



Council Meeting Agenda

JANUARY 15, 2020
CITY COUNCIL CHAMBERS
6:00 P.M. Regular Session
201 N. Broadway, Escondido, CA 92025

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

ELECTRONIC MEDIA:

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

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

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

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



Council Meeting Agenda

**January 15, 2020
6:00 P.M. Meeting**

Escondido City Council Mobilehome Rent Review Board

CALL TO ORDER

MOMENT OF REFLECTION:

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

FLAG SALUTE

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

PRESENTATIONS: Police Chief Promotion - Edward Varso
Police Captain Promotion - David Cramer

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:

- 337241 – 337456 dated December 11, 2019
- 337457 – 337682 dated December 18, 2019
- 337683 – 337874 dated December 24, 2019
- 337875 – 338077 dated December 31, 2019

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

3. **APPROVAL OF MINUTES: Regular Meeting of December 18, 2019**

4. **RESERVE POLICE OFFICER AUTHORITY -**

Request the City Council approve granting the Chief of Police authority to supervise the Reserve Police Officers.

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

ORDINANCE NO. 2020-05 (First Reading and Introduction)

5. **BID AWARD FOR THE MITCHELL ROOM AND CREDIT UNION ROOF DECK REPLACEMENT PROJECT, AND A BUDGET ADJUSTMENT -**

Request the City Council approve awarding the bid to Wanke, Industrial, Commercial, Residential, Inc. of San Diego California, determined to be the lowest responsive and responsible bidder; authorizing the Mayor and City Clerk to execute a Public Services Agreement in the amount of \$154,178; authorizing staff to approve change orders up to 20 percent of the bid price to replace the roof deck above the Mitchell Room and the Escondido Credit Union Project; and approve the budget adjustment needed to cover the roof deck replacement costs.

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

RESOLUTION NO. 2020-09

6. **ACCEPTANCE OF \$40,000 SAHM FAMILY FOUNDATION GRANT -**

Request the City Council approve authorizing the Communications and Community Services Department to accept a \$40,000 Sahn Family Foundation grant and approve the budget adjustment needed to expend the funds. These funds will be utilized to purchase new furniture for the Park Avenue Community Center (PACC) common areas, and to replace aging pool tables in the PACC's Billiards Room.

Staff Recommendation: **Approval (Communication & Community Services Department: Joanna Axelrod)**

RESOLUTION NO. 2020-11

CONSENT RESOLUTIONS AND ORDINANCES (COUNCIL/RRB)

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

PUBLIC HEARINGS

7. [SHORT-FORM RENT INCREASE APPLICATION SUNDANCE MHC, LP \(FILE NO. 0697-20-10224\) -](#)

Request the City Council approve granting an increase of 75 percent of the change in the Consumer Price Index (CPI), or 2.087 percent (an average of \$16.66) for the period of June 30, 2018, to June 30, 2019.

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

RENT REVIEW BOARD RESOLUTION NO. 2020-01

8. [SPECIFIC PLAN AMENDMENT AND CONDITIONAL USE PERMIT - DISCOUNT TIRE REDEVELOPMENT PROJECT \(PHG 19-0031 AND PHG 19-0032\) -](#)

Request the City Council conduct a public hearing on the Discount Tire Redevelopment Project proposal, which includes a Specific Plan Amendment and a Conditional Use Permit for four adjacent lots at the southwest corner of South Escondido Boulevard and West 2nd Avenue; and take action on the recommendations of City Staff and the Planning Commission, which recommends that the City Council: Introduce Ordinance No. 2020-02, for a Specific Plan Amendment to reassign the project site from the Historic Downtown District of the Downtown Specific Plan, via an adjustment of the boundary between these two districts; and adopt Resolution No. 2020-03, for a Conditional Use Permit to allow the demolition of an existing tire shop and bridal shop, and the construction of a new tire shop in their place, with associated parking, landscaping, and stormwater facilities.

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

A) ORDINANCE NO. 2020-02 (First Reading and Introduction) B) RESOLUTION NO. 2020-03

9. [ADOPTION OF A UTILITY BILLING COLLECTION AND DISCONTINUATION OF SERVICE POLICY -](#)

Request the City Council approve the Utility Billing Collection and Discontinuance of Service Policy, and repeal Chapter 31-9 and amending Chapter 31-20 of the Escondido Municipal Code.

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

A) RESOLUTION NO. 2020-05 B) ORDINANCE NO. 2020-04 (First Reading and Introduction)

CURRENT BUSINESS

10. [CITYWIDE COMMUNITY FACILITIES DISTRICT TO FUND MUNICIPAL SERVICES FOR NEW RESIDENTIAL DEVELOPMENT -](#)

Request the City Council provide direction to prepare documents necessary for the formation of a Citywide Community Facilities District to offset ongoing municipal costs of serving new residential development.

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

RESOLUTION NO. 2020-02

11. CITY COUNCIL MEETING TIMES -

Request the City Council review Section 2-21 of the Escondido Municipal Code pertaining to the time of City Council Meetings and provide direction to staff.

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

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

CITY MANAGER'S WEEKLY ACTIVITY REPORT

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

- **WEEKLY ACTIVITY REPORT -**

ORAL COMMUNICATIONS

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

ADJOURNMENT

UPCOMING MEETING SCHEDULE				
Date	Day	Time	Meeting Type	Location
January 22	Wednesday	5:00 & 6:00 p.m.	Regular Meeting	Council Chambers
January 29	-	-	No Meeting	-
February 5	Wednesday	5:00 & 6:00 p.m.	Regular Meeting	Council Chambers
February 12	Wednesday	5:00 & 6:00 p.m.	Regular Meeting	Council Chambers

TO ADDRESS THE COUNCIL

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

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

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

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

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

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

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

LIVE BROADCAST

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

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

**The City Council is scheduled to meet the first four Wednesdays
of the month at 5:00 in Closed Session and 6:00 in Open Session.
(Verify schedule with City Clerk's Office)**

**Members of the Council also sit as the Successor Agency to the Community Development
Commission, Escondido Joint Powers Financing Authority,
and the Mobilehome Rent Review Board.**

**CITY HALL HOURS OF OPERATION
Monday-Friday 8:00 a.m. to 5:00 p.m.**



If you need special assistance to participate in this meeting, please contact our ADA Coordinator at 839-4643. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility.

Listening devices are available for the hearing impaired – please see the City Clerk.



AFFIDAVITS

OF

ITEM

POSTING



CITY COUNCIL STAFF REPORT

Consent Item No. 2

January 15, 2020

File No. 0400-40

SUBJECT: Approval of Warrants

DEPARTMENT: Finance Department

RECOMMENDATION:

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

337241 – 337456 dated December 11, 2019

337457 – 337682 dated December 18, 2019

337683 – 337874 dated December 24, 2019

337875 – 338077 dated December 31, 2019

FISCAL ANALYSIS:

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

December 5 – December 11, 2019, is \$ 1,589,419.51

December 12 – December 18, 2019, is \$ 1,346,333.85

December 19 – December 24, 2019, is \$ 638,167.26

December 25 – December 31, 2019, is \$ 1,285,999.76

BACKGROUND:

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

CITY OF ESCONDIDO
December 18, 2019
6:00 P.M. Meeting Minutes

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 6:00 p.m. on Wednesday, December 18, 2019 in the City Council Chambers at City Hall with Mayor McNamara presiding.

MOMENT OF REFLECTION

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

FLAG SALUTE

Troop 649 Presented the colors and led the flag salute.

ATTENDANCE

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

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

PRESENTATIONS

Dr. Roy Archer, received a Certificate of Recognition.

Rincon Band of Luiseño Indians presented an Economic Impact Report

PROCLAMATIONS:

Craig Carter, Police Chief, received a proclamation in honor of his retirement.

Michelle Bedoya, Nelson Feliciano, Miguel Carmona, Myriam Padilla and Ron Stark received a proclamation in honor of Drugged Driving Awareness month.

CLOSED SESSION REPORT

None.

ORAL COMMUNICATIONS

Patricia Borchmann – Requested that the City Council consider placing an item on the future agenda related to an action taken by the mayors of Oceanside, Carlsbad, Vista, San Marcos and Escondido JPA for the Highway 78 corridor.

CONSENT CALENDAR

MOTION: Moved by Councilmember Diaz and seconded by Councilmember Masson to approve all Consent Calendar items except items 7, 8, 9, 11, 13, 15 and 20. 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:

- 336367 – 336532 dated November 13, 2019
- 336533 – 336811 dated November 20, 2019
- 336812 – 337040 dated November 26, 2019

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

3. APPROVAL OF MINUTES: Regular Meeting of November 20, 2019

4. BUDGET ADJUSTMENT AND LOAN TO THE CALIFORNIA CENTER FOR THE ARTS, ESCONDIDO -

Request the City Council approve a budget adjustment to facilitate a loan totaling up to \$100,000 from the City's Public Facilities Fund to the California Center for the Arts, Escondido (CCAЕ) to finance Conference Center furnishings.

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

RESOLUTION NO. 2019-161

5. DELEGATING DUTIES RELATED TO THE CITY OF ESCONDIDO'S 401(k), 457(b), AND RETIREMENT HEALTH SAVINGS PLANS -

Request the City Council approve delegating responsibility for the plan management, both settlor and fiduciary in nature, associated with the operation and maintenance of the plans to the Director of Finance.

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

RESOLUTION NO. 2019-165

6. AGREEMENT FOR EMERGENCY USE OF FACILITIES WITH CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CAL FIRE) AT KIT CARSON PARK -

Request the City Council approve authorizing the Real Property Manager to execute an Agreement for Emergency Use of Facilities with CAL FIRE at Kit Carson Park.

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

RESOLUTION NO. 2019-174

7. ANNUAL DESTRUCTION OF RECORDS -

Request the City Council approve authorizing the destruction of City records as set forth in Exhibit "A," which are attached to Resolution No. 2019-191, for the following departments and divisions: City Attorney, City Clerk, City Manager, City Treasurer, Community Development, Community Services, Employee Benefits, Engineering, Finance, Fire, HARRF, Housing, Human Resources, Library, Payroll, Police, Public Works, Risk Management, and Utilities.

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

RESOLUTION NO. 2019-175

Moved by Councilmember Diaz, seconded by Deputy Mayor Martinez to approve authorizing the destruction of City records as set forth in Exhibit "A," which are attached to Resolution No. 2019-191, for the following departments and divisions: City Attorney, City Clerk, City Manager, City Treasurer, Community Development, Community Services, Employee Benefits, Engineering, Finance, Fire, HARRF, Housing, Human Resources, Library, Payroll, Police, Public Works, Risk Management, and Utilities. Approved unanimously.

8. THIRD AMENDMENT TO THE CONSULTING AGREEMENT FOR THE LAKE WOHLFORD DAM REPLACEMENT PROJECT -

Request the City Council approve authorizing the Mayor and the City Clerk to execute a Third Amendment to the Consulting Agreement with Black & Veatch Corporation, in the amount of \$362,530 for consulting and engineering services to study alternatives to the Lake Wohlford Dam Replacement Project.

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

RESOLUTION NO. 2019-178

Moved by Councilmember Morasco, seconded by Councilmember Diaz to approve authorizing the Mayor and the City Clerk to execute a Third Amendment to the Consulting Agreement with Black & Veatch Corporation, in the amount of \$362,530 for consulting and engineering services to study alternatives to the Lake Wohlford Dam Replacement Project. Approved unanimously.

9. ADOPTION OF RESOLUTION NO. 2019-179 APPROVING RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS20-21) FOR JULY 2020 THRU JUNE 2021 -

Request the City Council approve the Recognized Obligation Payment Schedule (ROPS20-21) so that the Successor Agency may continue to make payments due for enforceable obligations.

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

RESOLUTION NO. 2019-179

Moved by Councilmember Diaz, seconded by Councilmember Masson to approve the Recognized Obligation Payment Schedule (ROPS20-21) so that the Successor Agency may continue to make payments due for enforceable obligations. Approved unanimously.

10. MICROSOFT LICENSING ENTERPRISE AGREEMENT -

Request the City Council approve authorizing the Director of Information Systems to execute, on behalf of the City of Escondido, a three-year agreement with Dell in the amount of \$876,330.66 to provide a Microsoft Enterprise Licensing Agreement with Software Assurance.

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

RESOLUTION NO. 2019-180

11. ACCEPT REAL PROPERTY DONATION AGREEMENT FOR PROPERTY LOCATED ON LINCOLN AVENUE (APN 229-101-23) -

Request the City Council approve authorizing the City Manager to execute documents necessary to accept the donation of property located on Lincoln Avenue (APN 233-101-23) to the City of Escondido.

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

RESOLUTION NO. 2019-181

Moved by Councilmember Morasco, seconded by Councilmember Diaz to approve authorizing the City Manager to execute documents necessary to accept the donation of property located on Lincoln Avenue (APN 233-101-23) to the City of Escondido. Approved unanimously.

12. PURCHASE TWENTY-TWO 2020 FORD HYBRID INTERCEPTOR UTILITY VEHICLES -

Request the City Council approve authorizing the Fleet Services Division of the Public Works Department to purchase twenty-two (22) Ford Hybrid Police Interceptor Utility Vehicles from Fritts Ford of Riverside, California, in the amount of \$852,276.92, by attaching to the County of Riverside's RFQ PUARC-1634, (Request for Quote Purchasing Riverside County) and approving the disposal of the surplus vehicles via auction.

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

RESOLUTION NO. 2019-182

- 13. AWARD PURCHASE OF ONE GAPVAX HV-44 HYDRO-EXCAVATION TRUCK -**
Request the City Council authorize the purchase of one (1) GapVax Hydro-Excavation truck for a total purchase amount of \$497,975.25.

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

RESOLUTION NO. 2019-183

Motion by Councilmember Diaz, seconded by Councilmember Masson to authorize the purchase of one (1) GapVax Hydro-Excavation truck for a total purchase amount of \$497,975.25. Approved unanimously.

- 14. SECOND AMENDMENT TO THE COMPUTER AIDED DISPATCH (CAD) MASTER MAINTENANCE AGREEMENT -**

Request the City Council approve authorizing the Mayor and City Clerk to execute a Second Amendment to the Maintenance Agreement with Northrop Grumman Information Technology, Inc., for the existing Computer Aided Dispatch (CAD) System.

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

RESOLUTION NO. 2019-185

- 15. ALARM MANAGEMENT SERVICES -**

Request the City Council approve authorizing the Mayor and the City Clerk to execute a Consulting Agreement with Alarm Program Systems, LLC for alarm management services for the Police and Fire Departments.

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

RESOLUTION NO. 2019-186

Moved by Councilmember Diaz, seconded by Deputy Mayor Martinez to approve authorizing the Mayor and the City Clerk to execute a Consulting Agreement with Alarm Program Systems, LLC for alarm management services for the Police and Fire Departments. Approved unanimously.

- 16. MOBILE DATA COMPUTER PURCHASE FOR PATROL VEHICLES -**

Request the City Council approve authorizing the Chief of Police or his designee to execute necessary documents on behalf of the City of Escondido to purchase seventy-nine (79) mobile data computers for police patrol vehicles.

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

RESOLUTION NO. 2019-187

- 17. FIFTH AMENDMENT TO THE CONSULTING AGREEMENT FOR THE CITRACADO PARKWAY IMPROVEMENT PROJECT -**

Request the City Council approve authorizing a Fifth Amendment to the Consultant Agreement with Brian F. Smith and Associates, Inc. for archeological services in the amount of \$392,600 for the Citracado Parkway Extension Project.

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

RESOLUTION NO. 2019-189

- 18. APPROVAL OF CALPERS INDUSTRIAL DISABILITY FOR POLICE CHIEF CRAIG CARTER -**

Request the City Council approve the California Public Employees' Retirement System (CalPERS) Industrial Disability Retirement for Police Chief Craig Carter.

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

RESOLUTION NO. 2019-190

19. FISCAL YEAR 2019-20 STATE OF CALIFORNIA CITIZENS' OPTION FOR PUBLIC SAFETY PROGRAM GRANT -

Request the City Council approve authorizing the Escondido Police Department to accept a Fiscal Year 2019-20 Citizens' Option for Public Safety Program Grant in the amount of \$231,481; approve grant expenditures consistent with guidelines in AB1913; authorize the Chief of Police or his designee to execute grant documents on behalf of the City; and approve budget adjustments needed to spend grant funds.

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

20. FISCAL YEAR 2019-20 SAN DIEGO COUNTY LAW ENFORCEMENT FOUNDATION LIFE SAVING EQUIPMENT GRANT -

Request the City Council approve authorizing the Escondido Police Department to accept a Fiscal Year 2019-20 San Diego Law Enforcement Foundation Grant in the amount of \$2,431.79; authorize the Chief of Police or his designee to execute grant documents on behalf of the City; and approve budget adjustments needed to spend grant funds.

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

Moved by Deputy Mayor Martinez, seconded by Councilmember Masson to approve authorizing the Escondido Police Department to accept a Fiscal Year 2019-20 San Diego Law Enforcement Foundation Grant in the amount of \$2,431.79; authorize the Chief of Police or his designee to execute grant documents on behalf of the City; and approve budget adjustments needed to spend grant funds. Approved unanimously.

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.)

21. REZONE, MASTER AND PRECISE DEVELOPMENT PLAN, TENTATIVE SUBDIVISION MAP, GRADING EXEMPTION, AND SPECIFIC ALIGNMENT PLAN - NUTMEG HOMES RESIDENTIAL PROJECT (SUB 18-0005 AND ENV 18-0005) -

Approved on November 20, 2019 with a vote of 5/0

ORDINANCE NO. 2019-19 (Second Reading and Adoption)

PUBLIC HEARINGS

22. SHORT-FORM RENT INCREASE APPLICATION GREENCREST MOBILEHOME PARK (FILE NO. 0697-20-10225) -

Request the City Council approve granting an increase of 75 percent of the change in the Consumer Price Index (CPI), or 2.087 percent (an average of \$9.88) for the period of June 30, 2018, to June 30, 2019.

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

RENT REVIEW BOARD RESOLUTION NO. 2019-05

Jim Younce - Park Representative, spoke in favor of the short-form rent increase.

Moved by Deputy Mayor Martinez, seconded by Councilmember Masson to approve granting an increase of 75 percent of the change in the Consumer Price Index (CPI), or 2.087 percent (an average of \$9.88) for the period of June 30, 2018, to June 30, 2019. Approved unanimously.

23. AMENDMENT TO FISCAL YEAR 2019-20 HUD ANNUAL ACTION PLAN -

Request the City Council approve amending the Fiscal Year 2019-20 Housing and Urban Development (HUD) Annual Action Plan to re-allocate Community Development Block Grant (CDBG) funding to the existing Ballfield Light LED Retrofit Program and new Old Escondido Street Sign Replacement Project, and approve a budget adjustment in the amount of \$240,000.

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

RESOLUTION NO. 2019-184

Moved by Councilmember Masson, seconded by Councilmember Diaz to approve amending the Fiscal Year 2019-20 Housing and Urban Development (HUD) Annual Action Plan to re-allocate Community Development Block Grant (CDBG) funding to the existing Ballfield Light LED Retrofit Program and new Old Escondido Street Sign Replacement Project, and approve a budget adjustment in the amount of \$240,000. Approved unanimously.

24. ALLOCATION OF HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) FUNDS TO SAN DIEGO HABITAT FOR HUMANITY -

Request the City Council approve authorizing the Director of Community Development to preliminarily commit federal HOME funds to San Diego Habitat for Humanity for the acquisition of 245 E. El Norte Parkway and construction of 10 affordable homeowners units, and authorizing the Mayor and City Clerk to execute Affordable Housing Loan Agreements and all necessary loan and supporting agreements in forms acceptable to the City Attorney.

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

RESOLUTION NO. 2019-188

Lori Pfeiler - Spoke in favor of the program.

Moved by Councilmember Diaz, seconded by Councilmember Morasco to approve authorizing the Director of Community Development to preliminarily commit federal HOME funds to San Diego Habitat for Humanity for the acquisition of 245 E. El Norte Parkway and construction of 10 affordable homeowners units, and authorizing the Mayor and City Clerk to execute Affordable Housing Loan Agreements and all necessary loan and supporting agreements in forms acceptable to the City Attorney. Approved with four yes votes. (Masson - Abstain)

CURRENT BUSINESS

25. UNCLASSIFIED SERVICE SCHEDULE AND SALARY PLANS -

Request the City Council approve amending and re-establishing the Salary Schedule for the Unclassified and Management Groups and amending the Part-time Salary Plan.

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

A) RESOLUTION NO. 2019-139 B) RESOLUTION NO. 2019-144

Moved by Councilmember Morasco, seconded by Councilmember Masson to approve amending and re-establishing the Salary Schedule for the Unclassified and Management Groups and amending the Part-time Salary Plan. Approved unanimously.

26. CITY COUNCIL MEMBER AND MAYOR COMPENSATION -

Request the City Council to approve Ordinance No. 2019-20 amending Escondido Municipal Code Section 2-28 increasing the salary of City councilmembers and Mayor by 10% for the two-year period from December 2018, and becoming effective in December 2020, pursuant to Section B(9) of the City Council Rules and Policies and Government Code Section 36516 et. seq. Council may further consider changes to the part time status of councilmembers.

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

ORDINANCE NO. 2019-20 (First Reading and Introduction)

Ed Gallo - Expressed opposition to the change in Council Member and Mayoral compensation.

Laura Hunter - Expressed support for the change in Council Member and Mayoral compensation.

Moved by Councilmember Morasco, seconded by Councilmember Diaz to not approve Ordinance No. 2019-20 amending Escondido Municipal Code Section 2-28 increasing the salary of City councilmembers and Mayor by 10% for the two-year period from December 2018, and becoming effective in December 2020, pursuant to Section B(9) of the City Council Rules and Policies and Government Code Section 36516 et. seq. Approved 4-1 (Masson - No)

27. REVIEW OF CAMPAIGN CONTRIBUTION LIMITS -

Request the City Council to approve Ordinance No. 2019-22 amending the City Municipal Election Campaign Control Ordinance to lower the maximum personal contributions from \$4,300 to \$250 for city council candidates and from \$4,300 to \$800 for mayoral candidates. Council may further consider changes to the acceptance and/or disclosures of contributions from persons having business before the City.

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

ORDINANCE NO. 2019-22 (First Reading and Introduction)

Moved by Deputy Mayor Martinez, seconded by Councilmember Morasco to postpone this item to a future City Council meeting. Approved unanimously.

FUTURE AGENDA

FUTURE AGENDA -

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

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

COUNCIL MEMBERS SUBCOMMITTEE REPORTS

Councilmember Morasco - Attended the School/Council Subcommittee Meeting and the California Center for the Arts/Council subcommittee meeting.

Deputy Mayor Martinez - Attended the California Center for the Arts/Council subcommittee meeting.

Councilmember Masson - Attended the San Diego County Water Authority Board meeting.

Councilmember Diaz - Attended the School/Council Subcommittee Meeting.

CITY MANAGER'S WEEKLY ACTIVITY REPORT

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

- **WEEKLY ACTIVITY REPORT**

ORAL COMMUNICATIONS

Robroy Fawcett - Spoke in favor of free speech related to campaign contributions.

Ed Gallo - Wished everyone a Merry Christmas, Happy Hanukkah, Happy Kwanza and Happy Holidays.

ADJOURNMENT

Mayor McNamara adjourned the meeting at 8:33 p.m.

MAYOR

CITY CLERK

CITY COUNCIL STAFF REPORT

Consent Item No. 4

January 15, 2020

File No. 0270-40

SUBJECT: Reserve Police Officer Authority

DEPARTMENT: Police Department

RECOMMENDATION:

It is requested that the City Council introduce Ordinance No. 2020-05 allowing the Chief of Police to regulate the authority of Reserve Police Officers.

PREVIOUS ACTION:

None

BACKGROUND:

The Escondido Police Department has five Reserve Police Officers who volunteer their time and provide a wide variety of services to the community of Escondido. Three of the reserve officers are eligible to be granted full police powers while in an off duty status because they have completed the State of California Commission on Peace Officer Standards and Training (POST) Level 1 course and the POST Level 1 training requirements. The three eligible reserve officers have met the same training standards as a regular police officer which consists of 664 hours of academy training and four months of field training. The eligible reserve officers have a combined total of 74 years of law enforcement experience and 62 years of serving the City of Escondido.

California Penal Code, Section 830.6: authorizes the appointment of a reserve city police officer who is qualified and has completed state required training to be designated as a peace officer; allows local governments to adopt ordinances granting full peace officer powers to qualified reserve police officers; and provides additional rights and protections to reserve police officers.

Currently, Level 1 reserve officers are only granted full police powers while on duty. When not on duty, they are considered private persons (non-police officers) in the eyes of the law. Having full police powers authorizes the reserve officers to act in an emergency situation and to better serve the citizens of Escondido at all times.

The adoption of Ordinance No. 2020-05 would authorize the Chief of Police to grant Escondido Reserve Police Officers who have completed a POST Level I course of instruction, and any requirements established by the Chief of Police, full peace officer powers and duties in accordance with California Penal Code section 830.1. Escondido Reserve Police Officers who have not completed the POST Level I course of instruction and all training requirements established by the

Reserve Police Officer Authority
January 15, 2020
Page 2

Chief of Police would retain limited peace officer powers commensurate with their training and assignment.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Edward Varso, Chief of Police
1/9/2020 10:30 a.m.

ATTACHMENTS:

1. Ordinance No. 2020-05

ORDINANCE NO. 2020-05

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AMENDING ESCONDIDO MUNICIPAL CODE
CHAPTER NINETEEN, ARTICLE ONE, TO
ADDRESS RESERVE POLICE OFFICER
AUTHORITY

WHEREAS, California Penal Code section 830.6 authorizes the appointment of Reserve Police Officers who have completed the State of California Commission on Peace Officer Standards and Training (“POST”) courses commensurate with their assigned duties and level of supervision; and

WHEREAS, the Escondido Police Department has four (4) Reserve Police Officers who volunteer their time and provide a wide variety of services to the City of Escondido; and

WHEREAS, the Reserve Police Officers who successfully complete a Reserve Officer Level I POST course of instruction may operate independently and must meet the same training standards as regular police officers; and

WHEREAS, adoption of this ordinance would authorize Escondido Reserve Police Officers who have completed a POST Level I course of instruction, and any requirements established by the Chief of Police, to have full peace officer powers in accordance with California Penal Code section 830.6(a)(2), and

WHEREAS, the Escondido Reserve Police Officers who have not completed the POST Level I course of instruction and all training requirements established by the Chief of Police would retain limited peace officer powers commensurate with their training and assignment.

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

SECTION 1. That the above recitals are incorporated as though set forth in
this section.

SECTION 2. That Escondido Municipal Code Chapter Nineteen, Article One,
Section 19-3, is amended to read as follows:

Section 19-13. Reserve police officers.

The Chief of Police may appoint Reserve Police Officers who have completed training certified by the State of California Commission on Peace Officer Standards and Training (POST). Reserve Police Officers will have limited peace officer authority that is commensurate with their training and assignment. However, the Chief of Police may grant full peace officer powers and duties, as provided in California Penal Code section 830.1, to those Reserve Officers who have completed an appropriate POST Level 1 course of instruction and all Escondido Police Department required training. The Chief of Police may suspend, limit or withdraw the appointment of Reserve Police Officer at any time for any reason.

SECTION 3. 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 4. That as of the effective date of this ordinance, all ordinances or
parts of ordinances in conflict herewith are hereby repealed.

SECTION 5. 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.

CITY COUNCIL STAFF REPORT

Consent Item No. 5

January 15, 2020

File No. 0470-35

SUBJECT: Bid Award for the Mitchell Room and Credit Union Roof Deck Replacement Project, and a Budget Adjustment

DEPARTMENT: Public Works/Building Maintenance

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2020-09, awarding the bid to Wanke, Industrial, Commercial, Residential, Inc. (W.I.C.R, Inc.) of San Diego California, determined to be the lowest responsive and responsible bidder; authorizing the Mayor and City Clerk to execute a Public Services Agreement in the amount not to exceed \$154,178; and authorizing staff to approve change orders up to 20 percent of the bid price to replace the roof deck above the Mitchell Room and the Escondido Credit Union Project (Project). In addition, City Council is requested to approve the attached budget adjustment (Attachment "2") needed to cover the roof deck replacement costs.

FISCAL ANALYSIS:

The estimated cost to replace the roof deck above the Mitchell Room and the Escondido Credit Union is \$185,000. Funding of \$65,000 to cover the Mitchell Room roof deck replacement will be covered by Public, Education and Government (PEG) fees collected from cable service providers. The remaining costs of \$120,000 will be covered by additional funding from the Redevelopment Property Tax Trust Fund (RPTTF).

BACKGROUND:

The roof decks above the Mitchell Room and the Escondido Credit Union are approximately thirty years old. During last year's rain events, both roof decks started to leak beyond normal repairs. Both decks will require a complete replacement of the flooring, flashing, stucco, and drains to alleviate the roof leaks.

On December 10, 2019, two (2) bids were received in response to the advertised request for bids on this Project. The bid results are listed below:

1. Wanke, Industrial, Commercial, Residential, Inc., (WIRC) \$154,178.00
2. Empire Works Reconstruction and Painting \$220,518.00

Staff recommends that the bid submitted by W.I.C.R., Inc. be considered the lowest most responsive and responsible bidder, and that the contract be awarded to W.I.C.R., Inc.

Bid Award for the Mitchell Room and Escondido Credit Union Roof Replacement, and a Budget Adjustment

January 15, 2020

Page 2

PEG fees are generated by cable service providers operating within the public rights-of-way of a city. These cable providers shall pay a fee to the city equal to five (5) percent of their gross revenue pursuant to California Public Utilities Code Section 5840, effective January 1, 2007. PEG fees are restricted for the use of programming, equipment, and general expenses related to Public, Education, and Government broadcasting.

The Mitchell Room is used as a secondary location for broadcasting public, educational, and governmental functions; City Council meetings, workshops, and subcommittee meetings. In order to protect the integrity of the electronic broadcasting equipment and maintain the ability to broadcast governmental functions, PEG fees will be used as a funding source for the roof replacement on the Mitchell Room.

There is a history of structural and property damage inside the Mitchell Room and the Credit Union resulting from the deteriorated of roofing materials during significant rain events. Staff suspects, from the visual damage inside the Mitchell Room and Credit Union, that there is significant unforeseen structural damage below both roof decks. The extent of the unforeseen structural damage will only become visible after both roof demolitions are completed.

Due to the unforeseen damage below the roof floor substrate and not visibly identified during the bid inspection, staff requests authorization to approve change orders up to twenty-percent of the total bid price not to exceed \$185,000. In order to avoid costs associated with delays in completion of the roof deck replacements, staff requests authorization to approve change orders up to 20 percent of the bid price, as work necessary may exceed staff's 10 percent authority.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Joseph Goulart, Director of Public Works

1/9/2020 9:11 a.m.

ATTACHMENTS:

1. Attachment "1" Bid Documents
2. Attachment "2" Budget Adjustment
3. Resolution No. 2020-09
4. Resolution No. 2020-09 - Exhibit "A" Public Services Agreement with W.I.C.R., Inc.



State Contractor's License No.: 745936

Visit our website: www.WICR.net

888-388-9427

PROPOSAL FOR SERVICES

Date: January 2, 2020 REV 6

Proposal Submitted to: City of Escondido (hereinafter "Customer")

<u>Mailing address:</u> Same as Job Address	<u>Job Name:</u> Escondido City Hall	
<u>Contact:</u> c/o Nick Burke, The Garland Company	<u>Job Address:</u> 201 N. Broadway	
<u>Phone:</u> 760-815-9333	<u>City:</u> Escondido	<u>Zip Code:</u> 92025
<u>Email:</u> dbsbids@garlandind.com ,	<u>County:</u> SD	<u>X-Street:</u> W. Valley Pkwy
	<u>Type:</u> Rehab/COM	
<u>Job Site Contact:</u> TBD	<u>Ladder Needed:</u> Y	<u>Size:</u> 28 FT.
<u>Existing Substrate:</u> Concrete	<u>Job Number:</u> TBD	<u>Color:</u> TBD

THIS IS A PREVAILING WAGE PROJECT

Wanke, Industrial, Commercial, Residential, Inc., a California corporation, hereinafter "W.I.C.R., Inc.", will furnish all labor, equipment, materials, sales taxes, transportation, supervision, coordination, communication, and storage to complete in a good and workmanlike manner the following described work:

WORK AREA:

All areas per job walk dated: 3/5/2019

1. One roof deck approx. 1,020 sf.

SITE CONDITIONS:

All personal belongings are to be removed from the work areas by others.

All of the decking components, unless otherwise noted in the scope of work below, are assumed to be of good, re-useable quality and to remain as is. If repairs to the decking components are needed, they will be an additional cost.

Pricing is created upon visual inspection of deck condition and surrounding elements. WICR to perform inspection once demo work has been completed. WICR will need to examine physical condition of the decks; existing waterproofing systems and their components to address and correct any deficiencies that were not visually identified and present during the inspection that may prevent WICR from properly installing a new waterproofing system per manufacturer specifications.

WICR requests jobsite parking and staging locations onsite, or as close by to the site to allow proper loading and unloading of equipment, supplies and man power without additional burden costs to WICR. Additionally WICR requests a location onsite for temporary storage of portable toilet and roll off dumpster bins along with access to onsite electricity and water. If electricity cannot be provided, \$40 per day will be charged for a generator on site.

This proposal is based upon WICR's work hours from 7:00 AM to 5:00 PM Monday through Friday. Should the owner request alternative work hours, those hours will be based upon wage determinations for the periods requested (Over Time, Double Time, Holiday time, etc.) and submitted to the owner in the form of a change order.

W.I.C.R., Inc.
901 East Tahquitz Canyon Way #A105
Palm Springs, CA 92262
Phone: (760) 327-8641
Fax: (760) 327-8642

Corporate Mailing Address:
901 East Tahquitz Canyon Way
#A105
Palm Springs, CA 92262
Phone: (760) 327-8641
Fax: (760) 327-8642

San Diego Office:
9424 Chesapeake Drive, Suite 1303
San Diego, CA 92123
Phone: (858) 277-1805
Fax: (858) 277-1809

Riverside Office:
4752 Felspar Street, Bldg. C Unit 103
Riverside, CA 92509
Phone: (951) 416-1055

NOTES:

1. Existing slope of the concrete substrate is to prevail, therefore slope or drainage of the deck is not a part of this proposal. WICR is not responsible for lack of drainage, UBC standards, or ADA compliance. WICR will not alter or change the existing slope of the underlying substrates which dictate the actual drainage of the deck surface. If low spots exist, or if WICR discovers that sloping is needed after demo, it will be at additional cost.
2. Existing tile decks appear to be leaking around the drain locations. WICR will install retrofit drains, which fit into the existing plumbing and drainage lines. Since the drain fits into existing drainage lines, any backups in the drainage lines may cause leaks.
3. This proposal is based upon the reasonable assumption that the existing substrate is sound, stable, and suitable to receive deck coatings. WICR assumes no more than one inch of thinset/mortar bed exists. If additional demo or surface preparation is required, there will be added cost to the owners.

SCOPE OF WORK:**(A1.2) ONE ROOF DECK: (Approx. 1,020 sf.)****DEMO/PREPARATION**

- Remove the existing tile down to concrete substrate. No guarantee against incidental damage to the substrate and surrounding area as a result of removing existing tile and mortar
- Remove door threshold to allow for door flashing installation. No guarantee door threshold can be removed without damage to threshold. Threshold replacement, if needed, will be additional cost.
- Inspect the condition of the exposed substrate to determine if any additional repairs are needed to properly install a manufacturer approved waterproofing system. If repairs are needed they will be an additional cost.
- Inspect existing slope in substrate to determine if any additional corrective sloping is needed. If corrective sloping is needed it will be an additional cost.
- Prepare existing substrate to receive new coating. Grind surface to a CSP-2 profile
- Remove and dispose of trash and debris

STUCCO REMOVAL AND REPAIRS:

- Chip out stucco 10"-16" as needed to allow for deck to wall flashing installation
- Stucco will be repaired upon completion of flashing and deck waterproof membrane installation. Install and overlap paper and lathe, new weep screed, and three coat stucco system.
****NOTE: Set weep screed 6 inches above finished deck surface****
- All stucco repair textures and colors will be professionally applied and blended into the existing finishes, however, due to the nature of spot repairs, WICR cannot guarantee an exact stucco match to the existing stucco texture and color and a variance in finish should be expected.

METAL FLASHING:

- Deck to Wall Metal: Install new 24 gauge galvanized sheet metal, 4x10 deck to wall L metal overlapping all joints and seams, fastened and sealed
- Door Flashing: Install 4x1/4" L-Metal door pan flashing, if possible, at door threshold areas and tie into existing hollow metal door frames as best as possible.
 - NOTE: No guarantee door elevation/reveals will allow for pan installation under threshold. In the case that pan flashing cannot be installed under threshold, coatings will be terminated with sealant as best as possible.
- Retrofit Drains: Install new, custom fabricated retrofit drains that install into existing drain body/drainage lines

WATERPROOFING: Garland Dura-Walk System

- Caulk and treat all seams per manufacturer spec
- Fill and stripe coat at any cracks or joints per manufacturer spec
- Detail Perimeter – Cove membrane up wall 10"
- Apply Dura-Walk primer per manufacturer specification
- Apply Dura-Walk base coat at 32 wet mils in first application
- Apply Dura-Walk Wear coat at 24 wet mils in second application
- Broadcast aggregate throughout until refusal

- Install Dura-Walk UV stable topcoat at approx. 100sf/gal

PROJECT TOTAL: \$67,860

(A2.0) ALTERNATES:

1. IF NEEDED SLOPING: After demo of tile and thinset, provide labor and material to fill low spots and add sloping as needed using sand and urethane sloping underlayment. Pricing per square foot is for 1/4" average thickness. If substantial sloping is needed, site conditions will be evaluated and alternative pricing can be provided.

ADD: \$28/SF (\$700 minimum)

2. LUNCH ROOM DECK: (Approx. 1,320 sf. Plus Stairs). Same scope as above. Includes through-wall scupper flashing, deck to wall L-Metal flashing, door pans, stair flashing, and retrofit deck drains.

ADD: \$86,318

NOTICE TO OWNER/ UNDERSIGNED:

ACKNOWLEDGEMENTS

IMPERFECTIONS:

- Owner / undersigned acknowledges and agrees, the system being installed is a hand applied system, as such imperfection in the finish coat, such as bird baths, ponds, texture differences, trowel marks, gouges and other imperfections may appear. Owner acknowledges and agrees, W.I.C.R., Inc is not going to attempt to repair these imperfections at will not be liable for any imperfections in the surface finish. WICR highly recommends proper slope to all surfaces prior to WICR's work. Owner acknowledges and agrees, if WICR's proposal does not include slope to drain or outsides edges (deck edge) of the substrates, WICR will not slope the deck and owner will be fully responsible for all ponds or standing water on the deck and all staining or damage to the deck resulting from standing water.

INTERIOR FINISHES AND REPAIRS:

- Owner / undersigned acknowledges and agrees, incidental damage as a result of WICR's scope of work may occur to interior finishes. Owner further acknowledges and agrees, WICR will not be responsible for repairs to the interior finishes of any surface or structure, that owner agrees to indemnify and hold harmless WICR from any and all damage as a result of its work.

PERMITS, DESIGNS AND ENGINEERING:

- WICR advises the owner to confirm if a building permit is required for any work identified within this proposal. For confirmation, contact your local building and safety departments and local ordinances control departments. If a permit is required, WICR will assist the owner in the permit process prior to the start of any work. The owner agrees to pay for all costs associated to obtaining all required permits, including, engineering, design, permits, application fees and all costs incurred by WICR in preparing for and attending inspections. WICR will not be responsible for any building violations should the owner decide not to secure a permit. WICR, will provide all services in conformance with local and state building requirements and comply with all applicable building codes. Owner / undersigned to sign here, acknowledging their responsibility to confirm with local building departments if permits for repairs are required.

SUBSTRATE MOVEMENT / EXPANSION AND CONTRACTION OF SURFACES:

- Owner / undersigned, acknowledges and agrees, buildings move, expand and contract on a regular basis which can lead to cracks and failures of coatings, such as deck surfaces, tile, stucco, doors, window other surfaces attached to the building structure. Furthermore, WICR's proposed scope of work, do not include warranties against damage due to structural movement of any substrates which WICR covers with its work. These surfaces include, but are not limited to plywood, wood joists, nails and screws, metal flashings, frames, and cladding. Under no circumstances

will WICR be liable for damage as a result of any movement, expansion or contraction in the building structure. As an example, where WICR install deck coatings, WICR only guarantees its work to conform to industry and manufacturer specifications; however occasionally cracks will develop in the deck coating, generally exhibited in straight lines reflecting plywood, wood joist or sheet metal movement. These cracks, if due to movement in the building structure, are not in any way warranted by WICR at any time and not a result of WICR's workmanship! Owner / undersigned agrees to inform WICR of said cracks immediately upon the crack appearing but no later than 7 days after the appearance of a crack so that WICR has the opportunity but not the obligation, to assess the condition and ensure repairs are made such that the coating remains watertight. Failure to notify WICR of these cracks will result in all warranties, express or implied being voided at WICR's sole option.

DAMAGES TO EXISTING SURFACES AND ADJACENT OR ADJOINING SURFACES

- The owner / undersigned acknowledges and agrees that, in performing the work hereunder, WICR may be called upon to drill through existing surfaces and, in doing so, might encounter, and cause damage to, existing rebar, electrical connections, water supply lines, gas lines or other installations. In order to minimize, albeit not eliminate, the occurrence of any such damage, the owner/undersigned may request that WICR scan the wall interior of targeted areas prior to drilling. Scanning uses special radio frequencies to locate structures contained within the wall. This service is provided only upon written request from the owner/undersigned received by WICR prior to drilling, and at a separate, additional cost to the owner / undersigned if not specifically included in the proposal above. Additionally, the owner / undersigned acknowledges and agrees that all utility services are to be turned off by qualified contractors prior to the start of any drilling. The owner / undersigned further acknowledges and agrees that should any damage occur, it will be the sole responsibility of the owner/ undersigned to pay for and effectuate any necessary repairs to effected areas. The owner / undersigned further acknowledges and agrees that WICR shall not be held responsible for any damage to any of the exterior or interior of the walls, any damage to building structure, or any damage to the supply, utility and drain lines, or any other installation within the wall interiors or otherwise ("Damage"). The owner/undersigned hereby fully releases, remises, forever discharges and acquits WICR and, to the fullest extent applicable, its officers, directors, owners, shareholders, investors, insurers, partners, attorneys, employees, successors and assigns, representatives and other agents (collectively, the "Releasees") from and against any and all charges, complaints, claims, causes of action, debts, losses, demands, sums of money, controversies, agreements, allegations, promises, damages and liabilities of any kind or nature whatsoever, whether based in law or at equity, whether known or unknown, suspected or unsuspected, anticipated or unanticipated, including, but not limited to, all those which the owner/undersigned may have, own, hold or could assert against the Releasees, including without limitation, any claims incidental to or arising out of such Damage. Additionally, to the greatest extent permissible by law, the owner/undersigned hereby agrees to indemnify, defend and hold harmless the Releasees from and against any and all claims, causes of action, settlements, demands, costs, damages, attorneys' fees, expenses and liabilities of any nature brought by any third party directly or indirectly arising from, in connection with and/or relating in any manner to the Damage.

**** WICR generally requires at least 2 weeks to schedule work after we receive a fully executed contract by both parties. In order to serve our customer's needs, our crews work on several projects in various locations every day. Therefore, the arrival of the crew must be approximate. Signing this document by itself does not constitute a contract. ****

For additional information about this proposal, please contact:

W.I.C.R., Inc. Waterproofing and Decking



Visit our website: www.WICR.net

Respectfully Submitted:

Mike Stratton

Estimating and Sales

W.I.C.R., Inc., Waterproofing & Decking

Office: 888-388-9427

Direct: 760-250-4124

EMPSD, Inc. - EmpireWorks
 9938 Prospect Ave, Suite 144
 Santee, CA 92071
 Phone: (888) 278-8200
 Fax: (619) 241-8323
 EmpireWorks Contractors
 License Number: 943059, 957037



EPA Cert #: NAT-23000-1

Easy To Do Business With
Reconstruction and Painting Contract

Account Executive: Patrick Leverenz • 619-931-9086 • PatrickL@empireworks.com

Project Information

201 N Broadway
 Escondido, CA 92025

Client Information

Mike Daquila
 Email: mdaquila@escondido.org
 Mobile: 760-839-4631

Contract Number:

Contract Date: 12/10/2019

EmpireWorks (contractor) proposes to furnish the material, equipment, manpower and supervision necessary to perform the required rooftop plaza deck coating replacement. Performance guidelines set forth in the Garland Company (manufacturer) were provided March 18th, 2019 were utilized in the creation of this proposal and will be used in the performance of the project. The contractor will perform the summary scope of work items described on page 1 of the project specifications. All manufacturer materials required by the specification are to be supplied by EmpireWorks. For all issues related to this bid, project scheduling, technical application methods or in-progress updates please contact your Project Manager Patrick Leverenz at PatrickL@empireworks.com.

Client related considerations:

- Existing drain bodies are excluded from replacement during the coating installation.
- Contractor will make reasonable adjustments for drainage and pitch corrections. Adjustment to rough framing or installation of new concrete or cementitious coatings will be performed at an addition to the contract.
- A minimum of (2) parking spaces must be provided as a project staging area. This staging area must be within 100 yards of the work area.
- Sensitive equipment at the interior of the building must be protected by the client prior to commencement of work. Damage to interior property as a result of regular performance of scope are not the responsibility of the contractor.

Product list to be provided by EmpireWorks:

Mayoral Deck	Break Room Deck
Primer- 5 GALLONS Dura-Walk Primer	Primer- 8 GALLONS Dura-Walk Primer
Base- 20 GALLONS Dura-Walk base coat	Base- 30 GALLONS Dura-Walk base coat
Intermediate- 10 GALLONS Dura-Walk base coat	Intermediate- 15 GALLONS Dura-Walk base coat
Top- 10 GALLONS Dura-Walk topcoat	Top- 15 GALLONS Dura-Walk topcoat
Aggregate- 100 Lbs #30 mesh crystalline silica	Aggregate- 100 Lbs #30 mesh crystalline silica
Caulking- (6) 20oz sausages Tuff Stuff polyurethane	Caulking- (9) 20oz sausages Tuff Stuff polyurethane

Perform SECTION 07572 - POLYURETHANE ELASTOMERIC COATING SYSTEM FOR ROLLER APPLICATION ON CONCRETE DECKS specification provided by Garland Co. Reference project City of Escondido – Plaza Deck.

State of California SDI 2019-1 rate included. Labor and sundry supplies only. Sundry: Stucco, flashing, small tool, disposal/storage and hardware.	Mayoral Deck	\$98,909.00	x _____
	Break Room Deck	\$121,609.00	x _____

- Notification is provided for bystanders and building employees via posted notices on doors and work area thoroughfares.
- Materials will be supplied by Garland Products to be used are specified in the General Scope of Work.
- Colors for project are to remain the same or similar to existing color scheme unless otherwise indicated in the General Scope of work.
- Approximate number of working days (weather permitting) is 32 day(s).
- Color samples up to ____ gallon(s) to be provided by manufacturer.
- Our field staff will be uniformed in EmpireWorks safety vests and will wear all appropriate PPE at all times.
- Deposit: 10% of the Project Value is due upon project acceptance. For projects less than \$10,000.00, no deposit is required.

Excluded Items: Any item not included in the areas specified in the Removal and Replacement Description:

Exclusions: Internal decay and/or corrosion discovered after demolition will be assessed by EpmireWorks project management and submitted to proper authority for review prior to commencement of work.

PREPARATION PROCESS**ALL SURFACES TO BE
PAINTED**

Mechanically high-pressure water wash surfaces specified for painting to remove dirt, dust, efflorescence, contaminants and peeling paint. Allow surfaces to dry completely prior to application of patching materials or prime/finish coats. If water access is not available (such as at perimeter fencing) the areas specified for painting will be hand washed.

