fifth Cycle (current) Housing Element (i.e. Figure XI-1 and matrix Figure XI-2 of Chapter XI of the General Plan).

### **Specific Plan Amendment:**

1. The public health, safety and welfare would not be adversely affected by the proposed amendment to the Downtown Specific Plan because the amendment would refine development standards in a manner that would allow a development that would assist in ongoing efforts to promote an economically vibrant downtown with high-density residential uses in close proximity to the Escondido Transit Center.

The proposed action to amend the Downtown Specific Plan to change the location for mandatory ground-floor residential land uses seek to remove governmental constraints aimed at improving, maintaining, and developing housing opportunities in the Escondido community. The Amendment is necessary to ensure future projects are feasible and not unduly constrained by housing development, while facilitating the reasonable application of land use regulation to ensure desired community character is preserved.

2. The proposed amendment to the Downtown Specific Plan would not be detrimental to surrounding properties because it would assist in implementation of the vision and goals identified in the Specific Plan. The proposed changes would have no effect on the residential density allowed in the area and would not allow any new commercial uses that are not already permitted in the Specific Plan. Additionally, the amendment would allow a development that would increase the residential population in an area where public transportation is readily available and would support the economic viability of existing and future businesses in the project vicinity.
3. The proposed amendment to the Downtown Specific Plan would be consistent with the General Plan because it would not increase residential densities allowed by the General Plan,

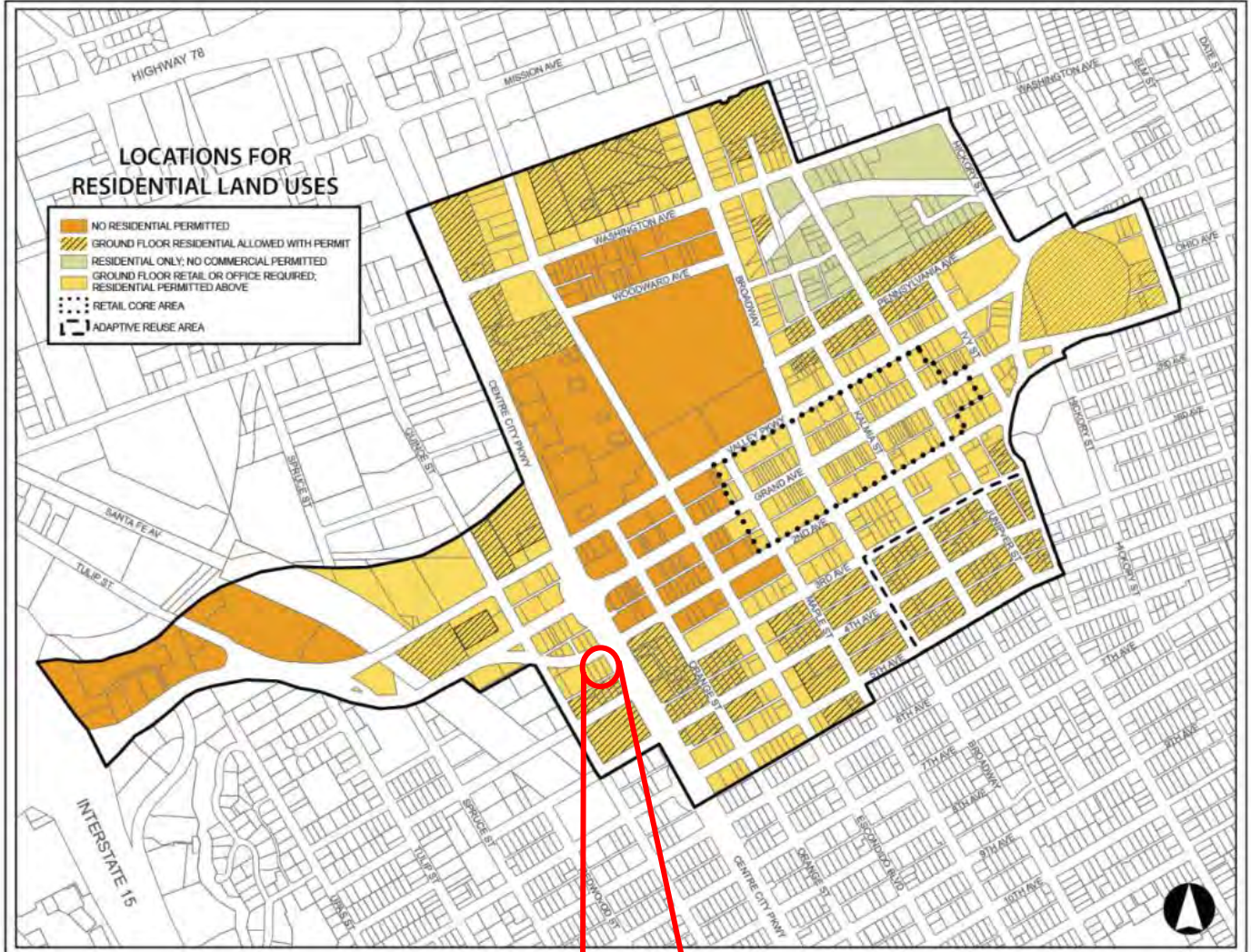
would not detrimentally impact levels of service on area roadways, would not unduly burden public services in the area, and would be consistent with the transit-oriented development opportunities envisioned for the project area. It would also retain the General Plan vision which states the Downtown Specific Plan shall provide a range of retail, office, financial, cultural and residential opportunities. The specific plan goal to create an efficiently organized, aesthetically pleasing and vibrant downtown is further enabled and enhanced as a result of the proposed amendment.

# EXHIBIT "C"

## DSP Figure II-4

Revise Figure II-4 of the Downtown Specific Plan to allow ground floor residential uses on the subject property through the Planned Development application process, as depicted below on the following pages.

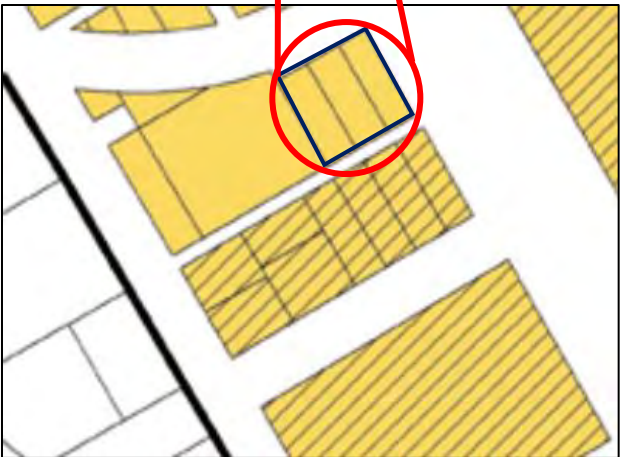
EXISTING FIGURE II-4 (detail area shown for clarity)



Page II-12

LAND USES

FIGURE II-4

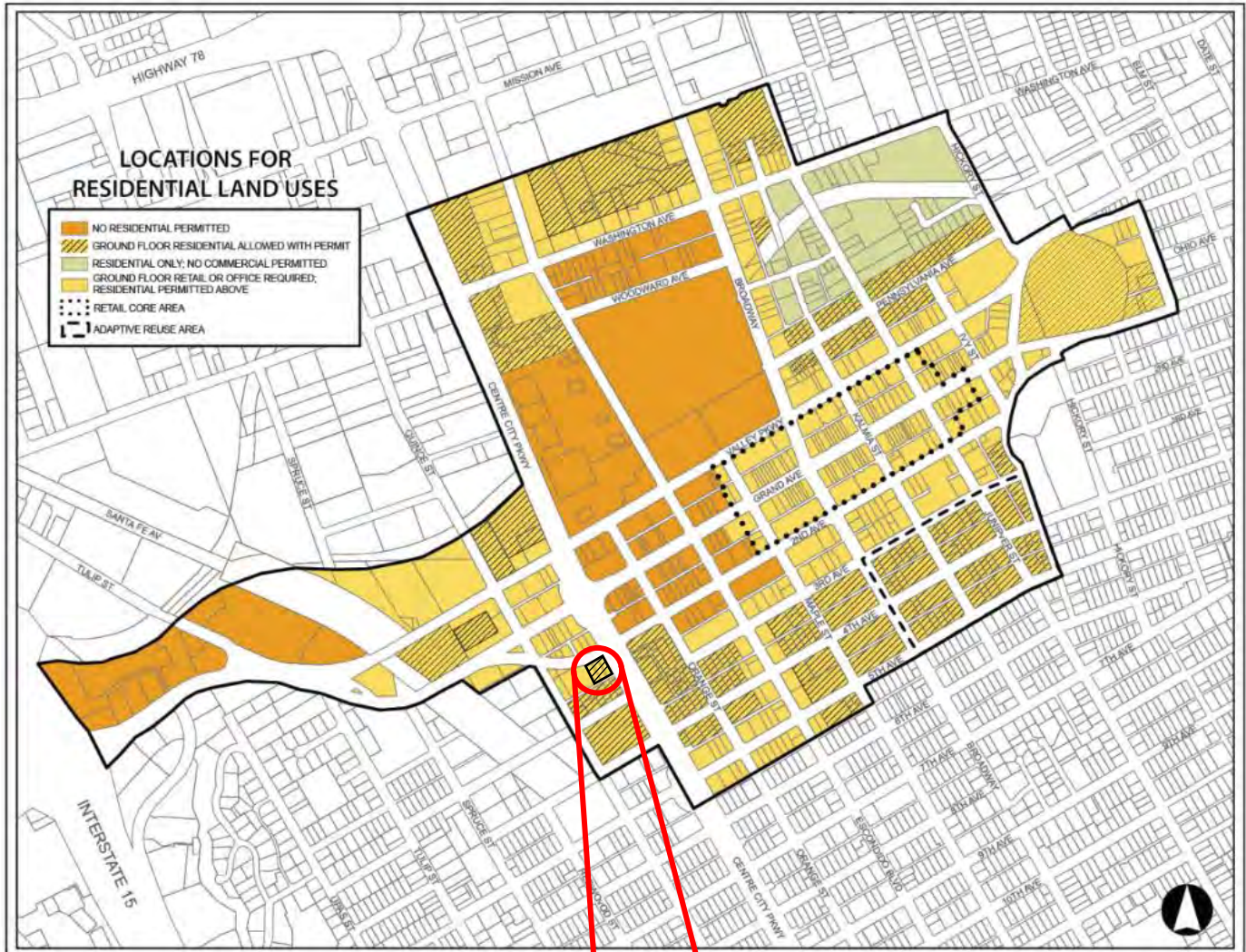


EXISTING MAP



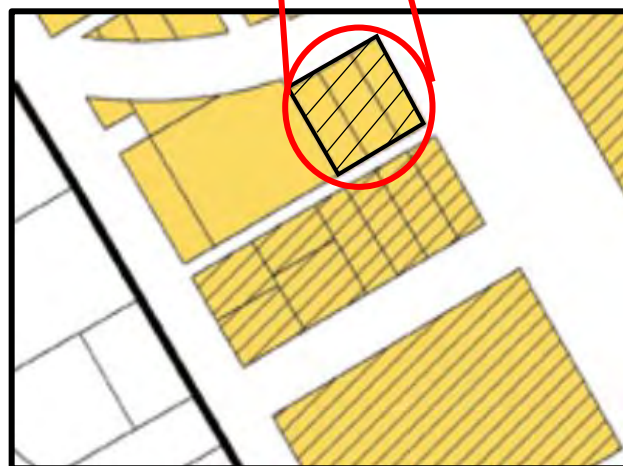
PROPOSED FIGURE II-4 (detail area shown for clarity)

Page II-12



LAND USES

FIGURE II-4



AREA OF MAP REVISION

# EXHIBIT "D"

## SUB 20-0001, PHG 20-0009, and ENV 20-0001



**Project Team**

**APPLICANT/OWNER**  
PACIFIC PROPERTIES INC.  
1000 W. BROADWAY  
SAN DIEGO, CA 92101  
CONTACT: PAUL MAYER

**RESIDENTIAL ARCHITECT**  
ARCHITECTS ORANGE  
1000 W. BROADWAY  
ORANGE, CA 92669  
CONTACT: SERAFIN MARRANAN  
KALLAU, TRAVIS MCHONEY

**CONSULTING ARCHITECT**  
SRA ARCHITECTS  
1000 W. BROADWAY  
VANCOUVER, BC V6H 1T1  
CONTACT: SOREN RASMUSSEN

**CIVIL ENGINEER**  
ENGINEERING SOLUTIONS  
1000 W. BROADWAY  
CANYON LAKE, CA 92587  
CONTACT: DAVID CURRINGTON

**LANDSCAPE ARCHITECT**  
GMP SOBRENTO VALLEY SUITE 200  
1000 W. BROADWAY  
SAN DIEGO, CA 92121  
CONTACT: JOHN PATTERNSON

**VICINITY MAP**

**PROPOSED PROJECT: SUB 20-0001  
TITLE PAGE**







- SITE PLAN NOTES**
1. THESE ARCHITECTURAL SHEETS HAVE BEEN PREPARED FOR THE OVERALL SITE PLAN. ANY CHANGES TO THE ARCHITECTURAL SHEETS MUST BE MADE TO ALL SHEETS OF THIS SET OF ARCHITECTURAL SHEETS.
  2. THE SITE PLAN SHALL BE SUBJECT TO THE CITY OF CHICAGO'S LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  3. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  4. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  5. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  6. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  7. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  8. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  9. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  10. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  11. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  12. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  13. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  14. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  15. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  16. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  17. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  18. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  19. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  20. THE SITE PLAN SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
- GENERAL NOTES**
1. THE LANDSCAPE ARCHITECTURE SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.
  2. THE LANDSCAPE ARCHITECTURE SHALL BE SUBJECT TO THE CHICAGO LANDMARKS ACT AND THE CHICAGO LANDMARKS ACT.



**PROPOSED PROJECT: SUB 20-0001  
 OVERALL SITE PLAN**



RESOLUTION NO. 2021-61

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
APPROVING A PRECISE DEVELOPMENT  
PLAN, TENTATIVE SUBDIVISION MAP, AND  
VACATION OF PUBLIC RIGHT OF WAY FOR  
A 120 UNIT RESIDENTIAL PROJECT AT 235  
S. PINE STREET

Case Nos. SUB 20-0001, PHG 20-0009 and ENV20-0001

WHEREAS, Renovation Realty, Inc. (“Applicant”) filed a land use development application, Planning Case Nos. SUB 20-0001, PHG 20-0009 and ENV 20-0001 (“Application”) for a Tentative Subdivision Map, Master and Precise Development Plan for the development of 120 condominium units, (“Project”), Amendment to the Downtown Specific Plan, vacation of right-of-way and Purchase and Sale Agreement on an approximately 2.33-acre project site located within the Mercado District of the Downtown Specific Plan. The Applicant seeks approval of a Tentative Subdivision Map, Precise Development Plan and vacation of public right of way along a portion of the Project’s W. 3rd Avenue and S. Pine Street frontage and public alley, to facilitate the construction of the condominium development as shown on Exhibit “A” (Tentative Subdivision Map), and incorporated herein by this reference as though fully set forth. The Project site generally is located on the southwestern corner of W. 2nd Avenue and S. Pine Street, north of W. 3rd Avenue, east of S. Quince Street, addressed at 235 W. 2nd Avenue and others, (APNs 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-13-00, 233-032-14-00, 233-032-17-00, 233-032-18-00, 233-032-19-00, and 233-032-21-00), and more particularly described in Exhibit “B” and incorporated by this reference as though fully set forth herein (“Property”); and

WHEREAS, the Application was submitted to, and processed by, the Planning Division of the Community Development Department in accordance with the rules and regulations of the Escondido Zoning Code and the applicable procedures and time limits specified by the Permit Streamlining Act (Government Code Section 65920 et seq.) and the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) (“CEQA”); and

WHEREAS, upon receipt of the Application, City staff sent written notifications of the proposed vacation to portions of W. 3rd Avenue, S. Pine Street, and the adjacent public alley to local utilities. Reservation of public utilities easement language can be included in the Street Vacation in order to protect utilities in place and/or future interests desired by the utilities providers; and

WHEREAS, pursuant to CEQA and the CEQA Guidelines (Title 14 of California Code of Regulations, Section 15000 et. seq.), the City is the Lead Agency for the Project, as the public agency with the principal responsibility for approving the proposed Project; and

WHEREAS, in accordance with CEQA, a Notice of Exemption relative to the Project was prepared and the City Council adopted it per City Council Ordinance No. 2021-05; and

WHEREAS, on April 13, 2021, the Planning Commission held a duly noticed public hearing as prescribed by law, at which interested persons were given the opportunity to appear and present their views with respect to the Application. Evidence was submitted to and considered by the Planning Commission, including written and oral testimony from City staff, interested parties, and the public. Following the public hearing, the Planning

Commission adopted Resolution No. 2021-02, recommending that the City Council, among other things, approve the Project, including actions to approve a Precise Development Plan, Tentative Subdivision Map, and vacation of public right-of-way; and

WHEREAS, an original copy of the proposed Precise Development Plan and Tentative Subdivision Map, and all other related Project materials are on file in the Office of the City Clerk, with a copy of each document submitted to the City Council for its consideration. The City Clerk, whose office is located at 201 North Broadway, Escondido, California, 92025, is hereby designated as the custodian of the documents and other materials which constitute the record of proceedings upon which the City Council's decision is based, which documents and materials shall be available for public inspection and copying in accordance with the provisions of the California Public Records Act; and

WHEREAS, Ordinance No. 78-2, enacted pursuant to Section 65974 of the California Government Code and pertaining to the dedication of land and fees for school facilities, has been adopted by the City of Escondido; and

WHEREAS, in accordance with Government Code Section 66473.5, no local agency shall approve a tentative map, unless there is a finding that the proposed subdivision, together with the provisions for its design and improvement, is consistent with the general plan required by Article 5 (commencing with Section 65300 of the Government Code), or any specific plan adopted pursuant to Article 8 (commencing with Section 65450 of the Government Code); and

WHEREAS, on May 12, 2021, the City Council held a duly noticed public hearing as prescribed by law. Evidence was submitted to and considered by the City Council, including without limitation:

- a) written testimony from City staff, interested parties, and the public.
- b) oral testimony from City staff, interested parties and the public.
- c) the City Council staff report, dated May 12, 2021, which along with its attachments, and Planning Commission's recommendation on the request, is incorporated herein by this reference as though fully set forth herein.
- d) additional information submitted during the public hearing; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, that in its independent judgment and after fully considering the totality of the record and evidence described and referenced in this Resolution, the City Council hereby declares:

1. That the foregoing recitations are true.
2. That the Findings of Fact, attached as Exhibit "C" and incorporated herein by this reference as though fully set forth herein, are hereby made by this City Council, and represent the City Council's careful consideration of the record. The findings of this City Council on Exhibit "C" shall be the final and determinative Findings of Fact on this matter.
4. That upon consideration of the Findings, all material in the May 12, 2021, staff report (a copy of which is on file in the Office of the City Clerk), public testimony presented at the hearing, and all other oral and written evidence on this project, the City Council approves the Precise Development Plan, Tentative Subdivision Map, and vacation of public right of way, as reflected on plans and documents on file in the offices of the City Clerk and Planning Division, and subject to Conditions of Approval set forth as Exhibit "D" incorporated herein by this reference as though fully set forth herein.

5. That this Tentative Subdivision Map and associated Master and Precise Development Plan shall be null and void unless a Final Map conforming to the Tentative Subdivision Map and all required conditions, is filed within 36 months of the effective date of this approval, or unless an Extension of Time is granted pursuant to section 66452.6 of the California Government Code and Chapter 32 (Subdivisions) of the Escondido Municipal Code.

6. That concurrently with this Resolution, the City Council is taking a number of actions in furtherance of the Project, as generally described by the May 21, 2021, City Council staff report. No single component of the series of actions made in connection with the Project shall be effective unless and until it is approved by an Ordinance or Resolution and is procedurally effective in the manner provided by state law. Therefore, this Resolution shall become effective and operative on the day immediately subsequent to the date that Ordinance No. 2021-05 and Resolution No. 2021-64 becomes effective.

7. The vacation resolution will be recorded with the San Diego County Recorder's Office.

BE IT FURTHER RESOLVED that, pursuant to Government Code Section 66020(d)(1):

1. NOTICE IS HEREBY GIVEN that the Project is subject to certain fees described in the City of Escondido's Development Fee Inventory on file in both the Community Development Department and Public Works Department. Approval of this development project is conditioned upon payment of all applicable development fees and connection fees in the manner provided in Chapter 6 of the Escondido Municipal Code. The Project is also subject to dedications, reservations, and exactions, as specified in the

Conditions of Approval.

2. NOTICE IS FURTHER GIVEN that the 90-day period during which to protest the imposition of any fee, dedication, reservation, or other exaction described in this resolution begins on the effective date of this resolution and any such protest must be in a manner that complies with Section 66020.

# EXHIBIT "A"

## SUB 20-0001, PHG 20-0009, and ENV 20-0001



**Project Team**

**APPLICANT/OWNER**  
PRIMOR PROPERTIES INC.  
10000 LA JOLLA VILLAGE CENTER  
SAN DIEGO, CA 92121  
CONTACT: PAUL MAYER

**RESIDENTIAL ARCHITECT**  
ARCHITECTS ORANGE  
10000 LA JOLLA VILLAGE CENTER  
ORANGE, CA 92668  
CONTACT: SERAFIN MARRANAN  
KALLAU, TRAVIS MCHONEY

**CONSULTING ARCHITECT**  
SRA ARCHITECTS  
10000 LA JOLLA VILLAGE CENTER  
VANCOUVER, BC V8V 1T1  
CONTACT: SOREN RASMUSSEN

**CIVIL ENGINEER**  
ENGINEERING SOLUTIONS  
10000 LA JOLLA VILLAGE CENTER  
CANYON LANE, CA 92587  
CONTACT: DAVID CURRINGTON

**LANDSCAPE ARCHITECT**  
GMP SOBRENTO VALLEY SUITE 200  
10000 LA JOLLA VILLAGE CENTER  
SAN DIEGO, CA 92121  
CONTACT: JOHN PATTERNSON

**VICINITY MAP**

**PROPOSED PROJECT: SUB 20-0001  
TITLE PAGE**

**CASA MERCADO APARTMENTS  
 ESCONDIDO, CA**

**PROJECT DESCRIPTION**

A FOUR STORY, 120 UNIT APARTMENT PROJECT,  
 CONSISTING OF 4-STORY TYPE V-A ON GRADE,  
 WITH FULL 1/3 AUTOMATIC SPRINKLER SYSTEM

GROSS LAND AREA: 2.33 ACRES  
 TOTAL UNITS: 120 UNITS  
 DENSITY: 51.5 DU/AC

**EXISTING/PROPOSED USES**

EXISTING USES:	COMMERCIAL/ LIGHT INDUSTRIAL
PROPOSED USES:	RESIDENTIAL (120 UNITS)

**CODE SUMMARY**

CODE	ADOPTED EDITION
BUILDING CODE	2016 CALIFORNIA BUILDING CODE
FIRE CODE	2016 CALIFORNIA FIRE CODE
INDUSTRY CODE	2018 BUILDING EFFICIENCY STANDARDS FOR RESIDENTIAL AND HIGH RESIDENTIAL BUILDINGS
PLUMBING CODE	2018 CALIFORNIA PLUMBING CODE
ELECTRICAL CODE	2016 CALIFORNIA CODE
POOL CODE	2017 CALIFORNIA SWIMMING POOL CODE
	2016 CALIFORNIA GREEN BUILDING STANDARDS

**PARKING SUMMARY**

Type	Units	Factor	Parking
Residential Units			
1 BR	51	1.00	51
2 BR	51	1.00	51
3 BR	18	1.00	18
<b>Total</b>	<b>120</b>		<b>120</b>

Guest	Units	Factor	Parking
120 per unit (100% required)	120	1.00	120
100 per unit (83% required)	120	0.83	100
50 per unit (42% required)	120	0.42	50
<b>Total Required Residential Units</b>			<b>270</b>

**REQUIRED ACCESSIBLE STALLS**

Stalls	Factor	Standard	Min (1 B)	Total
27	0%	1	1	2
	5%	1	1	2
	9% (10% MIN)	3	3	5

**REQUIRED ELECTRIC VEHICLE STALLS**

Facility	Factor	Additional	ABJ	Total
Garage	10%	0	0	0
Other	5%	0	0	0
Other - Other	5%	0	0	0
Other - Other	5%	0	0	0
<b>Total</b>				<b>0</b>

\* INCLUDED IN TOTAL PARKING PROVIDED

**RESIDENTIAL BUILDING SUMMARY**

UNITS	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	%	TOTAL	BLDG B
51	5	5	5	5	14.7%	20	20
51	5	5	5	5	14.7%	20	0
<b>TOTAL</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>29.4%</b>	<b>40</b>	<b>20</b>

**UNIT SUMMARY**

UNIT TYPE	REF. RENTABLE UNIT FLOOR AREA	NUMBER OF UNITS	TOTAL DUA'S	UNIT %	FOJA (UNIT %)
SI	925	26	10,200	16.8%	16.7%
A1	694	31	19,344	28.8%	
A2	744	12	8,928	15.0%	57.5%
A2.1	801	18	14,418	23.2%	
A3	1,044	6	6,264	10.2%	
B1	1,030	15	15,450	24.8%	25.8%
B2	1,115	9	10,035	16.7%	
<b>TOTAL</b>	<b>716</b>	<b>120</b>	<b>91,824</b>	<b>100%</b>	<b>100%</b>

**TOTAL AMENITY SPACE**

AMENITY TYPE	SF
OUTDOOR DECK/POWDER	3,400
INDOOR DECK/POWDER	4,500
<b>TOTAL AMENITY SPACE</b>	<b>7,900</b>

**TOTAL STORAGE SPACE**

TYPE OF STORAGE PER UNIT	QUANTITY
CLOSETS	32
1ST FLOOR	11
2ND FLOOR	20
3RD FLOOR	32
B1 UNITS	13
<b>TOTAL STORAGE PROVIDED</b>	<b>108</b>
<b>TOTAL STORAGE REQUIRED</b>	<b>120</b>

**PARKING PROVIDED**

PARKING TYPE	QUANTITY	QUANTITY
OPEN STANDARD	7	3.4%
OPEN COMPACT	5	2.4%
CARPPOOL COMPACT (10X6)	16	10.1%
CARPPOOL STANDARD (10X6)	23	12.8%
OPEN STANDARD	29	18.2%
OPEN STANDARD ON PILE SL	17	9.5%
OPEN STANDARD ON PILE SL	26	15.4%
MANICATED OPEN	7	3.9%
MANICATED GARAGE	5	1.0%
TRIP/STREET/ADJACENT	1	0.6%
UNASSIGNED	179	100%
<b>TOTALS</b>	<b>179</b>	<b>100%</b>

\*% OF STALLS W/STREET OR BY CHARGES INCLUDED IN TOTAL PARKING PROVIDED

**PARKING BREAKDOWN**

PARKING TYPE	QUANTITY
2 BEDS PARKING 8.25 SPACES PER UNIT	62
REMAINING STUDIOS + 1BD	89
REMAINING SPACES	117
<b>PARKING RATIO FOR STUDIOS / 1BD'S</b>	<b>1.31</b>

**PROPOSED PROJECT: SUB 20-0001  
 PROJECT INFORMATION**





**SITE PLAN NOTES**

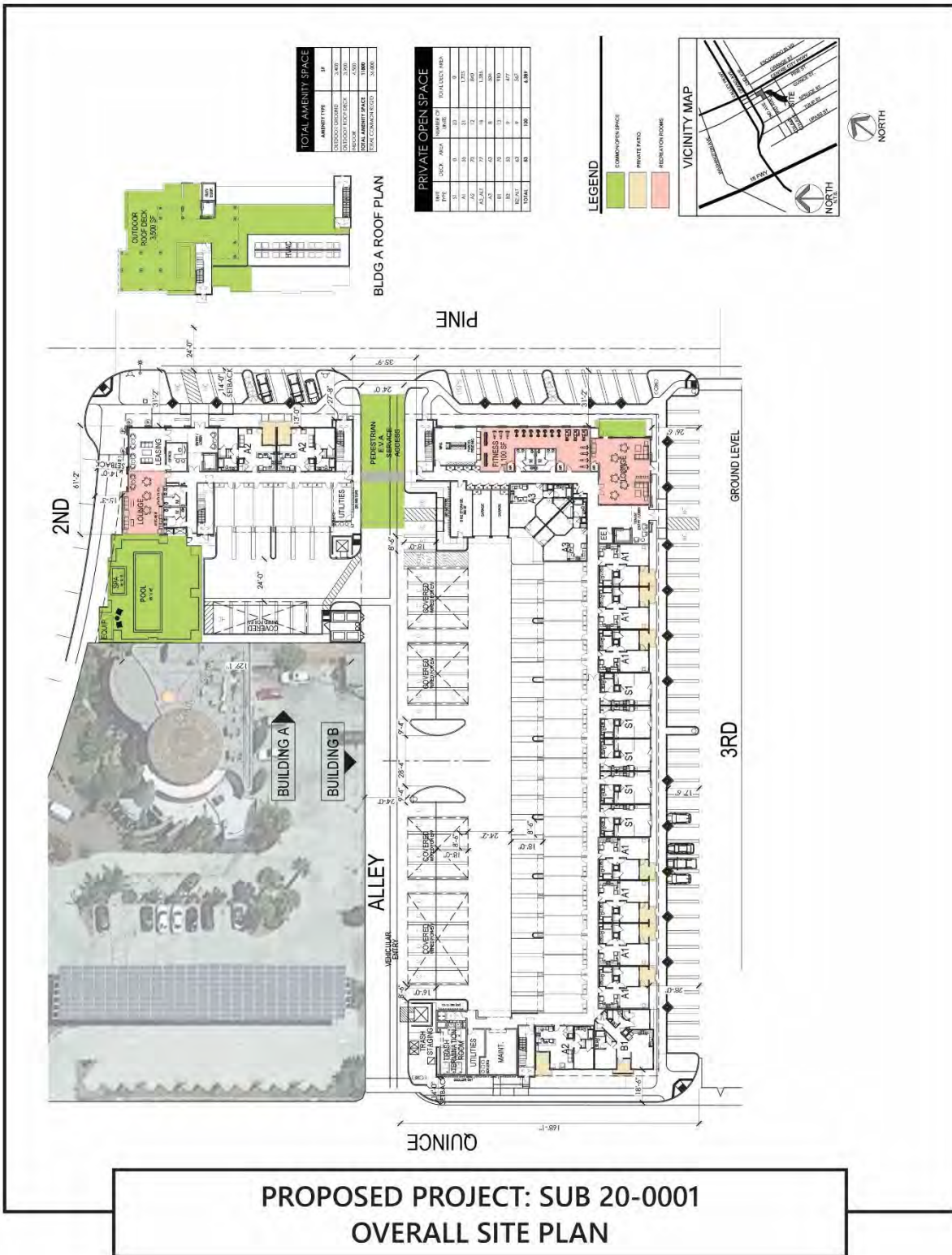
1. THIS SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
2. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
3. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
4. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
5. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
6. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
7. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
8. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
9. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
10. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
11. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
12. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
13. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
14. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
15. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
16. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
17. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
18. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
19. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.
20. THE SITE PLAN SHALL BE THE BASIS FOR ALL PERMITS AND CONSTRUCTION.

**GENERAL NOTES**

1. SEE LANDSCAPE NOTES FOR LANDSCAPE DETAILS.
2. SEE CIVIL SHEETS FOR CIVIL DETAILS.

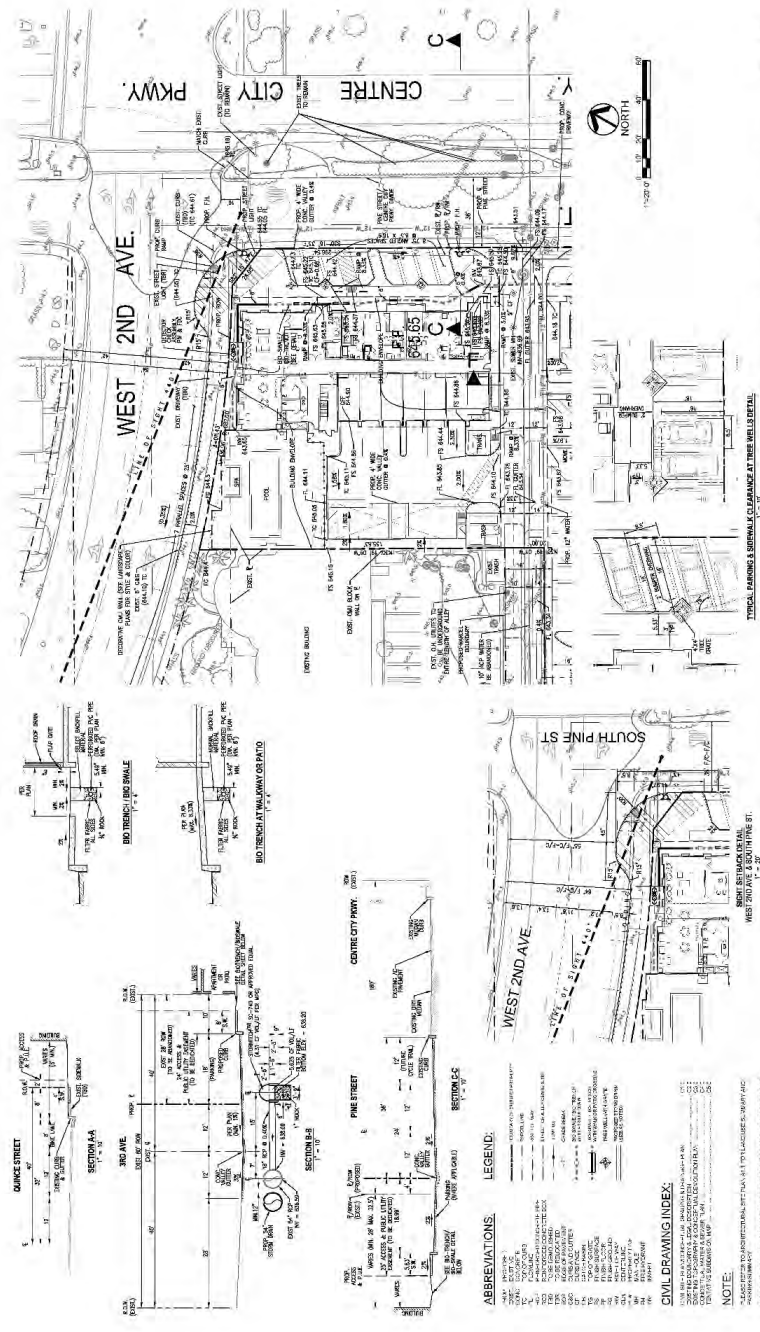


**PROPOSED PROJECT: SUB 20-0001  
 OVERALL SITE PLAN**





**PROPOSED PROJECT: SUB 20-001**  
**CIVIL SITE PLAN & CONCEPTUAL GRADING & DRAINAGE PLAN**

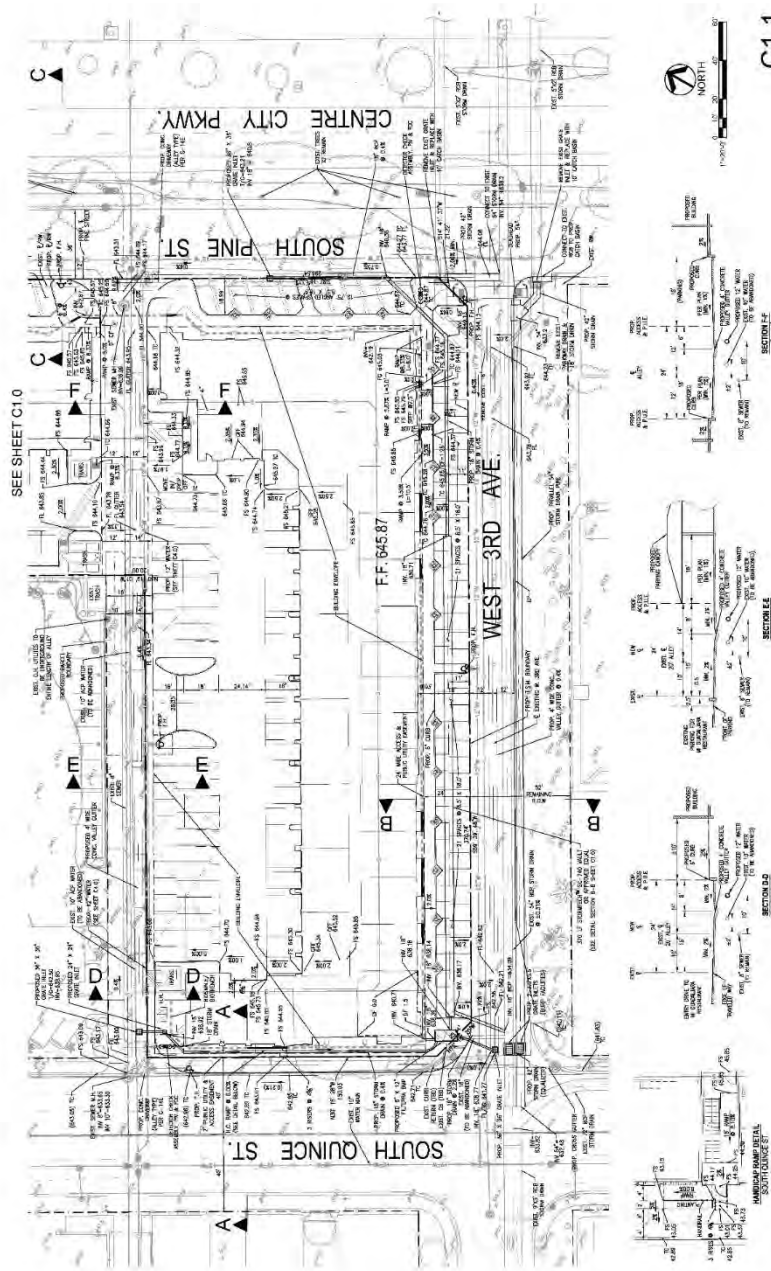


CIVIL SITE PLAN & CONCEPTUAL GRADING & DRAINAGE PLAN C1.0

CASA MERCADO APARTMENTS ESCONDIDO, CA  
 PENCOR  
 750 R STREET, SUITE 1710, SAN DIEGO, 92101  
 619.888.2488

DATE: 05-29-2020  
 ENGINEERING SOLUTIONS

**PROPOSED PROJECT: SUB 20-001**  
**CIVIL SITE PLAN & CONCEPTUAL GRADING & DRAINAGE PLAN**

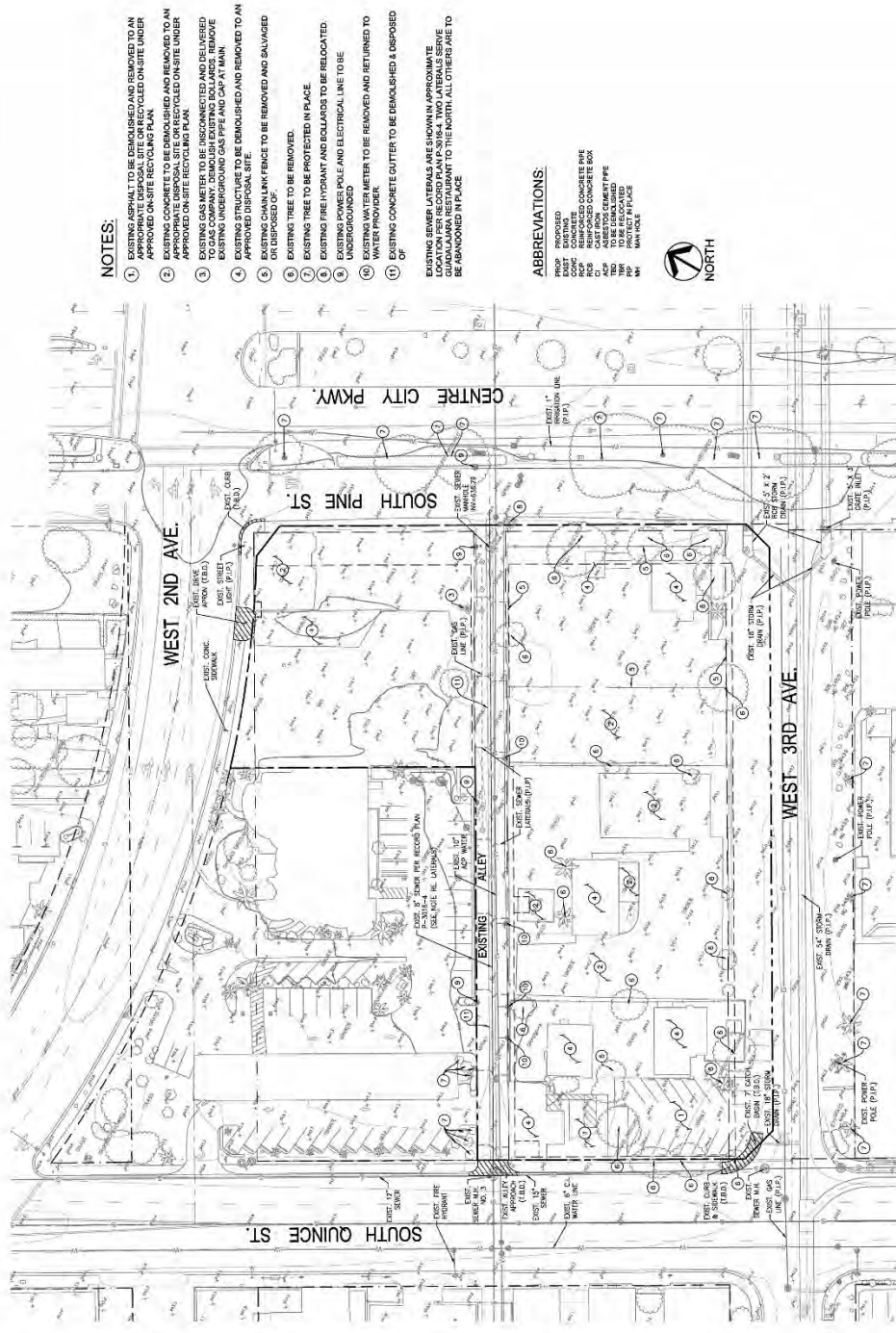


CASA MERCADO APARTMENTS ESCONDIDO, CA  
PEMCO  
750 B STREET, SUITE 1710, SAN DIEGO, 92101  
658-888-2488

ENGINEERING SOLUTIONS  
DATE: 05.29.2020







- NOTES:**
- 1 EXISTING ASPHALT TO BE DEMOLISHED AND REMOVED TO AN APPROVED ON-SITE RECYCLING PLAN.
  - 2 EXISTING CONCRETE TO BE DEMOLISHED AND REMOVED TO AN APPROVED ON-SITE RECYCLING PLAN.
  - 3 EXISTING GAS METER TO BE DISCONNECTED AND DELIVERED TO GAS COMPANY. DEMOLISH EXISTING BOLLARDS, REMOVE EXISTING UNDERGROUND GAS PIPING AND CAP AT MAIN APPROVED ON-SITE RECYCLING PLAN.
  - 4 EXISTING STRUCTURE TO BE DEMOLISHED AND REMOVED TO AN APPROVED ON-SITE RECYCLING PLAN.
  - 5 EXISTING CONCRETE DRIVE TO BE REMOVED AND SALVAGED OR DISPOSED OF.
  - 6 EXISTING TREE TO BE REMOVED.
  - 7 EXISTING TREE TO BE PROTECTED IN PLACE.
  - 8 EXISTING FIRE HYDRANT AND BOLLARDS TO BE RELOCATED.
  - 9 EXISTING POWER POLE AND ELECTRICAL LINE TO BE UNDERGROUND.
  - 10 EXISTING WATER METER TO BE REMOVED AND RETURNED TO WATER PROVIDER.
  - 11 EXISTING CONCRETE UTILITY TO BE DEMOLISHED & DISPOSED OF.