**CRACK AND HOLE
REPAIR FOR MASONRY
AND STUCCO**

Fill hairline cracks with paint. Fill 1/16" – 1/4" cracks with a suitable caulking compound. Cracks larger than 1/4" are outside the scope of this Contract unless otherwise specified. Empire will patch holes up to 6 inches in diameter in stucco or plaster with a stucco patching compound and will as reasonably possible blend in the compound with existing texture. Holes larger than 6 inches are outside the scope of this Contract unless otherwise specified. All concrete damage is outside the scope of this Contract unless otherwise specified.

EXISTING WOOD

Hand-scrape and wire-brush wood surfaces as needed to remove any loose or peeling paint. Thoroughly de-gloss existing glossy surfaces to be recoated by sanding to provide a clean, sound surface for application of the new paint coating system. Re-nail loose trim boards to a tight fit where possible. Empire will prime raw wood areas with an appropriate wood primer before application of the finish coat. If Empire is not performing your wood replacement, it is the Client's duty to ensure that wood being replaced is primed on all six sides.

METAL

Remove rust, scale, loose and peeling paint, and other foreign matter by wire-brushing, scraping and sanding as required. De-gloss previously enameled surfaces as necessary by sanding prior to priming and painting. Sand all remaining paint to a feather edge. Prime all raw metal areas with a rust-inhibitive primer before application of the finish coat.

**NEWLY INSTALLED
WOOD**

Wood newly installed by Empire will be primed on ALL SIX SIDES prior to installation. All adjacent unprimed existing joints or cut ends will be primed. Galvanized nails will be used for exterior use only. Vertical joints where old fascia meets the replaced wood will be caulked.

EXCLUSIONS

The following are excluded from this Contract unless specifically included in the Scope of Work: previously unpainted areas, resident installed items, patio covers, trellises, curbing, parking space lines, roof jacks, vents, pipes, newly installed stucco, wood or metal that was not on the building(s) at the time of the estimate unless installed by Empire. Caulking is limited only to replacement of missing material, i.e. previously caulked areas in need of being re-caulked unless specifically included in the Scope of Work. Areas that have never been caulked will not be caulked unless specifically included in the Scope of Work.

CONTRACT TERMS & CONDITIONS

1. **COLORS:** This Contract is to paint the surfaces listed under the Scope of Work with similar colors as those which already exist on the surfaces to be painted. All color changes (e.g. a light color painted over a darker color or vice versa) are subject to additional labor and materials charges unless the color changes are specifically set forth under the Scope of Work. Accent colors made with DEEP "D" or NEUTRAL "N" bases, such as blue, red, green and yellow, will take multiple coats for proper coverage. Therefore, if a deep or neutral based accent color is selected, additional labor and material charges will apply unless specifically set forth under the Scope of Work. This Contract is for repainting the same number of existing colors on the building(s) unless additional colors are specified in the Scope of Work. If, after this Contract is accepted, additional colors are desired, a Change Order will be presented for the Client's acceptance. All colors must be selected and approved by Client within a reasonable time after the Contract is signed and prior to commencing project.
2. **LANDSCAPING:** Empire is not responsible for trimming or removal of trees and vegetation from or around surfaces to be painted or repaired. If Empire is unable to paint the surface behind any vegetation due to the vegetation's proximity to the surface, Empire will paint around the area as best as possible.
3. **SPRINKLERS and IRRIGATION EQUIPMENT:** Irrigation equipment that may come into contact and/or provide moisture to newly installed wood, stucco and/or metal surfaces must be shut down until the surfaces have been properly coated and allowed proper time to cure without the presence of moisture. Empire will not warranty any defects caused by moisture from irrigation equipment that was not shut down. Empire will provide Client or Client's representative with reasonable notice when the irrigation equipment must be shut down.
4. **ANTENNAS and SATELLITE DISHES:** Should it become necessary for Empire to remove and/or install any antennas, cooling or heating appliances or other equipment, Empire does not assume any responsibility for the performance of said equipment, whether or not such performance problems are the result of the negligent acts or omissions of Empire or its employees.
5. **SITE ACCESS AND RIGHTS OF WAY:** The Client will provide, no later than the date provided by Empire, access to that portion of the property to which work is to be performed, and any other portions of the property designated herein for use or work by Empire. Client will provide a suitable location for a storage container. Any delay in furnishing these areas will cause a delay, and will entitle Empire to an adjustment in the Contract Price and time in which to complete the Contract.
6. **PERMITS, LICENSES, AND REGULATIONS:** Permits and licenses necessary to complete the work agreed upon in this Contract will be obtained by Empire and paid for by Client. Client agrees to assist Empire in obtaining such permits and licenses. Client is responsible for all costs for drawings and structural calculations.
7. **INSPECTION OF WORK:** Client will provide a representative to visit and inspect the jobsite at regular intervals and as requested by Empire to confirm that the Work is being performed in a manner consistent with the Contract. Client's failure to send a representative to inspect the work will be deemed a waiver of this provision.
 - 7.1. **FINAL WALK-THROUGH:** Within 15 days of completion of the work, Client and Empire will schedule a final walk-through. If Client fails to attend the final walk-through, then the work will be presumed compliant with the terms of the Contract and final payment will immediately become due. Only touch-up work discussed during the final walk-through will be required to be completed; all other work not discussed during the final walk-through will be presumed satisfactory. Within 15 days of completion of the touch-up work, a new walk-through will be scheduled by Client and Empire to review only those items which were required to be corrected under this section.
8. **CLEAN-UP:** Upon completion of each workday, all materials, supplies, debris and rubbish created by Empire will be reasonably removed; work spaces and storage areas will be left in a clean condition. Grounds will be left "broom clean."
9. **WORKMANSHIP & WARRANTY:** All work will be performed in a manner consistent with manufacturer specifications and building codes. Warranties become effective upon substantial completion according to the specific Scope of Work on each building. This limited warranty is expressly conditioned on Empire having reasonable opportunity to inspect the alleged defect, and Empire receiving full and final payment for all work under this Contract, and any Change Orders signed thereafter.

9.1. CONSTRUCTION & REPAIR WARRANTY:

Material	Warranty Period
Labor	2 Year
Material	2 Year

Empire will guarantee workmanship and materials for the period stated above. Client must provide Empire with written notice of all work it would like Empire to warranty within 30 days after discovery of a potential warrantable issue. Empire will then evaluate the warranty claim, and all valid warranty claims will be corrected within a reasonable timeline. In the event re-painting is required to resolve a warranty claim, Empire will attempt to match the color of the re-painted area to the existing paint on the surrounding surfaces as best as possible; however, Client agrees and understands that there may be color differences in the newly repaired area and the surrounding surfaces and Client agrees not to hold Empire liable for any such color difference.

9.1.1. LIMITATIONS ON COVERAGE: Empire will not be liable for conditions outside of its control, including but not limited to the following: a) failure due to physical abuse; b) failure due to acts of God; c) failure of wood due to contact with water from irrigation systems; d) failure due to structural settling and/or moisture-related problems, i.e. roofing leaks, broken water pipes or flooding; e) failure of the wood due to the breakdown of any paint, stain and/or other material(s) applied to the wood; f) failure of the wood due to client's failure to properly treat the wood as necessary to protect the wood; g) vandalism; h) tenant abuse; and i) termite damage.

9.1.2. CONSUMER PRODUCTS DISCLOSURE: Client acknowledges the opportunity, prior to the sale, to examine all current written warranties pertaining to this Contract. It is understood and agreed that the manufacturer's warranty shall be exclusive as to all items installed in or around the project which are covered by separate manufacturers' or suppliers' warranties, whether or not said items are consumer products, and that Empire does not give any warranty, express or implied, as to the merchantability or fitness of such items or as to their fitness for any purpose.

9.2. PAINT WARRANTY: Empire will provide a limited warranty to repair peeling, blistering and/or chipping paint which are a result of defective workmanship. This limited warranty is for the period stated below:

Substrate	Warranty Period
Stucco	2 Year
Wood	2 Year
Metal	2 Year

9.2.1. LIMITATIONS ON COVERAGE: This limited warranty expressly excludes the following items: a) failure due to physical abuse; b) failure due to acts of God; c) failure occurring on any flat or horizontal surfaces and/or any surface that allows moisture to collect; d) failure of any surface due to contact with irrigation systems; e) failure due to structural settling, rotting wood, and/or moisture-related problems; f) fading colors; g) efflorescence; h) failure on surfaces made of or containing galvanized metal; i) bleeding caused by knots or rust; j) failure due to moisture content of substrate; and h) stucco repair below weep screed. This limited warranty also expressly excludes any defect caused by failure of previous layers and/or coatings of paint, which may or may not have been present or visible at the time of paint application by Empire. While performing warranty work, Empire will make its best efforts to match the color of paint, however, it cannot guarantee an exact match.

9.2.2. NO OTHER WARRANTIES: There are no other terms, conditions, covenants, representations, or warranties, express or implied, out of common statutory law, with regard to quality, quantity, fitness, habitability or otherwise with respect to this Contract other than those Empire warranties expressly set forth in this section on Empire warranties.

10. MEDIATION: Before any legal remedy may be sought to resolve any controversy or claim which has arisen as a direct or indirect result of this Contract, its performance, or the breach thereof, it is agreed that the Parties will submit to a mediator jointly selected by the Parties. If the Parties are unable to agree to a mediator, then upon the written request of either party, the mediator will be selected by and appointed by the administrator of the American Arbitration Association. All costs for mediation will be borne equally by the Parties. This provision will not apply to any action brought to enforce a mechanic's lien or stop notice.

11. **THREE-DAY RIGHT TO CANCEL:** You, the buyer, have the right to cancel this contract within three (3) business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the third business day after you received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice. If you cancel, the contractor must return to you anything you paid within ten (10) days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received it, any goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract. Contracts canceled after three (3) business days are subject to 10% of the Contract Price as a cancellation fee.
12. **COMMENCEMENT DATE.** Due to variables such as seasonal labor capacity, wages and materials costs, the Contract price will be subject to a three percent (3%) increase in price (unless otherwise noted) if work is not commenced within 90 days of acceptance of the Contract.
13. **OTHER TERMS AND CONDITIONS:**
- 13.1. Empire will not be held liable for failure of performance due to adverse weather, labor strikes, accidents, fire, flood, explosion, or any other cause or delays beyond its reasonable control. Furthermore, Empire is not liable for any delays caused by the Client.
 - 13.2. Client will disclose any knowledge of the presence of hazardous material (as defined by law) known or suspected on the premises. Should any previously undisclosed hazardous materials be disclosed or discovered after this Contract is signed, Empire may, at its sole discretion, terminate this Contract and Client agrees to pay for all labor and materials expended up to the date of cancellation lost overhead and profit, and any the cost of any emergency measures taken by client.
 - 13.3. In any dispute arising under this Contract (whether based in contract, tort, or both), Client and Empire agree that each party will be responsible for its own attorneys' fees and costs. Moreover, the parties agree that should Client bring any legal action against Empire for any cause(s) of action, the maximum damages award available to Client is the amount paid by Client to Empire under this Contract.
 - 13.4. The headings contained in this Contract are for the convenience of the parties only and shall not be used in the interpretation of any provision hereof. If any provision of this Contract is deemed invalid, illegal, or unenforceable, that provision will be severed and all other provisions will remain in full force and effect.
 - 13.5. If accepted, this Contract constitutes the entire Contract between the parties, and supersedes all prior proposals, contracts, or agreements, oral or written, between the parties relating to the subject matter of this Contract.
 - 13.6. Empire advises that there may be changes in the work that are reasonably necessary to accomplish the provisions of this Contract. Empire will notify Client of such changes prior to commencement of such work in the form of a written Change Order. Extra work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties.
 - 13.7. Empire reserves the right to withdraw this Contract at any time prior to Client's acceptance without any liability.
 - 13.8. Empire is not responsible for any special, consequential and/or indirect damages or loss of use resulting from its performance even if Empire or its agents have been advised of the possibility of such damages or if a remedy set forth herein is found to have failed its essential purpose.
 - 13.9. This offer to enter into a contract is valid for 30 days from the contract date; after which all prices are subject to change.
 - 13.10. Client hereby releases and agrees to defend and hold harmless Empire, its directors, owners, officers, agents and employees from any liability resulting from or due to the insufficient strength of the existing structure of Client's residence/building to bear weight, and from the results of any subsequent structural fault, except to the extent that such structural fault is solely caused by or is solely attributable to Empire's gross negligence.
 - 13.11. Empire represents and warrants that it has in place \$1,000,000 of General Liability Insurance that will remain in effect through the completion of the project. Empire further agrees to list the Client and the Property Management Company as an additional insured on the General Liability Policy. Empire shall provide Client with proof of its insurance and proof of the additional insured endorsement required hereunder prior to the commencement of the work.

MECHANICS' LIEN WARNING (CALIFORNIA):

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics lien on your property. A mechanics lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a 'Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's Internet Web site at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752). **REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME.** This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

INFORMATION ABOUT THE CONTRACTORS STATE LICENSE BOARD (CSLB)

CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions, and civil judgments that are reported to CSLB. Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information:

Visit CSLB's Internet Web site at www.cslb.ca.gov

Call CSLB at 800-321-CSLB (2752)

Write CSLB at P.O. Box 26000, Sacramento, CA 95826.

PAYMENT TERMS

1. As a deposit, 10% of the Project Value is due upon project acceptance. For projects less than \$10,000.00, no deposit is required.
2. Invoices will be submitted for the percentage of the contract completed.
3. Billing Contact Information:

Bill to: _____ c/o: _____
 Attention: _____
 Address _____ E-mail: _____
 City _____ Phone #: _____
 State _____ Zip Code _____ Fax: _____

Invoices will be submitted via fax and U.S. Postal regular mail.

4. **Client will be invoiced on the 1st and 15th of every month. Payment terms are net 30 days.**
5. **Past due amounts will be subject to a 1% per month finance charge.**
6. **All payments and notices shall be mailed to: EmpireWorks 1682 Langley Ave, Irvine, CA 92614.**

<i>EmpireWorks will furnish all labor materials and equipment necessary to fully execute this contract for the <u>base price</u> of :</i>	\$ _____ <i>Base Price</i>
<i>To include an Additional Option listed under the "Additional Options" please initial below. The cost as outlined for the additional work will be added to the Base Price.</i> <i>Initial _____</i>	\$ _____ <i>Additional Options</i>
<i>Final Contract Price for all services to be performed by EmpireWorks</i>	\$ _____ <i>Total Contract Price</i>
<i>As a deposit, 10% of the Project Value is due upon project acceptance. For projects less than \$10,000.00, no deposit is required.</i>	\$ _____ <i>Deposit</i>

ANY INVOICE NOT PAID WITHIN 30 DAYS WILL ACCRUE INTEREST AT THE RATE OF 1% PER MONTH

Acceptance of Contract: The terms, specifications and conditions are satisfactory and are accepted. EmpireWorks is authorized to do the work as specified. Payment will be made as outlined above.

Accepted By: _____ (SIGNATURE) _____ (DATE)
 _____ (PRINT NAME) _____ (TITLE)

Accepted By: _____ (SIGNATURE) _____ (DATE)
 _____ (PRINT NAME) _____ (TITLE)

EmpireWorks _____ (SIGNATURE) _____ (TITLE)
 _____ (PRINT NAME) _____ (DATE)

RESOLUTION NO. 2020-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE MAYOR AND CITY CLERK, TO EXECUTE, ON BEHALF OF THE CITY, A PUBLIC SERVICES AGREEMENT WITH WANKE, INDUSTRIAL, COMMERCIAL, RESIDENTIAL, INC. FOR THE ROOF DECK REPLACEMENT OF THE MITCHELL ROOM AND THE ESCONDIDO CREDIT UNION AND APPROVE A BUDGET ADJUSTMENT

WHEREAS, the City of Escondido ("City") properties located at 201 North Broadway, the Mitchell Room and the Escondido Credit Union, both have significant roof leaks; and

WHEREAS, a notice of inviting bids for the replacement of the roof decks above the Mitchell Room and the Escondido Credit Union Roof Deck Replacement Project ("Project") was duly published on October 10, 2019; and

WHEREAS, the sealed bids for the Project were received and evaluated on December 10, 2019; and

WHEREAS, Wanke, Industrial, Commercial, Residential, Inc. ("WICR"), was determined to be the lowest most responsive and responsive bidder; and

WHEREAS, the City Council desires at this time and deems it to be the best public interest to award this contract to WICR in the amount of \$154,178.

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 the City Clerk are authorized to execute, on behalf of the City, a Public Services Agreement with WICR 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.

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

4. That the Director of Public Works is authorized to approve change orders up to 20 percent (20%) of the contract bid price.



CITY OF ESCONDIDO
PUBLIC SERVICES AGREEMENT

This Agreement is made this _____ day of _____ **20**__.

Between: CITY OF ESCONDIDO
a Municipal Corporation
201 N. Broadway
Escondido, California 92025
Attn: Michael D'Aquila
760-839-4895
("CITY")

And: W.I.C.R., INC.
9424 Chesapeake Drive, Suite 1303
San Diego CA 92123
Attn: Mike Stratton
760-250-4124
("CONTRACTOR")

WHEREAS, the CITY and CONTRACTOR desire to enter into this Agreement for the performance of services;

NOW, THEREFORE, it is mutually agreed as follows:

1. Description of Services. CONTRACTOR will furnish all of the services described in "Attachment A," which is attached and incorporated by this reference. CONTRACTOR agrees to diligently perform such services to their completion, with professional quality and technical accuracy.
2. Compensation. The CITY will pay and CONTRACTOR will accept in full payment for the above work, for an amount not to exceed **\$154,178.00 ("Contract Price")**. Any breach of this Agreement will relieve CITY from the obligation to pay CONTRACTOR, if CONTRACTOR has not corrected the breach after CITY provides notice and a reasonable time to correct it. If this Agreement is amended at any time, additional compensation of CONTRACTOR contained in subsequent amendment(s) shall not exceed a cumulative total of ten percent (10%) of the maximum payment provided for in this Section 2.
3. Term and Time of Performance. CONTRACTOR must start working within one (1) week from City's notice to begin. CONTRACTOR must diligently perform and complete the work by **March 31, 2020**. Extension of terms or time of performance may be made only upon the City's written consent.
4. Scope of Compensation. CONTRACTOR will be responsible for performance of the tasks specified in the Description of Services in "Attachment A." No compensation will be provided for any other tasks without specific prior written consent from the CITY.

5. Performance. CONTRACTOR must faithfully perform in a proficient manner, to the satisfaction of the CITY, all the work or services described in the Description of Services, above.
6. City Property. All original documents, drawings, electronic media, and other material prepared by CONTRACTOR under this Agreement immediately becomes the exclusive property of the CITY, and may not be used by CONTRACTOR for any other purpose without prior written consent of the CITY.
7. Insurance Requirements.

- a. The CONTRACTOR shall secure and maintain at its own cost, for all operations, the following insurance coverage, unless reduced by the City Attorney:
 - (1) General liability insurance. Occurrence basis with minimum limits of \$1,000,000 each occurrence, \$2,000,000 General Aggregate, and \$1,000,000 Products/Completed Operations Aggregate; and
 - (2) Automobile liability insurance of \$1,000,000 combined single-limit per accident for bodily injury and property damage, unless waived as provided in 7(b) below; and
 - (3) Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole proprietorship; and
- b. It is the parties' understanding that the use of a motor vehicle is not a primary subject of this Agreement. CONTRACTOR acknowledges that operating a motor vehicle is outside the scope of this Agreement and occurs only at the convenience of CONTRACTOR. A waiver of automobile liability insurance is only effective if both sets of initials appear below, otherwise such insurance is required.

Acknowledged by CONTRACTOR _____

Waiver appropriate by CITY _____

- c. Each insurance policy required above must be acceptable to the City Attorney.
 - (1) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A- rated, class V carrier or better, admitted in California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.
 - (2) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.
 - (3) Both the General Liability and the Automobile Liability policies must name the CITY specifically as an additional insured under the policy on a separate endorsement page. The endorsement must be ISO Form CG2010 11/85 edition or its equivalent for General Liability endorsements and CA 20-01 for Automobile Liability endorsements.
 - (4) The General Liability policy must include coverage for bodily injury and property damage arising from CONTRACTOR's work, including its on-going operations and products-completed operations hazard.
 - (5) The General Liability policy must be primary and noncontributory and any insurance maintained by CITY is excess.
- d. In executing this Agreement, CONTRACTOR agrees to have completed insurance documents on file with the CITY within fourteen (14) days after the date of execution. Failure

to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.

8. Indemnification. CONTRACTOR (which in this paragraph 8 includes its agents, employees and subcontractors, if any) agrees to indemnify, defend, and hold harmless the CITY from all claims, lawsuits, damages, judgments, loss, liability, or expenses, including attorneys' fees, for any of the following:
- a. Any claim of liability arising out of the negligence or any acts or omissions of CONTRACTOR in the performance of this Agreement;
 - b. Any personal injuries, property damage or death that CONTRACTOR may sustain while using CITY-controlled property or equipment, while participating in any activity sponsored by the CITY, or from any dangerous condition of property; or
 - c. Any injury or death which results or increases by any action taken to medically treat CONTRACTOR.

Stormwater Indemnification. CONTRACTOR shall further indemnify, defend, and hold harmless CITY and its officers, employees, and agents from and against any and all liabilities, claims, actions, causes of action, proceedings, suits, administrative proceeds, damages, fines, penalties, judgments, orders, liens, levies, costs and expenses of whatever nature, including reasonable attorney's fees and disbursements, arising out of any violation, or claim of violation of the San Diego Municipal Storm Water Permit (Order No. R9-2013-0001), as amended or renewed, of the California Regional Water Quality Control Board Region 9, San Diego, which CITY might suffer, incur, or become subject by reason of or occurring as a result of or allegedly caused by the construction of the Project or the Improvements.

9. Anti-Assignment Clause. Since the CITY has relied on the particular skills of CONTRACTOR in entering this Agreement, CONTRACTOR may not assign, delegate, or sublet any duty or right under this Agreement, or any portion of the Description of Services. Any such purported assignment, delegation, or subletting will void this entire Agreement, unless the CITY has previously approved such action in writing. Unless CONTRACTOR assigns this entire Agreement, including all rights and duties herein, to a third party with the CITY'S 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.
10. Costs and Attorney's Fees. In the event that legal action is required to enforce the terms and conditions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs.
11. Independent Contractor. CONTRACTOR is an independent contractor and no agency or employment relationship is created by the execution of this Agreement.
12. Merger Clause. This Agreement and its Attachments, if any, are the entire understanding of the parties, and there are no other terms or conditions, written or oral, controlling this matter. In the event of any conflict between the provisions of this Agreement and any of its Attachments, the provisions of this Agreement must prevail.
13. Anti-Waiver Clause. None of the provisions in this Agreement will be waived by CITY because of previous failure to insist upon strict performance, nor will any provision be waived because any other provision has been waived by CITY, in whole or in part.

14. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.
15. Choice of Law. This Agreement is governed by the laws of the State of California. Venue for all actions arising from this Agreement must be exclusively in the state or federal courts located in San Diego County, California.
16. Multiple Copies of Agreement/Counterparts. Multiple copies and/or counterparts of this Agreement may be executed, including duplication by photocopy or by computerized scanning device. Each duplicate will be deemed an original with the same effect as if all the signatures were on the same instrument. However, the parties agree that the Agreement on file in the office of the Escondido City Clerk is the copy of the Agreement that shall take precedence should any differences exist among copies or counterparts of the document.
17. Provisions Cumulative. The foregoing provisions are cumulative and in addition to and not in limitation of any other rights or remedies available to the CITY.
18. Notices to Parties. Any statements, communications or notices to be provided pursuant to this Agreement must be sent to the attention of the persons indicated below. Each party agrees to promptly send notice of any changes of this information to the other party.
19. Business License. The CONTRACTOR is required to obtain a City of Escondido Business License prior to execution of this Agreement.
20. Compliance with Applicable Laws, Permits and Licenses. CONTRACTOR shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, and rules in effect during the term of this Agreement. This shall include, but not limited to, all California Labor Code laws regarding payment of prevailing wages and all OSHA regulations. CONTRACTOR shall obtain any and all licenses, permits, and authorizations necessary to perform the services set forth in this Agreement. Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONTRACTOR to comply with this section.
21. Prevailing Wages. If applicable, pursuant to Section 1770 et seq. of the Labor Code, CONTRACTOR agrees that a prevailing rate and scale of wages, in accordance with applicable State and Federal Law, will be paid in the carrying out of this Agreement. CONTRACTOR shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, and rules pertaining to the payment of prevailing wages. The prevailing rate and scale to be paid shall be the same as the 'General Prevailing Wage Rates' approved by the Department of Industrial Relations as of the date of the execution of this Agreement. Said rates and scales are herein referred to and adopted in this Agreement as though fully and completely set forth herein, and said scale as adopted by the Department is made a part of this Agreement by reference. Copies of the prevailing rate of per diem wages are available on the Intranet at (<http://www.dir.ca.gov/DLSR>). Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONTRACTOR to comply with this section.
22. Department of Industrial Relations Compliance. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. CONTRACTOR shall post any job site notices required by regulation. CONTRACTOR, as well as any subcontractors, shall be registered pursuant to Cal. Lab. Code § 1725.5 to be qualified to bid on, be listed in a bid proposal, (subject to the requirements of Section 4104 of the Public Contract Code) or engage in the performance of any public work contract that is subject to the requirements of Chapter 1, Part 7, Division 2 of the California

Labor Code. Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONTRACTOR to comply with this section.

23. Immigration Reform and Control Act of 1986. CONTRACTOR shall keep itself informed of and comply with the Immigration Reform and Control Act of 1986. 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 be employed on this public project. CONTRACTOR agrees to comply with such provisions before commencing and continuously throughout the performance of this Agreement.

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

CITY OF ESCONDIDO

Date: _____

Paul McNamara
Mayor

CITY OF ESCONDIDO

Date: _____

Zachary Beck
City Clerk

W.I.C.R., INC.

Date: _____

(Contractor signature)

Title

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.

1. **SCOPE OF WORK**

A. General

W.I.C.R., Inc. ("Contractor") agrees and shall provide work to repair the 2nd floor decking/roof coating near the Mayor's office. All work performed under this Agreement shall include the furnishing of all labor, materials, and equipment necessary to perform this Agreement.

Products specified are Garland/DBS (or equal). Their product specifications are to be adhered to for the installation and are found in subsection D (below). NOTE: Garland/DBS is what the specifications for this bid is based on. For substitutions:

See SUBSTITUTION OF MATERIALS in **NOTICE INVITING SEALED BIDS- SECTION A-00100 - INSTRUCTIONS TO BIDDERS-Item #5.**

The installation must meet all applicable local, City of Escondido codes. The Contractor shall be a licensed contractor pursuant to the Business and Profession Code and shall be licensed in the following appropriate classification of Contractor's license, for the work bid upon, and must maintain the license throughout the duration of the Contract: **Class B** (General Building) and either a **C-33** (Painting and Decorating) or a **C-39** (Roofing). Additionally, the Contractor must be a Garland/DBS, Inc.-approved installer/appliator for the selected product.

B. Work Location

City Hall, 201 N. Broadway, Escondido CA 92025.

C. Prevailing Wages

Prevailing wages are required along with DIR registration.

D. Task

1. Demo perimeter interior stucco walls to install new 22ga metal flashing (weep screed) to be a minimum of 8" in height from the deck.
2. Repair stucco above the newly install metal flashing.
3. Prep new vertical flashing height to bond with new waterproofing system.
4. Once dirt and debris are removed, shot blast or etch concrete to CSP 2 profile.
5. Repair any cracks, splits, or low areas (1/4" Deviation) in the concrete using leveling emulsion. Caulk expansion joints with Tuff Stuff polyurethane caulking.

6. All 90-degree vertical to horizontal transitions to be caulked with polyurethane prior to the installation of the Dura-Walk system.
7. Apply 2-part Dura-Walk Primer at rate of 0.5 gallons per 100 sq ft. Use only as much as possible in two-hour period and allow to dry.
8. Apply thin layer of Dura-Walk base coat over cracks.
9. Place 4" joint tape over all joints.
10. Apply Dura-Walk base coat at rate of 2.0 gallons per 100 sq. ft. over entire area. Allow 16 hours minimum to cure.
11. Apply Dura-Walk wear coat at rate of 1.5 gallons per 100 sq. ft. over entire area. Allow at least 16 hours to dry, but no more than 72 hours. While wear coat is still wet apply aggregate at rate of 8 pounds per square of #30 mesh crystalline silica. Remove excess aggregate, spade to remove/knock down imperfections and vacuum/air blow excess aggregate.
12. Apply Dura-Walk topcoat over entire area at rate of 1.0 gallon per 100 sq ft. Allow 24 hours before light foot traffic and 48 for heavy use. (TOP COAT MUST BE APPLIED WHILE CONCRETE DECK TEMPERATURE IS FALLING, NOT RISING).
13. Contractor to provide 2-year workmanship warranty.
14. Garland to provide 10-year manufacturer material warranty.

2. PERFORMANCE OF WORK

A. Hours of Operation

Normal business hours, Monday – Friday 7:00 a.m. – 5:00 p.m.

Hours and scheduling may be arranged with proper notification and prior approval of the City of Escondido representative.

B. Communication

The contact for the City of Escondido is Mike D'Aquila and can be reached by phone (760-802-0400) and/or email mdaquila@escondido.org, or Danny Sadek (760-802-0396; dsadek@escondido.org).

C. Work Completion

The contractor must complete all work described in this agreement by **March 31, 2020.**

3. TOTAL CONTRACT PRICE

**One Hundred Fifty-Four Thousand One Hundred Seventy-Eight Dollars.
\$154,178.00.**

BID SCHEDULE

Item No.	Approx. Quantity	Item With Unit Price Written in Words	Unit Price	Amount
1.	1 L.S.	Demo & repair stucco Per Lump Sum	\$6,786.00	\$6,786.00
2.	1 L.S.	Prep, clean, repair and caulk cracks, splits, etc. Per Lump Sum	\$27,144.00	\$27,144.00
3.	1 L.S.	Apply Dura-Walk Primer & Dura-Walk base Per Lump Sum	\$16,965.00	\$16,965.00
4.	1 L.S.	Apply Dura-Walk wear coat & topcoat Per Lump Sum	\$13,572.00	\$13,572.00
5.	1 L.S.	Replace roof drains Per Lump Sum	\$3,393.00	\$3,393.00
6.	1 L.S.	Credit Union Deck: Demo & repair stucco Additive Bid Item Per Lump Sum	\$8,632.00	\$8,632.00

Item No.	Approx. Quantity	Item With Unit Price Written in Words	Unit Price	Amount
7.	1 L.S.	Credit Union Deck: Prep, clean, repair and caulk cracks, splits, etc. Additive Bid Item Per Lump Sum	\$34,527.00	\$34,527.00
8.	1 L.S.	Credit Union Deck: Apply Dura-Walk Primer & Dura-Walk base Additive Bid Item Per Lump Sum	\$17,264.00	\$17,264.00
9.	1 L.S.	Credit Union Deck: Apply Dura-Walk wear coat & topcoat Additive Bid Item Per Lump Sum	\$12,947.00	\$12,947.00
10.	1 L.S.	Credit Union Deck: Replace roof drains Additive Bid Item Per Lump Sum	\$4,316.00	\$4,316.00
11.	1 L.S.	Credit Union Deck: Remove tiles and re-seal steps with Dura-Walk Additive Bid Item Per Lump Sum	\$8,632.00	\$8,632.00

4. PAYMENT

The total contract price is \$154,178.00. Payment will be made after the services have been performed and within 30 days of receipt of invoice for those services.

CITY shall retain 5% (five percent) of the estimated value of work performed per invoice as security for fulfillment of the contract by the contractor.

A final walk through of the Project will be made to determine completion of the Agreement. Minor corrective items shall be identified in the final walk through of the Project. The contractor will have twenty (20) days to complete minor corrective items.

If the contractor fails to complete the minor corrective items prior to the expiration of the twenty (20) day period immediately following the walk-through, the City shall withhold from the final payment an amount equal to twice the estimated cost, as determined by the City, of each item until such time as the item is completed. At the end of such twenty

(20) day period, if there are items remaining to be corrected, the City may elect to proceed as provided in the Attachment C.

5. OTHER PROVISIONS

CHANGE OF CONTRACT PRICE

GENERAL

The Contract Price constitutes the total compensation payable to the CONTRACTOR for performing the work. All duties, responsibilities, and obligations whether implied, inferred or express, assigned to or undertaken by the CONTRACTOR to complete the work shall be at its expense without change in the Contract Price.

The Contract Price may only be changed by a City of Escondido-approved Change Order. The value of any work covered by a Change Order or of any claim for an increase or decrease in the Contract Price shall be determined in one of the following three ways:

1. UNIT PRICES.
2. AGREED UPON LUMP SUM.
3. COST OF WORK.

These three methods are discussed in detail in, Article 11, which has been attached and incorporated by reference. (Attachment B)

AGREED ENTITLEMENT. When the City is in agreement regarding entitlement due the CONTRACTOR on a particular issue that the CONTRACTOR has brought to the attention of the City with a notice, and finds that there is a clear entitlement for additional compensation, the CONTRACTOR and the City will choose a method to be used for calculating the value of the extra work from the three methods described in Article 11.1.B.1, 2, or 3 of the General Provisions.

For "CONSTRUCTION CLAIMS, WAIVER, AND RELEASE FORMS, DISPUTES, FALSE CLAIMS ACT." See Article 16, which has been attached and incorporated by reference. (Attachment E)

6. ADDITIONAL ATTACHMENTS

All work shall be in accordance with the documents included in the City's Notice Invited Sealed Bids and bid documents as submitted by the Contractor, including but not limited to: Attachment B: Article 11 – Change of Contract Price; Attachment C: Article 13 – Inspections and Tests, Correction, Removal, or Acceptance of Defective Work; Attachment D: Article 14 – Payments to Contractor, Retention and Completion; Attachment E: Article 16 – Construction Claims, Waiver and Release Forms, Disputes,

False Claims Act; Attachment F: Article 17 – Miscellaneous Bid Documents, Exhibits 1-5, which are incorporated herein by reference.

ARTICLE 11 – CHANGE OF CONTRACT PRICE

11.1 GENERAL

A. The Contract Price constitutes the total compensation payable to the CONTRACTOR for performing the work. All duties, responsibilities, and obligations whether implied, inferred or express, assigned to or undertaken by the CONTRACTOR to complete the work shall be at its expense without change in the Contract Price.

A. The Contract Price may only be changed by a Change Order. The value of any work covered by a Change Order or of any claim for an increase or decrease in the Contract Price shall be determined in one of the following three ways:

1. UNIT PRICES. Where the work involved is covered by unit prices contained in the Contract Documents, by application of unit prices to the quantities of the items involved;
2. AGREED UPON LUMP SUM. By mutual acceptance of a lump sum, which may include an allowance for overhead and profit not necessarily in accordance with Article 11.4; or
3. COST OF WORK. On the basis of the cost of the work, force account payment (determined as provided in Article 11.2) plus the CONTRACTOR's overhead and profit (determined as provided in Article 11.3).

B. AGREED ENTITLEMENT. When the City is in agreement regarding entitlement due the CONTRACTOR on a particular issue that the CONTRACTOR has brought to the attention of the City with a notice, and finds that there is a clear entitlement for additional compensation, the CONTRACTOR and the City will choose a method to be used for calculating the value of the extra work from the three methods described in Article 11.1.B.1, 2, or 3 above.

1. CHANGE USING UNIT PRICES METHOD. When a change in Contract Price using unit prices is applied, described in Article 11.1.B.1 (UNIT PRICES), a Field Order, signed by the City, will be given to the CONTRACTOR. The increase in line item quantities shall be tracked and documented in the daily extra work report (Article 11.4) which must identify the quantities used/consumed/handled and shall be presented to the City's on-site representative on a daily basis for review, for pertinent comments, and counter-signature. The CONTRACTOR will invoice the City for the line item quantity used for the extra work following the conditions of Article 14, "PAYMENTS TO CONTRACTOR, RETENTION AND COMPLETION". A reconciliation Contract Change Order will be executed when the final quantities used are known. The Contract Change Order will account for the over or under amount of line item quantities.
2. CHANGE USING AGREED UPON LUMP SUM METHOD. When the payment method described in Article 11.1.B.2 (LUMP SUM) is used, a Field Order or a Contract Change Order, signed by the City, will be given to the CONTRACTOR. The CONTRACTOR will invoice the City for the extra work following the conditions of Article 14. (**Attachment D**)

3. CHANGE USING FORCE ACCOUNT "COST OF WORK" METHOD. When no agreement can be reached on the method of payment for the extra work, the method described in Article 11.1.B.3 (COST OF WORK), force account payment (determined as provided in Article 11.2) shall be used. A Field Order will be given to the CONTRACTOR, signed by the City, describing the work. The City reserves the right to place a "not to exceed" amount on the Field Order based on a City cost estimate. If the approximate value of the cost of extra work approaches the "not to exceed" value, the CONTRACTOR shall notify the City in order that a further decision may be made as to how to proceed. When the extra work is completed a Contract Change Order for the accumulated total value of the extra work shall be executed, should the value of the work exceed the Field Order allowance. The extra work shall be documented in the Daily Extra Work Report (Article 11.4).

C. DISAGREEMENT REGARDING ENTITLEMENT. When there is no agreement between the CONTRACTOR and the City on an issue of work that has not yet been started that the CONTRACTOR has brought to the City pursuant to Article 11.5 "CONTRACTOR SHALL PROVIDE NOTICE", and the City does not find that there is any entitlement for additional compensation due the CONTRACTOR, the work in question may be designated "DISPUTED WORK". During the performance of any such "DISPUTED WORK" the CONTRACTOR shall:

1. Although not to be construed as proceeding under agreed-upon extra work provisions, the CONTRACTOR shall keep and furnish records breaking down the work as described in the following Article 11.2. Daily records shall be furnished according to Article 11.4.
2. The CONTRACTOR shall continue with the disputed work according to Article 2.6.

11.2 COST OF WORK - FORCE ACCOUNT (BASED ON TIME AND MATERIALS)

D. GENERAL: The term "cost of work" means the sum of all costs necessarily incurred and paid by the CONTRACTOR for labor, materials, and equipment in the proper performance of extra work. Except as otherwise may be agreed to in writing by the City, such costs shall be in amounts no higher than those prevailing in the locality of the Project, shall include only the following items and shall include the costs itemized in Article 11.3.D.1. to be compensated for as a part of the stipulated overhead and profit allowance.

E. LABOR: The costs of labor will be the actual cost for wages prevailing for each craft or type of workers performing the extra work at the time the extra work is done, plus employer payments of payroll taxes, workers compensation insurance, liability insurance, health and welfare, pension, vacation, apprenticeship funds, and other direct costs resulting from federal, state or local laws, as well as assessments or benefits required by lawful collective bargaining agreements. Labor costs for equipment operators and helpers will be paid only when such costs are not included in the invoice for equipment rental. The labor costs for foremen shall be proportioned to all of their assigned work and only that applicable to extra work shall be paid. Non-direct labor costs including superintendence shall be considered

part of the markup set out in Article 11.3. Payment for the cost of labor and subsistence or travel allowance will be made at the rates paid by the CONTRACTOR to other workers operating similar equipment already on the Site, or in the absence of such labor, established by collective bargaining agreements for the type of workmen and location of the extra work, whether or not the operator is actually covered by such an agreement.

- F. MATERIALS: The cost of materials reported shall be at invoice or lowest current price at which materials are locally available and delivered to the Site in the quantities involved, plus the cost of freight, delivery and storage, subject to the following:
1. All trade discounts and rebates shall accrue to the City, and the CONTRACTOR shall make provisions so that they may be obtained;
 2. For materials secured by other than a direct purchase and direct billing to the purchaser, the cost shall be deemed to be the price paid to the actual supplier as determined by the City. Except for actual costs incurred in the handling of such materials, markup will not be allowed;
 3. Payment for materials from sources owned wholly or in part by the purchaser shall not exceed the price paid by the purchaser for similar materials from said sources on extra work items or the current wholesale price for such materials delivered to the Site, whichever price is lower; and
 4. If in the opinion of the City the cost of material is excessive, or the CONTRACTOR does not furnish satisfactory evidence of the cost of such material, then the cost shall be deemed to be the lowest current wholesale price for the quantity concerned delivered to the Site less trade discount. The City reserves the right to furnish materials for the extra work and no claim will be allowed by the CONTRACTOR for costs and profit on such materials.
- G. EQUIPMENT: The CONTRACTOR will be paid for the use of equipment at the rental rate listed for such equipment specified in the current edition of the "Labor Surcharge and Equipment Rental Rates" published by the State of California Business, Transportation & Housing Agency (CALTRANS). Such rental rate will be used to compute payments for equipment whether the equipment is under the CONTRACTOR's control through direct ownership, leasing, renting, or another method of acquisition. The rental rate to be applied for use of each item of equipment will be the rate resulting in the least total cost to the City for the total period of use. If it is deemed necessary by the CONTRACTOR to use equipment not listed in the publication specified, an equitable rental rate for the equipment will be established by the City. The CONTRACTOR may furnish cost data which might assist the City in the establishment of the rental rate. Payment for equipment shall be subject to the following:
1. All equipment shall, in the opinion of the City, be in good working condition and suitable for the purpose for which the equipment is to be used;

2. Before construction equipment is used on the extra work, the CONTRACTOR shall plainly stencil or stamp an identifying number thereon at a conspicuous location, and shall furnish to the City a description of the equipment with its identifying number;
 3. Unless otherwise specified, manufacturer's ratings and manufacturer approved modifications shall be used to classify equipment for the determination of applicable rental rates. Equipment which has no direct power unit shall be powered by a unit of at least the minimum rating recommended by the manufacturer;
 4. Individual pieces of equipment or tools having a replacement value of \$250 or less, whether or not consumed by use, will be considered to be small tools and no payment will be made therefore.
- H. EQUIPMENT RENTAL TIME: The rental time to be paid for equipment on the Site will be the time the equipment is in productive operation on the extra work being performed and, in addition, will include the time required to move the equipment to the location of the extra work and return it to the original location or to another location requiring no more time than that required to return it to its original location; except, that moving time will not be paid if the equipment is used on other than the extra work, even though located at the Site of the extra work. Loading and transporting costs will be allowed, in lieu of moving time, when the equipment is moved by means other than its own power, except that no payment will be made for loading and transporting costs when the equipment is used at the Site of the extra work on other than the extra work. Rental time will not be allowed while equipment is inoperative due to breakdowns. The rental time of equipment on the work site will be computed subject to the following:
1. When hourly rates are listed, any part of an hour less than thirty (30) minutes of operation will be considered to be half-hour (1/2 – hour) of operation, and any part of an hour in excess of 30 minutes will be considered 1 hour of operation;
 2. When daily rates are listed, any part of a day less than 4 hours operation will be considered to be 1/2 – day of operation. When owner-operated equipment is used to perform extra work to be paid for on a time and materials basis, the CONTRACTOR will be paid for the equipment and operator, as set forth in this Article.
 3. Payment for the equipment will be made in accordance with the provisions in Article 11.
- I. SURETIES: All work performed hereunder shall be subject to all of the provisions of the Contract Documents and the CONTRACTOR's sureties shall be bound with reference thereto as under the original Agreement. Copies of all amendments to Bonds or supplemental Bonds shall be submitted to the City for review prior to the performance of any work hereunder.

11.3 OVERHEAD & PROFIT (O&P) PERCENTAGE SCHEDULE. The allowance for overhead and profit must not exceed the values in the Overhead & Profit Schedule table below.

- J. For Change Orders, whether additive or deductive and work classified as Extra Work, the allowance for overhead and profit must include full compensation for superintendence, insurance premiums, bond premiums, taxes, field office expense, extended overhead, home office overhead, and any other items of expense e.g., Change Order estimating and preparation cost, claims preparation cost, schedule analysis, project management, and field engineering.
- K. Extended overhead must be any and all costs incurred either in the field or at your office resulting from Extra Work excluding direct costs related to direct hourly labor, equipment, or materials necessary to complete the Extra Work.
- L. Overhead & Profit Schedule table

O & P Schedule		
Component	Overhead	Profit
Labor	10%	10%
Material	10%	5%
Equipment	10%	5%
Subcontractor Extra Work	3.5%	1.5%

- M. Work paid under Allowance Bid items for permits, governmental fees, or direct payments specified in the Contract Documents will not be subject to any markups.
- N. When all or any part of the Extra Work is performed by a Subcontractor, the allowance specified herein will be applied to the labor, materials, and equipment costs of the Subcontractor, to which you may add 5% of the Subcontractor's total cost for the Extra Work.
- O. Regardless of the number of hierarchical tiers of Subcontractors, the 5% which is your allowance 3.5% (for overhead) and 1.5% (for profit) may be applied one time only to the performing Subcontractor's total cost.
- P. You will only be reimbursed, with 6% markup, for the warranty extensions beyond the time required by the Contract Documents if requested by the City.
- Q. The O&P Schedule shall be used for "Negotiated Sum" (described in Article 11.1.B.2) and/or "Time and Materials" (described in Article 11.1.B.3) work. Unit Price Work shall not have the overhead and profit markup applied to the work, on the basis that the Unit Price includes overhead and profit margins.
- R. CONTRACTOR shall set up separate cost codes for each extra work item and account for all labor, materials and equipment for each cost code. This includes using said cost codes for all labor expended on extra work, and coding delivery tickets and P.O.'s as well. The same cost code shall appear on the daily report to account for labor, materials and equipment devoted/used that day for each extra work item. Failure to comply with this requirement shall be a waiver of the right to collect the same.

- S. IT IS EXPRESSLY UNDERSTOOD THAT THE VALUE OF SUCH EXTRA WORK OR CHANGES, AS DETERMINED BY ANY OF THE AFOREMENTIONED METHODS, EXPRESSLY INCLUDES ANY AND ALL OF CONTRACTOR'S COSTS AND EXPENSES, BOTH DIRECT AND INDIRECT, RESULTING FROM EFFORTS TO IDENTIFY, QUOTE AND/OR NEGOTIATE THE CHANGE(S) AS WELL AS ADDITIONAL TIME REQUIRED ON THE PROJECT, OR RESULTING FROM DELAYS TO THE PROJECT, INCLUDING BUT NOT LIMITED TO ACCELERATION, CUMULATIVE AFFECT OF THE CHANGE(S), EXPEDITING THE WORK, FRAGNETS, ETC.
- T. NO RESERVATION OF RIGHTS, EXPRESS OR IMPLIED, WILL BE PERMITTED OR ALLOWED.

11.4 CONTRACTOR'S DAILY EXTRA WORK REPORT

- U. General. At the close of each working day, the CONTRACTOR shall submit a daily report to the Inspector, on forms approved by the City, together with applicable delivery tickets, listing all labor, materials, and equipment involved for that day, and for other services and expenditures when authorized concerning extra work items. An attempt shall be made to reconcile the report daily, and the Inspector and the CONTRACTOR shall sign it. The report shall clearly differentiate between extra or disputed work and contract work. In the event of disagreement, pertinent notes shall be entered by each party to explain points that cannot be resolved immediately. Each party shall retain a signed copy of the report. Reports by Subcontractors or others shall be submitted through the CONTRACTOR. The CONTRACTOR shall organize and forward copies of the CONTRACTOR's and Inspector's reports to the City upon the completion of each "Time and Material" activity.
- V. CONTRACTOR shall maintain its records in such a manner as to provide a clear distinction between the direct costs of any extra work and/or deductive work and the original contract work. This requirement pertains to the costs for wholly or partially approved Change Order Requests (COR's), Construction Change Directives (CCD's), Change Orders (CO's), Field Orders (FO's), and work CONTRACTOR considers to be potential Change Orders.

- 11.5 CONTRACTOR SHALL PROVIDE NOTICE. If the CONTRACTOR should claim that any instruction, request, drawing, specification, action, condition, omission, default, or other situation obligates the City to pay additional compensation to CONTRACTOR or to grant an extension of time, or constitutes a waiver of any provision in the Agreement, the CONTRACTOR shall provide written "Notice" to the City **within 5 days** after sustaining of such damage, or being notified of an adverse decision, and provide within **14 days** of the event the factual basis supporting the claim (unless otherwise specified). For requests for additional compensation for alleged changed conditions, such as finding rock, notice shall be made before the condition instigating the notice is disturbed. The written "Notice" shall state the summary points for which the factual bases will support the claim and cite in detail the Project Documents (including plans and specifications) upon which the claim is to be based. CONTRACTOR's failure to notify the City within such a period shall be deemed a waiver and relinquishment of such a claim. If such notice is given within the specified time, the procedure for its consideration shall be as stated above in these General Conditions. In addition, on or before the end of the month for which the claim has been filed, the CONTRACTOR shall also file with the City the

WAIVER AND RELEASE FORMS, for which the claim and the amount of the claim is identified. If the claim is not indicated on the **WAIVER AND RELEASE FORMS**, CONTRACTOR's claim shall be forfeited and invalidated and it shall not be entitled to consideration for time or payment on account of any such claim.

- 11.6 COSTS RELATING TO WEATHER/ FORCE MAJEURE. The CONTRACTOR shall have no claims against the City for damages for any injury to work, materials, or equipment, resulting from the action of the elements whether caused by weather, earthquakes, or other natural events. If, however, in the opinion of the City, the CONTRACTOR has made all reasonable efforts to protect the materials, equipment, and work, the CONTRACTOR may be granted a reasonable extension of Contract Times to make proper repairs, renewals, and replacements of the work, materials, or equipment. All costs incurred as a result of any force majeure, including abnormally or unusually severe weather, earthquakes or other natural perils shall not be compensable from the City and the risks associated therewith shall be exclusively borne by CONTRACTOR. To the extent CONTRACTOR elects to protect itself from any/all of said risks, it shall insure against the same.

ARTICLE 13 – INSPECTIONS AND TESTS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK

- 13.1 **AUTHORITY OF INSPECTOR.** Any work performed by the CONTRACTOR upon the instructions or comments by the Inspector may be confirmed by the CONTRACTOR, at the CONTRACTOR's option, in writing by the City. Any extra work performed without the written instruction of the City shall be at CONTRACTOR's sole cost and expense and there will be no delay damages incurred by City for such work.
- 13.2 **INSPECTION.** No work shall be carried on except with the knowledge of the Inspector(s). The Inspector shall have free access to any or all parts of work at any time. CONTRACTOR shall furnish Inspector reasonable opportunities for obtaining such information as may be necessary to keep Inspector fully informed respecting progress and manner of work and character of materials. Inspection of work shall not relieve CONTRACTOR from any obligation to fulfill the Project Documents. Inspector shall have authority to stop work whenever provisions of Project Documents are not being complied with and such noncompliance is discovered. CONTRACTOR shall instruct its employees accordingly.
- 13.3 **NOTICE OF DEFECTIVE WORK.** Prompt notice of defective work known to the City will be given to the CONTRACTOR. Defective work discovered or uncovered will be noticed to the CONTRACTOR as soon as practicable. All defective work, whether or not in place, may be rejected, corrected, or accepted as provided in this Article 13. Defective work may be rejected even if approved by prior inspection.
- 13.4 **ACCESS TO WORK.** The City, Engineer, their consultants, subconsultants, other representatives and personnel of the City, independent testing laboratories, and governmental agencies with jurisdictional interests shall have access to the work at reasonable times for their observation, inspecting, and testing. CONTRACTOR shall provide them proper and safe conditions for such access, including sheeting and shoring as may be necessary, and advise them of CONTRACTOR's Site safety procedures, and programs so that they may comply therewith as applicable.
- 13.5 **INSPECTIONS AND TESTS**
- A. The CONTRACTOR shall give the City not less than **2 working days** notice of readiness of the work for all required general inspections, tests, or approvals, and shall cooperate with inspection and testing personnel to facilitate required inspections or tests. Specialty inspections shall be scheduled **7 days** in advance.
 - B. The City shall employ and pay for the services of an independent testing laboratory to perform all inspections, tests, or approvals required by the Contract Documents except:
 - 1. For inspection, tests, or approvals covered by Articles 13.5.C. and 13.5.D. below;
 - 2. That costs incurred in connection with tests or inspections conducted pursuant to Article 13.5.G. shall be paid for by the CONTRACTOR.
 - C. If Laws and Regulations of any public body having jurisdiction require any work (or any part thereof) to be inspected, tested, or approved by an employee or other

representative of such public body, CONTRACTOR shall assume full responsibility for arranging and obtaining such inspections, tests or approvals; pay all costs in connection therewith; and furnish the City the required certificates of inspection or approval.

- D. The CONTRACTOR shall be responsible for arranging and obtaining and shall pay all costs in connection with any inspections, tests, or approvals required for the City's acceptance of materials or equipment to be incorporated in the work or acceptance of materials, mix designs, or equipment submitted for approval prior to the CONTRACTOR's purchase thereof for incorporation in the work. Such inspections, tests, or approvals shall be performed by organizations acceptable to the City.
- E. The City will make, or have made, such inspections and tests as the City deems necessary to see that the work is being accomplished in accordance with the requirements of the Contract Documents. Unless otherwise specified in the Supplementary General Conditions, the cost of such inspection and testing will be borne by the City. In the event such inspections or tests reveal non-compliance with the requirements of the Contract Documents, the CONTRACTOR shall bear the cost of corrective measures deemed necessary by the City, as well as the cost of subsequent reinspection and retesting. Neither observations by the Engineer nor inspections, tests, or approvals by others shall relieve the CONTRACTOR from the CONTRACTOR's obligation to perform the work in accordance with the Contract Documents.
- F. If any work that is to be inspected, tested, or approved is covered without written concurrence of the City, it must, if requested by the City, be uncovered for observation. Such uncovering shall be at the CONTRACTOR's expense.
- G. If any work is covered contrary to the written request of the City, it must, if requested by the City, be uncovered for the City's observation and recovered at the CONTRACTOR's expense.
- H. If the City considers it necessary or advisable that covered work be observed by the City or inspected or tested by others, the CONTRACTOR, at the City's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as the City may require, that portion of the work in question, furnishing all necessary labor, material, and equipment. If it is found that such work is defective work, the CONTRACTOR shall bear all direct, indirect, and consequential costs and damages of such uncovering, exposure, observation, inspection, and testing and of satisfactory reconstruction, including but not limited to, fees and charges of engineers, architects, attorneys, and other professionals. However, if such work is not found to be defective work, the CONTRACTOR will be allowed an increase in the Contract Price, directly attributable to such uncovering, exposure, observation, inspection, testing, and reconstruction; and, if the parties are unable to agree as to the amount or extent thereof, the CONTRACTOR may make a request for additional compensation therefore as provided in Articles 10, 11 and 12.
- I. All initial tests shall be performed under the direction of the City. All re-testing due to failure shall be performed under the direction of the City, and the cost of all re-testing shall be borne by the CONTRACTOR. The costs and potential loss of productivity to accommodate re-testing shall be borne by the CONTRACTOR.

- J. A City Inspector, or designee, may be required on the job site at all times work is in progress as determined by the City. Inspection will be required by the appropriate agency for the following type of work: trenching, special or sand bedding, laying pipe, any welding, backfill, compaction and pavement replacement. Special work hours required by the Contract are considered normal hours.
- 13.6 THE CITY MAY STOP THE WORK. If defective work is identified, the City may order the CONTRACTOR to stop performance of the work, or any portion thereof, until the cause for such order has been eliminated; however, this right of the City to stop the work shall not give rise to any duty on the part of the City to exercise this right for the benefit of the CONTRACTOR or any other party.
- 13.7 CORRECTION OR REMOVAL OF DEFECTIVE WORK. If required by the City, the CONTRACTOR shall promptly either correct all defective work, whether or not fabricated, installed, or completed, or, if the work has been rejected by the Engineer, remove it from the Site and replace it with non-defective work. The CONTRACTOR shall bear all direct, indirect, and consequential costs and damages of such correction or removal, including but not limited to fees and charges of engineers, architects, attorneys, and other professionals made necessary thereby.
- 13.8 ACCEPTANCE OF DEFECTIVE WORK. If, instead of requiring correction or removal and replacement of defective work, the City prefers to accept the defective work, the City may do so. The CONTRACTOR shall bear all direct, indirect, and consequential costs attributable to the City's evaluation of and determination to accept such defective work. If any such acceptance occurs prior to final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the work, and the City shall be entitled to an appropriate decrease in the Contract Price.
- 13.9 THE CITY MAY CORRECT DEFECTIVE WORK
- A. If the CONTRACTOR fails within a reasonable time after written notice from the City to correct defective work, or to remove and replace defective work as required by the City in accordance with Article 13.7, or if the CONTRACTOR fails to perform the work in accordance with the Contract Documents, or if the CONTRACTOR fails to comply with any other provision of the Contract Documents, the City may, after **7 days** written notice to the CONTRACTOR, correct and remedy any such deficiency.
- B. In exercising the rights and remedies under this paragraph, the City shall proceed with corrective and remedial action. In connection with such corrective and remedial action, the City may exclude the CONTRACTOR from all or part of the Site, take possession of all or part of the work, and suspend the CONTRACTOR's services related thereto and incorporate in the work all materials and equipment for which the City has paid the CONTRACTOR whether stored at the Site or elsewhere. The CONTRACTOR shall provide the City, City's representatives, Engineer, and Engineer's consultants access to the Site to enable the City to exercise the rights and remedies under this Article.
- C. All direct, indirect, and consequential costs and damages incurred by the City in exercising the rights and remedies under this paragraph will be charged against the CONTRACTOR and a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the work; and the City shall be

entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount of the adjustment, the City may make a claim therefore as provided in Article 11. Such claim will include, but not be limited to, all costs of repair or replacement of work of others, destroyed or damaged by correction, removal, or replacement of CONTRACTOR's defective work and all direct, indirect, and consequential damages associated therewith.

- D. The CONTRACTOR shall not be allowed an extension of Contract Times (or Milestones) because of any delay in the performance of the work attributable to the exercise by the City of the City's rights and remedies under this paragraph.

13.10 CORRECTION PERIOD

- A. The correction period for defective work shall be the longer of:
1. One year after the date of final acceptance;
 2. Such time as may be prescribed by Laws and Regulations;
 3. Such time as specified by the terms of any applicable special guarantee required by the Contract Documents; or
 4. Such time as specified by any specific provision of the Contract Documents.
- B. If, during the correction period as defined in Article 13.10A above, any work is found to be defective work, the City shall have the same remedies as set forth in Articles 13.7, 13.8, and 13.9 above.
- C. Where defective work (and damage to other work resulting therefrom) has been corrected, removed, or replaced under this paragraph, the correction period hereunder with respect to such work will be extended for an additional period of 1 year after such correction or removal and replacement has been satisfactorily completed.

ARTICLE 14 – PAYMENTS TO CONTRACTOR, RETENTION AND COMPLETION

14.1 APPLICATION FOR PROGRESS PAYMENT

- D. On the 25th of each month, the CONTRACTOR shall submit to the City for review, the Application for Payment filled out and signed by the CONTRACTOR covering the work completed as of the date of the Application for Payment and accompanied by the appropriate waiver(s) and release upon "Progress Payment" and such supporting documentation as is required by the Project Documents.
- E. The Application for Payment shall identify, as a subtotal, the estimated amount of the CONTRACTOR total earnings to date; plus the value of materials stored at the Site, pursuant to Article 14.1.K, which have not yet been incorporated in the work; and less a deductive adjustment for materials installed which were not previously incorporated in the work, but for which payment was allowed under the provisions for payment for materials stored at the Site, but not yet incorporated in the work.
- F. The net payment due the CONTRACTOR shall be the above-mentioned subtotal from which shall be deducted five percent (5%) retention and the total amount of all previous payments made to the CONTRACTOR. The City shall have the right to issue joint checks to CONTRACTOR and SUBCONTRACTOR and/or Suppliers.
- G. Work completed as estimated shall be an estimate only and no inaccuracy or error in said estimate shall operate to release CONTRACTOR or Surety from any damages arising from such work or from enforcing each and every provision of this Agreement, and the City shall have the right subsequently to correct any error made in any estimate for payment.
- H. CONTRACTOR SHALL NOT BE ENTITLED TO HAVE ANY PAYMENT ESTIMATES PROCESSED OR BE ENTITLED TO HAVE ANY PAYMENT FOR WORK PERFORMED SO LONG AS ANY LAWFUL OR PROPER DIRECTION CONCERNING WORK, OR ANY PORTION THEREOF, GIVEN BY THE CITY OR ENGINEER SHALL REMAIN UNCOMPLIED WITH BY THE CONTRACTOR.
- I. The City has discretion to require from the CONTRACTOR any of the following information with the application for payment:
 - 1. Certified payroll covering the period of the prior application for payment;
 - 2. Unconditional waivers and releases from all Subcontractors/suppliers for which payment was requested under the prior application(s) for payment;
 - 3. Receipts or bills of sale for any items.
 - 4. Signature of the Inspector, confirming that the maintenance of the Record Drawings is being kept up-to-date, and that the Record Drawings are not being used as a construction set.
- J. NO PAYMENT BY THE CITY HEREUNDER SHALL BE INTERPRETED TO IMPLY THAT THE CITY HAS INSPECTED, APPROVED, OR ACCEPTED ANY PART OF THE WORK. The final payment of 5% of the value of the work done under this Agreement, if unencumbered, shall be made within 55 days after the City records

the Notice of Completion. ACCEPTANCE WILL BE MADE ONLY BY ACTION OF THE ESCONDIDO CITY COUNCIL.

- K. Payments for Change Order items can be included into the monthly progress payments, only after the Change Order has been fully executed and approved by the CITY and the CONTRACTOR, and only to the extent that Change Order Work has been performed.
- L. The value of materials stored at the site shall be an amount based upon the value of all acceptable materials and equipment not incorporated in the work but delivered and suitably stored at the site or at another location agreed to in writing; provided, each such individual item has a value of more than \$5,000 and will become a permanent part of the work. The Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that the CONTRACTOR has received the materials and equipment free and clear of all Liens and evidence that the materials and equipment are covered by appropriate property insurance and other arrangements to protect the City's interest therein, all of which will be satisfactory to the City.
- M. Unless otherwise provided, on or before making request for final payment of the undisputed amount due under the Agreement, CONTRACTOR shall submit to the City, in writing a summary of all claims for compensation under or arising out of this Agreement which were timely submitted. The acceptance by CONTRACTOR of the payment of the final amount shall constitute a waiver of all claims against the City under or arising out of this Agreement, except those previously made, in a timely manner and in writing, and identified by CONTRACTOR as unsettled at the time of CONTRACTOR's final request for payment.
- N. Materials included in the progress payments shall be stored properly and protected as required to prevent damage, including but not limited to, rust, dents, scratches, and decay. Materials stored on-site and subject to payment, shall be gated and secured to prevent theft and/or vandalism. When the CONTRACTOR requests payment for materials not incorporated in the work, the following terms and conditions shall apply:
 - 1. For permanent materials delivered to the project site, or stored in an approved location off-site, an allowance of one-hundred percent (100%) of the material costs plus freight charges as invoiced may be made. The allowance will be base upon validated invoices or bills for such materials, including freight charges, and a copy thereof shall be made a part of the documented records for the project. All permanent materials approved for payment will have been tested by the City for compliance with the requirements of the Project Documents. Payment will only be made for permanent materials that conform to the requirements of the Project Documents.
 - 2. No allowance shall be made for fuels, form lumber, falsework, temporary structures or other materials of any kind that will not become an integral part of the finished contraction.

3. All permanent materials, for which an allowance is requested, shall be stored in an approved manner where damage is not likely to occur. If any of the stored materials are lost or become damaged in any manner, CONTRACTOR shall be responsible for repairing or replacement of such damaged materials. The value of the lost or damaged materials shall be deducted from the CONTRACTOR's subsequent progress payments until replacement has been accomplished.
4. Permanent materials, for which payment has been made, either wholly or partially, shall not be removed from the approved location until such time that it is incorporated into the work, unless approved by the City and/or the Engineer.
5. The following must accompany the written request for payment of stored materials:
 - i. Consent of the Surety specifying the material type and the bid items in which the material is to be used.
 - ii. Validating invoices showing that payment for the material has been made.
 - iii. A written statement from CONTRACTOR attesting that the invoices, as submitted do not include charges and/or fees for placing, handling, erecting or any other charges and/or markups other than the actual material cost, sales tax if applicable, and freight charges.
 - iv. Bill of lading showing delivery of the material.
 - v. Inspection test reports, and certifications if required by the Contract Documents.
 - vi. CONTRACTOR shall obtain a negotiable warehouse receipt, endorsed over to the City for materials and/or equipment stored in an off-site warehouse.
 - vii. Certificate of insurance clearly indicating that the materials or equipment is fully insured against theft, fire, vandalism, malicious mischief, as well as other coverage required under the Project Documents.
6. Nothing in these General Conditions shall be interpreted as requiring the City to pay for stored materials. The City shall decide on a case-by-case basis whether stored materials can be paid for. Some factors the City will consider are: CONTRACTOR's ability to meet the Project Schedule and milestones, the effectiveness of CONTRACTOR's quality control plan, how record drawings are being maintained and kept up, the status of the material submittals, and the on-going cleanliness of the Project and the Project Site. No payment will be made for stored materials that have not been submitted and accepted.

7. If the permanent materials are stored off-site, CONTRACTOR must pay the City's representative's transportation and lodging to see the permanent materials.
8. Full title to the materials and/or equipment shall vest with the City at the time of delivery to the site, warehouse or other storage location.

14.2 UNIT PRICE BID SCHEDULE. Progress payments on account of unit price work will be based on the number of units completed as determined by the City and/or its representative.

14.3 SCHEDULE OF VALUES (LUMP SUM PRICE BREAKDOWN)

A. CONTRACTOR shall furnish on a form approved by the City:

1. Within **10 days** of award of the contract and commensurate with the specification section entitled **CONSTRUCTION SCHEDULES**, provide a detailed preliminary estimate giving a complete breakdown of contract price for each area of the project and/or site, which shall include all Subcontractor/supplier agreements showing the dollar amounts of these agreements to justify the schedule of values, and showing separate line items for the material cost(s) and installation cost(s).
2. A periodical itemized estimate of work done for purpose of making partial payments thereon, that is until the cost loaded CPM construction schedule has been developed (if required by the Contract).
3. Within 10 days of a request by City, a schedule of estimated monthly payments which shall be due CONTRACTOR under the Agreement.

B. Values employed in making up any of these schedules are subject to the City's written approval and will be used only for determining the basis of partial payments and will not be considered as fixing a basis for additions to or deductions from contract price.

1. Unless otherwise agreed in writing, payment for CONTRACTOR's mobilization costs shall be cost loaded as follows:

Mobilization Payment Schedule	
Upon Mobilization	50% of Mobilization item may be billed for bonding, insurance and yard set-up costs
25%	10% of Mobilization item may be billed
50%	10% of Mobilization item may be billed
75%	10% of Mobilization item may be billed
100% (clean up completed)	20% remaining to pay for de mobilization

14.4 ALLOWANCES

A. The following costs shall be included in all allowances;

1. Cost of the product to CONTRACTOR or Subcontractor, less applicable trade discounts.

2. Delivery to the site.
 3. Applicable taxes.
- B. CONTRACTOR costs included in the Contract Sum include, but are not limited to;
1. Arrangement of product(s) shipping and handling at site, including unloading, uncrating, and storage.
 2. Protection of products from the elements and from damage.
 3. Labor for installation, adjustments and finishing products.
 4. Product warranties.
 5. Scheduling changes and updates.
 6. Other expenses required to complete installation.
 7. CONTRACTOR and Subcontractor(s) overhead and profit.
- C. The adjustments in costs will be made if the net cost is more or less than the specified amount of the allowance. The net cost of the adjustment shall be the amount of the difference between the specified allowance and the actual cost of the material, with the exception of a not-to-exceed fifteen percent (15%) mark-up for overhead and profit. The Contract Sum will be adjusted by Change Order.
1. Submit any claims for anticipated additional costs, or other expenses caused by the selection of the allowance, prior to execution of the work.
 2. Submit documentation for actual additional costs, or other expenses caused by the selection the allowance, prior to execution of the work.
 3. Failure to submit claims within the designated time will constitute a waiver of claims for additional costs.
- D. City may separately bid the materials, subject to the specified allowances. The successful bidder will be assigned to CONTRACTOR, and shall be considered a Subcontractor to the CONTRACTOR. Upon assignment, the CONTRACTOR shall all make the necessary submittals, prepare necessary shop drawings and coordinate all related work. CONTRACTOR shall make all necessary adjustments and revisions to the Project Schedule for such allowances and Subcontractor assignments.

14.5 WAIVER, CONDITIONAL RELEASE, RELEASE OF CLAIMS

- A. Commensurate with the statutes of Public Contract Code section 7100 et seq., provisions in public works contracts with public entities which provide that acceptance of a payment otherwise due a CONTRACTOR is a waiver of all claims against the public entity arising out of the work performed under the contract or which condition the right to payment upon submission of a release by the CONTRACTOR of all claims against the public entity arising out of performance

of the public work are against public policy and null and void. This section shall not prohibit a public entity from placing in a public works contract and enforcing a contract provision which provides that payment of undisputed contract amounts is contingent upon the CONTRACTOR furnishing the public entity with a release of all claims against the public entity arising by virtue of the public works contract related to those amounts. The CONTRACTOR from the operation of the release may specifically exclude disputed contract claims in stated amounts.

- B. Neither the City nor original CONTRACTOR by any term of their contract, or otherwise, shall waive, affect, or impair the claims and liens of other persons whether with or without notice except by their written consent, and any term of the contract to that effect shall be null and void. Any written consent given by any claimant pursuant to this subdivision shall be null, void, and unenforceable unless and until the claimant executes and delivers a waiver and release. Such a waiver and release shall be binding and effective to release the City, construction lender, and surety on a payment bond from claims and liens only if the waiver and release follows substantially one of the forms set forth in this section and is signed by the claimant or his or her authorized agent, and, in the case of a conditional release, there is evidence of payment to the claimant. Evidence of payment may be by the claimant's endorsement on a single or joint payee check that has been paid by the bank upon which it was drawn or by written acknowledgment of payment given by the claimant.
- C. No oral or written statement purporting to waive, release, impair or otherwise adversely affect a claim is enforceable or creates any estoppel or impairment of a claim unless:
 - 1. It is pursuant to a waiver and release prescribed herein, or
 - 2. The claimant had actually received payment in full for the claim.
- D. This section does not affect the enforceability of either an accord and satisfaction regarding a bona fide dispute or any agreement made in settlement of an action pending in any court provided the accord and satisfaction or agreement and settlement make specific reference to the, stop notice, or bond claims.
- E. The waiver and release given by any claimant hereunder shall be null, void, and unenforceable unless it follows substantially the following forms in the following circumstances. Each waiver in this provision shall contain the following language, in at least as large a type as the largest type otherwise on the document:

1. Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a progress payment and the claimant is not, in fact, paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release, the waiver and release shall follow substantially the form:

CONDITIONAL WAIVER AND RELEASE UPON "PROGRESS PAYMENT"

Upon receipt by the undersigned of a check from: _____
(Maker of Check)

in the sum of \$ _____ payable to: _____
(Amount of Check) (Payee or Payees of Check)

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the job of

_____ located at: _____
(CITY) (Job Description)

to the following extent. This release covers a progress payment for labor, services, equipment, or material furnished to

_____ through: _____ (Your
Customer) (Date)

only and does not cover any retention's retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of the document relies on it, said party should verify evidence of payment to the undersigned.

(Company Name) (Date)

By: _____ (Title)

Exclusions: Listing of Claims, of which Notice has been given:

1. Claim for: _____ In the amount of: \$ _____
2. Claim for: _____ In the amount of: \$ _____
3. Claim for: _____ In the amount of: \$ _____
4. Claim for: _____ In the amount of: \$ _____
5. Claim for: _____ In the amount of: \$ _____

2. Where the claimant is required to execute a waiver and release in exchange for, or in order to induce payment of, a progress payment and the claimant asserts in the waiver it has, in fact, been paid the progress payment, the waiver and release shall follow substantially the following form:

UNCONDITIONAL WAIVER AND RELEASE UPON "PROGRESS PAYMENT"

The undersigned has been paid and has received a progress payment in the sum of \$_____ for labor, services, equipment, or material furnished to

(Your Customer)

on the job of: _____ located at: _____
(CITY) (Job Description)

and does hereby release any mechanic's lien, stop notice, or bond right that the undersigned has on the above referenced job to the following extent. This release covers a progress payment for labor, services, equipment, or materials furnished to

_____ through: _____
(Your Customer) (Date)

only and does not cover any retention's retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment.

(Company Name) (Date)

By: _____ (Title)

Exclusions: Listing of Claims, of which Notice has been given:

1. Claim for: _____ In the amount of: \$ _____
2. Claim for: _____ In the amount of: \$ _____
3. Claim for: _____ In the amount of: \$ _____
4. Claim for: _____ In the amount of: \$ _____
5. Claim for: _____ In the amount of: \$ _____

"NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM."

3. Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a final payment and the claimant is not, in fact, paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release, the waiver and release shall follow substantially the form:

CONDITIONAL WAIVER AND RELEASE UPON "FINAL PAYMENT"

Upon receipt by the undersigned of a check from _____

in the sum of \$ _____ payable to: _____

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the job of

_____ located at: _____
(CITY) (Job Description)

This release covers the final payment to the undersigned for all labor, services, equipment, or material furnished on the job, except for disputed claims for additional work in the amount of \$ _____

Before any recipient of this document relies on it, the party should verify evidence of payment to the undersigned.

(Company Name)

(Date)

By: _____ (Title)

Exclusions: Listing of Claims, of which Notice has been given:

1. Claim for: _____ In the amount of: \$ _____
2. Claim for: _____ In the amount of: \$ _____
3. Claim for: _____ In the amount of: \$ _____
4. Claim for: _____ In the amount of: \$ _____
5. Claim for: _____ In the amount of: \$ _____

4. Where the claimant is required to execute a waiver and release in exchange for, or in order to induce payment of, a final payment and the claimant asserts in the waiver it has, in fact, been paid the final payment, the waiver and release shall follow substantially the form:

UNCONDITIONAL WAIVER AND RELEASE UPON "FINAL PAYMENT"

The undersigned has been paid in full for all labor, services, equipment or material

furnished to: _____
(Your Customer)

on the job of: _____ located at: _____
(CITY) (Job Description)

and does hereby waive and release any right to a mechanic's lien, stop notice, or any right against a labor and material bond on the job, except for disputed claims for extra work in the amount of

\$ _____.

(Company Name) (Date)

By: _____ (Title)

Exclusions: Listing of Claims, of which Notice has been given:

1. Claim for: _____ In the amount of: \$ _____
2. Claim for: _____ In the amount of: \$ _____
3. Claim for: _____ In the amount of: \$ _____
4. Claim for: _____ In the amount of: \$ _____
5. Claim for: _____ In the amount of: \$ _____

"NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM."

14.6 RETENTION. The City shall retain 5% percent of the estimated value of the work done as part security for the fulfillment of the CONTRACT by the CONTRACTOR.

14.7 SUBSTITUTION OF SECURITIES, ESCROW ACCOUNT

- A. Pursuant to the requirements of Public Contract Code Section 22300, upon CONTRACTOR's request, the City will make payment to CONTRACTOR of any earned retention funds withheld from payments under this Agreement if CONTRACTOR deposits with the City or in escrow with a California or federally chartered bank acceptable to the City, securities eligible for the investment pursuant to Government Code Section 16430 or bank or savings and loan certificates of deposit, upon the following conditions:
1. CONTRACTOR shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon.
 2. All expenses relating to the substitution of securities under Section 22300 and under this Article, including, but not limited to the City's overhead and administrative expenses, and expenses of the escrow agent shall be the responsibility of the CONTRACTOR.
 3. If CONTRACTOR shall choose to enter into an escrow agreement, such agreement form shall be provided by the City upon request, and which shall allow for the conversion to cash to provide funds to meet defaults by the CONTRACTOR including, but not limited to, termination of the CONTRACTOR's control over the work, stop notices filed pursuant to law, assessment of liquidated damages or amounts to be kept or retained under the provisions of the Project Documents.
 4. Securities, if any, shall be returned to CONTRACTOR only upon satisfactory completion of the Agreement.
- B. To minimize the expense caused by such substitution of securities, CONTRACTOR shall, prior to or at the time CONTRACTOR requests to substitute security, deposit sufficient security to cover the entire amount to be then withheld and to be withheld under the General Conditions of this Agreement. Should the value of such substituted security at any time fall below the amount for which it was substituted, or any other amount which the City determines to withhold, CONTRACTOR shall immediately and at CONTRACTOR's expense deposit additional security qualifying under Section 22300 until the total security deposited is no less than equivalent to the amount subject to withholding under the Agreement.
- C. In the alternative, under Section 22300, the CONTRACTOR may request City to make payment of earned retentions directly to the escrow agent at the expense of the CONTRACTOR. Also at the CONTRACTOR's expense, the CONTRACTOR may direct investment of the payments in securities, and the CONTRACTOR shall receive interest earned on such investment upon the same conditions as provided for securities deposited by CONTRACTOR. Upon satisfactory completion of the contract, CONTRACTOR shall receive from the escrow agent all securities, interest and payments received by escrow agent from the City pursuant to the terms of

Section 22300. If CONTRACTOR elects to receive interest on monies withheld in retention by the City, CONTRACTOR shall, at the request of any subcontractor, make that option available to the subcontractor regarding any monies withheld in retention by the CONTRACTOR from the subcontractor. If the CONTRACTOR elects to receive any interest on any monies withheld in retention by the City, then the subcontractor shall receive the identical rate of interest received by the Contractor on any retention monies withheld from the subcontractor by the CONTRACTOR, less any actual pro rata costs associated with administering and calculating that interest. In the event the interest rate is a fluctuating rate, the rate for the subcontractor shall be determined by calculating the interest rate paid during the time that retentions were withheld from the subcontractor. If the CONTRACTOR elects to substitute securities in lieu of retention, then, by mutual consent of the CONTRACTOR and subcontractor, the subcontractor may substitute securities in exchange for the release of monies held in retention by CONTRACTOR. This shall apply only to those subcontractors performing more than five percent (5%) of the CONTRACTOR's total bid. The CONTRACTOR shall not require any subcontractor to waive any provision of this section.

- D. If any provision of this Article shall be found to be illegal or unenforceable, then, notwithstanding, the remainder of this Article shall remain in full force and effect, and only such provision shall be deemed stricken.

14.8 CONTRACTOR'S WARRANTY OF TITLE, ASSIGNMENT OF ANTITRUST ACTIONS.

A. Public Contract Code Section 7103.5 provides:

1. In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the CONTRACTOR or Subcontractor offers and agrees to assign to the awarding body (the City) 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. Section 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, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the CONTRACTOR, without further acknowledgment by the parties.
2. CONTRACTOR, for itself and all Subcontractors, agrees to assign to the City all rights, title, and interest in and to all such causes of action CONTRACTOR and all Subcontractors may have under the Agreement. This assignment shall become effective at the time the City tenders final payment to the CONTRACTOR, and CONTRACTOR shall require assignments from all Subcontractors to comply herewith.

14.9 REVIEW OF APPLICATIONS FOR PROGRESS PAYMENT

- A. The City's designee will, within 7 days after receipt of each Application for Payment, either indicate approval by counter-signature on the application for progress payment, or return the application to the CONTRACTOR indicating in writing the City's reasons for refusing to recommend payment. In the latter case, the

CONTRACTOR may make the necessary corrections and resubmit the application. 30 days after presentation of the Application for Payment with the City's recommendation, the amount recommended will become due and when due, will be paid by the City to the CONTRACTOR.

- B. The City may withhold a sufficient amount or amounts of any payment or payments otherwise due to CONTRACTOR, as in its judgment may be necessary to cover:
1. Payments which may be past due and payable for just claims against CONTRACTOR or any Subcontractors, or against and about the performance of work on the Project.
 2. The cost of defective or incomplete or damaged work which CONTRACTOR has not remedied.
 3. Liquidated damages assessed against CONTRACTOR.
 4. Penalties for violation of labor laws.
 5. The cost of materials ordered by the City pursuant to Article 13.
 6. The cost of completion of this Agreement if there exists a reasonable doubt that this Agreement can be completed for the balance then unpaid to CONTRACTOR.
 7. Damage caused by CONTRACTOR to another contractor.
 8. Site clean-up provided by the City (or others on contract to the city) on behalf of the CONTRACTOR for failure of the CONTRACTOR to provide timely and adequate clean up as required by the Project Documents, in the opinion of the City.
 9. Payments to indemnify, defend, or hold harmless the City.
 10. Any payments due to the City including but not limited to payments for failed tests, utilities or imperfections.
 11. Extra services for the Engineer, including but not limited to, services rendered in the evaluation of CONTRACTOR substitution requests, Requests For Information (RFI's), Change Order Requests (COR's) and Claims.
 12. Extra services for the INSPECTOR including but not limited to re-inspection required due to CONTRACTOR's failed tests or installation of unapproved or defective materials and CONTRACTOR's requests for inspection and CONTRACTOR's failure to attend the inspection, and work performed after regular work hours, or during weekend and/or holidays.
 13. Stop Notices/Liens have been filed in connection with the work and the City has exercised its discretion to not accept a specific Bond intended to discharge of such Liens.

14. Claims by third party entities and/or individuals.
 15. Persistent failure to comply with directions given to perform.
 16. Costs and/or damages resulting from delay, termination and/or other causes which increase or which may increase the City's costs in administering the contract.
 17. There are other items entitling the City to a set-off against the amount recommended. City must give the CONTRACTOR written notice stating the reasons for such action and pay the CONTRACTOR in the next application for progress payment, the amount so withheld, or any adjustment thereto agreed to by the City and CONTRACTOR, when CONTRACTOR corrects to the City's satisfaction the reason for such action.
- C. If the above grounds are in the opinion of the City removed by or at the expense of CONTRACTOR, payment shall be made for amounts withheld because of them.
- D. PAYMENTS WITHHELD. The City may apply such withheld amount or amounts to payment of such claims or obligations at its discretion. In so doing, the City shall make such payments on behalf of CONTRACTOR. If any payment is so made by the City, then such amount shall be considered as a payment made under contract by the City to CONTRACTOR and the City shall not be liable to CONTRACTOR for such payments made in good faith. Such payments may be made without prior judicial determination of claim or obligations. The City will render CONTRACTOR an accounting of such funds disbursed on behalf of CONTRACTOR. To minimize/avoid claims of interference and/or that proposed payment was improper, the City shall endeavor to communicate to CONTRACTOR as to the CONTRACTOR's opinion regarding any proposed payment to a third party individual/entity, prior to City making the same. If CONTRACTOR fails to respond in writing detailing the reason(s) for making any such payment within two (2) working days, City shall have the right, but not the duty, to make any such payment without concern that CONTRACTOR will later claim such payment was improper and/or interfered with CONTRACTOR's relationship and/or prospective economic advantage. In such event, all such claims by CONTRACTOR shall be deemed waived.
- E. As an alternative to payment of such claims or obligations, the City, in its sole discretion, may reduce the total contract price as provided in the Article 13.

14.10 PARTIAL OCCUPATION /UTILIZATION

- A. The City reserves the right to occupy buildings and/or portions of the site at any time before completion, and such occupancy shall not constitute final acceptance of any part of work covered by this Agreement, nor shall such occupancy extend the date specified for completion of the work, nor shall any such occupancy affect any liquidated damages. The City shall have the right to utilize or place into service any item of equipment or other usable portion of the work prior to completion of the work. Whenever the City plans to exercise said right, the CONTRACTOR will be

notified in writing by the City, identifying the specific portion or portions of the work to be so utilized or otherwise placed into service.

- B. It shall be understood by the CONTRACTOR that until such written notification is issued, all responsibility for care and maintenance of all of the work shall be borne by the CONTRACTOR. Upon issuance of said written notice of Partial Utilization, the City will accept responsibility for the protection and maintenance of all such items or portions of the work described in the written notice.
- C. The CONTRACTOR shall retain full responsibility for satisfactory completion of the work, regardless of whether a portion thereof has been partially utilized by the City, and the CONTRACTOR's 1 year correction period shall commence only after the date of Project Completion for the entire work.

14.11 PROJECT COMPLETION

- A. The City shall accept completion of the Agreement and have the Notice of Completion recorded when the entire work including CONTRACTOR's Punch List(s) and City's final review comments shall have been completed to the satisfaction of the City. The work may only be accepted as complete by action of the Escondido City Council. Completion means final completion, and the concept of substantial completion shall not apply to this Agreement.
- B. However, the City, at its sole option, may accept completion of the Agreement and have the Notice of Completion recorded when the entire work including individual portions of the work shall have been completed to the satisfaction of the City, except for minor corrective items, as distinguished from incomplete items.
- C. A final walk through of the Project to determine completion of the Agreement and to record the Notice of Completion shall occur only upon a valid claim by CONTRACTOR that the Project is complete except for minor corrective items. Any erroneous claims of completion by CONTRACTOR resulting in a premature walk through shall be at CONTRACTOR's sole cost and expense and the City shall make adjustments to the Contract Price by reducing the amount thereof to pay for any costs incurred by the City due to the erroneous claims by the CONTRACTOR that the Project is complete. Minor corrective items shall be identified in the final walk through of the Project.
- D. If the CONTRACTOR fails to complete the minor corrective items prior to the expiration of the 35 day period immediately following recording of the Notice of Completion, the City shall withhold from the final payment an amount equal to twice the estimated cost, as determined by the City, of each item until such time as the item is completed. At the end of such 35 day period, if there are items remaining to be corrected, the City may elect to proceed as provided in the Article 13.

14.12 FINAL APPLICATION FOR PAYMENT. After the CONTRACTOR has completed all of the work, the punch-list, and delivered all maintenance and operating instructions, schedules, guarantees, Bonds, certificates of inspection, marked-up as-built record documents and other documents, all as required by the Project Documents, and after the Engineer and the City have indicated that the work is acceptable, the CONTRACTOR may make application for final payment following the procedure for

progress payments. The final Application for Payment shall be accompanied by all documentation called for in the Contract Documents, together with complete and legally effective unconditional waiver releases (Reference Article 14.5) by CONTRACTOR and all SUBCONTRACTORS/suppliers that filed preliminary notices of all previous progress payments, conditional waiver and release upon "final payment", and waivers or releases of all Liens arising out of or filed in connection with the work.

14.13 FINAL PAYMENT AND ACCEPTANCE

- A. If, on the basis of the City's observation of the work during construction and final inspection, and the City's review of the final Application for Payment and accompanying documentation, all as required by the Contract Documents, the City is satisfied that the work has been completed and the CONTRACTOR's other obligations under the Contract Documents have been fulfilled, the City designee will recommend payment of the final application for progress payment.
- B. After acceptance of the work by the Escondido City Council, the City will make final disposition to the CONTRACTOR of the amount remaining after deducting all prior payments and all amounts to be kept or retained under the provisions of the Contract Documents, including the following items:
 - 1. Liquidated damages, as applicable; and
 - 2. Amounts withheld by the City under Article 14.9.B. which have not been released.
- C. As a condition of final payment, the CONTRACTOR shall be required to execute a release releasing the City from any and all claims of liability for payment on the Project except for such amounts as may be specifically described and excluded from the release.

14.14 RELEASE OF RETENTION AND OTHER DEDUCTIONS. After recording the Notice of Completion with the San Diego County Recorder's Office to initiate the Lien period, and not more than **55 calendar days** thereafter, the City will release to the CONTRACTOR the retention funds withheld pursuant to the Agreement, less any deductions to cover pending claims against the City.

ARTICLE 16 – CONSTRUCTION CLAIMS, WAIVER AND RELEASE FORMS, DISPUTES,
FALSE CLAIMS ACT.

16.1 CONTRACTOR CLAIMS

- A. NOTICE. If the CONTRACTOR shall claim compensation for any damage sustained by reason of the acts of the City or its agents, or if the CONTRACTOR disagrees with the City's or Engineer's/Architect's decisions regarding a CONTRACTOR's Change Order Request (COR), the CONTRACTOR shall provide written "Notice" to the City **within 5 days** after sustaining of such damage, or being notified of an adverse decision, and provide within **14 days** of the event the factual basis supporting the claim (unless otherwise specified). The written "Notice" shall state the summary points for which the factual bases will support the claim and cite in detail the Project Documents (including plans and specifications) upon which the claim is to be based. CONTRACTOR's failure to notify the City within such a period shall be deemed a waiver and relinquishment of such a claim. If such notice is given within the specified time, the procedure for its consideration shall be as stated above in these General Conditions.
- B. WAIVER AND RELEASE FORMS. In addition, on or before the end of the month for which the claim has been filed, the CONTRACTOR shall also file with the City the **WAIVER AND RELEASE FORMS**, for which the claim and the amount of the claim is identified. If the claim is not indicated on the **WAIVER AND RELEASE FORMS**, CONTRACTOR's claim shall be forfeited and invalidated and it shall not be entitled to consideration for time or payment on account of any such claim.
- C. REQUIRED DOCUMENTATION FOR CLAIMS FOR TIME: Fragnet – Sometimes known as a "Sub-network". A Fragnet will be required for time impact analysis and time extensions. CONTRACTOR's failure to provide a "Notice of Delay" within **24 hours**, and submit a Fragnet for time impact analysis and time extension(s) on or within **14 days** of the delaying event, shall forfeit and invalidate all considerations for time and/or payment. The costs to prepare Fragnets and schedule updates resulting from approved Fragnets are part of the work, regardless of number and difficulty. The City will provide a response to the Fragnet on or within **14 days** from the completed submission.
- D. Except for tort claims, all claims by the CONTRACTOR for a time extension, payment of money or damages arising from work done by, or on behalf of, the CONTRACTOR pursuant to the Agreement and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled to, or as to the amount of payment which is disputed by the City of \$375,000 or less, is subject to the settlement and arbitration provisions procedures set forth in Public Contract Code Section 20104, et seq. The text of those provisions are provided in full in Article 17, which is attached and incorporated herein by reference (**Attachment F**).
- E. All of the following claims by the CONTRACTOR are subject to the claim resolution procedures set forth in Public Contract Code Section 9204. The text of that section is provided in full in Article 17.
1. A time extension;

2. Payment of money or damages arising from work done by, or on behalf of, the CONTRACTOR pursuant to the Agreement and payment of which is not otherwise expressly provided for, or CONTRACTOR is not otherwise entitled to; and
 3. Payment of an amount that is disputed by the City.
- F. Any claim must be a separate demand sent by registered mail or certified mail with return receipt requested. The CONTRACTOR shall furnish reasonable documentation to support the claim, which shall include all of the materials described in Section 16.1.
- G. The City shall conduct a reasonable review of the claim within **45 days** and shall provide the CONTRACTOR a written statement identifying what portion of the claim is disputed and what portion is undisputed. The City and the CONTRACTOR may, by mutual agreement, extend the time period for response. Any payment due on an undisputed portion of the claim shall be processed and made within **60 days** after the City issues its written statement.
- H. If a subcontractor or a lower tier subcontractor lacks legal standing to assert a claim because of privity of contract does not exist, the CONTRACTOR may present a claim to the City on behalf of a subcontractor or lower tier subcontractor. A subcontractor may request in writing that the CONTRACTOR present a claim for work which was performed by the subcontractor or by a lower tier subcontractor on behalf of the subcontractor. The subcontractor requesting that the claim be presented to the City shall furnish reasonable documentation to support the claim, which shall include all of the materials described in Section 16.1. Within **45 days** of receipt of this written request, the CONTRACTOR shall notify the subcontractor in writing as to whether the CONTRACTOR presented the claim to the City. If the CONTRACTOR did not present the claim, the CONTRACTOR must provide the subcontractor with a statement of the reasons for not presenting the claim to the City.

16.2 DISPUTES –THE CITY'S AND ENGINEER'S DECISIONS

- A. If the CONTRACTOR disputes the City's written response to the claim, or if the City does not respond to the claim within the time prescribed, the CONTRACTOR may demand in writing an informal conference to meet and confer for settlement of the issues in dispute. The CONTRACTOR must send the demand by registered mail or certified mail, return receipt requested. Upon receipt, the City shall schedule a meet and confer conference within **30 days** for settlement of the dispute.
- B. If any portion of the claim remains in dispute after the meet and confer conference, the City shall provide the CONTRACTOR a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed within **10 business days** following the conclusion of the conference. Any payment due on an undisputed portion of the claim shall be processed and made within **60 days** after the City issues its written statement. Any disputed portion of the claim, as identified by the CONTRACTOR in writing, shall be submitted to nonbinding mediation. The City shall conduct a reasonable review of the claim within **45 days** and shall provide the CONTRACTOR a written statement identifying what portion of the claim is disputed and what portion is undisputed. The City and the CONTRACTOR may, by mutual agreement, extend the time period for response. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the City issues its written statement.

- C. The City and CONTRACTOR shall mutually agree to a mediator within **10 business days** after the disputed portion of the claim has been identified in writing. The City and the CONTRACTOR shall share the associated costs of mediation equally. If the parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the claim remaining in dispute shall be subject to applicable procedures outside Section 9204. The mediation conducted shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.
- D. Failure by the City to respond to a claim from the CONTRACTOR within the time periods described above or to otherwise meet the time requirements described above shall result in the claim being deemed rejected in its entirety.
- E. Amounts not paid in a timely manner as outlined above will bear interest at 7% per year.

16.3 FALSE CLAIMS ACT CERTIFICATION. All claims submitted by the CONTRACTOR shall be accompanied by a notarized certificate containing the following language:

Under penalty perjury and with specific reference to the California False Claims Act, Government Code Section 12650 et. seq., the undersigned,

(name)

_____ of

(title)

(company)

hereby certifies that the claim for the additional compensation and time, if any, made herein for the work on this Contract is a true statement of the actual costs incurred or estimated future costs, and time sought, and is fully documented and supported under the Agreement.

Dated _____

/s/ _____

Subscribed and sworn before me this _____ day

of _____

Notary Public

My Commission Expires _____

Failure to submit the notarized certificate will be sufficient cause for denying the claim.

ARTICLE 17 – MISCELLANEOUS

17.1 GIVING NOTICE

- A. Any notice from one party to the other or otherwise under the Agreement shall be in writing and shall be dated and signed by party giving such notice or by a duly authorized representative of such party. Any such notice shall not be effective for any purpose whatsoever unless served in one of the following manners, and copied to the City:
1. If notice is given to the City, by personal delivery thereof to the City or by deposit in the United States mail, enclosed in a sealed envelope addressed to the City, and sent by registered or certified mail with postage prepaid;
 2. If notice is given to CONTRACTOR, by personal delivery thereof to said CONTRACTOR or to CONTRACTOR's superintendent at the site of the project, or by deposit in the United States mail, enclosed in a sealed envelope addressed to said CONTRACTOR at its regular place of business or at such address as may have been established for the conduct of work under this agreement, and sent by registered or certified mail with postage prepaid;
 3. If notice is given to the surety or other persons, by personal delivery to such surety or other person or by deposit in the United States mail, enclosed in a sealed envelope, addressed to such surety or person at the address of such surety or person last communicated by the surety or other person to the party giving notice, and sent by registered or certified mail with postage prepaid.

17.2 TITLE TO MATERIALS FOUND ON THE WORK. The City reserves the right to retain title to all soils, stone, sand, gravel, and other materials developed and obtained from excavations and other operations connected with the work. Unless otherwise specified in the Contract Documents, neither the CONTRACTOR nor any Subcontractor shall have any right, title, or interest in or to any such materials. The CONTRACTOR will be permitted to use in the work, without charge, any such materials which meet the requirements of the Contract Documents.

17.3 RIGHT TO AUDIT. If the CONTRACTOR submits a claim to the City for additional compensation, the City shall have the right, as a condition to considering the claim, and as a basis for evaluation of the claim, and until the claim has been settled, to audit the CONTRACTOR's documents and books to the extent they are relevant. This right shall include the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to discover and verify all direct and indirect costs of whatever nature claimed to have been incurred or anticipated to be incurred and for which the claim has been submitted. The right to audit shall include the right to inspect the CONTRACTOR's plant, or such parts thereof, as may be or have been engaged in the performance of the work. The CONTRACTOR further agrees that the right to audit encompasses all subcontracts and is binding upon Subcontractors. The rights to examine and inspect herein provided for shall be exercisable through such representatives as the City deems desirable during the CONTRACTOR's normal business hours at the office of

the CONTRACTOR. The CONTRACTOR shall make available to the City for auditing, all relevant accounting records and documents, and other financial data, and upon request, shall submit true copies of requested records to the City.