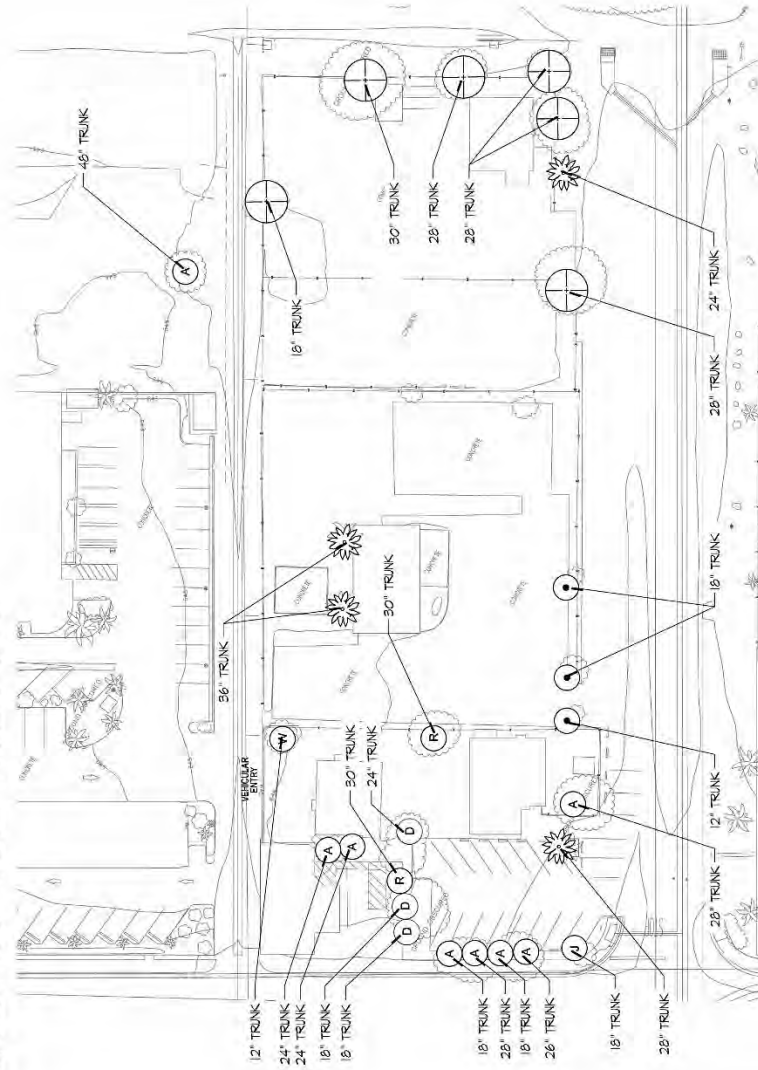
EXISTING SEWER LATERALS ARE SHOWN IN APPROXIMATE LOCATION PER RECORD PLAN P-30184. TWO LATERALS SERVE THE NORTH PORTION OF THE SITE. ALL OTHERS ARE TO BE ABANDONED IN PLACE.

- ABBREVIATIONS:**
- EXIST EXISTING
  - PROP PROPOSED
  - REMOVED CONCRETE PIPE
  - REMOVED CONCRETE BOX
  - CAST IRON
  - TO BE DEMOLISHED
  - TO BE REMOVED
  - PROTECT IN PLACE
  - MAN HOLE



**PROPOSED PROJECT: SUB 20-001**  
**EXISTING TOPOGRAPHY & CONCEPTUAL DEMOLITION PLAN**

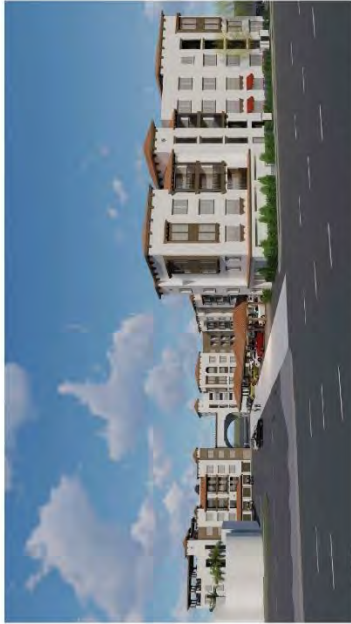
EXISTING TREE INVENTORY



- ⊕ EUCALYPTUS SP.
- ☼ WASHINGTONIA ROBUSTA
- ⊙ CUPRESSUS SEMPERVIRENS
- ⊙ AREBUTUS UNEDO
- ⊙ DRACAENA
- ⊙ JACARANDA MIMOSIFOLIA
- ⊙ RHUS LANCEA
- ⊙ CHILOPSIS LINEARIS

NOTE: EXISTING TREES SHALL BE REMOVED AS THEY FALL WITHIN THE FOOTPRINT OF THE PROPOSED BUILDING AND ARE NOT OF A SALVAGEABLE QUALITY

PROPOSED PROJECT: SUB 20-0001  
 EXISTING TREE INVENTORY



VIEW AT QUINCE STREET LOOKING EAST 2



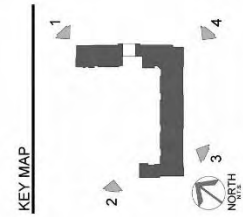
VIEW ON 2ND AVE LOOKING SOUTH 1



VIEW ON PINE STREET LOOKING WEST 4



VIEW AT 3RD AVE LOOKING NORTH 3



**PROPOSED PROJECT: SUB 20-0001  
CONCEPTUAL PERSPECTIVES**





VIEW AT ENTRY TO ALLEY 6



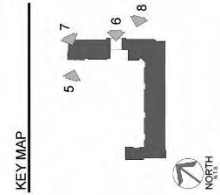
VIEW AT POOL DECK AMENITY 5



VIEW ON 3RD AVE NORTHWEST 8

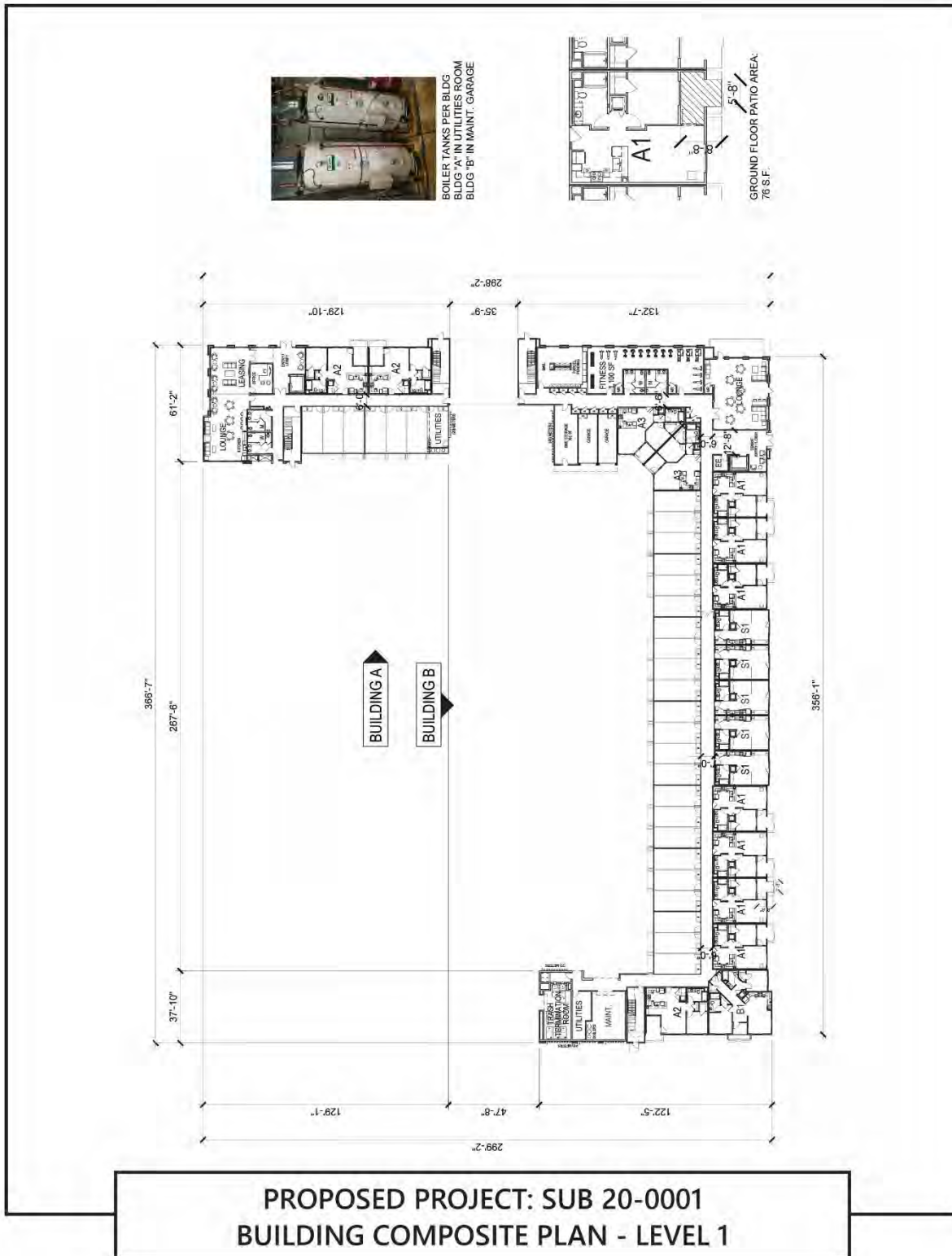


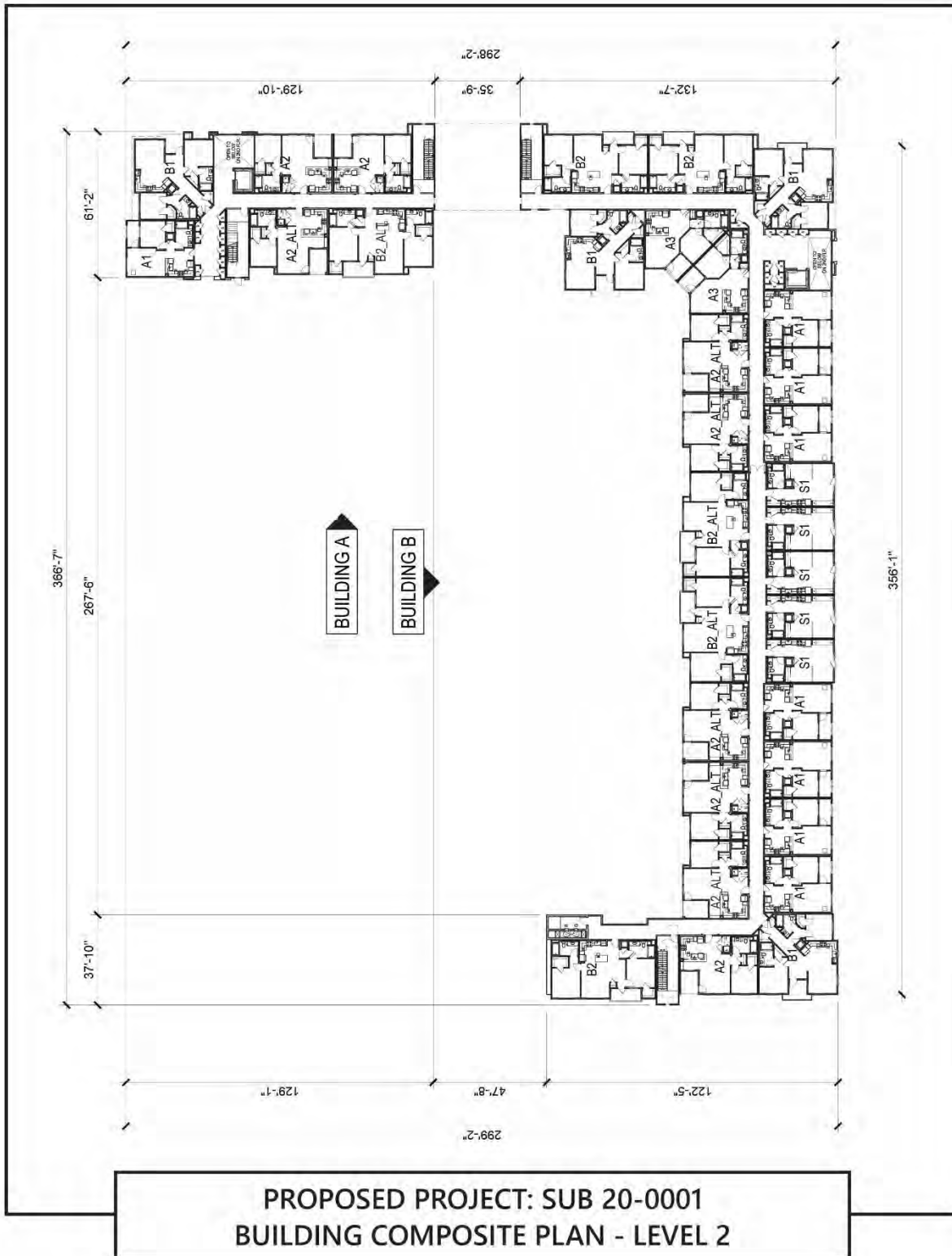
VIEW AT ROOF DECK AMENITY 7

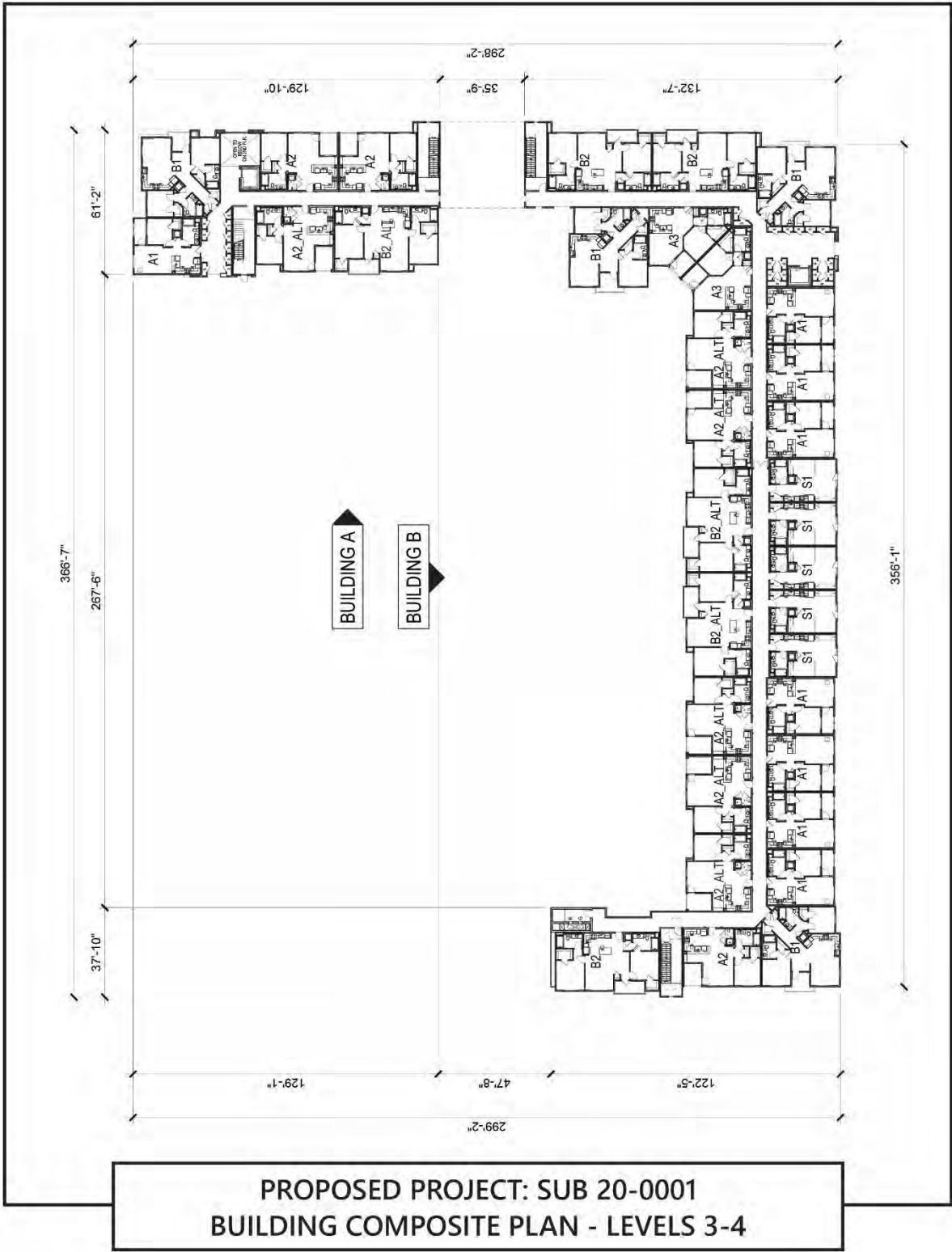


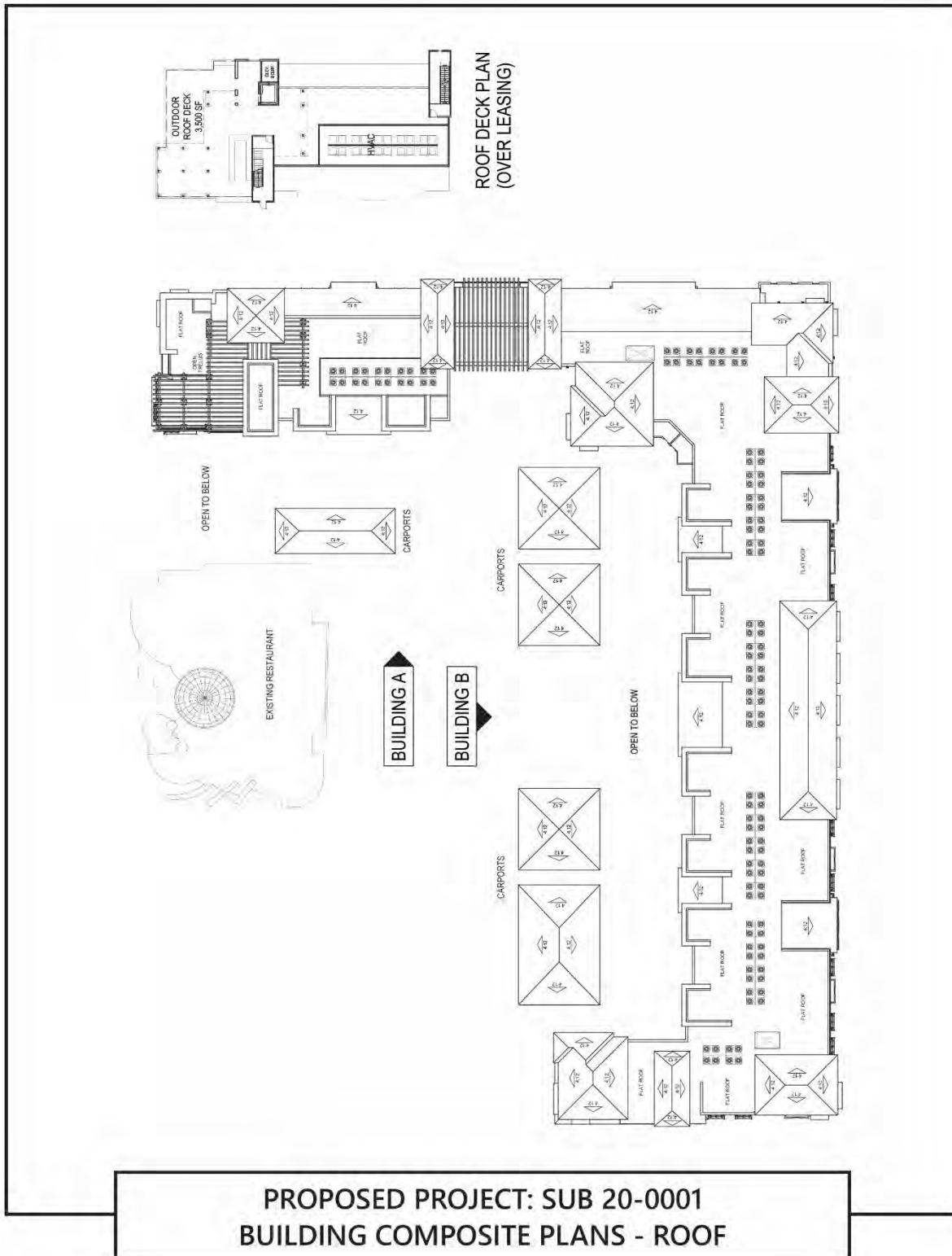
KEY MAP

**PROPOSED PROJECT: SUB 20-0001  
CONCEPTUAL PERSPECTIVES**



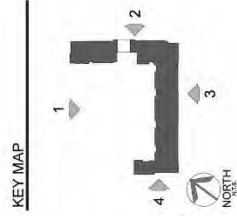








- GENERAL NOTES**  
 1. ALL MATERIALS AND FINISHES TO BE BLANDED ELEVATIONS WITH MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 2. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 3. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 4. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 5. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 6. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 7. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 8. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 9. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 10. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 11. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 12. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 13. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 14. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 15. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 16. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.  
 17. ALL MATERIALS AND FINISHES TO BE INDICATED BY THE MATERIAL / COLOR LEGEND.
- MATERIAL / COLOR LEGEND**
1. BRICK
  2. BRICK
  3. BRICK
  4. BRICK
  5. BRICK
  6. BRICK
  7. BRICK
  8. BRICK
  9. BRICK
  10. BRICK
  11. BRICK
  12. BRICK
  13. BRICK
  14. BRICK
  15. BRICK
  16. BRICK
  17. BRICK

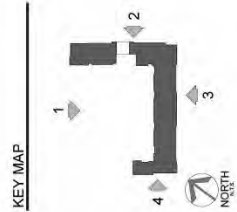


**PROPOSED PROJECT: SUB 20-001  
 CONCEPTUAL BUILDING ELEVATIONS**

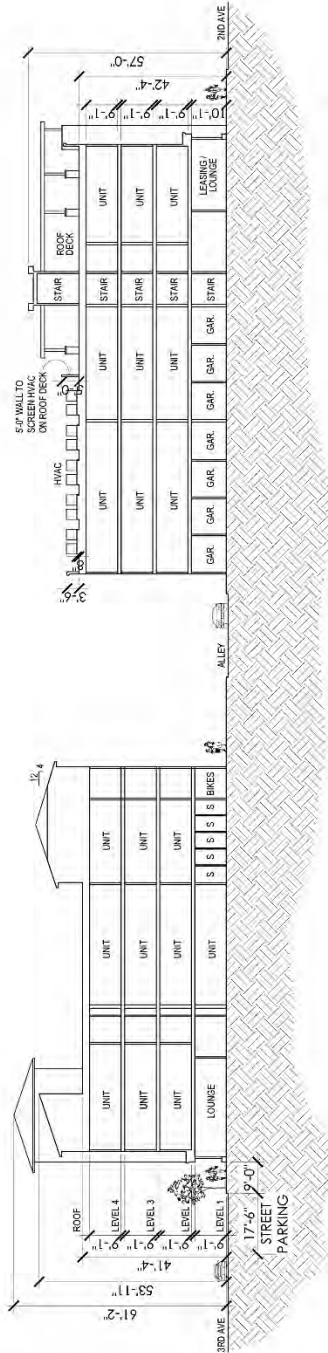
**GENERAL NOTES**  
 REFER TO SHEET 16.01, 16.02, 16.03 FOR BUILDING ELEVATIONS

**MATERIAL / COLOR LEGEND**

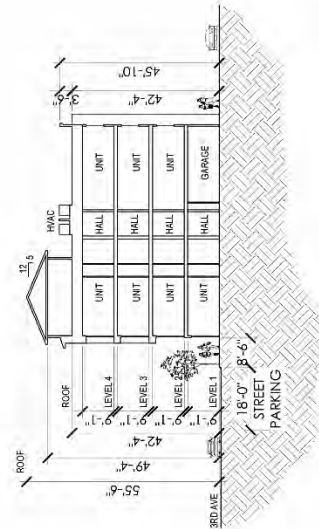
1	RED BRICK
2	BRICK
3	BRICK
4	BRICK
5	BRICK
6	BRICK
7	BRICK
8	BRICK
9	BRICK
10	BRICK
11	BRICK
12	BRICK
13	BRICK
14	BRICK
15	BRICK
16	BRICK
17	BRICK



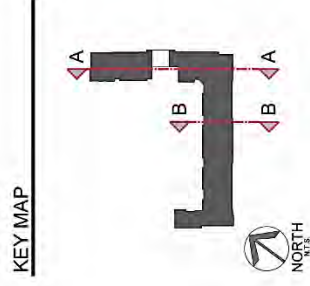
**PROPOSED PROJECT: SUB 20-0001  
 CONCEPTUAL BUILDING ELEVATIONS**



BUILDING SECTION A



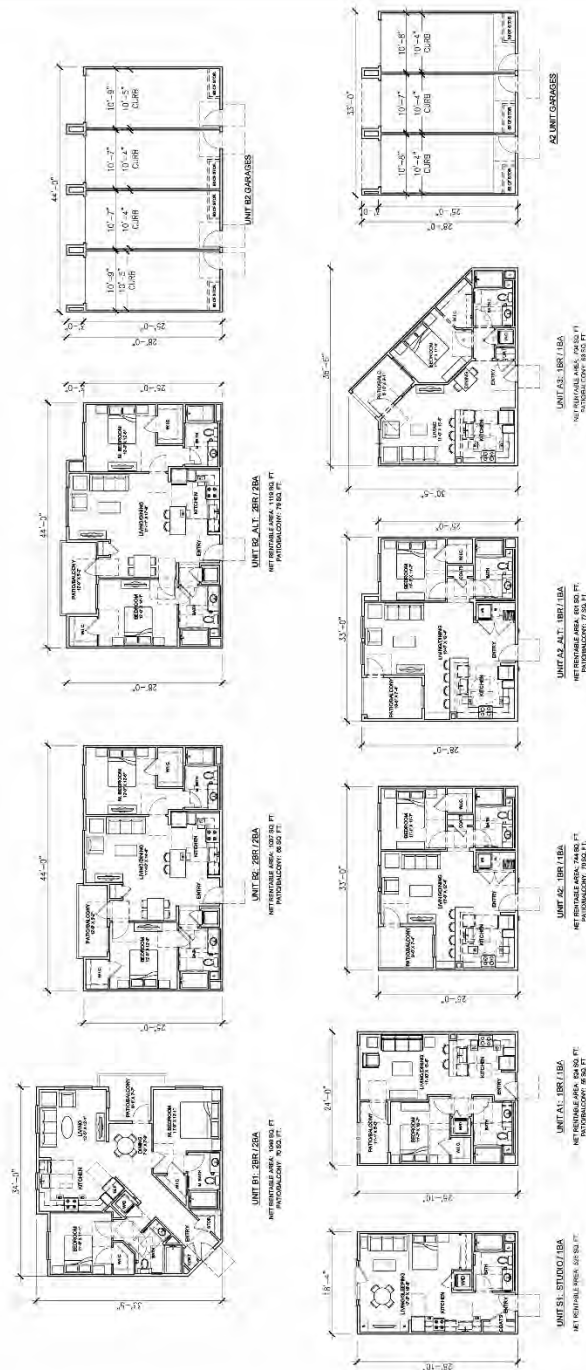
BUILDING SECTION B



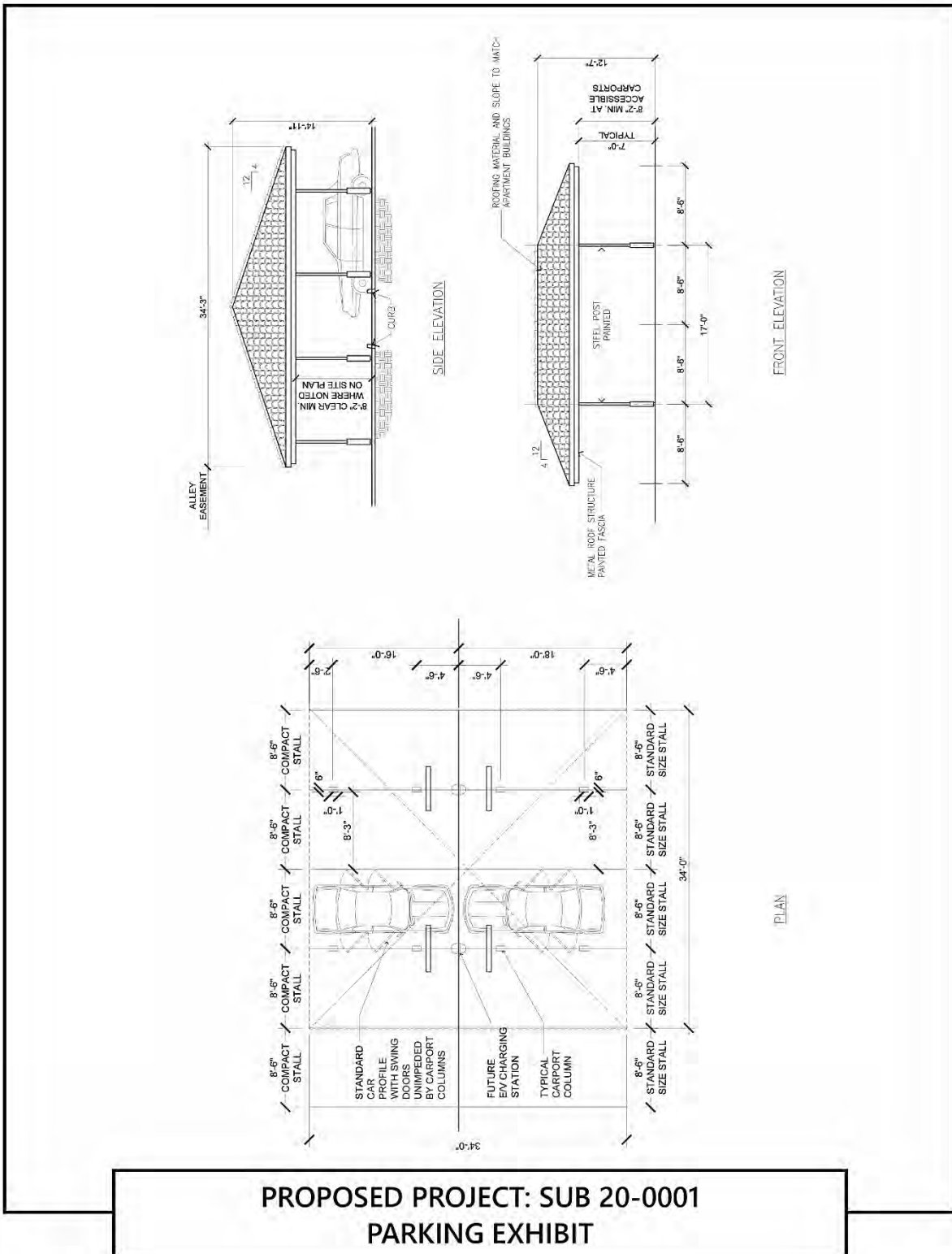
KEY MAP

**PROPOSED PROJECT: SUB 20-0001  
 CONCEPTUAL BUILDING SECTIONS**

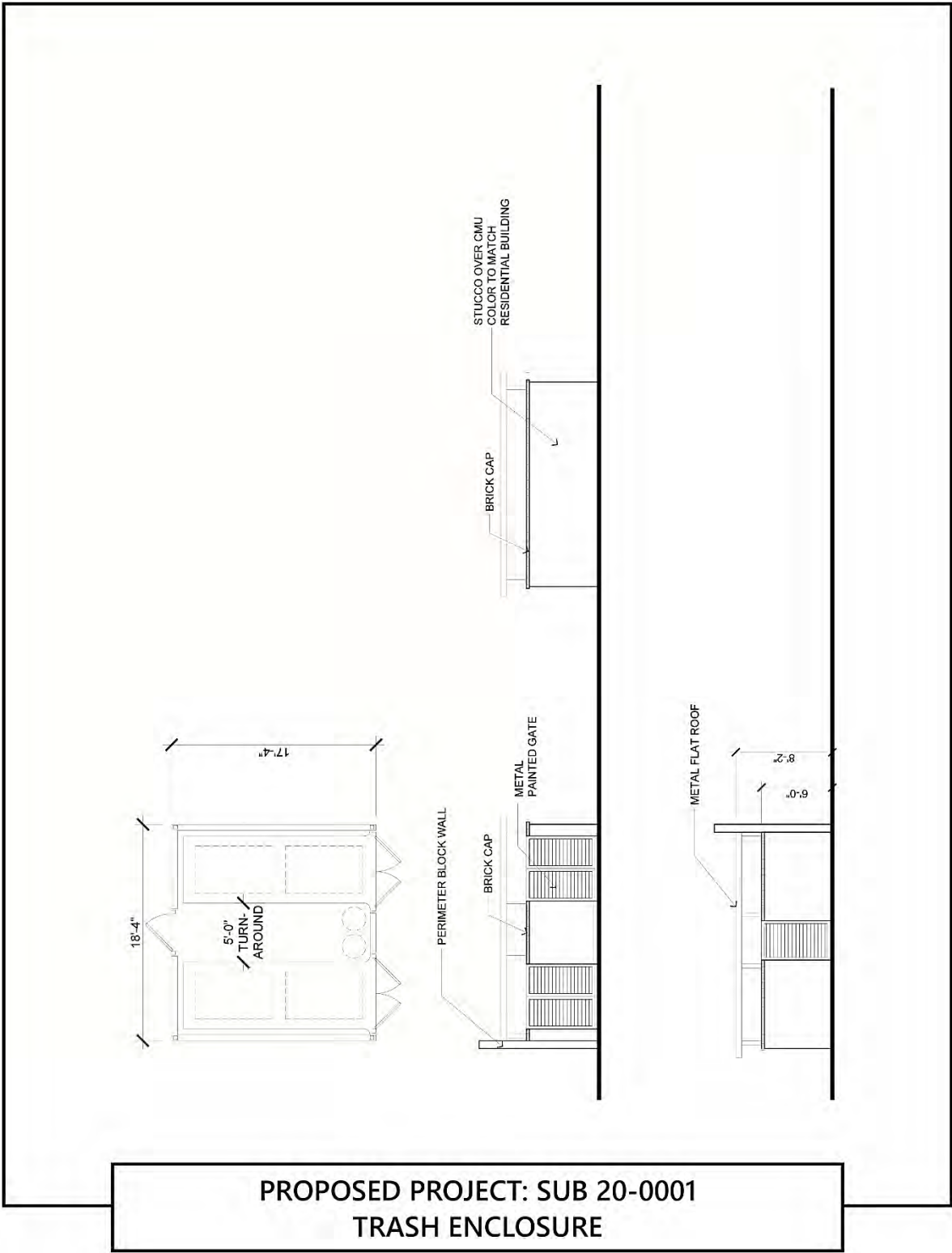


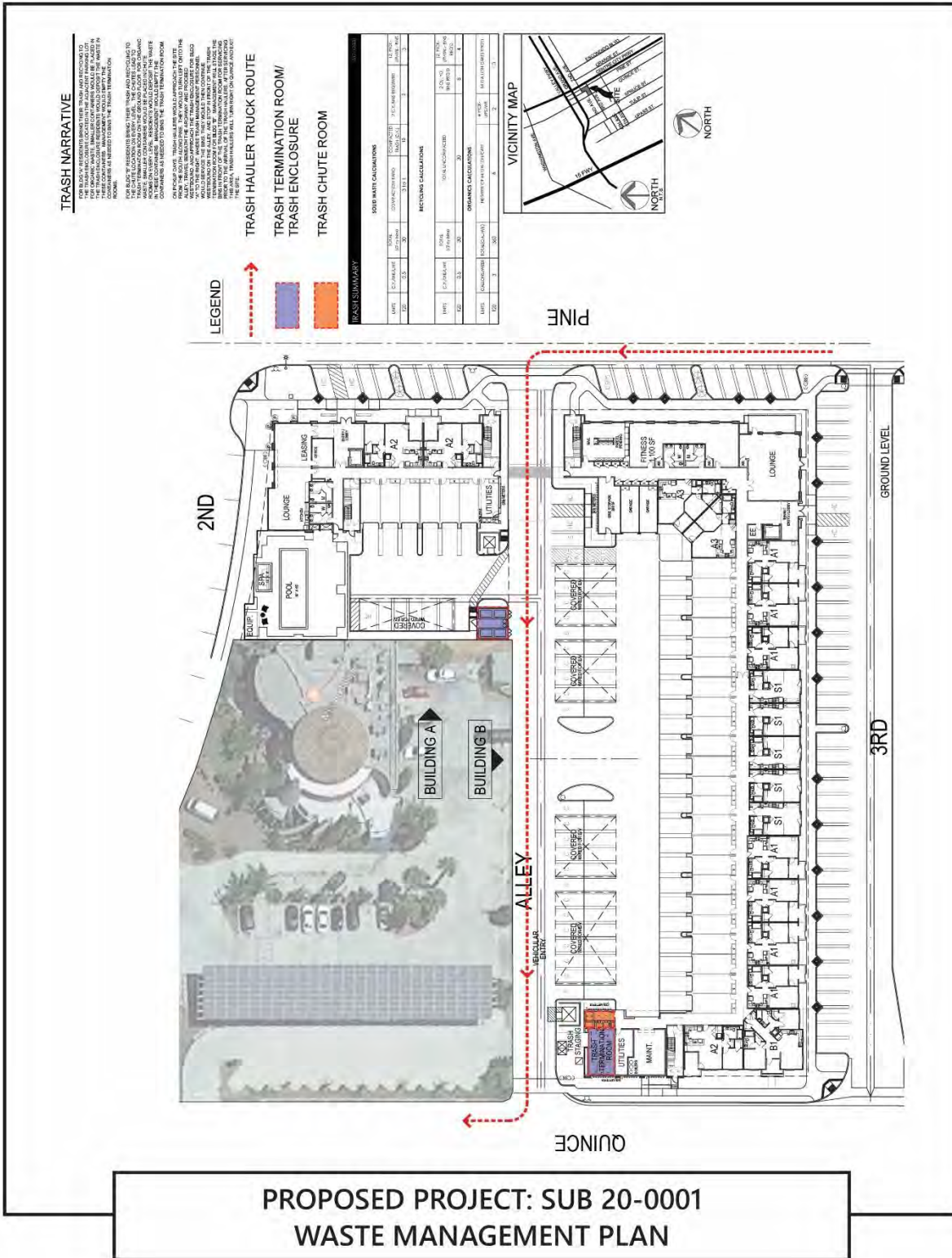


**PROPOSED PROJECT: SUB 20-0001  
CONCEPTUAL UNIT PLANS**



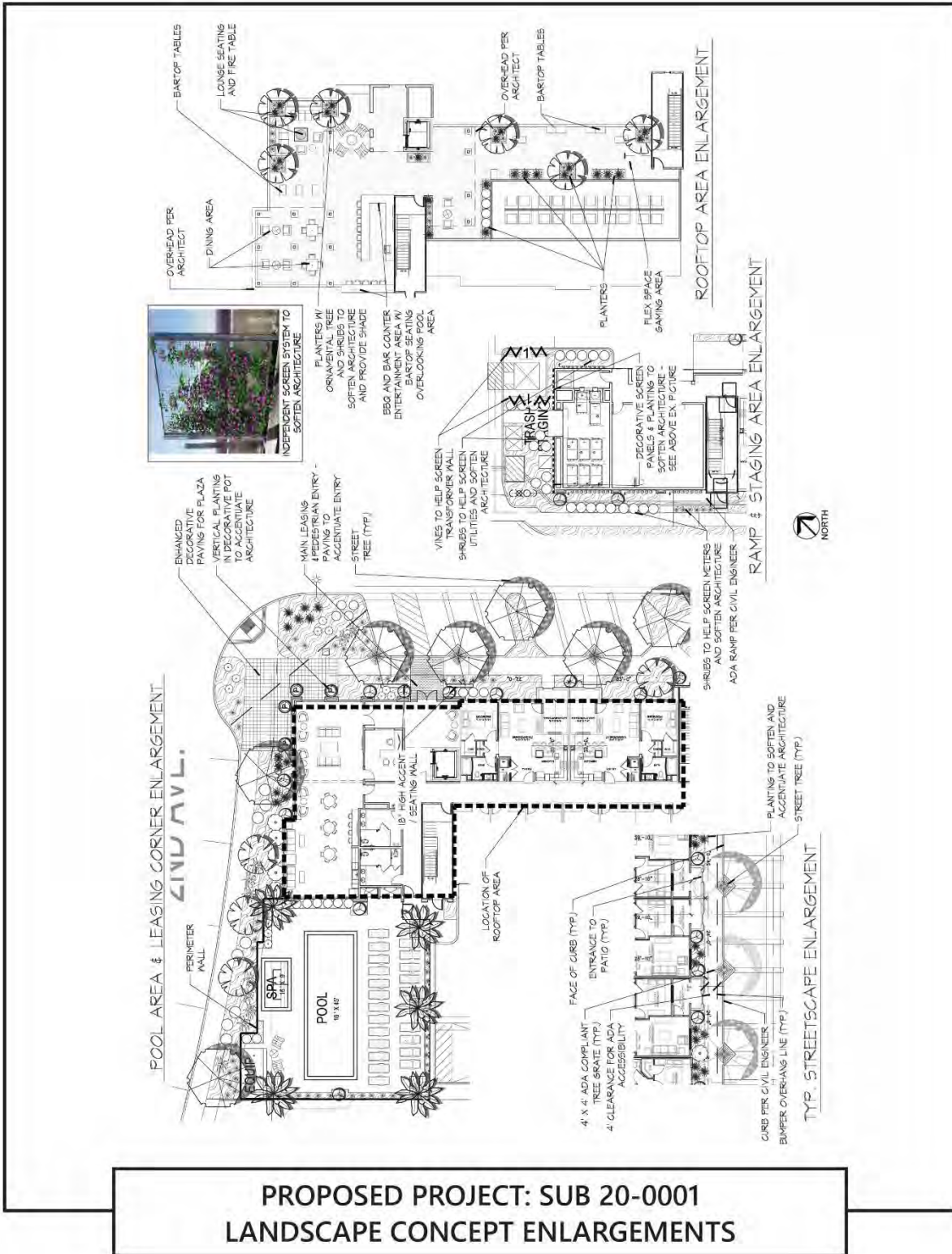
**PROPOSED PROJECT: SUB 20-0001  
 PARKING EXHIBIT**





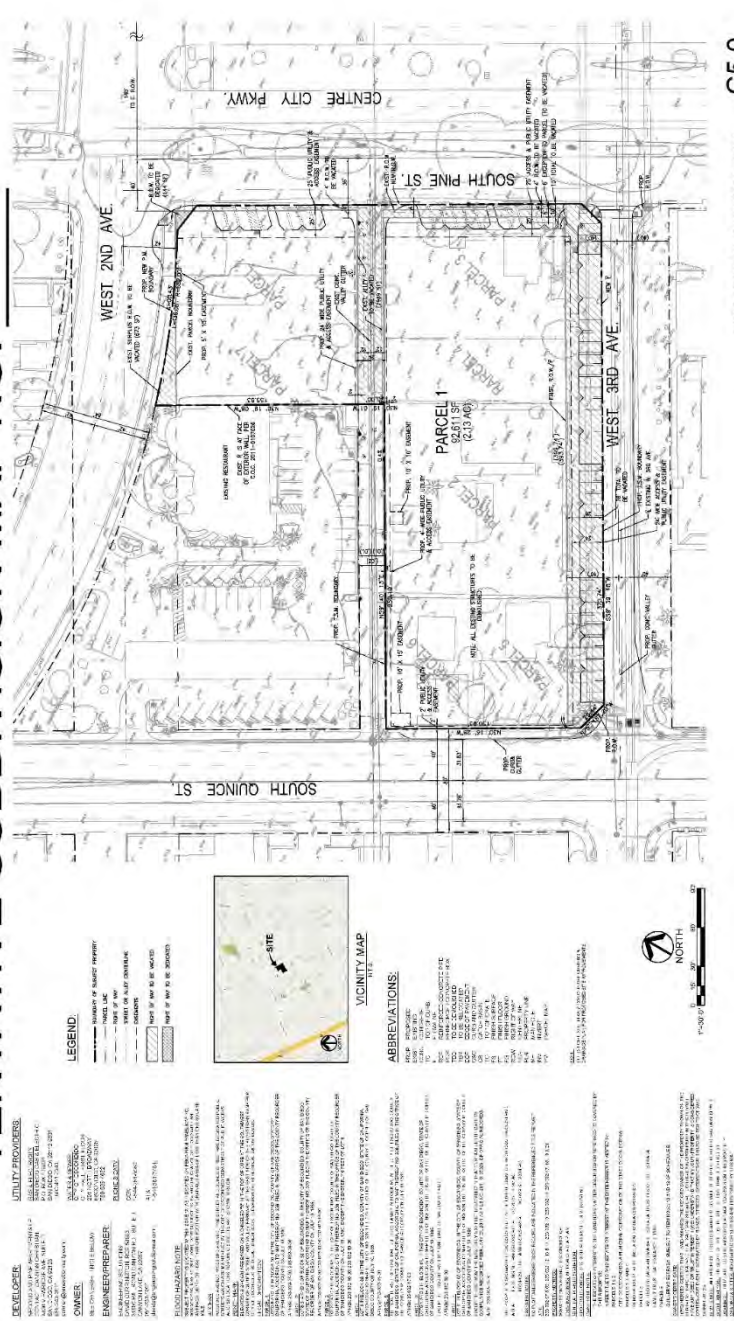






**PROPOSED PROJECT: SUB 20-001  
 LANDSCAPE CONCEPT ENLARGEMENTS**

TENTATIVE SUBDIVISION MAP NO.