- 17.4 SURVIVAL OF OBLIGATIONS. All representations, indemnifications, warranties, and guaranties made in, required by or given in accordance with the Contract Documents, as well as all continuing obligations indicated in the Contract Documents, will survive final payment, completion and acceptance of the work or termination or completion of the Agreement.
- 17.5 CONTROLLING LAW. This agreement is to be governed by the law of the state of California, in which the Project is located, with venue in North San Diego County.
- 17.6 SEVERABILITY. If any term or provision of this agreement is declared invalid or unenforceable by any court of lawful jurisdiction, the remaining terms and provisions of the Agreement shall not be affected thereby and shall remain in full force and effect.
- 17.7 WAIVER. The waiver by the City of any breach or violation of any term, covenant or condition of this agreement or of any agreement provision, ordinance, or law shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, or law or of any subsequent breach or violation of the same or of any other term, covenant, condition, ordinance, or law. The subsequent payment of any monies or fee by the City which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by CONTRACTOR or any term, covenant, condition of this Agreement or of any applicable law or ordinance.
- 17.8 PROHIBITED INTERESTS. No official of the City who is authorized in such capacity and on behalf of the City to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting or approving any architectural, engineering, inspection, construction or material supply contract or any subcontract in connection with construction of the Project, shall become directly or indirectly interested financially in this project or in any part thereof. No officer, employee, engineer, attorney, architect or inspector of or for City who is authorized in such capacity and on behalf of the City to exercise any executive, supervisory or other similar functions in connection with construction of project shall become directly or indirectly interested financially in this Project or in any part thereof. CONTRACTOR shall receive no compensation and shall repay the City for any compensation received by or from CONTRACTOR hereunder, should CONTRACTOR aid, abet or knowingly participate in violation of this Article.
- 17.9 California Public Contract Code § 9204. Legislative findings and declarations regarding timely and complete payment of contractors for public works projects; claims process.
- (a) The Legislature finds and declares that it is in the best interests of the state and its citizens to ensure that all construction business performed on a public works project in the state that is complete and not in dispute is paid in full and in a timely manner.
 - (b) Notwithstanding any other law, including, but not limited to, Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2, Chapter 10 (commencing with Section 19100) of Part 2, and Article 1.5 (commencing with Section 20104) of Chapter 1 of Part 3, this section shall apply to any claim by a contractor in

connection with a public works project.

(c) For purposes of this section:

- (1) "Claim" means a separate demand by a contractor sent by registered mail or certified mail with return receipt requested, for one or more of the following:
 - A. A time extension, including, without limitation, for relief from damages or penalties for delay assessed by a public entity under a contract for a public works project.
 - B. Payment by the public entity of money or damages arising from work done by, or on behalf of, the contractor pursuant to the contract for a public works project and payment for which is not otherwise expressly provided or to which the claimant is not otherwise entitled.
 - C. Payment of an amount that is disputed by the public entity.
- (2) "Contractor" means any type of contractor within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who has entered into a direct contract with a public entity for a public works project.
- (3) A. "Public entity" means, without limitation, except as provided in subparagraph B., a state agency, department, office, division, bureau, board, or commission, the California State University, the University of California, a city, including a charter city, county, including a charter county, city and county, including a charter city and county, district, special district, public authority, political subdivision, public corporation, or nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.
 - B. "Public entity" shall not include the following:
 - (i) The Department of Water Resources as to any project under the jurisdiction of that department.
 - (ii) The Department of Transportation as to any project under the jurisdiction of that department.
 - (iii) The Department of Parks and Recreation as to any project under the jurisdiction of that department.
 - (iv) The Department of Corrections and Rehabilitation with respect to any project under its jurisdiction pursuant to Chapter 11 (commencing with Section 7000) of Title 7 of Part 3 of the Penal Code.
 - (v) The Military Department as to any project under the jurisdiction of that department.
 - (vi) The Department of General Services as to all other projects.
 - (vii) The High-Speed Rail Authority.
- (4) "Public works project" means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.
- (5) "Subcontractor" means any type of contractor within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who either is in direct contract with a contractor or is a lower tier subcontractor.

(d) (1) (A) Upon receipt of a claim pursuant to this section, the public entity to which the claim applies shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the claimant a

written statement identifying what portion of the claim is disputed and what portion is undisputed. Upon receipt of a claim, a public entity and a contractor may, by mutual agreement, extend the time period provided in this subdivision.

- (B) The claimant shall furnish reasonable documentation to support the claim.
 - (C) If the public entity needs approval from its governing body to provide the claimant a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, the public entity shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the claimant a written statement identifying the disputed portion and the undisputed portion.
 - (D) Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the public entity issues its written statement. If the public entity fails to issue a written statement, paragraph (3) shall apply.
- (2)
- (A) If the claimant disputes the public entity's written response, or if the public entity fails to respond to a claim issued pursuant to this section within the time prescribed, the claimant may demand in writing an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand in writing sent by registered mail or certified mail, return receipt requested, the public entity shall schedule a meet and confer conference within 30 days for settlement of the dispute.
 - (B) Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, the public entity shall provide the claimant a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the public entity issues its written statement. Any disputed portion of the claim, as identified by the contractor in writing, shall be submitted to nonbinding mediation, with the public entity and the claimant sharing the associated costs equally. The public entity and claimant shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing. If the parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the claim remaining in dispute shall be subject to applicable procedures outside this section.
 - (C) For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an

- evaluation. Any mediation utilized shall conform to the timeframes in this section.
- (D) Unless otherwise agreed to by the public entity and the contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.
 - (E) This section does not preclude a public entity from requiring arbitration of disputes under private arbitration or the Public Works Contract Arbitration Program, if mediation under this section does not resolve the parties' dispute.
- (3) Failure by the public entity to respond to a claim from a contractor within the time periods described in this subdivision or to otherwise meet the time requirements of this section shall result in the claim being deemed rejected in its entirety. A claim that is denied by reason of the public entity's failure to have responded to a claim, or its failure to otherwise meet the time requirements of this section, shall not constitute an adverse finding with regard to the merits of the claim or the responsibility or qualifications of the claimant.
 - (4) Amounts not paid in a timely manner as required by this section shall bear interest at 7 percent per annum.
 - (5) If a subcontractor or a lower tier subcontractor lacks legal standing to assert a claim against a public entity because privity of contract does not exist, the contractor may present to the public entity a claim on behalf of a subcontractor or lower tier subcontractor. A subcontractor may request in writing, either on his or her own behalf or on behalf of a lower tier subcontractor, that the contractor present a claim for work which was performed by the subcontractor or by a lower tier subcontractor on behalf of the subcontractor. The subcontractor requesting that the claim be presented to the public entity shall furnish reasonable documentation to support the claim. Within 45 days of receipt of this written request, the contractor shall notify the subcontractor in writing as to whether the contractor presented the claim to the public entity and, if the original contractor did not present the claim, provide the subcontractor with a statement of the reasons for not having done so.
- (e) The text of this section or a summary of it shall be set forth in the plans or specifications for any public works project that may give rise to a claim under this section.
 - (f) A waiver of the rights granted by this section is void and contrary to public policy, provided, however, that (1) upon receipt of a claim, the parties may mutually agree to waive, in writing, mediation and proceed directly to the commencement of a civil action or binding arbitration, as applicable; and (2) a public entity may prescribe reasonable change order, claim, and dispute resolution procedures and requirements in addition to the provisions of this section, so long as the contractual provisions do not conflict with or otherwise impair the timeframes and procedures set forth in this section.
 - (g) This section applies to contracts entered into on or after January 1, 2017.
 - (h) Nothing in this section shall impose liability upon a public entity that makes loans or grants available through a competitive application process, for the failure of an awardee to meet its contractual obligations.
 - (i) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

- 17.10 California Public Contract Code § 20104. Application of article; provisions included in plans and specifications.
- (a) (1) This article applies to all public works claims of three hundred seventy-five thousand dollars (\$375,000) or less which arise between a contractor and a local agency.
 - (2) This article shall not apply to any claims resulting from a contract between a contractor and a public agency when the public agency has elected to resolve any disputes pursuant to Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2.
 - (b) (1) "Public work" means "public works contract" as defined in Section 1101 but does not include any work or improvement contracted for by the state or the Regents of the University of California.
 - (2) "Claim" means a separate demand by the contractor for (A) a time extension, (B) payment of money or damages arising from work done by, or on behalf of, the contractor pursuant to the contract for a public work and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled to, or (C) an amount the payment of which is disputed by the local agency.
 - (c) The provisions of this article or a summary thereof shall be set forth in the plans or specifications for any work which may give rise to a claim under this article.
 - (d) This article applies only to contracts entered into on or after January 1, 1991.
- 17.11 California Public Contract Code § 20104.2. Claims; requirements; tort claims excluded.

For any claim subject to this article, the following requirements apply:

- (a) The claim shall be in writing and include the documents necessary to substantiate the claim. Claims must be filed on or before the date of final payment. Nothing in this subdivision is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims.
- (b) (1) For claims of less than fifty thousand dollars (\$50,000), the local agency shall respond in writing to any written claim within 45 days of receipt of the claim, or may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the local agency may have against the claimant.
- (2) If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the local agency and the claimant.
- (3) The local agency's written response to the claim, as further documented, shall be submitted to the claimant within 15 days after receipt of the further documentation or within a period of time no greater than that taken by the claimant in producing the additional information, whichever is greater.
- (c) (1) For claims of over fifty thousand dollars (\$50,000) and less than or equal to three hundred seventy-five thousand dollars (\$375,000), the local agency shall respond in writing to all written claims within 60 days of receipt of the claim, or may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the local agency may have against the claimant.
- (2) If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the local agency and the claimant.

- (3) The local agency's written response to the claim, as further documented, shall be submitted to the claimant within 30 days after receipt of the further documentation, or within a period of time no greater than that taken by the claimant in producing the additional information or requested documentation, whichever is greater.
- (d) If the claimant disputes the local agency's written response, or the local agency fails to respond within the time prescribed, the claimant may so notify the local agency, in writing, either within 15 days of receipt of the local agency's response or within 15 days of the local agency's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon a demand, the local agency shall schedule a meet and confer conference within 30 days for settlement of the dispute.
- (e) Following the meet and confer conference, if the claim or any portion remains in dispute, the claimant may file a claim as provided in Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the claimant submits his or her written claim pursuant to subdivision (a) until the time that claim is denied as a result of the meet and confer process, including any period of time utilized by the meet and confer process.
- (f) This article does not apply to tort claims and nothing in this article is intended nor shall be construed to change the time periods for filing tort claims or actions specified by Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code.

17.12 California Public Contract Code § 20104.4. Civil action procedures; mediation and arbitration; trial de novo; witnesses.

The following procedures are established for all civil actions filed to resolve claims subject to this article:

- (a) Within 60 days, but no earlier than 30 days, following the filing or responsive pleadings, the court shall submit the matter to nonbinding mediation unless waived by mutual stipulation of both parties. The mediation process shall provide for the selection within 15 days by both parties of a disinterested third person as mediator, shall be commenced within 30 days of the submittal, and shall be concluded within 15 days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court or by stipulation of both parties. If the parties fail to select a mediator within the 15-day period, any party may petition the court to appoint the mediator.
- (b)
 - (1) If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act (Title 4 (commencing with Section 2016.010) of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.
 - (2) Notwithstanding any other provision of law, upon stipulation of the parties, arbitrators appointed for purposes of this article shall be experienced in construction law, and, upon stipulation of the parties, mediators and arbitrators shall be paid necessary and reasonable hourly rates of pay not to

exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by state or county funds.

- (3) In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party who after receiving an arbitration award requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, pay the attorney's fees of the other party arising out of the trial de novo.
- (c) The court may, upon request by any party, order any witnesses to participate in the mediation or arbitration process.

17.13 California Public Contract Code § 20104.6. Payment on undisputed portion of claim; interest on arbitration awards or judgments.

- (a) No local agency shall fail to pay money as to any portion of a claim which is undisputed except as otherwise provided in the contract.
- (b) In any suit filed under Section 20104.4, the local agency shall pay interest at the legal rate on any arbitration award or judgment. The interest shall begin to accrue on the date the suit is filed in a court of law.

SECTION 07572 - POLYURETHANE ELASTOMERIC COATING SYSTEM FOR ROLLER APPLICATION ON CONCRETE DECKS

PART 1 — GENERAL

1.1 SUMMARY

- A. This section describes the requirements for installing a liquid applied waterproof, wear surface for deck surfaces over occupied space. Its intended use is suitable for residential and commercial foot traffic, patio furniture and similar equipment. This specification is not intended for use over on grade concrete.

1.2 SCOPE OF WORK

1. Demo perimeter interior stucco walls to install new 22ga metal flashing (weep screed) to be a minimum of 8" in height from the deck.
2. Repair stucco above the newly install metal flashing.
3. Prep new vertical flashing height to bond with new waterproofing system.
4. Once dirt and debris is removed, shot blast or etch concrete to CSP 2 profile.
5. Repair any cracks, splits, or low areas (1/4" Deviation) in the concrete using leveling emulsion. Caulk expansion joints with Tuff Stuff polyurethane caulking.
6. All 90 degree vertical to horizontal transitions to be caulked with polyurethane prior to the installation of the Dura-Walk system.
7. Apply 2 part Dura-Walk Primer at rate of 0.5 gallons per 100 sq ft. Use only as much as possible in two hour period and allow to dry.
8. Apply thin layer of over Dura-Walk base coat over cracks.
9. Place 4" joint tape over all joints.
10. Apply Dura-Walk base coat at rate of 2.0 gallons per 100 sq. ft. over entire area. Allow 16 hours minimum to cure.
11. Apply Dura-Walk wear coat at rate of 1.5 gallons per 100 sq. ft. over entire area. Allow at least 16 hours to dry, but no more than 72 hours. While wear coat is still wet apply aggregate at rate of 8 pounds per square of #30 mesh crystalline silica. Remove excess aggregate, spade to remove/knock down imperfections and vacuum/air blow excess aggregate.
12. Apply Dura-Walk topcoat over entire area at rate of 1.0 gallon per 100 sq ft. Allow 24 hours before life foot traffic and 48 for heavy use. (TOP COAT MUST BE APPLIED WHILE CONCRETE DECK TEMPERATURE IS FALLING, NOT RISING).
13. Contractor to provide 2-year workmanship warranty.

1.3 SUBMITTALS

- A. Product Data: Submit manufacturer's standard submittal package including specification, installation instructions, and general information for each waterproofing material.
- B. Applicator Qualifications: Submit current "Qualified Applicator" certificate from the specified waterproofing manufacturer.

1.4 QUALIFICATIONS

- A. Primary waterproofing materials shall be products of a single manufacturer. Secondary materials shall be recommended by the primary manufacturer. Manufacturer shall have a minimum of 10 years experience in the manufacture of materials of this type.
- B. Applicators shall have a minimum of 5 years experience in the application of waterproofing materials of the type specified. Applicator shall possess a current "Qualified Applicator" certificate from the specified waterproofing manufacturer.
- C. Pre-Bid Conference: Ten working days prior to bid opening there is to be a mandatory Pre-Bid Conference. Anyone not attending the Pre-Bid Conference will not be allowed to bid the project. All products considered an equal to the specified product or any changes in the scope of work installation or specifications must be presented at the Pre-Bid Conference. If a change in the specifications is accepted, it will be considered as an alternate and will be presented as a bid amendment issued 5 working days prior to the bid opening. No other changes to specification or bid documents will be accepted.
- D. Pre-Installation Conference: Just prior to commencement of the fluid application waterproofing system, meet at the site with a representative of the coating manufacturer, the waterproofing contractor, the general contractor, the architect and other parties affected by this section. Review methods and procedures, substrate conditions, scheduling and safety.

1.5 DELIVERY, STORAGE AND HANDLING

- A. Store all coating materials in the original unopened containers at 50°F to 80°F (10°C to 27°C) until ready for use.
- B. Follow the special handling or storage requirements of the manufacturer for cold weather, hot weather, etc.
- C. Safety: Refer to all applicable data, including, but not limited to MSDS sheets, PDS sheets, Product labels, and specific instructions for specific personal protection requirements.

When working with Part B, avoid contact with skin and eyes. If contact occurs, wash skin with water or alcohol; flush eyes immediately with large quantities of water and get medical attention. Do not smoke during mixing, application, or in the immediate area if thinners are used until all vapors have disappeared.

- D. Ventilation: Provide adequate ventilation to prevent the accumulation of hazardous fumes during application.
- E. Environmental requirements: Proceed with work of this section only when existing and forecasted weather conditions will permit the application to be performed in accordance with the manufacturer's recommendations.

1.6 WARRANTY

- A. The contractor shall guarantee that all work performed will be free from defects in materials and workmanship. Upon notice of defect in writing to the contractor within two years after completion of work, the contractor shall, at his own expense, make necessary repairs or replacements of the defective work in question.
- B. 10 year material warranty is available for commercial projects only. Contractor must be eligible for, and make application to, The Garland Company, prior to the start of work under this section.

PART 2 — PRODUCTS

2.1 MANUFACTURERS

- A. The design is based upon roofing systems engineered and manufactured by The Garland Company or approved equals:

The Garland Company
3800 East 91st Street
Cleveland, Ohio 44105
Website: www.garlandco.com
Nick Burke: 760-815-9333
nburke@garlandind.com

2.2 MATERIALS

- A. Primer: Dura-Walk Primer, two-component epoxy concrete primer.

Alternative Sealer/Primer used for faster cure times: Dura-Walk FC Primer, two-component 100% solids Zero VOC epoxy concrete sealer/primer.
- B. Polyurethane Base Coating: Dura-Walk Base Coat, one-component polyurethane coating.
- C. Polyurethane Wear Coating: Dura-Walk Wear Coat, one-component polyurethane coating used to embed the non-slip aggregate.
- D. Polyurethane Top Coating: Dura-Walk Top Coat, one-component polyurethane coating.

Note: Comes in eight different colors.
- E. Flashing and Joint Reinforcing Fabric: Dura-Walk Polyester Tape. Neoprene sheet flashing and related materials as required for flashing drains, base angles, etc.
- F. Granule: Aggregate, a hard non-crushable, non-extractable organic granule with a specific gravity of 1.3 Size 18 on 40 unless otherwise specified.

- G.** Joint and Crack Sealant: Tuff-Stuff, single-component polyurethane joint sealant.

Note: Allow additional material for rough or irregular surfaces add 2% - 3% for material loss during application.

PART 3 — EXECUTION

3.1 EXAMINATION

- A.** Verify that substrate is ready to receive work; surface is clean, dry and free of substances that could affect bond. Refer to Garland's Application Guide for complete information on the preparation of the substrate
- B.** Do not begin work until concrete substrate has cured 28 days, minimum.
- C.** Verify that the concrete meets the requirements of the coating manufacturer.
- D.** Verify that all other work involved with this area, done under other sections, has been completed and accepted by the architect and general contractor prior to starting the waterproofing application.

3.2 PREPARATION

- A.** Clean substrate to remove any and all surface contaminants. Concrete surfaces must be thoroughly clean, dry and free from any surface contaminants or cleaning residue. Acceptable methods of cleaning are sandblasting, shot blasting or mechanical grinding followed by the complete removal of any residue.
- B.** Mask off all adjoining areas that are not to receive the fluid applied waterproofing.
- C.** Provide a suitable workstation to mix the coating materials.
- D.** The concrete surfaces shall be of sound structural grade (3000 psi compressive strength recommended), of adequate design and thickness, and shall have a steel troweled followed by a fine broom finish, free of fins, ridges, voids or air entrained holes.
- E.** Concrete: Special attention should be given to smoothness of surface and freedom from contaminants including paint or previous coatings. Consult your Garland representative for alternate procedures for coating over existing paint. Such procedures are highly dependent on specific job conditions. Curing compounds if used shall be removed by sandblasting or etching. In the event specifications are not met, the following corrective procedures are recommended.
 - 1.** Surface Contaminants: Wipe up grease or oil with a solvent and absorbent sweeping material. Disposal of this material should be in accordance with local laws and codes. Wash with solvent-alkaline cleaners diluted one part cleaner and five parts water. Rinse thoroughly with clean water. If evidence of oil film

remains as indicated by water "beading," etch surface with 10% solution muriatic acid. Agitate etch with stiff bristle broom; then rinse with clean water.

Remove curing compounds by etching with 10% muriatic acid and sweeping, followed by clean water rinse. Allow to thoroughly dry before applying coating. Grinding or sandblasting can remove heavy deposits of contaminants.

Any residual traces of asphalt stains must be sealed with Dura-Walk Primer to avoid staining of light colored top coats. Apply primer in two coats and allow a minimum of 48 hours cure time.

2. Fins and Projections: Grind smooth.
3. Leveling Grout, Epoxy Sand: Use either a. or b.
 - a. Leveling Grout: Use 100% solids low viscosity epoxy mix with three to four volumes of fine, dry sand (70 mesh (.21) or finer). This epoxy is usually available from masonry supply firms as a patching compound. Three volumes sand provides a semi-fluid mix, and four volumes sand is a stiffer mix. Calculate volume of fill needed on the basis of sand only.
 - b. Epoxy Sand: Prime areas to be filled with Dura-Walk Primer and allow drying free of water. Usually ½ hour at 70°F (21°C) to two hours at 45°F (7°C) is adequate drying time. After primer is dry, mix Dura-Walk Primer and sand - one part A, one part B and two to three parts sand. (Two parts sand is semi-fluid and three parts sand is stiffer.) Use fine, dry sand 70 mesh (.21 mm) or finer. Do not thin with water.

Apply grout to level line by flat trowel and allow curing 48 hours before applying coating system.

3.3 INSTALLATION

- A. Technical Advice: The installation of this waterproofing membrane shall be accomplished in the presence of, or with the advice of the manufacturer's technical representative.
- B. Concrete Primer: Apply one coat of Dura-Walk Primer by roller at the rate of 1/2 gallon per 100 square feet. Allow 4 hours drying time. Drying times vary depending on weather conditions such as temperature, humidity and air movement.

Alternative Concrete Sealer/Primer: Apply one coat of Dura-Walk FC Primer to all surfaces to receive the fluid applied waterproofing, except areas previously caulked, flashed or fabric reinforced. Apply at a rate of 1/2 gallon per 100 sq. ft. and allow curing at least 2 hours, but no more than 3 days before applying the basecoat.

- C. Metal Primer: Prime all Metal surfaces using Dura-Walk Primer

- D.** Taping: Apply Dura-Walk Base Coat by brush or roller in a five to six inch wide stripe coat centered over all joints, cracks and changes of plane to be taped. While this coat is still tacky, unroll the Dura-Walk Polyester Tape into the coating and apply a top coat of Dura-Walk Base Coat over the tape smoothing out wrinkles and fish mouths.

Allow curing a minimum of 1½ hour before proceeding to next step.

- E.** Polyurethane Base Coat: Apply one coat of Dura-Walk Base Coat polyurethane at a rate of 2 gallons per 100 sq. ft. (32 wet mils) to all areas to receive fluid applied waterproofing, including areas previously caulked, flashed or fabric reinforced. Allow the base coat to cure completely (16-24 hours minimum at 70°F (21°C)).
- F.** Wear Coat and Texture: Apply Dura-Walk Wear Coat (for high traffic areas apply two coats) polyurethane by roller to secure a minimum coverage of 1.5 gallons per 100 square feet (24 wet mils). While coating is still wet, broadcast aggregate at approximately 6 to 8 pounds per 100 sq.ft. for crushed walnut shell (if different aggregate is used coverage rate may change). Coat and sprinkle small areas at a time, taking care not to overlap coating and granule at edges. When texture coat is cured enough to walk on, lightly sweep away loose aggregate. If aggregate gets wet from rain allow 2 days of drying weather before proceeding with top coat.
- G.** Top Coat: Apply Dura-Walk Top Coat polyurethane by roller in a coat of the desired color over the granule at the minimum rate of 1 gallon per 100 square feet. The aggregate must be totally encapsulated by this finish coat. (16 wet mils).
- H.** Optional Topcoat for High Traffic Areas: After finish coat has cured a minimum of 16-24 hours, apply Dura-Walk Top Coat polyurethane topcoat by roller at a minimum rate of ½ gallon per 100 square feet.

Note: Allow 48 hours before deck is put into use. In cool temperatures, a longer curing time may be required.

3.4 FIELD QUALITY CONTROL

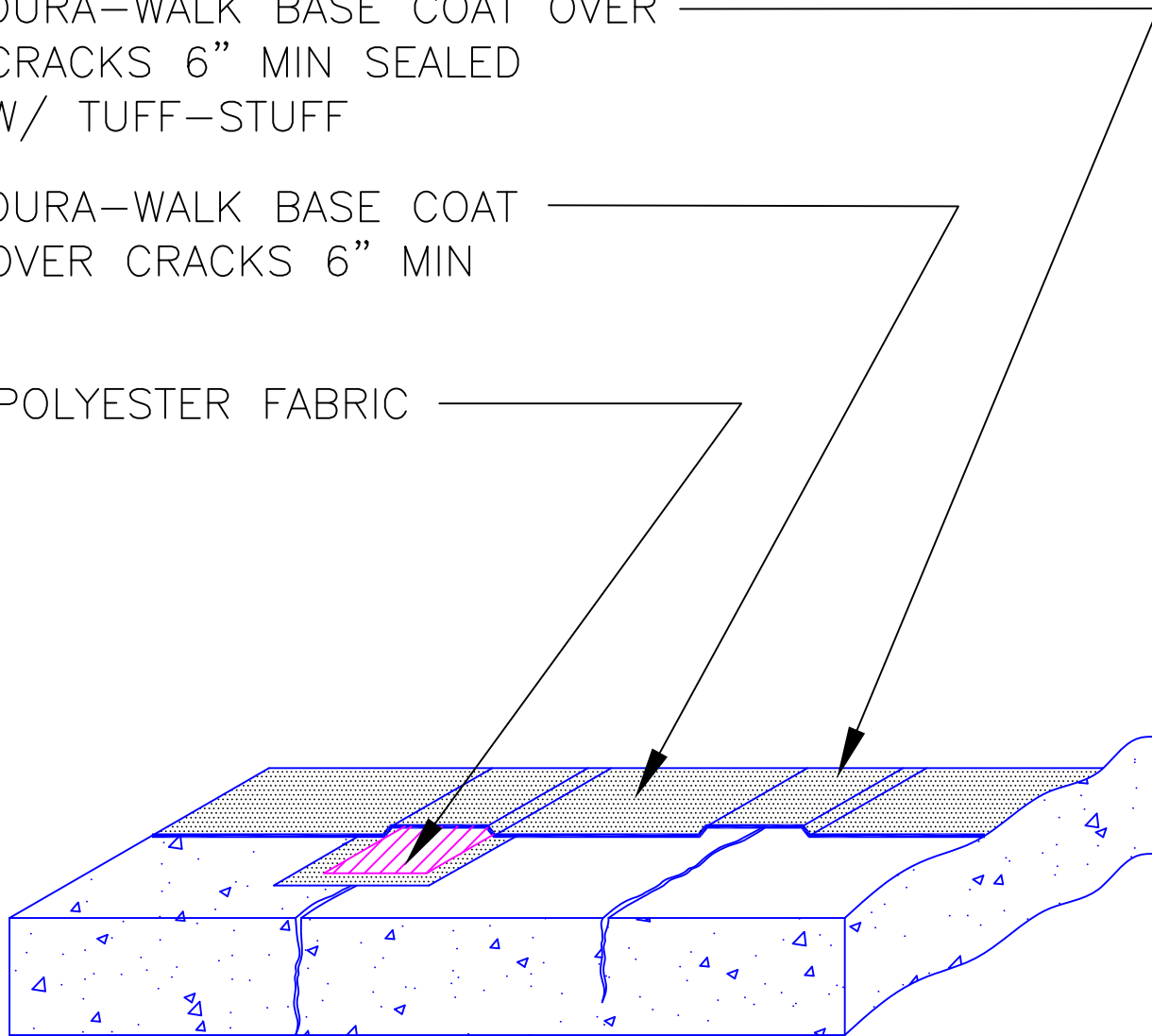
- A.** Inspections: A minimum of three inspections per week, by an approved manufacturer's representative, will be required on all projects requiring a warranty.
- B.** Thickness: Minimum over all dry film thickness of the completed fluid applied waterproofing, excluding aggregate, will average 49 dry mils. Thickness including aggregate will average approximately 65 dry mils. The optional topcoat will add approximately 6 dry mils of polyurethane coating to the system.

END OF SECTION

DURA-WALK BASE COAT OVER
CRACKS 6" MIN SEALED
W/ TUFF-STUFF

DURA-WALK BASE COAT
OVER CRACKS 6" MIN

POLYESTER FABRIC



MOVING
CRACK

NON-MOVING
CRACK

NOTE: FOR COMPLETE SYSTEM APPLICATION LAYERS
SEE DURA-WALK PS DETAIL 1.TYPICAL DETAIL

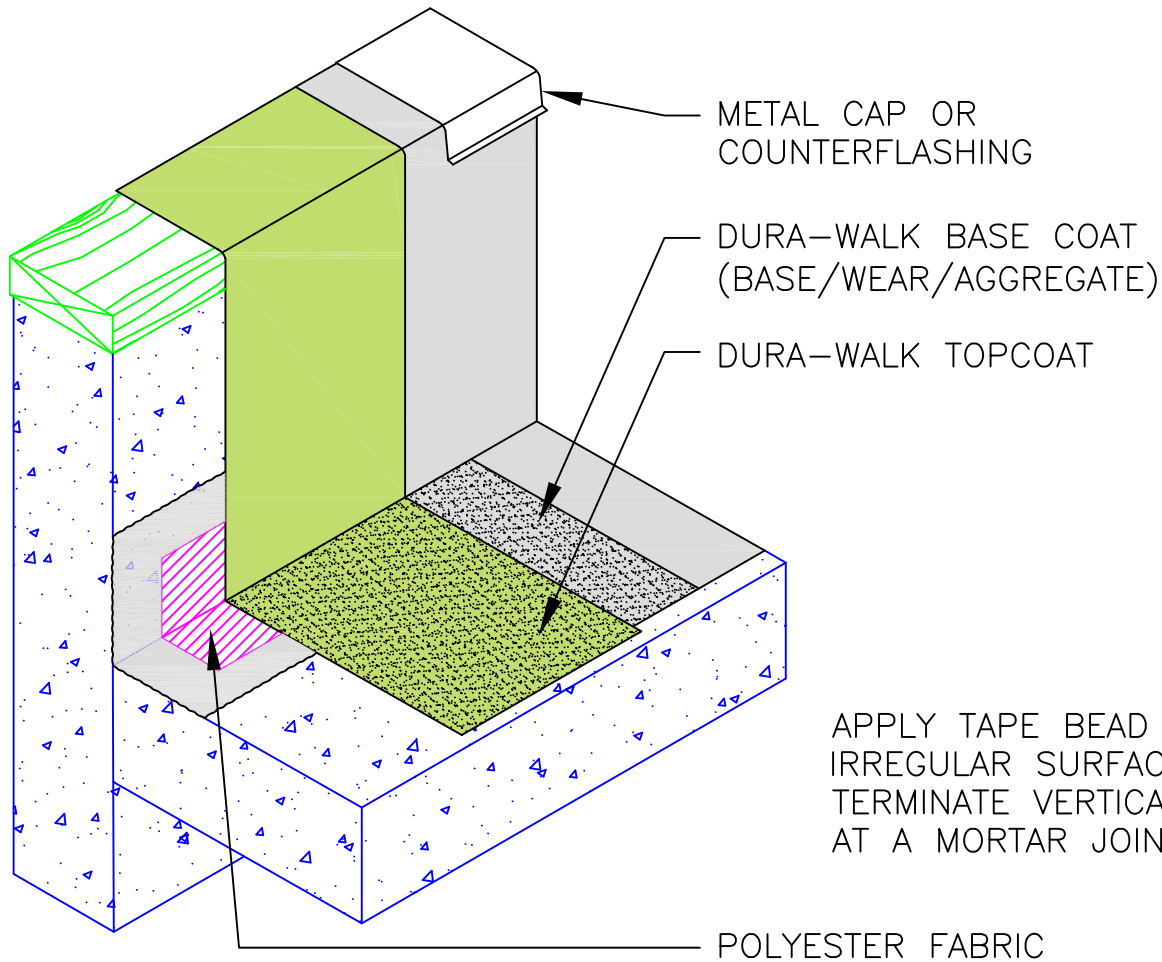


THE GARLAND COMPANY, INC.
GARLAND CANADA, INC.
THE GARLAND COMPANY UK, LTD

DETAIL:

CONCRETE CRACK DETAIL

DURA-WALK PEDESTRIAN SYSTEM (PS)



APPLY TAPE BEAD TO FILL
IRREGULAR SURFACES.
TERMINATE VERTICAL SURFACES
AT A MORTAR JOINT-LINE

NOTE: FOR COMPLETE SYSTEM APPLICATION
LAYERS SEE DURA-WALK PS 1.TYPICAL DETAIL

NOTE: SEE DURA-WALK PS 2.CRACK DETAIL
FOR LAYERING OF THE COATINGS AND POLYESTER

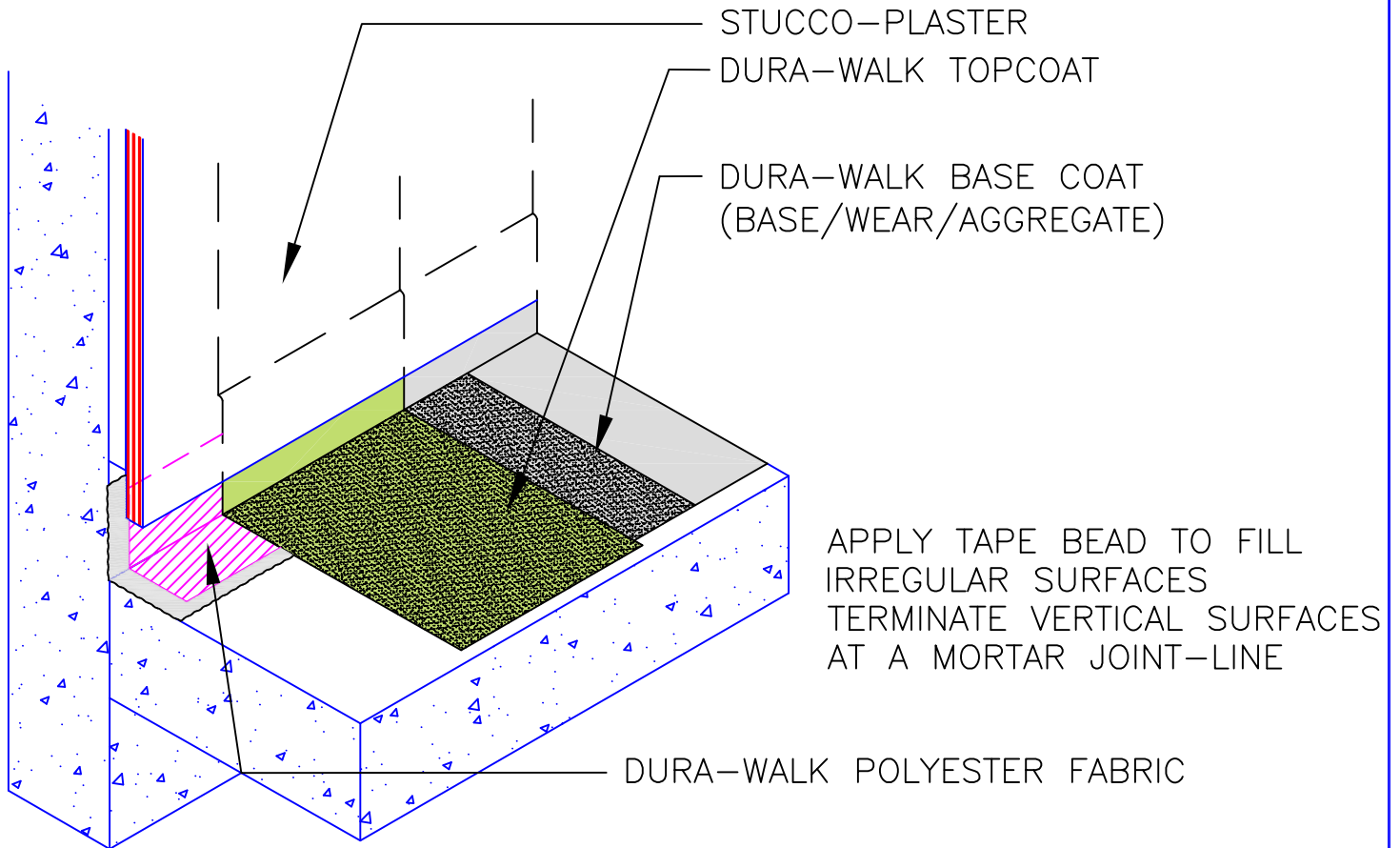


THE GARLAND COMPANY, INC.
GARLAND CANADA, INC.
THE GARLAND COMPANY UK, LTD

DETAIL:

M E T A L C A P

DURA-WALK PEDESTRIAN SYSTEM (PS)



NOTE: FOR COMPLETE SYSTEM APPLICATION LAYERS SEE DURA-WALK PS DETAIL 1.TYPICAL DETAIL

NOTE: SEE DURA-WALK PS 2.CRACK DETAIL FOR LAYERING OF THE COATINGS AND POLYESTER



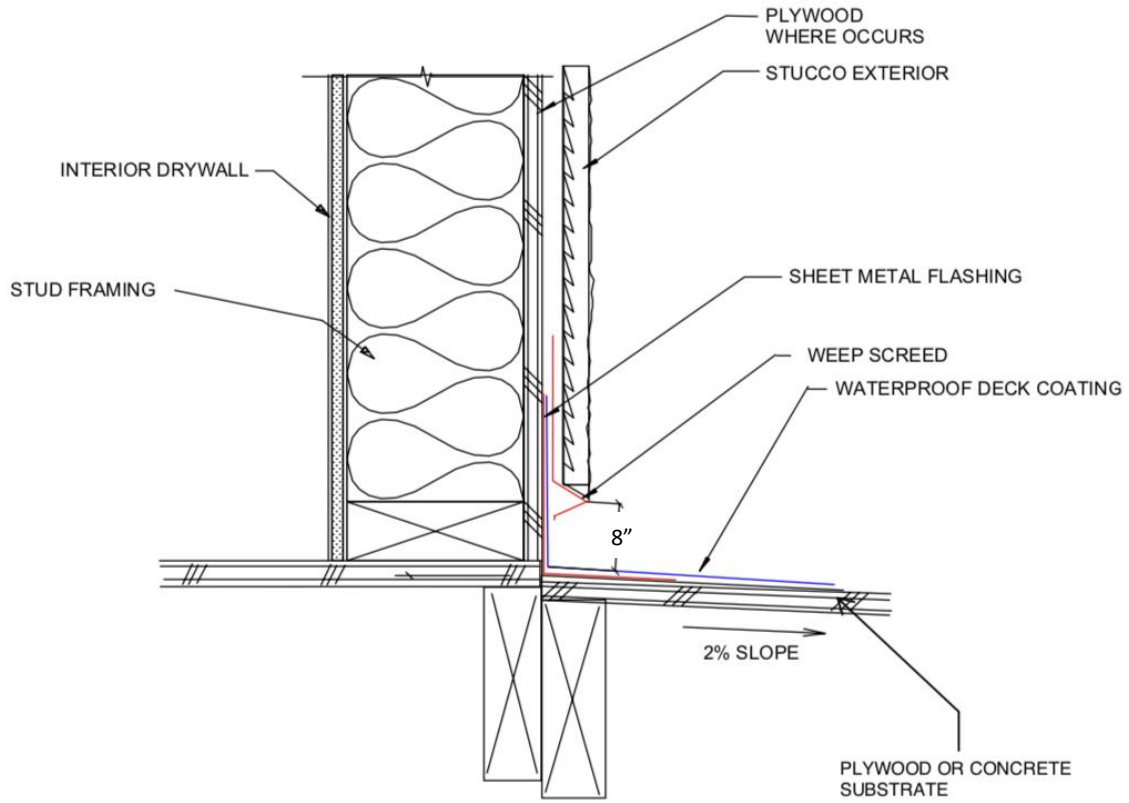
THE GARLAND COMPANY, INC.
 GARLAND CANADA, INC.
 THE GARLAND COMPANY UK, LTD

DETAIL:

CONCRETE TERMINATIONS BEHIND WALL

DURA-WALK PEDESTRIAN SYSTEM (PS)

TYPICAL DECK TO WALL DETAIL



CITY COUNCIL STAFF REPORT

Consent Item No. 6

January 15, 2020

File No. 0480-70

SUBJECT: Acceptance of \$40,000 Sahn Family Foundation Grant

DEPARTMENT: Communications and Community Services

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2020-11 authorizing the Communications and Community Services Department to accept a \$40,000 Sahn Family Foundation grant, and to approve the budget adjustment (see Attachment 1) needed to expend the funds. These funds will be utilized to purchase new furniture for the Park Avenue Community Center (PACC) common areas, and to replace aging pool tables in the PACC's Billiards Room.

FISCAL ANALYSIS:

This action will have no impact on the General Fund Budget and does not require matching funds.

PREVIOUS ACTION:

None

BACKGROUND:

The City of Escondido (City) has been awarded \$40,000 from the Sahn Family Foundation, a private foundation based in Rancho Santa Fe, California, devoted to the welfare of seniors and children, and to supporting the fine and performing arts. These funds will be utilized to purchase new furniture for the Park Avenue Community Center (PACC) common areas that support senior socialization and to replace the aging pool tables in the PACC's Billiards Room – the largest of its kind in North County. Many of the pool tables were donated in the late 1970s and with 40 years of active use are now difficult and expensive to level and need to be replaced. New pool tables will prevent a reduction in participation as older tables are removed due to end of life, and will provide better accuracy for tournaments which are regularly scheduled against other senior groups throughout San Diego County.

The City is connected to the Sahn Family Foundation through the newly formed San Diego Seniors Community Foundation whose aim is to support and enhance senior centers in the region by connecting them with philanthropic organizations to further the mission of improving quality of life for seniors in the community. Their research shows that senior centers are an essential gateway connecting older adults to vital services that help them stay healthy, engaged, and independent. Enhancing the aesthetics and comfort of the facility as well as the usability of the PACC's Billiards Room will create a more inviting space for seniors to interact with one another while taking advantage of the serves and resources the PACC offers.

Acceptance of \$40,000 Sahm Family Foundation Grant
January 15, 2020
Page 2

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Joanna Axelrod, Director of Communications and Community Services
1/8/2020 3:24 p.m.

ATTACHMENTS:

1. Budget Adjustment
2. Resolution No. 2020-11

RESOLUTION NO. 2020-11

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE DIRECTOR OF
COMMUNICATIONS AND COMMUNITY
SERVICES TO ACCEPT A \$40,000 GRANT
FROM THE SAHM FAMILY FOUNDATION
AND APPROVE A BUDGET ADJUSTMENT

WHEREAS, the City of Escondido (“City”) is a Live Well San Diego partner and supports efforts to promote age-friendly resources that enhance the health and quality of life of the community; and

WHEREAS, the City provides centralized services dedicated to supporting the older adult population including nutritious meals, activities, resource connections, and co-located non-profit service organizations at the Park Avenue Community Center; and

WHEREAS, the City recognizes that older adults with no family or nearby support system creates a significant issue of isolation among seniors; and

WHEREAS, the Sahn Family Foundation is devoted to the welfare of seniors through philanthropic support of other dedicated senior organizations; and

WHEREAS, the Director of Communications and Community Services recommends the acceptance of a \$40,000 grant from the Sahn Family Foundation to be used for improving the comfort, usability, and social participation of older adults of the Park Avenue Community Center.

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 Director of the Communications and Community Services, or her designee, to execute all necessary documents, in forms approved by the City Attorney's Office, to accept all grant funds.
3. That the City Council approves of any necessary budget adjustments to expend funds received for the purposes stated herein.
4. That the Communications and Community Services, Older Adult Services shall expend the \$40,000 grant funds in accordance with the terms and requirements of the grant agreement.

MOBILEHOME RENT REVIEW BOARD

Public Hearing Item No. 7

January 15, 2020

File No. 0697-20-10224

SUBJECT: Short-Form Rent Increase Application Sundance MHC, LP (File No. 0697-20-10224)

DEPARTMENT: Community Development Department, Housing & Neighborhood Services Division

RECOMMENDATION:

It is requested that the City Council adopt Rent Review Board Resolution No. 2020-01 granting an increase of 75 percent of the change in the Consumer Price Index (“CPI”), or 2.087 percent (an average of \$16.66) for the period of June 30, 2018, to June 30, 2019.

BACKGROUND:

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

INTRODUCTION:

Sundance MHC, LP (“Park”), located at 2250 N. Broadway, has filed a short-form rent increase application. The original application was submitted on October 2, 2019, and rejected on October 28, 2019, after a review revealed an incorrect increase amount had been charged to residents. Sundance, MHP corrected the issue and reimbursed residents for the over charge via a statement credit and re-submitted their application on November 4, 2019. The Board is asked to accept the staff report, hear public testimony, and make a determination concerning the request in accordance with

the Escondido Rent Protection Ordinance and the short-form procedures as outlined in the Rent Review Board Guidelines. The application and the staff report were made available to the Board for review and consideration prior to the hearing.

THE RENT INCREASE APPLICATION:

Sundance is a senior park, which has a total of 88 spaces, with 20 spaces subject to rent control. The Park is requesting an increase for the 20 rent controlled spaces. The other spaces not included in this application, are on long-term leases, occupied by management, or are vacant. Common facilities available to all spaces include a clubhouse with a kitchen, meeting area with a stage, a craft room, billiards room, fitness room, swimming pool and spa, shuffleboard courts, and a coin laundry facility. Greenbelts are also found throughout the park.

The application meets all the eligibility criteria for submittal of a short-form rent increase application.

Since the last application, the Park has replaced sections of the perimeter fence behind unit 71 and 72, completed in fall of 2019. Repairs were also made to sections of the brick perimeter fence in November 2019, and the palm trees were inspected and trimmed as necessary in October 2019.

PARK OWNER'S REQUEST:

The Park is requesting an increase of 75 percent of the change in Consumer Price Index for the period of June 30, 2018, to June 30, 2019. Seventy-five percent of the change in the CPI for the period of consideration is 2.087 percent. The average monthly rent for the residents that are affected by this application is \$798.37. Residents also pay a temporary (5-year) charge of \$5.92 to partially cover the costs of the long-form rent control hearing process in 2016. The temporary charge went into effect in December 2016 and will expire in November 2021. The average monthly increase requested for the 20 spaces is \$16.66 per space, per month.

This is the sixth rent increase request filed by this Park since the Ordinance was implemented. The last increase was granted in December 2018 for an average amount of \$36.54 per space, per month.

RESIDENT MEETING AND COMMENTS:

Residents affected by this request were invited to attend a meeting in their clubhouse on December 16, 2019, at 5 p.m. Four residents attended the meeting. The meeting was also attended by four Investment Property Group staff, two park managers and City staff. The application and the short-form hearing procedures were reviewed with the residents in attendance. Residents had questions regarding the short-form rent control process, how the CPI is calculated and the type of Code inspection performed. Residents also had a question about the fees associated with the application. Staff clarified that there are no City fees associated with filing a short-form rent increase application, therefore there are no fees to pass down to residents as a result of this filing. Staff also clarified that long-form rent increase applications are subject to City and consultant charges that can be passed down to residents. No further questions were asked once this explanation was provided.

There were no volunteers or nominations for a resident representative. City staff reinforced the Rent Review Board's request that the Park representative and residents meet at least 21 days before the Rent Review Board meeting to discuss issues.

Staff has received written comments from two residents regarding this application and have included them in the reading file. On-going resident/management issues and high rents were mentioned in the comments. Sundance resident Robert Wise also requested Code Enforcement inspections for six issues after the Park's rent control code enforcement inspection took place. Staff reviewed the complaints and determined that two issues raised by Mr. Wise were in violation and are being addressed as a separate code case. These include overgrown tree branches that were resting on the carport of Space #53, which according to the park leases are the resident's responsibility to trim. However, the Park cut the overgrown tree branches to resolve the issue.

The other complaint issue involved several non-compliant towing signs that had been removed or replaced in the last year. One sign remained and has now been removed. Mr. Wise also noted the lot markers at Spaces #53 and #61 were not identifiable. The markers were inspected and determined to be faded but in compliance. However, at the request of Code Enforcement, the Park has enhanced the visibility of the markers with yellow paint and will also be painting all of the lot markers.

Mr. Wise also asked that two repair projects previously completed by the Park be inspected. In 2018, the Park obtained the required building permits, the work was completed and inspected by a City Building Inspector, and the permits were finalized. Additional trees in the common areas were also re-inspected and found to be in compliance.

CODE ENFORCEMENT INSPECTION:

An inspection of the common areas of the Park on December 19, 2019, by the Code Enforcement Division of the City noted some violations of the Health and Safety Code. A copy of the Code Report ("Report") is attached as "Attachment 1." The Owner and Resident Manager received a copy of the Report. No rent increase, if granted, will take effect until all code violations are corrected.

ADDITIONAL FACTORS AFFECTING THE APPLICATION:

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

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Bill Martin, Director of Community Development
1/9/2020 9:07 a.m.

Belinda Rojas, Program Administrator
1/8/2020 3:31 p.m.


Short-Form Rent Increase Application for Sundance MHP
January 15, 2020
Page 4

ATTACHMENTS:

1. Attachment 1: Code Inspection Report
2. Rent Review Board Resolution No. 2020-01

DATE: December 23, 2019

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE RENT CONTROL BOARD

FROM: TERRY WILSON, CODE ENFORCEMENT MANAGER 

SUBJECT: SUNDANCE MOBILEHOME PARK

Sundance Mobilehome Park was inspected on December 19, 2019, with the lighting inspection conducted on December 16, 2019, as a result of an application for a rent increase having been filed. There were two general and no lighting violations found; The inspection report is attached.

A resident meeting was held on December 16, 2019. There were four residents, two park managers, four owner representatives and two city staff members who attended the meeting.

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

CC: Bill Martin, Director of Community Development
Belinda Rojas, Rent Control Administrator

December 23, 2019

MOBILEHOME PARK RENT CONTROL
CODE ENFORCEMENT INSPECTION REPORT

Park Name: Sundance Mobile Home Park

Park Owner: Sundance MHC, LP
C/O Valerie Avila– Regional Manager -IPG
18006 Sky Place Circle Suite 200
Irvine, CA 92614

Park Management: Sundance MHP
C/O Greg Gillson – Maintenance Manager
2250 N Broadway Ave
Escondido, CA 92026

Inspection Date: 12/19/2019 **Inspector:** Stephen Jacobson

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

General Violations:

1. There are loose hand rails on the second floor club house balcony. **25 CCR § 1102(b) & § 1608(b)**
2. There are three small windows located on the second floor club house that have been bolted shut which is a hazard. **25 CCR § 1102(b) & § 1608(b)**

December 19, 2019
Sundance MHP
Page 2

Violations: The violations listed in numbers 1 & 2 have been corrected during the inspection.

**Areas of the park needing illumination per 25 CCR 1108
(Lighting Inspection; 12-16-2019)**

1. There were no park lighting violations.

RESOLUTION NO. RRB 2020-01

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

(File Number: 0697-20-10224)

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

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

WHEREAS, a short-form Rent Increase Application was filed pursuant to Section 12 of the Rent Review Board Guidelines on October 2, 2019, and was rejected on October 28, 2019. A corrected application was filed and accepted on November 4, 2019, by Sundance MHC, LP, the owner of Sundance Mobilehome Park ("Park"). The Park is located at 2250 North Broadway in Escondido. The rent increase applies to 20 of the 88 spaces in the Park; and

WHEREAS, this is the sixth rent increase application filed by the Park since the Ordinance became effective in 1988. The last rent increase was granted by the Board at a Rent Review Board Hearing held on December 5, 2018, and formally adopted by Rent Review Board Resolution 2018-10. The previous increase affected 21 spaces; the average increase was \$36.54 per space, per month; and

WHEREAS, at this time, the average monthly space rent is approximately \$798.37 for the 20 spaces subject to the rent increase. The Park owner requested a rent increase in the amount of 75 percent of the change in the Consumer Price Index (“CPI”) for the period of June 30, 2018, through June 30, 2019, in accordance with the Rent Review Board short-form policy guidelines. The application estimated this amount to be an average of \$16.66 (2.087 percent) per space, per month; and

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

WHEREAS, on December 19, 2019, a Mobilehome Park Rent Control Code Enforcement Inspection Report ("Inspection Report") was completed. The Inspection Report noted Health and Safety Code violations in the Park; and

WHEREAS, on January 15, 2020, the Board held its public hearing. After an initial presentation, the Board invited testimony from Park ownership, residents of the Park and other residents of the community at large; and

WHEREAS, after all present had been given an opportunity to speak, the hearing was closed. Following an opportunity for discussion among the Board members and clarifying questions to the parties and Staff, the Board voted to grant an average rent increase of \$16.66 per space, per month, for the 20 spaces which are subject to rent control,

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

1. That the above recitations are true.

2. That the Board has heard and considered all of the reports and testimony presented, and has considered the facts as outlined in the short-form Guidelines (“Guidelines”).

3. That following the Guidelines, an increase based on 75 percent of the change in the Consumer Price Index (“CPI”) for San Diego County from June 30, 2018, through June 30, 2019, amounted to 2.087 percent, which averaged \$16.66 per space, per month, for the 20 spaces that are subject to rent control.

4. The Board concluded that an average increase of \$16.66 per space, per month, is consistent with the Guidelines, and is a fair, just, and reasonable increase in light of the information presented by all parties.

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

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

CITY COUNCIL STAFF REPORT

Public Hearing Item No. 8

January 15, 2020

File No. 0800-70

SUBJECT: Specific Plan Amendment and Conditional Use Permit – Discount Tire Redevelopment Project (PHG 19-0031 and PHG 19-0032)

DEPARTMENT: Community Development Department, Planning Division

RECOMMENDATION:

It is requested that the City Council conduct a public hearing regarding the Discount Tire Redevelopment Project proposal, which includes a Specific Plan Amendment and a Conditional Use Permit for four (4) adjacent lots at the southwest corner of South Escondido Boulevard and West 2nd Avenue; and take action on the recommendations of City staff and the Planning Commission, which recommends that the City Council:

1. Introduce Ordinance No. 2020-02, for a Specific Plan Amendment to reassign the project site from the Historic Downtown District of the Downtown Specific Plan, to the Southern Gateway District of the Downtown Specific Plan, via an adjustment of the boundary between these two districts.
2. Adopt Resolution No. 2020-03, for a Conditional Use Permit to allow the demolition of an existing tire shop and bridal shop, and the construction of a new tire shop in their place, with associated parking, landscaping, and stormwater facilities.

PROJECT DESCRIPTION:

The subject property contains four (4) lots totaling approximately 0.8 acres, located on the southwest corner of South Escondido Boulevard and West 2nd Avenue. A tire sales and installation shop and its associated parking lot currently occupy the two easternmost lots (APNs 233-052-06 and 233-052-15). The tire shop is about 7,000 square feet and is oriented in a north/south direction, with the main customer entrance and vehicle service bays facing east toward Escondido Boulevard. Fourteen (14) parking spaces are located along the east property line. The tire shop is accessible from a driveway on 2nd Avenue, as well as from an alley connecting to Escondido Boulevard and running along the south boundary of the site. The two (2) westernmost lots, APNs 233-052-13 and 233-052-04, are occupied by a bridal shop and a parking lot with approximately 25 spaces. This business establishment is also accessible via its own 2nd Avenue driveway, as well as from the alley described above. The bridal shop is approximately 9,900 square feet in size.

The proposed Project would demolish both the existing tire shop and bridal shop, and would construct a new, 10,471 square-foot facility in approximately the same location as the bridal shop. The building would be oriented in an east/west configuration, and be developed to accommodate a tire sales and

Specific Plan Amendment and Conditional Use Permit – Discount Tire Redevelopment Project (PHG 19-0031 / PHG 19-0032)

January 15, 2020

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installation shop, with the service bays and main customer entrance facing the south property line (i.e. the alley). A parking lot with 29 spaces, bioretention areas, landscaping, and a new trash enclosure would also be provided.

All four lots within the project site are located within the Historic Downtown District of the Downtown Specific Plan. Vehicle repair services of any type are not a permitted use within this district, so the existing tire shop is a non-conforming use, and significant expansions or modifications are not allowed. However, “light vehicle repair” (defined in the City of Escondido Zoning Code as including tire sales and installation facilities) is a conditionally permitted use within the neighboring Southern Gateway District. Therefore, approval of the proposed Specific Plan Amendment would adjust the boundaries between these two (2) districts to reassign the project site to the Southern Gateway District, and concurrent approval of a Conditional Use Permit would enable the applicant to demolish and rebuild the tire shop as described above.

FISCAL ANALYSIS:

The proposed Project is private development that will require the payment of fees in effect at the time permits are requested. The collection of development impact fees for new development would help offset some of the financial impacts for the provision of city services.

PLANNING COMMISSION RECOMMENDATION:

On December 10, 2019, the Planning Commission voted 6-0 to recommend that the City Council approve the series of actions related to the Project, based upon the findings and conditions of approval contained within the Planning Commission staff report. The Planning Commission’s action included the following additions and modifications to the conditions of approval:

- Two conditions of approval were modified to extend the expiration date of the Conditional Use Permit from one (1) year to two (2) years (General Conditions #1 and #10).
- A new condition of approval was added to require a lot tie agreement for the four affected lots prior to issuance of building permits (General Condition #2).
- A new condition of approval was added to require an AC grind and overlay for the public alley along the southern boundary of the project (Condition #8 under Engineering: Street Improvements and Traffic). As a related change for clarity purposes, the Engineering Services Department modified Condition #1 under Engineering: Street Improvements and Traffic to remove a reference to this alley (this condition now references 2nd Avenue only).

These changes are reflected within “Exhibit C” to Resolution No. 2020-03. The Recommendation section of this report reflects the full Planning Commission recommendation.

Specific Plan Amendment and Conditional Use Permit – Discount Tire Redevelopment Project (PHG 19-0031 / PHG 19-0032)

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Written and oral testimony was provided to the Planning Commission at their meeting on December 10, 2019. No members of the public elected to speak. During the meeting, the Planning Commission asked whether the project site had any historic value that would require input from the City's Historic Preservation Commission (HPC), and why the properties to the direct west of the project site were not included in the Specific Plan Amendment request. HPC review is not required because the project is not within their purview. The buildings on the project site are not included on the City of Escondido's Historic Sites Survey or on the local, state, or federal historic register, nor is the site located within the Old Escondido Neighborhood. In consideration of the extent of the proposed boundary change, no additional properties were included in the Specific Plan Amendment request since the owners of those properties did not indicate that they wished to be included.

The Planning Commission also asked how deliveries would be accommodated for the new tire shop, and noted that the condition of the public alley along the southern boundary of the project site (and extending west to South Orange Street) is deteriorating in some areas. As described above, a condition of approval has been included to require an AC grind and overlay of the alley, the extent of which would be determined by the City Engineer. Both proposed driveways into the project site would be 30 feet wide, as would the drive aisles along the south and east sides of the building, to facilitate access for delivery trucks and emergency vehicles. The driveway at the southwest corner of the property would have an additional 13 feet wide striped turning area to assist large vehicles entering from the alley.

Please note that the Planning Commission staff report and draft Planning Commission meeting minutes are provided in Attachments 1 and 2, respectively. The meeting minutes provide detailed comments from the speakers and Commissioners.

PREVIOUS ACTION:

A request for initiation of a Specific Plan Amendment was included on the consent agenda for the City Council meeting of February 13, 2019 (Case File No. PHG 19-0004). The City Council voted unanimously at this meeting to allow the applicant to submit an application to the Planning Division for the Specific Plan Amendment. The application for the Specific Plan Amendment and Conditional Use Permit was then submitted to Planning staff on June 19, 2019.

ANALYSIS:

General Plan and Downtown Specific Plan

The General Plan land use designation for the subject property is SPA 9 (Specific Plan Area #9) and the zoning classification is SP (Specific Plan). The Downtown Specific Plan has been divided into several different districts, each with different land use allowances and tailored development

standards. “Vehicle repair, light” or limited repairs is only permitted within the Southern Gateway District of the Specific Plan, through the issuance of a conditional use permit. The subject property is included within the Historic Downtown District of the Downtown Specific Plan. Automobile supply stores with incidental installation and automotive repair facilities of any type are not permitted or conditional uses within this district. Therefore, the existing tire shop is a legal non-conforming use within that district, and modifications or expansions to the use are substantially restricted, as described in Article 61, Division 3 of the City of Escondido Zoning Code. Since “light vehicle repair” is conditionally permitted in the adjacent Southern Gateway District, the applicant submitted a request to adjust the boundary between the Historic Downtown District and the Southern Gateway District of the Downtown Specific Plan to reassign the project site to the Southern Gateway District. With approval of the concurrent Conditional Use Permit request, the applicant would have the appropriate zoning permits to demolish the existing shop and replace it with a new one, as described in this report.

Building and Site Design

The proposed tire shop would have a net area of 10,471 square feet. The 7,721-SF ground floor would contain the sales/display area, office and computer room, restrooms, janitor’s closet, vehicle service area, dead tire storage room, and fire riser/compressor rooms. A 2,750-SF mezzanine would contain three additional storage rooms and a walking grate. Tire storage racks would be located on both levels, starting in the vehicle service area on the ground floor and extending upward through the mezzanine’s walking grate.

Exterior colors for the new building would include a selection of beige, tan, and brown shades, with red accents (e.g., door and window frames and fabric awnings), consistent with Discount Tire’s corporate branding. The primary exterior wall material would be EIFS (exterior insulation and finish system, a type of cladding) over CMU block, with stone veneer in some locations for textural contrast. Additional design features would include faux window medallions and a faux storefront system on the north elevation of the building, steel trellises for vine plantings on the north and west elevations, and decorative lighting fixtures on the north and east elevations. Incorporation of these elements would add visual interest to the building while ensuring its compatibility with the surrounding neighborhood.

The project as proposed requires 26 off-street parking spaces, but 29 spaces would be provided, for a surplus of three spaces. Existing street trees (palms) along the Escondido Boulevard frontage would remain, and new trees of various species would be planted along the 2nd Avenue and alley frontages, as well as within a landscaped island in the parking lot. Various shrubs and ground covers would also be planted around the perimeter of the site and in the parking lot island. Three biofiltration basins are proposed for stormwater treatment, to be located at the northeast and southeast corners of the site, as well as within the parking lot island.

The project site currently contains two pole signs that are not in conformity with the sign guidelines within the Downtown Specific Plan (one sign for the bridal shop and one for the tire shop). Both signs would be removed as part of the project, and a new monument sign conforming to the guidelines would be installed near the northeast corner of the project site (at the Escondido/2nd intersection). A condition of approval has been included to require the applicant to obtain a separate sign permit for this sign, and for the design to be compatible with that of the building.

Project Access and Street Improvements

As part of the project, 2nd Avenue would be widened by six (6) feet along the Project frontage, with a 50 feet long curb transition along the frontage of the neighboring property to the west (occupied by Twinkle Tub Laundry). The existing traffic signal and associated electrical box near the northeast corner of the project site would be relocated out of the widened roadway, and onto the project site. One (1) streetlight on 2nd Avenue would also be relocated. Two (2) existing driveways along 2nd Avenue (one serving the bridal shop parking lot and the other serving the tire shop parking lot) would be removed, and replaced with one new, 30 feet wide driveway between them.

The south property line of the Project site would be shifted by two (2) feet as a result of this project, increasing the alley width from 20 feet to 22 feet, and removing approximately 400 SF from the 0.8-acre site. The existing entrance from the alley to the tire shop parking lot would be closed, and a new 30'-wide entrance would be located near the southwest corner of the Project site. As described above, a condition of approval has been included with the project to require an AC grind and overlay of the alley, to an extent to be determined by the City Engineer.

ENVIRONMENTAL REVIEW:

The proposed Specific Plan Amendment is categorically exempt from environmental review in conformance with the “common sense” exemption described in CEQA Section 15061(b)(3). This exemption states that CEQA applies only to projects which have the potential to cause a significant effect on the environment. The Specific Plan Amendment would reassign the project site from the Historic Downtown District to the Southern Gateway District of the Downtown Specific Plan. This change, in and of itself, does not impose any physical changes on the site that could impact the environment for the purposes of CEQA. Any subsequent requests to redevelop or change the use of the property would need to be considered on a case-by-case basis to determine if the proposed activity would also be exempt from CEQA, or if the activity could cause environmental impacts requiring analysis.

The proposed Conditional Use Permit is also conditionally exempt from CEQA per Section 15302(b), which covers replacement of a commercial structure with a new structure of substantially the same size, purpose, and capacity. The existing tire shop is approximately 7,000 SF in size. The proposed project would replace it with a new tire shop, with an approximate net area of 7,721 square feet on the main level for sales and installation, as well as a 2,750-square-foot mezzanine above the service

floor, for storage. While the new tire shop would be somewhat larger than the existing one, it would have the same number of vehicle service bays as the existing shop (three bays, with room for two (2) vehicles per bay, or six (6) vehicles total). In other words, most of the differences in size and capacity between the existing building and the proposed building can be attributed to an expanded sales area and the inclusion of the mezzanine in the structure, not an ability to service additional vehicles at any given time. Additionally, the project would permanently remove a secondary retail use (the 9,900-square-foot bridal shop), with no replacement, resulting in a net loss of development square footage for the site as a whole.

PUBLIC INPUT:

Public outreach was conducted in the City's review and consideration of the Project proposal. The Project application was circulated to various City and local agencies and departments for review, and modifications were made to the Project to address any concerns. No new issues of concern have been identified. Comments from agencies have either been addressed through the processing of the Project or have been included as Conditions of Approval.

In advance of the Planning Commission hearing on December 10, 2019, notices were mailed to 156 property owners within a 500-foot buffer of the project site, to inform them of the hearing and provide them an opportunity to attend and speak about the project. Additionally, a notice was published in the Escondido Times Advocate on November 28, 2019, to inform the public of the hearing. Planning staff received no inquiries or comments in response to these notices. New public notices were issued to inform neighbors of the City Council hearing on January 15, 2020, and as of the writing of this staff report, no inquiries or comments have been received in response to the City Council notices.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Bill Martin, Director of Community Development
1/8/2020 5:11 p.m.

Ann Dolmage, Associate Planner
1/8/2020 3:35 p.m.

ATTACHMENTS:

1. Attachment 1 – Planning Commission staff report (December 10, 2019)
2. Attachment 2 – Draft Planning Commission Minutes (December 10, 2019)
3. Ordinance No. 2020-02
4. Ordinance No. 2020-02 – Exhibits A and B
5. City Council Resolution No. 2020-03
6. City Council Resolution No. 2020-03 – Exhibits A, B, C, and D

PLANNING COMMISSION

Agenda Item No.: G.2
Date: December 10, 2019

PROJECT NUMBER / NAME: PHG 19-0031 and PHG 19-0032 / Tire Sales and Installation Shop

REQUEST: The project requests a Specific Plan Amendment (PHG 19-0031) to reassign four lots from the Historic Downtown District of the Downtown Specific Plan, to the Southern Gateway District of the Downtown Specific Plan. The project also requests a Conditional Use Permit (PHG 19-0032) for the demolition of an existing tire shop and bridal store on these lots, and construction of a new tire shop in their place, with 29 off-street parking spaces, and other associated improvements. The proposal also includes the adoption of the environmental determination prepared for the project.

LOCATION: 209 S. Escondido Blvd. & 339 W. 2nd Ave.

APPLICANT: Reid Kunishige, raSmith, Inc.

APN / APNS: 233-052-04, 233-052-06, 233-052-13, and 233-052-15

PRIMARY REPRESENTATIVE: Same

GENERAL PLAN / ZONING: SPA 9 / SP (Downtown Specific Plan)

DISCRETIONARY ACTIONS REQUESTED: Specific Plan Amendment and Conditional Use Permit

PREVIOUS ACTIONS: PHG 19-0004 (City Council initiation of Specific Plan Amendment request)

PROJECT PLANNER: Ann Dolmage, Associate Planner, adolmage@escondido.org

CEQA RECOMMENDATION: Exempt (CEQA Guidelines Section 15061(b)(3), "Common Sense Exemption;" and Section 15302(b), "Replacement or Reconstruction")

STAFF RECOMMENDATION: Approval

REQUESTED ACTION: Approve Planning Commission Resolution No. 2019-25

CITY COUNCIL HEARING REQUIRED: YES NO

REPORT APPROVALS:

- Bill Martin, Community Development Director
- Mike Strong, Assistant Planning Director

BACKGROUND:

The subject property comprises of four (4) lots totaling approximately 0.8 acre, located on the southwest corner of South Escondido Boulevard and West 2nd Avenue. A tire sales and installation shop and its associated parking lot currently occupy the two easternmost lots (APNs 233-052-06 and 233-052-15). The tire shop is about 7,000 square feet and is oriented in a north/south direction, with the main customer entrance and vehicle service bays facing east toward Escondido Boulevard. Fourteen (14) parking spaces are located along the east property line. The tire shop is accessible from a driveway on 2nd Avenue, as well as from an alley connecting to Escondido Boulevard and running along the south boundary of the site. The two (2) westernmost lots, APNs 233-052-13 and 233-052-04, are occupied by a bridal shop and a parking lot with twenty-five (25) spaces. This business establishment is also accessible via its own 2nd Avenue driveway, as well as from the alley described above. The bridal shop is approximately 9,900 square feet in size.

The proposed Project would demolish both the existing tire shop and bridal shop, and would construct a new, 10,471 square-foot facility in approximately the same location as the bridal shop. The building would be oriented in an east/west configuration, and be developed to accommodate a tire sales and installation shop, with the service bays and main customer entrance facing the south property line (i.e. the alley). A parking lot with twenty-nine (29) spaces, bioretention areas, landscaping, and a new trash enclosure would also be provided. Specific details about the project design are provided later in this staff report.

City Council approval to initiate a Specific Plan Amendment is required before an application for said Amendment can be submitted to the Planning Division. The proposed Amendment was taken to the City Council meeting on February 13, 2019, where the Council voted unanimously to initiate the project. Said direction only authorizes the intake and processing of the application – it does not irrecoverably commit the City to a certain course of action. The application for the Specific Plan Amendment and Conditional Use Permit was then submitted to Planning staff on June 19, 2019.

PROJECT ANALYSIS:

1. General Plan / Zoning

The General Plan land use designation for the subject property is SPA 9 (Specific Plan Area #9) and the zoning classification is SP (Specific Plan). The Downtown Specific Plan has been divided into several different districts, each with different land use allowances and tailored development standards. "Vehicle repair, light" or limited repairs is only permitted within the Southern Gateway District of the Specific Plan, through the issuance of a conditional use permit. The subject property is included within the Historic Downtown District of the Downtown Specific Plan. Automobile supply stores with incidental installation and automotive repair facilities of any type are not permitted or conditional uses within this district. Therefore, the existing tire shop is a legal non-conforming use within that district, and modifications or expansions to the use are substantially restricted, as described in Article 61, Division 3 of the City of Escondido Zoning Code. Since "light vehicle repair" is conditionally permitted in the adjacent Southern Gateway District, the applicant

submitted a request to adjust the boundary between the Historic Downtown District and the Southern Gateway District of the Downtown Specific Plan to reassign the project site to the Southern Gateway District. With approval of the concurrent Conditional Use Permit request, the applicant would have the appropriate zoning permits to demolish the existing shop and replace it with a new one, as described in this report.

Senate Bill 18 (SB18) requires city and county jurisdictions in California to invite local tribal groups to consult on a project whenever the project involves the adoption of a General Plan Amendment or Specific Plan, or the amendment of a General Plan or Specific Plan. Upon receipt of an invitation, a tribal group has ninety (90) days to request consultation with the jurisdiction. On August 16, 2019, Planning staff mailed consultation invitations to sixteen (16) representatives from thirteen (13) tribal groups, per a contact list provided by the Native American Heritage Commission. Staff received no requests to consult within or after the 90-day response period.

2. Design Review

The project was taken to a staff design review meeting on July 11, 2019. Recommendations were made during that meeting regarding the design and location of the trash enclosure, the screening of utility equipment, and landscaping along the east property line for screening of the parking area. These recommendations were transmitted to the applicant and incorporated into the project design.

3. Supplemental Details of Request

	Proposed	Required (Southern Gateway District, Downtown Specific Plan)
1. Project area	0.8 acre	No minimum
2. Existing Buildings	Tire sales & installation facility: ±7,000 SF Bridal shop: ±9,900 SF Total development: ±16,900 SF	N/A
3. Proposed Buildings	Footprint of new tire sales & installation facility: 8,192 SF Net area of building: 10,471 SF <ul style="list-style-type: none"> • First floor (7,721 SF net area) – sales/display area, office and computer room, restrooms, janitor’s closet, vehicle service area, dead tire storage room, and fire riser/compressor rooms 	N/A

- Mezzanine (2,750 SF net area) – three storage rooms and walking grate
- Tire storage racks will be located on both levels, starting in the ground-floor vehicle service area and extending upward through the mezzanine walking grate

Bridal shop to be demolished and not replaced

4. Setbacks

Front (Escondido): 110'

Interior side (alley): 65'

Street side (2nd): 13' from ultimate street curb face (project has been conditioned to modify to 14' on building plans)

Rear: 8'

Front: At right of way or 14' from ultimate street curb face, whichever is greater (surface parking and signs: 5' from property line)

Interior side: None (surface parking and signs: 5' from property line)

Street side: Same as front

Rear: Same as interior side

5. Parking

29 spaces (25 standard, 2 ADA, 2 EV)

1,466.62 SF of display area (includes sales floor, public restrooms, hallway) @ 1 space per 1,000 SF = 1.47 spaces required

3,450.28 SF of storage area (includes entire mezzanine, dead tire storage, janitor closet) @ 1 space per 800 SF = 4.31 spaces required

5,128.10 SF of garage area (includes vehicle service area) @ 1 space per 250 SF = 20.51 spaces required

Total requirement: 26 spaces (rounded down from 26.29)

6. Building Height	30'	75' max (up to 5 stories)
7. Lot Frontage	116.05' (Escondido Boulevard)	50' min
8. Materials and Colors	<p>Wall materials: EIFS (exterior insulation and finish system) over CMU; stone veneer</p> <p>Decorative accents: Faux storefront system (north elevation only); fabric awnings over main entrance and faux storefront; steel trellises for vines (north and west elevations only); faux window medallions; decorative light fixtures</p> <p>Color palette: Medium tan as main color for main walls (both EIFS and stone), and for all doors (including service bay doors). Lighter and darker shades of tan/brown as wall accent colors. Dark red for awnings, and medium red for aluminum storefront frames.</p>	<p>Development standards for the Downtown Specific Plan are located within Chapter III, "Design Policies, Standards, and Guidelines". Colors to be coordinated and non-garish. Durable and timeless exterior materials associated with urban environments (concrete, brick, stone, metal, etc.) to be used.</p>
9. Landscaping	<p>Existing street trees to remain along Escondido Boulevard frontage (palms)</p> <p>New street trees along 2nd Avenue frontage and alley frontage (golden rain tree and Canary Island pine, respectively)</p> <p>New trees in parking lot island and at driveway entrances (London plane tree)</p> <p>Various shrubs and groundcovers around perimeter of site and in parking lot island</p>	<p>Landscape subject to Article 62 of the City of Escondido Zoning Code. Submittal of a full landscape package (including planting and irrigation details) will be required as a condition of approval for the project.</p>

4. Street Improvements

As part of the project, 2nd Avenue would be widened by six (6) feet along the Project frontage, with a 50'-long curb transition along the frontage of the neighboring property to the west (occupied by Twinkle Tub Laundry). No shift in the location of the Project site's north property line would be needed (in other words, the width of the right-of-way would not change, just the width of the road

within that right-of-way). The existing traffic signal and associated electrical box near the northeast corner of the project site would be relocated out of the widened roadway, and onto the project site. One (1) streetlight on 2nd Avenue would also be relocated. Two (2) existing driveways along 2nd Avenue (one serving the bridal shop parking lot and the other serving the tire shop parking lot) would be removed, and replaced with one new, 30'-wide driveway between them.

Six (6) existing street parking spaces along 2nd Avenue would be impacted by these road widening activities. Five of these spaces would be replaced between the curb transition zone and the new driveway, for a net loss of one street parking space. Since the new tire shop would provide a surplus of three (3) parking spaces over the minimum requirement (29 spaces provided vs. 26 required, as described above), and since the other businesses on this block on the north side of 2nd Avenue all have off-street parking, the loss of a street space was determined not to be significant by Traffic Engineering staff.

The south property line of the Project site would be shifted by two (2) feet as a result of this project, increasing the alley width from 20' to 22', and removing approximately 400 SF from the 0.8-acre site. The existing entrance from the alley to the tire shop parking lot would be closed, and a new 30'-wide entrance would be located near the southwest corner of the Project site.

ENVIRONMENTAL STATUS:

The proposed Specific Plan Amendment is categorically exempt from environmental review in conformance with the "common sense" exemption described in CEQA Section 15061(b)(3). This exemption states that CEQA applies only to projects which have the potential to cause a significant effect on the environment. The Specific Plan Amendment would reassign the project site from the Historic Downtown District to the Southern Gateway District of the Downtown Specific Plan. This change, in and of itself, does not impose any physical changes on the site that could impact the environment for the purposes of CEQA. Any subsequent requests to redevelop or change the use of the property would need to be considered on a case-by-case basis to determine if the proposed activity would also be exempt from CEQA, or if the activity could cause environmental impacts requiring analysis.

The proposed Conditional Use Permit is also conditionally exempt from CEQA per Section 15302(b), which covers replacement of a commercial structure with a new structure of substantially the same size, purpose, and capacity. The existing tire shop is approximately 7,000 SF in size. The proposed project would replace it with a new tire shop, with an approximate net area of 7,721 square feet on the main level for sales and installation, as well as a 2,750-square-foot mezzanine above the service floor, for storage. While the new tire shop would be somewhat larger than the existing one, it would have the same number of vehicle service bays as the existing shop (three bays, with room for two (2) vehicles per bay, or six (6) vehicles total). In other words, most of the differences in size and capacity between the existing building and the proposed building can be attributed to an expanded sales area and the inclusion of the mezzanine in the structure, not an ability to service additional vehicles at any given time. Additionally, the project would permanently remove a secondary retail use (the 9,900-square-foot bridal shop), with no replacement, resulting in a net loss of development square footage for the site as a whole.

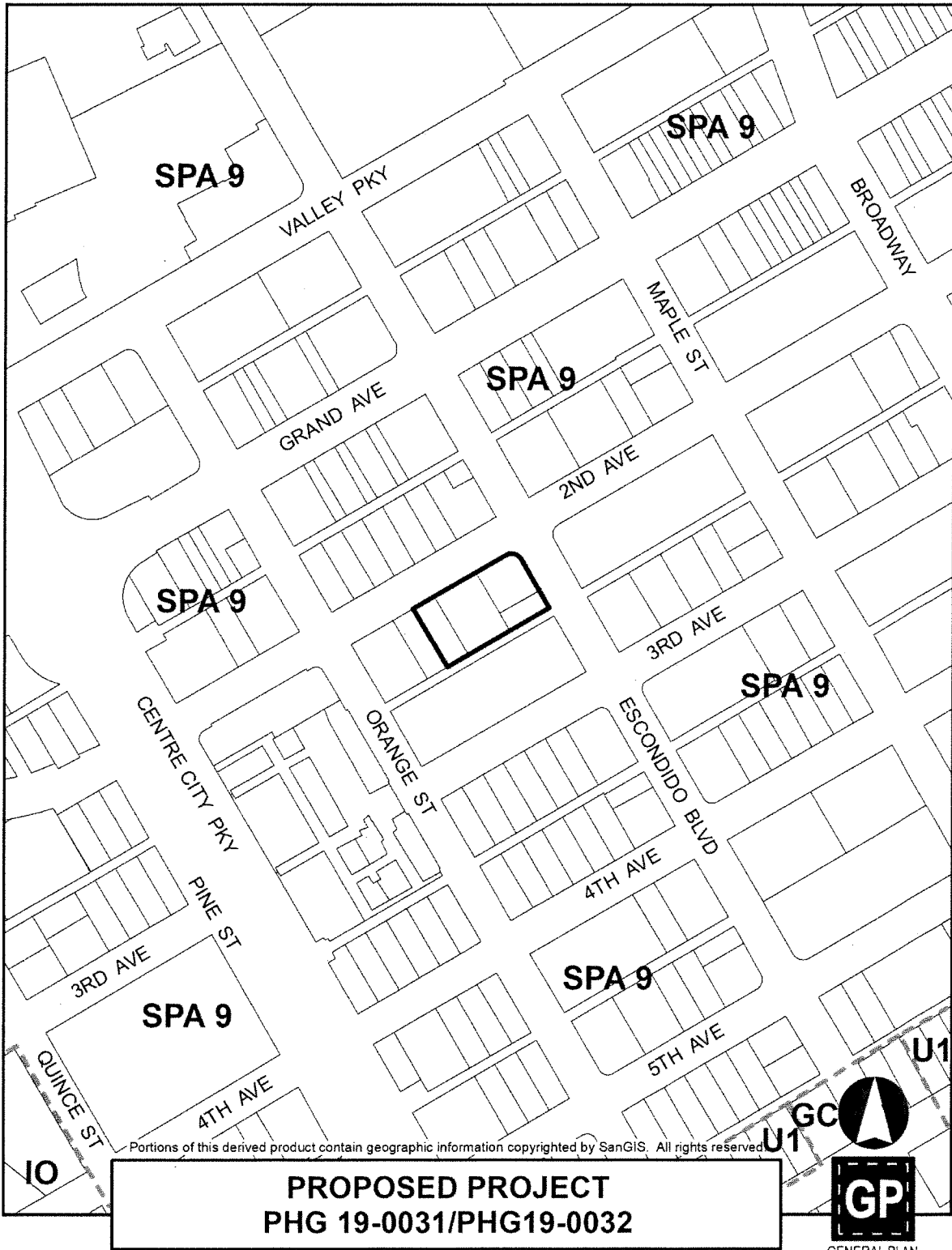
CONCLUSIONS:

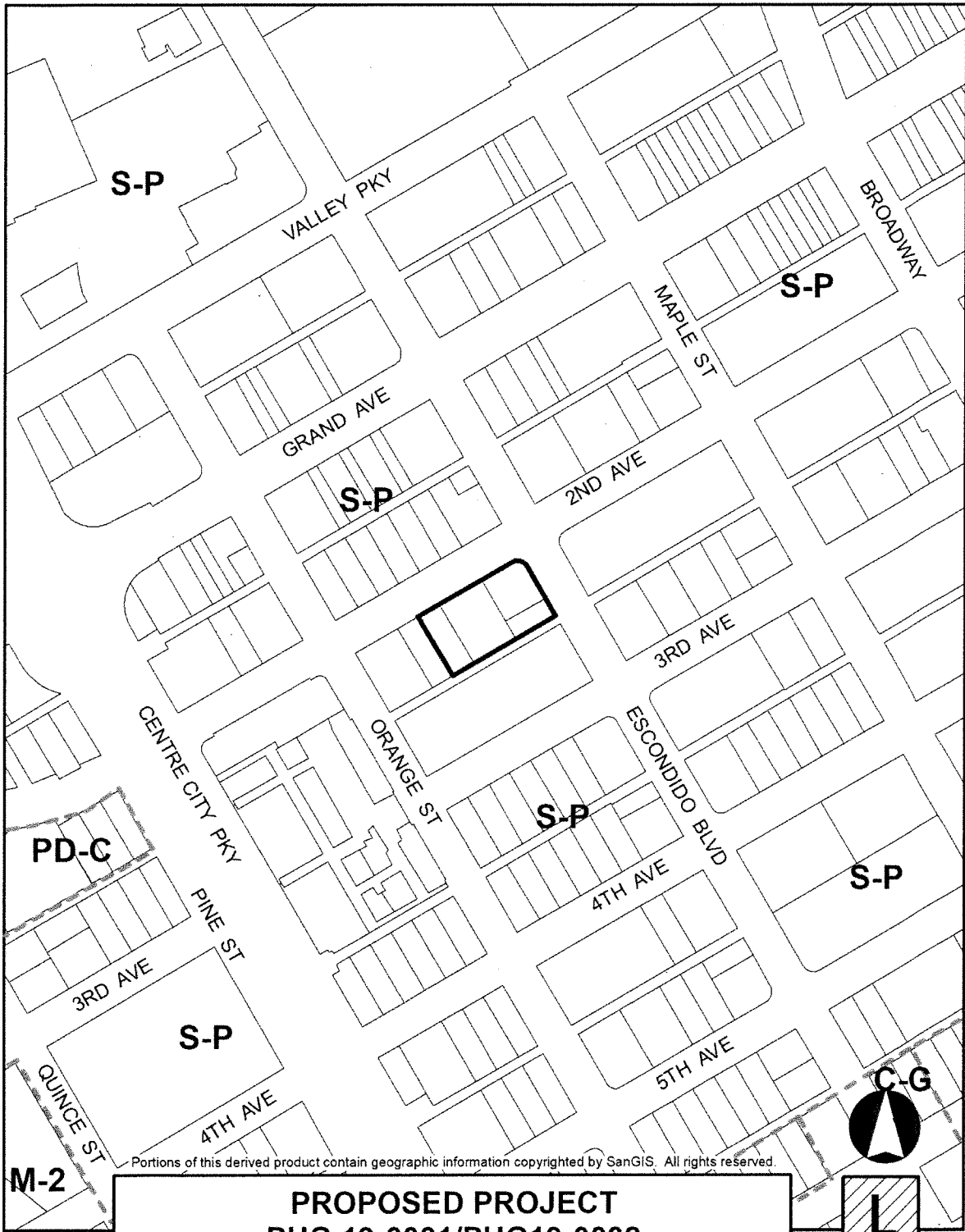
With the approval of a Specific Plan Amendment to move the project site from the Historic Downtown District to the Southern Gateway District of the Downtown Specific Plan, the proposed demolition of an existing tire shop and bridal shop, and replacement with a new tire shop, would be consistent with the Downtown Specific Plan. The project as proposed will not have a significant effect on the environment, as designed and conditioned. The location, size, design, and operating characteristics of the proposed project will not be incompatible with or will adversely affect or will be materially detrimental to adjacent land uses. The site is suitable for the type and intensity of use or development which is proposed. Staff recommends that the Planning Commission recommend approval of Planning Case No. PHG 19-0031 and PHG 19-0032, based upon the factors/findings and conditions contained in the attached Planning Commission Resolution No. 2019-25 (Attachment 3).

ATTACHMENTS:

1. Location and General Plan Map
2. Specific Plan Amendment Map
3. Draft Planning Commission Resolution No. 2019-25

ATTACHMENT 1





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**PROPOSED PROJECT
PHG 19-0031/PHG19-0032**



ATTACHMENT 2

Specific Plan Amendment APNs 233-052-04, 233-052-06, 233-052-13, and 233-052-15 PHG 19-0031

The parcels associated with the proposed Specific Plan Amendment are as follows:

APNs	Existing Downtown Specific Plan District Designation	Proposed Downtown Specific Plan District Designation
233-052-04	Historic Downtown District	Southern Gateway District
233-052-06	Historic Downtown District	Southern Gateway District
233-052-13	Historic Downtown District	Southern Gateway District
233-052-15	Historic Downtown District	Southern Gateway District

I. Downtown Specific Plan Land Uses Map

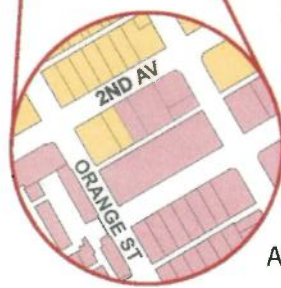
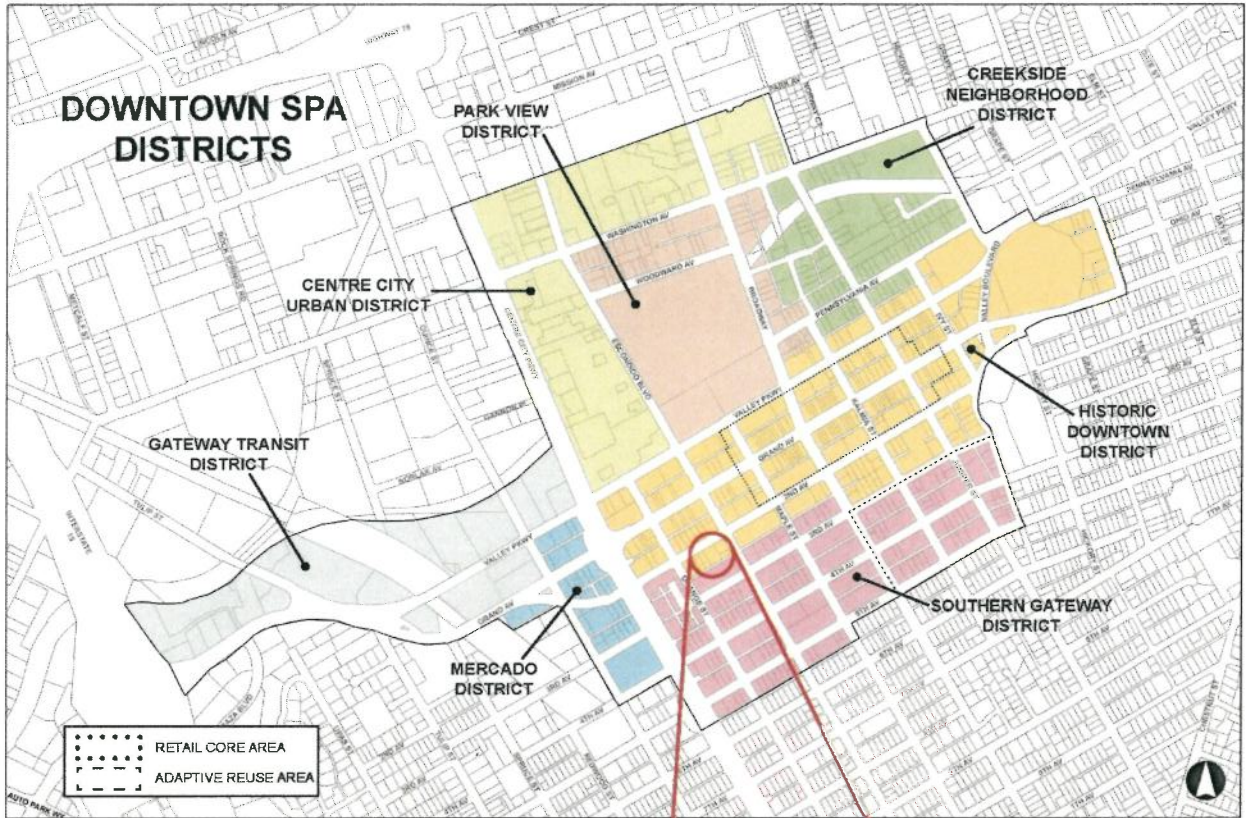
The Downtown Specific Plan Land Uses Map (Figure II-1) is amended as shown on the following page (incorporating the mapping strategy described in the December 10, 2019 Planning Commission staff report for PHG 19-0031 and PHG 19-0032), as attached hereto and made a part hereof. All parcels listed in the above table will carry the Southern Gateway District designation. The entire, existing Downtown Specific Plan is on file with the Office of the City Clerk.

The map amends the following in the Downtown Specific Plan:

- Page II-2, Figure II-1: Color of project site to be changed from orange (Historic Downtown District) to pink (Southern Gateway District). (Please note that the color should be changed on the map itself and the "area of map revision" included on the following page is just for explanatory purposes.)
- All other maps in the Downtown Specific Plan that include the project area should also change the project area from orange to pink, as done for Figure II-1.

II. Clerical Tasks

The City Clerk be hereby authorized and directed to change any chapter numbers, article numbers, and section numbers in the event that the adoption of this Specific Plan Amendment reveals that there is a conflict, in order to avoid confusion and possible accidental repeal of existing provisions.



ATTACHMENT 3

Planning Commission

Hearing Date: December 10, 2019

Effective Date: December 11, 2019

PLANNING COMMISSION RESOLUTION NO. 2019-25

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ESCONDIDO, CALIFORNIA, A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ESCONDIDO, CALIFORNIA, RECOMMENDING APPROVAL OF A SPECIFIC PLAN AMENDMENT AND A CONDITIONAL USE PERMIT FOR THE REDEVELOPMENT OF A TIRE SALES AND INSTALLATION FACILITY

APPLICANT: Reid Kunishige, raSmith, Inc.

CASE NO: PHG 19-0031 and PHG 19-0032

WHEREAS, Reid Kunishige of raSmith, Inc. (herein after referred to as "Applicant"), filed a land use development application (Planning Case Nos. PHG 19-0031 and PHG 19-0032), constituting a request for a Specific Plan Amendment to reassign a property from the Historic Downtown District to the Southern Gateway District of the Downtown Specific Plan, and a Conditional Use Permit to allow the replacement of an existing tire sales and installation facility and bridal shop with a new tire sales and installation facility, on a 0.8 gross acre site addressed as 209 South Escondido Boulevard and 339 West 2nd Avenue (APNs 233-052-04, 233-052-06, 233-052-13, and 233-052-15), in the Downtown Specific Plan; 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; and

WHEREAS, the land use development 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 California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 et seq.); and

WHEREAS, "light vehicle repair" uses are conditionally permitted within the Southern Gateway District of the Downtown Specific Plan, subject to the approval of a Conditional Use Permit, in accordance with Figure II-2 of the Downtown Specific Plan; and

WHEREAS, pursuant to CEQA and 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 did study said request, performed necessary investigations, prepared a written report, and does recommend approval of the Project; and

WHEREAS, City staff provided public notice of the application in accordance with City and State public noticing requirements.

WHEREAS, the Planning Commission of the City of Escondido did, on December 10, 2019, hold a duly noticed public hearing as prescribed by law. At said hearing, this Planning Commission received and considered the reports and recommendation of the Planning Division and gave all persons full opportunity to be heard

and to present evidence and testimony respecting said matter. Evidence was submitted to and considered by the Planning Commission, including, without limitation:

- a. Written information including plans, studies, written and graphical information, and other material, submitted by the Applicant;
- b. Oral testimony from City staff, interested parties, and the public;
- c. The staff report, dated December 10, 2019, with its attachments as well as City staff's recommendation on the Project, which is incorporated herein as though fully set forth herein; and
- d. Additional information submitted during the public hearing; and

WHEREAS, said public hearing before the Planning Commission was conducted in all respects as required by the Escondido Municipal Code and the rules of this Planning Commission.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Escondido:

1. That the above recitations are true and correct.
2. Public Resources Code Section 21084 requires the CEQA Guidelines to include a list of classes of projects which have been determined *not* to have a significant effect on the environment and which shall be exempt from the provisions of CEQA. The Planning Commission, in its independent judgement, has determined the Specific Plan Amendment to qualify for the "common sense" exemption under Section 15061(b)(3) of the CEQA Guidelines, since it would not impose any physical changes to the site. The Planning Commission, in its independent judgement, has also determined the Conditional

Use Permit to qualify for the “replacement and reconstruction” exemption under Section 15302(b) since it would allow the replacement of an existing tire sales and installation facility and bridal shop with a new tire sales and installation facility of substantially the same size, capacity, and purpose.

3. After consideration of all evidence presented, and studies and investigations made by the Planning Commission and in 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 City Council approve the application to use the subject property for said purpose specified above and subject to each and all of the conditions hereafter set forth in Exhibit “D”. The Planning Commission expressly declares that it would not have made this recommendation for this land use development application except upon and subject to each and all of said conditions, which shall run with the land and be binding upon the Applicant, the owner, and all subsequent owners of the subject property, and all persons who use the subject property for the use permitted hereby.

5. The development plan is on file in the Planning Division of the Community Development Department and is available for inspection by anyone interested herein, and

said development plan is incorporated herein by this reference, the same as if it were fully set forth herein.