PROPOSED PROJECT: SUB 20-001  
 TENTATIVE SUBDIVISION MAP

**DEVELOPER:**  
 UNITY PROPERTIES  
 1700 W. BROADWAY, SUITE 100  
 SAN ANTONIO, TEXAS 78205  
 (214) 441-1111

**CONSULTANTS:**  
 ENGINEER: JAMES R. HANCOCK, P.E.  
 1000 W. BROADWAY, SUITE 100  
 SAN ANTONIO, TEXAS 78205  
 (214) 441-1111

**ENGINEER/DESIGNER:**  
 JAMES R. HANCOCK, P.E.  
 1000 W. BROADWAY, SUITE 100  
 SAN ANTONIO, TEXAS 78205  
 (214) 441-1111

**PLANNING/ANALYSIS:**  
 JAMES R. HANCOCK, P.E.  
 1000 W. BROADWAY, SUITE 100  
 SAN ANTONIO, TEXAS 78205  
 (214) 441-1111

**LEGEND:**  
 - - - - - BOUNDARY OF SUBJECT PROPERTY  
 - - - - - EASEMENT  
 - - - - - EASEMENT OR ALIEN INTEREST  
 - - - - - RIGHT OF WAY  
 - - - - - RIGHT OF WAY FOR 40' OR MORE  
 - - - - - RIGHT OF WAY FOR 30' OR MORE

**ABBREVIATIONS:**  
 AC - ACRES  
 AL - ALIEN INTEREST  
 AN - ANTI-ENCROACHMENT  
 AS - ASSESSOR'S PARCEL NUMBER  
 B - BOUNDARY  
 C - CURB  
 CL - CENTERLINE  
 CL - CENTERLINE OF ROAD  
 CL - CENTERLINE OF RAILROAD  
 CL - CENTERLINE OF CANAL  
 CL - CENTERLINE OF DRAINAGE  
 CL - CENTERLINE OF UTILITY  
 CL - CENTERLINE OF FENCE  
 CL - CENTERLINE OF WALL  
 CL - CENTERLINE OF CURB  
 CL - CENTERLINE OF SIDEWALK  
 CL - CENTERLINE OF DRIVEWAY  
 CL - CENTERLINE OF PORCH  
 CL - CENTERLINE OF PATIO  
 CL - CENTERLINE OF TERRACE  
 CL - CENTERLINE OF BALCONY  
 CL - CENTERLINE OF DECK  
 CL - CENTERLINE OF STAIRS  
 CL - CENTERLINE OF WALKWAY  
 CL - CENTERLINE OF BIKEWAY  
 CL - CENTERLINE OF TRAIL  
 CL - CENTERLINE OF PATH  
 CL - CENTERLINE OF BRIDGE  
 CL - CENTERLINE OF TUNNEL  
 CL - CENTERLINE OF UNDERPASS  
 CL - CENTERLINE OF OVERPASS  
 CL - CENTERLINE OF VIADUCT  
 CL - CENTERLINE OF ELEVATED HIGHWAY  
 CL - CENTERLINE OF ELEVATED RAILROAD  
 CL - CENTERLINE OF ELEVATED CANAL  
 CL - CENTERLINE OF ELEVATED DRAINAGE  
 CL - CENTERLINE OF ELEVATED UTILITY  
 CL - CENTERLINE OF ELEVATED FENCE  
 CL - CENTERLINE OF ELEVATED WALL  
 CL - CENTERLINE OF ELEVATED CURB  
 CL - CENTERLINE OF ELEVATED SIDEWALK  
 CL - CENTERLINE OF ELEVATED DRIVEWAY  
 CL - CENTERLINE OF ELEVATED PORCH  
 CL - CENTERLINE OF ELEVATED PATIO  
 CL - CENTERLINE OF ELEVATED TERRACE  
 CL - CENTERLINE OF ELEVATED BALCONY  
 CL - CENTERLINE OF ELEVATED DECK  
 CL - CENTERLINE OF ELEVATED STAIRS  
 CL - CENTERLINE OF ELEVATED WALKWAY  
 CL - CENTERLINE OF ELEVATED BIKEWAY  
 CL - CENTERLINE OF ELEVATED TRAIL  
 CL - CENTERLINE OF ELEVATED PATH  
 CL - CENTERLINE OF ELEVATED BRIDGE  
 CL - CENTERLINE OF ELEVATED TUNNEL  
 CL - CENTERLINE OF ELEVATED UNDERPASS  
 CL - CENTERLINE OF ELEVATED OVERPASS  
 CL - CENTERLINE OF ELEVATED VIADUCT  
 CL - CENTERLINE OF ELEVATED ELEVATED HIGHWAY  
 CL - CENTERLINE OF ELEVATED ELEVATED RAILROAD  
 CL - CENTERLINE OF ELEVATED ELEVATED CANAL  
 CL - CENTERLINE OF ELEVATED ELEVATED DRAINAGE  
 CL - CENTERLINE OF ELEVATED ELEVATED UTILITY  
 CL - CENTERLINE OF ELEVATED ELEVATED FENCE  
 CL - CENTERLINE OF ELEVATED ELEVATED WALL  
 CL - CENTERLINE OF ELEVATED ELEVATED CURB  
 CL - CENTERLINE OF ELEVATED ELEVATED SIDEWALK  
 CL - CENTERLINE OF ELEVATED ELEVATED DRIVEWAY  
 CL - CENTERLINE OF ELEVATED ELEVATED PORCH  
 CL - CENTERLINE OF ELEVATED ELEVATED PATIO  
 CL - CENTERLINE OF ELEVATED ELEVATED TERRACE  
 CL - CENTERLINE OF ELEVATED ELEVATED BALCONY  
 CL - CENTERLINE OF ELEVATED ELEVATED DECK  
 CL - CENTERLINE OF ELEVATED ELEVATED STAIRS  
 CL - CENTERLINE OF ELEVATED ELEVATED WALKWAY  
 CL - CENTERLINE OF ELEVATED ELEVATED BIKEWAY  
 CL - CENTERLINE OF ELEVATED ELEVATED TRAIL  
 CL - CENTERLINE OF ELEVATED ELEVATED PATH  
 CL - CENTERLINE OF ELEVATED ELEVATED BRIDGE  
 CL - CENTERLINE OF ELEVATED ELEVATED TUNNEL  
 CL - CENTERLINE OF ELEVATED ELEVATED UNDERPASS  
 CL - CENTERLINE OF ELEVATED ELEVATED OVERPASS  
 CL - CENTERLINE OF ELEVATED ELEVATED VIADUCT

TENTATIVE SUBDIVISION MAP C5.0

CASA MERCADO APARTMENTS  
 ESCONDIDO, CA  
 PENCOR  
 750 E STREET, SUITE 1710, SAN DIEGO, 92101  
 858.888.2488

DATE: 05/29/2020  
**ENGINEERING SOLUTIONS**



## EXHIBIT "B"

### Legal Description

#### SUB 20-0001, PHG 20-0009, ENV 20-001

The land hereinafter referred to is situated in the City of Escondido, County of San Diego, State of CA, and is described as follows:

Lot 7 and 8, Block 88 of Escondido in the City of Escondido, County of San Diego, State of California according to Map thereof No. 336, filed in the Office of the County Recorder of San Diego County, July 10, 1886. Excepting therefrom the Easterly 6 feet of Lot 8.

APN: 233-032-19-00

APN: 233-032-10-00

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ESCONDIDO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

#### PARCEL 1:

LOTS 9 AND 10 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-07-00; 233-032-08-00

#### PARCEL 2:

LOTS 3, 4 AND 5 OF BLOCK 88 OF ESCONDIDO, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-12-00; 233-032-13-00; 233-032-14-00

#### PARCEL 3:

LOTS 7 AND 8 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

EXCEPT THE EASTERLY 6 FEET OF LOT 8.

APN(S): 233-032-10-00; 233-032-19-00

#### PARCEL 4:

LOT 6 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-11-00

#### PARCEL 5:

THE SOUTHEASTERLY ONE HALF OF LOTS 1 AND 2 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 33-032-17-00



## **Findings of Fact/Factors to be Considered**

### **SUB 20-0001, PHG 20-0009, and ENV 20-0001**

#### **Precise Development Plan Determination(s):**

1. The findings of fact provided by Exhibit "B" of Ordinance No. 2021-05 are incorporated herein by this reference as though fully set forth herein. The Project has been conditioned appropriately to provide all infrastructure improvements including interconnected street system, pedestrian connectivity, and sufficient open space and landscaping. The conditions of approval and subsequent design review of future residential development would ensure consistency with all standard requirements. All applicable requirements of Article 19 (Planned Development Zone) and any ordinance of the City of Escondido regulating this Project have been satisfied.

#### **Tentative Subdivision Map Determination(s)**

1. The location, design, and residential density of the proposed 120-unit condominium development are consistent with the goals and policies of the Escondido General Plan because high-density residential and mixed-use development is permitted and encouraged in the Mercado District of the Downtown Specific Plan. The proposed infill residential Project would be in conformance with General Plan Housing Goals and Policies to plan for quality, managed, and sustainable growth, and provide a range of housing opportunities for all income groups and populations with special needs, and which encourage a compact, efficient urban form that promotes transit, supports nearby commercial establishments and takes advantage of infrastructure improvements installed to accommodate their intended intensities.
2. The Project site is physically suitable for the proposed density of development because the property is within a commercial and high-density redevelopment area that was previously used for residential and commercial purposes. Development of the property will assist in the ongoing revitalization of the Mercado District of the Downtown Specific Plan area by establishing a permanent residential base along the transitioning corridor. The Mercado District permits multi-family development with a maximum density up to 100 dwelling units per acre. Based on the Project area within the Southern Entry District (2.33 acres) the underlying zoning would allow up to 233 units with structures up to 4 stories and 60 feet in height. The request to construct 120 units (overall density of 51.5 du/ac) with 4-story structures up to 65 feet in height is consistent with the land use density and development requirements envisioned for this area. The Zoning Code allows certain non-habitable architectural features to exceed height limits, such as towers, parapets and mechanical screens. Furthermore, the proposed Tentative Subdivision Map is consistent with applicable provisions of the General Plan that address growth management and maintaining the fiscal stability of the City because the Applicant is required to minimize ongoing costs to taxpayers through annexation into a CFD or establishment of another funding mechanism.

3. The approval of the proposed Project would be based on sound principles of land use and is well-integrated with its surroundings near residentially and commercially developed properties because adequate parking, access, on-site circulation, utilities, landscaping and open space would be provided (as detailed in the staff report). The residential Project also would not be out of character for the area which contains other multi-story residential developments. The design of the Project would be in conformance with the Mercado District of the Downtown Specific Plan because the Project would provide residential units to accommodate a wide range of housing needs (with ownership opportunities). The Project includes a variety of amenities such as individual balconies for each unit along with various common areas and features. All vehicular traffic generated by the Project will be accommodated safely and without degrading the level of service on the adjoining streets or intersections.
4. The Project would not result in the destruction of desirable natural features, nor be visually obstructive or disharmonious with surrounding areas because the site is not located on a skyline or intermediate ridge, and the site does not contain any significant topographical features. The proposed grading design would not result in any manufactured slopes or pad elevations that would create any significant adverse visual or compatibility impacts with adjacent lots.
5. The Project site is physically suitable for this proposed type of residential development and density of development. Approval of the Tentative Subdivision Map would not violate the requirements, goals, policies, or spirit of the General Plan or Downtown Specific Plan. The site is suitable for this residential type of development and density because the General Plan and Mercado District of the Downtown Specific Plan allow for multi-story high-density residential development of up to 100 dwelling units per acre. The request to construct 120 units (overall density of 51.5 du/ac) with 4-story structures up to 65 feet in height is consistent with the land use density and development requirements envisioned for this area. The Zoning Code (Article 56) allows certain architectural elements to exceed height requirements such as rooftop screening, towers, and other non-habitable features.
6. The Project would be compatible with the surrounding uses because the subject site is within an urban commercial/residential area developed with a variety of commercial and multi-story residential developments of varying density and design. The site is relatively flat and extensive grading is not proposed. The topography of the site allows for appropriate pedestrian access and the creation of buildable pad areas without the need to export or import significant quantities of dirt. The Project would be compatible with the surrounding area because the subject site is located within an urban commercial/residential area developed with a variety of commercial and multi-story residential developments of varying density and design. Adequate access and public utilities can be provided to the site. All vehicular traffic generated by the Project will be accommodated safely and without degrading the level of service on the adjoining streets or intersections. Appropriate noise attenuation would be provided for the new units. The proposed Project also would not result in a significant impact to biological or natural resources.

7. The design of the subdivision and the type of improvements are not likely to cause serious public health problems. The Project's proposed street alignments, grades and widths; drainage and sanitary facilities and utilities, including alignments and grades thereof; location and size of all required easements and rights-of-way; unit configuration; traffic and emergency access; grading; and open space and recreational amenities were all reviewed for compliance with relevant City policies and codes. The Project would not cause substantial environmental damage and would avoid injury to fish or wildlife, or their habitat because the site is located within an urban setting and previously has been developed with a residential/commercial use.
8. The design of the map and the type of improvements will not conflict with easements of record, or easements established through court judgments, or acquired by the population at large, for access through, or use of property within the proposed map because any existing easements and improvements will either be accommodated within the Project design; be quitclaimed prior to recordation of the map; or alternate provisions provided.
9. All permits and approvals applicable to the proposed map pursuant to the Escondido Zoning Code (Chapter 33 Zoning) and the Downtown Specific Plan have been or will be obtained prior to the recordation of the map.
10. The proposed map and associated Precise Development Plan will not conflict with regional or local housing goals because the proposed infill residential Project would be in conformance with General Plan Housing Goals and Policies to expand the stock of all housing; increase homeownership; plan for quality managed and sustainable growth; and encourage a compact, efficient urban form that promotes transit, supports nearby commercial establishments and takes advantage of infrastructure improvements installed to accommodate their intended intensities. The proposed Project would not diminish the Quality-of-Life Standards of the General Plan as the Project would not materially degrade the level of service on adjacent streets or public facilities, create excessive noise, and adequate on-site parking, circulation and public services could be provided to the site. The Project would comply with all development standards of the applicable zone and observe the density of the General Plan and area plans, as noted in the sections above.
11. In consideration of the above, the proposed Project meets all of the requirements of section 66474 of the California Government Code and the proposed map meets all of the requirements or conditions imposed by the Subdivision Map Act and the Escondido Zoning Code, as detailed in the May 12, 2021 staff report, the Escondido General Plan and above findings.

**Density Transfer Determination(s):**

1. The City's Density Transfer Program allows the transfer of unused residential density from the developing properties to another, future project in the downtown area. Through the program, residential units that are transferred from undeveloped or underutilized properties (i.e. sending areas) are placed in a density credit pool and are held until there are developing properties (i.e. receiving areas) acquire the density. Through the application of Planning Case File Nos.

SUB 20-0001 and PHG 20-0009, the subject property has been deemed a candidate to be a "sending area" and 54 units have been identified for transfer into the density credit pool. There are currently 13 units in the credit pool. If transferred, the new credit pool balance would be 67 units, as of this writing.

2. The Density Transfer Agreement is consistent with vision and strategic goals of the Downtown Specific Plan because it allows the Applicant to develop the Project at a lower density (or fewer units) than the maximum units allowed. The Density Transfer Program provides the City with an additional mechanism to assist property owners wishing to provide housing at a density not otherwise permitted for their property by the Downtown Specific Plan. The transfer of said units would help incentivize future development - and keep it in the downtown area to support nearby retailers, services, entertainment, and attract other new businesses that are part of a desirable downtown economy. The overall amount of new development within the downtown would remain the same; however, implementation of the program creates a flexible way to still achieve the ultimate build-out of the downtown and create a future sustainable center of activity. Adopting the Project and approving the transfer of units would help accommodate the city's share of future regional housing needs with greater mix of housing types and choices, which benefits everyone in the community.
3. The Density Transfer Agreement will not be detrimental to the health, safety and general welfare of the City because the Sending Area will be built at to comply with all development standards identified in the Downtown Specific Plan, as modified by the Planned Development Permit approved for the Project.

**Street Vacation Determination(s):**

1. There are three proposed street vacations associated with the Project: 1) a portion of W. 3<sup>rd</sup> Avenue; 2) a portion of S. Pine Street; and a portion of an alley. The proposed vacation on W. 3<sup>rd</sup> Avenue and S. Pine Street would not eliminate all legal access to any real property. The Project has been conditioned to ensure the alley way can accommodate pedestrian access through the alley to ensure continued connectivity.
2. The proposed vacations, considering all aspects, do not change any component of roadway capacity or utility so the General Plan does not need to be amended before the vacation is considered. No emergency access, traffic patterns, or general flow of circulation will be disrupted.
3. Appropriation of right-of-way should not be assumed to revert to one side or the other, in whole or in part. The City makes no conveyance of property or determination of ownership, by the act of vacation. The holder of the underlying fee title is the owner of the vacated property. The City can only vacate the interest it has, which is an easement for street purposes. The tax assessor will make a determination of ownership for tax purposes.
4. City staff will to record the vacation resolution with the County Recorder, at the expense of the Applicant. Recordation may be delayed as necessary until certain Project conditions are

met to the satisfaction of the City Engineer. The processing technician must notify the City Engineer when the conditions are met referencing Resolution No. 2021-61.

## PLANNING CASE NOS. SUB 20-0001 and PHG 20-0009

### CONDITIONS OF APPROVAL

This Project is conditionally approved as set forth on the application received by the City of Escondido on **January 21, 2020**, and the Project drawings consisting of Site Plans, Floor Plans, Sections, Architectural Elevations, Civil Sheets/Grading, Concept Landscape Plans and Colored Elevations; all designated as approved on **May 12, 2021**, and shall not be altered without express authorization by the Community Development Department.

For the purpose of these conditions, the term "Applicant" shall also include the Project proponent, owner, permittee, or its successor(s) in interest, as may be applicable.

#### A. General:

1. **Acceptance of Permit.** Should the Applicant fail to file a timely and valid appeal of this Permit within the applicable appeal period, such inaction by the Applicant shall be deemed to constitute all of the following on behalf of the Applicant:
  - a. Acceptance of the Permit by the Applicant; and
  - b. Agreement by the Applicant to be bound by, to comply with, and to do all things required of or by the Applicant pursuant to all of the terms, provisions, and conditions of this Project Permit or other approval and the provisions of the Escondido Municipal Code or Zoning Code applicable to such Permit.
2. **Permit Expiration.** If the Permit was filed as or concurrent with a Tentative Map, the Permit shall expire thirty-six (36) months from the effective date of approval, unless additional time is granted pursuant to the Map Act or to the Escondido Municipal Code. If not filed as concurrent with a Tentative Map application, the Permit shall automatically expire after one (1) year from the date of this approval, or the expiration date of any extension granted in accordance with the Escondido Municipal Code and Zoning Code.

The Permit shall be deemed expired if a building permit has not been obtained or work has been discontinued in the reliance of that building permit. If no building permits are required, the City may require a noticed hearing to be scheduled before the authorized agency to determine if there has been demonstrated a good faith intent to proceed, pursuant to and in accordance with the provision of this Permit.

3. **Certification.** The Director of Community Development, or his/her designee, is authorized and directed to make, or require the Applicant to make, all corrections and modifications to the Project drawings and any other relevant document comprising the Project in its entirety, as necessary to make them internally consistent and in conformity with the final

action on the Project. This includes amending the Project drawings as necessary to incorporate revisions made by the decision-making body and/or reflecting any modifications identified in these conditions of approval. Three copies of final Approved Plan set, shall be submitted to the Planning Division for certification. Said plans must be certified by the Planning Division prior to submittal of any post-entitlement permit, including grading, public improvement, landscape, or building plans for the Project.

**4. Conformance to Approved Plans.**

- a. The operation and/or use of the subject property shall be consistent with the Project Description and Details of Request, designated with the Approved Plan set.
- b. Nothing in this Permit shall authorize the Applicant to intensify the authorized activity beyond that which is specifically described in this Permit.
- c. Once a permit has been issued, the Applicant may request Permit modifications. "Minor" modifications may be granted if found by the Director of Community Development to be in substantial conformity with the Approved Plan set, including all exhibits and Permit conditions attached hereto. This includes modifications to the Grading Exemptions for the slope and wall up to an additional one foot in height. Modifications beyond the scope described in the Approved Plan set may require submittal of an amendment to the Permit and approval by the authorized agency.

**5. Limitations on Use.** Prior to any use of the Project site pursuant to this Permit, all Conditions of Approval contained herein shall be completed or secured to the satisfaction of the Community Development Department.

**6. Certificate of Occupancy.**

- a. No change in the character of occupancy or change to a different group of occupancies as described by the Building Code shall be made without first obtaining a Certificate of Occupancy from the Building Official, as required, and any such change in occupancy must comply with all other applicable local and state laws.
- b. Prior to final occupancy, a Planning Final Inspection shall be completed to ensure that the property is in full compliance with the Permit terms and conditions. The findings of the inspection shall be documented on a form and content satisfactory to the Director of Community Development.

**7. Availability of Permit Conditions.**

- a. Prior to Final Map recordation, the Applicant shall cause a covenant regarding real property to be recorded that sets forth the terms and conditions of this Permit approval and shall be of a form and content satisfactory to the Director of Community Development.
  - b. The Applicant shall make a copy of the terms conditions of this Permit readily available to any member of the public or City staff upon request. Said terms and conditions shall be printed on any construction plans that are submitted to the Building Division for plan check processing.
8. **Right to Entry.** The holder of this Permit shall make the premises available for inspection by City staff during construction or operating hours and allow the investigations of property necessary to ensure that minimum codes, regulations, local ordinances and safety requirements are properly followed. The Applicant shall provide such business records, licenses, and other materials necessary upon request to provide evidence of compliance with the conditions of approval, as well as federal, state, or laws.
9. **Compliance with Federal, State, and Local Laws.** Nothing in this Permit shall relieve the Applicant from complying with conditions, performance standards, and regulations generally imposed upon activities similar in nature to the activity authorized by this permit. (Permits from other agencies may be required as specified in the Permit's Details of Request.) This Permit does not relieve the Applicant of the obligation to comply with all applicable statutes, regulations, and procedures in effect at the time that any engineering permits or building permits are issued unless specifically waived herein.

No part of this Permit's approval shall be construed to permit a violation of any part of the Escondido Municipal or Zoning Code. During Project construction and after Project completion, the Applicant shall ensure the subject land use activities covered by this Permit is conducted in full compliance with all local and state laws.
10. **Fees.** The appropriate development fees and Citywide Facility fees shall be paid in accordance with the prevailing fee schedule in effect at the time of building permit issuance, to the satisfaction of the Director of Community Development. Through plan check processing, the Applicant shall pay development fees at the established rate. Such fees may include, but not be limited to: Permit and Plan Checking Fees, Water and Sewer Service Fees, School Fees, Traffic Mitigation Fees, Flood Control Mitigation Fees, Park Mitigation Fees, Fire Mitigation/Cost Recovery Fees, and other fees listed in the Fee Schedule, which may be amended. Arrangements to pay these fees shall be made prior to building permit issuance to the satisfaction of the Community Development Department.
11. **Community Facility District or Funding Mechanism.** The Applicant shall fund all on-going operational costs of providing municipal services required for the Project. Such funding shall occur through either an agreement to form or annex into a Community Facilities District ("CFD") or the establishment of another lawful funding mechanism



reasonably acceptable to the City ("Public Services Funding Agreement"). The provisions of the Public Services Funding Agreement shall specify any terms and limitations necessary to implement the CFD or other funding mechanism to offset the impacts to public services associated with the Project. The City Manager, or City Manager's designee, shall be authorized to approve and execute the Public Services Funding Agreement, and the Public Services Funding Agreement shall be finalized prior to the City's issuance of any permit for the Project.

**12. Public Art Partnership Program.** All requirements of the Public Art Partnership Program, Ordinance No. 86-70 shall be satisfied prior to any building permit issuance. The ordinance requires that a public art fee be added at the time of the building permit issuance for the purpose of participating in the City Public Art Program.

**13. Clerk Recording.**

- a. **Exemption.** The City of Escondido hereby notifies the Applicant that the County Clerk's Office requires a documentary handling fee of \$50.00 in order to file a Notice of Exemption. In order to file the Notice of Exemption with the County Clerk, in conformance with California Environmental Quality Act (CEQA) Section 15062, the Applicant should remit to the City of Escondido Planning Division, within two working days of the final approval of the Project (the final approval being the date of this letter) a certified check payable to the "County Clerk" in the amount of \$50.00. The filing of a Notice of Exemption and the posting with the County Clerk starts a 35-day statute of limitations period on legal challenges to the agency's decision that the Project is exempt from CEQA. Failure to submit the required fee within the specified time noted above will result in the Notice of Exemption not being filed with the County Clerk, and a 180-day statute of limitations will apply.
- b. For more information on filing fees, please refer to the County Clerk's Office and/or the California Code of Regulations, Title 14, Section 753.5.

**14. Legal Description Adequacy.** The legal description attached to the application has been provided by the Applicant and neither the City of Escondido nor any of its employees assume responsibility for the accuracy of said legal description.

**15. Application Accuracy.** The information contained in the application and all attached materials are assumed to be correct, true, and complete. The City of Escondido is relying on the accuracy of this information and Project-related representations in order to process this application. Any permits issued by the City may be rescinded if it is determined that the information and materials submitted are not true and correct. The Applicant may be liable for any costs associated with rescission of such permits.

**16. Enforcement.** If any of the terms, covenants or conditions contained herein shall fail to occur or if they are, by their terms, to be implemented and maintained over time, the City

of Escondido shall have the right to deny or withhold subsequent permit approvals or permit inspections that are derived from the application entitlements herein granted; issue stop work orders; pursue abatement orders, penalties, or other administrative remedies as set forth in state and local laws; or institute and prosecute litigation to compel compliance with said conditions or seek damages for their violation. The applicant/developer shall be notified in advance prior to any of the above actions being taken by the City and shall be given the opportunity to remedy any deficiencies identified by the City.

**17. Indemnification, Hold Harmless, Duty to Defend.**

- a. The Applicant shall indemnify, hold harmless, and defend (with counsel reasonably acceptable to the City) the City, its Councilmembers, Planning Commissioners, boards, commissions, departments, officials, officers, agents, employees, and volunteers (collectively, "Indemnified Parties") 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, at law or in 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 (i) any business, work, conduct, act, omission, or negligence of the Applicant or the owner of the Property (including the Applicant's or the owner of the Property's contractors, subcontractors, licensees, sublessees, invitees, agents, consultants, employees, or volunteers), or such activity of any other person that is permitted by the Applicant or owner of the Property, occurring in, on, about, or adjacent to the Property; (ii) any use of the Property, or any accident, injury, death, or damage to any person or property occurring in, on, or about the Property; or (iii) any default in the performance of any obligation of the Applicant or the owner of the Property to be performed pursuant to any condition of approval for the Project or agreement related to the Project, or any such claim, action, or proceeding brought thereon. Provided, however, that the Applicant shall have no obligation to indemnify, hold harmless, or defend the City as to any Claims that arise from the sole negligence or willful misconduct of the City. In the event any such Claims are brought against the City, the Applicant, upon receiving notice from the City, shall defend the same at its sole expense by counsel reasonably acceptable to the City and shall indemnify the City for any and all administrative and litigation costs incurred by the City itself, the costs for staff time expended, and reasonable attorney's fees (including the full reimbursement of any such fees incurred by the City's outside counsel, who may be selected by the City at its sole and absolute discretion and who may defend the City against any Claims in the manner the City deems to be in the best interests of the City).
- b. The Applicant further and separately agrees to and shall indemnify, hold harmless, and defend the City (including all Indemnified Parties) from and against any and all

Claims brought by any third party to challenge the Project or its approval by the City, including but not limited to (i) any Claims related to the Project's environmental determinations or environmental review documents, or any other action taken by the City regarding environmental clearance for the Project or any of the Project approvals; and (ii) any Claims related to the Agreement of Purchase and Sale and Joint Escrow Agreements executed by the City and the Applicant, including but not limited to any challenge to the City's determination that the disposition of the Property is exempt from the January 1, 2020 amendments to the Surplus Land Act (California Government Code section 54220 et seq.). Such indemnification shall include the Applicant's payment for any and all administrative and litigation costs and expenses incurred by the City in defending against any such Claims, including payment for all administrative and litigation costs incurred by the City itself, the costs for staff time expended, and reasonable attorney's fees (including the full reimbursement of any such fees incurred by the City's outside counsel, who may be selected by the City at its sole and absolute discretion and who may defend the City against any Claims in the manner the City deems to be in the best interests of the City and the Project).

- c. The City, in its sole discretion and upon providing notice to the Applicant, may require the Applicant to deposit with the City an amount estimated to cover costs, expenses, and fees (including attorney's fees) required to be paid by the Applicant in relation to any Claims referenced herein, which shall be placed into a deposit account from which the City may draw as such costs, expenses, and fees are incurred. Within 14 days after receiving written notice from the City, the Applicant shall replenish the deposit account in the amount the City determines is necessary in the context of the further defense of such Claims. To the extent such deposit is required by the City, the amount of such deposit and related terms and obligations shall be expressed in a written Deposit Account Agreement, subject to the City Attorney's approval as to form. The City, in its sole and reasonable discretion, shall determine the amount of any initial deposits or subsequent deposits of funds, and the Applicant may provide documentation or information for the City to consider in making its determinations. Nothing within this subsection shall be construed as to relieve the Applicant's obligations to indemnify, hold harmless, or defend the City as otherwise stated herein.

## **B. Construction, Maintenance, and Operation Obligations:**

1. **Code Requirements.** All construction shall comply with the applicable requirements of the Escondido Municipal Code, Escondido Zoning Code, California Building Code; and the requirements of the Planning Division, Engineering Services Department, Director of Community Development, Building Official, City Engineer, and the Fire Chief in carrying out the administration of said codes. Approval of this Permit request shall not waive compliance with any City regulations in effect at the time of Building Permit issuance unless specifically waived herein.

As a condition of receiving the land use approvals specified herein, Applicant shall maintain the property subject to the approvals in compliance with all applicable city codes governing the condition or appearance of the property. In addition to compliance with such basic standards, the property subject to these approvals shall also be maintained free of trash, plant debris, weeds, and concrete (other than existing foundations and permanent structures). Any signs placed on the property advertising such property for sale or rent shall be in accordance with applicable laws, and be kept clean, in like-new condition, and free from fading and graffiti at all times. This condition shall be applicable from the date the land use is approved. The failure to comply with this condition shall subject the approvals specified herein to revocation for failure to comply.

2. **Agency License and Permitting.** In order to make certain on- or off-site improvements associated with the Approved Plan set, the Permit request may require review and clearance from other agencies. Nothing in these Conditions of Approval shall be construed as to waive compliance with other government agency regulations or to obtain permits from other agencies to make certain on- or off-site improvements prior to Final Map recordation, grading permit issuance, building permit issuance, or certificate of occupancy as required. This review may result in conditions determined by the reviewing agency.

At all times during the effective period of this Permit, the Applicant and any affiliated responsible party shall obtain and maintain in valid force and effect, each and every license and permit required by a governmental agency for the construction, maintenance, and operation of the authorized activity.

3. **Utilities.** All new utilities and utility runs shall be underground, or fee payment in-lieu subject to the satisfaction of the City Engineer.
4. **Signage.** All proposed signage associated with the Project must comply with Article 66 (Sign Ordinance) of the Escondido Zoning Code. Separate sign permits will be required for Project signage. All non-conforming signs shall be removed. The Applicant shall submit with any sign permit graphic/list of all signs to be removed and retained, along with any new signage proposed.
5. **Noise.** All Project generated noise shall conform to the City's Noise Ordinance (Ordinance 90-08).
6. **Lighting.** All exterior lighting shall conform to the requirements of Article 35 (Outdoor Lighting Ordinance) of the Escondido Zoning Code.
7. **General Property Maintenance.** The property owner or management company shall maintain the property in good visual and functional condition. This shall include, but not be limited to, all exterior elements of the buildings such as paint, roof, paving, signs, lighting and landscaping. The Applicant shall paint and re-paint all building exteriors,

accessory equipment, and utility boxes servicing the Project, as necessary to maintain clean, safe, and efficient appearances.

- 8. Anti-Graffiti.** The Applicant shall remove all graffiti from buildings and wall surfaces within 48 hours of defacement, including all areas of the job site for when the Project is under construction.
- 9. Anti-Litter.** The site and surrounding area shall be maintained free of litter, refuse, and debris. Cleaning shall include keeping all publicly used areas free of litter, trash, and garbage.
- 10. Roof, Wall, and Ground Level Equipment.** All mechanical equipment shall be screened and concealed from view in accordance with Section 33-1085 of the Escondido Zoning Code.
- 11. Trash Enclosures.** Appropriate trash enclosure(s) or other approved trash system shall be approved by the Planning and Engineering Division. The property owner or management company shall be responsible for ensuring that enclosures are easily assessable for garbage and recyclables collection; and that the area is managed in a clean, safe, and efficient manner. Trash enclosure covers shall be closed when not in use. Trash enclosures shall be regularly emptied. There shall be the prompt removal of visible signs of overflow of garbage, smells emanating from enclosure, graffiti, pests, and vermin.
- 12. Staging Construction Areas.** All staging areas shall be conducted on the subject property, subject to approval of the Engineering Department. Off-site staging areas, if any, shall be approved through the issuance of an off-site staging area permit/agreement.
- 13. Disturbance Coordinator.** The Applicant shall designate and provide a point-of-contact whose responsibilities shall include overseeing the implementation of Project, compliance with Permit terms and conditions, and responding to neighborhood concerns.
- 14. Construction Waste Reduction, Disposal, and Recycling.** Applicant shall recycle or salvage for reuse a minimum of 65% of the non-hazardous construction and demolition waste for residential projects or portions thereof in accordance with either Section 4.408.2, 4.408.3, or 4.408.4 of the California Green Building Standards Code; and/or for non-residential projects or portions thereof in accordance with either Section 5.408.1.1, 5.408.1.2, or 5.408.1.3 of the California Green Building Standards Code. In order to ensure compliance with the waste diversion goals for all residential and non-residential construction projects, the Applicant must submit appropriate documentation as described in Section 4.408.5 of the California Green Building Standards Code for residential projects or portions thereof, or Section 5.408.1.4 for non-residential projects or portions thereof, demonstrating compliance with the California Green Building Standards Code sections cited above.

**15. Construction Equipment Emissions.** Applicant shall incorporate measures that reduce construction and operational emissions. Prior to the City's issuance of the demolition and grading permits for the Project, the Applicant shall demonstrate to the satisfaction of the Planning Division that its construction contractor will use a construction fleet wherein all 50-horsepower or greater diesel-powered equipment is powered with California Air Resources Board ("CARB") certified Tier 4 Interim engines or equipment outfitted with CARB-verified diesel particulate filters. An exemption from this requirement may be granted if (i) the Applicant provides documentation demonstrating that equipment with Tier 4 Interim engines are not reasonably available, and (ii) functionally equivalent diesel PM emission totals can be achieved for the Project from other combinations of construction equipment. Before an exemption may be granted, the Applicant's construction contractor shall demonstrate to the satisfaction of the Director of Community Development that (i) at least two construction fleet owners/operators in San Diego County were contacted and those owners/operators confirmed Tier 4 Interim equipment could not be located within San Diego County during the desired construction schedule, and (ii) the proposed replacement equipment has been evaluated using the California Emissions Estimator Model ("CalEEMod") or other industry standard emission estimation method, and documentation provided to the Planning Division confirms that necessary project-generated functional equivalencies in the diesel PM emissions level are achieved.

**C. Parking and Loading/Unloading.**

1. A minimum of 179 parking spaces, as shown on the Project plans, shall be provided at all times. Said parking spaces provided by the Applicant, and any additional parking spaces provided above the required, minimum amount, shall be dimensioned per City standards and be maintained in a clean, well-marked condition. The stripping shall be drawn on the plans or a note shall be included indicating double-stripping per City standards.
2. Parking for disabled persons shall be provided (including "Van Accessible" spaces) in full compliance with the State Building Code.
3. No contractor or employee may store, or permit to be stored, a commercial or construction vehicle/truck; or personal vehicle, truck, or other personal property on public-right-of-way or other public property without permission of the City Engineer.

**D. Landscaping:** The property owner or management company assumes all responsibility for maintaining all on-site landscaping; any landscaping in the public right-of-way adjacent to the property, including potted plants; and any retaining and freestanding walls in a manner that satisfies the conditions contained herein.

1. Landscaped areas shall be maintained in a flourishing manner. Appropriate irrigation shall be provided for all landscape areas and be maintained in a fully operational condition.

2. All existing planting and planter areas, including areas within the public right-of-way, shall be repaired and landscaping brought into compliance with current standards. All dead plant material shall be removed and replaced by the property owner or management company.
3. If at the time of planning final inspection that it is determined that sufficient screening is not provided, the Applicant shall be required to provide additional landscaping improvements to the satisfaction of the Planning Division.
4. The landscaped areas shall be free of all foreign matter, weeds and plant material not approved as part of the landscape plan.
5. Failure to maintain landscaping and the site in general may result in the setting of a public hearing to revoke or modify the Permit approval.
6. **Landscaping Plans.** Applicant shall install all required improvements including screening walls, retaining walls, storm improvements, and landscaping in substantial conformance to the planting and irrigation schedule as shown on the final Approved Plan set.
  - a. A final landscape and irrigation plan shall be submitted to the Planning Division for review and approval, if meeting any of the criteria listed under Section 33-1323 of the Zoning Code. Five copies of detailed landscape and irrigation plans shall be submitted to the Engineering Services Department with the second submittal of the grading plan. The initial submittal of the landscape plans shall include the required plan check fees, paid in accordance with the prevailing fee schedule in effect at the time of submittal. Details of Project fencing and walls, including materials and colors, shall be provided on the landscape plans. (Building permits may also be required.) The landscape and irrigation plans shall be reviewed and approved by the Planning Division and Engineering Services Department prior to issuance of grading permits, and shall be equivalent or superior to the conceptual landscape plans included as part of the Approved Plan set, to the satisfaction of the Planning Division. The required landscape and irrigation plans(s) shall comply with the provisions, requirements and standards outlined in Article 62 (Landscape Standards) of the Escondido Zoning Code, except where stricter requirements are imposed by the State of California.
  - b. Screening walls, retaining walls, storm improvements, and landscaping (i.e. planting and irrigation) is to be provided prior to final occupancy.
  - c. The installation of the landscaping and irrigation shall be inspected by the Project landscape architect upon completion. He/she shall complete a Certificate of Landscape Compliance certifying that the installation is in substantial compliance with the approved landscape and irrigation plans and City standards. The

Applicant shall submit the Certificate of Compliance to the Planning Division and request a final inspection.

- d. Any new freestanding walls and/or retaining walls shall incorporate decorative materials or finishes, and shall be indicated on the landscaping plans. (Building permits may also be required.) All freestanding walls visible from points beyond the Project site shall be treated with a protective sealant coating to facilitate graffiti removal. The sealant shall be a type satisfactory to the Director of Community Development.
- e. New or retrofitted trash enclosures shall accommodate vertical climbing plants, vines with support trellis panels, clinging non-deciduous or fast growing shrubbery that will screen the enclosures wall surface. The Director of Community Development shall find that the proposed landscaping design, material, or method provides approximate equivalence to the specific requirements of this condition or is otherwise satisfactory and complies with the intent of these provisions.

#### **E. Specific Planning Division Conditions:**

##### **1. Historic/Cultural**

- a. Prior to issuance of demolition and/or grading permits, appropriate photo documentation of the site and buildings shall be completed by a qualified cultural/historic consultant utilizing the appropriate California Office of Historic Preservation DPR forms/format. The final photos/forms shall be submitted to the Escondido Planning Division.
- b. Salvage Materials. Prior to demolition, distinctive representative architectural elements (interior and exterior features) shall be identified, and if feasible, salvaged for reuse in relation to the proposed plan. If reuse on-site is not feasible, opportunities shall be made for the features to be donated to various interested historical or archival depositories, to the satisfaction of the Director of Community Development.
- c. The City Planning Division recommends the applicant enter into a Tribal Cultural Resource Treatment and Monitoring Agreement (also known as a pre-excavation agreement) with a tribe that is traditionally and culturally affiliated with the project location (TCA Tribe) prior to issuance of a grading permit. The purposes of the agreement are: (1) to provide the applicant with clear expectations regarding tribal cultural resources and (2) to formalize protocols and procedures between them. The applicant/owner and the TCA Tribe responsible for the protection and treatment of, including but not limited to, Native American human remains, funerary objects, cultural and religious landscapes, ceremonial items, traditional gathering areas and cultural items, located and/or discovered through a monitoring program in conjunction with the construction of the project, including additional archaeological surveys and/or studies,



excavations, geotechnical investigations, grading, and all other ground-disturbing activities.

- d. Prior to issuance of a grading permit, the applicant shall provide written verification to the City that a qualified archaeologist and a Native American monitor associated with a TCA Tribe have been retained to implement the monitoring program. The archaeologist shall be responsible for coordinating with the Native American monitor. This verification shall be presented to the City in a letter from the project archaeologist that confirms the selected Native American monitor is associated with a TCA Tribe. The City, prior to any pre-construction meeting, shall approve all persons involved in the monitoring program.
- e. The qualified archaeologist and a Native American monitor shall attend the pre-grading meeting with the grading contractors to explain and coordinate the requirements of the monitoring program.
- f. During the initial demolition, site grading, excavation, or disturbance of the ground surface, the qualified archaeologist and the Native American monitor shall be on-site full-time. The frequency of inspections shall depend on the rate of excavation, the materials excavated, and any discoveries of tribal cultural resources as defined in California Public Resources Code Section 21074. Archaeological and Native American monitoring will be discontinued when the depth of grading and soil conditions no longer retain the potential to contain cultural deposits. The qualified archaeologist, in consultation with the Native American monitor, shall be responsible for determining the duration and frequency of monitoring.
- g. In the event that previously-unidentified tribal cultural resources are discovered, the qualified archaeologist and the Native American monitor shall have the authority to temporarily divert or temporarily halt ground disturbance clearly non-significant deposits shall be minimally documented in the field and collected so the monitored grading can proceed.
- h. If a potentially significant tribal cultural resource is discovered, the archaeologist shall notify the City of said discovery. The qualified archaeologist, in consultation with the City, the TCA Tribe, and the Native American monitor, shall determine the significance of the discovered resource. A recommendation for the tribal cultural resource's treatment and disposition shall be made by the qualified archaeologist in consultation with the TCA Tribe and the Native American monitor and be submitted to the City for review and approval.
- i. If a potentially significant tribal cultural resources and/or unique archaeological resource is discovered, the avoidance and/or preservation of the significant tribal cultural resource and/or unique archaeological resource must first be considered and evaluated as required by CEQA. Where any significant tribal cultural resources and/or

- unique archaeological resources have been discovered and avoidance and/or preservation measures are deemed to be infeasible by the City, then a research design and data recovery program to mitigate impacts shall be prepared by the qualified archaeologist (using professional archaeological methods), in consultation with the TCA Tribe and the Native American monitor, and shall be subject to approval by the City. The archaeological monitor, in consultation with the Native American monitor, shall determine the amount of material to be recovered for an adequate artifact sample for analysis. Before construction activities are allowed to resume in the affected area, the research design and data recovery program activities must be concluded to the satisfaction of the City.
- j.** As specified by California Health and Safety Code Section 7050.5, if human remains are found on the Project site during construction or during archaeological work, the person responsible for the excavation, or his or her authorized representative, shall immediately notify the San Diego County Coroner's office. Determination of whether the remains are human shall be conducted on-site and in situ where they were discovered by a forensic anthropologist, unless the forensic anthropologist and the Native American monitor agree to remove the remains to an off-site location for examination. No further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains shall occur until the Coroner has made the necessary findings as to origin and disposition. A temporary construction exclusion zone shall be established surrounding the area of the discovery so that the area would be protected, and consultation and treatment could occur as prescribed by law. In the event that the remains are determined to be of Native American origin, the Most Likely Descendant, as identified by the Native American Heritage Commission, shall be contacted in order to determine proper treatment and disposition of the remains in accordance with California Public Resources Code section 5097.98. The Native American remains shall be kept in-situ, or in a secure location in close proximity to where they were found, and the analysis of the remains shall only occur on-site in the presence of a Native American monitor.
- k.** If the qualified archaeologist elects to collect any tribal cultural resources, the Native American monitor must be present during any testing or cataloging of those resources. Moreover, if the qualified archaeologist does not collect the cultural resources that are unearthed during the ground disturbing activities, the Native American monitor, may at their discretion, collect said resources and provide them to the TCA Tribe for respectful and dignified treatment in accordance with the TCA Tribe's cultural and spiritual traditions. Any tribal cultural resources collected by the qualified archaeologist shall be repatriated to the TCA Tribe. Should the TCA Tribe or other traditionally and culturally affiliated tribe decline the collection, the collection shall be curated at the San Diego Archaeological Center. All other resources determined by the qualified archaeologist, in consultation with the Native American monitor, to not be tribal cultural resources, shall be curated at the San Diego Archaeological Center.

- I. Prior to the release of the grading bond, a monitoring report and/or evaluation report, if appropriate, which describes the results, analysis and conclusion of the archaeological monitoring program and any data recovery program on the Project site shall be submitted by the qualified archaeologist to the City. The Native American monitor shall be responsible for providing any notes or comments to the qualified archaeologist in a timely manner to be submitted with the report. The report will include California Department of Parks and Recreation Primary and Archaeological Site Forms for any newly discovered resources.

## **2. Noise**

- a. Prior to issuance of building permits, the building plans shall incorporate the required building materials described in the Helix Noise Technical Study (Section 4.1.6) to ensure all rooms comply with the relevant interior noise standards of 45 CNEL for habitable areas. Appropriate means of air circulation and provision of fresh air also shall be incorporated into the final building plans to ensure that windows would be able to remain closed.

## **3. Hazardous Materials**

- b. Any materials containing asbestos that will be disturbed during demolition activities must be managed in accordance with any applicable local, State and Federal regulations by a licensed abatement contractor under controlled conditions. Current federal and state regulations require any repair, renovation and/or demolition of such materials be conducted only by workers and/or contractors who have been properly trained in the correct handling of asbestos. All asbestos work should be accomplished under the direction of an Independent State Certified Asbestos Consultant with oversight performed by a State Certified Site Surveillance Technician. The materials must be disposed of at an approved facility licensed to handle such waste.