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, 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 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 10th day of December, 2019, by the following vote, to wit:

AYES:	COMMISSIONERS:
NOES:	COMMISSIONERS:
ABSTAINED:	COMMISSIONERS:
ABSENT:	COMMISSIONERS:

JAMES SPANN, Chairman
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.

KIRSTEN PERAINO, Minutes Clerk
Escondido Planning Commission

EXHIBIT "A"

LEGAL DESCRIPTION PLANNING CASE NOS. PHG 19-0031 & PHG 19-0032

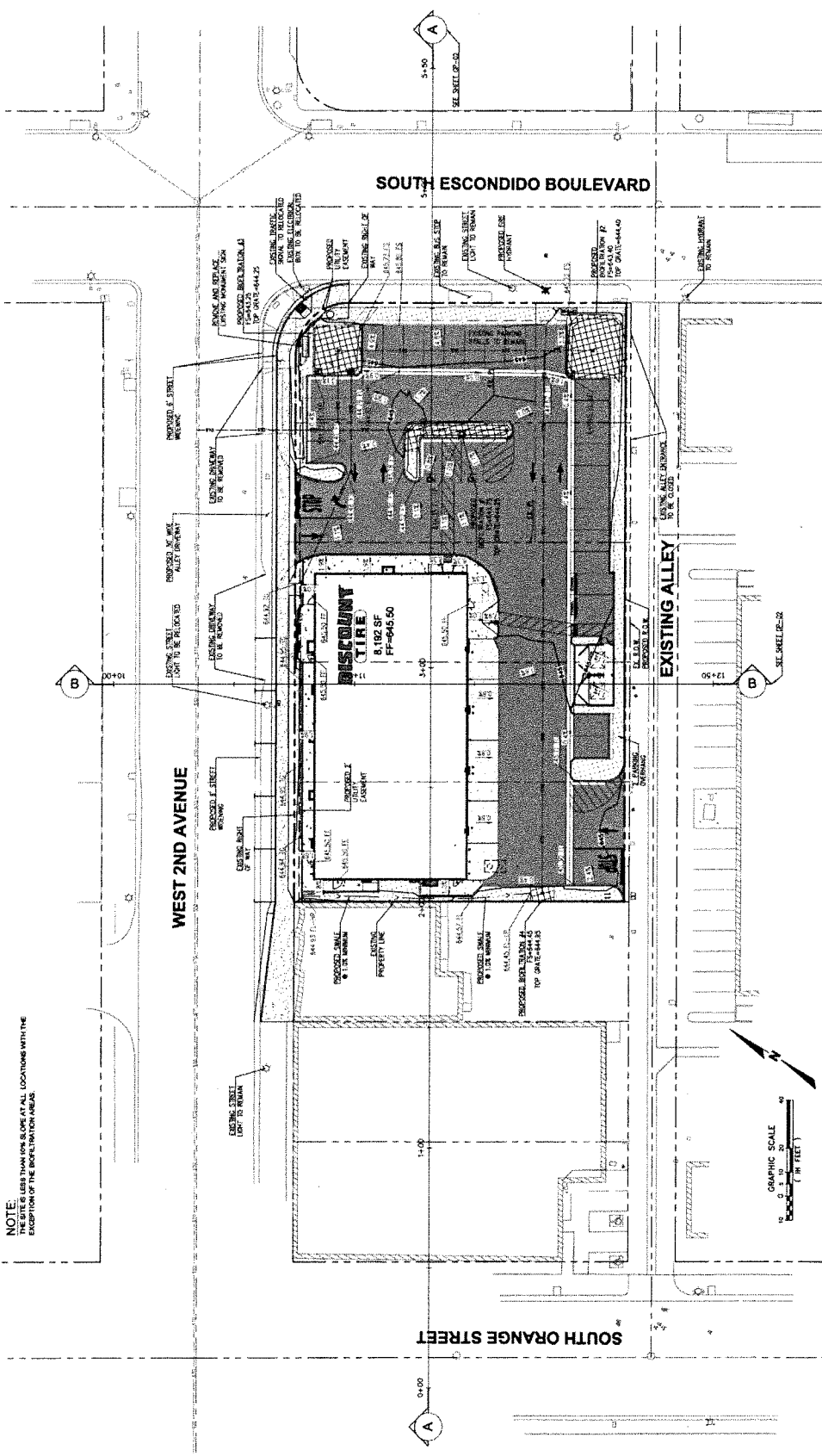
339 West 2nd Avenue (APNs 233-052-04 and 233-052-13):

LOT 11, 12 AND 13 IN BLOCK 86 OF ESCONDIDO, 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.

209 South Escondido Boulevard (APNs 233-052-06 and 233-052-15):

LOTS 9 AND 10 IN BLOCK 86 OF ESCONDIDO, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 336 THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO, CALIFORNIA ON JULY 20, 1886.

EXCEPTING THEREFROM ALL THAT PORTION CONVEYED TO THE CITY OF ESCONDIDO BY DEED RECORDED NOVEMBER 22, 1985 AS INSTRUMENT NO. 85-393852, OF OFFICIAL RECORDS.



NOTE:
THE SLOPE SHALL BE LESS THAN 1% SLOPE AT ALL LOCATIONS WITH THE
EXCEPTION OF THE INFILTRATION AREAS.

LEGEND:

- PROPOSED PARCEL LINE
- EXISTING PARCEL LINE
- PROPOSED CONTOURS
- EXISTING CONTOURS
- PROPOSED FLOW
- EXISTING FLOW

PAVING LEGEND:

- PROPOSED A.C. PAVEMENT
- CONCRETE WALKWAY
- CONCRETE PAVEMENT
- LANDSCAPING PER LANDSCAPE PLAN

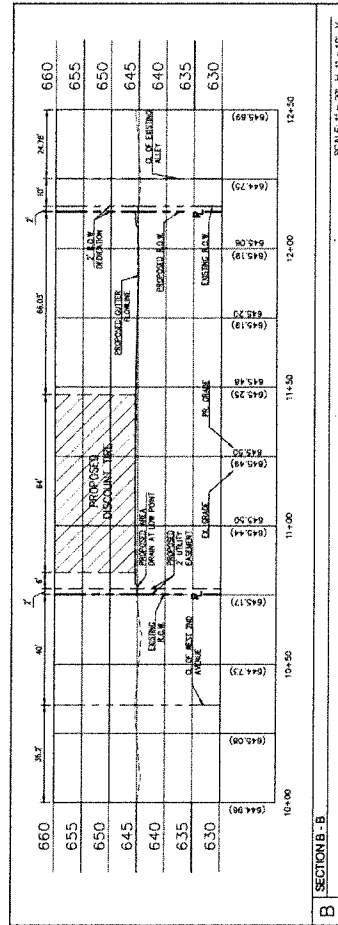
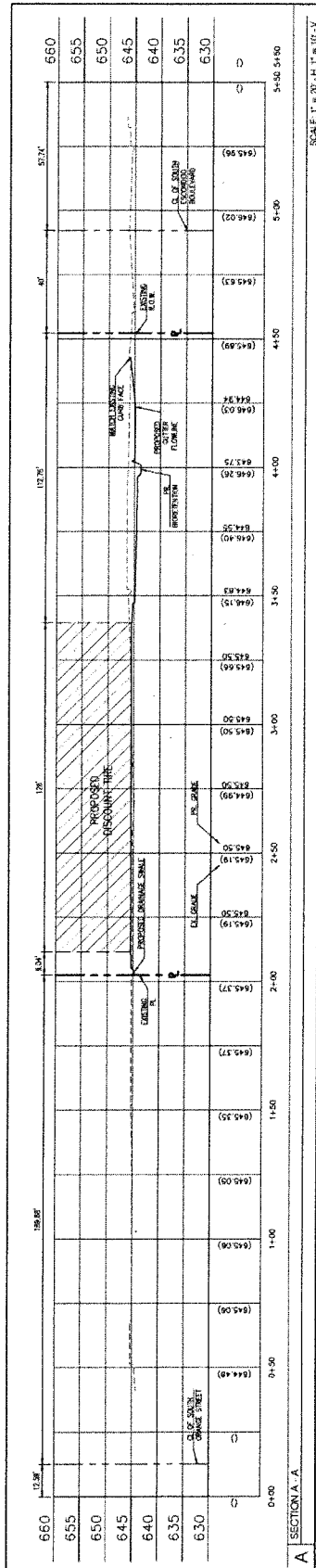
CUT/FILL ESTIMATE OF EARTHWORK

CUT: 665 CY
 FILL: 125 CY
 NET EXPORT: 480 CY

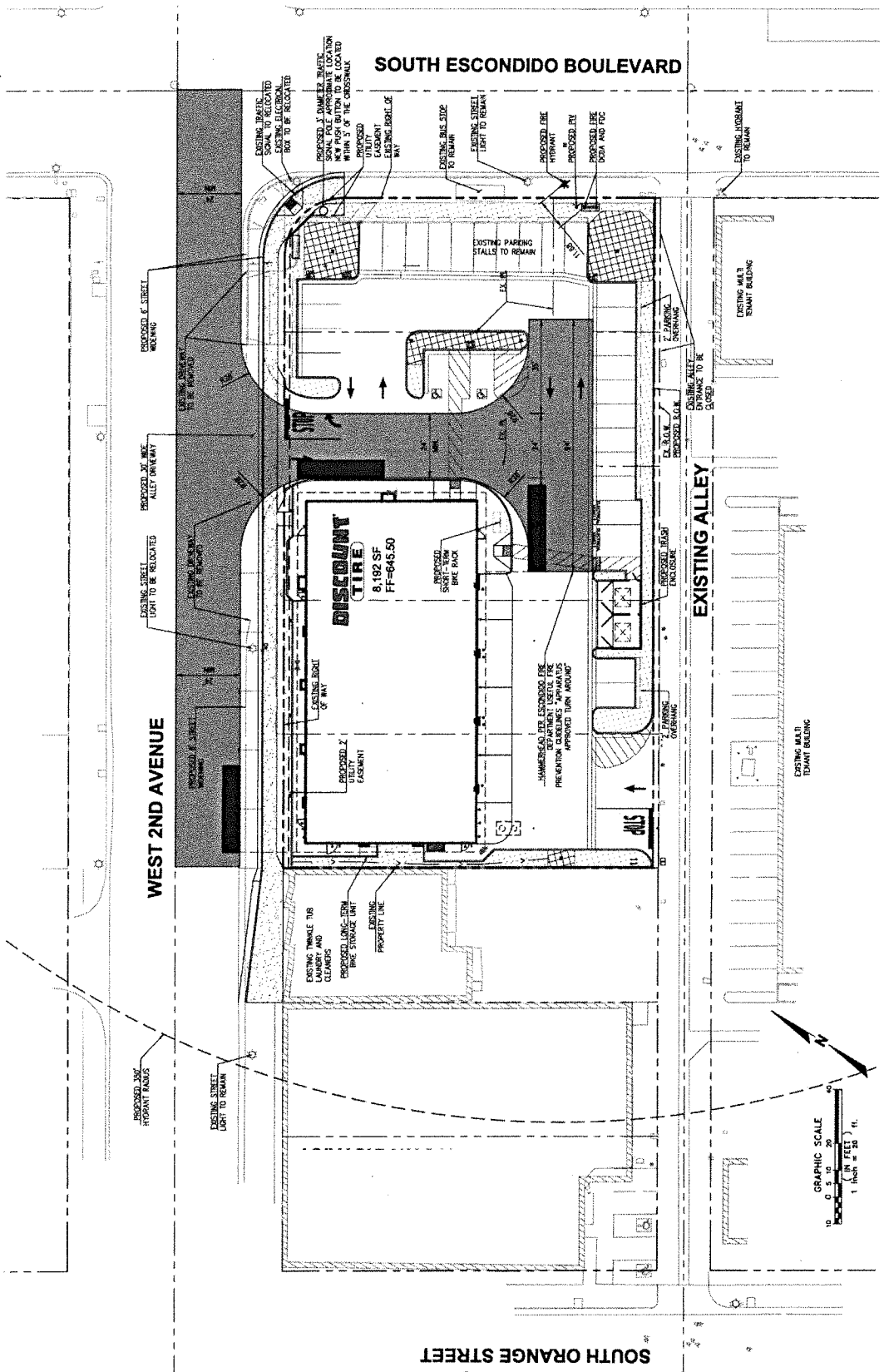
CUT/FILL BASED ON COMPARISON OF EXISTING SURFACE TO THE PROPOSED FINISH SURFACE, AND DOES NOT ACCOUNT FOR ANY OVER-EXCAVATION FOR FOUNDATIONS, BUILDING SLAB/PILING, OR ADDITIONAL UNDERLAYER AND/OR CUT AND FILL EARTHWORK REQUIREMENTS.

EARTHWORK QUANTITIES PROVIDED FOR PERMITTING PURPOSES ONLY. CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING QUANTITIES AND REPORTING ANY DISCREPANCIES TO THE CONTRACTOR.

**PROPOSED PROJECTS: PHG 19-0031 & PHG 19-0032
 GRADING PLAN**

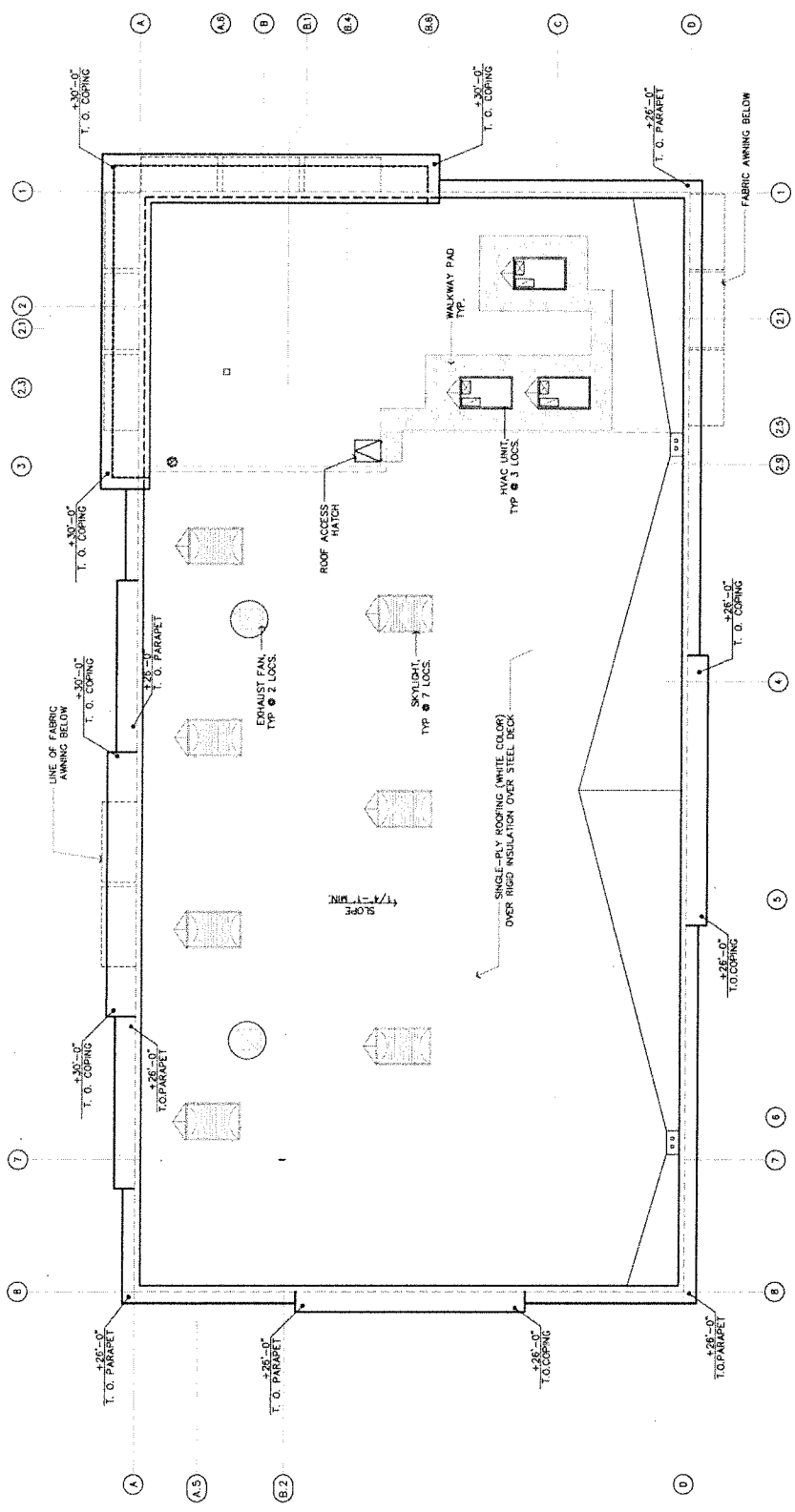


PROPOSED PROJECTS: PHG 19-0031 & PHG 19-0032
SITE SECTIONS



- FIRE ACCESS PLAN LEGEND:**
- PROPOSED FIRE ACCESS ROUTE PER ESCONDIDO FIRE DEPARTMENT
 - PROPOSED FIRE HYDRANT
 - EXISTING FIRE HYDRANT
 - EMERGENCY VEHICLE
 - HOSE PULL (150' MAXIMUM, UNLESS NOTED)
 - HYDRANT SPACING (360' MAXIMUM)

**PROPOSED PROJECTS: PHG 19-0031 & PHG 19-0032
FIRE ACCESS PLAN**



CONCEPTUAL ROOF PLAN

**PROPOSED PROJECTS: PHG 19-0031 & PHG 19-0032
ROOF PLAN**

EXHIBIT “C”

FACTORS TO BE CONSIDERED/FINDINGS OF FACT PLANNING CASE NOS. PHG 19-0031 & PHG 19-0032

Specific Plan Amendment:

1. The public health, safety, and welfare will not be adversely affected by the proposed Specific Plan Amendment. The proposed Amendment will reassign the project site from the Historic Downtown District to the Southern Gateway District of the Downtown Specific Plan. The Amendment, in and of itself, does not prescribe a specific use to the site, but makes it eligible for any use listed in the Downtown Specific Plan as permitted or conditional for the district. The applicant is seeking concurrent approval of a CUP to allow the demolition of an existing tire shop and bridal shop, and the construction of a new tire shop in their place, since this is a conditional use within the Southern Gateway District. The applicant has submitted plans for the Conditional Use Permit, which have been reviewed by various City departments for conformity to applicable codes and regulations.
2. The property is suitable for the uses permitted by the proposed zone. A tire shop with incidental installation services already operates on the site, though it is a legal non-conforming use, since it is not a permitted or conditional use within the Historic Downtown District of the Downtown Specific Plan. The proposed Specific Plan Amendment would help legitimize the use and facilitate the desired reconstruction, since the use is conditional for the Southern Gateway District. The applicant has submitted a concurrent CUP application for the project, which has been reviewed for conformity to relevant regulations and standards pertaining to building and landscape appearance, parking, stormwater management, and utilities, among others.
3. The uses permitted by the proposed zone would not be detrimental to the surrounding properties. The Specific Plan Amendment would reassign the project site from the Historic Downtown District to the Southern Gateway District of the Downtown Specific Plan. Therefore, the permitted and conditional uses for the Southern Gateway District would become effective for this site, while the uses for the Historic Downtown District would no longer apply. Though this Amendment is proposed to facilitate a tire shop development, the site could be taken over by a different use at some point in the future, if the tire shop operator were to vacate the site. However, there is substantial overlap between uses allowed for the Historic Downtown District and uses allowed for the Southern Gateway District, and the Downtown Specific Plan as a whole has been crafted to promote uses that are appropriate for an urban center. Any new use proposed for the site in the future would be reviewed on a case-by-case basis to determine if a CUP or other discretionary approval is necessary and if CEQA applies. Furthermore, the project site is already adjacent to the Southern Gateway District, so the shift in the boundary between the two districts will be minimal, and the project

is not proposing to add any new permitted or conditional uses to the Southern Gateway District or any other district in the Downtown Specific Plan. Therefore, no detrimental effects are expected as a result of this Specific Plan Amendment.

4. The proposed change is consistent with the adopted general plan. The existing General Plan land use designation for the site is SPA 9 (i.e., the Downtown Specific Plan). The proposed Specific Plan Amendment would not change this designation, only a district boundary within the same Specific Plan Area.
5. The proposed Specific Plan Amendment would not establish a residential density that is below 70% of the maximum permitted residential density for the site. Residential uses are currently prohibited on the project site and will remain so after approval of the Specific Plan Amendment.
6. The relationship of the proposed change is applicable to a specific plan. The proposed Specific Plan Amendment would reassign the project site from one district within the Downtown Specific Plan to another district within the Downtown Specific Plan, to facilitate the redevelopment of a tire shop with incidental installation services, as described in the staff report dated December 11, 2019.

Conditional Use Permit:

1. Granting the Conditional Use Permit for the proposed use would be based upon sound principles of land use and in response to services required by the community. The proposed redevelopment of the tire shop would be in conformity with the Downtown Specific Plan upon concurrent approval of a proposed Specific Plan Amendment that would reassign the project site from the Historic Downtown District to the Southern Gateway District, where "light vehicle repair" is a conditional use. The new tire shop would include the same number of service bays as are currently available, but the expanded retail sales/display area and parking exceeding minimum requirements will better accommodate customer needs. Conformity to all relevant development standards and design guidelines in the Downtown Specific Plan and the City of Escondido Zoning Code has been demonstrated on the project plans, and/or addressed in the proposed conditions of approval. A public notice was issued in accordance with city codes and state law for a public hearing to consider the proposed Conditional Use Permit, and no issues were identified at said hearing that would deem the proposed use to be incompatible with surrounding properties and uses.
2. Granting the Conditional Use Permit would not cause deterioration of bordering land uses or create special problems for the area in which it is located. The project would replace an existing tire shop with a new one of the same service capacity. It would replace two existing driveways on the 2nd Avenue frontage (one of which is very close to the 2nd Avenue/Escondido Boulevard intersection) with one new driveway a sufficient distance from that intersection, and

widen the 2nd Avenue roadway, for improved traffic safety and easier access to and from the site. The net loss of one street parking space along the south side of 2nd Avenue would not create a problem for the area, since the tire shop site would provide more parking than required for the use, and other businesses in the immediate vicinity currently provide their own off-street parking. The new tire shop would be designed to coordinate with the surrounding neighborhood, with a neutral color palette and materials appropriate for an urban area. The new building would orient its service bays toward the alley to the south instead of to 2nd Avenue or Escondido Boulevard, reducing the visual impact of vehicle service activities, while the north elevation would feature decorative details such as faux storefront windows and steel trellises for vines. The project would remove an existing trash enclosure between the tire shop and the bridal shop, with a new enclosure conforming to City standards for size, appearance, and screening. Bioretention basins would be provided in various locations on the site to accommodate stormwater runoff.

3. The Conditional Use Permit has been considered in relationship to its effect on the surrounding area and would not result in a negative impact. As described above, the proposed use would replace an existing use of the same purpose. The project would widen 2nd Avenue along the project frontage, with a net loss of just one street parking space, and on-site parking in excess of the minimum requirement would be provided. Landscaping for screening purposes and overall aesthetics would be provided throughout the site, with bioretention areas to accommodate stormwater runoff. A new trash enclosure would be provided that conforms to City guidelines for size, coverage, and screening. The proposed building has been designed with neutral colors and appropriate building materials to coordinate with existing development on surrounding properties.

EXHIBIT "D"

CONDITIONS OF APPROVAL PLANNING CASE NOS. PHG 19-0031 & PHG 19-0032

Nothing in this permit shall relieve the Applicant from complying with conditions and regulations generally imposed upon activities similar in nature to the activity authorized by this permit. **This action does not relieve the applicant of the obligation to comply with all ordinances, statutes, regulations, and procedures.**

Prior to final occupancy, a Planning Final Inspection shall be completed to ensure that the property is in full compliance with the conditional use permit conditions.

GENERAL

1. **Permit Expiration.** 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 or 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.
2. All construction shall comply with all applicable requirements of the Escondido Zoning Code and requirements of the Planning Department, Director of Building, and the Fire Chief. Approval of this request shall not waive compliance with any sections of the Municipal Code and all other applicable City regulations in effect at the time of Building Permit issuance unless specifically waived herein.
3. The colors, materials, and design of the project shall conform to the exhibits and references in the staff report, to the satisfaction of the Planning Division. The north elevation of the building shall demonstrate a minimum 14' setback from the north property line on any submitted building plans, per the development standards for the Southern Gateway District of the Downtown Specific Plan.
4. A minimum of twenty-nine (29) parking spaces meeting City standards shall be provided on site as discussed in the staff report and to the satisfaction of the City Engineer and Director of Community Development. Parking for disabled persons shall be provided in full compliance with Chapter 2-71, Part 2 of Title 24 of the State Building Code, including signage. All parking spaces shall remain available for operable vehicles and shall not be used for inoperable vehicles or general storage.

5. A separate sign permit will be required for proposed signage. The size and location of proposed signage shall conform to the standards in the Downtown Specific Plan.
6. Four copies of a final landscape and irrigation plan shall be submitted to the Engineering Division, for review and approval by the Engineering Division and the Planning Division. The plan shall be in substantial conformance with the conceptual landscape plan submitted for the Conditional Use Permit.
7. The legal description attached to this resolution 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.
8. The holder of the Conditional Use Permit shall make the premises available for inspection by City staff during operating hours, and shall provide such business records, licenses, and other materials necessary to evidence compliance with the conditions of approval.
9. This Conditional Use Permit shall become null and void unless utilized within twelve (12) months of the effective date of approval.
10. The Conditional Use Permit may be referred back to the Planning Commission for review and possible revocation or modification at a noticed public hearing upon receipt of nuisance complaints regarding performance of the operation of the facility and/or non-compliance with the conditions of approval.
11. Per Chapter VII ("Special Uses") of the Downtown Specific Plan, no outdoor display or sale of merchandise shall occur on the premises.
12. 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 for the project (environmental determination for the project). In order to file the Notice of Exemption with the County Clerk, in conformance with the 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, a 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 specific 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.
13. **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.

14. **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.
15. **Revocation, Suspension, Modification.** At any time after Project implementation, the City may require a noticed public hearing to be scheduled before the Planning Commission to determine if there has been demonstrated a good faith intent to proceed in reliance on this approval. This item may be referred to the appropriate decision-making body upon recommendation of the Director of Community Development for review and possible revocation or modification of the Permit regarding non-compliance with the Conditions of Approval.

This Permit may be revoked, suspended or modified by the Planning Commission, or by the City Council on appeal, at any time regardless of who is the owner of the subject property or who has the right to possession thereof or who is using the same at such time, whenever, after a noticed hearing, and after the following findings are fully investigated:

- a. A violation of any term or condition not abated, corrected or rectified within the time specified on the notice of violation; or
- b. A violation of any City ordinance, state law, or federal law not abated, corrected or rectified within the time specified on the notice of violation; or
- c. The use as presently conducted creates or constitutes a nuisance.

16. **Noise.** All Project generated noise shall conform to the City's Noise Ordinance (Ordinance 90-08).

17. **Lighting.** All exterior lighting shall conform to the requirements of Article 1072, Outdoor Lighting (Ordinance No. 86-75).
18. **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.
19. **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.
20. **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.

LANDSCAPING

1. 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.
2. 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 (5) 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.
3. Screening walls, retaining walls, storm improvements, and landscaping (i.e. planting and irrigation) is to be provided prior to final occupancy.
4. 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.

5. 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.
6. 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.

FIRE

1. Contact the Fire Department prior to demolition of any structures.
2. Fire alarm and sprinkler plans shall be a separate submittal to the Fire Department. Additional sprinklering (higher K density and in-rack sprinklers) may be required for this project.
3. A high-piled combustible materials technical report shall be submitted to Fire concurrently with the building permit submittal for the new tire shop.

ENGINEERING CONDITIONS OF APPROVAL PHG19-0031

STREET IMPROVEMENTS AND TRAFFIC

1. Frontage street improvements shall be constructed in accordance with the design standards and the requirements of the City Engineer. This construction shall include the relocation of the existing traffic signal and all conflicting utilities. A 30-foot curb return radius shall be constructed at the corner. Specific details, including final street improvement width, right-of-way widths, concrete curb and gutters, curb transitions, drainage, lighting, etc. shall be resolved to the satisfaction of the City Engineer.

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 within and adjoining the project:

<u>STREET</u>	<u>CLASSIFICATION</u>
Second Avenue	Collector (32' half width)
Public Alley	Alley (Figure 8)

See appropriate typical sections in the current Escondido Design Standards for additional details.

2. Sidewalk construction shall be contiguous to the curb in accordance with current Escondido Design Standards.
3. The developer shall design and construct a traffic signal modification plan for the intersection of Second Avenue and Escondido Boulevard. The modified traffic signal system and striping plan shall be prepared by the developer's engineer for review and approval by the Traffic Engineer and the City Engineer.
4. All driveways shall be alley-type in accordance with Escondido Standard Drawing No. G-5-E, with a minimum throat width of twenty-four (24) feet.
5. The public alley driveway entrance on Escondido Blvd shall be replaced with the alley-type driveway in accordance with Escondido Standard Drawing No. G-5-E.
6. All unused driveways shall be removed and replaced with full height curb and gutter and sidewalk in accordance with City standards.
7. The developer shall install storm water treatment Best Management Practices (BMPs) in accordance with green streets standards established by the County of San Diego Green Streets manual. The property owner shall be responsible for maintenance of green street treatment BMPs in the public right-of-way intended for treatment of the Second Avenue frontage public improvements.
8. The developer may be responsible for an overlay of Escondido Blvd and Second 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.
9. An Encroachment Permit shall be obtained from the Engineering Department for all work within the public right-of-way. Contact the Engineering Field Office at 760 839-4664 to arrange for the Encroachment Permit and inspections, and note on the plans.

10. Adequate horizontal sight distance shall be provided at all street intersections and driveway entrances. Increased parkway widths, open space easements, and restrictions on landscaping may be required at the discretion of the City Engineer.
11. The developer shall be required to relocate the existing street light pole at Second Avenue in accordance with the current Escondido Standard Drawing No. E-1-E.
12. The developer's engineer shall prepare a complete signing and striping plan for all improved roadways. The developer's contractor shall complete all necessary removal of existing striping and signage and shall install all new signing and striping per the approved plans and as directed by the Field Engineer.
13. Pedestrian access routes shall be provided into the project to the satisfaction of the City Engineer.
14. All public improvements shall be constructed in a manner that does not damage existing public improvement. Any damage shall be determined by and corrected to the satisfaction of the City Engineer.
15. 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.
16. The developer will be required to provide a detailed detour and traffic control plan, for all construction within existing rights-of-way, to the satisfaction of the Traffic Engineer and the Field Engineer. This plan shall be approved prior to the issuance of an Encroachment Permit for construction within the public right-of-way.
17. The project owner shall remove and replace all damaged sidewalks and curb and gutters along project frontages on Second Avenue and Escondido Boulevard to the satisfaction of the City Engineer, prior to issuance of Certificate of Occupancy.

An engineered improvement plan is required for all public improvements (unless only sidewalks, driveways and/or streetlights are required). The developer shall post security for these improvements and an improvement plan shall be approved by the City of Escondido prior to issuance of any building permits. All required improvements shall be constructed prior to final acceptance of subject construction by the City.

GRADING

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.
2. All private driveways and parking areas shall be paved with a minimum of 3" AC over 6" of AB or 5 1/2" PCC over 6" AB. All paved areas exceeding 15% slope or less than 1.0% shall be paved with PCC.

3. Erosion control, including riprap, interim sloping planting, gravelbags, 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 development of the project.
4. A Construction General Permit is required from the State Water Resources 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.
5. 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.
6. The on-site trash enclosure shall drain toward the landscaped area and include a roof over the enclosure in accordance with the City's Storm Water Management requirements and to the satisfaction of the City Engineer.
7. After approval of the site grading and erosion control plan, and prior to the start of construction of the grading and street improvements, the developer shall obtain a Grading Permit and Encroachment Permit from the Engineering Field Office. Contact the Engineering Field Office at 760-839-4664 to arrange for the Encroachment Permit and inspections.

*All site grading and erosion control plans shall be prepared by a Registered Civil Engineer. A separate submittal to the Engineering Department is required for the site grading and erosion control plans. Plans will **not** be forwarded from the Building Department.*

DRAINAGE

1. All on-site storm drains not in public easements are private. All detention basins and all post-construction BMP's facilities are private. The responsibility for maintenance of these storm drains, basins, and post-construction BMP's shall be that of the property owner.
2. A 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 hydro-modification calculations, treatment calculations, post-construction storm water treatment measures, and maintenance requirements.
3. Site Design and Source Control Best Management Practices (BMPs) shall be implemented to the maximum extent practicable. Downspouts from buildings shall be directed to landscaping to allow the infiltration of runoff into the ground. Where

feasible, runoff from the hardscape areas shall be directed to landscaped areas to allow infiltration into the ground.

4. All site drainage with emphasis on the roadway, parking, and driveway areas shall be treated to remove expected contaminants using a high efficiency non-mechanical method of treatment. The City highly encourages the use of bio-retention areas as the primary method of storm water retention and treatment. The landscape plans will need to reflect these areas of storm water treatment.
5. The developer will be required to have the current owner of the property sign, notarize, and record a Storm Water Control Facility Maintenance Agreement.

WATER SUPPLY

1. Fire hydrants together with an adequate water supply shall be installed at locations approved by the Fire Marshal.
2. All water services, detector check assemblies, and other appurtenances within the City of Escondido water service area shall be installed per current City of Escondido Design Standards and Standard Drawings.
3. All water services to be abandoned shall be disconnected and plugged at the main. All existing water services, cut or damaged during construction, shall be replaced from the public main to the water meter per City of Escondido Standard Drawing W-1-E and W-2-E.
4. A fire suppression sprinkler system shall be designed and constructed per current City of Escondido Design Standards and Standard Drawings and per the requirements of the Fire Marshall.
5. All on-site water lines and backflow prevention devices beyond the City water meter shall be considered a private water system. The property owner shall be responsible for all maintenance of these water lines and appurtenances.
6. Trees or deep rooted plants shall not be planted within 10 feet of any water service.

SEWER

1. A private 6-inch minimum PVC sewer lateral with a standard clean-out within 18" 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 fitting or Inserta-Tee per City of Escondido Standard Drawing S-2-E and the current Uniform Building Code.
2. Any damage to the existing 8" concrete sewer pipe in the alley during construction shall be repaired with 8" SDR-35 sewer pipe per City of Escondido standards.

3. All sewer laterals will be considered a private sewer system. The property owners will be responsible for all maintenance of their individual sewer laterals to the sewer main.
4. All sewer laterals to be abandon shall be capped at the right-of-way line.
5. 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.

LANDSCAPE

1. A site landscaping and irrigation plan shall be submitted to the Engineering Department with the second submittal of the grading plan. The initial submittal of the landscape plans shall include the required plan check fees in effect at the time of the submittal.
2. Permanent landscaping shall be installed along the project frontages and all areas disturbed by the project. The landscaping, including storm water treatment BMPs, shall be maintained by the property owner.

EASEMENTS AND DEDICATIONS

1. The developer shall dedicate two (2) feet of right-of-way along the public Alley to the City of Escondido to bring the roadway to an Alley classification in conformance with the City's Design Standard and Standard Drawings.
2. The developer shall dedicate to the public a 20-foot radius corner rounding or chamfered edge at Escondido Blvd and Second Avenue.
3. A two (2) feet public utility easement (PUE) shall be granted to the City along Second Avenue.
4. Necessary traffic signal easement for the traffic signal pole and appurtenances shall be granted to the City.
5. All easements, both private and public, affecting subject property shall be delineated and labeled on the grading plans.
6. The developer shall make arrangements to remove from title all existing easements which conflict with the proposed grading and parking improvements on the site.

Material necessary for processing a dedication or easement shall include: a current grant deed or title report, a legal description and plat of the dedication or easement signed and sealed by a person authorized to practice land surveying (document size) and traverse closure tapes. The City will prepare all final documents.

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 new BMPs, 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, drainage, landscaping, and best management practices items of work with a minimum of \$5,000 up to a maximum of \$50,000, 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.

UTILITY UNDERGROUNDING AND RELOCATION

1. All existing overhead utilities within the property boundary or along fronting streets shall be relocated underground as required by the Utility Undergrounding Ordinance.
2. The developer shall sign a written agreement stating that he has made all such arrangements as may be necessary to coordinate and provide utility construction, relocation and undergrounding. All new utilities shall be constructed underground.

SURVEYING AND MONUMENTATION

1. All property corners shall be monumented by a person authorized to practice land surveying and a Record of Survey Map (or Corner Record if appropriate) shall be recorded.

Attachment 2

Agenda Item No.: D

CITY OF ESCONDIDO

ACTION MINUTES OF THE REGULAR MEETING OF THE ESCONDIDO PLANNING COMMISSION

December 10, 2019

The meeting of the Escondido Planning Commission was called to order at 7:00 p.m. by Chairman Spann, in the City Council Chambers, 201 North Broadway, Escondido, California.

Commissioners present: James Spann, Chairman; Don Romo, Vice-Chair; Michael Cohen, Commissioner; Joe Garcia, Commissioner; James McNair, Commissioner; James Spann, Commissioner; and Stan Weiler, Commissioner.

Commissioners absent: None – 1 vacancy.

Staff present: Mike Strong, Assistant Planning Director; Owen Tunnell, Assistant City Engineer; Adam Phillips, Senior Deputy City Attorney; Adam Finestone, Principal Planner; Jay Paul, Senior Planner; Darren Parker, Associate Planner; Ann Dolmage, Associate Planner; and Kirsten Peraino, Minutes Clerk.

MINUTES:

Moved by Commissioner Weiler, seconded by Commissioner Romo to approve the Action Minutes of the October 22, 2019 meeting with the correction noting Commissioner McNair's absence from October 22, 2019 meeting, not Commissioner Watson. Motion carried unanimously. Ayes: Cohen, Garcia, Romo, Spann, and Weiler. Noes: None. 6-0-0 (1 vacancy).

WRITTEN COMMUNICATIONS: – Received.

FUTURE NEIGHBORHOOD MEETINGS: – None.

ORAL COMMUNICATIONS: – Former Planning Commissioner Mark Watson submitted his resignation (relocating outside the City limits) and thanked the Commissioners and staff for the opportunity to serve on the Planning Commission.

PUBLIC HEARINGS:

1. TENTATIVE SUBDIVISION MAP AND ADOPTION OF A MITIGATED NEGATIVE DECLARATION, SUB 17-0030 AND ENV 17-0006:

REQUEST: A Tentative Subdivision Map to divide three (3) parcels totaling 3.39-acres in size into six (6) parcels, ranging in size from 20,087 SF to 21,887 SF. The project also includes off-site extensions of existing sewer and water mains in La Honda Drive and along Via Hondita (approximately 1,200 feet) to provide service to the project site. Grading includes the removal of sensitive habitat on-site to provide a necessary fuel management area for fire safety purposes. Up to 0.33-acres of non-Native Grassland and 0.34-acres of Southern Willow Scrub would be removed from the site. Said project is located in the RE-20 zone (Residential Estates, 20,000 SF minimum lot size) and the Suburban (S) General Plan Land Use designation. The proposal also includes the adoption of the environmental determination prepared for the project.

PROPERTY SIZE AND LOCATION: Approximately 3.39-acres, located on the east side of La Honda Drive, approximately 750 feet north of E. El Norte Parkway, (APNs 225-040-26-00, 225-040-27-00 & 225-040-28-00)

ENVIRONMENTAL STATUS: A Draft Initial Study & Mitigated Negative Declaration was issued for a 20-day public review on October 10, 2019. No comments were received. Mitigation measures required under CEQA were developed to reduce the potential for adverse impacts related to biological resources and tribal cultural resources.

STAFF RECOMMENDATION: Approval

PUBLIC SPEAKERS:

Frank Klasser, shared concerns about the project.

COMMISSIONER DISCUSSION AND QUESTIONS:

The Commissioners discussed various aspects of the project.

COMMISSION ACTION: Motion by Weiler, seconded by McNair to approve staff recommendation.

Motion carried unanimously. Ayes: Cohen, Garcia, Romo, Spann, and Weiler. Noes: None. 6-0-0 (1 vacancy).

2. SPECIFIC PLAN AMENDMENT AND CONDITIONAL USE PERMIT – PHG 19-0031 AND PHG 19-0032:

REQUEST: The proposed project is a Specific Plan Amendment to adjust district boundaries within the Downtown Specific Plan, to move the project site from the Historic Downtown District to the Southern Gateway District, which allows “light vehicle repair” as a conditional use. Concurrently, the proposed project requests approval of a Conditional Use Permit to allow the demolition of an existing tire shop (±7,000 SF) and bridal shop (±9,900 SF), to be replaced with a new tire shop (7,721 SF main level with 2,750 SF mezzanine). A parking lot containing 29 spaces, landscaping and bioretention areas, and a new trash enclosure would also be provided. The proposal also includes the adoption of the environmental determination prepared for the project.

PROPERTY SIZE AND LOCATION: The project site is approximately 0.8 acre and is located at the southwest corner of South Escondido Boulevard and West 2nd Avenue. It comprises four lots with Assessor’s Parcel Numbers 233-052-04-00, 233-052-06-00, 233-052-13-00, and 233-052-15-00. The tire shop currently is addressed as 209 South Escondido Boulevard, and the bridal shop is addressed as 339 West 2nd Avenue.

ENVIRONMENTAL STATUS: The portion of the project that involves the Specific Plan Amendment is exempt from CEQA review pursuant to CEQA Section 15061(b)(3) (“Common Sense Exemption”) since there would be no possibility of a effect on the environment. The Conditional Use Permit is covered by CEQA Section 15302 (“Replacement or Reconstruction”) for the replacement of the commercial structure with a new structure of substantially the same size, purpose, and capacity.

STAFF RECOMMENDATION: Recommend City Council approval

PUBLIC SPEAKERS:

Reid Kunishige, Applicant, spoke in favor of project.

COMMISSIONER DISCUSSION AND QUESTIONS:

The Commissioners discussed various aspects of the project.

COMMISSION ACTION: Motion by Weiler, seconded by Cohen to approve staff recommendation with the added conditions:

1. Term of CUP will be 24 months instead of 12
2. A lot tie agreement will be required
3. Improvements to the alley will be required

Motion carried unanimously. Ayes: Cohen, Garcia, Romo, Spann, and Weiler. Noes: None. 6-0-0 (1 vacancy).

3. ZONING CODE AMENDMENT – AZ 19-0001:

REQUEST: A proposed amendment to Article 34 (Communication Antennas Ordinance) of the Escondido Zoning Code to update the requirements for wireless communication facilities within the right-of-way. The amendment includes an update to the entitlement process to streamline deployment wireless networks and simplified language to be consistent with Federal Communications Commission Order. The proposal also includes new guidelines for wireless communications facilities in the right-of-way, as well as the environmental determination prepared for the project. No development project is proposed.

PROPERTY SIZE AND LOCATION: Citywide

ENVIRONMENTAL STATUS: Exemption under the Common Sense Exemption, CEQA Section 15061(b)(3).

STAFF RECOMMENDATION: Recommend City Council approval

PUBLIC SPEAKERS:

Adrian Salas, with Crown Castle, shared concerns regarding the ordinance and guidelines.

Michael Farraher, with Verizon, shared concerns regarding the ordinance and guidelines.

COMMISSIONER DISCUSSION AND QUESTIONS:

The Commissioners discussed various aspects of the project.

COMMISSION ACTION: Motion by Cohen, seconded by Weiler to approve staff's recommendation.

Motion carried unanimously. Ayes: Cohen, Garcia, Romo, Spann, and Weiler. Noes: None. 6-0-0 (1 vacancy).

CURRENT BUSINESS: – None.

ADJOURNMENT:

Chairman Spann adjourned the meeting at 8:50 p.m. to the next regularly scheduled Planning Commission meeting to be held at 7:00 p.m. on Tuesday, January 14, 2019 in the City Council Chambers, 201 North Broadway Escondido, California.

Mike Strong, Secretary to the
Escondido Planning Commission

Kirsten Peraino, Minutes Clerk

DRAFT

ORDINANCE NO. 2020-02

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
ADOPTING AN AMENDMENT TO THE
DOWNTOWN SPECIFIC PLAN TO REASSIGN
A 0.8-ACRE PROJECT SITE FROM THE
HISTORIC DOWNTOWN DISTRICT TO THE
SOUTHERN GATEWAY DISTRICT

APPLICANT: Reid Kunishige, raSmith Inc.
CASE NO.: PHG 19-0031

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

SECTION 1. The City Council makes the following findings:

a) Reid Kunishige of raSmith Inc. ("Applicant") submitted a verified land use development application on property located in the central portion of the City of Escondido ("City"), at the southwest corner of South Escondido Boulevard and West 2nd Avenue. The Project site is currently 0.8 acre in size and is comprised of four lots with Assessor's Parcel Numbers 233-052-04, 233-052-06, 233-052-13, and 233-052-15, legally described as Exhibit "A" to Resolution No. 2020-03, which is incorporated herein by this reference as though fully set forth herein. Said verified application was submitted to, and processed by, the Planning Division of the Community Development Department as Planning Case Nos. PHG 19-0031 and PHG 19-0032, and seeks approval of a Specific Plan Amendment and Conditional Use Permit relating to the Project site.

b) The Planning Division of the Community Development Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for December 10, 2019. Following the public hearing on December 10, 2019, the Planning Commission adopted Resolution No. 2019-25, which

recommended that the City Council, among other things, approve the Project's Specific Plan Amendment.

SECTION 2. An original copy of the proposed Specific Plan Amendment and Conditional Use Permit, 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 January 15, 2020, 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 January 15, 2020, 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, a Notice of Exemption relative to the Project was adopted and will be filed with the County Clerk at a time and in a manner as described by law.

SECTION 5. That, upon consideration of the Findings of Fact, attached as Exhibit "A," the City Council desires at this time and deems it to be in the best public interest to approve the Specific Plan Amendment, which is attached to the January 15, 2020, City Council staff report, and is incorporated herein by this reference as though fully set forth herein.

SECTION 6: The Downtown SPA Districts Map (Figure II-1) of the City of Escondido Downtown Specific Plan is hereby amended to change the project site from the Historic Downtown District to the Southern Gateway District, as set forth in Exhibit "B" and incorporated herein by reference as though fully set forth herein.

SECTION 7: All references within this Ordinance to "Applicant," "Developer," or "Subdivider" shall be equally applicable to the current property owner and to any successors-in-interest or assigns, whether such successors of 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. Concurrently with this Ordinance, the City Council is taking additional action in furtherance of the Project, as generally described by the January 15, 2020 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 within its corporate limits as a statute in the manner provided by state law. Therefore, this Ordinance shall become effective after final passage and publication as required by law, and operative only if Resolution No. 2020-03 is approved.

SECTION 11. The City Council authorizes all subsequent action to be taken by City Officials consistent with this Ordinance.

SECTION 12. 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 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 13. The Ordinance shall become effective 30 days from the date of the passage.

EXHIBIT "A"

FACTORS TO BE CONSIDERED/FINDINGS OF FACT

Planning Case No. PHG 19-0031

Specific Plan Amendment

1. The public health, safety, and welfare will not be adversely affected by the proposed Specific Plan Amendment. The proposed Amendment will reassign the project site from the Historic Downtown District to the Southern Gateway District of the Downtown Specific Plan. The Amendment, in and of itself, does not prescribe a specific use to the site, but makes it eligible for any use listed in the Downtown Specific Plan as permitted or conditional for the district. The applicant is seeking concurrent approval of a CUP to allow the demolition of an existing tire shop and bridal shop, and the construction of a new tire shop in their place, since this is a conditional use within the Southern Gateway District. The applicant has submitted plans for the Conditional Use Permit, which have been reviewed by various City departments for conformity to applicable codes and regulations.
2. The property is suitable for the uses permitted by the proposed zone. A tire shop with incidental installation services already operates on the site, though it is a legal non-conforming use, since it is not a permitted or conditional use within the Historic Downtown District of the Downtown Specific Plan. The proposed Specific Plan Amendment would help legitimize the use and facilitate the desired reconstruction, since the use is conditional for the Southern Gateway District. The applicant has submitted a concurrent CUP application for the project, which has been reviewed for conformity to relevant regulations and standards pertaining to building and landscape appearance, parking, stormwater management, and utilities, among others.
3. The uses permitted by the proposed zone would not be detrimental to the surrounding properties. The Specific Plan Amendment would reassign the project site from the Historic Downtown District to the Southern Gateway District of the Downtown Specific Plan. Therefore, the permitted and conditional uses for the Southern Gateway District would become effective for this site, while the uses for the Historic Downtown District would no longer apply. Though this Amendment is proposed to facilitate a tire shop development, the site could be taken over by a different use at some point in the future, if the tire shop operator were to vacate the site. However, there is substantial overlap between uses allowed for the Historic Downtown District and uses allowed for the Southern Gateway District, and the Downtown Specific Plan as a whole has been crafted to promote uses that are appropriate for an urban center. Any new use proposed for the site in the future would be reviewed on a case-by-case basis to determine if a CUP or other discretionary approval is necessary and if

CEQA applies. Furthermore, the project site is already adjacent to the Southern Gateway District, so the shift in the boundary between the two districts will be minimal, and the project is not proposing to add any new permitted or conditional uses to the Southern Gateway District or any other district in the Downtown Specific Plan. Therefore, no detrimental effects are expected as a result of this Specific Plan Amendment.

4. The proposed change is consistent with the adopted general plan. The existing General Plan land use designation for the site is SPA 9 (i.e., the Downtown Specific Plan). The proposed Specific Plan Amendment would not change this designation, only a district boundary within the same Specific Plan Area.
5. The proposed Specific Plan Amendment would not establish a residential density that is below 70% of the maximum permitted residential density for the site. Residential uses are currently prohibited on the project site and will remain so after approval of the Specific Plan Amendment.
6. The relationship of the proposed change is applicable to a specific plan. The proposed Specific Plan Amendment would reassign the project site from one district within the Downtown Specific Plan to another district within the Downtown Specific Plan, to facilitate the redevelopment of a tire shop with incidental installation services, as described in the staff report dated December 11, 2019.

EXHIBIT "B"

SPECIFIC PLAN AMENDMENT

Planning Case No. PHG 19-0031

The parcels associated with the proposed Specific Plan Amendment are as follows:

APNs	Existing Downtown Specific Plan District Designation	Proposed Downtown Specific Plan District Designation
233-052-04	Historic Downtown District	Southern Gateway District
233-052-06	Historic Downtown District	Southern Gateway District
233-052-13	Historic Downtown District	Southern Gateway District
233-052-15	Historic Downtown District	Southern Gateway District

I. Downtown Specific Plan Land Uses Map

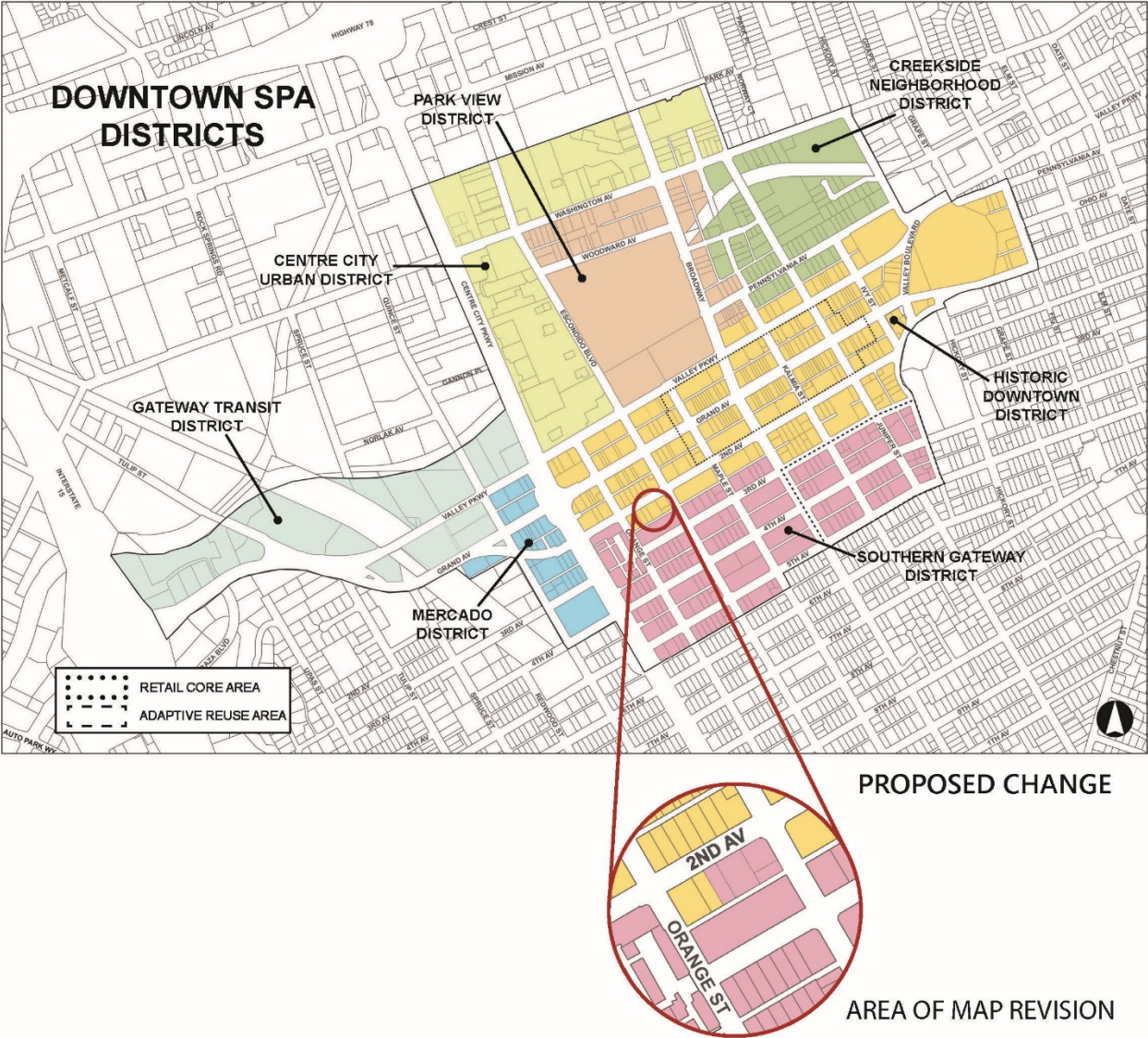
The Downtown Specific Plan Land Uses Map (Figure II-1) is amended as shown on the following page (incorporating the mapping strategy described in the December 10, 2019 Planning Commission staff report for PHG 19-0031 and PHG 19-0032), as attached hereto and made a part hereof. All parcels listed in the above table will carry the Southern Gateway District designation. The entire, existing Downtown Specific Plan is on file with the Office of the City Clerk.

The map amends the following in the Downtown Specific Plan:

- Page II-2, Figure II-1: Color of project site to be changed from orange (Historic Downtown District) to pink (Southern Gateway District). (Please note that the color should be changed on the map itself and the "area of map revision" included on the following page is just for explanatory purposes.)
- All other maps in the Downtown Specific Plan that include the project area should also change the project area from orange to pink, as done for Figure II-1.

II. Clerical Tasks

The City Clerk be hereby authorized and directed to change any chapter numbers, article numbers, and section numbers in the event that the adoption of this Specific Plan Amendment reveals that there is a conflict, in order to avoid confusion and possible accidental repeal of existing provisions.



RESOLUTION NO. 2020-03

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING A CONDITIONAL USE PERMIT
FOR THE REDEVELOPMENT OF A TIRE
SALES AND INSTALLATION FACILITY IN THE
SOUTHERN GATEWAY DISTRICT OF THE
DOWNTOWN SPECIFIC PLAN

CASE NO. PHG 19-0032

WHEREAS, Reid Kunishige of raSmith Inc. (“Applicant”) submitted a land use development application for a Specific Plan Amendment and Conditional Use Permit, for property located in the central portion of the City of Escondido (“City”), at the southwest corner of South Escondido Boulevard and West 2nd Avenue. The Project site is currently 0.8 acre in size and is comprised of four lots with Assessor’s Parcel Numbers 233-052-04, 233-052-06, 233-052-13, and 233-052-15, legally described in Exhibit “A,” which is attached and incorporated by this reference; and

WHEREAS, said verified application was submitted to, and processed by, the Planning Division of the Community Development Department as Planning Case Nos. PHG 19-0031 and PHG 19-0032 in accordance with the rules and regulations of the Escondido Municipal and Zoning Codes, and the applicable procedures and time limits specified by the Permit Streamlining Act (Government Code Section 65920 et seq.) and CEQA (Public Resources Code Section 21000 et seq.); and

WHEREAS, the Planning Division of the Community Development Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for December 10, 2019, at which interested persons were given the opportunity to appear and present their views with respect to said proposed Project actions. Following the public hearing on December 10, 2019, the Planning Commission

adopted Resolution No. 2019-25, which recommended that the City Council, among other things, approve the Conditional Use Permit; and

WHEREAS, an original copy of the proposed Conditional Use Permit 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, the City Council did on January 15, 2020, 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 January 15, 2020, 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; and

WHEREAS, the City Council has reviewed the request for the Conditional Use Permit, and reviewed and considered the recommendation from the Planning Commission; and

WHEREAS, pursuant to the California Environmental Quality Act, a Notice of Exemption relative to the Project was adopted pursuant to Ordinance 2020-02, and will be filed with the County Clerk at a time and in a manner as described by law.; 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, on January 15, 2020, the City Council introduced Ordinance No. 2020-02 to approve a Specific Plan Amendment, to enable potential adoption of the proposed Conditional Use Permit on the subject site.

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

1. That the above recitations are true.
2. That the Findings of Fact, attached as Exhibit "B" 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 "A" shall be the final and determinative Findings of Fact on this matter.
3. That upon consideration of the Findings, all material in the January 15, 2020, City Council staff report (a copy of which is on file with the Office of the City Clerk), public testimony presented at the hearing, and all other oral and written evidence on this Project, this City Council approves the Conditional Use Permit, subject to the Conditions of Approval in Exhibit "C," which is incorporated by this reference. The approved set of plans, to which the City Council decision is based, is attached as Exhibit "D," and incorporated by this reference.

4. That concurrently with this Resolution, the City Council is taking additional action in furtherance of the Project, as generally described by the January 15, 2020, 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 within its corporate limits as a statute in the manner provided by state law. Therefore, this Resolution shall become effective and operative only on the day immediately subsequent to the date that City Council Ordinance No. 2020-02 becomes effective.

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. 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"

LEGAL DESCRIPTION

Planning Case No. PHG 19-0032

339 West 2nd Avenue (APNs 233-052-04 and 233-052-13):

LOT 11, 12 AND 13 IN BLOCK 86 OF ESCONDIDO, 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.

229 South Escondido Boulevard (APNs 233-052-06 and 233-052-15):

LOTS 9 AND 10 IN BLOCK 86 OF ESCONDIDO, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 336 THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO, CALIFORNIA ON JULY 20, 1886.

EXCEPTING THEREFROM ALL THAT PORTION CONVEYED TO THE CITY OF ESCONDIDO BY DEED RECORDED NOVEMBER 22, 1985 AS INSTRUMENT NO. 85-393852, OF OFFICIAL RECORDS.

EXHIBIT "B"

FACTORS TO BE CONSIDERED/FINDINGS OF FACT

Planning Case No. PHG 19-0032

Conditional Use Permit:

1. Granting the Conditional Use Permit for the proposed use would be based upon sound principles of land use and in response to services required by the community. The proposed redevelopment of the tire shop would be in conformity with the Downtown Specific Plan upon concurrent approval of a proposed Specific Plan Amendment that would reassign the project site from the Historic Downtown District to the Southern Gateway District, where "light vehicle repair" is a conditional use. The new tire shop would include the same number of service bays as are currently available, but the expanded retail sales/display area and parking exceeding minimum requirements will better accommodate customer needs. Conformity to all relevant development standards and design guidelines in the Downtown Specific Plan and the City of Escondido Zoning Code has been demonstrated on the project plans, and/or addressed in the proposed conditions of approval. A public notice was issued in accordance with city codes and state law for a public hearing to consider the proposed Conditional Use Permit, and no issues were identified at said hearing that would deem the proposed use to be incompatible with surrounding properties and uses.
2. Granting the Conditional Use Permit would not cause deterioration of bordering land uses or create special problems for the area in which it is located. The project would replace an existing tire shop with a new one of the same service capacity. It would replace two existing driveways on the 2nd Avenue frontage (one of which is very close to the 2nd Avenue/Escondido Boulevard intersection) with one new driveway a sufficient distance from that intersection, and widen the 2nd Avenue roadway, for improved traffic safety and easier access to and from the site. The net loss of one street parking space along the south side of 2nd Avenue would not create a problem for the area, since the tire shop site would provide more parking than required for the use, and other businesses in the immediate vicinity currently provide their own off-street parking. The new tire shop would be designed to coordinate with the surrounding neighborhood, with a neutral color palette and materials appropriate for an urban area. The new building would orient its service bays toward the alley to the south instead of to 2nd Avenue or Escondido Boulevard, reducing the visual impact of vehicle service activities, while the north elevation would feature decorative details such as faux storefront windows and steel trellises for vines. The project would remove an existing trash enclosure between the tire shop and the bridal shop, with a new enclosure conforming to City standards for size, appearance, and screening. Bioretention basins would be provided in various locations on the site to accommodate stormwater runoff.

3. The Conditional Use Permit has been considered in relationship to its effect on the surrounding area and would not result in a negative impact. As described above, the proposed use would replace an existing use of the same purpose. The project would widen 2nd Avenue along the project frontage, with a net loss of just one street parking space, and on-site parking in excess of the minimum requirement would be provided. Landscaping for screening purposes and overall aesthetics would be provided throughout the site, with bioretention areas to accommodate stormwater runoff. A new trash enclosure would be provided that conforms to City guidelines for size, coverage, and screening. The proposed building has been designed with neutral colors and appropriate building materials to coordinate with existing development on surrounding properties.

EXHIBIT "C"

CONDITIONS OF APPROVAL Planning Case No. PHG 19-0032

Nothing in this permit shall relieve the Applicant from complying with conditions and regulations generally imposed upon activities similar in nature to the activity authorized by this permit. **This action does not relieve the applicant of the obligation to comply with all ordinances, statutes, regulations, and procedures.**

Prior to final occupancy, a Planning Final Inspection shall be completed to ensure that the property is in full compliance with the conditional use permit conditions.

GENERAL

1. **Permit Expiration.** The Permit shall automatically expire after two (2) years from the date of this approval, or the expiration date of any extension granted in accordance with the Escondido Municipal Code or 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.
2. Prior to issuance of any building permits, a lot tie agreement shall be recorded for the four lots included within the project site.
3. All construction shall comply with all applicable requirements of the Escondido Zoning Code and requirements of the Planning Department, Director of Building, and the Fire Chief. Approval of this request shall not waive compliance with any sections of the Municipal Code and all other applicable City regulations in effect at the time of Building Permit issuance unless specifically waived herein.
4. The colors, materials, and design of the project shall conform to the exhibits and references in the staff report, to the satisfaction of the Planning Division. The north elevation of the building shall demonstrate a minimum 14' setback from the north property line on any submitted building plans, per the development standards for the Southern Gateway District of the Downtown Specific Plan.
5. A minimum of twenty-nine (29) parking spaces meeting City standards shall be provided on site as discussed in the staff report and to the satisfaction of the City Engineer and Director of Community Development. Parking for disabled persons shall be provided in full compliance with Chapter 2-71, Part 2 of Title 24 of the State Building Code, including signage. All parking

spaces shall remain available for operable vehicles and shall not be used for inoperable vehicles or general storage.

6. A separate sign permit will be required for proposed signage. The size and location of proposed signage shall conform to the standards in the Downtown Specific Plan.
7. Four copies of a final landscape and irrigation plan shall be submitted to the Engineering Division, for review and approval by the Engineering Division and the Planning Division. The plan shall be in substantial conformance with the conceptual landscape plan submitted for the Conditional Use Permit.
8. The legal description attached to this resolution 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.
9. The holder of the Conditional Use Permit shall make the premises available for inspection by City staff during operating hours, and shall provide such business records, licenses, and other materials necessary to evidence compliance with the conditions of approval.
10. This Conditional Use Permit shall become null and void unless utilized within twenty-four (24) months of the effective date of approval.
11. The Conditional Use Permit may be referred back to the Planning Commission for review and possible revocation or modification at a noticed public hearing upon receipt of nuisance complaints regarding performance of the operation of the facility and/or non-compliance with the conditions of approval.
12. Per Chapter VII ("Special Uses") of the Downtown Specific Plan, no outdoor display or sale of merchandise shall occur on the premises.
13. 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 for the project (environmental determination for the project). In order to file the Notice of Exemption with the County Clerk, in conformance with the 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, a 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 specific 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.
14. **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.

15. **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.
16. **Revocation, Suspension, Modification.** At any time after Project implementation, the City may require a noticed public hearing to be scheduled before the Planning Commission to determine if there has been demonstrated a good faith intent to proceed in reliance on this approval. This item may be referred to the appropriate decision-making body upon recommendation of the Director of Community Development for review and possible revocation or modification of the Permit regarding non-compliance with the Conditions of Approval.

This Permit may be revoked, suspended or modified by the Planning Commission, or by the City Council on appeal, at any time regardless of who is the owner of the subject property or who has the right to possession thereof or who is using the same at such time, whenever, after a noticed hearing, and after the following findings are fully investigated:

- a. A violation of any term or condition not abated, corrected or rectified within the time specified on the notice of violation; or
- b. A violation of any City ordinance, state law, or federal law not abated, corrected or rectified within the time specified on the notice of violation; or
- c. The use as presently conducted creates or constitutes a nuisance.

17. **Noise.** All Project generated noise shall conform to the City's Noise Ordinance (Ordinance 90-08).
18. **Lighting.** All exterior lighting shall conform to the requirements of Article 1072, Outdoor Lighting (Ordinance No. 86-75).
19. **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.
20. **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.
21. **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.

LANDSCAPING

1. 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.
2. 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 (5) 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.
3. Screening walls, retaining walls, storm improvements, and landscaping (i.e. planting and irrigation) is to be provided prior to final occupancy.

4. 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.
5. 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.
6. 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.

FIRE

1. Contact the Fire Department prior to demolition of any structures.
2. Fire alarm and sprinkler plans shall be a separate submittal to the Fire Department. Additional sprinklering (higher K density and in-rack sprinklers) may be required for this project.
3. A high-piled combustible materials technical report shall be submitted to Fire concurrently with the building permit submittal for the new tire shop.

ENGINEERING CONDITIONS OF APPROVAL

STREET IMPROVEMENTS AND TRAFFIC

1. Frontage street improvements shall be constructed in accordance with the design standards and the requirements of the City Engineer. This construction shall include the relocation of the existing traffic signal and all conflicting utilities. A 30-foot curb return radius shall be constructed at the corner. Specific details, including final street improvement width, right-of-way widths, concrete curb and gutters, curb transitions, drainage, lighting, etc. shall be resolved to the satisfaction of the City Engineer.

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 within and adjoining the project:

STREET

Second Avenue

CLASSIFICATION

Collector (32' half width)

See appropriate typical sections in the current Escondido Design Standards for additional details.

2. Sidewalk construction shall be contiguous to the curb in accordance with current Escondido Design Standards.
3. The developer shall design and construct a traffic signal modification plan for the intersection of Second Avenue and Escondido Boulevard. The modified traffic signal system and striping plan shall be prepared by the developer's engineer for review and approval by the Traffic Engineer and the City Engineer.
4. All driveways shall be alley-type in accordance with Escondido Standard Drawing No. G-5-E, with a minimum throat width of twenty-four (24) feet.
5. The public alley driveway entrance on Escondido Blvd shall be replaced with the alley-type driveway in accordance with Escondido Standard Drawing No. G-5-E.
6. All unused driveways shall be removed and replaced with full height curb and gutter and sidewalk in accordance with City standards.
7. The developer shall install storm water treatment Best Management Practices (BMPs) in accordance with green streets standards established by the County of San Diego Green Streets manual. The property owner shall be responsible for maintenance of green street treatment BMPs in the public right-of-way intended for treatment of the Second Avenue frontage public improvements.
8. The public Alley shall include an AC grind and overlay on both sides of the concrete valley gutter. The determination of the extent of the grind and overlay shall be to the satisfaction of the City Engineer.
9. The developer may be responsible for an overlay of Escondido Blvd and Second 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.
10. An Encroachment Permit shall be obtained from the Engineering Department for all work within the public right-of-way. Contact the Engineering Field Office at 760 839-4664 to arrange for the Encroachment Permit and inspections, and note on the plans.
11. Adequate horizontal sight distance shall be provided at all street intersections and driveway entrances. Increased parkway widths, open space easements, and restrictions on landscaping may be required at the discretion of the City Engineer.

12. The developer shall be required to relocate the existing street light pole at Second Avenue in accordance with the current Escondido Standard Drawing No. E-1-E.
13. The developer's engineer shall prepare a complete signing and striping plan for all improved roadways. The developer's contractor shall complete all necessary removal of existing striping and signage and shall install all new signing and striping per the approved plans and as directed by the Field Engineer.
14. Pedestrian access routes shall be provided into the project to the satisfaction of the City Engineer.
15. All public improvements shall be constructed in a manner that does not damage existing public improvement. Any damage shall be determined by and corrected to the satisfaction of the City Engineer.
16. 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.
17. The developer will be required to provide a detailed detour and traffic control plan, for all construction within existing rights-of-way, to the satisfaction of the Traffic Engineer and the Field Engineer. This plan shall be approved prior to the issuance of an Encroachment Permit for construction within the public right-of-way.
18. The project owner shall remove and replace all damaged sidewalks and curb and gutters along project frontages on Second Avenue and Escondido Boulevard to the satisfaction of the City Engineer, prior to issuance of Certificate of Occupancy.

An engineered improvement plan is required for all public improvements (unless only sidewalks, driveways and/or streetlights are required). The developer shall post security for these improvements and an improvement plan shall be approved by the City of Escondido prior to issuance of any building permits. All required improvements shall be constructed prior to final acceptance of subject construction by the City.

GRADING

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.
2. All private driveways and parking areas shall be paved with a minimum of 3" AC over 6" of AB or 5 1/2" PCC over 6" AB. All paved areas exceeding 15% slope or less than 1.0% shall be paved with PCC.
3. Erosion control, including riprap, interim sloping planting, gravelbags, 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 development of the project.

4. A Construction General Permit is required from the State Water Resources 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.
5. 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.
6. The on-site trash enclosure shall drain toward the landscaped area and include a roof over the enclosure in accordance with the City's Storm Water Management requirements and to the satisfaction of the City Engineer.
7. After approval of the site grading and erosion control plan, and prior to the start of construction of the grading and street improvements, the developer shall obtain a Grading Permit and Encroachment Permit from the Engineering Field Office. Contact the Engineering Field Office at 760-839-4664 to arrange for the Encroachment Permit and inspections.

*All site grading and erosion control plans shall be prepared by a Registered Civil Engineer. A separate submittal to the Engineering Department is required for the site grading and erosion control plans. Plans will **not** be forwarded from the Building Department.*

DRAINAGE

1. All on-site storm drains not in public easements are private. All detention basins and all post-construction BMP's facilities are private. The responsibility for maintenance of these storm drains, basins, and post-construction BMP's shall be that of the property owner.
2. A 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 hydro-modification calculations, treatment calculations, post-construction storm water treatment measures, and maintenance requirements.
3. Site Design and Source Control Best Management Practices (BMPs) shall be implemented to the maximum extent practicable. Downspouts from buildings shall be directed to landscaping to allow the infiltration of runoff into the ground. Where feasible, runoff from the hardscape areas shall be directed to landscaped areas to allow infiltration into the ground.

4. All site drainage with emphasis on the roadway, parking, and driveway areas shall be treated to remove expected contaminants using a high efficiency non-mechanical method of treatment. The City highly encourages the use of bio-retention areas as the primary method of storm water retention and treatment. The landscape plans will need to reflect these areas of storm water treatment.
5. The developer will be required to have the current owner of the property sign, notarize, and record a Storm Water Control Facility Maintenance Agreement.

WATER SUPPLY

1. Fire hydrants together with an adequate water supply shall be installed at locations approved by the Fire Marshal.
2. All water services, detector check assemblies, and other appurtenances within the City of Escondido water service area shall be installed per current City of Escondido Design Standards and Standard Drawings.
3. All water services to be abandoned shall be disconnected and plugged at the main. All existing water services, cut or damaged during construction, shall be replaced from the public main to the water meter per City of Escondido Standard Drawing W-1-E and W-2-E.
4. A fire suppression sprinkler system shall be designed and constructed per current City of Escondido Design Standards and Standard Drawings and per the requirements of the Fire Marshall.
5. All on-site water lines and backflow prevention devices beyond the City water meter shall be considered a private water system. The property owner shall be responsible for all maintenance of these water lines and appurtenances.
6. Trees or deep rooted plants shall not be planted within 10 feet of any water service.

SEWER

1. A private 6-inch minimum PVC sewer lateral with a standard clean-out within 18" 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 fitting or Inserta-Tee per City of Escondido Standard Drawing S-2-E and the current Uniform Building Code.
2. Any damage to the existing 8" concrete sewer pipe in the alley during construction shall be repaired with 8" SDR-35 sewer pipe per City of Escondido standards.

3. All sewer laterals will be considered a private sewer system. The property owners will be responsible for all maintenance of their individual sewer laterals to the sewer main.
4. All sewer laterals to be abandon shall be capped at the right-of-way line.
5. 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.

LANDSCAPE

1. A site landscaping and irrigation plan shall be submitted to the Engineering Department with the second submittal of the grading plan. The initial submittal of the landscape plans shall include the required plan check fees in effect at the time of the submittal.
2. Permanent landscaping shall be installed along the project frontages and all areas disturbed by the project. The landscaping, including storm water treatment BMPs, shall be maintained by the property owner.

EASEMENTS AND DEDICATIONS

1. The developer shall dedicate two (2) feet of right-of-way along the public Alley to the City of Escondido to bring the roadway to an Alley classification in conformance with the City's Design Standard and Standard Drawings.
2. The developer shall dedicate to the public a 20-foot radius corner rounding or chamfered edge at Escondido Blvd and Second Avenue.
3. A two (2) feet public utility easement (PUE) shall be granted to the City along Second Avenue.
4. Necessary traffic signal easement for the traffic signal pole and appurtenances shall be granted to the City.
5. All easements, both private and public, affecting subject property shall be delineated and labeled on the grading plans.
6. The developer shall make arrangements to remove from title all existing easements which conflict with the proposed grading and parking improvements on the site.

Material necessary for processing a dedication or easement shall include: a current grant deed or title report, a legal description and plat of the dedication or easement signed and sealed by a person authorized to practice land surveying (document size) and traverse closure tapes. The City will prepare all final documents.

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 new BMPs, 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, drainage, landscaping, and best management practices items of work with a minimum of \$5,000 up to a maximum of \$50,000, 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.

UTILITY UNDERGROUNDING AND RELOCATION

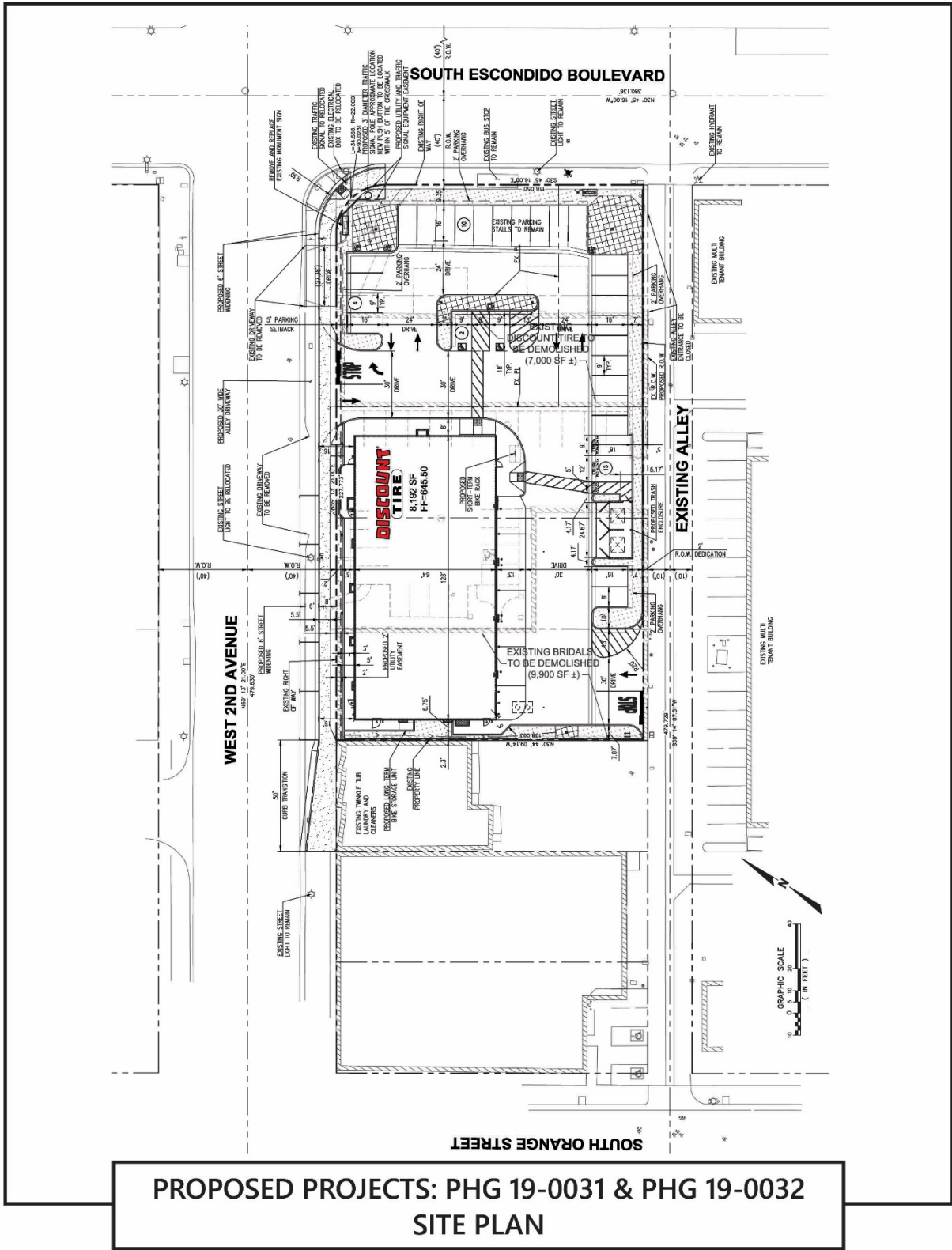
1. All existing overhead utilities within the property boundary or along fronting streets shall be relocated underground as required by the Utility Undergrounding Ordinance.
2. The developer shall sign a written agreement stating that he has made all such arrangements as may be necessary to coordinate and provide utility construction, relocation and undergrounding. All new utilities shall be constructed underground.

SURVEYING AND MONUMENTATION

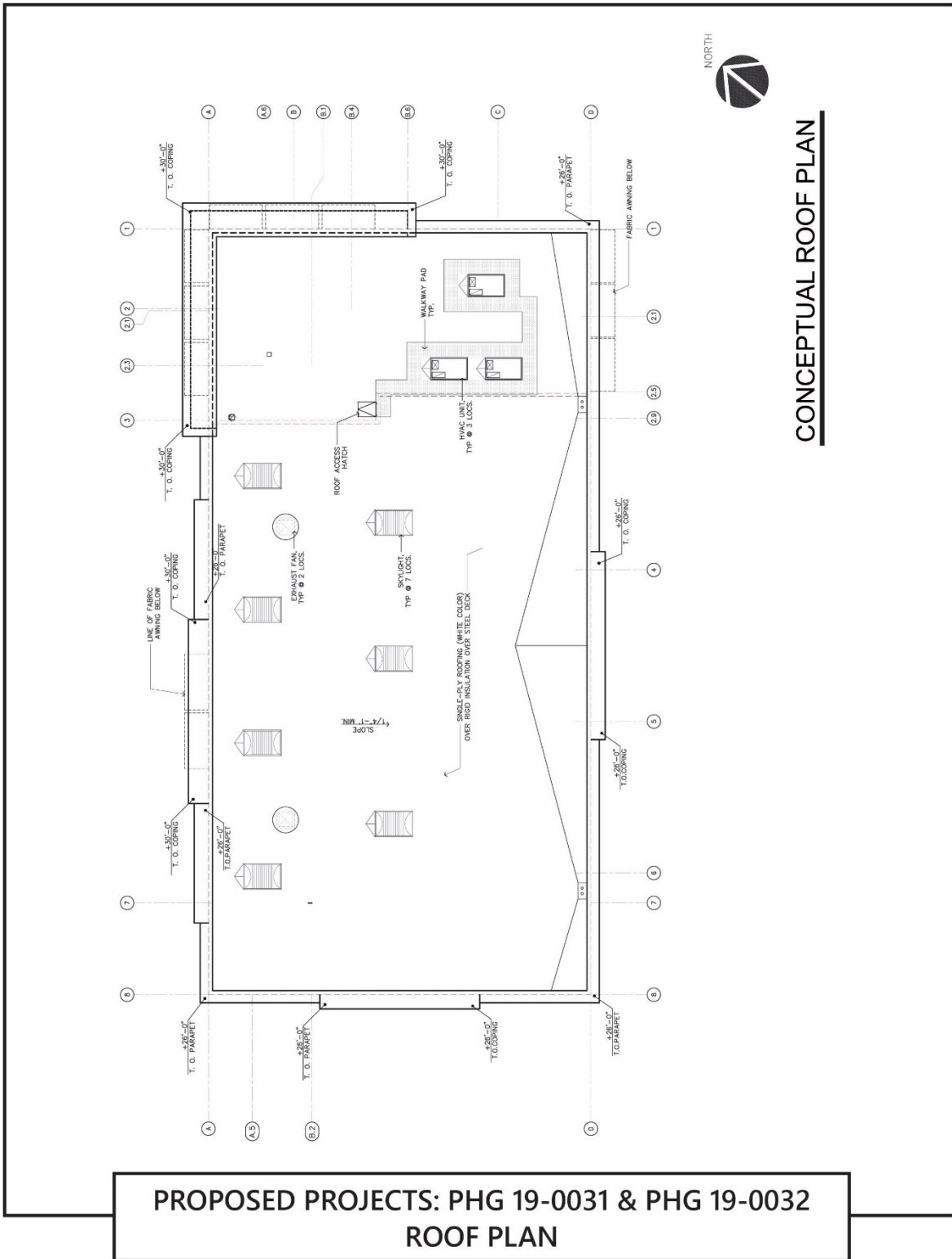
1. All property corners shall be monumented by a person authorized to practice land surveying and a Record of Survey Map (or Corner Record if appropriate) shall be recorded.

EXHIBIT "D"

PROJECT PLANS Planning Case No. PHG 19-0032



**PROPOSED PROJECTS: PHG 19-0031 & PHG 19-0032
SITE PLAN**



CONCEPTUAL ROOF PLAN

**PROPOSED PROJECTS: PHG 19-0031 & PHG 19-0032
ROOF PLAN**

CITY COUNCIL STAFF REPORT

Public Hearing Item No. 9

January 15, 2020

File No. 0400-75

SUBJECT: Adoption of a Utility Billing Collection and Discontinuation of Water Service Policy

DEPARTMENT: Finance Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2020-05 approving the Utility Billing Collection and Discontinuance of Water Service for Nonpayment Policy, and introduce Ordinance No. 2020-04, repealing Chapter 31-9 and amending Chapter 31-20 of the Escondido Municipal Code.

FISCAL ANALYSIS:

The approval and adoption of the Utility Billing Collection and Discontinuation of Water Service for Nonpayment Policy and related Code change are not anticipated to have a material financial impact on the Water Fund.

BACKGROUND:

Senate Bill 998 (SB 998) for the Discontinuation of Residential Water Service was signed into law by former Governor Brown in September 2018. The purpose of SB 998 is to provide additional procedural protections for delinquent residential water customers before discontinuing their water service.

The new legislation will impact current policies and procedures related to discontinuing water service for delinquent accounts. The statute requires urban and community water systems that supply water to more than 200 service connections to comply with the following mandates:

- Adopt written discontinuation policies that are available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean and any other languages spoken by 10% or more people residing in the service area and are made available on the City's website. (Given the City of Escondido's local demographics, translation of the new policies into Spanish, Chinese, Vietnamese, Tagalog, and Korean will sufficiently meet the 10% service area requirement identified in SB 998.)
- Refrain from discontinuing residential water service due to non-payment until the payments are delinquent for at least 60 days and provide information about appeals, extensions, and alternative payment options.
- Avoid discontinuing residential water service if any of the following conditions exist:
 - Medical: Customer or tenant of the customer submits certification from a primary care provider that discontinuation of residential service will be life threatening or pose serious threat to health and safety of residents;
 - Financial: Customer or any member of the customer's household is a recipient of an

assistance program or annual income is less than 200% of the Federal poverty level;

- Repayment Program: Customer is willing to enter into an amortization agreement.
- Limit reconnection fees for low-income customers whose household income is less than 200 percent of the federal poverty level to no more than \$50 during regular business hours and \$150 after business hours and waive interest charges on delinquent bills every 12 months. (Currently, the City’s fee for turning on new service is \$42 during regular business hours and \$125 for service after non-business hours for all customers. Interest charges on delinquent bills are also waived once every 12 months for all customers.)
- Provide notice to renters and mobile home or multi-family residents that their service may be discontinued due to non-payment by their property owners. The residents have the right to become customers of the City without paying the past-due amounts owed by the property owner.
- Annually post the number of times the City has discontinued service for non-payment on the City’s website and provide an annual report to the City Council.

Escondido Municipal Code Chapter 31 lists the City’s current guidelines for water accounts. Pursuant to Section 31-20, a water bill becomes delinquent if payment is not received within forty-five (45) days following the billing date: “Unless payment of a water bill is received within forty-five (45) days following the billing date, service shall be discontinued without further notice. (Code 1957, § 3431; Ord. No. 1451, § 1, 9-1-71; Ord. No. 94-18, § 1, 6-1-94)”

Ordinance No. 2020-04 amends this section of the code to read as follows: “Unless payment of a water bill is received within sixty (60) days following the billing due date, service shall be discontinued without further notice.”

The table below summarizes the current process for discontinuance of water service as well as the recommended changes to comply with State law.

Day	Current Process	Day	Proposed SB 998 Process
1	Bill Mailed	1	Bill Mailed
19	Bill Due	19	Bill Due
22	Past Due Letters Mailed	22	Past Due Letters Mailed
43	Door Hanger Delivered to Premise	70	Door Hanger Delivered to Premise
50	Water is Shut Off for Nonpayment	80	Water is Shut Off for Nonpayment

The City bills water utility customers on a monthly cycle; customers receive a water bill every 30 days. Utility bill charges become delinquent if not paid within 19 days from the bill date. A past due notice is mailed to the customer 3 days after the bill due date. A second notice, referred to as a Door Hanger

or Non-Payment Notice, is delivered to the premise 24 days after the bill due date. A final notice, referred to as a Shut Off for Non-Payment Notice, is delivered to the premise 7 days after the second notice (31 days after the due date of the bill and 50 days after the bill date).

In order to comply with the provisions under SB 998 and ensure water service is not disconnected until payments are delinquent for at least 60 days, staff are proposing to extend the billing timeline by delivering the Door Hanger to the premise 52 days after the bill due date and delivering the Shut Off for Non-Payment Notice 61 days after the due date of the bill. Because the City bills on a monthly basis, customers will have received four notices with past due amounts before a door hanger is delivered to the premise.

Resolution No. 2020-05 (Exhibit "1"), which includes the revised and proposed Escondido Utility Billing Collection and Discontinuation of Service Policy, captures and implements the requirements of SB 998 and includes provisions concerning billing and notification procedures, restoration of service, payment arrangements, procedures for tenants to becoming a customer of the city under specified circumstances, and related matters.

Below is a summary of the calendar year 2019 utility billing activity including late notices, door hangers, and water shut-off counts. As shown, approximately 2.5% of water customers that receive a late notice have their water service discontinued for nonpayment.

2019 Water Delinquency and Shut-Off Activity	
<i>Activity</i>	<i>Annual Total</i>
Late Notices	30,810
Door Hangers	5,311
Shut-Offs	775

In addition to amending Municipal Code Section 31-20, Ordinance No. 2020-04 also proposes the amendment of Municipal Code Section 31-9 related to Deposits.

Deposits are collected from customers who have been repeatedly shut off for non-payment, have accounts in Collections, or if there is a history of delinquency. Deposits are refunded after 12 months of on-time payments or applied towards a closing bill.

Municipal Code Section 31-9 allows for interest of five (5) percent to be paid on all deposits that are eligible to be refunded to customers. This section of the code was established in 1990 when the City's investment portfolio had much higher interest earnings. Interest earnings on available cash balances are currently much lower. As a result, Staff are recommending this section be removed from the Municipal Code: "Interest shall be paid at a flat rate of five (5) percent of the deposit's balance. Interest will be credited to the customer's account when the deposit is applied, provided the customer has had water service for a minimum of twelve (12) consecutive months. (Ord. No. 90-11, § 1, 2-21-90)"

Adoption of a Utility Billing Collection and Discontinuation of Service Policy
January 15, 2020
Page 4

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Joan Ryan, Director of Finance
1/9/2020 8:26 a.m.

ATTACHMENTS:

1. Resolution No. 2020-05
2. Resolution No. 2020-05 – Exhibit “1” Utility Billing Collection and Discontinuance of Service Policy
3. Ordinance No. 2020-04

RESOLUTION NO. 2020-05

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING THE ADOPTION OF A POLICY ON
THE COLLECTION OF UTILITY BILLS AND
DISCONTINUATION OF WATER SERVICE FOR
NONPAYMENT

WHEREAS, on September 28, 2018, the Governor of the State of California approved Senate Bill (SB 998); and

WHEREAS, SB 998 was added to Chapter 6 (commencing with Section 116900) of the California Health and Safety Code; and

WHEREAS, SB 998 provides additional procedural protections before residential water service can be discontinued for nonpayment; and

WHEREAS, SB 998 requires public water systems with more than 200 connections to comply with the new law and it is therefore applicable to the City of Escondido; and

WHEREAS, the City does not have a current formal written policy regarding water service discontinuation for nonpayment.

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

1. That the above recitations are true.
2. That the City Council approves the adoption of the Utility Billing Collection and Discontinuance of Water Service for Nonpayment Policy attached hereto as Exhibit "1" to be effective February 1, 2020.

**CITY OF ESCONDIDO – UTILITY BILLING COLLECTION AND
DISCONTINUANCE OF WATER SERVICE FOR NONPAYMENT POLICY**

PURPOSE:

This policy shall control the City of Escondido's administrative actions for the collection of delinquent utility billing accounts, including notifications, fee assignments, and discontinuation of service. This policy does not apply to the termination of a service connection by the City due to an unauthorized action of a customer (H&S 116926).

This policy is intended to comply with the California Health and Safety Code, Chapter 6, Sections 116900 *et. seq.*, also known as Senate Bill 998, and includes the following components:

1. A plan for deferred or reduced payments.
2. Alternative payment schedules.
3. A formal mechanism for a customer to contest or appeal a bill.
4. A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

This policy will be made available to the public on the City's website at www.escondido.org in the following languages: English, Spanish, Chinese, Tagalog, Vietnamese, and Korean. (H&S 116906).

REFERENCE:

City of Escondido Municipal Code Chapter 31 Water
Health and Safety Code, Chapter 6, Sections 116900 *et. seq.*
Senate Bill No. 998 Discontinuation of Residential Water Service

POLICY:

The City will make a reasonable, good faith effort to notify the customer of amounts past due and the collection actions that will be forthcoming after bill issuance. The City Utility Billing division can be contacted by phone at (760) 839-4682 to discuss options for averting discontinuation of water service for nonpayment under the terms of this policy. (H&S 116906).

The City shall not discontinue water service for non-payment until payment by the customer has been delinquent for at least 60 days from the bill due date. (H&S 116908).

In addition, the City shall not discontinue water service for nonpayment if any of the following conditions are met:

1. The customer or tenant submits certification from a primary care provider that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided. (H&S 116910(a)(1)).
2. The customer demonstrates that he or she is financially unable to pay for residential service within the normal billing cycle by demonstrating that any member of the household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), or the customer declares that the household's annual income is less than 200 percent of the federal poverty level. (H&S 116910(a)(2)).

3. The customer is willing to enter into an amortization agreement or alternative payment schedule consistent with this policy. The City does not allow for deferred or reduced payments. The City will consider all circumstances surrounding the request and make a determination as to whether the payment arrangement is warranted based on policies of the amounts at issue, history of payments, and other unique circumstances related to the customer's inability to pay a pending bill. (H&S 116910(a)(3)).

Payment arrangements that extend into the next billing period are considered an amortization plan. An amortization plan will amortize the unpaid balance over a period defined by the customer, not to exceed 12 months from the original date of the bill. The amortized payments will be combined with, and subject to the due date of, the customer's regular bill. The customer must comply with the terms of the amortization plan and remain current as charges accrue in each subsequent billing period. (H&S 116910(2)).

The customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. Failure to comply with the terms of an amortization plan will result in the issuance of a written disconnection notice. The disconnection notice will be in the form of a door hanger delivered to the premises no less than five (5) business days in advance of discontinuance of service. (H&S 116910(3)).

Residential service may be discontinued no sooner than 5 business days after the City posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances (H&S 116910(3)):

1. The customer fails to comply with an amortization agreement or an alternative payment schedule for delinquent charges for 60 days or more.
2. While undertaking an amortization agreement or an alternative payment schedule, the customer does not pay his or her current residential service charges for 60 days or more.

Information on how to restore service will be provided on the customer's shut off notice. (H&S 116912).

The City will report the number of annual discontinuations of residential service for inability to pay on the City's website and to the City Council. (H&S 116918).

The following rules apply to the collection of Utility Billing accounts:

1. Small Balance Accounts:
Any balance on a bill of \$24.99 or less may be carried over, and added to, the next billing period.
2. Past Due Letter & Late Fee:
If payment for a bill is not received by close of business on the 21st day after the bill is issued, a 10% late fee will be assessed. A Past Due Letter is generated and mailed to the customer and a \$1.50 past due letter fee is added to the account if the past due amount is not paid within 10 days of the notice. The 10% late fee and past due letter fee will be displayed on the following bill. *Example: A Customer is billed on October 25. The bill is due on November 13. A 10% late payment charge on the outstanding balance is assessed on November 15 and the charge is billed on November 25. The past due letter fee of \$1.50 is assessed on November 21 and billed on December 25.*

3. Waiver of Late Fee:

At the request of the customer, the City will waive late fees once every 12 months. (H&S 116914(a)(2)).

4. Non-Payment Notice:

If no payment is received by the date indicated on the Past Due Letter and no payment arrangements have been made, a Non-Payment Notice (ie, door hanger, field order) is delivered to the premise indicating water will be shut off to the delinquent property in 7 days absent payment of the outstanding bill. A \$30 fee is assessed and billed to the customer on the following bill. The written disconnection notice will include: Customer's name and address; Amount that is past due; Date by which payment or payment arrangements are required to avoid discontinuation of service; Description of the process to apply for an amortization plan, or an alternative payment schedule; Description of the procedure to petition for bill review and appeal; and, the City phone number and a web link to the City's written collection policy.

a. Notice to Residential Tenants/Occupants in an Individually Metered Residence:

The City will make a reasonable, good faith effort to inform the occupants, by means of written notice, when the water service account is in arrears and subject to disconnection at least 10 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the City without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at that address. In order for the amount due on the delinquent account to be waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rent payments. (H&S 116916).

b. Notice to Tenants/Occupants in a Multi-Unit Complex Served through a Master Meter:

The City will make a reasonable, good faith effort to inform the occupants, by means of written notice hung on the door of each residence, when the water service account is in arrears and subject to disconnection at least 10 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the City without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at the address(es) served by the master meter. If one or more of the occupants are willing and able to assume responsibility for the subsequent charges for water service to the satisfaction of the City, or if there is a physical means, legally available to the City, of selectively terminating service to those occupants who have not met the requirements for service, the City will make service available to the occupants who have met those requirements. If the written disconnection notice is returned through the mail as undeliverable, the City will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for non-payment. (H&S 116916).