## **4. Design/Operational**

- a. All walls shall be constructed out of decorative materials and include a matching cap (mortar cap not allowed). This shall be clearly noted on the grading plans and landscape plans.
- b. The project shall incorporate a minimum of 1 tree per dwelling unit into the project landscape plans. Specimen sized trees (minimum 24" box) shall be incorporate into the project street frontages along Pine Street, 3<sup>rd</sup> Avenue and Quince Street, where feasible.
- d. All mechanical equipment visible from adjacent streets shall incorporate an architectural screen and landscaping around the units to complement the design of the units. The screens for the rooftop equipment shall be tall enough and designed

- to provide adequate noise attenuation from the rooftop recreation space. The screens shall be included on either the building and/or landscape plan.
- e. An appropriate mix of trees, shrubs and ground cover shall be incorporated into the overall landscape design and slopes.
  - f. Permitted animals/pets shall be allowed in conformance with those identified in the Escondido Zoning Code for R-4 zoned properties, unless more restrictive standards are applied by the property owner and included in the project CC&Rs.
  - g. Balconies and patios shall be kept in a neat and orderly manner. Items shall not be hung over, across or on balconies or patios (such as towels, clothing, etc.). This shall be incorporated into the CC&Rs.
  - h. The Project shall be managed by a professional management company. A self-managed HOA shall not be allowed. This shall be reflected in the project CC&Rs.
  - i. Washer/Dryer hook ups shall be provided within each unit.
  - j. Prior to the issuance of building permits, a Parking Management Plan shall be submitted to the Planning Division for review and approved by the Director of Community Development. The Parking Management Plan and shall address the following:
    - Parking assignment for all residents for the studio, one- and two-bedroom units (at least one space for each unit, with two spaces for the two-bed units);
    - Delivery and other short-term parking and restrictions;
    - Guest parking;
    - Potential flex spaces for guest parking during certain timeframes
    - Secure bicycle parking (short and long term)
    - Parking Monitoring Plan to adjust the parking management plan as needed.
    - Transit Pass Assistance Program where the developer provides incentives for residents and employees who utilize monthly transit passes.
  - k. Public access shall be provided along the alley through the Project site with the recordation of a public access easement or other appropriate mechanism, as approved by the Engineering Services Division and City Attorney's Office.
  - l. The Project shall participate in the Density Transfer Program as a "sending area," as described in Exhibit "C" to City Council Resolution No. 2021-61. A deed restriction shall be recorded prior to building permit issuance, transferring 54 units into the Transfer Density Credit Pool.

- m. The Applicant is required to provide 300 square feet of open space per residential unit on site, but is allowed to pay a fee as an alternative in-lieu of construction of open space amenities on the Project site. Prior to building occupancy, the Applicant shall pay the City \$220,837 for the City's use towards park and open space improvements in the downtown area, with a preference of proximity to the Project site. Said payment shall be made to the Building Official and paid into a parkland/open space trust fund and used to finance parkland and open space developed off-site.

## **BUILDING**

1. Approval and subsequent development are subject to all conditions and requirements of the California Building Code and Building Division.

## **FIRE**

1. Fire underground line, Fire sprinkler, and Fire alarm plans shall be deferred submittals to the Escondido Fire Department.
2. No combustibles shall be brought to the site without and adequate water supply and installed approved access.

## **ENGINEERING CONDITIONS - GENERAL**

1. The Developer shall provide the City Engineer with a Subdivision Guarantee and Title Report covering subject property.
2. The location of all existing on-site and adjacent utilities and storm drain facilities shall be determined by the Developer's engineer. If a conflict occurs with the proposed project or improvements, arrangements for relocation of the conflicting utilities/facilities shall be made with the owner of the utility/facility prior to approval of the Grading plans and Final Map. This utility/facility relocation work shall be completed prior to issuance of Building Permits.
3. Improvement plans prepared by a Civil Engineer, required for all public street, utility, and storm drain improvements, and Grading/Private Improvement plans prepared by Civil Engineer, required for all grading, drainage and private onsite improvement design, shall be submitted for review through the virtual plan review portal as a single package containing all items on the Engineering Plan Review Checklist. Landscaping Plans shall be prepared by a Landscape Architect and shall also be submitted through the virtual plan review portal with the second final engineering resubmittal.
4. The Developer shall post securities in accordance with the City prepared Bond and Fee Letter based on a final Engineer's Estimate of Grading and Improvements Cost prepared by the project engineer. The Developer is required to provide a Cash Clean Up deposit for all grading, landscaping, private Improvements and onsite drainage improvements prior to

approval of Grading Plans and issuance of Grading Permit. This Cash Clean Up Deposit amount shall be 10% of the total cost of the project private improvements, drainage and landscaping. The Developer is required to provide Performance (100% of total public improvement cost estimate), Labor and Material (50% of total public improvement cost estimate) and Guarantee and Warranty (10% of total public improvement cost estimate) bonds for all public improvements prior to approval of the Improvement Plans and issuance of Building Permits. All improvements shall be completed prior to issuance of a Certificate of Occupancy.

5. All final engineering plans for the construction of all required off-site and on-site improvements and grading shall be approved and surety bonds and agreements in a form acceptable to the City Attorney shall be posted by the Developer with the City of Escondido prior to approval and recording of the Final Map and approval of the Grading Plan for this Subdivision.
6. No Building Permits shall be issued for any construction within this Subdivision until the Final Subdivision Map is recorded and either:
  - a) All conditions of the Tentative Subdivision Map have been fulfilled, or
  - b) Those conditions unfulfilled at the time of an application for Building Permits shall be secured and agreements executed in a form and manner satisfactory to the City Attorney and City Engineer.
7. If site conditions change adjacent to the proposed development prior to completion of the project, the Developer will be responsible to modify his/her improvements to accommodate these changes. The determination and extent of the modification shall be to the satisfaction of the City Engineer.
8. All project construction shall be conducted in a manner that does not damage existing public improvements. Any damage shall be corrected by the Developer to the satisfaction of the City Engineer.
9. The Developer's engineer shall submit to the Planning Department 3 copies of the Tentative Map as presented to the Planning Commission and approved by the City Council together with any changes contained in the adopted final conditions of approval. The Tentative Map will be certified by the Planning Department verifying that they are an accurate reproduction of the approved and conditioned Tentative Map and must be included with the first Final Engineering submittal for plan check to the Engineering Department.

#### **STREET IMPROVEMENTS AND TRAFFIC**

1. Public street and drainage improvements shall be constructed to City Standards as required by the Subdivision Ordinance and to the satisfaction of the City Engineer prior to first occupancy. Specific details, including final street improvement widths, right-of-way widths,

concrete curb and gutters, curb returns and pedestrian ramps, drainage, lighting, etc. shall be to the satisfaction of the City Engineer.

2. Prior to the first occupancy the developer shall construct street improvements, including but not limited to, concrete curb, gutter, sidewalk, street lights, street trees, paving and base on the following streets adjoining the project boundaries:

<b><u>STREET</u></b>	<b><u>CLASSIFICATION</u></b>
Pine Street	Mod. Local Collector – (36' curb to curb)
Quince Street	Collector - (64' curb to curb)
3rd Avenue	Mod. Residential - (24' drive w/ perp. parking)
Alley	Alley Standard – 24' wide w/ ribbon gutter

See appropriate typical sections in the current Escondido Design Standards for additional design details.

3. Public sidewalk construction along Quince Street shall be contiguous to the curb in accordance with current Escondido Design Standards.
4. Public sidewalk construction along Pine Street and 3rd Avenue shall be contiguous to the curb behind private perpendicular and diagonal parking spaces.
5. Pedestrian access easement will be required beyond the right-of-way to allow the public use of these public sidewalks along Pine Street and 3rd Avenue.
6. All on-site access, alleyways, and parking areas shall be private. Typical sections, alignments, curb return, and design details shall be to the satisfaction of the City Engineer, Community Development Director, and City Fire Marshal. The private street improvements shall include, but not be limited to, the construction of concrete curb and gutter, sidewalks (one side only), street lights, paving and base.
7. The address of each building shall be posted in such a manner that the address is clearly visible from the street. The addressing shall be determined and placed in a manner and location approved by the City Engineer, Community Development Director, and Fire Marshal.
8. LED Street Lights shall be installed in accordance with City Standards and per Escondido Standard Drawing No. E-1-E along Pine Street at its intersection with the alley and 3rd Avenue and along Quince at its intersection with the alley and 3rd Avenue.
9. All existing public street lights along all Project frontages must be either retrofitted or replaced with an LED street light in accordance with Escondido Standard Drawing No. E-1-E. Where replaced the existing street light equipment shall be removed and salvaged to the City Public Works yard.

10. Street lighting shall be required on all on-site private access and alley ways. It shall be the responsibility of the Property Owner's or Home Owner's Association to maintain the street lighting system and such maintenance responsibility shall be clearly stated in the CC&Rs.
11. The Developer may be responsible for an overlay of Quince Street, Pine Street, and 2nd Avenue due to the many utility trenches necessary to serve this project. The determination of the extent of the overlay shall be to the satisfaction of the City Engineer.
12. The Developer shall remove and replace all damaged sidewalk, curb and gutter, along all project frontages to the satisfaction of the City Engineer prior to issuance of a Certificate of Occupancy.
13. The Developer's Traffic engineer shall prepare and submit for approval by the City Engineer a complete Signing and Striping plan for all improved and modified roadways. The Developer will be responsible for removal of all existing and the construction of all new signing and striping in compliance with the current CA MUTCD standards and to the satisfaction of the City Engineer. The signing and striping plan shall be submitted together with the first submittal of the Improvement and Grading Plan sets.
14. Adequate horizontal sight distance shall be provided at all driveways. Increased parkway widths, open space easements, and restrictions on landscaping may be required at the discretion of the City Engineer.
15. Any gated entrances shall be approved by the City Engineer, Building Official, and the Fire Marshal with the location and operation of the gates and equipment shown on and approved with the project grading and improvement plans. Any proposed gated entrance will require Building plans be approved and Building Permits issued for the structural, mechanical, and electrical aspects. The architectural details of the gate and entry way design are typically shown on the project landscape plans.
16. The Developer will be required to provide a detailed detour and traffic control plan, for all construction and staging activities within existing rights-of-way to the satisfaction of the City Engineer. This plan shall include any proposed sidewalk closures and provide for alternate pedestrian access around the Project site. This plan shall be approved prior to the issuance of an Encroachment Permit for construction or other project activities within the public right-of-way.

#### **GRADING AND ONSITE PRIVATE IMPROVEMENTS**

1. A site grading and erosion control plan prepared by a registered Civil Engineer shall be approved by the Engineering Department prior to issuance of building permits. The first submittal of the grading plan shall be accompanied by three copies of the preliminary soils and geotechnical report. The Soils Engineer will be required to indicate in the soils report



that he/she has reviewed the grading design and found it to be in conformance with his/her recommendations.

2. All private access drives and parking areas shall be paved with a minimum of 3" asphalt concrete over 6" of aggregate base or 7" Portland cement concrete over 6" aggregate base. All paved areas exceeding 15% slope or less than 1.0% shall be paved with Portland cement concrete.
3. Any proposed retaining walls not a part of the building foundations or stem walls shall be shown on and permitted as part of the site grading plan. Profiles and structural details shall be shown on the site grading plan and the Soils Engineer shall state on the plans that the proposed retaining wall design is in conformance with the recommendations and specifications as outlined in the Geotechnical report. Structural calculations shall be submitted for review by a Consulting Engineer for all walls not covered by Regional or City Standard Drawings. The Developer will be required to pay for all required third party structural engineering review of these structural calculations and details. Stem walls, foundation structures, or deepened footings that are to be constructed as part of a building structure will be permitted as part of the Building Department plan review and Building Permit process.
4. All retaining walls and screen walls, stairs and raised landings shall be constructed completely within the Project property and shall not encroach into the public R/W.
5. The Developer will be required to obtain permission from adjoining property owners for any off-site grading or other work necessary to construct the project and/or the required improvements, or the Developer shall modify the project design so the construction in question is contained within the project's property lines.
6. Erosion control, including riprap, interim slope planting, sandbags, or other erosion control measures shall be provided to control sediment and silt from the project. The Developer shall be responsible for maintaining all erosion control facilities throughout the project.
7. The Developer shall be responsible for the recycling of all excavated materials designated as Industrial Recyclables (soil, asphalt, sand, concrete, land clearing brush and rock) at a recycling center or other location(s) approved by the City Engineer.
8. A Construction General Permit is required from the State Water Resources Control Board for all storm water discharges associated with a construction activity where clearing, grading, and excavation results in a land disturbance of one or more acres.
9. All blasting operations performed in connection with the improvement of the project shall conform to the City of Escondido Blasting Operations Ordinance.

10. All existing foundations, structures, trees not otherwise designated "to remain" on the Tentative Map, shall be removed or demolished from the site.
11. All driveway grades shall conform to current Escondido Design Standards and Escondido Standard Drawings.

## **DRAINAGE**

1. Final on-site and off-site storm drain improvements shall be determined to the satisfaction of the City Engineer and shall be based on a Final Drainage Study to be prepared by the Engineer of Work. The drainage study shall be in conformance with the City of Escondido Design Standards.
2. The Developer shall install a public parallel 54" reinforced concrete storm drain pipe in 3<sup>rd</sup> Avenue together with a new or modified junction structure downstream at Quince Street where the 2 existing 54" storm drain joins an existing 9'x5' reinforced concrete box culvert. A grated drainage burp-out structure shall be designed and constructed on both the existing and proposed 54" RCP storm drain pipes in 3<sup>rd</sup> Avenue just upstream of the junction structure; all to the satisfaction of the City Engineer.
3. The Developer shall remove the existing undersized 18" storm drain connectors and grated inlets in Pine Street and shall install 2 new 42" storm drain pipes connecting the existing dual 5'x2' reinforced concrete box culverts coming under Pine Street to the proposed and existing 54" storm drain pipes in 3<sup>rd</sup> Avenue and construct a new curb inlet on Pine Street all per City Design Standards to the satisfaction of the City Engineer.
4. The Developer shall install a new curb inlet at the southeast corner of Quince and 3<sup>rd</sup> Avenue and connect it to the new 54" RCP storm drain in 3<sup>rd</sup> Avenue and this inlet shall include a mechanical filtering device that shall be the responsibility of the Home Owners Association to maintain.
5. The Developer shall install a Type-G inlets in the flowlines of the proposed ribbon gutters in the alley, in 3<sup>rd</sup> Avenue, and along Pine Street and these shall be connected to project's stormwater treatment and hydromodification facilities.
6. All on-site storm drains are private. The responsibility for maintenance of these storm drains shall be that of the Home Owner's Association. Provisions stating this shall be included in the CC&Rs.
7. The project shall limit drainage flows to their pre-construction rates. Details and calculations for any detention vaults shall be submitted and approved as part of the grading plan check.
8. A Final Storm Water Quality Management Plan (SWQMP) in compliance with the City's latest adopted Storm Water Design Manual shall be prepared for all newly created or replaced onsite impervious areas, impervious frontage, and required offsite improvements.

The SWQMP shall be submitted for approval with the final improvement and grading plans. The SWQMP shall include both treatment and hydromodification calculations, post-construction storm water treatment measures, and maintenance requirements and responsibilities both for onsite treatment and all facilities located in the public right-of-way. The SWQMP shall demonstrate how any proposed proprietary best management practices like modular wetlands meet bio-filtration treatment requirements in accordance with the City's Storm Water Design Manual. Additional stormwater treatment facilities or modular wetland units may be required to treat all portions of the site and disturbed right-of-way areas.

9. All site drainage with emphasis on the parking and driveway areas shall be treated to remove expected contaminants. The City highly encourages the use of bio-retention areas where possible as the primary method of storm water retention and treatment. The landscape plans will need to reflect these areas of storm water treatment.
10. Trash enclosures shall be constructed to comply with storm water quality management requirements to the satisfaction of the City Engineer.
11. The Developer will be required to have the current owner of the property sign, notarize, and record a Storm Water Control Facility Maintenance Agreement.
12. All onsite and offsite storm water treatment and retention facilities and their drains including modular wetlands, bio-retention basins and planters, any permeable paver areas shall be considered private. The responsibility for maintenance and repair of all project constructed/installed post construction storm water treatment facilities both onsite and in the adjacent public right-of-way shall be that of the Home Owners Association.
13. The Developer shall design and construct any permeable surfaces proposed for the project to the specifications of the version of the County of San Diego Green Streets manual approved by the County at the time the grading permits are issued. All permeable surfaces within the project footprint that are subject to vehicular traffic shall be designed for H20 loading.
14. The Home Owners Association shall perpetually maintain any permeable surfaces in accordance to the standards established by the County of San Diego Green Streets manual in effect at the time the grading permits are issued. City shall have the right to inspect all permeable surfaces as needed to ensure they function as designed. City shall have the right to require qualified third-party testing at the property owner's expense when surface failure is suspected. Contractor qualifications are outlined in the County of SD Green Streets manual. The Property owner or Home Owners Association will be required to repair or reinstall the permeable surface for all failing surfaces to County of San Diego Green Streets manual standards in place at the time of the grading permit. In the event of failure to maintain the permeable pavers system that result in not functioning as designed, the project owner will be responsible to replace the pervious pavers system with an alternate method of storm water treatment system.

## **WATER SUPPLY**

1. The Developer is required at their sole expense to design and construct a looped 12-inch public water main. This 12-inch water main shall loop around the project beginning at the intersection of 2nd Avenue and Pine Street and shall extend south in Pine Street to the south side of 3rd Avenue, this 12-inch watermain shall then be extended west on 3rd Avenue to join the existing 6-inch water main in Quince Street and replace this 6-inch watermain in Quince Street north to the existing 10-inch watermain in the alley that bisects the project. This existing 10-inch watermain shall be replaced in the alley with a new 12-inch watermain from Quince Street to Pine Street with required separation from the existing sewer main where it shall connect to the new 12-inch watermain in Pine Street and the existing 10-inch coming from the east across Center City Parkway. The 12-inch water main shall be designed and constructed in accordance with the current City of Escondido Design Standards and Standard Drawings and to the satisfaction of the Utilities Engineer.
2. Fire hydrants together with an adequate water supply shall be installed at locations approved by the Fire Marshal. Fire hydrants shall connect to a minimum 8-inch water main.
3. The final locations and sizing of all required water mains, water services, fire hydrants, detector check assemblies, and other water appurtenances shall be designed and installed to the satisfaction of the Director of Utilities and the Utilities Engineer.
4. Fire suppression and sprinkler systems beyond the Detector Check Valves are private and shall be designed and constructed per current Building, Plumbing, and Fire Code Standards, and per the requirements of the City Fire Marshal and City Building Official and shall be approved by a separate submittal to the Building Department. Although private and approved by separate plans and permit, all fire suppression lines shall be shown for reference and review on the various final engineering plan sets.
5. All on-site water lines and backflow prevention devices beyond the City water meter or DCA shall be considered a private water system. The Home Owners Association shall be responsible for all maintenance of these water lines and appurtenances.
6. A 1-inch minimum water service, 1-inch water meter, and backflow prevention device shall be required for domestic water supply per City of Escondido Design Standards and Standard Drawings. Water meters and backflow prevention devices shall not be installed within a driveway apron or on private drive areas.
7. No trees or deep-rooted bushes shall be planted within 10-feet of any water mains.
8. There shall be no permanent structures located within the City's Public utility Easements.
9. Improvement plans for all proposed water mains shall be prepared by a Civil Engineer and submitted to the City of Escondido for review and approval.

10. All public water mains shall be located under asphalt or concrete pavement and not under curbs, gutters, medians or sidewalks.
11. Backflow prevention assemblies are private and should be located on private property. Backflows shall be located directly behind the public meter.
12. Any water services to be replaced, reconnected or relocated as a part of this project shall be replaced in entirety from the public water main to the public water meter to the satisfaction of the Utilities Engineer and Water Distribution Department.
13. Any fire hydrants to be replaced, reconnected or relocated as a part of this project shall be replaced in entirety from the public water main to the fire hydrant per the satisfaction of the Utilities Engineer and Water Distribution.
14. The Developer shall disconnect at the public main, all water services and fire hydrants laterals to be abandoned, to the satisfaction of the Utilities Engineer and Water Distribution Department.

## **SEWER**

1. A private 6-inch minimum PVC sewer lateral with a standard clean-out within 18-inches of the Public Utility Easement or ROW shall be constructed for the project and shown on the Improvement and Grading plans. Sewer laterals less than 8-inches in diameter shall connect to the sewer main with a wye or Inserta-Tee.
2. All sewer laterals shall be constructed per current City of Escondido Design Standards and Standard Drawings and per the current Uniform Plumbing Code.
3. No trees or deep-rooted bushes shall be planted within 15-feet of any sewer main or within 10-feet of any sewer lateral. Sewer laterals shall be 5-feet horizontally clear from other utilities.
4. All sewer laterals shall be considered a private sewer system. The Home Owners Association shall be responsible for all maintenance of sewer laterals to the public sewer main.
5. Any sewer mains, laterals, and appurtenances shall be designed and constructed per current City of Escondido Design Standards and Standard Drawings, and to the satisfaction of the Utilities Engineer.
6. The project design shall be such that all existing or new sewer manholes are accessible at all times by City Vector trucks for maintenance.
7. The Developer shall cap and plug at the public sewer main all sewer lines and laterals to be abandoned, to the satisfaction of the Utilities Engineer and the City Inspector.

8. The location of all sewer laterals shall be shown on the grading and improvement plans.

### **LANDSCAPING**

1. Site landscaping and irrigation plan(s) for the project and for all right-of-way areas along the project frontages shall be prepared by a Licensed Landscape Architect and submitted to the Engineering Department with the second submittal of the grading plans for review and approval by Engineering and Planning Departments. The initial submittal of the landscape plans shall include the required plan check fees.

### **FINAL MAP - EASEMENTS AND DEDICATIONS**

1. All private and public easements affecting subject property both proposed and existing to remain shall be shown, delineated, dimensioned, and clearly labeled on the Final Map and all plan sets.
2. The Developer shall grant all necessary public easements to the City on the Final Map, including Public Utility Easements, Fire Access Easements, Pedestrian Access Easements, etc.
3. The Developer shall dedicate to the public two (2) feet of public utility easement along the project's entire Quince Street frontage.
4. The Developer shall dedicate to the public 4' of public right-of-way for a total of 24' of public right-of-way along the alley in areas where the project does not include the properties on both sides of the alley
5. In areas where the project is located on both sides of the alley, the alley can be vacated and public utility and emergency access easements reserved, and the Developer shall dedicate an additional two (2) feet of public utility easement on each side of the alley in these areas.
6. A public utility easement or water easement shall be granted to the City of Escondido for any proposed public waterlines within the project. The easement shall include all fire hydrants, water meters and other public water appurtenances. The minimum easement width for public mains shall be 20-feet.
7. The project includes multiple proposed Street Vacations of the public right-of-way adjacent to and within the project boundary. Specific right-of-way areas to be vacated shall be determined to the satisfaction of the City Engineer. Public utility easements will be required to be reserved over portions of the rights-of-way areas being vacated.
8. The Developer is responsible for making the arrangements to vacate all streets or quitclaim all easements of record which conflict with the proposed development prior to approval of the final map. All street vacations shall be accomplished on the Final Map. If an easement of

record contains an existing utility that must remain in service, proof of arrangements to quitclaim the easement once new utilities are constructed must be submitted to the City Engineer prior to approval of the Final Map. Building permits will not be issued for structures in which construction will conflict with existing easements or utilities, nor will any securities be released until the existing easements are quitclaimed.

### **REPAYMENTS AND FEES**

1. A cash security shall be posted to pay any costs incurred by the City to clean-up eroded soils and debris, repair damage to public or private property and improvements, install Best Management Practices devices and materials, and stabilize and/or close-up a non-responsive or abandoned project. Any moneys used by the City for cleanup or damage will be drawn from this security and the grading permit will be revoked by written notice to the Developer until the required cash security is replaced. The cleanup cash security shall be released upon final acceptance of the grading and improvements for this project. The amount of the cash security shall be 10% of the total estimated cost of the grading, retaining walls, walls, drainage facilities, landscaping and irrigation, and best management practices items of work up to a maximum of \$60,000, unless a higher amount is deemed necessary by the City Engineer.
2. The Developer shall be required to pay all development fees of the City then in effect at the time, and in such amounts as may prevail when Building Permits are issued.
3. The Applicant shall fund all on-going operational costs of providing municipal services required for the Project, the amount of such funding to be determined by the City Council at the time of Project approval. Such funding shall occur through either an agreement to form or annex into a Community Facilities District (CFD) or the establishment of another lawful funding mechanism reasonably acceptable to the City ("Public Services Funding Agreement"). The provisions of the Public Services Funding Agreement shall specify any terms and limitations necessary to implement the CFD or other funding mechanism to offset the impacts to public services associated with the project. The City Manager, or City Manager's designee, shall be authorized to approve and execute the Public Services Funding Agreement, and the Public Services Funding Agreement shall be finalized prior to the City's issuance of any permit for the Project.

### **UTILITY UNDERGROUNDING AND RELOCATION**

1. All existing overhead utilities within the subdivision boundary or along fronting streets and alley shall be relocated underground as required by the City's Subdivision and Undergrounding Ordinances.

2. The Developer shall sign a written agreement stating that they have made all such arrangements as may be necessary to coordinate and provide utility construction, relocation and undergrounding. All new utilities shall be constructed underground.

### **CC&Rs**

1. Copies of the CC&Rs shall be submitted to the Engineering Department and Planning Department and approved prior to approval of the Final Map.
2. The Developer shall make provisions in the CC&Rs for maintenance, repair and replacement by the Home Owners' Association of all private parking areas and access drives to them, private utilities (including sewer and water), storm water and drainage facilities, private street lighting, landscaping both onsite and within fronting public rights-of-way. These provisions must be approved by the Engineering Department prior to approval of the Final Map.
3. The CC&Rs must state that the Home Owners' Association assumes liability for damage and repair to City utilities in the event that damage is caused by the property owners' association when repair or replacement of private utilities is done.
4. The CC&Rs must state that if stamped concrete or pavers are installed the Home Owners' Association is responsible for replacing the stamped concrete or pavers in kind if the City has to trench for repair or replacement of a public utility.
5. The CC&Rs shall include provisions for the Home Owners' Association to maintain all of the Project's walls and fencing including graffiti removal along all project frontages.
6. The CC&Rs shall reference the recorded Storm Water Control Facility Maintenance Agreement and the approved Storm Water Quality Management Plan (SWQMP) for the project.



RESOLUTION NO. 2021-64

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE MAYOR TO EXECUTE, ON BEHALF OF THE CITY, ALL DOCUMENTS NECESSARY FOR THE SALE OF APNs 233-032-07-00, -08-00, -12-00, -13-00 and -14-00

WHEREAS, the City of Escondido (“City”) owns certain real property, generally located at the southwestern corner of W. 2nd Avenue and S. Pine Street, and along W., 3rd Avenue, west of S. Pine Street, which is 0.93 acres of land, identified by reference to Assessor Parcel Nos. 233-032-07-00, -08-00, -12-00, -13-00 and -14-00 (the “Property”); and

WHEREAS, the City is a “local agency” as defined by the Surplus land Act (“Act”) and desires to dispose of surplus land that is not necessary for the City’s use; and

WHEREAS, the City received an unsolicited offer from Second and Pine Apartments, LP (“Buyer”) to purchase the property for \$1,325,000 and develop the site as a multi-family residential development in conformance with the City’s General Plan and Downtown Specific Plan land use designations; and

WHEREAS, an independent appraiser confirmed the offer of \$1,325,000 represents fair market value of the Property; and

WHEREAS, the intended purpose of the Buyer’s purchase is for the development of approximately 120 residential units, together with all the needed public improvements (“Project”); and

WHEREAS, the City wishes to sell the Property for \$1,325,000 and to enter into escrow with the Buyer under the terms and conditions stated in the Purchase

Agreement; and

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

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 declares the Property as surplus land and desires to dispose of it as it is not necessary for the City's use.
3. The Mayor is authorized to execute, on behalf of the City, all documents necessary for the sale of the Property, including the Agreement of Purchase and Sale and Joint Escrow Instructions attached to this Resolution as Exhibit "A" and incorporated by this reference.



509 W. 2nd Avenue, 201 S. Pine Street, and  
542 W. 3rd Avenue

---

**AGREEMENT OF PURCHASE AND SALE AND  
JOINT ESCROW INSTRUCTIONS**

**TABLE OF CONTENTS**

**SECTION 1 DEFINITION OF TERMS ..... 1**

**SECTION 2 PROPERTY ..... 3**

**SECTION 3 PURCHASE PRICE ..... 4**

**SECTION 4 ESCROW ..... 4**

**SECTION 5 TITLE..... 5**

**SECTION 6 CONDITIONS TO CLOSE ESCROW ..... 6**

**SECTION 7 BUYER’S OBLIGATIONS ..... 6**

**SECTION 8 CITY’S OBLIGATIONS..... 8**

**SECTION 9 RIGHT TO ENTER ONTO THE PROPERTY ..... 9**

**SECTION 10 COSTS..... 10**

**SECTION 11 TERMINATION ..... 10**

**SECTION 12 SOLE RELIANCE..... 11**

**SECTION 13 AS IS, WHERE IS..... 12**

**SECTION 14 ATTORNEY’S FEES, COSTS AND EXPENSES ..... 12**

**SECTION 15 ASSIGNMENT ..... 12**

**SECTION 16 MISCELLANEOUS ..... 13**

**CITY OF ESCONDIDO  
AGREEMENT OF PURCHASE AND SALE  
AND JOINT ESCROW INSTRUCTIONS**

This Agreement of Purchase and Sale and Joint Escrow Instructions (“**Agreement**”) is made as of \_\_\_\_\_, 2021, between the City of Escondido, a California municipal corporation (“**City**”) and Second and Pine Apartments LP, a California limited partnership (“**Buyer**”). (The City and Buyer each may be referred to herein as a “**Party**” and collectively as the “**Parties**.”)

**RECITALS**

The City is the owner of that certain real property located at 509 W. 2nd Avenue, 201 S. Pine Street, and 542 W. 3rd Avenue; having assessor’s parcel numbers (APNs) 233-032-07, 233-032-08, 233-032-12, 233-032-13, and 233-032-14; and as further described in Exhibit A, attached hereto and incorporated herein by this reference (“**Property**”). The City desires to sell and Buyer desires to purchase the Property upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Buyer agree that the terms and conditions of this Agreement and the instructions to Escrow Holder with regard to the Escrow, created pursuant hereto, are as follows:

**Section 1 Definition of Terms**

The following words in this Agreement shall have the significance attached to them in this Section unless otherwise apparent from their context.

- 1.1 **Approved Conditions of Title.** Approved Conditions of Title means only those conditions to title as provided in Section 5.2 of this Agreement.
- 1.2 **Close of Escrow.** Close of Escrow means the date provided in Section 4.2 of this Agreement.
- 1.3 **County.** County means the County of San Diego, State of California.
- 1.4 **Deposit.** Deposit means the deposit to be made by Buyer in accordance with Section 3.1 of this Agreement.
- 1.5 **Due Diligence Materials.** Due Diligence Materials means those materials specifically described in Exhibit B, attached hereto and incorporated herein by this reference.
- 1.6 **Effective Date.** Effective Date means the date this Agreement is countersigned by the Mayor of the City.
- 1.7 **Escrow Holder.** Escrow Holder means Chicago Title, escrow specialist Meg

Kilfoil-Dick, at, 2121 Palomar Airport Road, Suite 330, Carlsbad, CA 92011, email: [mkdick@ctt.com](mailto:mkdick@ctt.com), office: 760 581-7007, mobile: 619 507-7163.

- 1.8 **First Deposit.** First Deposit shall refer to the initial deposit as provided in Section 3.1 of this Agreement.
- 1.9 **Feasibility Period.** Feasibility Period means the period commencing upon the Effective Date of this Agreement and expiring 90 days thereafter.
- 1.10 **General and Special Real Estate Taxes.** General and Special Real Estate Taxes means all non-delinquent taxes and charges of the type customarily evidenced by a secured tax bill issued by the Tax Collector of the County, including, but not limited to, amounts allocated to (i) County or City general governmental purposes; (ii) bonded indebtedness of the County or City; (iii) bonded or other indebtedness and operating expenses of any school, college, sewer, water, irrigation, hospital, library, utility, county service, community facilities district, or other district; and (iv) any other lawful purpose. The Parties acknowledge that prior to the Close of Escrow, the Property may not be subject to General and Special Real Estate Taxes because the Property is owned by a public entity, but such fact shall not be construed to release or relieve Buyer from the obligation to assume responsibility for General and Special Real Estate Taxes as of the Close of Escrow.
- 1.11 **Grant Deed.** Grant Deed means the recorded grant deed transferring ownership from the City to Buyer.
- 1.12 **Hazardous Materials.** Hazardous Materials means any chemical, material, or substance now or hereafter defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, extremely hazardous waste, restricted hazardous waste, toxic substances, pollutant or contaminant, imminently hazardous chemical substance or mixture, hazardous air pollutant, toxic pollutant, or words of similar import under any local, state, or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Property, including, without limitation the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq. (“**CERCLA**”); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. (“**RCRA**”). The term Hazardous Materials shall also include any of the following: any and all toxic or hazardous substances, materials, or wastes listed in the United States Department of Transportation Table (49 CFR Part 302) and in any and all amendments thereto in effect as of the Close of Escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA;

any substance that is toxic, explosive, corrosive, reactive, flammable, infectious, or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. § 2011 et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment that contain dielectric fluid containing levels of polychlorinated biphenyls; radon gas; or any other chemical, material, or substance (i) that poses a hazard to the Property, to adjacent properties, or to persons on or about the Property; (ii) that causes the Property to be in violation of any of the aforementioned laws or regulations; or (iii) the presence of which on or in the Property requires investigation, reporting, or remediation under any such laws or regulations.

- 1.13 **Indemnification Obligations.** Indemnification Obligations means Buyer's Indemnification Obligations attached to this Agreement as Exhibit D, which are incorporated by this reference as if fully set forth herein. The Indemnification Obligations are not exclusive, and they are in addition to any other obligations of Buyer to defend, indemnify, protect, and hold harmless the City and other related parties as otherwise expressed in this Agreement.
- 1.14 **Neighboring Parcels.** Neighboring Parcels shall include the parcels adjacent to the Property having assessor's parcel numbers 233-032-10, 233-032-11, 233-032-17, 233-032-18, 233-032-19, and 233-032-21.
- 1.15 **Opening of Escrow.** Opening of Escrow means the date as provided in Section 4.1 of this Agreement.
- 1.16 **Purchase Price.** Purchase Price means the purchase price for the Property as provided in Section 3.2 of this Agreement.
- 1.17 **Second Deposit.** Second Deposit shall refer to the second deposit as provided in Section 3.1 of this Agreement.
- 1.18 **Title Company.** Title Company means Chicago Title, escrow specialist Meg Kilfoil-Dick, at, 2121 Palomar Airport Road, Suite 330, Carlsbad, CA 92011, email: [mkdick@ctt.com](mailto:mkdick@ctt.com), office: 760 581-7007, mobile: 619 507-7163.
- 1.19 **Title Policy.** Title Policy means the title policy as set forth in Section 5.1 of this Agreement.
- 1.20 **Title Report.** Title Report means a standard preliminary title report issued by the Title Company with respect to the Property within five days following the Opening of Escrow, as set forth in Section 7.3(A) of this Agreement.

## **Section 2 Property**

The City shall sell the Property to Buyer and Buyer shall purchase the Property from the City on the terms and conditions stated in this Agreement.

### **Section 3 Purchase Price**

- 3.1 Deposit. Concurrently with the Opening of Escrow, Buyer shall deliver to Escrow Holder the First Deposit sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000), which shall be held by Escrow Holder until the expiration of the Feasibility Period, at which time it shall be delivered to the City. At the expiration of the Feasibility Period, Buyer shall deposit the Second Deposit sum of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000). Collectively, the First Deposit and Second Deposit make up the entire Deposit. Buyer shall execute and deliver to Escrow Holder such instructions as may be requested by Escrow Holder to cause the Deposit to be released to the City in a timely manner. The Deposit shall be credited to the Purchase Price upon Close of Escrow. If either Party terminates this Agreement prior to the expiration of the Feasibility Period, then the Deposit shall be returned to Buyer.
- 3.2 Purchase Price. The City agrees to sell and Buyer agrees to purchase the Property for the Purchase Price of ONE MILLION THREE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$1,325,000).
- 3.3 Payment of Purchase Price. Buyer shall deposit with Escrow Holder in cash, at least one business day before the Closing Date, the Purchase Price, less the amount of the Deposit.

### **Section 4 Escrow**

- 4.1 Opening of Escrow. For purposes of this Agreement, the Escrow shall be deemed opened on the latter date of (i) Escrow Holder receiving the Deposit from Buyer, and (ii) Escrow Holder receiving an executed counterpart of this Agreement from both Buyer and the City. Escrow Holder shall notify Buyer and the City, in writing, of the date Escrow is opened. Buyer and the City agree to execute, deliver, and be bound by any reasonable or customary supplemental escrow instructions of Escrow Holder or other instruments as may reasonably be required by Escrow Holder in order to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not conflict with, amend, or supersede any portions of this Agreement. If there is any inconsistency between such supplemental instructions and this Agreement, this Agreement shall control.
- 4.2 Close of Escrow. Close of Escrow shall occur on \_\_\_\_\_ or sooner by the City giving Buyer a five-day notice of such date, provided in no event shall such notice reduce any period granted Buyer under the terms of this Agreement and in no event shall the Close of Escrow take place on a date that is fewer than 120 days following the Opening of Escrow. If Escrow Holder cannot close escrow on or before the Close of Escrow, Escrow Holder shall nevertheless close this escrow when all conditions have been satisfied or waived unless, prior to the Close of



Escrow, Escrow Holder receives a written notice to terminate this escrow from a Party who, at the time the notice is delivered, is not in default under this Agreement.

- 4.3 Extension of Escrow. Buyer shall have one option to extend the Close of Escrow for an additional 60 days for a \$50,000 non-refundable extension deposit that will not be applied to the Purchase Price. The City Manager may authorize additional extensions of the Close of Escrow, not to exceed a cumulative of 60 days, at the City's discretion.

## **Section 5 Title**

- 5.1 Policy. As a condition to the Close of Escrow, title shall be evidenced by the willingness of the Title Company to issue its ALTA Owner's Policy of Title Insurance with extended coverage, inclusive of any endorsements requested or required by Buyer or its lender, in the amount of the Purchase Price showing title to the Property vested in Buyer upon conveyance of the Grant Deed subject to the Approved Conditions of Title and such other exceptions to title as may be set forth in the Title Report and not objected to by Buyer.
- 5.2 Condition of Title. At the Close of Escrow, title to the Property shall be conveyed to Buyer by the City, and the Grant Deed shall be recorded in the Official Records of the Recorder of San Diego County, California, subject only to the following Approved Conditions of Title:
- A. a lien to secure payment of real estate taxes and assessments, not delinquent;
  - B. the lien of supplemental taxes;
  - C. matters affecting title to the Property created by or with the written consent of Buyer or that are waived or deemed approved by Buyer;
  - D. all matters that would be disclosed by an inspection or survey of the Property as approved by Buyer; and
  - E. all exceptions that are disclosed by the Title Report, and that are also approved by Buyer in accordance with this Agreement.
- 5.3 Title Exceptions. The Parties acknowledge and agree that the listing of the Approved Conditions of Title shall be subject to Buyer's approval during the Feasibility Period, which approval shall be deemed approved if Buyer (i) does not terminate the Agreement at or prior to the end of the Feasibility Period or (ii) otherwise objects thereto as set forth in any Buyer's notice given by Buyer to the City pursuant to Section 7.2 of this Agreement.

## **Section 6 Conditions to Close Escrow**

- 6.1 Conditions to Buyer's Obligations. Buyer's obligation to consummate the transaction contemplated by this Agreement is subject to the satisfaction of the following conditions for Buyer's benefit or Buyer's waiver thereof, on or prior to the dates designated below for the satisfaction of such conditions:
- A. City's Obligations. As of the Close of Escrow, the City shall have performed all of the obligations required to be performed by the City under this Agreement.
- 6.2 Conditions to City's Obligations. For the benefit of the City, the Close of Escrow shall be conditioned upon the occurrence and/or satisfaction of each of the following conditions (or the City's waiver thereof, it being agreed that the City may waive any or all of such conditions in its sole and absolute discretion):
- A. Buyer's Obligations. Buyer shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Buyer including, without limitation, the timely deposit of all monies required to be deposited by Buyer under this Agreement.

## **Section 7 Buyer's Obligations**

- 7.1 Review of the physical condition and records.
- A. Buyer shall have the Feasibility Period to satisfy itself in its sole and absolute discretion with all physical, legal, and investment aspects of the Property and its condition and suitability for Buyer (including, without limitation, zoning, the environmental and physical condition of the Property, and any other portion of the Property).
- B. If, prior to the expiration of the Feasibility Period, Buyer notifies the City and Escrow Holder in writing of Buyer's disapproval of the Property, such disapproval shall act to terminate this Agreement and the Escrow created pursuant hereto, in which event Buyer and the City hereby direct Escrow Holder to pay the Deposit to Buyer. If, prior to the expiration of the Feasibility Period, Buyer notifies the City in writing of Buyer's approval of the Property, or if Buyer fails to notify the City and Escrow Holder of Buyer's approval of the Property on or before the end of the Feasibility Period, such approval shall satisfy this condition. Upon satisfaction of this condition, Escrow Holder shall release Buyer's First Deposit to the City.
- C. Buyer agrees not to disclose any confidential or proprietary information contained in any such document or material reviewed by or provided to Buyer except to the extent that such disclosure is required by any judicial

proceeding (including a court order), federal, state or local law or is to Buyer's officers, attorneys, prospective lenders, agents or employees (provided that Buyer shall require each of the same to hold such information as confidential). Buyer's obligation under the immediately preceding sentence shall survive any termination of this Agreement. Buyer shall have until the end of the Feasibility Period to satisfy itself as to the review and approval of such documents and materials and the condition and suitability of the Property.

- D. In addition to Buyer's Indemnification Obligations attached hereto as Exhibit D, Buyer hereby agrees to indemnify, defend, protect and hold the City, its agents, officers, and legislators, and the Property harmless from and against any and all claims, liabilities, obligations, costs, losses, damages and/or expenses, of any kind or nature (including, without limitation, reasonable attorney's fees and costs), arising out of or resulting from any submittal(s) affecting the Property by or for Buyer and/or any such entry and/or activities upon the Property by Buyer, its employees, agents, contractors and/or subcontractors and Buyer agrees, at its sole cost and expense, to restore the Property to its condition existing prior to the conduct of any such activities upon the Property by Buyer, its employees, agents, contractors and/or subcontractors. The provisions of this section shall survive the termination of this Agreement and the Close of Escrow and delivery of the Grant Deed.

7.2 Buyer's Review of Title.

- A. Buyer shall receive a standard preliminary title report issued by the Title Company with respect to the Property within five days following the Opening of Escrow. Buyer shall have until the Feasibility Period to give City and Escrow Holder written notice of Buyer's disapproval or conditional approval of any matters shown in the Title Report. The failure of Buyer to give notice on or before the Feasibility Period shall be deemed to constitute Buyer's approval of the condition of title to the Property unless Buyer has terminated this Agreement.
- B. If Buyer disapproves or conditionally approves any matter of title shown in the Title Report, then on or before the expiration of 30 days from the date of the City's receipt of Buyer's notice, the City may elect to eliminate or ameliorate to Buyer's satisfaction the disapproved or conditionally approved title matters. City shall give Buyer written notice not later than 30 days after the City's receipt of Buyer's notice of those disapproved or conditionally approved title matters, if any, which the City agrees to either eliminate from the Title Policy as exceptions to title to the Property or to

ameliorate to Buyer's satisfaction by the Close of Escrow. If the City does not elect to eliminate or ameliorate to Buyer's satisfaction any disapproved or conditionally approved title matters, or if the City is unable to eliminate or ameliorate to Buyer's satisfaction all such disapproved matters prior to the Close of Escrow, then Buyer shall elect by written notice to the City and Escrow Holder on or before the Feasibility Period, to: (1) waive its prior disapproval, in which event said disapproved matters shall be deemed approved; or (2) terminate this Agreement and the Escrow created pursuant hereto, in which event, Escrow Holder shall disburse the amount of the First Deposit together with any interest accrued thereon to Buyer.

- 7.3 Deposit. Buyer shall deposit or cause to be deposited with Escrow Holder, the Deposit, as provided in Section 3.1.
- 7.4 Closing Statement. The Closing Statement, signed by Buyer.
- 7.5 Forms. Any transfer tax form, affidavit, or declaration required by any laws with respect to the transfer of title to the Property, signed by Buyer in a form for filing with the applicable governmental authority.
- 7.6 Other Items. Such other sums required hereunder or reasonably required by the Title Company for the Close of Escrow and such other documentation and/or instruments required hereunder or reasonably required by the City or the Title Company for the Close of Escrow.

## **Section 8 City's Obligations**

- 8.1 Due Diligence Materials. Within five business days of the Opening of Escrow, the City shall deliver to Buyer those certain documents and materials, if any, shown on Exhibit B attached hereto. Buyer acknowledges and agrees that such Due Diligence Materials have been prepared by third parties or are based on information provided by third parties, and the City does not warrant the accuracy or completeness of such information contained therein. If this Agreement is terminated for any reason, Buyer shall return all Due Diligence Materials, and any copies thereof, to the City.
- 8.2 Deposits by City. At least one business day prior to the Close of Escrow, the City shall deposit or cause to be deposited with Escrow Holder the following documents and instruments: The Grant Deed, duly executed by the City and acknowledged in the form attached hereto as Exhibit C and incorporated herein by this reference.
- 8.3 Settlement Statement. A closing statement prepared (or approved) by the Title Company and approved by the City and Buyer, signed by the City.
- 8.4 Transfer Tax Documentation. Any transfer tax form, affidavit or declaration required by any laws with respect to the transfer of title to the Property, signed by the City in form for filing with the applicable governmental authority.

- 8.5 Other Documentation. Such other documentation and/or instruments required hereunder or reasonably required by Buyer or the Title Company for the Close of Escrow (it being understood that the City and Buyer shall not be required to execute or deliver any document or instrument that materially increases any Party's obligations or materially decreases any Party's rights under the terms and provisions of this Agreement).

## **Section 9 Right to Enter onto the Property**

- 9.1 Right to Enter the Property. Buyer and its employees, agents, and independent contractors may, prior to the Close of Escrow, reasonably go upon the Property to, at Buyer's sole cost, inspect, survey, and test the Property and conduct other similarly related activities. Should Buyer's right to purchase the Property terminate, Buyer will, immediately after such termination, at Buyer's sole cost, return the Property to its physical condition immediately before Buyer's first entrance onto the Property to conduct any of the aforementioned activities. Buyer agrees to give the City at least five business days prior written notice before entering the Property when the purpose of such entry is to conduct an environmental or hazardous materials survey or study. Buyer shall not conduct any borings or other invasive testing on or about the Property without first obtaining the prior written consent of the City, which consent shall not be unreasonably withheld; provided, however, that Buyer shall provide the City with copies of all tests and reports received by Buyer in connection therewith and Buyer shall return the Property to its former condition at the conclusion of such tests and borings.
- 9.2 Indemnification. In addition to Buyer's Indemnification Obligations attached hereto as Exhibit D, Buyer shall indemnify, defend, and hold the City and the Property harmless from any claim, loss, cost, damage, liability, lien, action or judgment (including, without limitation, City's reasonable attorney's fees and court costs) arising in connection with the acts or omissions of Buyer or any of its employees, agents, or independent contractors. Termination of this Agreement will not terminate Buyer's obligations hereunder.
- 9.3 Insurance. Buyer must have insurance in the following amounts prior to entry on the Property and at all times until Close of Escrow:
- A. General liability insurance with at least \$1 Million combined single-limit coverage per occurrence for bodily injury and property damage; and
  - B. Automobile liability insurance of \$1 Million combined single-limit per accident for bodily injury and property damage; and
  - C. Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole

proprietorship.

- D. Each policy must name the City specifically as an additional insured under the policy on a separate endorsement page, with the exception of the workers' compensation policy.
- E. Buyer agrees to deposit with the City, prior to entry to the Site, one Certificate of Insurance for each of the policy or policies necessary to satisfy the insurance provisions of the Feasibility Period and to keep such insurance in effect during the entire Feasibility Period. Said Certificate of Insurance shall be reviewed by, and acceptable to, the City Attorney, prior to entry. Buyer will also deposit with the City prior to entry, an Additional Insured Endorsement naming the City specifically and separately as an "additional insured," with the exception of the worker's compensation policy.

## **Section 10 Costs**

- 10.1 City's Charges. The City shall pay (i) any documentary transfer tax imposed by the County, (ii) the CLTA Standard owner's title policy premium or its equivalent (but not the added premium for an extended coverage ALTA policy), (iii) 50% of Escrow Holder's fee, and (iv) usual City's document-drafting and recording charges.
- 10.2 Buyer's Charges. Buyer will pay (i) 50% of Escrow Holder's fee; (ii) the extra premium for any ALTA title policy or any added endorsements (ordered by Buyer in the manner permitted by the terms of this Agreement) over and above that of the premium of the CLTA Standard owner's title policy or its equivalent; (iii) the premium for City's Title Policy insuring the validity and priority of the lien of the Deed of Trust; and (iv) usual Buyer's document-drafting and recording charges.
- 10.3 Broker. Buyer and the City both agree that the Buyer has been exclusively represented by Cannon Christian, at Renovation Realty. Each Party represents that other than the broker(s) listed above, no person, corporation, or partnership acting as a real estate broker, finder, or real estate agent has brought about this Agreement. Buyer shall pay any earned commission due and payable to the Broker. Buyer hereby agrees to indemnify, save harmless, protect, and defend the City from and against any claims for brokers' or finders' fees for the consummation of this Agreement. The provisions of this section shall survive the termination of this Agreement, Close of Escrow, and delivery of the Grant Deed.

## **Section 11 Termination**

- 11.1 Termination. This Agreement must be executed by Buyer within 30 days of the approval of this Agreement by the City Council. This Agreement may be

terminated by either Party pursuant to the terms herein.

11.2 Liquidated Damages. BUYER AND THE CITY AGREE THAT THE DEPOSIT IS A REASONABLE ESTIMATE OF THE CITY'S DAMAGES IF ESCROW FAILS TO CLOSE DUE TO THE DEFAULT OF BUYER. IN THE EVENT THE CLOSE OF ESCROW DOES NOT OCCUR AS HEREIN PROVIDED BY REASON OF ANY DEFAULT BY BUYER, BUYER AND CITY AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES WHICH THE CITY MAY SUFFER. THEREFORE, BUYER AND CITY HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT THE CITY WOULD SUFFER IN THE EVENT THAT BUYER DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IS AND SHALL BE AN AMOUNT EQUAL TO THE LIQUIDATED DAMAGES AMOUNT. EXCEPT AS EXPRESSLY PROVIDED ELSEWHERE IN THIS SECTION, SAID AMOUNT SHALL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR THE BREACH OF THIS AGREEMENT BY BUYER OF ITS OBLIGATION TO PURCHASE THE PROPERTY. UPON SUCH DEFAULT BY BUYER, THE CITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE TERMINATED AND THE CITY SHALL HAVE THE RIGHT TO COLLECT SUCH LIQUIDATED DAMAGES FROM BUYER AND/OR ESCROW HOLDER. IN ADDITION TO SUCH LIQUIDATED DAMAGES, THE CITY SHALL BE ENTITLED TO (I) ENFORCE ITS REMEDIES UNDER ANY INDEMNIFICATION CONTAINED IN THIS AGREEMENT, AND (II) COLLECT ANY ATTORNEY'S FEES OR OTHER COSTS INCURRED IN ENFORCING THE PROVISIONS OF THIS PARAGRAPH.

\_\_\_\_\_  
Buyer's Initials

\_\_\_\_\_  
City's Initials

## **Section 12 Sole Reliance.**

Except as expressly set forth herein, Buyer represents and warrants that it is relying solely upon its own inspection, investigation, and analyses of the Property in purchasing the Property and is not relying in any way upon any representations, statements, agreements, warranties, studies, reports, descriptions, guidelines, or other information, documentation, or material furnished by the City or its representatives, whether oral or written, express or implied, or arising by operation of law, of any nature whatsoever regarding any of the foregoing matters.

### **Section 13 As is, Where is.**

Except as expressly set forth herein, Buyer represents and warrants that it is acquiring the Property on an “as is,” “where is,” and “with all faults” basis without representation or warranty by the City whatsoever including, without limitation, in connection with Hazardous Materials, substances, or conditions; the water, soil, and geology, and the suitability thereof and of the Property for any and all activities and uses which Buyer may elect to conduct thereon; habitability, merchantability, or fitness for a particular purpose of the Property; the manner, construction, condition, and state of repair or lack of repair of the improvements or any other portion of the Property; compliance with laws, statutes, codes, ordinances, orders, decisions, rules and/or regulations; the leases and superior instruments and/or other restrictions, obligations, rights of way or conditions affecting the ownership, use, operation, development or operation of the Property. Further, and without limiting any of the foregoing, Buyer represents and warrants that no patent or latent condition affecting the Property in any way, discoverable or hereafter discovered, shall affect Buyer’s obligation to purchase the Property or any of Buyer’s other obligations contained in this Agreement, nor shall any such condition give rise to any right of damages, rescission or otherwise against the City. Further, and without limiting any of the foregoing, Buyer acknowledges that the City has not warranted and does not hereby warrant that any improvements will meet or comply with the requirements of any health, fire, building, zoning, or safety code, ordinance, or regulation of the state of California, or any other authority or jurisdiction, and that the City has not warranted and does not hereby warrant that the Property will meet or satisfy any particular use, purpose, development, or operation, and that the City has not made any warranty and does not hereby make any warranty regarding any Hazardous Materials. Further, and without limiting any of the foregoing, Buyer hereby releases the City from all risks and liability (and agrees that the City shall not be liable for any special, direct, indirect, consequential, or other damages) resulting or arising from or relating to the ownership, use, condition, location, maintenance, repair, or operation of the Property and the City shall under no circumstances be liable for any special, indirect, or consequential damages in the event of any breach by the City. The provisions of this section shall survive closing hereunder. Nothing in this section shall in any manner be construed as any representation, assurance, or warranty of any kind by the City.

### **Section 14 Attorney’s Fees, Costs and Expenses**

In the event legal action is brought to enforce the terms of or to declare a termination of this Agreement for reason of breach thereof, the unsuccessful Party shall pay all of the successful Party’s costs of such action, together with reasonable attorney's fees.

### **Section 15 Assignment**

Buyer shall not assign, transfer, or convey its rights and/or obligations under this Agreement and/or with respect to the Property without the prior written consent of the City, which consent the City may withhold in its sole and absolute discretion. Any attempted assignment without the prior written consent of the City shall be void and Buyer shall be deemed in default hereunder. The



City shall have the right to ensure that any proposed assignee has the financial capability and development experience to complete and fulfill the obligations of this Agreement.

## **Section 16 Miscellaneous**

- 16.1 Notices. All notices between the City and Buyer pursuant to this Agreement shall be in writing and provided by personal delivery, overnight delivery service, certified or registered mail, or facsimile to the addresses set forth below. Addresses may be changed by giving 10 days' written notice pursuant to the terms herein.

If to the City:

City of Escondido  
Attn: Real Property Manager  
201 N. Broadway  
Escondido, CA 92025

*with a copy to:*

City Attorney's Office  
Attn: Kurt G. Whitman  
201 North Broadway  
Escondido, CA 92025  
Fax: (760) 741-7541

If to Buyer:

Second and Pine Apartments LP  
Attention: Cannon Christian / Paul Mayer  
4830 Viewridge Avenue, Suite D  
San Diego, CA 92123  
Fax: (858) 634-1006

*with a copy to:*

Attention: Julian Myers  
Maldonado Myers  
759 B Street, Suite 1710  
San Diego, CA 92101  
Fax: (619) 342-3370

- 16.2 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.

- 16.3 Time of Essence. Time is of the essence of each and every term, condition, obligation, and provision of this Agreement.
- 16.4 Counterparts. This Agreement may be executed on separate counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.
- 16.5 No Third Party Beneficiaries. Except as otherwise expressly stated herein, this Agreement is entered into solely for the benefit of the Parties hereto, and no third party shall be entitled to directly, or indirectly, base any claim, or to have any right arising from, or related to, this Agreement.
- 16.6 Amendment. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the Parties.
- 16.7 Waiver. 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.
- 16.8 Fees and Other Expenses. Except as otherwise provided herein, each of the Parties shall pay its own fees and expenses in connection with this Agreement.
- 16.9 Entire Agreement. This Agreement contains the entire agreement and understanding concerning the subject of this Agreement and supersedes and replaces all prior negotiations or proposed agreements, written or oral. Each of the Parties acknowledges that no other Party, nor the agents nor the attorneys for any Party, has made any promise, representation, or warranty whatsoever, express or implied, not contained herein, to induce the execution of this Agreement, and each of the Parties acknowledges that this Agreement has not been executed in reliance upon any promise, representation, or warranty not contained herein.
- 16.10 Advice of Counsel. The Parties acknowledge that they have executed this Agreement after having the opportunity to consult with, and receive the advice of, their own counsel.
- 16.11 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.
- 16.12 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties.
- 16.13 Preparation of Agreement. Buyer and City acknowledge that the provisions and language of this Agreement have been negotiated, and agree that no provision of

this Agreement shall be construed against either Party by reason of such Party having drafted such provision or this Agreement.

- 16.14 No Equitable Ownership. Prior to the conveyance of title to the Property to Buyer, Buyer shall not acquire, assume, or otherwise obtain any equitable ownership claim or interest in the Property in any manner whatsoever.
- 16.15 Administrative Decisions. Where this Agreement may require approvals, interpretations, or other decisions, the City Manager, or City Manager's designee, may make said decisions in accordance with the terms and conditions of this Agreement and City policies and procedures.

(SIGNATURE PAGE FOLLOWS)

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

**SECOND AND PINE APARTMENTS LP**  
BY: SECOND AND PINE LLC, ITS GENERAL PARTNER

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

\_\_\_\_\_  
Paul E. Mayer, Manager

**CITY OF ESCONDIDO**

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

\_\_\_\_\_  
Paul McNamara, Mayor

(ABOVE SIGNATURES MUST BE NOTARIZED; ACKNOWLEDGMENT PAGES FOLLOW)

APPROVED AS TO FORM:

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

By: \_\_\_\_\_  
Kurt G. Whitman, Senior Deputy City Attorney

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,

\_\_\_\_\_, a Notary Public, 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)

**Buyer**

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,

\_\_\_\_\_, a Notary Public, 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)

City

**EXHIBIT A**

Legal Description of Property

Lots 3, 4, 5, 9, and 10 of Block 88 of Escondido, in the City of Escondido, County of San Diego, State of California, according to Map thereof No. 336, filed in the Office of the County Recorder of San Diego County on July 10, 1886.

**EXHIBIT B**

Due Diligence Materials

Phase I report  
Phase II report  
Engineering Studies  
Improvement Plans  
Consultant Reports  
ALTA Surveys  
Appraisals  
Market Research  
Financial Projections  
Site & Landscape Plans



**EXHIBIT C**

Form of Grant Deed

RECORDING REQUESTED BY, AND  
WHEN RECORDED RETURN TO:

City Clerk  
City of Escondido  
201 North Broadway  
Escondido, CA 92025-2798

*This Space for Recorder's Use Only*

APNs: 233-032-07, 233-032-08, 233-032-12, 233-032-13, 233-032-14

**GRANT DEED**

(ESC Document No. M-\_\_\_\_\_)

The CITY OF ESCONDIDO, a California municipal corporation (“Grantor”), for a valuable consideration, receipt of which is hereby acknowledged,

**HEREBY GRANTS** to

SECOND AND PINE APARTMENTS LP, a California limited partnership,

the following described real property in the County of San Diego, State of California:

**Lots 3, 4, 5, 9, and 10 of Block 88 of Escondido, in the City of Escondido, County of San Diego, State of California, according to Map thereof No. 336, filed in the Office of the County Recorder of San Diego County on July 10, 1886.**

IN WITNESS WHEREOF, Grantor has caused this Grant Deed to be executed by its Real Property Manager, pursuant to Escondido City Council Resolution No. XXXX-XXX, which was adopted on the \_\_ of \_\_\_\_\_, 2021.

CITY OF ESCONDIDO

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

By \_\_\_\_\_  
Paul McNamara, Mayor

(ABOVE SIGNATURE MUST BE NOTARIZED; ACKNOWLEDGMENT PAGE FOLLOWS)

## EXHIBIT D

### Buyer's Indemnification Obligations

Buyer agrees as follows:

a. Buyer shall indemnify, hold harmless, and defend (with counsel reasonably acceptable to the City) the City, its Councilmembers, Planning Commissioners, boards, commissions, departments, officials, officers, agents, employees, and volunteers (collectively, "Indemnified Parties") 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, at law or in 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 (i) any business, work, conduct, act, omission, or negligence of Buyer (including Buyer's contractors, subcontractors, licensees, sublessees, invitees, agents, consultants, employees, or volunteers), or such activity of any other person that is permitted by Buyer, occurring in, on, about, or adjacent to the Property; (ii) any use of the Property, or any accident, injury, death, or damage to any person or property occurring in, on, or about the Property; or (iii) any default in the performance of any obligation of Buyer to be performed pursuant to the Agreement, or any such claim, action, or proceeding brought thereon. Provided, however, that Buyer shall have no obligation to indemnify, hold harmless, or defend the City as to any Claims that arise from the sole negligence or willful misconduct of the City. In the event any such Claims are brought against the City, Buyer, upon receiving notice from the City, shall defend the same at its sole expense by counsel reasonably acceptable to the City and shall indemnify the City for any and all administrative and litigation costs incurred by the City itself, the costs for staff time expended, and reasonable attorney's fees (including the full reimbursement of any such fees incurred by the City's outside counsel, who may be selected by the City at its sole and absolute discretion and who may defend the City against any Claims in the manner the City deems to be in the best interests of the City).

b. Buyer further and separately agrees to and shall indemnify, hold harmless, and defend the City (including all Indemnified Parties) from and against any and all Claims brought by any third party to challenge the Agreement or its approval by the City, including but not limited to any challenge to the City's determination that the disposition of the Property is exempt from the January 1, 2020 amendments to the Surplus Land Act (California Government Code section 54220 et seq.). Such indemnification shall include Buyer's payment for any and all administrative and litigation costs and expenses incurred by the City in defending against any such Claims, including payment for all administrative and litigation costs incurred by the City itself, the costs for staff time expended, and reasonable attorney's fees (including the full reimbursement of any such fees incurred by the City's outside counsel, who may be selected by the City at its sole and absolute

discretion and who may defend the City against any Claims in the manner the City deems to be in the best interests of the City).

c. The City, in its sole discretion and upon providing notice to Buyer, may require Buyer to deposit with the City an amount estimated to cover costs, expenses, and fees (including attorney's fees) required to be paid by Buyer in relation to any Claims referenced herein, which shall be placed into a deposit account from which the City may draw as such costs, expenses, and fees are incurred. Within 14 days after receiving written notice from the City, Buyer shall replenish the deposit account in the amount the City determines is necessary in the context of the further defense of such Claims. To the extent such deposit is required by the City, the amount of such deposit and related terms and obligations shall be expressed in a written Deposit Account Agreement, subject to the City Attorney's approval as to form. The City, in its sole and reasonable discretion, shall determine the amount of any initial deposits or subsequent deposits of funds, and Buyer may provide documentation or information for the City to consider in making its determinations. Nothing within this subsection shall be construed as to relieve Buyer's obligations to indemnify, hold harmless, or defend the City as otherwise stated herein.

## CITY COUNCIL STAFF REPORT

**Current Business Item No. 14**

**May 12, 2021**

**File No. 0600-10, A-3354**

SUBJECT: Oakvale Road Realignment Project Bid Award

DEPARTMENT: Utilities Department, Construction and Engineering Division

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2021-45, authorizing the Mayor to execute a Public Improvement Agreement with L.B. Civil Construction, Inc., the lowest responsive and responsible bidder, in the amount of \$8,467,520, for construction of the Oakvale Road Realignment Project.

FISCAL ANALYSIS:

Funding for the Oakvale Road Realignment Project is available in the Lake Wohlford Dam CIP Project No. 704912.

PREVIOUS ACTION:

On August 1, 2012, the City Council adopted Resolution No. 2012-127, authorizing the Mayor and City Clerk to execute a Consulting Agreement with Black & Veatch Corporation, in the amount of \$3,496,740, for design and environmental services for the Lake Wohlford Dam Replacement Project.

On April 8, 2015, the City Council adopted a Mitigated Negative Declaration (MND) for the Oakvale Road Realignment Project.

On May 20, 2015, the City Council adopted Resolution No. 2015-58, authorizing the Mayor and City Clerk to execute a First Amendment to the Consulting Agreement with Black & Veatch Corporation, in the amount of \$724,641, for design of the Lake Wohlford Dam Replacement Project.

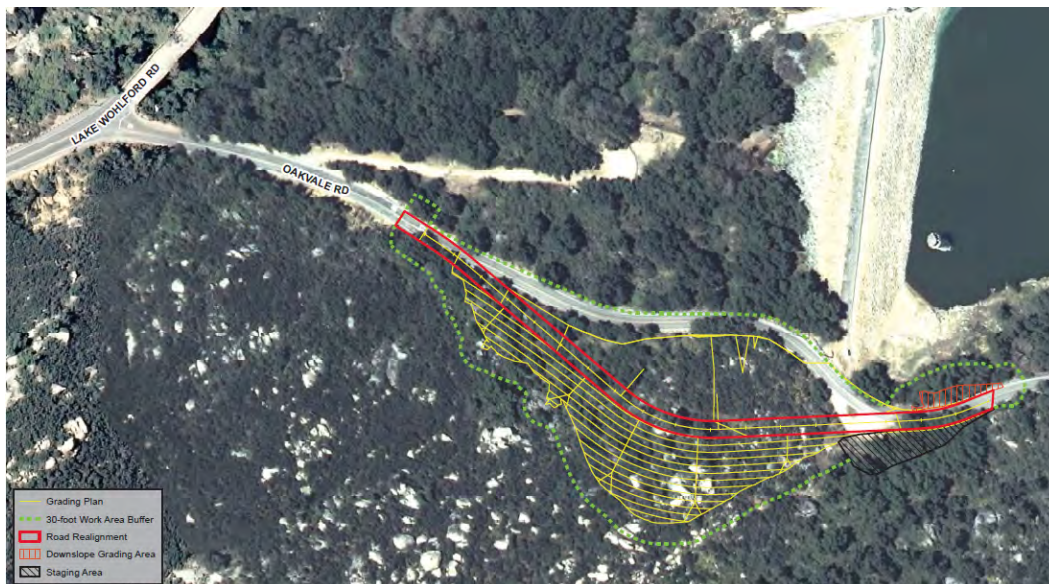
On June 13, 2018, the City Council adopted Resolution No. 2018-93, authorizing the Mayor and City Clerk to execute a Second Amendment to the Consulting Agreement with Black & Veatch Corporation, in the amount of \$334,765, for additional engineering and environmental services for the Lake Wohlford Dam Replacement Project.

On December 18, 2019, the City Council adopted Resolution No. 2019-178, authorizing the Mayor and City Clerk to execute a Third Amendment to the Consulting Agreement with Black & Veatch Corporation, in the amount of \$362,530, to develop dam rehabilitation and spillway replacement options, to offer opinions of probable construction costs for each option, and to develop a recommended alternative.

BACKGROUND:

Construction of the new Lake Wohlford Dam is proposed immediately downstream of the existing dam. The left abutment of the proposed dam will conflict with the existing Oakvale Road, so the road must be realigned prior to the construction of the new dam.

The Oakvale Road Realignment Project (“Project”) will realign an approximately 1,200-foot section of Oakvale Road near the Lake Wohlford Dam, straightening the road and moving it toward the south. The realignment will require excavation into the adjacent hillside to remove approximately 56,000 cubic yards (cy) of rock and earth to create space for realigning the road, which would be shifted a maximum distance of approximately 150 feet to the south of the existing alignment. The existing roadway will remain in service during construction of the new roadway.



The Engineer’s estimate for this Project ranged between \$5,300,00 and \$7,600,000.

Competitive bids were opened by the City Clerk on April 22, 2021, with the following results:

- |    |   |                 |
|----|---|-----------------|
| 1) | L.B. Civil Construction, Inc., Escondido, CA  | \$8,467,520.00  |
| 2) | Palm Engineering Construction, San Diego, CA  | \$10,724,688.30 |
| 3) | Southland Paving, Inc., Escondido, CA         | \$10,705,282.07 |
| 4) | Beador Construction Company, Inc., Corona, CA | \$9,452,300.00  |
| 5) | Hazard Companies, Lakeside, CA                | \$10,747,560.00 |

Oakvale Road Realignment Project Bid Award  
May 12, 2021  
Page 3

Staff has thoroughly reviewed the low bid submitted by L.B. Civil Construction, Inc., and has determined that they are the lowest responsive and responsible bidder.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

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

05/05/21 4:51 p.m.

*Angela Morrow*, Deputy Director of Utilities/Construction & Engineering

05/05/21 4:52 p.m.

ATTACHMENTS:

1. Resolution No. 2021-45
2. Resolution No. 2021-45 – Exhibit “A”: Public Improvement Agreement - Oakvale Road Realignment Project

RESOLUTION NO. 2021-45

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE MAYOR TO EXECUTE, ON BEHALF OF THE CITY, A PUBLIC IMPROVEMENT AGREEMENT WITH L.B. CIVIL CONSTRUCTION, INC., FOR THE CONSTRUCTION OF THE OAKVALE ROAD REALIGNMENT PROJECT

WHEREAS, a portion of the existing Oakvale Road near the Lake Wohlford Dam needs to be realigned to accommodate the proposed Lake Wohlford Dam Replacement Project; and

WHEREAS, the Oakvale Road Realignment Project (the "Project") will straighten a portion of the road and move it towards the south; and

WHEREAS, the City of Escondido desires to construct the Project; and

WHEREAS, the City of Escondido opened sealed bids for the Project on April 22, 2021; and

WHEREAS, City staff thoroughly reviewed the low bid submitted by L.B. Civil Construction, Inc., and have determined that it is the lowest responsive and responsible bidder; and

WHEREAS, the Director of Utilities has determined L.B. Civil Construction, Inc., to be the lowest responsive and responsible bidder and recommends awarding the bid in the amount of \$8,467,520 to L.B. Civil Construction, Inc.; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to award this contract to L.B. Civil Construction, Inc.

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

1. That the above recitations are true.
2. That the Mayor and City Council accepts the recommendation of the Deputy City Manager / Director of Utilities.
3. That the City Council authorizes the Mayor to execute, on behalf of the City, a Public Improvement Agreement with L.B. Civil Construction, Inc. in substantially the same format as Exhibit "A" which is attached hereto and incorporated by this reference, subject to final approval as to form by the City Attorney.





CITY OF ESCONDIDO  
PUBLIC IMPROVEMENT AGREEMENT

This Public Improvement 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: Stephanie Roman Phillips, P.E.  
760-839-6290 x 7035  
("CITY")

And: L.B. CIVIL CONSTRUCTION, INC.  
a California corporation  
324 E. Valley Pkwy.  
Escondido, CA 92025  
Attn: James R. Lumm  
760-294-0974  
("CONTRACTOR").

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

WHEREAS, the Parties desire to enter into this Agreement for the performance of work relating to the Oakvale Road Realignment Project ("Project"), occurring on property located at Lake Wohlford and having assessor's parcel numbers (APN) 240-030-02, 24 ("Property"), as further 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. Project Documents. The Notice Inviting Sealed Bids/Notice to Contractors, Instructions to Bidders, Bid Form, Designation of Subcontractors, Workers' Compensation Certificate, Change Orders, Shop Drawing Transmittals, Information Required of CONTRACTOR, Non-collusion Affidavit, Insurance Certificates, Guarantees, General Conditions, Supplementary General Conditions, Special Conditions, Plans, Drawings, Specifications, the Agreement, and all modifications, addenda, and amendments thereto ("Project Documents") are incorporated herein by this reference as if fully set forth herein. The Project Documents are complementary, and what is called for by any one shall be as binding as if called for by all.
2. Description and Performance of Work. CONTRACTOR shall furnish all work described the Project

Documents ("Work"). All Work to be performed and materials to be furnished shall be completed in a good workmanlike manner, free from defects, in strict accordance with the plans, drawings, specifications, and requirements set forth in the Project Documents and all provisions of this Agreement.

3. Compensation. In exchange for CONTRACTOR's completion of the Work, the CITY shall pay, and CONTRACTOR shall accept in full, an amount not to exceed the sum of \$8,467,520 ("Contract Price"). CONTRACTOR shall be compensated only for performance of the Work described in this Agreement. No compensation shall be provided for any other work or services without the CITY's prior written consent.
4. Term and Time of Performance. CONTRACTOR shall commence work within one week from the CITY's notice to proceed. CONTRACTOR shall diligently perform and complete the Work with professional quality and technical accuracy within 365 calendar days from the Notice to Proceed ("Completion Date"). Extension of terms or time of performance shall be subject to the CITY's sole discretion.
5. Time Is of the Essence. If the Work is not completed by the Completion Date, it is understood that the CITY will suffer damage. It being impractical and infeasible to determine the amount of actual damage, in accordance with Government Code section 53069.85, the Parties agree that CONTRACTOR shall pay to the CITY as fixed and liquidated damages, and not as a penalty, the sum of \$1,500 per day for each calendar day of delay until the Work is completed and accepted ("Liquidated Damages Amount"). The Liquidated Damages Amount shall be deducted from any payments due to, or that become due to, CONTRACTOR. CONTRACTOR and CONTRACTOR'S surety shall be liable for the Liquidated Damages Amount.
6. Insurance Requirements.
  - a. CONTRACTOR 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 Work, and the results of such Work, by CONTRACTOR, 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 0001 11188 covering Commercial General Liability on an "occurrence" basis, including products and completed operations, property damage, bodily injury (including emotional distress), sickness, disease, or death of any person other than the CONTRACTOR's employees, and personal and advertising injury, and damages because of injury or destruction of tangible property, including loss of use resulting there from, with limits no less than \$3,000,000 combined single limit coverage per occurrence for bodily injury and property damage; or, if a general aggregate limit is applicable, either: (i) the general aggregate limit shall specifically apply to the project identified in the bid specifications or to the location of such project which is the subject of these bid specifications with coverage to be no less than \$3,000,000, or (ii) the general aggregate shall be at least \$3,000,000 combined single limit coverage per occurrence for bodily injury and property damage.
    - (2) *Automobile Liability*. ISO Form CA 00 01 covering any auto (Code 1), or if CONTRACTOR has no owned autos, hired (Code 8) and non-owned autos (Code 9), including damages because of bodily injury, death of a person, or property damage arising out of the ownership, maintenance, or use of a motor vehicle, all mobile equipment, and vehicles

moving under CONTRACTOR's control and engaged in the Work, with limits no less than \$3,000,000 combined single limit per accident for bodily injury and property damage.

- (3) *Workers' Compensation.* Workers' 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) *Fire Insurance.* Before the commencement of the Work, the CONTRACTOR shall procure, maintain, and cause to be maintained at the CONTRACTOR's expense, fire insurance on all Work subject to loss or damage by fire and the entire structure on which the Work of this Agreement is to be done to the insurable value thereof. The amount of fire insurance shall be subject to approval by the CITY and shall be sufficient to protect the Work against loss or damage in full until the Work is completed and accepted by the CITY. Should the Work being constructed be damaged by fire or other causes during construction, it shall be replaced in accordance with the requirements of the drawings and specifications without additional expense to the CITY.
  - (5) *Builder's Risk/"All Risk" Insurance.* The CONTRACTOR, during the progress of the Work and until final acceptance of the Work by CITY, shall maintain Builder's Risk/"All Risk," course-of-construction insurance satisfactory to CITY issued on a completed value basis of all WORK pursuant to this Agreement. Coverage is to provide extended coverage and insurance against vandalism, theft, malicious mischief, perils of fire, sprinkler leakage, civil authority, sonic boom, earthquake, collapse, flood, wind, lightning, smoke, riot, debris removal (including demolition), and reasonable compensation for the Engineer's services and expenses required as a result of such insured loss upon the Work, including completed Work and Work in progress to the full insurable value thereof. Such insurance shall include the CITY and the City Engineer as an additional named insured and any other person with an insurable interest designated.
  - (6) If CONTRACTOR 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 CONTRACTOR.
- b. Each insurance policy required by this Agreement must be acceptable to the City Attorney and shall meet the following requirements:
- (1) *Compliance with General Condition Requirements.* Insurance coverage shall comply with and meet all requirements set forth in Article 5.2 of General Conditions
  - (2) *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.
  - (3) *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 additional insured endorsement shall be at least as broad as ISO Form CA 20 01.

- (4) *Primary Coverage.* CONTRACTOR'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 CONTRACTOR's insurance and shall not contribute with it.
  - (5) *Notice of Cancellation.* Each insurance policy shall provide that coverage shall not be canceled, except with prior written notice to the CITY.
  - (6) *Subcontractors.* If applicable, CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated within this Agreement, and CONTRACTOR shall ensure that the CITY (including its officials, officers, agents, employees, and volunteers) is an additional insured on any insurance required from a subcontractor.
  - (7) *Waiver of Subrogation.* CONTRACTOR hereby grants to the CITY a waiver of any right to subrogation that any insurer of CONTRACTOR may acquire against the CITY by virtue of the payment of any loss under such insurance. CONTRACTOR 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 CONTRACTOR, its agents, representatives, employees and subcontractors.
  - (8) *Self-Insurance.* CONTRACTOR 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. CONTRACTOR shall only be permitted to utilize such self-insurance if, in the opinion of the CITY, CONTRACTOR's (i) net worth and (ii) reserves for payment of claims of liability against CONTRACTOR are sufficient to adequately compensate for the lack of other insurance coverage required by this Agreement. CONTRACTOR's utilization of self-insurance shall not in any way limit the liabilities assumed by CONTRACTOR pursuant to this Agreement.
  - (9) *Self-Insured Retentions.* Self-insured retentions must be declared to and approved by the CITY.
- c. *Verification of Coverage.* At the time CONTRACTOR executes this Agreement, CONTRACTOR 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 within this Agreement, including the types and limits of insurance coverage CONTRACTOR 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 CONTRACTOR pursuant to this Agreement, including but not limited to any provisions within this Agreement concerning indemnification.

- f. *Compliance.* 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. Compliance by CONTRACTOR with the requirement to carry insurance and furnish certificates, policies, Additional Insured Endorsement and Declarations Page evidencing the same shall not relieve the CONTRACTOR from liability assumed under any provision of this Agreement, including, without limitation, the obligation to defend and indemnify the CTY and the City Engineer. In the event that CONTRACTOR fails to comply with any insurance requirement set forth 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 CONTRACTOR to stop Work under this Agreement and/or withhold any payment that becomes due to CONTRACTOR until CONTRACTOR demonstrates compliance with the insurance requirements in this Agreement.

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

- a. CONTRACTOR (including CONTRACTOR'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 CONTRACTOR's (including CONTRACTOR's agents, employees, and subcontractors, if any) Work pursuant to this Agreement or its failure to comply with any of its obligations contained herein, except where caused by the active negligence, sole negligence, or willful misconduct of the CITY.
- b. CONTRACTOR (including CONTRACTOR'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 7 shall survive the termination of this Agreement.

8. Bonds.

- a. CONTRACTOR shall furnish and deliver to the CITY, simultaneously with the execution of this Agreement, the following surety bonds:
  - (1) *Faithful Performance Bond.* CONTRACTOR shall furnish to the CITY a surety bond in an amount equal to the Contract Price as security for faithful performance of this Agreement.

- (2) *Labor and Materials Bond.* CONTRACTOR shall furnish to the CITY a surety bond in an amount equal to the Contract Price as security for payment to persons performing labor and furnishing materials in connection with the Project.
- b. All bonds furnished to the CITY pursuant to this Agreement shall be in the form set forth herein and approved by the City Attorney.
- c. All bonds shall be executed by sureties that are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Audit Staff, Bureau of Government Financial Operations, U.S. Treasury Department. All bonds signed by an agent must be accompanied by a certified copy of such agent's authority to act.
- d. If the surety on any bond furnished by the CONTRACTOR is declared bankrupt or becomes insolvent or its right to do business is terminated in any state where any part of the Work is located, the CONTRACTOR shall, within seven days thereafter, substitute another bond and surety, which must be acceptable to the CITY. No portion of the Work shall be performed without bonds, in a form and issued by a surety acceptable to the City. If one or more of such bonds shall, at any time, not be in full force and effect, CONTRACTOR shall immediately cease performance of the Work until CONTRACTOR is in full compliance with the bonding requirements of this Agreement and California law. All delays and costs incurred or resulting from such occurrence shall be to the exclusive account of CONTRACTOR. Failure of the CONTRACTOR to promptly cure any failure to have the necessary bonds in full force and effect shall be grounds for immediate termination of this Agreement.
- e. All bonds shall be obtained from surety companies that are duly licensed or authorized in the State of California. Such surety companies shall also meet any additional requirements and qualifications as may be provided in the Supplementary General Conditions.
9. Substitution of Securities. This Agreement is subject to California Public Contract Code section 22300, which permits the substitution of securities for any monies withheld by the CITY to ensure performance of this Agreement. At the request and expense of the CONTRACTOR, securities equivalent to the amount withheld shall be deposited with the CITY, or with a state- or federally-chartered bank in this state as the escrow agent, who shall then pay those moneys to CONTRACTOR. Upon satisfactory completion and acceptance of the Work, such securities shall be returned to the CONTRACTOR.
10. Contractor Default. In the event CONTRACTOR, for a period of 10 calendar days after receipt of written demand from the CITY to do so ("Cure Period"), fails to furnish tools, equipment, or labor in the necessary quantity or quality required by this Agreement, or fails to prosecute the Work and all parts thereof in a diligent and workmanlike manner, or after commencing to do so within the Cure Period, fails to continue to do so, then the CITY in its sole discretion may exclude the CONTRACTOR from the Property, or any portion thereof, and take exclusive possession of the Property or any portion thereof, together with all material and equipment thereon, and may complete the Work or any portion of the Work, either by (i) furnishing the necessary tools, equipment, labor, or materials; or (ii) letting the unfinished portion of the work, or any portion thereof, to another contractor; or (iii) demanding the surety hire another contractor; or (iv) any combination of such methods. The CITY's procuring of the completion of the Work, or the portion of the Work taken over by the CITY, shall be a charge against the CONTRACTOR and may be deducted from any money due or to become due to CONTRACTOR from the CITY, or the CONTRACTOR shall pay the CITY the amount of such charge, or the portion thereof unsatisfied. The sureties provided for under this

Agreement shall become liable for payment if CONTRACTOR fails to pay in full any such cost incurred by the CITY. The permissible charges for any such procurement of the completion of the Work include actual costs and fees incurred to third party individuals and entities (including but not limited to consultants, attorneys, inspectors, and designers) and actual costs incurred by the CITY for the increased dedication of time of the CITY's employees to the Project.

11. Other Legal Requirements Incorporated. Each and every provision of law and clause required by law to be inserted in this Agreement or its attachments shall be deemed to be inserted herein, and this Agreement shall be read and enforced as though such law or clause were included herein, and if through mistake or otherwise any such provision is not inserted, or is not currently inserted, then upon application of either Party, the Agreement shall forthwith be physically amended to make such insertion or correction, without further changes to the remainder of the Agreement.
12. 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 CONTRACTOR 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.
13. 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.
14. Independent Contractor. CONTRACTOR is an independent contractor, and no agency or employment relationship is created by the execution of this Agreement.
15. Amendment. This Agreement shall not be amended except in a writing signed by the CITY and CONTRACTOR, and pursuant to action of the Escondido City Council.
16. 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.
17. 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.
18. 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.
19. 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.
20. 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.

21. Business License. CONTRACTOR 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.
22. Compliance with Laws, Permits, and Licenses. CONTRACTOR 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. This shall include, but shall not be limited to, all California Labor Code laws regarding payment of prevailing wages and all OSHA regulations. CONTRACTOR shall obtain any and all permits, licenses, and other authorizations necessary to perform the work under this Agreement. 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 CONTRACTOR to comply with this section.
23. Prevailing Wages and Department of Industrial Relations Compliance. Pursuant to California Labor Code section 1770 et seq., CONTRACTOR agrees that a prevailing rate and scale of wages, in accordance with applicable laws, shall be paid in performing this Agreement. CONTRACTOR 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, including but not limited to the keeping of certified payroll records, overtime pay, employment of apprentices, and workers' compensation coverage, as further set forth in the General Conditions. CONTRACTOR shall file the required workers' compensation certificate before commencing work under this Agreement. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. CONTRACTOR shall post all job site notices required by regulation. CONTRACTOR, as well as any subcontractors, shall be registered pursuant to California Labor Code section 1725.5 to be qualified to bid on, be listed in a bid proposal (subject to the requirements of Public Contract Code section 4104), or engage in the performance of any public works contract subject to the requirements of Division 2, Part 7, Chapter 1 of the California Labor Code. 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 CONTRACTOR to comply with this section.
24. Immigration Reform and Control Act of 1986. CONTRACTOR shall keep itself informed of and shall comply with the Immigration Reform and Control Act of 1986 ("IRCA"). CONTRACTOR represents and warrants that all of its employees and the employees of any subcontractor retained by CONTRACTOR who perform any portion of the Work under this Agreement are and will be authorized to perform the Work in full compliance with the IRCA. CONTRACTOR 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 Work. CONTRACTOR agrees to comply with the IRCA before commencing any portion of the Work, and continuously throughout the performance of the Work and the term of this Agreement.
25. 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 signatories 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

L.B. CIVIL CONSTRUCTION, INC.

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

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Contractor's License No.

\_\_\_\_\_  
Tax ID/Social Security No.

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.



Bond No.: \_\_\_\_\_  
Premium: \_\_\_\_\_

**FAITHFUL PERFORMANCE BOND**

KNOW ALL BY THESE PRESENTS,

WHEREAS, The City Council of the City of Escondido, State of California, and L.B. Civil Construction, Inc., a California corporation ("Principal"), have entered into that certain Public Improvement Agreement dated \_\_\_\_\_ ("Agreement," hereby referred to and made a part hereof), whereby Principal has agreed to install and complete certain designated public improvements associated with the Oakvale Road Realignment Project.

WHEREAS, the Principal is required under the terms of the Agreement to furnish a bond for the faithful performance of the Agreement.

NOW, THEREFORE, we, the Principal and \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of New Hampshire and authorized to act as a surety in the State of California ("Surety"), are held and firmly bound unto the City of Escondido, a California municipal corporation ("City") in the penal sum of eight million four hundred sixty-seven thousand five hundred twenty dollars and zero cents (\$8,467,520), lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors, and administrators, jointly and severally, firmly by these presents.

THE CONDITION of this obligation is such that if the Principal, or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, and provisions in the Agreement and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City, its officers, agents, and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any manner affect its obligations on this bond, and the Surety hereby waives notice of any such change, extension of time, alteration, or addition to the terms of the Agreement or to the work or to the specifications.

March 2021  
City of Escondido  
OAKVALE ROAD REALIGNMENT PROJECT

FAITHFUL PERFORMANCE BOND  
PAGE A-00610-1

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, as of this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

James R. Lumm  
Name of Principal

By: \_\_\_\_\_  
Signature of Person Signing on Behalf of Principal

324 East Valley Parkway  
Escondido, CA 92025  
Address of Principal

James R. Lumm  
Name of Person Signing on Behalf of Principal

President/Treasurer  
Title of Person Signing on Behalf of Principal

\_\_\_\_\_  
Name of Surety

By: \_\_\_\_\_  
Signature of Person Signing on Behalf of Surety

\_\_\_\_\_  
Address of Surety

\_\_\_\_\_  
Name of Person Signing on Behalf of Surety

\_\_\_\_\_  
Title of Person Signing on Behalf of Surety

(ACKNOWLEDGMENTS OF EXECUTION BY PRINCIPALS AND SURETY MUST BE ATTACHED.)

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY  
MICHAEL R. MCGUINNESS, City Attorney

BY: \_\_\_\_\_



Bond No.: \_\_\_\_\_  
Premium: \_\_\_\_\_

**LABOR AND MATERIALS BOND**

KNOW ALL BY THESE PRESENTS,

WHEREAS, The City Council of the City of Escondido, State of California, and L.B. Civil Construction, Inc., a California corporation ("Principal"), have entered into a that certain Public Improvement Agreement dated \_\_\_\_\_ ("Agreement," hereby referred to and made a part hereof), whereby Principal has agreed to install and complete certain designated public improvements associated with the Oakvale Road Realignment Project.

WHEREAS, under the terms of the Agreement, the Principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Escondido, a California municipal corporation ("City"), to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code.

NOW, THEREFORE, the Principal and The Hanover Insurance Company, a New Hampshire corporation organized and existing under the laws of the State of New Hampshire and authorized to act as a surety in the State of California ("Surety"), are held firmly bound unto the City and all contractors, subcontractors, laborers, material suppliers, and other persons employed in the performance of the Agreement and referred to in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code in the sum of eight million four hundred sixty-seven thousand five hundred twenty dollars and zero cents (\$8,467,520), lawful money of the United States of America, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to this work or labor, that the Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the City in successfully enforcing this obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

If the condition of this bond is fully performed, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Agreement or to the work to be performed thereunder or the

March 2021  
City of Escondido  
OAKVALE ROAD REALIGNMENT PROJECT

LABOR AND MATERIAL BOND  
PAGE A-00620-1

specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, as of this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

James R. Lumm  
Name of Principal

By: \_\_\_\_\_  
Signature of Person Signing on Behalf of Principal

324 East Valley Parkway  
Escondido, CA 92025  
Address of Principal

James R. Lumm  
Name of Person Signing on Behalf of Principal

President/Treasurer  
Title of Person Signing on Behalf of Principal

\_\_\_\_\_  
Name of Surety

By: \_\_\_\_\_  
Signature of Person Signing on Behalf of Surety

\_\_\_\_\_  
Address of Surety

\_\_\_\_\_  
Name of Person Signing on Behalf of Surety

\_\_\_\_\_  
Title of Person Signing on Behalf of Surety

(ACKNOWLEDGMENTS OF EXECUTION BY PRINCIPALS AND SURETY MUST BE ATTACHED.)

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY  
MICHAEL R. MCGUINNESS, City Attorney

BY: \_\_\_\_\_

## SECTION A-00630 - CITY OF ESCONDIDO BUSINESS LICENSE

In accordance with Municipal Code Section 16, the successful bidder is required to obtain a City of Escondido Business License prior to execution of contract.

The following information must be submitted to the City Clerk prior to execution of contract:

City of Escondido Business License No. \_\_\_\_\_

Expiration Date \_\_\_\_\_

Name of Licensee: L.B. Civil Construction, Inc.\_\_\_\_\_

## SECTION A-00660 - WORKERS' COMPENSATION INSURANCE CERTIFICATE

If self-insured for Workers' Compensation, the Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, Sections 1860 and 1861, and I will comply with such provisions before commencing the performance of the work of the contract.

Dated: \_\_\_\_\_

L.B. Civil Construction, Inc.  
Contractor

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

## APPENDIX E

### DRUG-FREE WORKPLACE REQUIREMENTS AND CERTIFICATION

Project Title ("Project"): OAKVALE ROAD REALIGNMENT PROJECT

Company Name ("Contractor"): L.B. Civil Construction, Inc.

#### City of Escondido Drug-free Workplace Requirements

##### 1. General

This Project is subject to requirements of the City of Escondido's ("City") Proposition 1E Grant ("Grant"). The Grant requires Contractor, including any subcontractor(s), to comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code § 8350 et seq.).

##### 2. Drug-Free Workplace Certification

I, James R. Lumm, hereby certify that:

1. I am duly authorized legally to bind the Contractor to this certification.
2. I am fully aware that this certification is made under penalty of perjury under the laws of the State of California.
3. Contractor, including its subcontractor(s), will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code § 8350 et seq.) and has or will provide a drug-free workplace by taking the following actions:
  - a. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355(a).
  - b. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(b) to inform employees, contractors, or subcontractors about all of the following:
    - i. The dangers of drug abuse in the workplace.
    - ii. Contractor's policy of maintaining a drug-free workplace.
    - iii. Any available counseling, rehabilitation, and employee assistance programs, and
    - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
4. Provide as required by Government Code section 8355(c), that every employee, contractor, and/or subcontractor who works under the Grant:
  - a. Will receive a copy of Contractor's drug-free policy statement, and



- b. Will agree to abide by the terms of Contractor's condition of employment, contract, or subcontract.
- 5. Contractor has received a copy of the City's Drug-free Workplace policy, included with this Appendix.
- 6. Contractor further certifies that each subcontractor shall complete a Drug-free Workplace Certification that will be provided to the City prior to the start of any work by the subcontractor.

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

Signature: \_\_\_\_\_

Printed Name & Title: James R. Lumm, President/Treasurer

## APPENDIX F

### NONDISCRIMINATION COMPLIANCE CERTIFICATION

Project Title ("Project"): OAKVALE ROAD REALIGNMENT PROJECT

Company Name ("Contractor"): L.B. Civil Construction, Inc.

#### 1. General

This Project is subject to requirements of the City's Proposition 1E Grant ("Grant"). The Grant requires Contractor, including any subcontractor(s), to comply with requirements of the Fair Employment and Housing Act (Government Code section 12990(a)-(f)) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.).

#### 2. Nondiscrimination Compliance Certification

I, James R. Lumm, hereby certify that:

1. I am duly authorized legally to bind Contractor to this certification.
2. I am fully aware that this certification is made under penalty of perjury under the laws of the State of California.
3. Contractor, including its subcontractor(s), certifies that it will not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave.
4. Contractor, including its subcontractor(s), certifies that it will ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment as described in Paragraph 3, above.
5. Contractor, including its subcontractor(s), certifies that it will comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990(a)-(f)) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.), and that such provisions and regulations are incorporated into any Public Improvement Agreement relating to the Project by reference and made a part thereof as if set forth in full.
6. Contractor, including its subcontractor(s), certifies that it will give written notice of all of its obligations stated herein to labor organizations with which it has a collective bargaining or other agreement.

7. Contractor, including its subcontractor(s), certifies that it shall include the nondiscrimination and compliance provisions stated herein in all contracts or subcontracts to perform work relating to the Project.

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

Signature: \_\_\_\_\_

Printed Name & Title: James R. Lumm, President/Treasurer

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,

\_\_\_\_\_, a Notary Public, 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)

**[Principal]**

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,

\_\_\_\_\_, a Notary Public, 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)

**[Surety]**

## CITY COUNCIL STAFF REPORT

**Current Business Item No. 15 (A)**

**May 12, 2021**

**File No. 0430-30**

SUBJECT: Financial Report for the Quarter Ended March 31, 2021 and Budget Adjustment Request

DEPARTMENT: Finance Department

RECOMMENDATION:

It is requested that the City Council receive and file the Third Quarter Financial Report for Fiscal Year 2021/22 (Attachment "1") and adopt a Budget Adjustment (Attachment "2").

FISCAL ANALYSIS: See Below

PREVIOUS ACTION:

On February 3, 2021, the City Council received the Fiscal Year 2020/21 Second Quarter Financial Report. The City Council approved amendments to the General Fund operating budget. These increases had no effect on Reserves, as they all had funding sources.

BACKGROUND:

The City Council Budget and Financial Policies require that the City of Escondido ("City") present quarterly financial reports each fiscal year. The purpose of this report is to provide City Council and the public a financial update of selected funds of the City. This report provides the City Council with the analysis of unaudited revenues and expenditures for Fiscal Year 2020/21 in comparison to Fiscal Year 2019/20 for the General Fund, the Reidy Creek Municipal Golf Course Fund, and the Water and Wastewater Funds. The financial highlights for each of these funds are summarized below.

**General Fund**

The City Council adopted the FY2020/21 operating budget with approved General Fund revenues of \$102 million and expenditures of \$107.6 million. To address the structural budget gap projected in the General Fund long-term financial plan prior to the effects of COVID-19, departments were required to reduce operating expenses. Cuts to staff and services were made including reducing the maintenance of City parks and eliminating community outreach programs involving crime prevention and youth engagement. This is in addition to ongoing cost saving measures that include reducing staff, deferring infrastructure maintenance, investing in technology to reduce ongoing costs and outsourcing services. The proposed budget reductions were sufficient to close the budget gap; however, due to the restrictions of COVID-19 and resulting economic impacts, operating revenue was reduced by 5% or about \$5.5 million dollars from the prior fiscal year. As a result, the Fiscal Year

2020/21 General Fund Operating Budget was a balanced budget but relies on \$4 million of one-time funds from the Redevelopment Loan payment to the City.

Through the third quarter of this fiscal year, operating revenue exceeded the amount projected by about \$2.5 million. The restrictions from the COVID-19 pandemic have continued to negatively impact sales tax revenue when compared to the prior year activity; however, due to a strong local economy and increased receipts from construction activities and the County Pool, actual revenue increased by \$1.1 million or 4.7% from the prior year. Consequently, the amount of sales tax revenue projected to be received this fiscal year is estimated to increase by \$3.4 million from the original budget amount, from \$35.9 million to \$39.4 million.

Property tax and revenues from current development, which include building permits, planning fees, building department fees, and engineering fees have also increased from the prior year. These increases were offset by a decline in revenue from Recreation Programs and other charges for services. General Fund expenditures are tracking as expected at 69% percent of the budget through the third quarter of the fiscal year.

The revised General Fund revenue projections for FY2020/21 will have a positive impact on the fiscal year end operating results; however, the City's structural budget gap remains and based on the analysis of the third quarter actual results, it is projected that the General Fund will end the fiscal year with a net operating loss and will rely on the use of budgeted one-time funds.

### **Reidy Creek Municipal Golf Course Fund**

Overall revenues for the Reidy Creek Golf Course are up 91% compared to the prior year. Disc golf continues to be a popular activity for both practice and hosting professional tournaments. The increased usage of the Course has increased operating expenses by about 33% which includes repairs of aging equipment. A majority of the equipment that is being used at the course is original and the repair costs continue to escalate. As of March 31, Reidy Creek total net income is \$123,242.

### **Water Fund**

The Water Fund net operating income through March 2021 is \$12.5 million or an increase of \$7.5 million over the prior year. This increase is due to operating revenue of \$6.4 million due to an increase in water usage. Because of the increase in overall water usage, the amount of purchased water also increased operating expenses by about \$4.8 million.

### **Wastewater Fund**

The Wastewater Fund net operating income through March 2021 is \$7.9 million or a decrease of \$237,000 compared to the prior year. Operating revenue increased by about \$770,000 compared to the prior year due to an increase in sale of recycled water. Operating expenditures increased by \$1.0 million primarily due to an increase in employee services and supplies.

**Recommended Budget Adjustments:**

The recommended amendments to the General Fund operating budget have no effect on the General Fund Reserves as all the adjustments have identified funding sources. Other recommended budget adjustments are for the reallocation of capital improvement projects and the funding sources are identified.

- Approve adjustments to General Fund revenue projections through year-end. The budget adjustment will result in a net increase in projected revenue of \$1.4 million. This is the result of the amended sales tax revenue projection, increasing \$3.4 million from the original budget, and increases to building permit revenue. This amount is offset by decreases in projected revenue of \$2.7 million due to the impact of the COVID-19 restrictions on programs and services provided this fiscal year.
- Approve an increase to the Fire Department operating budget of \$308,000. This increase is needed to cover increased overtime costs of \$260,000 resulting from constant staffing and reimbursed Fire Department assistance at state-wide wildfires and during Operation Collaboration vaccination efforts in San Diego County. The increased costs are covered by Fire Assistance Reimbursements received from the California Office of Emergency Services which reimburses the City for the time and resources of the staff deployed to assist other jurisdictions with responses to fires and other incidents. San Diego County is reimbursing the City for Operation Collaboration assistance. In addition, \$28,000 is needed to cover an increase in the Quality Assurance Fee that the City pays to the State to participate in the Ground Emergency Medical Transport (GEMT) Quality Assurance Fee (QAF) program. This budget adjustment also requests funding of \$20,000 for consulting services to assist the Fire Department with development fire protection plan analysis, which is reimbursed by a deposit from the developer so there is no financial impact to the General Fund.
- Reidy Creek has a fleet of 26 golf carts that have exceeded their useful life and have become costly to maintain. The industry average for a golf cart's life expectancy is between 4-6 years, these carts were purchased in 2002 so they have more than doubled the expected useful life. However, the parts, including batteries, are now deteriorating rapidly. The current batteries were purchased in FY2018/19 with a total cost of \$20,000. Since golf cart batteries typically need to be replaced every two years, it is anticipated that these batteries will need to be replaced in FY2021/22. As the expenses to repair the current fleet are expected to continue to increase, staff and JC Resorts Management have reviewed the estimated costs to purchase new golf carts and determined that purchasing the equipment would result in a net savings to the golf course operations. Therefore, staff is recommending to purchase and replace the 26 golf carts at an estimated price of \$160,000. Net operating income this fiscal year can be used towards the purchase. Secondly, the Creekside Tavern Renovation Project is nearly complete pending final inspections. The total project cost has come in under the amount budgeted, there is an estimated balance of \$30,000 in available funds. Fleet services will also be able to



surplus the original fleet of golf carts once the new ones are in service and those funds will be used to offset the cost. The increased use of the golf course and resulting net operating revenue are anticipated to continue into the next fiscal year. The FY 2021/22 proposed budget projects net income of \$95,940 with no transfer from the General Fund.

- Approve the reallocation of funds available in the Economic Incentive Capital Project Fund and the Façade and Property Improvement Capital Project Fund to a new Capital Project called Economic Development Work Plan Business Support. In 2001, the Economic Incentive Capital Project Fund was created to offset reduced or waived fees approved by Council action for the Business Enhancement Zone projects, the available balance is \$61,402. The Façade and Property Improvement Capital Project Fund was created in 1999 to provide matching grants for exterior improvements to commercial-use properties that apply and qualify for a grant, the available balance is \$1,954. Both programs are inactive, combining the available funds into a new Capital Project will provide additional resources for staff to implement programs defined in the Economic Development Work Plan. The programs included in the Economic Development Work Plan will provide funding for matching grants for local small businesses to make infrastructure improvements that deter homeless activity and graffiti through CPTED practices as well as provide resources geared toward growing small-scale, home-based manufacturers to enable them to scale up production and improve supply chain connections.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

*Christina Holmes*, Director of Finance

05/06/21 9:59 a.m.

ATTACHMENTS:

1. Attachment "1" – Third Quarter Financial Status Report FY 2020/21
2. Budget Adjustment



Fiscal Year 2020/21 Third Quarter  
Financial Report

## OVERVIEW

This report summarizes the City's financial position for the fiscal year through the second quarter ending March 31, 2021 for the General Fund, Water and Wastewater Funds, and the Reidy Creek Municipal Golf Course. The purpose of the report is to provide City Council, City Management, and the Escondido community an update on the City's fiscal status based on the most recent financial information available. The revenue projections and budget information include adjustments for encumbrances, carryovers, and any other supplemental appropriations approved by the City Council as of March 31, 2021.

This report is for internal use only. The figures presented here are unaudited and have not been prepared in accordance with Generally Accepted Accounting principles (GAAP).

## GENERAL FUND

The General Fund Fiscal Year 2020/21 operating budget was adopted as a balanced budget without the use of reserves but relied on one-time revenues of \$4.0 million from the Redevelopment Loan payment to the City. As a result of COVID-19, projected operating revenue was reduced by 5% or about \$5.5 million dollars from the prior fiscal year. Cost saving measure were implemented including reductions in staff and services, resulting in a net increase of 1% to the total operating expense budget from the prior fiscal year.

At the end of the third quarter, General Fund revenues are at 65% of the amended budget, while expenditures are at 69%. Actual revenues are higher than projected by about \$2.5 million primarily due to increases for Sales Tax, Property Tax, and revenues from development projects received through the third quarter of the fiscal year. Expenditures are in line with budgeted activity and projected amounts. The Projected Results as of March 31, 2021 shown below are based on past history of the timing of revenues collected and expenditure activity.

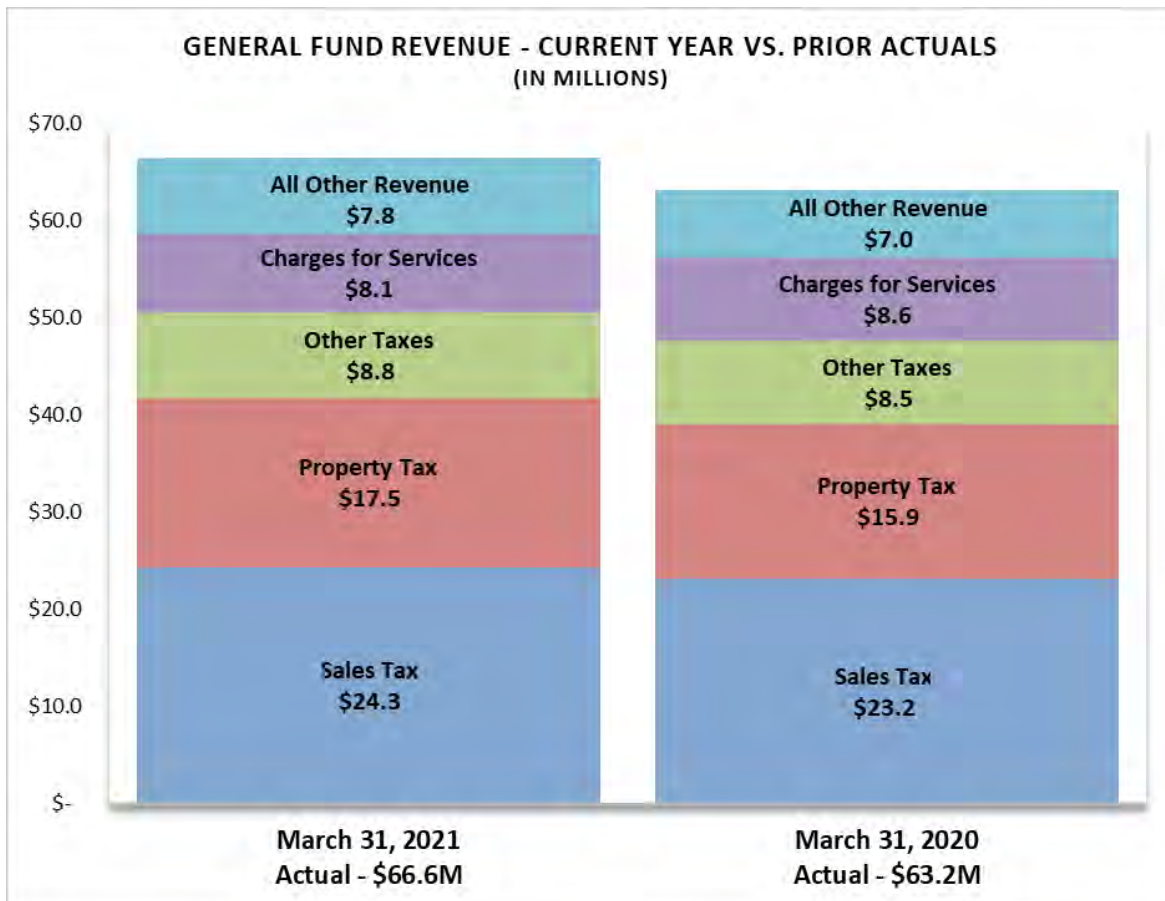
**General Fund**  
**Comparison of Projected Budget to Actuals**

	FY2020/21 AMENDED BUDGET	PROJECTED RESULTS MARCH 31, 2021	ACTUAL RESULTS MARCH 31, 2021
Total Operating Revenue	\$103,291,860	\$64,120,300	\$66,621,450
Total Operating Expenditures	(109,964,120)	(78,074,530)	(76,227,660)
Net Operating Transfers	1,449,630	1,449,630	1,449,630
One-Time Revenue (Budgeted)	3,997,350	3,997,350	3,997,350

**GENERAL FUND REVENUE**

	<b>FISCAL YEAR 2020/21 AMENDED BUDGET</b>	<b>MARCH 31 2021 ACTUAL REVENUE</b>	<b>MARCH 31 2020 ACTUAL REVENUE</b>	<b>PRIOR YEAR VS CURRENT YEAR VARIANCE OVER/(UNDER)</b>
<b>Sales Tax</b>	\$35,991,300	\$24,321,020	\$23,238,990	\$ 1,082,030
<b>Property Tax</b>	30,022,000	17,517,300	15,891,510	1,625,790
<b>Other Taxes</b>	13,504,800	8,836,740	8,458,210	378,530
<b>Charges for Services</b>	11,852,020	8,142,230	8,562,360	(420,130)
<b>Intergovernmental</b>	4,564,520	2,531,530	2,848,420	(316,890)
<b>Fines and Forfeitures</b>	1,226,000	586,180	808,330	(222,150)
<b>Permits and Licenses</b>	1,218,020	1,645,510	686,790	958,720
<b>Rental Income</b>	4,083,000	2,482,890	2,311,670	171,220
<b>Other Revenue</b>	830,200	557,480	469,420	61,060
<b>TOTAL OPERATING REVENUE</b>	<b>\$103,291,860</b>	<b>\$66,621,450</b>	<b>\$63,544,560</b>	<b>\$3,318,750</b>

Sales tax is the largest General Fund revenue source at 35% of total revenue followed by property tax, other taxes, and charges for services. The chart below shows the major categories of revenue that have been collected through March 31, 2021 compared to the revenue collected in the prior year through March 31, 2020.



**Sales Tax (\$23.3 million)**

The Sales Tax revenue projected in the Fiscal Year 2020/21 Operating Budget is \$36 million, a decrease of \$3 million or 7.5% over the FY2019/20 amended sales tax forecast. The decrease was mainly due to projected declines in sales tax receipts from transportation and general retail offset by increases in projected revenue from online sales received through the County Pool.

Sales tax revenues distributed to the City as of March 2021 represent sales that occurred between July 2020 and January 2021 and increased by \$1.1 million or 4.7% from the prior year.

The largest sales tax segment, 33% of total sales tax revenue, is Transportation, which includes new and used auto sales, auto repair shops, and service stations. Revenue decreased by 10% compared to the prior year primarily due to decreases from service stations as the price as well as the demand for fuel decreased due to the COVID-19 pandemic. As projected, revenue from General Retail declined by \$1.3

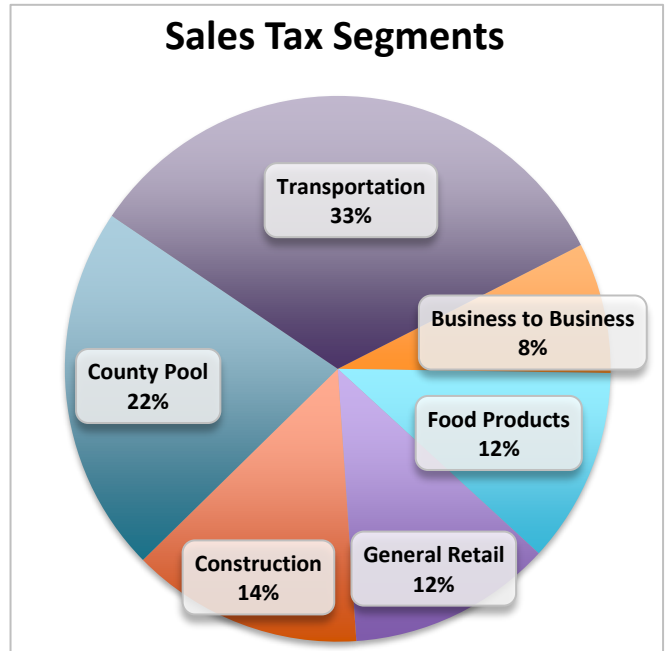
million or about 22% compared to the prior year primarily due to decreases in receipts from apparel and department stores. Food Products and Business to Business receipts also declined from the prior year by 7% and 5% due to the continued restrictions and closures in place as a result of the pandemic.

The losses were partially offset by an increase in revenue received through the County Pool, which accounts for 19% of the sales tax revenue received this fiscal year. The increase in activity is due to the implementation of the AB 147 Wayfair decision beginning in April 2019, which extended sales and use taxes to out-of-state retailers engaged in business in California. Online sales taxes are distributed to the City through the San Diego County pool and the City receives a percentage share proportionate to the City's annual sales tax receipts. In addition to the new taxable sales under AB 147, the continued COVID-19 restrictions pushed consumers from brick and mortar stores to online sales during the holiday season resulting in an increase of \$1.7 million compared to the prior fiscal year.

The Construction sales tax segment accounts for revenue generated from building materials, including both wholesale and general retail, increased from the prior year by about 6% as homeowners completed housing projects during the stay-at-home orders. Construction and development activity have also increased throughout the City during the fiscal year.

**Property Tax (\$17.5 million)**

Property Tax revenue has increased by \$1.6 million or about 10.0% compared to this time in the prior year primarily due to the timing of cash receipts distributed by the County. The largest portions of property tax revenue are distributed by the County in December and April each year. The FY2020/21 Operating Budget projected property tax growth of 2% due to an increase in overall assessed values of properties in Escondido and the City is on track to meet this amount.



**Other Taxes (\$8.8 million)**

Other Taxes include franchise fee revenues, transient occupancy tax, and business license revenue and combined have increased by \$378,410 compared to the prior year.

The City collects franchise fee revenues from San Diego Gas and Electric (SDG&E), cable companies conducting business within City limits, and Escondido Disposal Incorporated (EDI). Revenues received from franchise agreements increased by \$556,850 from the prior fiscal year primarily due to the timing of payments received and an increase in fees collected from EDI and SDG&E.

Transient Occupancy Tax, also known as hotel tax, accounts for 2% of General Fund operating revenues, or about \$1.7 million. Revenue has decreased by \$240,600 compared to the prior year. Due to the COVID-19 pandemic, many hotels have remained closed or partially closed during the first six months of the fiscal year.

All entities doing business in the City are required to have a valid business license. The business license tax is calculated based on annual gross receipts; business license revenue from the 2020 calendar year is based off of 2019 gross receipts. Business license revenues have increased by about \$213,000 from the previous fiscal year through March.

**Charges for Services (\$8.1 million)**

Due to the public health orders, City recreation facilities and services have been restricted or closed. The inability to hold recreation programs has resulted in refunds of fees collected for classes and programs already scheduled as well as the loss of recreation program revenue of approximately \$702,000 compared to the prior year.

The decrease in recreation program revenues were offset by increases in charges for development related services, which include engineering and planning fees. Development related fees are paid by developers to cover the cost of reviewing and monitoring development activities, such as plan checks and inspections, and have increased by about \$365,000 compared to the prior year.

**Intergovernmental (\$2.5 million)**

Intergovernmental revenue includes the Rincon fire services agreement, state mandated cost claims, and various grants, and decreased \$318,890 compared to the prior year primarily due to the timing of various grant reimbursements.

**Fines & Forfeitures (\$586,870)**

Fines & forfeitures represent fees collected for code enforcement citations, vehicle code violations, parking citations, overdue fines, and impound fees. The decrease of \$221,460 to date is due to closures and restrictions in activity as a result of the COVID-19 pandemic.

**Permits and Licenses (\$1.5 million)**

Revenue generated from permits and licenses has increased by \$958,000 from the prior year primarily due to building permits. The increase in building permit revenue is due to increases in the number of new residential permits and commercial/industrial permitting to date.

**Rental Income and Other Revenues (\$3.0 million)**

Rental Income and Other Revenue includes rental income, interest earned from investing activities, and other miscellaneous receipts. This category of revenue has increased slightly compared to the prior year primarily due to the timing of miscellaneous receipts.

**GENERAL FUND OPERATING EXPENDITURES**

General Fund expenditures are at 69% percent of the budget through the third quarter of the fiscal year. Expenditures have decreased from the prior year and are slightly less than the amount projected due to vacant staff positions as recruitments are being performed as well as a decrease in contract services and utility expenses as a result of the closures of facilities due to the pandemic.

	<b>FISCAL YEAR 2020/21 AMENDED BUDGET</b>	<b>MARCH 31 2021 ACTUAL REVENUE</b>	<b>MARCH 31 2020 ACTUAL REVENUE</b>	<b>PRIOR YEAR VS CURRENT YEAR VARIANCE OVER/(UNDER)</b>
<b>General Government</b>	\$6,427,950	\$3,697,050	\$4,005,350	\$(367,730)
<b>Community Services</b>	8,691,570	5,189,470	5,752,280	(502,970)
<b>Community Development</b>	7,398,655	4,809,500	4,876,740	(67,240)
<b>Public Works</b>	10,135,940	6,887,060	7,373,230	(486,170)
<b>Police</b>	46,245,605	33,124,340	33,497,010	(372,670)
<b>Fire</b>	27,155,775	19,948,720	19,100,610	848,110
<b>California Center for the Arts</b>	2,443,000	1,725,760	1,927,020	(201,260)
<b>Other Expenditures</b>	1,465,630	845,350	603,620	241,730
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$109,964,125</b>	<b>\$76,227,660</b>	<b>\$77,135,860</b>	<b>\$(908,200)</b>

**GENERAL FUND ONE-TIME REVENUE (\$2.7 million)**

In addition to the budgeted one-time revenues of \$4.0 million from the Redevelopment Loan payment to the City, unanticipated funds totaling \$2.7 million dollars have been received as of March 2021.

**Fire Mutual Aid Reimbursements - \$1,234,440**

The City's Fire Department staff can be deployed to assist other State agencies with responses to fires and other incidents. The California Office of Emergency Services reimburses the City for the time and resources of the staff deployed. As of March, reimbursements of \$1,231,442 have been received.

**CARES Act Funding - \$1,506,140**

Through the Coronavirus Relief Fund, the CARES Act provided for payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak. The City of Escondido was allocated \$2,713,486 from the County of San Diego and \$1,889,210 from the State; a total of \$4,602,696. The CARES Act requires that the payments from the Coronavirus Relief Fund only be used to cover expenses that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).

In the prior fiscal year, the General Fund reported \$953,330 of expenses that were eligible for reimbursement under the CARES Act. Additional expenses of \$1.5 million were incurred between July and September 2020, the eligibility period of the grant funds. These expenses include the purchase of Personal Protective Equipment and related supplies, payroll costs of personnel and services diverted to a substantially different use, such as Community Services staff delivering Senior Meals, as well as the costs incurred for public safety and public health employees who were substantially dedicated to mitigating or responding to COVID-19 public health emergency.



**GENERAL FUND RESERVES**

In December 2015, City Council adopted a Fund Balance Policy and established a General Fund target Reserve balance of 25 percent of General Fund operating revenues in order to maintain adequate levels of fund balance based on a risk-based analysis, mitigate current and future risks, adequately provide for cash flow requirements, and to fund one-time unanticipated expenditure requirements.

Budgeted General Fund operating revenue in Fiscal Year 2020/21 is \$102,079,340 and 25% of this amount is \$25,519,835. The current General Fund Reserve balance is \$17,392,319, or 17% of budgeted operating revenue.

**Section 115 Irrevocable Pension Trust Fund**

In February 2018, City Council authorized the establishment of a Section 115 Irrevocable Pension Trust Fund. The Trust Fund is used to set aside and hold money to meet future pension liabilities and can be used to provide economic relief during recessionary cycles and/or rate increases that are significantly above anticipated projected employee rate increases. Funds placed in this Trust can also be used to offset the City's "normal" CalPERS costs, such that if funds are necessary for other purposes, a certain amount of flexibility is present. Another benefit is that funds held in the Trust can be invested in the same manner as funds in a typical pension fund rather than as part of the City's General Fund, which means a potentially higher rate of return.

When the Pension Trust Fund was established, a funding policy for contributions to the Fund was recommended and included the four years of annual Successor agency Redevelopment Loan Repayments of \$14 million that began in Fiscal Year 2018/19, future proceeds from the sale of City Property belonging to the General Fund, and a portion of General Fund surplus at the end of each fiscal year, if one exists.

As of March 31, 2021, the Section 115 Pension Trust Fund has a balance of \$14,780,855 which includes City contributions of \$12,855,585 plus investment earnings net of expenses of \$1,925,270. The 3-month rate of return of the investment portfolio is 2.11% and the 1-year rate of return is 11.42%.

The following table provides a summary of the activity since the establishment of the fund.

<b>Section 115 Pension Trust Fund</b>	
Initial Deposit	\$1,984,000
FY2017/18 General Fund Operating Results	1,000,000
Successor Agency Advance Repayment - FY2018/19 Budget	3,716,185
Successor Agency Advance Repayment - FY2019/20 Budget	2,657,860
FY2018/19 General Fund Operating Results	748,000
FY2019/20 General Fund Operating Results	2,749,540
Investment Earnings, net of expenses	1,925,270
<b>Balance as of March 31, 2021</b>	<b>\$14,780,855</b>

**REIDY CREEK GOLF COURSE FUND**

Reidy Creek Golf Course overall revenues are up 91% compared to the prior year. Disc Golf revenues continue to exceed expectations, coming in at 56% more than budgeted. The course has become an official host to professional disc golf tournaments which also leads to a number of practice rounds. Operating expenditures were up 33% from the prior year. The added activity at the course has led to an increase in expenses, primarily due to the maintenance and repairs of aging equipment. Most of the equipment that is being used was purchased in 2002 when the golf course opened and the repair costs continue to escalate. As of March 31, Reidy Creek total net income is \$123,242.

	<b>FISCAL YEAR 2020/21 BUDGET</b>	<b>MARCH 31 2021 ACTUAL</b>	<b>MARCH 31 2020 ACTUAL</b>
Total Revenues	\$620,780	\$730,938	\$381,211
Total Expenditures	(697,190)	(684,106)	(514,759)
<b>Net Operating Income / (Deficit)</b>	<b>(76,410)</b>	<b>46,832</b>	<b>(133,548)</b>
Budgeted Transfer from the General Fund	76,410	76,410	95,890
Additional Funding Approved at Yearend	-	-	38,025
<b>Total Sources over (Uses)</b>	<b>\$0</b>	<b>\$123,242</b>	<b>\$367</b>

Reidy Creek has a fleet of 26 golf carts that have exceeded their useful life and have become costly to maintain. The industry average for a golf cart's life expectancy is between 4-6 years, these carts were purchased in 2002 so they have more than doubled the expected useful life. However, the parts, including batteries, are now deteriorating rapidly. The current batteries were purchased in FY2018/19 with a total cost of \$20,000. Golf cart batteries typically need to be replaced every two years, so it is anticipated that these batteries will need to be replaced in FY2021/22.

As the expenses to repair the current fleet are expected to continue to increase, staff and JC Resorts Management have reviewed the estimated costs to purchase new golf carts and determined that purchasing the equipment would result in a net savings to the golf course operations. Therefore, staff is recommending to purchase and replace the 26 golf carts at an estimated price of \$160,000. Net operating income this fiscal year can be used towards the purchase. Secondly, the Creekside Tavern Renovation Project is nearly complete pending final inspections. The total project cost has come in under the amount budgeted, there is an estimated balance of \$30,000 in available funds. Fleet services will also be able to surplus the original fleet of golf carts once the new ones are in service and those funds will be used to offset the cost.

The increased use of the golf course and resulting net operating revenue are anticipated to continue into the next fiscal year, the FY 2021/22 proposed budget projects net income of \$95,940 with no transfer from the General Fund.



**WATER FUND**

Net operating income through March 2021 was \$12.5 million, an increase of \$3.6 million or 41% from prior year. Operating revenue increased by about \$6.4 million or 14% compared to the prior year, due to an increase in water usage. Because of the increase in overall water usage, the amount of purchased water also increased by about \$4.8 million. Non-operating revenue has increased by \$2.2 million compared to the prior year due to significant development in the City resulting in an increase in Water Connection Fees. Overall total sources over uses are at \$13 million.

	<b>FISCAL YEAR 2020/21 BUDGET</b>	<b>MARCH 31 2021 ACTUAL</b>	<b>MARCH 31 2020 ACTUAL</b>	<b>PRIOR YEAR VS CURRENT YEAR VARIANCE OVER/(UNDER)</b>
Operating Revenues	\$63,475,000	\$53,202,567	\$44,550,050	\$8,652,517
Operating Expenses	(55,944,030)	(40,637,646)	(35,683,845)	(4,953,801)
<b>Operating Income</b>	<b>\$7,530,970</b>	<b>\$12,564,921</b>	<b>\$8,866,205</b>	<b>\$3,698,716</b>
Non-Operating Revenue (Expenses)	(1,439,120)	2,306,871	68,288	2,238,583
Debt Service Payments	(1,952,560)	(1,823,839)	(1,358,991)	(464,848)
<b>Total Sources over Uses</b>	<b>\$4,139,290</b>	<b>\$13,047,953</b>	<b>\$7,575,502</b>	<b>\$5,472,451</b>

**WASTEWATER FUND**

Net operating income through March 2021 was \$7.9 million, a slight decrease from the prior year. Operating revenue increased by \$771,227 or 3% compared to the prior year due to an increase in sale of recycled water. Operating expenditures increased by \$1,008,190 or 6% primarily due to an increase in employee services and supplies. Non-operating revenue has increased by \$1.8 million due to significant development in the City resulting in an increase in Sewer Connection Fees. Overall total sources over uses are at \$6.1 million.

	<b>FISCAL YEAR 2020/21 BUDGET</b>	<b>MARCH 31 2021 ACTUAL</b>	<b>MARCH 31 2020 ACTUAL</b>	<b>PRIOR YEAR VS CURRENT YEAR VARIANCE OVER/(UNDER)</b>
Operating Revenues	\$39,900,000	\$26,185,427	\$25,414,200	\$771,227
Operating Expenses	(27,595,230)	(18,239,599)	(17,231,409)	(1,008,190)
<b>Operating Income</b>	<b>\$12,304,770</b>	<b>\$7,945,828</b>	<b>\$8,182,791</b>	<b>\$(236,963)</b>
Non-Operating Revenue (Expenses)	(1,630,770)	246,557	(1,643,928)	(1,890,485)
Debt Service Payments	(3,918,070)	(2,016,536)	(1,800,710)	215,826
<b>Total Sources over Uses</b>	<b>\$6,755,930</b>	<b>\$6,175,849</b>	<b>\$4,738,153</b>	<b>\$1,437,696</b>

**FOR MORE INFORMATION**

This summary report is based on detailed information generated by the City's Finance department. If you have any questions or would like additional information on this report, please contact the Finance department at (760) 839-4676 or visit [www.escondido.org](http://www.escondido.org)

## Attachment 2



**CITY OF ESCONDIDO  
BUDGET ADJUSTMENT REQUEST**

Date of Request: May 12, 2021

Department: Finance

Division: \_\_\_\_\_

Project/Budget Manager: Christina Holmes 4620  
Name Extension

Council Date (if applicable): May 12, 2021  
(attach copy of staff report)

<b>For Finance Use Only</b>	
Log #	_____
Fiscal Year	<u>2021</u>
_____	Budget Balances
_____	General Fund Accts
_____	Revenue
_____	Interfund Transfers
_____	Fund Balance

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
Sales Tax	4001-001	3,440,000	
RPTTF Residual Payment	4025-001		465,000
Building Permits	4045-001	475,000	
Plumbing Permits	4046-001	60,000	
Electrical Permits	4047-001	70,000	
Mechanical Permits	4048-001	95,000	
Vehicle code fines	4070-001		126,000
Parking ticket fines	4071-001		150,000
Code Enforce. Admin Citations	4075-001		200,000
Swimming Pool Rental	4300-001	50,000	
Learn to Swim Program	4301-001		17,000
On Track	4302-001		500,000
Park/Picnic Rentals	4304-001		52,000
Recreation Classes	4305-001		125,000
Building Rentals	4306-001		8,000
Amphitheater Use	4307-001		2,500
EVCC Rentals	4308-001		60,000
Sports Center - General Fees	4310-001		5,000
Youth Sports	4311-001		25,000
Hockey - Sports Center	4312-001		18,000
Softball Tournaments	4313-001		42,000
Adult Softball	4315-001		50,000
Tiny Tots	4317-001		65,000

## Attachment 2

Soccer - Sports Center	4318-001		93,000
Ballfield Light Fees	4319-001	9,000	
Summer Day Camp Programs	4320-001		83,000
Youth League Admin Fees	4322-001		11,000
Soccer Rentals-Sports Center	4326-001		80,000
Tennis Court Fees	4327-001		7,500
Hockey Rentals-Sports Center	4328-001		28,000
Hockey CIF	4329-001		14,000
Comm Svcs - Special Events	4335-001		4,500
Open Gym	4354-001		15,000
Field Rentals	4355-001		2,200
Soccer Tournaments	4356-001		43,000
Recreation Guide Advertising	4357-001	1,000	
Senior meal payments	4391-001		12,000
Audio visual rentals	4392-001		64,000
Senior Van	4393-001		4,000
Joslyn Center Rent	4394-001		74,500
ActiveNet Fees	4620-001		10,000
Rent	4610-001		250,000
Hahn Lease	4613-001		50,000
Fire Assistance Reimbursement	4256-001	260,000	
Overtime	5020-001-600	260,000	
Professional Services	5131-001-600	48,000	
Reidy Creek Clubhouse Renovation	101701-229		30,000
Transfer Out	5999-229	30,000	
Transfer In	4999-553	30,000	
Use of Available Fund Balance	3050-553		130,000
Other Capital Outlay	5209-553	160,000	
Façade and Property Improvement Grants	101039-229		1,954
Economic Incentive Fund	101229-229		61,402
Economic Development Work Plan Business Support	NEW-229	63,356	

Attachment 2

Explanation of Request:

Third Quarter Financial Update Budget Adjustment to amend the Fiscal Year 2020/21 operating budget.

**APPROVALS**

Department Head	<small>DocuSigned by: C0C8E98A934247C...</small> <i>Christina Holmes</i> 5/4/2021	Date	City Manager	Date
Finance	<small>DocuSigned by: F22DD68BFC2B4F3...</small> <i>Jodi Coco</i> 5/4/2021	Date	City Clerk	Date

## CITY COUNCIL STAFF REPORT

**Current Business Item No. 15 (B)**

**May 12, 2021**

**File No. 0430-30**

SUBJECT: Fiscal Year 2021/22 Preliminary Operating Budget Status

DEPARTMENT: Finance Department

RECOMMENDATION:

It is requested that the City Council review the proposed Fiscal Year 2021/22 General Fund Preliminary Operating Budget status, provide policy concurrence or alternative direction on the recommendations for closing the structural budget gap, and authorize staff to return with the Fiscal Year 2021/22 General Fund Operating Budget for final adoption on June 9, 2021.

ANALYSIS:

Prior to the economic impacts of COVID-19, the General Fund long-term financial plan projected annual deficits growing to \$13 million by Fiscal Year 2023/24 and further deficits continuing over the next 15 years. The City's Multi-Year Financial Plan adopted in the Fiscal Year 2020/21 Operating Budget accounted for the anticipated economic impacts of the pandemic and projected a budget deficit of \$8 million in FY2021/22. In spite of many positive economic developments, federal aid packages, and a robust vaccine rollout in recent months, the restrictions from the COVID-19 pandemic have continued to negatively impact certain General Fund revenue sources although not to the degree that was anticipated one-year ago.

The City's budget process begins in December each year with a review and update of the General Fund long-term financial plan. Despite the positive revenue projections, the underlying structural gap remains. The amended financial plan continues to project an \$8 million operating deficit in FY2021/22. In prior fiscal years, Departments were required to submit budget reductions which averaged around an 8% decrease from the prior year. Even after these cost saving measures, the budget relied on \$4 million of one-time funds to balance. As the local economy slowly recovers from the pandemic and yet no new revenue source has been identified for the upcoming fiscal year, the cost reductions to prepare and balance the budget for FY2021/22 would require a significant impact on City staff and the services the City provides. Compounding the issue is the increasing pressure for City services, particularly in the areas of traffic safety and homelessness.

Until revenue is increased on an ongoing and structural basis, the City must continue to rely on short-term, one-time resources to continue operations and avoid drastic cuts to City services. Since at least 2017, the City has maintained balance as a result of modest economic growth and stability and a combined strategy of a hardline on expenditures, cost saving measures that included reducing staff, deferring infrastructure maintenance, investing in technology to reduce ongoing costs, and outsourcing services. Recent budget structures were also combined with the use of one-time resources. The conditions and these approaches left the City able to preserve municipal operations without the use of

General Fund Reserves, while also setting aside funds in the Section 115 Irrevocable Pension Trust Fund.

To maintain a balanced budget for this year, and yet continue an appropriate level of service, staff is recommending that the City Council now adopt a budget that utilizes a portion of the Section 115 Irrevocable Pension Trust.

In February 2018, City Council authorized the establishment of a Section 115 Irrevocable Pension Trust Fund. The Trust Fund is used to set aside and hold money to meet future pension liabilities and can be used to provide economic relief during recessionary cycles and/or rate increases that are significantly above anticipated projected employee rate increases. Funds placed in this Trust can also be used to offset the City's "normal" CalPERS costs, such that if funds are necessary for other purposes, a certain amount of flexibility is present.

When the Pension Trust Fund was established, a funding policy for contributions to the Fund was recommended and included the four years of annual Successor agency Redevelopment Loan Repayments that began in Fiscal Year 2018/19, future proceeds from the sale of City Property belonging to the General Fund, and a portion of General Fund surplus at the end of each fiscal year, if one exists. As of March 31, 2021, the Section 115 Pension Trust Fund has a balance of \$14,780,855.

To meet the increased demand for City services, infrastructure maintenance and repair needs, and address the \$8 million deficit with a balanced budget for Fiscal Year 2021/22 staff recommends the City Council use the final one-time source of funds from the Successor Agency Redevelopment Loan repayment of \$2.2 million and transfer \$6.1 million from the Section 115 Pension Trust Fund.

The Fiscal Year 2021/22 Preliminary Operating Budget Sources and Uses are as follows:

**Sources of Funds:**

Operating Revenue	\$107,219,510
Transfer from Gas Tax Fund	2,055,000
Transfer from Section 115 Pension Trust Fund	6,086,040
Advance Payback from Successor Agency - Redevelopment	2,194,370

**TOTAL, Sources** \$117,554,920

**Uses of Funds:**

Operating Budget	\$117,063,760
Transfer to Reidy Creek Golf Course – Debt Service	365,620
Transfer to Successor Agency – Housing	25,000
Transfer to Vehicle Parking District	100,540

**TOTAL, Sources** \$117,554,920

REVENUE PROJECTIONS

The projected Fiscal Year 2021/22 General Fund revenue estimate is \$107.2 million.

The Fiscal Year 2020/21 amended revenue is the starting point to forecast revenue in the next fiscal year based on factors such as economic indicators, development in the City, past revenue history, and ongoing impacts from the COVID-19 pandemic. The FY2021/22 projected operating revenue is estimated to increase \$3.6 million or 3% over the FY2020/21 amended revenue projection.

The following are the basic components underlying the revenue projections in FY2021/22, followed by an explanation of each category in the following paragraphs:

<b>Revenue</b>	<b>FY2020/21 Amended</b>	<b>FY2021/22 Projected</b>	<b>Change</b>	<b>%</b>
Sales Tax	\$39,431,300	\$42,147,300	\$2,716,000	7%
Property Tax	30,022,000	30,925,000	903,000	3
Other Taxes	13,039,800	13,680,000	640,200	5
Charges for Services	10,396,820	10,169,710	(227,110)	(2)
Intergovernmental	3,487,000	3,341,000	(146,000)	(4)
Fines & Forfeitures	750,000	908,000	158,000	21
Permits & Licenses	1,918,020	1,412,500	(505,520)	(26)
Rental Income	3,783,000	3,738,000	(45,000)	(1)
Other Revenue	830,200	898,000	67,800	8
<b>Total Operating Revenue</b>	<b>\$103,658,140</b>	<b>\$107,219,510</b>	<b>\$3,561,370</b>	<b>3%</b>
One-Time Revenue	2,737,580	-	(2,737,580)	(100)
<b>Total Revenue</b>	<b>\$106,395,720</b>	<b>\$107,219,510</b>	<b>\$823,790</b>	<b>1%</b>

Sales tax revenue is highly sensitive to economic conditions and is impacted by the levels of unemployment, consumer confidence, and per-capita income that drive spending and growth in sales tax receipts. While these numbers were at record highs leading into 2020, the economic impacts of the restrictions due to COVID-19 reduced the FY2019/20 revenue by \$2.0 million or 5% from the prior fiscal year and an additional decline of 3% was expected in FY2020/21. The restrictions from the COVID-19 pandemic have continued to negatively impact sales tax revenue when compared to the prior year activity. However, bright spots which included increased receipts from construction activities and the County Pool (reflecting the City's share of online sales) led to an actual increase in revenue by \$1.1 million or 4.7% from the prior year.

## Fiscal Year 2021/22 Preliminary Operating Budget Status

May 12, 2021

Page 4

The City works closely with its sales tax consultant, Avenulnsights, in projecting sales tax revenue. Based on Avenulnsights analysis of the trend in year-to-date tax receipts and an examination of the local economy, the City's sales tax revenue is anticipated to increase in FY2021/22 by 7% to reach \$42.1 million.

The largest economic segments in the City are transportation, construction, and receipts from the County Pool. Together these segments generate 70% of the total sales tax revenues. The transportation segment includes new and used auto sales and service stations, and is projected to increase by 8% or \$1.0 million from the prior year. Due to stimulus funds, rising vaccination rates and the progressive reopening of the economy, consumer confidence and spending are anticipated to continue to increase resulting in a strong demand for new and used auto sales. The construction sales tax segment accounts for revenue generated from building materials, including both wholesale and general retail, and is projected to increase by 16% from the prior year. This is due to an increase in the price of goods, such as lumber and steel, an increase in ongoing development and construction projects in the City, and a continuation of home improvement projects from homeowners. The economic sales tax category which has been negatively impacted throughout the pandemic continues to be general retail sales in brick and mortar stores like family apparel, department, and electronics/appliance stores, projected to decline by 5% compared to the prior fiscal year. Conversely, online sales are projected to increase by 5.6% from the prior year, which reflects the shift from brick and mortar stores to online sales.

Property tax revenues also represent a major funding source for the City at 29% of the General Fund. The major factors influencing property tax revenue are the annual inflation adjustment under Proposition 13, number of home sales, and increased median home prices. The consumer price index in California (the "CCPI") from October 2018 to October 2019 was 2.98% and this caused the inflation factor that was applied to the FY2020/21 tax roll to be the full 2% allowed by Proposition 13. CCPI for the period of October 2019 to October 2020 fell to 1.036% and this resulted in the inflation adjustment to be applied to tax roll values for FY2021/22 to be 1.036%, just over half of the rate for FY2020/21. However, assessed valuations will be positively influenced by the current and projected development activity, such as permit, inspection and plan checks, in conjunction with the current low interest rate environment, which indicate continued growth in property sales. Growth is expected to continue and housing demand, especially in the new home market, remains strong. As a result, overall property tax revenue is estimated at \$30.9 million in FY2021/22 and represents a 3% increase from the prior fiscal year.

Also included in Property Tax revenues is the Property tax in lieu of Vehicle License Fees ("VLF") which is estimated to increase by 3% to reach projected revenue of \$15.7 million. This revenue is in addition to the regular apportionment of property taxes received. In 2004, the Legislature permanently reduced the Vehicle License Fee rate from two percent to 0.65 percent and compensated cities for their revenue loss with a like amount of property taxes, dollar-for-dollar. Each agency's property tax in lieu of VLF allocation increases annually in proportion to the growth in gross assessed valuation in the City based on the prior year assessment role.



## Fiscal Year 2021/22 Preliminary Operating Budget Status

May 12, 2021

Page 5

Other taxes, which include franchise fees, transient occupancy tax, business license fees, property transfer tax and the Redevelopment Property Tax Trust Fund (“RPTTF”) residual payment, account for 13% of General Fund revenue. These other taxes are projected to increase by 5% to reach projected revenue of \$13.7 million. The City collects franchise fee revenues from San Diego Gas and Electric (SDG&E), cable companies conducting business within City limits, and Escondido Disposal Incorporated (EDI) for trash collection services. Overall franchise fee revenues are projected to be \$7.4 million, an increase of 1.6% from the prior year. Revenue growth is projected based on population, inflation factors, and historic revenue trends. In addition, due to the mass deployment of vaccines and pent up demand for travel, Transient Occupancy Tax is projected to increase by 5% to reach \$1.7 million.

Charges for services are projected to remain stable compared to the prior fiscal year with estimated revenue of \$10.2 million. Charges for services include paramedic fees and Community Services fees for recreational and community activities. Revenue estimates are based on the projected number of facilities and classes, number of participants, fee levels, and staff’s estimate of demand for programs and services.

Permits and licenses that are collected for building, plumbing, electrical, mechanical, fire code and mobile-home permits are projected to decrease from the amended FY2020/21 revenue but increase by 52% compared to the FY2019/20 actual revenue in the upcoming year to reach a projected revenue of \$1.4 million. This is due to increases in the number of new building permits from several large development projects located in the City.

Fines and forfeitures are projected to increase slightly from the prior fiscal year to reach \$908,000. Fines and forfeitures are collected by the City for vehicle code fines, parking ticket fines, other court fines, library fines, code enforcement citations and impound fees.

Rental Income and Other Revenues includes income from City owned properties, interest earned from investing activities, and other miscellaneous receipts. This revenue from investment and miscellaneous income is projected to remain flat to reach revenue of \$4.6 million. The City plans to prepay the annual unfunded accrued liability (“UAL”) for the Safety and Miscellaneous Plans in July 2021, which will result in additional benefit to the General Fund.

While staff proposes using approximately \$2.2 million of Advance Payback from Successor Agency – Redevelopment to balance the budget, the City is not currently budgeting any one-time revenue in Fiscal Year 2021/22. The City’s financial policy allows for the use of one-time resources to pay for non-recurring expenditures, provide transitional funding of operations for a limited time period, add to reserves, or pay down unfunded liabilities. One-time revenue budgeted in Fiscal Year 2020/21 included fire assistance reimbursements of \$1.3 million and CARES Act funding of \$1.5 million.

OPERATING BUDGET

The total proposed Fiscal Year 2021/22 General Fund Operating Budget is \$117.1 million. It has increased by approximately \$7.1 million or 6% compared to the revised Fiscal Year 2020/21 Operating Budget. The following chart shows General Fund expenditures by department and compares the total FY2021/22 projected expenditures to the current fiscal year revised operating budget.

Staff proposes certain significant budget changes to reflect specific public service needs, and hence reflect City priorities in the FY2021/22 Operating Budget. Policy concurrence on these priorities is requested and they are discussed below.

<b>Department</b>	<b>FY2020/21 Revised Expenses</b>	<b>FY2021/22 Projected Expenses</b>	<b>Change</b>	<b>%</b>
General Government Services	\$6,322,290	\$6,283,090	\$(39,200)	(1)%
Community Services	8,797,200	9,184,420	387,220	4
Community Development	4,753,660	5,033,840	280,180	6
Public Works	10,135,970	12,281,870	2,145,900	21
Engineering	2,645,010	3,027,830	382,820	14
Police	46,245,600	49,006,130	2,760,530	6
Fire	27,155,770	27,914,950	759,180	3
California Center for the Arts	2,443,000	2,412,680	(30,320)	(1)
Other Expenses	1,465,630	1,918,950	453,320	31
<b>Total Expenditures</b>	<b>\$109,964,130</b>	<b>\$117,063,760</b>	<b>\$7,099,630</b>	<b>6%</b>

**Traffic Safety**

The FY2021/22 proposed budget includes a multi-faceted strategy to improve traffic flow and safety throughout the City. This strategy impacts the Engineering, Police, and Public Works department budgets. The strategy provides resources necessary to improve the City’s infrastructure, operate a responsive transportation system and to address transportation safety. The annual cost for the additional resources is approximately \$540,000.

Staff proposes this addition to the budget for several reasons. When compared to 59 similar-sized cities, Escondido ranks 9th for fatal and injury crashes, 8th for alcohol involved crashes, 12th for pedestrian involved crashes, and 15th for speed-related crashes. During FY2021/22, a systematic analysis of collision data will be conducted to identify cost effective improvement strategies with the goal of reducing collisions CityWide. This Local Roadway Safety Plan (LRSP) will make the City eligible

for continued grants through the Highway Safety Improvement program to make the recommended safety-related improvements to the City's transportation network.

From an efficiency standpoint, this strategic priority also provides a plan to improve the responsiveness of the City's transportation system. Escondido has been selected to receive \$1.16 million in Caltrans Highway Safety Improvement funds to upgrade its traffic signal communication and controller system. The upgraded hardware and communication system will better respond to traffic conditions, alert staff to detection and other equipment failures, and also allow staff to access real-time video images at priority intersections so that adjustments can be made in response to severe congestion and emergencies. The new controllers will also provide safety benefits, such as red/green light extensions where conflicts are detected. To maximize the benefit from this grant funded aspect, the budget includes:

- **Improve:** A City Traffic Engineer position is recommended to manage preparation of the Local Roadway Safety Plan, signal communication and controller system upgrade project, and ongoing traffic signal synchronization throughout the City. The expertise of a registered Professional Traffic Engineer will enhance the City's ability to manage and improve its transportation network. Escondido is the only City in North County that lacks a management level position in Traffic Engineering, and with the exception of one, all have a City Traffic Engineer position.
- **Operate:** An Electrician position is recommended to proactively test, repair and adjust signal equipment, including detection loops, cameras, interconnect cables, and communications system. This position would address detection alerts, including notices when a detector hasn't triggered during a specified timeframe and may require attention. On a weekly basis, current staff encounter more than 15 signal-related items requiring attention that are generally found as a result of a complaint. The alerting capabilities of the new signal system and routine inspections will allow staff to make repairs without the need for the travelling public to experience significant delays. The addition of an electrician will allow staff to move from a reactive maintenance program to a proactive preventative maintenance program on traffic signal infrastructure.
- **Address Primary Collision Factors:** Two Traffic Police Officer positions are recommended to improve traffic safety and responsiveness. According to the most current Office of Traffic Safety data, in a category of 59 California cities of similar size, the City of Escondido ranks 10th worst for total traffic safety, 9th for fatal and injury traffic collisions, 25th for fatal and injury hit and run collisions, 8th for alcohol-related fatal and injury collisions, 23rd for bicycle collisions, and 12th for pedestrians injured or killed. In 2020, nearly 22% of the 927 documented collisions in Escondido involved alcohol. The Escondido Police Department needs more officers who are highly trained in both DUI and DUI drug investigations. Having skilled DUI investigators and trained drug recognition experts would help reduce the number of persons injured and killed in crashes in the City. In addition, increased enforcement for distracted driving, motorcycle safety, and bicycle-pedestrian violations would further reduce the number of persons injured or killed in

crashes. The two additional positions are designed to target the three most common causes of collisions: DUI, speed, and intersection violations.

As outlined, this strategic priority proposes a wholistic approach to transportation safety and efficiency. Targeted infrastructure improvements and necessary enforcement are designed to improve safety and reduce collisions. Collisions that do occur are addressed in an efficient manner to minimize impact to the travelling public. Finally, the budget provides more responsive signals that are proactively operated and maintained.

## **Homelessness**

Homelessness is a national, statewide, regional, and local challenge. The City recently created and reviewed a [“Strategy for Addressing Homelessness”](#) with the City Council to articulate and implement the best approaches for addressing community impacts while being sensitive to the importance of tackling underlying causes and helping people. The City works with property owners, businesses, citizens and professional partners to manage and reduce homelessness.

In order to carry out the strategy and meet the demand for service, the FY2021/22 proposed budget includes additional resources. Because current staffing does not meet our needs, both Public Works and the Escondido Police Department require additional resources as outlined below:

Public Works. Currently, activities are only conducted and staffed five days per week. However, the demands for service around homeless encampment clean-up, patrolling hotspots, and removing refuse occur every day and not simply Monday thru Friday. Without a weekend presence, the City experiences an increase in blight-related activities and calls for service. Technological improvements have led to data supporting this endeavor: Weekend-related reports from residents average 54 requests per weekend. As it currently stands, such requests are not addressed until Monday, at the earliest, causing a ripple effect of backlogs throughout the week.

The Public Works Department is proposing that weekend staff perform the following essential functions:

- Respond to Report It! app requests.
- Support Police (COPPS) units with Homeless and transient calls for service.
- Debris and refuse removal – Clean up and removal of debris in the public, private, County and Caltrans rights of way.
- Encampment assessments – Disbanding encampments
- Patrolling Grand Ave. and the Escondido Creek Trail – On Monday through Friday, the Public Works team supports a “porter” for these areas, but use increases on the weekends.
- Graffiti eradication – Responding to graffiti Report It! app requests, discovery and covering of graffiti tags seven days per week rather than six.

## Fiscal Year 2021/22 Preliminary Operating Budget Status

May 12, 2021

Page 9

- First Responder – Responds, repairs, assesses risk levels, and determines corrective actions to reported issues CityWide such as sign repairs, vegetation removal, sidewalk lifts, fence repairs, tree-related requests, traffic control, potholes, street sweeping requests (accident-related) etc.

In order to staff a seven-day work week for essential functions, the following changes are proposed in the current budget:

- Convert one temporary part-time Department Specialist to one full-time Department Assistant.
- Convert six existing 1000-hour temporary part-time Graffiti staff to 1500-hour temporary part-time employees.
- Add one new full-time Department Assistant.
- Add two new full-time Maintenance Tech I/II's (Encampment Crew).
- Add one new full-time Lead Maintenance Tech (First Responder).

The budget also includes a new debris truck with outfitting at a total estimated cost of \$52,000. The additional debris truck will benefit the City along with the seven-day work week by replacing resources shifted to handle increasing homelessness-related calls for service and restore the ability to maintain hardscape maintenance and weed abatement in the City's right of way.

The annual estimate of equipment, labor and materials needed to expand the Public Works workforce to cover a seven-day work week is approximately \$400,000 which will be partially offset by a reduction in standby and overtime pay.

Police Department. The Community Oriented Policing and Problem Solving (COPPS) Unit was re-established in January 2017. The unit's main purpose is to reduce crime and address public concerns through a community-based, problem-solving approach that enhances quality of life. The primary quality of life issue facing Escondido today is homelessness, and as a result, the COPPS Unit almost exclusively focuses on this issue.

The COPPS Unit is currently staffed with four police officers, one sergeant, and one lieutenant to address homelessness and quality of life issues. One of the four officers partners with a Psychiatric Emergency Response Team (PERT) Clinician on a full-time basis. The primary goal of PERT is to focus on people experiencing homelessness that suffer from acute mental illness. The three remaining officers focus their attention on patrolling known problem areas, handling calls for service, enforcement, prevention and outreach.

The Police Department is requesting three police officer positions be reinstated to the budget in order to increase the staffing levels of the COPPS Unit, at an estimated annual cost of \$382,000. The additional staffing will allow the COPPS Unit to provide a more effective, efficient and consistent level of service:

- Increased Coverage - Currently, the COPPS officers work business hours – Monday through Friday, 6 a.m. to 4 p.m. Although the officers will adjust their schedule when needed, the reason they work these hours is due to demand. The majority of calls for service and requests for assistance occur during these days of the week. With additional officers, the COPPS Unit could increase the days of the week and the hours of the day COPPS officers are working.
- Increased Proactivity - There tends to be an increase in the criminal element during nighttime hours. While this group does generate some calls for service during the day, they are typically more active during nighttime hours and are responsible for a great deal of chronic criminal activity in our problem areas. Having additional officers would provide the COPPS Unit the opportunity to work nighttime hours in order to address these issues and prevent further crime.
- COPPS/PERT - Due to the shortage of COPPS officers and the number of people experiencing homelessness, the COPPS/PERT team is forced to focus on enforcement instead of outreach and mental illness care. Currently, COPPS/PERT spends approximately 75 percent of their time on enforcement calls. Allowing the COPPS/PERT team the time and freedom to proactively engage people suffering from mental illness would increase their effectiveness in getting people connected to the appropriate services and reduce the number of police and medical calls for service.
- Assist Other Departments – As noted in the City’s strategy, a multi-disciplinary approach to dealing with the homeless problem is utilized. COPPS officers must be available to engage and respond to other Departmental requests for assistance.

## **Other General Fund Department Budget Highlights**

### General Government Services

General Government Services include the following departments: City Council, City Manager, City Attorney, City Clerk, City Treasurer, Finance, Human Resources, Risk, Information Systems, Enterprise Software and Web Administration, and Geographic Information Systems (“GIS”). Continued efficiencies and efforts by staff to minimize expenditures have resulted in a total combined decrease in expenditures of 1% over the prior year. Significant budget highlights include the transfer of the Business License function and Visit Escondido activities to the Economic Development division in the City Manager’s Department to better leverage these functions as a tool to drive decisions. As a result of the efficiencies created with updated software and payment website, a vacant customer service representative was removed from the Finance Department budget. A Business Analyst position was added to the Enterprise Software and Web Administration department to support the continued development of the Cityworks software and will be fully allocated out to the Water and Wastewater Funds.

## Fiscal Year 2021/22 Preliminary Operating Budget Status

May 12, 2021

Page 11

### Community Services

Community Services includes the following departments: Communications, Digital Media Services, Recreation, Library Services, Older Adult Services, and Senior Nutrition. These combined department operating budgets total \$9.2 million in FY2021/22 and have increased \$387,220 or 4% over the prior year. High priority has been placed on communication with the public, transparency, and community engagement, which fall under the responsibility of this budget. In order to expand and enhance volunteer opportunities and philanthropic giving programs through the award-winning Volunteer Escondido HUB, a Management Analyst I/II position was added to the Recreation Department budget to oversee the program, which is primarily offset by the elimination of four part-time temporary positions.

The Video Services department was renamed to Digital Media Services to better reflect the current scope of work performed by these staff. As part of Communications & Community Services, Digital Media Services staff ensure that residents have access to high quality broadcasts of City Council meetings and communicate important information to the public regarding policies, events, services, and activities of City government. Two temporary part-time positions were eliminated in the FY2021/22 budget and a full-time Digital Media Technician position was added.

### Community Development

Community Development includes Planning, Code Enforcement, and Building. These departments guide the physical development of the City, protect life and property through the application of building codes and standards, and enhance the image and appearance of the City. These combined department operating budgets total \$5.0 million and have increased 6% compared to the prior year. A Senior Planner position was added to support environmental and climate-related matters required to be addressed by the Department. This senior level position will also assist with the heavier workload from increased development activity which has been well documented and is likely to continue.

### Public Works

Public Works includes the Streets and Parks Department operating budgets. The Streets Department is responsible for filling potholes, maintaining sidewalks, cleaning storm water channels, replacing traffic signs, sweeping and lane striping City streets, and graffiti eradication. The Parks Department maintains the City's parks, median and parkway landscaping, open spaces, trees and landscaping at City facilities. Beginning in FY2021/22, Public Works will assume the responsibility of maintaining all City landscape maintenance activities, estimated at an annual cost of \$1.1 million. This requires the addition of 12 positions to the department as well as equipment purchases estimated at \$665,000. The employee services costs are partially offset by a decrease in professional services/contracts of about \$445,000.

### Police

The Police Department improves community safety, enhances crime prevention, and provides emergency response. In FY2020/21, the Police Department's budget was reduced by thirteen full and part time positions. The FY2021/22 budget proposal includes the reinstatement of five Police Officers and one Public Safety Dispatcher. Overall, the Police Department's costs are increasing by \$2.7 million

## Fiscal Year 2021/22 Preliminary Operating Budget Status

May 12, 2021

Page 12

or 6% compared to the prior year to reach projected expenditures of \$46 million. The proposed budget includes community safety enhancements to the Computer Aided Dispatch System, contract negotiated animal control cost increase, negotiated salary increases, rising medical insurance, workers' compensation and pension costs, as well as the reinstatement of one Public Safety Dispatcher position, two Traffic Police Officers and three COPPS Police Officers to help address homelessness response.

### Fire

The Fire Department provides emergency operations, emergency preparedness, and fire prevention services to safeguard lives and property. The FY2021/22 operating budget reflects an increase of \$752,400 or 3% increase compared to the prior year to reach projected expenditures of \$27.9 million. This budget includes negotiated salary increases, rising medical insurance costs, workers' compensation and pension costs, and cost increases for Emergency Medical Supplies such as oxygen, pharmaceuticals, PPE, and equipment. An additional Fire Prevention Specialist position is proposed to keep up with the increasing demand from development projects in the City addressing the same need discussed under Community Development. The increase in expenditures were offset by reductions in the funding for training supplies, firefighting tools and equipment, and maintenance on the fire training tower water pump service.

### Other Expenses

Other Expenses accounts for expenditures that are not directly chargeable to other General Fund departments as well as funding for community events. The combined budgets total \$1.9 million in FY2021/22 and include expenditures for contractual salary and benefit obligations, various CityWide membership fees, consulting fees necessary for preparation of the 2022 Revenue Measure, and direct support provided by the City for the Community Fireworks program, Cruisin' Grand, and the Christmas Parade.

## **Enterprise Funds**

The City's Enterprise Funds account for the financial activity of the City's water utility and the wastewater utility. The costs for providing these services to the public are recovered through user charges. Both the Water and Wastewater funds are investing in technology to reduce costs and maximize efficiencies. Below is a brief description of each department and a summary of the significant changes in their FY2021/22 Operating Budget.

### Water Fund

The Water Fund operates the Water Treatment Plant that supplies water to approximately 26,000 residential, commercial and agricultural customers in the City. This Department also provides maintenance on the Escondido Canal that carries untreated water 14 miles from the intake on the San Luis Rey River to Lake Wohlford. The Department's Lakes and Open Space Division maintains Daley Ranch, Dixon Lake, and Lake Wohlford that provides fishing and boating to the community. The Water Fund budget increased by \$3.0 million or 5.2% compared to the prior year. These increases were primarily from increased employee service costs of \$798,770, increased



purchased water costs of \$900,000 that are passed through from the San Diego County Water Authority, increased water treatment chemical costs of \$200,000 due to increasing costs of manufacturing and delivering these products, and utilities increased by \$185,810 due mostly to rising costs in power. The rate of power consumption at the Treatment Plant has also increased because of the onsite chlorine generation system.

#### Wastewater Fund

The Wastewater Fund operates the Hale Avenue Resource Recovery Facility (“HARRF”) for the effective treatment of wastewater within the City’s jurisdiction. The Recycled Water division produces recycled water from the HARRF and distributes it to various City landscape irrigation customers including golf courses, school fields, City parks and green belts. The Environmental Programs Division administers a number of programs relating to water, wastewater and storm water compliance. The Wastewater Fund budget increased by \$1.5 million or 5% compared to the prior year. These increases were primarily due to employee service cost increases of \$817,640, including the addition of a Principal Engineer position, and increases to Maintenance and Operations to upgrade the City’s lift stations to replace old motor starters and upgrade/replace relay logic controls with programmable logic controllers (PLC’s) and to further increase plant and lift station security with additional cameras in strategic locations. Consulting services and maintenance contracts increased by \$303,680 in order to support the collection system hydraulic modeling and other specialized process equipment.

#### **Other Funds**

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

##### Reidy Creek Golf Course

The Reidy Creek Golf Course fund accounts for the transactions of the Reidy Creek Golf Course managed by JC Resorts. Due to the increase in activity at the course and continued popularity of Disc Golf, the fund is projecting a \$304,280 or 49% increase in operating revenue from the prior year with no transfer from the General Fund. Operating expenses are projected to rise by 19% or \$131,930 due to the increase in maintenance and staff costs needed to support the increase in activity.

##### Telecommunications

Telecommunications manages the City’s unified communication and collaboration services that include voice and data communications for City Hall and 24 remote locations. Due to strategic technology and service provider changes, the Telecommunications budget is proposing a decrease of \$64,230 compared to the prior year budget.

Mail and Mobile Services

The Mail and Mobile Services division of Information Systems provides traditional mail distribution, metering, and postage services as well as the management of the cellular services for all departments. The proposed budget increased by \$30,200 or 13.9% due to additional mandated requirements to provide notifications through the United States Postal Service as well as increases to the costs of postage.

Workers Compensation Insurance

The Workers' Compensation Fund was created to account for transactions related to the City's workers' compensation claims expenses and excess coverage premiums. The budget has increased by \$950,400 or 19.6% compared to the prior year due to anticipated higher cost claims that are projected to be paid in FY2021/22. The use of available reserves of \$527,410 is requested to balance this budget.

Property Insurance

The Property Insurance Fund accounts for the transactions related to obtaining property insurance for the City. This fund is proposing a 23.1% or \$208,350 increase to its total operating budget due to an increase in the property insurance premium. The increase is in line with insurance increases industry wide as a result of significant increases of property claims from catastrophic events including wildfires and hurricanes.

**Potential Impact of the American Rescue Plan**

At the time of publication of this staff report and the preliminary budget for Council consideration, the United States Department of the Treasury has not yet released guidelines on the permissible uses for funds expected under the American Rescue Plan. At present, Escondido will receive an anticipated amount of \$45 million. The funds are one-time funds, and must be expended in full by the end of December 2024. Staff will bring forward a separate budget recommendation with how those funds will be utilized based on the rules provided by the U.S. Department of Treasury which may result in an adjustment to the proposed General Fund or Enterprise Fund budgets for FY2021/22.

**APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:**

*Christina Holmes*, Director of Finance

05/06/21 9:59 a.m.

**ATTACHMENTS:**

## CITY COUNCIL STAFF REPORT

**Current Business Item No. 16**

**May 12, 2021**

**File No. 0430-30**

SUBJECT: Five-Year Capital Improvement Program and Fiscal Year 2021/22 Capital Improvement Program Budget Status

DEPARTMENT: Finance Department

RECOMMENDATION:

It is requested that the City Council review the proposed Fiscal Year 2021/22 Five-Year Capital Improvement Program and Budget status and authorize staff to return with the Fiscal Year 2021/22 Capital Improvement Program and Budget for final adoption on June 9, 2021.

FISCAL ANALYSIS:

The Five-Year Capital Improvement Program ("CIP") is a five-year planning tool for major infrastructure, capital construction, improvements, maintenance projects, and other non-capital type projects to accommodate restricted funding requirements. The CIP budget is adopted for a single year only, but the plan includes projected programming over a five-year period. The budget is updated and developed annually with a review of on-going projects, determination of available funding, and evaluation and prioritization of projects that respond to current needs and priorities of the City of Escondido ("City").

Attachment 1 lists the staff recommendations of projects to be funded in the FY2021/22 Five-Year Capital Improvement Program. A detailed description of each project and the funding source is provided, sorted by the type of project: Library, Parks and Recreation, Public Art, Public Works, Streets, Wastewater Utilities and Water Utilities.

Nearly all capital projects in the City are paid for using funds which are restricted in some fashion by the funding source. Gas Tax, Road Maintenance and Rehabilitation funds, and Transnet funding account for a majority of the City's street projects. Development Impact fees, including Park Development, Public Art, Public Facilities, Storm Drain, and Traffic Impact Fees, are collected for the purpose of mitigating the impact of the development on the community. Water and Wastewater Capital Projects are funded by a combination of customer fees, cost sharing with local agencies, and loan funding. A description of funding sources and projected available balances and its uses is listed in Attachment 3.

There are currently \$17 million in projects in the City's Capital Improvement Program which are either necessary or desirable from a policy perspective, however, have no identified funding source. These fall into the following categories: General City, Public Safety, Public Works and Streets and are identified in Attachment 2.

As the City continues to experience growth and expansion resulting from new development, it is anticipated that in FY2021/22, approximately \$6 million from collections of development impact fees will be available to support appropriate projects. Street revenues from Gas Tax, Road Maintenance and Rehabilitation funds and Transnet revenues were all reduced in the prior year's CIP Budget with the uncertainty and impacts anticipated from COVID-19; however, all revenues are anticipated to come in as expected if not higher this fiscal year. Street revenue projections have increased from the prior year by 2-10% depending on the source. Currently, the FY2021/22 CIP Budget utilizes approximately \$14.8 million for street projects and \$45 million for public utilities projects.

PREVIOUS ACTION:

The preliminary Five-Year CIP and FY2020/21 CIP Budget update was taken to the City Council on May 6, 2020. The City Council approved the Five-Year CIP and Budget for FY2020/21 on June 10, 2020.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:



*Christina Holmes*, Director of Finance  
05/05/21 5:14 p.m.

ATTACHMENTS:

1. Attachment 1 – Funded FY2021/22 Preliminary Capital Project Budget Requests
2. Attachment 2 – Unfunded FY2021/22 Preliminary Capital Project Budget Requests
3. Attachment 3 – Executive Summary by Funding Source

<b>FUNDED</b>		<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>LIBRARY</b>						
<b>Free-standing Library Kiosk</b>	This project will provide funding for one free-standing library kiosk that will provide convenient, affordable, alternative library services in a public, high access area such as the Transit Center or mall. The kiosk can check items out and in, and dispenses all types of library materials including books, CDs, DVDs, magazines, and games. Base model maximum capacity includes 1,000 dynamic horizontal storage positions.					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Public Facility Fees	\$ -	\$ 400,000	\$ -	\$ -	\$ -	
<b>Library Circulating Materials</b>	Professional Librarians from Library Systems & Services purchase new titles in all formats to meet needs of Escondido's increasing population in accordance with the General Plan Standards for the Library throughout Fiscal Year. Funds will be expended by the end of the fiscal year.					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Public Facility Fees	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	
<b>Literacy Projects</b>	Expenditures for providing Literacy services, programs, promotions, and miscellaneous literacy related costs.					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Library Trust Fund	\$ 10,395	\$ -	\$ -	\$ -	\$ -	
<b>Pioneer Room</b>	Funding designated for special projects related to the Pioneer Room.					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Library Trust Fund	\$ 30,975	\$ -	\$ -	\$ -	\$ -	
<b>Youth Services</b>	Funding designated for special projects related to youth services.					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Library Trust Fund	\$ 25,000	\$ -	\$ -	\$ -	\$ -	

**FUNDED****FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS****PARKS AND RECREATION**

 <b>11th Avenue Park</b>	Development of a new park on the corner of 11th Avenue and Avenida Del Diablo.				
<b>Funding Source</b> Park Development	<b>FY 2021/22</b> \$ -	<b>FY 2022/23</b> \$ 517,000	<b>FY 2023/24</b> \$ 487,200	<b>FY 2024/25</b> \$ 687,600	<b>FY 2025/26</b> \$ 638,000
<b>City Skate Parks</b>	This project will ensure funding for future design and construction of skate spots throughout the City. Skate spot locations will be prioritized based on public outreach meetings and Council direction.				
<b>Funding Source</b> Park Development	<b>FY 2021/22</b> \$ 420,000	<b>FY 2022/23</b> \$ 750,000	<b>FY 2023/24</b> \$ 750,000	<b>FY 2024/25</b> \$ 500,000	<b>FY 2025/26</b> \$ 500,000
 <b>Library Pocket Park</b>	Minor Improvements including DG and drought tolerant landscaping throughout the space, with a meandering path to transition pedestrians from the sidewalk on Second Ave to the sidewalk at the west end of the Library. This project will provide increased access to the library campus as well as a space to view a proposed mural.				
<b>Funding Source</b> Park Development	<b>FY 2021/22</b> \$ 30,000	<b>FY 2022/23</b> \$ -	<b>FY 2023/24</b> \$ -	<b>FY 2024/25</b> \$ -	<b>FY 2025/26</b> \$ -
<b>Multipurpose Artificial Turf Fields</b>	This project will construct a multipurpose, multisport, artificial turf field. The project will provide a space for community sports such as softball, baseball, kickball, ultimate frisbee, lacrosse, football, and soccer. It will allow for additional practice and game space, allow the City to accommodate larger sports tournaments thereby increasing revenue, and provide an alternate location to host sporting activities while other fields rest. The artificial turf will also allow for year round rentals, increasing revenue. Park locations will be prioritized through a series of public meetings and with Council direction.				
<b>Funding Source</b> Park Development	<b>FY 2021/22</b> \$ 135,960	<b>FY 2022/23</b> \$ 500,000	<b>FY 2023/24</b> \$ 500,000	<b>FY 2024/25</b> \$ 500,000	<b>FY 2025/26</b> \$ 500,000

<b>FUNDED</b>		<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>NFC Fitness Courts</b>		This project will provide two new National Fitness Campaign (NFC) Fitness Courts with coordinating shade structures. In addition to bringing new free fitness opportunities, the fitness courts will also provide a new revenue stream, as these areas will provide for future instructor led fitness classes. Park locations will be prioritized through public feedback, site appropriateness, and Council direction. We anticipate that CDBG funds could be used to supplement this project.				
<b>Funding Source</b>		<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Park Development		\$ 500,000	\$ -	\$ -	\$ -	\$ -
<b>Park Ball Field</b>		The City's youth leagues continue to grow, as does the need for additional practice and game space. The current little league fields are at capacity and can not accommodate additional use. The Ball Field Project will provide funding to construct a new ball field in Mountain View Park.				
<b>Funding Source</b>		<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Park Development		\$ 350,000	\$ -	\$ -	\$ -	\$ -
<b>Play Equipment Shade Structures</b>		Due to community growth and subsequent increased use of the play equipment at Washington Park as well as the new equipment in Grape Day Park and to mitigate the heat on the structures and the children from the direct sun, staff will issue a Request For Proposal to bid the projects to a vendor to provide the materials and installation of the shade structures.				
<b>Funding Source</b>		<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Park Development		\$ 150,000	\$ -	\$ -	\$ -	\$ -
<b>Ryan Park Field Expansion and Lighting</b>		Ryan Park hosts year round youth & adult soccer leagues and tournaments. The continued growth of our community and rise in popularity of soccer requires the expansion of the sports fields to accommodate more players, games, and practice space. This project addresses the expansion of one field of approximately 67,000 square feet (1.5 acres). The installation of two new light poles will accommodate additional playing and practice times.				
<b>Funding Source</b>		<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Park Development		\$ 350,000	\$ -	\$ -	\$ -	\$ -

**FUNDED****FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS****PUBLIC ART****City Murals**

This Project will provide funding for new Murals located throughout the city.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26**

Public Art Fund

\$ 100,000

\$ 80,000

\$ 70,000

\$ 70,000

\$ 40,000

**Public Art-Administration**

Annual administrative costs of the Public Art Program.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26**

Public Art Fund

\$ 30,000

\$ 30,000

\$ 30,000

\$ 30,000

\$ 30,000

**NEW****Utility Box Art**

This project will provide funding to support the volunteer utility box painting project.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26**

Public Art Fund

\$ 5,000

\$ 5,000

\$ 5,000

\$ 5,000

\$ 3,760

**PUBLIC WORKS****Kit Carson Park Sports Center Restroom**

The purpose is to install a unisex restroom in the Sport Center office as currently there is no bathroom for staff use. Public Works-Building Maintenance will assist with the development and implementation of the project.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26**

Public Facility Fees

\$ 75,690

\$ -

\$ -

\$ -

\$ -

**NEW****Public Works  
Yard Generator**

Escondido is surrounded by terrain that creates a very high fire hazard. SDG&E's current plans to reduce fire danger in very high fire hazard areas is to strategically employ preventative grid shutdowns, referred to as Public Safety Power Shutoffs (PSPS). In 2020, areas of Escondido were affected by SDG&E's PSPS due to high wind events. Installing a new CARB compliant backup generator at the Public Works Yard will ensure that Public Works meets the obligations outlined in the City's Continuity of Operations Plan (COOP) for these critical emergency functions.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26**

Public Facility Fees

\$ 200,000

\$ -

\$ -


\$ -


\$ -




<b>FUNDED</b>		<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>Public Works Yard Relocation</b>		This project supports the future relocation of the Public Works Yard. The new facility will be sized to meet current and future maintenance demands of the City. Project components will include site selection, acquisition, environmental documentation, and design for the future site. This project implements a component of the Comprehensive Economic Development Strategy (CEDs) that identifies the current yard site as a high priority area targeted for redevelopment.				
<b>Funding Source</b>		<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Public Facility Fees		\$ 1,250,000	\$ 518,600	\$ 1,030,500	\$ 983,600	\$ 936,700
<b>Street Tree Maintenance</b>		With the completion of the Urban Forest Inventory, the need for tree maintenance exceeds the capacity of the City Tree Crew. The city has over 53,000 trees to maintain. At present there are over 360 trees needing immediate removal, approximately 33,000 trees needing pruning/maintenance, over 3,000 new trees to plant, and approximately 300 tree stumps to be removed. An annual tree maintenance contract would significantly improve the health of the City's Urban Forest.				
<b>Funding Source</b>		<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Gas Tax		\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000
Total Funded		\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000
<b>Unfunded Portion</b>		900,000	900,000	900,000	900,000	900,000
Total Cost		\$ 1,005,000	\$ 1,005,000	\$ 1,005,000	\$ 1,005,000	\$ 1,005,000
<b>STREETS</b>						
<b>Bear Valley Pkwy Widening at Sunset/Ranchito</b>		This project funds the widening of Bear Valley Parkway from the southerly limit of the Wohlford Residential project to Sunset/Ranchito, in accordance with the Development Agreement approved for this project. The development project will add one north-bound lane on Bear Valley Parkway from Sunset/Ranchito to the City limits at Cholla Canyon. The timing will be based on the developer's schedule to complete the development project.				
<b>Funding Source</b>		<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Traffic Impact		\$ -	\$ 575,000	\$ 500,000	\$ 1,337,500	\$ 1,000,000




<b>FUNDED</b>	<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>Bridge Maintenance</b>	To preserve the long-term condition of the City's 34-bridges, preventative maintenance, including deck maintenance, joint seal replacement and railing repairs are required. This project designates a budget to perform preventative maintenance at the highest priority locations, based on condition rating. Staff will pursue Caltrans bridge program funding, where available, to perform maintenance and address required repairs.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Gas Tax	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
<b>Citracado Pkwy Extension</b>	This project extends Citracado Pkwy from Harmony Grove Village Pkwy to Andreasen Dr., and will construct new pavement, streets, curb and gutter, center medians, landscaping, traffic signals, a bridge over Escondido Creek, and utility infrastructure. The project will be administered by City staff with Construction Management support by consultant. Construction of the project will be performed by the awarded contractor.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Traffic Impact	2,733,310	677,490	-	-	-
Transnet	1,500,000	1,350,000	-	-	-
Total	\$ 4,233,310	\$ 2,027,490	\$ -	\$ -	\$ -
 <b>Comprehensive Active Transportation Strategy</b>	A Comprehensive Active Transportation Strategy (CATS) evaluates current infrastructure and demand to develop a well-connected active transportation network. The CATS will evaluate trail, bike lane and sidewalk connectivity to ensure that limited resources are used to improve the highest priority facilities. The CATS also provides support for future grant applications and is identified as an activity in the Climate Action Plan.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Transnet	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -
<b>East Valley Pkwy &amp; Midway Drainage Improvements</b>	This project will study the FEMA floodplain areas along East Valley Parkway, between Ash and Citrus, and along Midway Drive, between Bear Valley Pkwy. and Lincoln Ave, to design improvements to Master Drainage Facilities. It is anticipated that drainage improvements will be made in phases as funding becomes available.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Storm Drain	\$ 207,405	\$ 61,625	\$ 56,725	\$ 48,525	\$ 40,325
Gas Tax	375,000	-	350,000	600,000	600,000
Total Funded	\$ 582,405	\$ 61,625	\$ 406,725	\$ 648,525	\$ 640,325
<b>Unfunded Portion</b>	6,357,595	6,878,375	6,533,275	6,291,475	6,299,675
Total Cost	\$ 6,940,000	\$ 6,940,000	\$ 6,940,000	\$ 6,940,000	\$ 6,940,000

<b>FUNDED</b>	<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>FY21 Developer Fees Available for Reimbursement in FY22</b>	10% of annual Storm Drain Basin Fees to be used for reimbursements for eligible improvements constructed by developers who submit a request.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Storm Drain	\$ 28,875	\$ 28,875	\$ 28,875	\$ 28,875	\$ 28,875
<b>Felicita &amp; Juniper/Escondido Blvd to Chestnut</b>	The first phase of this project widens Juniper Street between Felicita Avenue and Chestnut Street with Active Transportation Program grant (Juniper Safe Routes to School Project) and Transnet funding. This phase is expected to be constructed during FY20/21. The second phase of the project will widen Felicita Avenue from Escondido Boulevard to Juniper Street. Construction to include new pavement, curbs and gutters, sidewalks, and traffic signal modifications.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Traffic Impact	\$ -	\$ -	\$ 150,000	\$ 500,000	\$ 783,500
Transnet	250,000	-	-	500,000	1,000,000
Total Cost	\$ 250,000	\$ -	\$ 150,000	\$ 1,000,000	\$ 1,783,500
<b>La Honda Drainage</b>	City's participation with La Honda Drive drainage improvements as required by Tract 920 Development Agreement (Henry Rch Partnership) in order to prevent flooding of adjoining area. Developer to construct re-enforced, box-concrete system on La Honda Drive from El Norte Parkway through an easement to Nightingale Place and on Nightingale Place to Lincoln Avenue. Upon completion drainage assets will be dedicated to the City.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Storm Drain	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
<b>LED Streetlight Conversions</b>	This project provides funding to convert high pressure and low pressure sodium street lights to light emitting diode (LED). LED provides a whiter light that appears brighter and provides a truer color rendering. Conversion to LED results in savings both in maintenance and energy costs.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Gas Tax	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	\$ -
 <b>Lincoln Parkway Widening</b>	This project updates the adopted Specific Alignment Plan for the widening of Lincoln Parkway/Avenue between Garrick Way to Fig Street.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Traffic Impact	\$ -	\$ 671,510	\$ 1,241,600	\$ -	\$ -
Transnet	\$ -	\$ 100,000	\$ 1,000,000	\$ 500,000	\$ -
Total Cost	\$ -	\$ 771,510	\$ 2,241,600	\$ 500,000	\$ -

<b>FUNDED</b>		<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
 <b>Local Roadway Safety Plan</b>	<p>The City received a grant from Caltrans to prepare a Local Roadway Safety Plan (LRSP), a systematic evaluation of accident and safety conditions of the City's transportation network. A complete LRSP will be required beginning in 2023 to be eligible to apply for Highway Safety Improvement Program grant funding.</p>					
	<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Gas Tax	\$ 25,000	\$ -	\$ -	\$ -	\$ -	
<b>Pavement Maintenance &amp; Rehabilitation</b>	<p>This annual project provides for the maintenance and repair of City streets. Work is focused in one of eight residential zones each year. Resurfacing of Major and Collector streets is performed Citywide based on pavement condition. Work includes subgrade repairs, asphalt replacement and seal coating. In addition, the project repairs lifted sidewalks and stripes bike lanes on resurfaced streets in accordance with the Bicycle Master Plan. In order to increase the City's PCI to 70 a budget of \$7.1 million would be needed.</p>					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Gas Tax	\$ 300,000	\$ 550,000	\$ -	\$ -		
Transnet-Maint	1,201,500	1,250,400	1,294,200	1,336,200	1,376,400	
Transnet-Rehab	1,227,960	1,117,600	1,769,800	1,867,800	1,961,600	
RMRA Funds	3,232,955	3,073,600	3,103,700	3,133,800	3,164,000	
Total Funded	\$ 5,962,415	\$ 5,991,600	\$ 6,167,700	\$ 6,337,800	\$ 6,502,000	
<b>Unfunded Portion</b>	1,887,585	1,858,400	1,682,300	1,512,200	1,348,000	
Total Cost	\$ 7,850,000	\$ 7,850,000	\$ 7,850,000	\$ 7,850,000	\$ 7,850,000	
<b>Roadway Network Update</b>	<p>This project evaluates Circulation Element roadway capacity needs based on latest traffic forecasts to determine if roadways can be re-classified. Recent forecast are generally lower than those used during the 2012 General Plan update; however, traffic volumes are anticipated to also be adjusted with the updated Housing Element.</p>					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Traffic Impact	\$ 100,000	\$ -	\$ -	\$ -	\$ -	
<b>Storm Drain Repair and Improvements</b>	<p>There are over 15 miles of corrugated metal storm drain pipe (CMP) within the City. The majority of this pipeline is beyond its service life. This project designates funding for repair and improvement of priority drainage facilities, including deteriorated storm drains and failing channels, as well as to make improvements to drainage facilities to extend their service life.</p>					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Gas Tax	\$ 526,180	\$ 549,400	\$ 713,000	\$ 801,600	\$ 840,200	
Streets Fund	106,225	44,100	43,400	42,200	40,900	
Total Funded	\$ 632,405	\$ 593,500	\$ 756,400	\$ 843,800	\$ 881,100	
<b>Unfunded Portion</b>	807,595	846,500	683,600	596,200	558,900	
Total Cost	\$ 1,440,000	\$ 1,440,000	\$ 1,440,000	\$ 1,440,000	\$ 1,440,000	

<b>FUNDED</b>	<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>Traffic Infrastructure</b>	This project includes installation of signage, striping and other traffic-related infrastructure Citywide.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Gas Tax	\$ 50,000	\$ 127,000	\$ 127,000	\$ 127,000	\$ 127,000
<b>Traffic Signal Communication Project</b>	This project installs a high speed communication system for the City's traffic signals that will improve operation. The projects supports installation of upgraded signal controllers and controller cabinets that are more responsive, provide more data to support operational improvements, and will allow deployment of technology to support the ultimate build-out of the City.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Public Facility Fees	\$ 500,000	\$ 500,000	\$ 360,000	\$ 360,000	\$ 360,000
<b>Traffic Signals</b>	This project is for construction of new signals and modification of existing signals Citywide. Signals will be constructed in accordance with the adopted traffic signal priority list.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Transnet	\$ 50,000	\$ 100,000	\$ 250,000	\$ 250,000	\$ 250,000
<b>Traffic Signal Synchronization</b>	This project is for timing and coordination of signal corridors Citywide. The funds will be used to conduct traffic counts and re-time signals along two major street corridors each year.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Gas Tax	\$ -	\$ -	\$ 75,000	\$ 75,000	\$ 75,000
<b>Transfer to General Fund</b>	Transfer to General Fund - Street Maintenance Department				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Gas Tax	\$ 2,055,000	\$ 2,055,000	\$ 2,055,000	\$ 2,055,000	\$ 2,055,000
<b>Transportation &amp; Community Safety</b>	This is an annual budget designated for the Transportation and Community Safety Commission to select traffic safety and traffic calming projects.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Gas Tax	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000

**FUNDED****FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS****WASTEWATER UTILITIES**

<b>Citywide Storm Drain Maintenance</b>	The City is required to conduct annual inspections and cleaning/maintenance of its storm conveyance system infrastructure including inlets, catch basins, pipes, and curb and gutter. Funds provide equipment and staff costs to remove and dispose of trash, debris, sediment, and leaves and properly document and report on these City activities related to pollution prevention. New requirements to install trash screens in storm drains will increase maintenance and staff costs in future Fiscal Years. The project is overseen by the Environmental Programs Division and implemented by the Public Works Department.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Wastewater	\$ 800,000	\$ 800,000	\$ 810,000	\$ 810,000	\$ 810,000
 <b>Corporate Yard Improvements</b>	Relocate and replace the existing decant facilities to the south portion of the West Public Works Yard due to the construction of the MFRO Facility.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Wastewater	\$ 300,000	\$ 500,000	\$ 200,000	\$ -	\$ -
<b>Eagle Scout Lake Maintenance</b>	Eagle Scout Lake in Kit Carson Park provides value to the community as a park water feature and as a sediment detention basin to improve downstream water quality. The City completed major dredging project in 2014 and periodic maintenance since then. FY 2019/20 activities include minor maintenance and planning for future lake improvements including design of bank stabilization and easier maintenance locations upstream of the lake. Environmental Programs Division staff oversee the project and coordinate maintenance with Public Works and Engineering.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Wastewater	\$ 465,000	\$ 260,000	\$ 60,000	\$ 10,000	\$ 10,000
<b>Habitat Remediation-Spruce St.</b>	This projects corrects drainage problems in the Spruce Street storm water conveyance channel. Grading variances, non-native plants, and sediment deposits led to standing water in the upper channel, functioning as habitat for breeding mosquitoes and presenting water quality concerns. The City has worked since 2013 to redesign the channel (within existing constraints) and complete CEQA and environmental permitting. The City secured grant funding totaling \$638,500 from County Vector Habitat Grant and \$258,000 from State Proposition 1 funds. After project completion (expected 2020) minor maintenance and monitoring will be needed until the site is incorporated into the Permitted Channel Maintenance CIP (#807502). The Environmental Programs Division is leading this effort in coordination with Engineering.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Wastewater	\$ 120,000	\$ 95,000	\$ -	\$ -	\$ -

<b>FUNDED</b>		<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>Manhole Rehabilitation</b>	On-going rehabilitation program for City's sew manholes to include lining of manholes to prevent damage from sewage gases, shelf repair/replacement, and ring assembly raising. This program is bid out on a 5-year schedule.					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Wastewater	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	
<b>Permitted Channel Maintenance and Mitigation</b>	Permits for channel maintenance were issued in August 2015. Since then City staff have been maintaining the channels and have completed the project in Kit Carson to mitigate the impacts of maintenance to wetland habitat. The permit will be renewed and hopefully expanded to additional locations in 2020; significant efforts to prepare the renewal application are underway. The permit renewal may require additional wetland mitigation, along with monitoring and maintenance activities for existing mitigation areas. This CIP includes staff time and equipment to continue maintenance work. The project is funded through the wastewater fund. Environmental Programs Division oversee the project and coordinate maintenance with Public Works.					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Wastewater	\$ 450,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	
<b>Trash Capture Devices</b>	The San Diego Regional Municipal Separate Storm Sewer System (MS4) Permit from the Regional Water Quality Control Board will be renewed in 2020 to include new regulations to capture and remove trash from storm drain systems. The new requirements will install screens in storm drains in certain land uses (commercial, industrial, high density residential) and include a ten-year compliance timeframe. The Environmental Programs Division works closely with Engineering and Public Works to implement this new program, and Public Works performs maintenance under the MS4 Maintenance CIP (807601).					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
Wastewater	\$ 100,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	
<b>WATER UTILITIES</b>						
<b>San Pasqual Undergrounding</b>	Underground portion of the Escondido Canal through the San Pasqual Reservation as per the Settlement Agreement with the Indian Bands.					
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	
I-Bank Loan	\$ 11,000,000	\$ 14,000,000				
Reimbursement from VID	11,000,000	\$ 14,000,000	\$ -	\$ -	\$ -	
Total	\$ 22,000,000	\$ 28,000,000	\$ -	\$ -	\$ -	

<b>FUNDED</b>	<b>FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>Lake Wohlford Dam Project</b>	Lake Wohlford Dam was originally constructed in 1895, and enlarged in 1924. The existing Lake Wohlford Dam has been determined to have the potential to liquify during a large seismic event. The Lake Wohlford Dam Project will replace the existing dam with a new dam immediately downstream.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
WIFIA Loan	\$ 20,000,000	\$ 28,204,000			
Water	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -
Total	\$ 20,000,000	\$ 30,204,000	\$ -	\$ -	\$ -
<b>W 7th Ave and S Broadway Water Main Replacement</b>	Replacement of approximately 2,500 feet of water main in West 7th Avenue and approximately 2,800 feet in South Broadway.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Water	\$ 1,000,000	\$ 1,500,000	\$ -	\$ -	\$ -
Total	\$ 1,000,000	\$ 1,500,000	\$ -	\$ -	\$ -





**UNFUNDED****FY 2021/22 UNFUNDED PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS****NEW****GENERAL CITY****GIS Systems Expansion & Stability Project**

This project will ensure adequate funding for the expansion and stabilization of GIS software and systems that underpin such enterprise software applications including the asset management system and the permit land and licensing system. Additionally, this project will address implementation of a full GIS system for supporting the Public Safety Dispatch environment.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**

\$	59,000	\$	79,000	\$	109,000	\$	109,000	\$	109,000
----	--------	----	--------	----	---------	----	---------	----	---------

**PARKS AND RECREATION****Batting Cages**

Installation of an 18,000 square foot batting cage facility (nine cages) in Kit Carson Park, including all associated equipment. We anticipate that per capita Prop 68 funds could be used to supplement this project.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**

\$	300,000	\$	-	\$	-	\$	-	\$	-
----	---------	----	---	----	---	----	---	----	---

**Citywide Playground Equipment Replacement**

This is an annual budget for the replacement of playground equipment in City Parks. The equipment scheduled for replacement consists of composite play structures, swings, slides, a wooden train, a balance beam, parallel bars, and spring rockers. Most of the City playground equipment has exceeded the normal life expectancy, beyond the product life for replacement parts availability, and is in need of repairs due to age and continued use. Play equipment installed prior to 2000 would be prioritized for replacement.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**



\$	225,000	\$	225,000	\$	225,000	\$	225,000	\$	225,000
----	---------	----	---------	----	---------	----	---------	----	---------



**East Valley Community Center Sign**



East Valley Community Center sign is outdated and incorrect. The old sign and decorative details will be removed and a modern, accurate, sign will be installed.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**

\$	30,000	\$	-	\$	-	\$	-	\$	-
----	--------	----	---	----	---	----	---	----	---

<b>UNFUNDED</b>	<b>FY 2021/22 UNFUNDED PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>Escondido Sports Center Community Room</b>	Construction of a new 2,400 square foot multipurpose community meeting room at the Escondido Sports Center. The project will also include restrooms, storage, and a kitchenette.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<i>Unfunded</i>	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
<b>Mountain View Park Field House</b>	Renovation of the Mountain View Park Field House				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<i>Unfunded</i>	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
 <b>Queen Califia Event Space</b>	This project will provide funding to construct a new rentable event space adjacent to the Queen Califia Magical Sculpture Garden. The project would including a concrete pad, approximately 40 x 40 ft., and shade sales. The space would be ideal for outdoor fundraisers, receptions, performances, and ceremonies.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<i>Unfunded</i>	\$ 100,000	\$ -	\$ -	\$ -	\$ -
<b>PUBLIC SAFETY</b>					
 <b>Ambulance Gurneys</b>	The City budgets \$15,000 per year to maintain our current inventory of 15 gurneys. These gurneys are reaching the end of their useful life, and the manufacturer will be discontinuing these models. Replacements with new models will benefit Paramedics and citizens, by having technological updates and safety features that will be in favor of patients and the ambulance crew. In FY 21/22, Escondido Fire is looking to replace 15 gurneys that will cost approximately \$193,950. Also, the replacement of 9 floor mounts will cost \$34,900, which will bring the total project cost to \$228,850.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<i>Unfunded</i>	\$ 228,850	\$ -	\$ -	\$ -	\$ -

<b>UNFUNDED</b>	<b>FY 2021/22 UNFUNDED PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
 <p data-bbox="285 391 495 451"><b>Electronic Plans Tables - Fire</b></p>	<p data-bbox="581 326 2028 521">All City departments are moving toward electronic plan submittal and review in an effort to streamline the plan review process, reduce paper waste, and reduce the expense and inconvenience of printing multiple copies of construction documents. Electronic plan review will allow concurrent reviews by City staff which will reduce review turnaround times and will support a consolidated corrections letter that applicants can use to track and respond to staff comments in a consistent and efficient manner. The electronic plans tables are touchscreen workstation that will address the needs of City staff to quickly, accurately and more comfortably review thousands of plan pages.</p>				
<p data-bbox="222 574 432 602"><b>Funding Source</b></p> <p data-bbox="264 610 390 638"><i>Unfunded</i></p>	<p data-bbox="653 574 800 602"><b>FY 2021/22</b></p> <p data-bbox="590 610 856 638">\$ 13,000</p>	<p data-bbox="942 574 1089 602"><b>FY 2022/23</b></p> <p data-bbox="900 610 1150 638">\$ -</p>	<p data-bbox="1232 574 1379 602"><b>FY 2023/24</b></p> <p data-bbox="1190 610 1440 638">\$ -</p>	<p data-bbox="1522 574 1669 602"><b>FY 2024/25</b></p> <p data-bbox="1480 610 1730 638">\$ -</p>	<p data-bbox="1812 574 1959 602"><b>FY 2025/26</b></p> <p data-bbox="1770 610 1999 638">\$ -</p>
<p data-bbox="138 786 516 846"><b>Fire Electrocardiogram (EKG) Replacement</b></p>	<p data-bbox="581 699 2028 927">The Fire Department ambulances and fire engines are Advanced Life Support units. They are staffed with paramedics and are required by State and County EMS regulations to have a cardiac monitor. Cardiac monitors are used to deliver electrical cardioversion (shock the heart), patient vital sign monitoring, diagnostic measurements, resuscitation therapies and CPR guidance. The monitors have a finite lifespan due to technology changes and wear and tear due to high usage. The Department's 15 EKG monitors were purchased in 2013. These monitors will need to be replaced when no longer supported with software updates and parts by the manufacturer, which is estimated to be the end of 2021. The estimated cost for replacement of this equipment is approximately \$33,000.00 per unit.</p>				
<p data-bbox="222 993 432 1021"><b>Funding Source</b></p> <p data-bbox="264 1029 390 1057"><i>Unfunded</i></p>	<p data-bbox="653 993 800 1021"><b>FY 2021/22</b></p> <p data-bbox="590 1029 856 1057">\$ 510,000</p>	<p data-bbox="942 993 1089 1021"><b>FY 2022/23</b></p> <p data-bbox="900 1029 1150 1057">\$ -</p>	<p data-bbox="1232 993 1379 1021"><b>FY 2023/24</b></p> <p data-bbox="1190 1029 1440 1057">\$ -</p>	<p data-bbox="1522 993 1669 1021"><b>FY 2024/25</b></p> <p data-bbox="1480 1029 1730 1057">\$ -</p>	<p data-bbox="1812 993 1959 1021"><b>FY 2025/26</b></p> <p data-bbox="1770 1029 1999 1057">\$ -</p>
 <p data-bbox="285 1159 495 1252"><b>Fire Station Alerting System Upgrade</b></p>	<p data-bbox="581 1122 2028 1284">In 2017 the Fire Department's station alerting system was upgraded with new central processing units at each fire station and the dispatch center. However, due to budget constraints the old components, such as message signs, room remotes and interface devices, were not replaced and are now over 13 years old. These components are starting to fail and they will not be supported (software and firmware) beyond 2022. New upgraded alerting system components will enable further enhancements to emergency alerting and communication.</p>				
<p data-bbox="222 1343 432 1370"><b>Funding Source</b></p> <p data-bbox="264 1378 390 1406"><i>Unfunded</i></p>	<p data-bbox="653 1343 800 1370"><b>FY 2021/22</b></p> <p data-bbox="590 1378 856 1406">\$ 315,000</p>	<p data-bbox="942 1343 1089 1370"><b>FY 2022/23</b></p> <p data-bbox="900 1378 1150 1406">\$ -</p>	<p data-bbox="1232 1343 1379 1370"><b>FY 2023/24</b></p> <p data-bbox="1190 1378 1440 1406">\$ -</p>	<p data-bbox="1522 1343 1669 1370"><b>FY 2024/25</b></p> <p data-bbox="1480 1378 1730 1406">\$ -</p>	<p data-bbox="1812 1343 1959 1370"><b>FY 2025/26</b></p> <p data-bbox="1770 1378 1999 1406">\$ -</p>

<b>UNFUNDED</b>	<b>FY 2021/22 UNFUNDED PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>Fire Station 1 Training Tower Service and Repair</b>	<p>The Escondido Fire Department Training Tower is an integral part of ongoing training necessary for all firefighters to maintain skills and abilities. The training tower is approaching 13 years old and is in need of extensive refurbishment. The tower is used for live fire training activities in addition to activities that introduce water into the building. Over the years the water has begun to cause rust and corrosion to structural members inside the tower. In addition, there are a number of window frames and other components that have corroded to the point of failure. In order to maintain the tower and prevent greater repair cost in the future, the following preventative maintenance is necessary: Ice Blasting and repainting all rusted surfaces \$45,000.00, Replace rusted out window frames and repaint \$20,000.00, Repair and replace all defective lighting \$5,000.00, Repair of the out-of-service water clarification system for the underground water storage cistern \$15,000.00</p>				
<b>Funding Source</b> <i>Unfunded</i>	<b>FY 2021/22</b> \$ 85,000	<b>FY 2022/23</b> \$ -	<b>FY 2023/24</b> \$ -	<b>FY 2024/25</b> \$ -	<b>FY 2025/26</b> \$ -
 <b>Fire Station 4, 5 &amp; 6 Security Cameras</b>	<p>Fire Station security is critical to protect City property, ensure the safety of firefighters and to maintain essential services for the community. Modern security cameras are being installed at Fire Stations 1, 2, 3, and 7 in FY 2020-2021. However, funding is needed to install cameras at Fire Stations 4, 5 and 6 in 2021-2022. Installing security cameras at all of our City's fire stations will provide improved security for our firefighters and provide law enforcement a tool to assist in identifying those who vandalize City property.</p>				
<b>Funding Source</b> <i>Unfunded</i>	<b>FY 2021/22</b> \$ 17,000	<b>FY 2022/23</b> \$ -	<b>FY 2023/24</b> \$ -	<b>FY 2024/25</b> \$ -	<b>FY 2025/26</b> \$ -
 <b>VHF Portable Radios</b>	<p>Our current 240 channel VHF portable radios that are used wildfire and other large scale emergencies must be replaced no later than 2023 in order to meet new technology standards. The new VHF radios will be digital, have a capacity for 400 channels, and will allow firefighters to communicate and coordinate during large scale emergencies. Escondido Fire will need to replace 75 VHF portable radios (handheld) to be in compliance with the new standards.</p>				
<b>Funding Source</b> <i>Unfunded</i>	<b>FY 2021/22</b> \$ 135,000	<b>FY 2022/23</b> \$ -	<b>FY 2023/24</b> \$ -	<b>FY 2024/25</b> \$ -	<b>FY 2025/26</b> \$ -

**UNFUNDED****FY 2021/22 UNFUNDED PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS****PUBLIC WORKS****City Hall Counter Resurface**

Building Maintenance proposes to resurface the front counters at City Hall with a scratch resistant material. This project can be completed in fiscal year 2021.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**

\$ 45,000

\$ -

\$ -

\$ -

\$ -

**Citywide Ballfield Fence Replacement**

Replacement of damaged ballfield perimeter fencing and backstops at City Parks. There are thirteen (13) ballfields at Kit Carson Park, three (3) fields at Mountain View Park, and three (3) fields at Jesmond Dene Park in need of fencing replacement. If the ballfield fence replacement project is funded, four (4) ballfields will be completed each fiscal year until all nineteen (19) fields are completed. Adult softball at Kit Carson Park would be the highest priority.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**

\$ 205,000

\$ 205,000

\$ 205,000

\$ 205,000

\$ 205,000

**Citywide Smart Irrigation Controller Replacement**

Existing City irrigation controllers need to be replaced with controllers capable of being remotely programmed and controlled for increased water savings and staff efficiency. Currently, we have smart irrigation controllers installed in all of our Landscape Maintenance Districts and in several parks. There are approximately eighty (80) controllers in our right-of-ways, twenty (20) controllers in our parks, and twenty (20) controllers at City facilities in need of replacement. The proposed project will replace approximately one hundred twenty (120) irrigation controllers. There may be rebates available to offset costs, but rebates cannot be determined at this time.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**

\$ 85,000

\$ 85,000

\$ 85,000

\$ 85,000

\$ 85,000

**Council Chamber Auditorium Seats**

Building Maintenance proposes to reupholster the Council Chamber auditorium seating that are thirty (30) years old. Currently, the seating is showing its age, many seats are discolored, threadbare, and have fabric missing from seat arms. This project would be completed by the end of fiscal year 2021.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**

\$ 120,000

\$ -

\$ -

\$ -

\$ -

**Hubbard Hill Fire Suppression System**

Building Maintenance proposes to install a chemical fire suppression system to protect emergency communications infrastructure at Hubbard Hill.

**Funding Source****FY 2021/22****FY 2022/23****FY 2023/24****FY 2024/25****FY 2025/26****Unfunded**

\$ 100,000

\$ -

\$ -

\$ -

\$ -

<b>UNFUNDED</b>	<b>FY 2021/22 UNFUNDED PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS</b>				
<b>Major Drainage Maintenance</b>	This project is for major maintenance and rehabilitation of drainage facilities. This includes replacement of failing drainage ditches and channels. The highest priority project is replacement of the failing sections of the Indian Creek Channel Walls. The estimated total cost is \$353,000 per year or \$1,765,000 over the five year CIP.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<i>Unfunded</i>	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
<b>STREETS</b>					
<b>Centre City Pkwy Signals</b>	This project provides for funding for design of a new signal at Centre City Parkway and Brotherton and modification of the signal at Centre City Parkway and Citracado Parkway. The benefit cost ratio for the project fell below the threshold for Highway Safety Improvement Program (HSIP) grant funding in 2021. Staff recommends moving forward with evaluating design concepts that will improve safety while also minimizing impacts to level of service.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<i>Unfunded</i>	\$ 1,350,000	\$ -	\$ -	\$ -	\$ -
<b>Citywide Sidewalk Repairs</b>	There are approximately 1,100 known sidewalk, curb and gutter, and driveway apron locations citywide that are in need of concrete repairs to reduce City liabilities from tripping hazards and ADA compliance. Public Works repairs approximately forty (40) sidewalk locations and grinds approximately one hundred fifty sidewalk lifts annually. We have identified 120,000 square feet of sidewalk, 2,700 linear feet of curb and gutter, and 2,700 square feet of driveway aprons in need of replacement. An annual concrete repair contract would have a significant impact on reducing our maintenance backlog and City liability.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<i>Unfunded</i>	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
<b>Grand Avenue Streetscape Improvements</b>	Phase I funding for the Grand Avenue Streetscaping project. Project will include reducing Grand Avenue to one lane in each direction between Juniper and Escondido. Diagonal parking would be added on one side of the street (except between Broadway and Kalmia where diagonal parking could be on both sides of the street, if desired). Between Maple and Kalmia, the medians would be removed and the sidewalk widened on one-side of the street between Maple and Broadway. Lighting enhancements and improved pedestrian crossings would also be incorporated. Phase I is fully funded. Unfunded portions are for future project phases.				
<b>Funding Source</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<i>Unfunded</i>	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

## FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS

### EXECUTIVE SUMMARY BY FUNDING SOURCE

List of Projects by Fund	Proposed FY 2021/22	Forecast FY 2022/23	Forecast FY 2023/24	Forecast FY 2024/25	Forecast FY 2025/26
<b>GENERAL FUNDS</b>					
<b>GENERAL CAPITAL FUND</b>					
<i>This fund was created to account for transactions related to general-type capital projects. The funding for these expenditures is typically received through interfund transfers from the City's General Fund. General capital funding consists of remaining General Capital Fund balances from closed projects plus proportional shares of the interest earned on the City's portfolio.</i>					
<b>Projected Available Balance</b>	<b>4,560</b>	<b>19,060</b>	<b>33,360</b>	<b>47,260</b>	<b>60,660</b>
<b>Transfer from the General Fund</b>	-	-	-	-	-
<b>Total General Capital Funded Project Requests</b>	-	-	-	-	-
<b>General Capital Fund Remaining Balance</b>	<b>4,560</b>	<b>19,060</b>	<b>33,360</b>	<b>47,260</b>	<b>60,660</b>
<b>LIBRARY TRUST FUND</b>					
<i>This fund was established to account for donations that are administered by the Library's Board of Trustees to supplement expenditures related to Library operations, maintenance, and capital outlay needs.</i>					
<b>Projected Available Balance</b>	<b>316,125</b>	<b>255,055</b>	<b>260,255</b>	<b>265,255</b>	<b>270,155</b>
Literacy Projects	10,395	-	-	-	-
Pioneer Room	30,975	-	-	-	-
Youth Services	25,000	-	-	-	-
<b>Total Library Trust Fund Project Requests</b>	<b>66,370</b>	-	-	-	-
<b>Library Trust Fund Remaining Balance</b>	<b>249,755</b>	<b>255,055</b>	<b>260,255</b>	<b>265,255</b>	<b>270,155</b>
<b>PARK DEVELOPMENT FUND</b>					
<i>This fund was established to account for transactions related to the acquisition of park land and the development of recreational facilities. Funding is received from Park Development Fees collected from developers of residential projects at a rate of \$6,849.30 per single family residential dwelling unit and \$6,533.10 per multi family residential dwelling unit.</i>					
<b>Projected Available Balance</b>	<b>1,935,960</b>	<b>1,767,000</b>	<b>1,737,200</b>	<b>1,687,600</b>	<b>1,638,000</b>
11th Avenue Park <b>NEW</b>	-	517,000	487,200	687,600	638,000
City Skate Parks	420,000	750,000	750,000	500,000	500,000
Library Pocket Park <b>NEW</b>	30,000	-	-	-	-
Multipurpose Artificial Turf Field	135,960	500,000	500,000	500,000	500,000
NFC Fitness Courts	500,000	-	-	-	-
Park Ball Field	350,000	-	-	-	-
Play Equipment Shade Structures	150,000	-	-	-	-
Ryan Park Field Expansion and Lighting	350,000	-	-	-	-
<b>Total Park Development Fund Project Requests</b>	<b>1,935,960</b>	<b>1,767,000</b>	<b>1,737,200</b>	<b>1,687,600</b>	<b>1,638,000</b>
<b>Park Development Fund Remaining Balance</b>	-	-	-	-	-

## FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS

### EXECUTIVE SUMMARY BY FUNDING SOURCE

List of Projects by Fund	Proposed FY 2021/22	Forecast FY 2022/23	Forecast FY 2023/24	Forecast FY 2024/25	Forecast FY 2025/26
<b>PUBLIC ART FUND</b>					
<i>This fund was established to account for expenditures that promote and provide public art throughout the City. Public art fees are assessed at a rate of \$0.30 per square foot when building permits are issued for both residential and commercial development projects. For details of potential exceptions to this fee, refer to the City's "Fee Guide for Development Projects."</i>					
<b>Projected Available Balance</b>	<b>294,360</b>	<b>221,260</b>	<b>167,160</b>	<b>121,360</b>	<b>73,760</b>
City Murals	100,000	80,000	70,000	70,000	40,000
Public Art-Administration	30,000	30,000	30,000	30,000	30,000
Utility Box Art <b>NEW</b>	5,000	5,000	5,000	5,000	3,760
<b>Total Public Art Fund Project Requests</b>	<b>135,000</b>	<b>115,000</b>	<b>105,000</b>	<b>105,000</b>	<b>73,760</b>
<b>Public Art Fund Remaining Balance</b>	<b>159,360</b>	<b>106,260</b>	<b>62,160</b>	<b>16,360</b>	-
<b>PUBLIC FACILITIES FUND</b>					
<i>This fund was created to account for developer fees that ensure public facility standards, established by the City, are met with respect to additional needs that are created as the result of growth and development in the City. The current Public Facility Fees are assessed as follows: \$4,872.54 per dwelling unit; \$2.21 per sq. ft of Commercial building area, \$1.67 per sq. ft. of Industrial building area.</i>					
<b>Projected Available Balance</b>	<b>2,275,690</b>	<b>1,668,600</b>	<b>1,640,500</b>	<b>1,593,600</b>	<b>1,546,700</b>
Free-standing Library Kiosk	-	400,000	-	-	-
Kit Carson Park Sports Center Restrooms	75,690	-	-	-	-
Library Circulating Materials	250,000	250,000	250,000	250,000	250,000
Public Works Yard Generator <b>NEW</b>	200,000	-	-	-	-
Public Works Yard Relocation	1,250,000	518,600	1,030,500	983,600	936,700
Traffic Signal Communication Project	500,000	500,000	360,000	360,000	360,000
<b>Total Public Facilities Fund Project Requests</b>	<b>2,275,690</b>	<b>1,668,600</b>	<b>1,640,500</b>	<b>1,593,600</b>	<b>1,546,700</b>
<b>Public Facilities Fund Remaining Balance</b>	-	-	-	-	-
<b>STREET FUNDS</b>					
<b>GAS TAX FUND</b>					
<i>This fund was established to account for revenue received from a gasoline excise tax of 18 cents per gallon of fuel under Sections 2105, 2106, 2107, and 2107.5 of the Streets and Highways Code. In July 2010, Proposition 42 funding, which was state sales tax on the sale of gasoline, was "swapped" for a gasoline excise tax under Section 2013 of the Streets and Highways Code. This amount is indexed annually by the California State Board of Equalization (BOE) in order to ensure the new excise tax keeps pace with the revenues that were expected from the sales tax on gasoline and changes the overall excise tax on gasoline on an annual basis. All resources are legally restricted for street-related expenditures within the public right-of-ways.</i>					
<b>Projected Available Balance</b>	<b>3,786,180</b>	<b>3,936,400</b>	<b>3,975,000</b>	<b>4,013,600</b>	<b>4,052,200</b>
Bridge Maintenance	-	200,000	200,000	200,000	200,000



## FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS

### EXECUTIVE SUMMARY BY FUNDING SOURCE

List of Projects by Fund	Proposed FY 2021/22	Forecast FY 2022/23	Forecast FY 2023/24	Forecast FY 2024/25	Forecast FY 2025/26
East Valley Pkwy & Midway Drainage Improvements	375,000	-	350,000	600,000	600,000
LED Conversions	300,000	300,000	300,000	-	-
Local Roadway Safety Plan	25,000	-	-	-	-
Pavement Maintenance	300,000	550,000	-	-	-
Street Tree Maintenance	105,000	105,000	105,000	105,000	105,000
Storm Drain Repair and Improvements	526,180	549,400	713,000	801,600	840,200
Traffic Infrastructure	50,000	127,000	127,000	127,000	127,000
Traffic Signal Synchronization	-	-	75,000	75,000	75,000
Transfer to General Fund (Street Maintenance)	2,055,000	2,055,000	2,055,000	2,055,000	2,055,000
Transportation & Community Safety	50,000	50,000	50,000	50,000	50,000
<b>Total Gas Tax Fund Project Requests</b>	<b>3,786,180</b>	<b>3,936,400</b>	<b>3,975,000</b>	<b>4,013,600</b>	<b>4,052,200</b>
<b>Gas Tax Fund Remaining Balance</b>	-	-	-	-	-

### ROAD MAINTENANCE AND REHABILITATION ACCOUNT

*This fund was established to account for revenue allocated to the City based on section 2031 of the Streets & Highway Code and the Road Repair and Accountability Act of 2017 (SB1 Beall). These revenues come from an additional 12 cent per gallon increase to the gasoline excise tax and additional 20 cent per gallon increase to the diesel fuel excise tax effective November 1, 2017. In addition a "Transportation Improvement Fee" was added to vehicle registrations beginning January 1, 2018.*

<b>Projected Available Balance</b>	<b>3,232,955</b>	<b>3,073,600</b>	<b>3,103,700</b>	<b>3,133,800</b>	<b>3,164,000</b>
Pavement Maintenance FY22	3,232,955	3,073,600	3,103,700	3,133,800	3,164,000
<b>Total Street Fund Project Requests</b>	<b>3,232,955</b>	<b>3,073,600</b>	<b>3,103,700</b>	<b>3,133,800</b>	<b>3,164,000</b>
<b>RMRA Fund Remaining Balance</b>	-	-	-	-	-

### STREET FUND

*This fund was generated from General Fund balances remaining in street projects that were constructed during prior years plus its proportional share of the interest earned on the City's portfolio. It is also used to account for street-related reimbursements received from other agencies. These funds are designated by the City to be used only for street-related construction, improvements, and right-of-way acquisitions.*

<b>Projected Available Balance</b>	<b>106,225</b>	<b>44,100</b>	<b>43,400</b>	<b>42,200</b>	<b>40,900</b>
Storm Drain Repair and Improvements	106,225	44,100	43,400	42,200	40,900
<b>Total Street Fund Project Requests</b>	<b>106,225</b>	<b>44,100</b>	<b>43,400</b>	<b>42,200</b>	<b>40,900</b>
<b>Street Fund Remaining Balance</b>	-	-	-	-	-

### STORM DRAIN FUND

*This fund was established to account for fees collected from developers to ensure that the storm water drainage infrastructure meets the requirements established by the City's Drainage Master Plan. The current Drainage Facility Fees are assessed as follows: \$1,113.84 per dwelling unit, \$460.02 per dwelling unit for multi family development and all other uses \$0.72 per sq. ft of building roof area.*

<b>Projected Available Balance</b>	<b>436,280</b>	<b>290,500</b>	<b>285,600</b>	<b>277,400</b>	<b>269,200</b>
East Valley Pkwy & Midway Drainage Improvements	207,405	61,625	56,725	48,525	40,325

## FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS

### EXECUTIVE SUMMARY BY FUNDING SOURCE

List of Projects by Fund	Proposed FY 2021/22	Forecast FY 2022/23	Forecast FY 2023/24	Forecast FY 2024/25	Forecast FY 2025/26
FY 21 Fees Available for Developer Reimb in FY 22	28,875	28,875	28,875	28,875	28,875
La Honda Drainage-Tract 920 per DA	200,000	200,000	200,000	200,000	200,000
<b>Total Storm Drain Fund Project Requests</b>	<b>436,280</b>	<b>290,500</b>	<b>285,600</b>	<b>277,400</b>	<b>269,200</b>
<b>Storm Drain Fund Remaining Balance</b>	-	-	-	-	-

#### TRAFFIC IMPACT FUND

*This fund was established to account for fees collected from developers to ensure accelerated circulation improvements required as a result of growth and new development. For a Traffic Impact Fee schedule, see City Council Resolution No. 2008-10R. Beginning July 1, 2008 this fund will also account for the Regional Transportation Congestion Improvement Program (RTCIP) in compliance with the TransNet Extension Ordinance, as administered by SANDAG. A \$2,533.15 traffic fee for each residential unit from each residential building permit issued will be collected. These Regional Traffic Impact Fees can only be spent on eligible improvements to the Regional Arterial System (RAS) in SANDAG's 2030 Regional Transportation Plan. An annual SANDAG audit of these revenues and expenditures will be completed.*

Projected Available Balance	2,833,310	1,924,000	1,891,600	1,837,500	1,783,500
Bear Valley Pkwy Widening at Sunset/Ranchito <b>NEW</b>	-	575,000	500,000	1,337,500	1,000,000
Citracado Pkwy Extension	2,733,310	677,490	-	-	-
Felicita & Juniper/Escondido Blvd to Chestnut	-	-	150,000	500,000	783,500
Lincoln Parkway Widening <b>NEW</b>	-	671,510	1,241,600	-	-
Roadway Network Update	100,000	-	-	-	-
<b>Total Traffic Impact Fund Project Requests</b>	<b>2,833,310</b>	<b>1,924,000</b>	<b>1,891,600</b>	<b>1,837,500</b>	<b>1,783,500</b>
<b>Traffic Impact Fund Remaining Balance</b>	-	-	-	-	-

#### TRANSNET FUND

*This fund was established to account for transactions related to the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (TransNet) administered by the San Diego Association of Governments (SANDAG). TransNet allocations are funded by a one-half of one percent Transaction and Use Tax, which was established in 1987 under Proposition-A and extended by voters in November 2004. All resources are legally restricted to expenditures for street, pedestrian, and bicycle transportation programs. SANDAG develops and monitors projects, in addition to allocating funds, as part of a continuous comprehensive regional transportation planning program.*

Projected Available Balance	4,479,460	4,168,000	4,314,000	4,454,000	4,588,000
Citracado Pkwy Extension	1,500,000	1,350,000	-	-	-
Comprehensive Active Transportation Strategy	250,000	250,000	-	-	-
Felicita & Juniper/Escondido Blvd to Chestnut	250,000	-	-	500,000	1,000,000
Lincoln Parkway Widening <b>NEW</b>	-	100,000	1,000,000	500,000	-
Pavement Maintenance and Rehabilitation	2,429,460	2,368,000	3,064,000	3,204,000	3,338,000
Traffic Signals	50,000	100,000	250,000	250,000	250,000
<b>Total Transnet Fund Project Requests</b>	<b>4,479,460</b>	<b>4,168,000</b>	<b>4,314,000</b>	<b>4,454,000</b>	<b>4,588,000</b>
<b>Transnet Fund Remaining Balance</b>	-	-	-	-	-

## FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS

### EXECUTIVE SUMMARY BY FUNDING SOURCE

List of Projects by Fund	Proposed FY 2021/22	Forecast FY 2022/23	Forecast FY 2023/24	Forecast FY 2024/25	Forecast FY 2025/26
<b>PUBLIC UTILITIES FUNDS</b>					
<b>WASTEWATER CAPITAL PROJECTS FUND</b>					
<p><i>This fund was created to account for capital projects associated with the construction and maintenance of the City's wastewater and recycled-water distribution system. The wastewater utilities system is financed and operated in a manner similar to a private enterprise with construction and maintenance cost financed or recovered primarily through charges for services. These revenues are recorded in the Wastewater Utilities Operating Fund and then transferred to the Wastewater Capital Projects Fund when projects are budgeted.</i></p>					
City Wide Storm Drain Maintenance	800,000	800,000	810,000	810,000	810,000
Corporate Yard Improvements <b>NEW</b>	300,000	500,000	200,000	-	-
Eagle Scout Lake Maintenance	465,000	260,000	60,000	10,000	10,000
Habitat Remediation-Spruce St	120,000	95,000	-	-	-
Manhole Rehabilitation	50,000	50,000	50,000	50,000	50,000
Permitted Channel Maintenance and Mitigation	450,000	400,000	400,000	400,000	400,000
Trash Capture Devices	100,000	250,000	250,000	250,000	250,000
<b>Total Customer Fees</b>	<b>2,285,000</b>	<b>2,355,000</b>	<b>1,770,000</b>	<b>1,520,000</b>	<b>1,520,000</b>
<b>Total Wastewater Fund Project Requests</b>	<b>2,285,000</b>	<b>2,355,000</b>	<b>1,770,000</b>	<b>1,520,000</b>	<b>1,520,000</b>
<b>WATER CAPITAL PROJECTS FUND</b>					
<p><i>This fund was created to account for capital projects associated with the construction and maintenance of the City's water distribution system. The water utilities system is financed and operated in a manner similar to a private enterprise with construction and maintenance costs financed or recovered primarily through charges for services. These revenues are recorded in the Water Utilities Operating Fund and then transferred to the Water Capital Projects Fund when projects are budgeted.</i></p>					
San Pasqual Undergrounding (SRF/I-Bank)	11,000,000	14,000,000	-	-	-
Lake Wohlford Dam (WIFIA Loan)	20,000,000	28,204,000	-	-	-
<b>Total Loans</b>	<b>31,000,000</b>	<b>42,204,000</b>	-	-	-
San Pasqual Undergrounding	11,000,000	14,000,000	-	-	-
<b>Total Reimbursement from Vista Irrigation District</b>	<b>11,000,000</b>	<b>14,000,000</b>	-	-	-
Lake Wohlford Dam	-	2,000,000	-	-	-
W 7th Ave and S Broadway Water Main Replacement	1,000,000	1,500,000	-	-	-
<b>Total Customer Fees</b>	<b>1,000,000</b>	<b>3,500,000</b>	-	-	-
<b>Total Water Fund Project Requests</b>	<b>43,000,000</b>	<b>59,704,000</b>	-	-	-

## FY 2021/22 PRELIMINARY CAPITAL PROJECT BUDGET REQUESTS

### EXECUTIVE SUMMARY BY FUNDING SOURCE

List of Projects by Fund	Proposed FY 2021/22	Forecast FY 2022/23	Forecast FY 2023/24	Forecast FY 2024/25	Forecast FY 2025/26
<b>UNFUNDED CAPITAL PROJECTS</b>					
Ambulance Gurneys <b>NEW</b>	228,850	-	-	-	-
Batting Cages	300,000	-	-	-	-
Centre City Pkwy Signals	1,350,000	-	-	-	-
City Hall Counter Resurface	45,000	-	-	-	-
Citywide Sidewalk Repairs	300,000	300,000	300,000	300,000	300,000
Citywide Ballfield Fence Replacement	205,000	205,000	205,000	205,000	205,000
Citywide Playground Equipment Replacement	225,000	225,000	225,000	225,000	225,000
Citywide Smart Irrigation Controller Replacement	85,000	85,000	85,000	85,000	85,000
Council Chamber Auditorium Seating	120,000	-	-	-	-
East Valley Community Center Sign	30,000	-	-	-	-
East Valley Pkwy & Midway Drainage Improve. (unfunded portion)	6,357,595	6,878,375	6,533,275	6,291,475	6,299,675
Electronic Plan Review Table <b>NEW</b>	13,000	-	-	-	-
Escondido Sports Center Community Room	300,000	300,000	300,000	300,000	300,000
Fire Electrocardiogram (EKG) Replacement	510,000	-	-	-	-
Fire Station 1 Training Tower Service and Repair	85,000	-	-	-	-
Fire Station 4, 5 & 6 Security Cameras <b>NEW</b>	17,000	-	-	-	-
Fire Station Alerting System Upgrade <b>NEW</b>	315,000	-	-	-	-
GIS Systems Expansion & Stability Project <b>NEW</b>	59,000	79,000	109,000	109,000	109,000
Grand Avenue Streetscape Improvements	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Hubbard Hill Fire Suppression System	100,000	-	-	-	-
Major Drainage Maintenance	350,000	350,000	350,000	350,000	350,000
Mountain View Park Field House	250,000	250,000	250,000	250,000	250,000
Pavement Maintenance & Rehabilitation (unfunded portion)	1,887,585	1,858,400	1,682,300	1,512,200	1,348,000
Queen Califa Event Space <b>NEW</b>	100,000	-	-	-	-
Storm Drain Repair and Improvements (unfunded portion)	807,595	846,500	683,600	596,200	558,900
Street Tree Maintenance (unfunded portion)	900,000	900,000	900,000	900,000	900,000
VHF Portable Radios <b>NEW</b>	135,000	-	-	-	-
<b>Total Unfunded Project Requests</b>	<b>17,075,625</b>	<b>14,277,275</b>	<b>13,623,175</b>	<b>13,123,875</b>	<b>12,930,575</b>



## FUTURE CITY COUNCIL AGENDA ITEMS

Updated May 6, 2021

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

May 19, 2021

5:00 p.m.

### CONSENT CALENDAR

### PUBLIC HEARINGS

Escondido Charter (American Heritage) TEFRA Hearing  
(C. Holmes)

*It is recommended that the City Council hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA) to approve the issuance of revenue bonds by the California Municipal Finance Authority for the purpose of financing or refinancing the acquisition, construction, rehabilitation, furnishing and/or equipping of certain educational facilities for the benefit of American Heritage Education Foundation, Escondido Charter High School District and Heritage K-8 Charter Schools, which are located in the City of Escondido (the "Project"). The bonds will not exceed \$20,000,000 (the "Bonds").*

### CURRENT BUSINESS

Redistricting Commission Update  
(Z. Beck)

Cannabis  
(C. McKinney)

### FUTURE AGENDA ITEMS

May 26, 2021

5:00 p.m.

### PROCLAMATION

Water Awareness Month  
(C. McKinney)

*It is requested that the City Council receive and file a Proclamation supporting Water Awareness Month.*

PRESENTATION	
	<p>Award Presentation for the Annual Water Awareness Poster Contest (E. Marrone)</p> <p><i>It is requested that the City Council receive and file presentation announcing the winners of the annual Water Awareness poster contest.</i></p>
CONSENT CALENDAR	
	<p>Final Engineer's Report For City of Escondido Landscape Maintenance Assessment District Zones 1-38 for Fiscal Year 2021/2022. (J. Procopio)</p> <p><i>It is requested that the City Council adopt Resolution No 2021-20 to approve the Final Engineer's Report and set assessments for Zones 1-38 of the City of Escondido Landscape Maintenance Assessment District for FY 2021/2022. The City Council held a public hearing on April 21, 2021 to accept public comment on the proposed levies for FY 2021/2022.</i></p>
	<p>Real Property Updates (J. Procopio)</p>
	<p>Del Prado North – Final Map (Tract No. SUB15-0022) (J. Procopio)</p>
	<p>Notice of Completion for HARRF Stormwater Retrofit Project (C. McKinney)</p> <p><i>It is requested that the City Council adopt Resolution No. 2021-67, authorizing the Director of Utilities to file a Notice of Completion for the HARRF Stormwater Retrofit Project.</i></p>
PUBLIC HEARINGS	
	<p>Short-Form Rent Review Board Hearing for Casa Grande Mobilehome Park (Case No. 0697-20-10282) (M. Strong)</p> <p><i>It is requested that the City Council consider a short-form rent increase application involving 91 spaces submitted for Casa Grande Mobile Estates, located at 1001 S Hale Ave, and if approved, adopt Rent Review Board Resolution No. 2021-01 granting an increase as requested in the application.</i></p>
	<p>Short-Form Rent Review Board Hearing for Westwinds Mobilehome Park (Case No. 0697-20-10283) (M. Strong)</p> <p><i>It is requested that the City Council consider a short-form rent increase application involving ten spaces submitted for Westwinds Mobilehome Park, located at 1415 S. Pine Street, and if approved, adopt Rent Review Board Resolution No. 2021-02 granting an increase as requested in the application.</i></p>

CURRENT BUSINESS

Business Recovery Strategy Update  
(C. McKinney)

*On May 13, 2020, the City Council approved a local Business Recovery Strategy implementing temporary regulatory and non-regulatory measures to assist business economic recovery efforts arising out of the Local Emergency related to the COVID-19 pandemic outbreak. This agenda item provides a status update on the Business Recovery Strategy and identifies a pathway to continue to support business activity on a more permanent basis.*

FUTURE AGENDA ITEMS



May 12, 2021

---

## CITY MANAGER'S WEEKLY ACTIVITY REPORT

- Please refer to the City's website at <https://www.escondido.org/latest-news-from-the-city-managers-office.aspx>