5. Turn Off for Non-Payment Notice:

If no payment is received seven (7) days from the Non-Payment Notice date, a Turn Off for Non-Payment notice is delivered to the premise and the water is shut off. (H&S 116908(a)(1)(C)).

6. Disconnection Deadline:

All delinquent water service charges and associated fees must be received by the City by 2:00 p.m. on the day specified in the written disconnection notice.

7. Disconnection of Water Service for Non-Payment:

The City will disconnect water service by locking off the meter. The customer will be charged a fee to re-establish service in the billing system regardless of whether the meter has physically been turned off. Accounts where service has been disconnected and not restored within seven (7) calendar days will be closed, the account balance must be paid in full, and a deposit will be required in order to restore service.

8. Re-establishment of Service:

In order to resume or continue service that has been disconnected for non-payment, the customer must pay a re-establishment fee. The City will endeavor to reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next regular working day following payment of any past due amount and delinquent fees attributable to the termination of service. Water service that is turned on by any person other than City personnel will be subject to additional charges. Any cost for damages that occur as a result of unauthorized restoration of service are the responsibility of the customer.

9. Re-establishment of Service After Business Hours:

Service restored after 2:00 p.m. Monday through Friday, weekends, or holidays will be charged an after-hours re-establishment fee. Service will not be restored after regular business hours unless the customer has been informed of the after-hours re-establishment fee and has agreed to sign the after-hours agreement.

If service is being restored after regular business hours because the customer has yet to establish service, the customer must contact the billing department by 12pm to establish service the next business day.

10. Notification of Disposition of Returned Check:

Upon receipt of a returned check taken as payment of water service or other charges, the City will consider the account not paid. A 48-hour notice of termination of service due to a returned check will be generated.

Water service will be disconnected if the amount of the returned check and the returned check charge are not paid on or before the date specified in the notice of termination. All amounts paid to redeem a returned check and to pay the returned check charge must be in cash, credit card or certified funds.

11. Disputed Bills:

If a customer disputes the water bill and exercises their right to appeal to the Director of the Utility department or his or her designee, the City will not disconnect water service for non-payment while the appeal is pending.

ORDINANCE NO. 2020-04

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AMENDING CHAPTER 31 OF THE ESCONDIDO
MUNICIPAL CODE TO UPDATE WATER
POLICIES

WHEREAS, the City of Escondido, California (“City”) is a municipal corporation, duly organized under the California Constitution and laws of the State of California; and

WHEREAS, the City owns and operates a public water system that supplies water to residential, commercial, and industrial customers throughout the City’s jurisdiction; and

WHEREAS, in 2018, the California Legislature adopted Senate Bill 998 (“SB 998”), which adopted new and expanded protections regarding discontinuation of water service for nonpayment and related matters; and

WHEREAS, the City Council desires to amend Article I of Chapter Thirty-One of the Escondido Municipal Code to ensure consistency with the requirements of SB 998 and other laws.

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

SECTION 1. That the above recitals are true and correct and are incorporated herein by this reference.

SECTION 2. That Section 31-9 of Article 1, Chapter 31, of the Escondido Municipal Code, is hereby repealed in its entirety.

SECTION 3. That Section 31-20 of Article I, Chapter 31, is hereby amended to read as follows:

Unless payment of a water bill is received within sixty (60) days following the billing due date, service shall be discontinued without further notice.

SECTION 4. 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 5. That as of the effective date of this ordinance, all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 6. 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 published one time within 15 days of its passage in a newspaper of general circulation for the City of Escondido.

CITY COUNCIL STAFF REPORT

Current Business Item No. 10

January 15, 2020

File No. 0685-20

SUBJECT: Citywide Community Facilities District to Fund Municipal Services for New Residential Development

DEPARTMENT: Engineering Services Department

RECOMMENDATION:

It is requested that the City Council adopt Resolution No. 2020-02 directing staff to prepare documents necessary for the formation of a Citywide Community Facilities District to offset ongoing municipal costs of serving new residential development (the Services CFD).

FISCAL ANALYSIS:

On June 12, 2019, the City Council was provided information regarding the City of Escondido's (City) projected general fund budget deficit totaling \$176-Million over the next 18-years. The City Council directed staff to investigate all options to address this structural deficit. Implementing a Community Facilities District to fund City Services for new residential development was discussed as an option to prevent widening the projected deficit over time.

The City executed a Consulting Services Agreement with Keyser Marston Associates, Inc. (KMA) in the amount of \$34,500 to provide a Fiscal Impact Analysis (FIA) for new residential development within the City to determine how the cost of serving new residential development compares to the revenue received.

FISCAL IMPACT ASSESSMENT FINDINGS:

KMA analyzed financial, demographic and population information involving four prototype developments. Each prototype involved a 5-acre development size with a range of residential densities between 5 units and 40 units per acre. Citywide average property values, household sizes, and vacancy rates were estimated based on the demographic and market information collected.

KMA reviewed the City's FY 2019/2020 budget to determine the per capita cost of providing municipal services for new residential development involving Police, Fire, Public Works, Community Services and General Services (support departments). The analysis includes unfunded *annual* maintenance costs totaling \$7,387,000 for Citywide parks, streets, building, and fleet maintenance/replacement. The San Diego regional average staffing ratio of 1.28 police officers per 1,000 residents and current staffing ratio of 0.7 fire/safety personnel per 1,000 residents are included in the analysis.

KMA forecasted the anticipated revenue to be received from each revenue category, including property taxes, property tax in lieu of Vehicle License Fees (VLF), intergovernmental, property transfer tax, fines, forfeitures, permits, licenses, and sales tax generated by new residents.

KMA’s analysis determined that the revenue received is less than the cost to provide ongoing municipal services to new residential development (Attachment “1”). Below is a summary of the FIA findings by development prototype.

	Single Family	Small Lot Single Family	Townhomes	Apartments/ Condos
Project Size (5-acre site)	25 units	75 units	125 units	200 units
Avg. Density	5 units/acre	15 units/acre	25 units/acre	40 units/acre
Revenue Generated	\$52,900	\$128,800	\$157,900	\$204,700
Cost to Provide Municipal Services	\$66,300	\$184,500	\$248,500	\$361,200
Annual Unfunded Cost	\$13,400	\$55,700	\$90,600	\$156,500
Unfunded Cost/Unit	\$536	\$743	\$725	\$783

Based on these findings, the current structural budget deficit is anticipated to increase with each new residential development project approved. Staff recommends that the City Council consider the formation of a Citywide Community Facilities District to fund City Services (the Services CFD) so that future residential development is cost neutral.

CFD BACKGROUND:

A Community Facilities District (CFD) involves establishing a special property tax assessment on new residential development. A CFD is a special taxing district that is formed by the approval of the local jurisdiction. CFD's were established by State Government Code in 1982 (also referred to as the “Mello-Roos Act”) to provide an alternate method for public agencies to (a) finance the acquisition and/or construction of certain public capital facilities through the imposition of a facilities special tax (Facilities CFD); and/or (b) to cover ongoing costs to maintain such public facilities or otherwise serve new development through the imposition of a services special tax (so long as the special tax relates to costs that do not supplant services already provided) (Services CFD).

There is a prescribed process for establishing a CFD that begins with the adoption of a Resolution of Intention (ROI) to form a CFD by the City Council. A public hearing is required between 30 and 60 days after the ROI is adopted. The public hearing would consider adoption of a Resolution of Formation (ROF) and associated Ordinances. A Notice of Special Tax is then recorded against all property annexed to the CFD and property owners must vote affirmatively to create or annex to the CFD. For a Citywide Services CFD, the entire City boundary or sphere of influence is generally

identified for future potential annexation at formation; however, a special tax would not be assessed until after the City Council conditions a development project to annex to the Services CFD (upon development) and the property owner votes affirmatively to annex.

In 1999, the City Council adopted the Statement of Goals and Policies Regarding the Establishment of Community Facilities Districts. This document contains the following policies and goals designed to protect the City and future property owners:

- Minimum Value-to-Debt Ratio is 4:1. (Applies only to CFDs to fund public facilities)
 - The full cash value of the properties subject to the levy of special taxes, including the value of the improvements to be financed, compared to the aggregate amount of the special tax lien proposed to be created plus any prior fixed assessment liens and/or special tax liens.
- Maximum Aggregate Taxes and Assessments
 - The maximum annual special tax installment shall not exceed 0.75% of the sale price of a newly developed property as of the date of initial sale to residential homeowner.
 - The total of all property taxes, assessment and special taxes appearing on the property tax bill shall not exceed 2% of the initial sales price of newly developed properties.

Since it has been some time since this policy has been updated, staff recommends that the City's CFD policy be updated to include current industry standards, including an option to allow for escalating tax rates when the effective tax rate is substantially below the maximum. This will encourage accessibility to homeownership by lowering upfront taxes and is common in the industry.

FACILITIES CFD REQUEST:

On June 12, 2019, the City Council adopted Resolution No. 2019-83, authorizing a Reimbursement Agreement to evaluate a request to form a Facilities CFD for The Villages Project ("Project"). Lennar has requested the formation of a Facilities CFD and the issuance of bonds in the amount up to \$17-18 million to fund approximately \$14.3 million in public facilities associated with the project, including approximately \$5.5-million in School District and Rincon Water District improvements (Attachment "2"). The CFD team, including a special tax consultant, bond counsel, and financial advisor, are currently analyzing the proposed Community Facilities District for the Project. Lennar has agreed to be the initial project in the proposed Citywide Services CFD, should the City direct the formation.

Based on the preliminary analysis, Lennar expects to comply with the limits established in the City's Community Facilities District Policy. Including both the proposed Citywide Services CFD and project-specific Facilities CFD, the overall effective tax rate (ETR) is expected to be less than two percent with an annual special tax installment less than 0.75-percent.

Shown below are preliminary estimates for the proposed tax amounts/rates:

Home Type	Facilities CFD/Yr.	Facilities CFD	Services CFD/Yr.	Services CFD	Total Tax Burden
Small Lot Single Family	\$3,000	0.45%	\$743	0.10%	1.7%
Townhomes	\$2,500	0.43%	\$725	0.12%	1.7%

CONCLUSION:

KMA has evaluated the cost of providing police, fire, public works, community and general services for new residential development and has determined that revenues generated do not cover the costs to serve new development. Based on the review of the Fiscal Impact Analysis prepared by KMA, staff recommends that the City Council adopt Resolution No. 2020-02 directing staff to prepare documents necessary to allow the City to offset ongoing costs of new development through formation of a Citywide Services CFD for new residential development. If approved, staff will return to the City Council in the spring to request approval of a Resolution of Intention to form a Citywide Services CFD at the same time that Lennar’s request to form a Facilities CFD for The Villages Project is considered.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Julie Procopio, Director of Engineering Services
 1/8/2020 5:08 p.m.

ATTACHMENTS:

1. Attachment “1” Fiscal Impact Analysis for New Residential Development
2. Attachment “2” Letter from Lennar, November 26,2019
3. Resolution No. 2020-02

APPENDIX A

FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES CITY OF ESCONDIDO

Demographic Profile and City of Escondido General Fund Budget

DRAFT

TABLE A-1

DEMOGRAPHIC PROFILE - CITY OF ESCONDIDO, 2019 ESTIMATES ⁽¹⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>2019 Estimates</u>	
I. Population		
Population	152,739	
Average Household Size	3.24	
Jobs (2)	70,729	
II. Housing Units		
Single-Family	27,798	57%
Multi-Family	17,258	35%
Mobile Homes	<u>3,777</u>	<u>8%</u>
Total	48,833	100%
III. Occupied Units	46,483	
IV. Percent Vacant	4.8%	

(1) Source: California Department of Finance, January 1, 2019.

(2) Source: U.S. Census Bureau American FactFinder - Employment by Place of Work, 2013-2017 5-Year Estimates.

TABLE A-2

SUMMARY OF CITY OF ESCONDIDO GENERAL FUND BUDGET - FISCAL YEAR 2020
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>FY 2020</u>
I. Revenues	
Sales Tax	\$38,897,000
Property Tax (1)	\$28,823,000
All Other Taxes	\$11,881,000
Charges for Services	\$11,339,400
Investment and Rental Income	\$4,450,710
Intergovernmental	\$3,063,000
One-Time Revenue	\$1,948,780
Transient Occupancy Tax	\$1,905,000
Fines and Forfeitures	\$1,226,000
Permits and Licenses	\$944,500
Other Revenue	<u>\$860,495</u>
Total Revenues	\$105,338,885
II. Expenditures	
Police	\$45,928,260
Fire/Emergency Management	\$24,746,165
Public Works	\$10,288,145
Community Services	\$8,164,640
Community Development	\$4,780,700
Engineering	\$2,737,155
Community Relations & Center for the Arts	\$2,491,540
Administrative Services	\$2,012,195
Nondepartmental	\$1,674,415
Information Systems	\$1,461,995
City Manager	\$1,089,230
City Clerk	\$583,605
City Council	\$357,675
City Treasurer	\$266,335
City Attorney	\$171,490
Radio Communications	<u>\$0</u>
Total Expenditures	\$106,753,545
III. Total Surplus/(Deficit)	(\$1,414,660)
Revenues to Expenditures Ratio	0.99

(1) Includes secured property tax, unsecured property tax, property tax in lieu of VLF, and property transfer tax.

TABLE A-3

**SUMMARY OF GENERAL FUND REVENUES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Revenues - Included in Analysis	General Fund Revenues FY 2020	Comments
Sales Tax	\$38,897,000	Estimated based on direct and/or indirect sales tax
Property Tax	\$28,823,000	Estimated based on incremental assessed value
All Other Taxes		
RPTTF Residual Payment	\$1,300,000	Projected based on population and employment
Tax Sharing Payment	\$401,000	Projected based on population and employment
Penalties	\$2,000	Projected based on population and employment
Franchise Fees	\$7,454,000	Projected based on population and employment
Business License	\$1,962,000	Projected based on population and employment
Transfer Station Fee	\$666,000	Projected based on population and employment
Other Incentive Fee	\$96,000	Projected based on population and employment
PEG Fees	<u>\$0</u>	Projected based on population and employment
Total All Other Taxes	\$11,881,000	Projected based on population and employment
Intergovernmental	\$3,063,000	Projected based on population and employment
Fines and Forfeitures	\$1,226,000	Projected based on population and employment
Permits and Licenses	\$944,500	Projected based on population and employment
Other Revenue	\$860,495	Projected based on population and employment
Total Revenues - Included in Analysis	\$85,694,995	
<hr style="border-top: 1px dashed black;"/>		
II. Revenues - Excluded from Analysis		
Charges for Services		
Deducted from General Government	\$374,500	
Deducted from Community Services	\$2,071,900	
Deducted from Public Works & Engineering	\$827,000	
Deducted from Police	\$355,000	
Deducted from Fire	\$6,735,000	
Deducted from Community Development	<u>\$976,000</u>	
Total Charges for Services	\$11,339,400	
Investment and Rental Income	\$4,450,710	
One-Time Revenue	\$1,948,780	
Transient Occupancy Tax	\$1,905,000	
Total Revenues - Excluded from Analysis	\$19,643,890	
<hr style="border-top: 1px solid black;"/>		
III. Total General Fund Revenues	\$105,338,885	

TABLE A-4

**SUMMARY OF GENERAL FUND EXPENDITURES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

	General Fund Expenditures FY 2020	Net After Deduction of Charges for Services (Table A-3)
I. Expenditures Included in Analysis		
General Government		
City Manager	\$1,089,230	
City Clerk	\$583,605	
City Council	\$357,675	
City Treasurer	\$266,335	
City Attorney	\$171,490	
Administrative Services	\$2,012,195	
Nondepartmental	\$1,674,415	
Information Systems	\$1,461,995	
Radio Communications	\$0	
Total General Government	<u>\$7,616,940</u>	(\$374,500)
		\$7,242,440
Community Relations & Center for the Arts	<u>\$2,491,540</u>	\$0
		\$2,491,540
Community Services	<u>\$8,164,640</u>	(\$2,071,900)
		\$6,092,740
Public Works & Engineering	<u>\$13,025,300</u>	(\$827,000)
		\$12,198,300
Police	<u>\$45,928,260</u>	(\$355,000)
		\$45,573,260
Fire	<u>\$24,746,165</u>	(\$6,735,000)
		\$18,011,165
Community Development	<u>\$4,780,700</u>	(\$976,000)
		\$3,804,700
Total Expenditures Included in Analysis	\$106,753,545	\$95,414,145

II. Expenditures Excluded from Analysis	\$0	\$0
III. Total General Fund Expenditures	\$106,753,545	\$95,414,145

APPENDIX B

**FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

**Apartments/Condos
Development Prototypes**

DRAFT

TABLE B-1

PROJECT DESCRIPTION
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

I. Site Area	5.0 Acres
II. Number of Units	200 Units
III. Density	40 Units/Acre
IV. Construction Type	Apartments/Condos

DRAFT

TABLE B-2

**ESTIMATED INCREMENTAL ASSESSED VALUE
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

	<u>Units</u>		<u>Value/Unit</u>	<u>Total Assessed Value</u>
I. Residential				
A. Single-Family	0 Units	0%	\$0	\$0
B. Multi-Family - For-Sale	0 Units	0%	\$0	\$0
C. Multi-Family - Rental	<u>200</u> Units	<u>100%</u>	<u>\$300,000</u>	<u>\$60,000,000</u>
D. Total/Average	200 Units	100%	\$300,000	\$60,000,000
II. Total Assessed Value				\$60,000,000

TABLE B-3

**ESTIMATED INCREMENTAL POPULATION
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

	<u>Units</u>	<u>Vacancy Factor</u>	<u>Persons Per Unit</u>	<u>Total</u>
I. Residential				
A. Single-Family	0 Units	0.0%	0.00	0
B. Multi-Family - For-Sale	0 Units	0.0%	0.00	0
C. Multi-Family - Rental	<u>200</u> Units	<u>4.7%</u>	<u>2.50</u>	<u>477</u>
D. Total/Average	200 Units	4.7%	2.50	477
II. Total Population				477

TABLE B-4

**ESTIMATE OF INCREMENTAL PROPERTY TAXES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

Annual Recurring Revenues**I. Property Tax**

Estimated Value		\$60,000,000
Property Tax Levy	1.0%	\$600,000
City Portion	10.3% (1)	\$62,000

Total Property Tax to City	\$62,000
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II. Property Tax in-lieu of VLF

Estimated Value		\$60,000,000
License Fee (per \$1,000 in AV growth)		\$0.8669 (2)

Total Property Tax in-lieu of VLF	\$52,000
--	-----------------

III. Property Transfer Tax

A. Residential Property Valuation (FMV) - Residential		\$60,000,000
Transfer Tax (per \$500)		\$0.55
Total Transfer Tax		\$66,000
City Share of Transfer Tax	50.0%	\$33,000
Turnover Rate (Residential)		5.0%
Net Transfer Tax - Residential		\$2,000

B. Total Property Transfer Tax	\$2,000
---------------------------------------	----------------

(1) Source: City of Escondido Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2018.

(2) Source: California State Controller's Office.

TABLE B-5

**ESTIMATE OF INCREMENTAL INDIRECT SALES TAX (SPENDING BY NEW RESIDENTS)
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

		Single-Family For-Sale	Multi-Family For-Sale	Multi-Family Rental
I. Estimate of Household Income				
Average Sales Price / Average Monthly Rent		\$0	\$0	\$2,250
Down Payment	10%	<u>\$0</u>	<u>\$0</u>	
Loan Amount		\$0	\$0	
Interest Rate		4.75%	4.75%	
Term (Years)		30	30	
Annual Mortgage Payment / Rent		\$0	\$0	\$27,000
HOA	\$250 /Month	\$3,000	\$3,000	\$0
Maintenance / Insurance	\$50 /Month	\$600	\$600	\$0
Private Mortgage Insurance (PMI)	1.10%	\$0	\$0	\$0
Property Taxes	1.25%	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Annual Costs		\$3,600	\$3,600	\$27,000
% of Income Spent on Housing		35%	35%	30%
Annual Income Required		\$10,000	\$10,000	\$90,000
II. Number of Households				
Total Number of Residential Units		0	0	200
Occupancy Rate		100%	100%	95%
Total Number of Full-Time Equivalent Households		0	0	191
III. Aggregate Household Income				\$17,154,000

	Allocation of Household Income to Taxable Spending ⁽¹⁾	Estimated Annual Taxable Spending
IV. Annual Spending by Households		
A. General Merchandise ⁽²⁾	15.0%	\$2,573,000
Convenience Goods ⁽³⁾	10.0%	\$1,715,000
Eating and Drinking	3.0%	\$515,000
Automotive Outlets	5.0%	\$858,000
Other Retail Stores ⁽⁴⁾	<u>0.5%</u>	<u>\$86,000</u>
B. Total Spending	33.5%	\$5,747,000
C. Spending Captured in City	70.0%	\$4,022,900
City Portion of Sales Tax @	1.0%	\$40,000
D. Total Sales Tax - New Resident Spending		\$40,000

(1) KMA assumption, based on review of spending ratios in Southern California counties.

(2) Includes Other Comparison Goods and Home Improvement.

(3) Includes food and drug stores.

(4) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

TABLE B-6

**ESTIMATE OF ANNUAL RECURRING REVENUES - OTHER REVENUES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

Demographic Profile	Total Population (P)	Total Employment	Total Population/ Jobs	Total Resident Equivalents (RE) @ 0.33 RE Factor (1)
City of Escondido	152,739 (2)	70,729 (2)	223,468	176,080
Prototype	477	0	477	477

	City FY 2020 Budget (3)	Service Population	Total RE/P	Amount Per RE	New Residents/RE	Total Revenues
I. All Other Taxes	\$11,881,000	RE	176,080	\$67.48	477	\$32,200
II. Intergovernmental	\$3,063,000	RE	176,080	\$17.40	477	\$8,300
III. Fines and Forfeitures	\$1,226,000	RE	176,080	\$6.96	477	\$3,300
IV. Permits and Licenses	\$944,500	RE	176,080	\$5.36	477	\$2,600
V. Other Revenue	<u>\$860,495</u>	RE	176,080	\$4.89	477	<u>\$2,300</u>
VI. Total Annual Other Revenues	\$17,974,995					\$48,700

(1) KMA assumption. Assumes that three employees have the same impact as one resident.

(2) See Table A-1.

(3) Source: City of Escondido, Preliminary Annual Operating Budget FY 2020.

RE = Resident Equivalent
P = Population

TABLE B-7

SUMMARY OF ANNUAL RECURRING REVENUES AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
<u>General Fund</u>		
I. Property Tax	\$62,000	30.3%
II. Property Tax In-Lieu of VLF	\$52,000	25.4%
III. Sales Tax - Indirect	\$40,000	19.5%
IV. All Other Taxes	\$32,200	15.7%
V. Intergovernmental	\$8,300	4.1%
VI. Property Transfer Tax	\$2,000	1.0%
VII. Fines and Forfeitures	\$3,300	1.6%
VIII. Permits and Licenses	\$2,600	1.3%
IX. Other Revenue	<u>\$2,300</u>	<u>1.1%</u>
X. Total Annual Recurring Revenues to General Fund	\$204,700	100.0%

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

TABLE B-8

**PROJECTED GENERAL FUND EXPENDITURES, POLICE DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Estimated Cost Per Police Officer

A. General Fund Police Budget (1)	\$45,928,260
B. Add: Pro Rata Share of Unfunded Building Maintenance (2)	\$269,243
C. Add: Pro Rata Share of Unfunded Fleet Maintenance (2)	<u>\$827,911</u>
D. Total Adjusted General Fund Police Budget	\$47,025,415
E. (Less) Charges for Services (3)	<u>(\$355,000)</u>
F. Net Adjusted General Fund Police Budget	\$46,670,415
G. Total Number of Sworn Police Officers (FY 19/20) (4)	<u>159</u>
H. Cost Per Sworn Police Officer	\$294,000

II. Number of Police Officers Required (5) 1.28 /1,000 Population**III. Project**

A. Apartments/Condos	
Number of Units	200 Units
Estimated Population	477 Residents
Police Officer Factor per 1,000 Population	1.28
Police Officers Required	0.61
Cost Per Police Officer	<u>\$294,000</u>

B. Total Annual Project Costs - Police Expenditures	\$179,500
--	------------------

(1) See Table A-4.

(2) Source: City of Escondido, August 15, 2019.

(3) Includes Police Services, False Alarms, DUI Cost Recovery, Fingerprinting Revenue, and Restitution.

(4) Source: City of Escondido, September 10, 2019.

(5) Reflects the San Diego County average rate.

TABLE B-10

**PROJECTED GENERAL FUND EXPENDITURES, PUBLIC WORKS AND ENGINEERING DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Public Works and Engineering Expenditures - Street, Building, and Fleet Maintenance

A. Funded Annual Costs	\$18,319,110
B. Unfunded Annual Costs	<u>\$4,237,367</u> ⁽¹⁾
C. Total Public Works and Engineering Costs - Street, Building, and Fleet Maintenance	\$22,556,477
D. (Less) Transfer from Gas Tax	<u>(\$2,055,000)</u>
E. Grand Total Public Works and Engineering Costs - Street, Building, and Fleet Maintenance	\$20,501,477
F. (Less) Charges for Services	<u>(\$827,000)</u> ⁽²⁾
G. Net Public Works and Engineering Expenditures - Street, Building, and Fleet Maintenance	\$19,674,477

II. Public Works and Engineering - Park Maintenance

A. Funded Annual Costs	\$3,464,980
B. Unfunded annual Costs	<u>\$1,070,985</u>
C. Total Public Works and Engineering - Park Maintenance	\$4,535,965
D. (Less) Charges for Services	<u>\$0</u>
E. Net Public Works and Engineering - Park Maintenance	\$4,535,965

III. Project

Apartments/Condos	
Number of Units	200 Units
Estimated Population	477 Residents

A. Public Works and Engineering - Street, Building, and Fleet Maintenance Expenditures	
Net Expenditures	\$19,674,477
Service Population - Resident Equivalent (RE) or Population (P)	RE
Citywide RE	176,080
Cost Per RE	\$111.74
Project RE	477
Total Project Costs - Public Works and Engineering - Street, Building, and Fleet Maintenance	\$53,298
B. Public Works and Engineering - Park Maintenance	
Net Expenditures	\$4,535,965
Service Population - Resident Equivalent (RE) or Population (P)	P
Citywide Population	152,739
Cost Per Population	\$29.70
Project Population	477
Total Project Costs - Public Works and Engineering - Park Maintenance	\$14,166

C. Total Annual Project Costs - Public Works and Engineering Expenditures	\$67,500
--	-----------------

(1) Includes pro rata share of building and fleet maintenance (\$1,103,867).

(2) Includes Engineering Fees, Misc. Projects, and Subdivision Fees.

TABLE B-11

**PROJECTED GENERAL FUND EXPENDITURES, COMMUNITY SERVICES DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. FY 2019-2020 Budget

A. Community Services Expenditures (1)	\$8,164,640
B. (Less) Charges for Services (1)	<u>(\$2,071,900)</u>
C. Net Community Services Expenditures	\$6,092,740
D. Add: Pro Rata Share of Building and Fleet Maintenance	<u>\$192,566</u>
E. Total Community Services Expenditures	\$6,285,306

II. Project

A. Apartments/Condos

Number of Units	200 Units
Estimated Population	477 Residents
Total Budget Expenditures (Greater of I and II)	\$6,285,306
Service Population - Resident Equivalent (RE) or Population (P)	P
Citywide Population	<u>152,739</u>
Cost Per Population	\$41.15
Project Population	<u>477</u>

B. Total Annual Project Costs - Community Services Expenditures	\$19,600
--	-----------------

(1) Includes Recreation, Older Adult, Nutrition, Video Services, Communications, and Library.

TABLE B-12

ESTIMATE OF ANNUAL RECURRING EXPENDITURES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

Demographic Profile	Total Population (P)	Total Employment	Total Population/ Jobs	Total Resident Equivalents (RE) @ 0.33 RE Factor ⁽¹⁾
City of Escondido	152,739 ⁽²⁾	70,729 ⁽²⁾	223,468	176,080
Prototype	477	0	477	477

	City FY 2020 Budget ⁽³⁾	Service Population	Total Citywide RE	Amount Per RE	New Residents/RE	Total Revenues
I. General Government	\$7,242,440	RE	176,080	\$41.13	477	\$19,600
II. Community Development	\$3,804,700	RE	176,080	\$21.61	477	\$10,300
III. Community Relations & Center for the Arts	\$2,491,540	RE	176,080	\$14.15	477	\$6,700
IV. Total Annual Expenditures	\$13,538,680					\$36,600

RE = Resident Equivalent
P = Population

- (1) KMA assumption. Assumes that three employees have the same impact as one resident.
(2) Source: California Department of Finance, January 1, 2019.
(3) Source: City of Escondido, Preliminary Annual Operating Budget FY 2020.

TABLE B-13

SUMMARY OF ANNUAL RECURRING EXPENDITURES AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
<u>General Fund</u>		
I. Police	\$179,500	49.7%
II. Fire	\$58,000	16.1%
III. Public Works & Engineering	\$67,500	18.7%
IV. Community Services	\$19,600	5.4%
V. General Government	\$19,600	5.4%
VI. Community Development	\$10,300	2.9%
VII. Community Relations & Center for the Arts	<u>\$6,700</u>	<u>1.9%</u>
VIII. Total Annual Recurring Expenditures to General Fund	\$361,200	100.0%

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

APARTMENTS/CONDOS

TABLE B-14

SUMMARY OF ANNUAL FISCAL IMPACT AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
I. Revenues		
Property Tax	\$62,000	30.3%
Property Tax In-Lieu of VLF	\$52,000	25.4%
Sales Tax - Indirect	\$40,000	19.5%
All Other Taxes	\$32,200	15.7%
Intergovernmental	\$8,300	4.1%
Property Transfer Tax	\$2,000	1.0%
Fines and Forfeitures	\$3,300	1.6%
Permits and Licenses	\$2,600	1.3%
Other Revenue	<u>\$2,300</u>	<u>1.1%</u>
Total Annual Recurring Revenues to General Fund	\$204,700	100.0%
II. Expenditures		
Police	\$179,500	49.7%
Fire	\$58,000	16.1%
Public Works & Engineering	\$67,500	18.7%
Community Services	\$19,600	5.4%
General Government	\$19,600	5.4%
Community Development	\$10,300	2.9%
Community Relations & Center for the Arts	<u>\$6,700</u>	<u>1.9%</u>
Total Annual Recurring Expenditures to General Fund	\$361,200	100.0%
III. Annual Recurring Surplus/(Deficit)		
	(\$156,500)	
Per Unit Per Year	(\$783)	
Revenues to Expenditures Ratio	0.57	

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

APPENDIX C

**FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

**Townhomes
Development Prototypes**

DRAFT

TABLE C-1

PROJECT DESCRIPTION
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

I. Site Area	5.0 Acres
II. Number of Units	125 Units
III. Density	25 Units/Acre
IV. Construction Type	Townhomes

DRAFT

TABLE C-3

**ESTIMATED INCREMENTAL POPULATION
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

	<u>Units</u>	<u>Vacancy Factor</u>	<u>Persons Per Unit</u>	<u>Total</u>
I. Residential				
A. Single-Family	0 Units	0.0%	0.00	0
B. Multi-Family - For-Sale	0 Units	0.0%	0.00	0
C. Multi-Family - Rental	<u>125</u> Units	<u>4.7%</u>	<u>2.75</u>	<u>328</u>
D. Total/Average	125 Units	4.7%	2.75	328
II. Total Population				328

TABLE C-4

**ESTIMATE OF INCREMENTAL PROPERTY TAXES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

Annual Recurring Revenues

I. Property Tax

Estimated Value		\$50,000,000
Property Tax Levy	1.0%	\$500,000
City Portion	10.3% (1)	\$52,000

Total Property Tax to City	\$52,000
-----------------------------------	-----------------

II. Property Tax in-lieu of VLF

Estimated Value		\$50,000,000
License Fee (per \$1,000 in AV growth)		\$0.8669 (2)

Total Property Tax in-lieu of VLF	\$43,000
--	-----------------

III. Property Transfer Tax

A. Residential Property Valuation (FMV) - Residential		\$50,000,000
Transfer Tax (per \$500)		\$0.55
Total Transfer Tax		\$55,000
City Share of Transfer Tax	50.0%	\$27,500
Turnover Rate (Residential)		5.0%
Net Transfer Tax - Residential		\$1,400

B. Total Property Transfer Tax	\$1,400
---------------------------------------	----------------

(1) Source: City of Escondido Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2018.

(2) Source: California State Controller's Office.

TABLE C-5

**ESTIMATE OF INCREMENTAL INDIRECT SALES TAX (SPENDING BY NEW RESIDENTS)
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

		Single-Family For-Sale	Multi-Family For-Sale	Multi-Family Rental
I. Estimate of Household Income				
Average Sales Price / Average Monthly Rent		\$0	\$0	\$2,500
Down Payment	10%	<u>\$0</u>	<u>\$0</u>	
Loan Amount		\$0	\$0	
Interest Rate		4.75%	4.75%	
Term (Years)		30	30	
Annual Mortgage Payment / Rent		\$0	\$0	\$30,000
HOA	\$250 /Month	\$3,000	\$3,000	\$0
Maintenance / Insurance	\$50 /Month	\$600	\$600	\$0
Private Mortgage Insurance (PMI)	1.10%	\$0	\$0	\$0
Property Taxes	1.25%	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Annual Costs		\$3,600	\$3,600	\$30,000
% of Income Spent on Housing		35%	35%	30%
Annual Income Required		\$10,000	\$10,000	\$100,000
II. Number of Households				
Total Number of Residential Units		0	0	125
Occupancy Rate		100%	100%	95%
Total Number of Full-Time Equivalent Households		0	0	119
III. Aggregate Household Income				\$11,913,000

	Allocation of Household Income to Taxable Spending ⁽¹⁾	Estimated Annual Taxable Spending
IV. Annual Spending by Households		
A. General Merchandise ⁽²⁾	15.0%	\$1,787,000
Convenience Goods ⁽³⁾	10.0%	\$1,191,000
Eating and Drinking	3.0%	\$357,000
Automotive Outlets	5.0%	\$596,000
Other Retail Stores ⁽⁴⁾	<u>0.5%</u>	<u>\$60,000</u>
B. Total Spending	33.5%	\$3,991,000
C. Spending Captured in City	70.0%	\$2,793,700
City Portion of Sales Tax @	1.0%	\$28,000
D. Total Sales Tax - New Resident Spending		\$28,000

(1) KMA assumption, based on review of spending ratios in Southern California counties.

(2) Includes Other Comparison Goods and Home Improvement.

(3) Includes food and drug stores.

(4) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

TABLE C-7

SUMMARY OF ANNUAL RECURRING REVENUES AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
<u>General Fund</u>		
I. Property Tax	\$52,000	32.9%
II. Property Tax In-Lieu of VLF	\$43,000	27.2%
III. Sales Tax - Indirect	\$28,000	17.7%
IV. All Other Taxes	\$22,100	14.0%
V. Intergovernmental	\$5,700	3.6%
VI. Property Transfer Tax	\$1,400	0.9%
VII. Fines and Forfeitures	\$2,300	1.5%
VIII. Permits and Licenses	\$1,800	1.1%
IX. Other Revenue	<u>\$1,600</u>	<u>1.0%</u>
X. Total Annual Recurring Revenues to General Fund	\$157,900	100.0%

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

TABLE C-8

**PROJECTED GENERAL FUND EXPENDITURES, POLICE DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Estimated Cost Per Police Officer

A. General Fund Police Budget (1)	\$45,928,260
B. Add: Pro Rata Share of Unfunded Building Maintenance (2)	\$269,243
C. Add: Pro Rata Share of Unfunded Fleet Maintenance (2)	<u>\$827,911</u>
D. Total Adjusted General Fund Police Budget	\$47,025,415
E. (Less) Charges for Services (3)	<u>(\$355,000)</u>
F. Net Adjusted General Fund Police Budget	\$46,670,415
G. Total Number of Sworn Police Officers (FY 19/20) (4)	<u>159</u>
H. Cost Per Sworn Police Officer	\$294,000

II. Number of Police Officers Required (5) 1.28 /1,000 Population**III. Project**

A. Townhomes	
Number of Units	125 Units
Estimated Population	328 Residents
Police Officer Factor per 1,000 Population	1.28
Police Officers Required	0.42
Cost Per Police Officer	<u>\$294,000</u>

B. Total Annual Project Costs - Police Expenditures	\$123,400
--	------------------

(1) See Table A-4.

(2) Source: City of Escondido, August 15, 2019.

(3) Includes Police Services, False Alarms, DUI Cost Recovery, Fingerprinting Revenue, and Restitution.

(4) Source: City of Escondido, September 10, 2019.

(5) Reflects the San Diego County average rate.

TABLE C-10

**PROJECTED GENERAL FUND EXPENDITURES, PUBLIC WORKS AND ENGINEERING DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Public Works and Engineering Expenditures - Street, Building, and Fleet Maintenance

A. Funded Annual Costs	\$18,319,110
B. Unfunded Annual Costs	<u>\$4,237,367</u> ⁽¹⁾
C. Total Public Works and Engineering Costs - Street, Building, and Fleet Maintenance	\$22,556,477
D. (Less) Transfer from Gas Tax	<u>(\$2,055,000)</u>
E. Grand Total Public Works and Engineering Costs - Street, Building, and Fleet Maintenance	\$20,501,477
F. (Less) Charges for Services	<u>(\$827,000)</u> ⁽²⁾
G. Net Public Works and Engineering Expenditures - Street, Building, and Fleet Maintenance	\$19,674,477

II. Public Works and Engineering - Park Maintenance

A. Funded Annual Costs	\$3,464,980
B. Unfunded annual Costs	<u>\$1,070,985</u>
C. Total Public Works and Engineering - Park Maintenance	\$4,535,965
D. (Less) Charges for Services	<u>\$0</u>
E. Net Public Works and Engineering - Park Maintenance	\$4,535,965

III. Project

Townhomes	
Number of Units	125 Units
Estimated Population	328 Residents
A. Public Works and Engineering - Street, Building, and Fleet Maintenance Expenditures	
Net Expenditures	\$19,674,477
Service Population - Resident Equivalent (RE) or Population (P)	RE
Citywide RE	176,080
Cost Per RE	\$111.74
Project RE	328
Total Project Costs - Public Works and Engineering - Street, Building, and Fleet Maintenance	\$36,650
B. Public Works and Engineering - Park Maintenance	
Net Expenditures	\$4,535,965
Service Population - Resident Equivalent (RE) or Population (P)	P
Citywide Population	152,739
Cost Per Population	\$29.70
Project Population	328
Total Project Costs - Public Works and Engineering - Park Maintenance	\$9,741

C. Total Annual Project Costs - Public Works and Engineering Expenditures	\$46,400
--	-----------------

(1) Includes pro rata share of building and fleet maintenance (\$1,103,867).

(2) Includes Engineering Fees, Misc. Projects, and Subdivision Fees.

TABLE C-11

**PROJECTED GENERAL FUND EXPENDITURES, COMMUNITY SERVICES DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. FY 2019-2020 Budget

A. Community Services Expenditures (1)	\$8,164,640
B. (Less) Charges for Services (1)	<u>(\$2,071,900)</u>
C. Net Community Services Expenditures	\$6,092,740
D. Add: Pro Rata Share of Building and Fleet Maintenance	<u>\$192,566</u>
E. Total Community Services Expenditures	\$6,285,306

II. Project

A. Townhomes

Number of Units	125 Units
Estimated Population	328 Residents
Total Budget Expenditures (Greater of I and II)	\$6,285,306
Service Population - Resident Equivalent (RE) or Population (P)	P
Citywide Population	<u>152,739</u>
Cost Per Population	\$41.15
Project Population	<u>328</u>

B. Total Annual Project Costs - Community Services Expenditures	\$13,500
--	-----------------

(1) Includes Recreation, Older Adult, Nutrition, Video Services, Communications, and Library.

TABLE C-12

**ESTIMATE OF ANNUAL RECURRING EXPENDITURES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

	<u>Total Population (P)</u>	<u>Total Employment</u>	<u>Total Population/ Jobs</u>	<u>Total Resident Equivalents (RE) @ 0.33 RE Factor</u> (1)
Demographic Profile				
City of Escondido	152,739 (2)	70,729 (2)	223,468	176,080
Prototype	328	0	328	328

	<u>City FY 2020 Budget</u> (3)	<u>Service Population</u>	<u>Total Citywide RE</u>	<u>Amount Per RE</u>	<u>New Residents/RE</u>	<u>Total Revenues</u>
I. General Government	\$7,242,440	RE	176,080	\$41.13	328	\$13,500
II. Community Development	\$3,804,700	RE	176,080	\$21.61	328	\$7,100
III. Community Relations & Center for the Arts	\$2,491,540	RE	176,080	\$14.15	328	\$4,600
IV. Total Annual Expenditures	\$13,538,680					\$25,200

RE = Resident Equivalent
P = Population

- (1) KMA assumption. Assumes that three employees have the same impact as one resident.
- (2) Source: California Department of Finance, January 1, 2019.
- (3) Source: City of Escondido, Preliminary Annual Operating Budget FY 2020.

TABLE C-13

SUMMARY OF ANNUAL RECURRING EXPENDITURES AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
<u>General Fund</u>		
I. Police	\$123,400	49.7%
II. Fire	\$40,000	16.1%
III. Public Works & Engineering	\$46,400	18.7%
IV. Community Services	\$13,500	5.4%
V. General Government	\$13,500	5.4%
VI. Community Development	\$7,100	2.9%
VII. Community Relations & Center for the Arts	<u>\$4,600</u>	<u>1.9%</u>
VIII. Total Annual Recurring Expenditures to General Fund	\$248,500	100.0%

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

TABLE C-14

SUMMARY OF ANNUAL FISCAL IMPACT AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
I. Revenues		
Property Tax	\$52,000	32.9%
Property Tax In-Lieu of VLF	\$43,000	27.2%
Sales Tax - Indirect	\$28,000	17.7%
All Other Taxes	\$22,100	14.0%
Intergovernmental	\$5,700	3.6%
Property Transfer Tax	\$1,400	0.9%
Fines and Forfeitures	\$2,300	1.5%
Permits and Licenses	\$1,800	1.1%
Other Revenue	<u>\$1,600</u>	<u>1.0%</u>
Total Annual Recurring Revenues to General Fund	\$157,900	100.0%
II. Expenditures		
Police	\$123,400	49.7%
Fire	\$40,000	16.1%
Public Works & Engineering	\$46,400	18.7%
Community Services	\$13,500	5.4%
General Government	\$13,500	5.4%
Community Development	\$7,100	2.9%
Community Relations & Center for the Arts	<u>\$4,600</u>	<u>1.9%</u>
Total Annual Recurring Expenditures to General Fund	\$248,500	100.0%
III. Annual Recurring Surplus/(Deficit)		
	(\$90,600)	
Per Unit Per Year	(\$725)	
Revenues to Expenditures Ratio	0.64	

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

APPENDIX D

**FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

**Small Lot Single-Family
Development Prototypes**

DRAFT

TABLE D-1

PROJECT DESCRIPTION
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

I. Site Area	5.0 Acres
II. Number of Units	75 Units
III. Density	15 Units/Acre
IV. Construction Type	Small Lot Single-Family

DRAFT

TABLE D-3

**ESTIMATED INCREMENTAL POPULATION
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

	<u>Units</u>	<u>Vacancy Factor</u>	<u>Persons Per Unit</u>	<u>Total</u>
I. Residential				
A. Single-Family	75 Units	0.4%	3.25	243
B. Multi-Family - For-Sale	0 Units	0.0%	0.00	0
C. Multi-Family - Rental	0 Units	0.0%	0.00	0
D. Total/Average	75 Units	0.4%	3.25	243
II. Total Population				243

TABLE D-4

**ESTIMATE OF INCREMENTAL PROPERTY TAXES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

Annual Recurring Revenues**I. Property Tax**

Estimated Value		\$41,250,000
Property Tax Levy	1.0%	\$413,000
City Portion	10.3% (1)	\$43,000

Total Property Tax to City	\$43,000
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II. Property Tax in-lieu of VLF

Estimated Value		\$41,250,000
License Fee (per \$1,000 in AV growth)		\$0.8669 (2)

Total Property Tax in-lieu of VLF	\$36,000
--	-----------------

III. Property Transfer Tax

A. Residential Property Valuation (FMV) - Residential		\$41,250,000
Transfer Tax (per \$500)		\$0.55
Total Transfer Tax		\$45,000
City Share of Transfer Tax	50.0%	\$22,500
Turnover Rate (Residential)		10.0%
Net Transfer Tax - Residential		\$2,000

B. Total Property Transfer Tax	\$2,000
---------------------------------------	----------------

(1) Source: City of Escondido Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2018.

(2) Source: California State Controller's Office.

TABLE D-5

**ESTIMATE OF INCREMENTAL INDIRECT SALES TAX (SPENDING BY NEW RESIDENTS)
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

		Single-Family For-Sale	Multi-Family For-Sale	Multi-Family Rental
I. Estimate of Household Income				
Average Sales Price / Average Monthly Rent		\$550,000	\$0	\$0
Down Payment	10%	<u>\$55,000</u>	<u>\$0</u>	
Loan Amount		\$495,000	\$0	
Interest Rate		4.75%	4.75%	
Term (Years)		30	30	
Annual Mortgage Payment / Rent		\$31,000	\$0	\$0
HOA	\$250 /Month	\$3,000	\$3,000	\$0
Maintenance / Insurance	\$50 /Month	\$600	\$600	\$0
Private Mortgage Insurance (PMI)	1.10%	\$5,400	\$0	\$0
Property Taxes	1.25%	<u>\$6,900</u>	<u>\$0</u>	<u>\$0</u>
Total Annual Costs		\$46,900	\$3,600	\$0
% of Income Spent on Housing		35%	35%	30%
Annual Income Required		\$134,000	\$10,000	\$0
II. Number of Households				
Total Number of Residential Units		75	0	0
Occupancy Rate		100%	100%	100%
Total Number of Full-Time Equivalent Households		75	0	0
III. Aggregate Household Income				\$10,010,000
IV. Annual Spending by Households				
		Allocation of Household Income to Taxable Spending ⁽¹⁾		Estimated Annual Taxable Spending
A. General Merchandise ⁽²⁾		15.0%		\$1,502,000
Convenience Goods ⁽³⁾		10.0%		\$1,001,000
Eating and Drinking		3.0%		\$300,000
Automotive Outlets		5.0%		\$501,000
Other Retail Stores ⁽⁴⁾		<u>0.5%</u>		<u>\$50,000</u>
B. Total Spending		33.5%		\$3,354,000
C. Spending Captured in City		70.0%		\$2,347,800
City Portion of Sales Tax @		1.0%		\$23,000
D. Total Sales Tax - New Resident Spending				\$23,000

(1) KMA assumption, based on review of spending ratios in Southern California counties.

(2) Includes Other Comparison Goods and Home Improvement.

(3) Includes food and drug stores.

(4) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

TABLE D-7

SUMMARY OF ANNUAL RECURRING REVENUES AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
<u>General Fund</u>		
I. Property Tax	\$43,000	33.4%
II. Property Tax In-Lieu of VLF	\$36,000	28.0%
III. Sales Tax - Indirect	\$23,000	17.9%
IV. All Other Taxes	\$16,400	12.7%
V. Intergovernmental	\$4,200	3.3%
VI. Property Transfer Tax	\$2,000	1.6%
VII. Fines and Forfeitures	\$1,700	1.3%
VIII. Permits and Licenses	\$1,300	1.0%
IX. Other Revenue	<u>\$1,200</u>	<u>0.9%</u>
X. Total Annual Recurring Revenues to General Fund	\$128,800	100.0%

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

Prepared by: Keyser Marston Associates, Inc.

Filename i:\Escondido_FIA_Development Prototypes_v3_10 18 19;10/18/2019;ibl

TABLE D-8

**PROJECTED GENERAL FUND EXPENDITURES, POLICE DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Estimated Cost Per Police Officer

A. General Fund Police Budget (1)	\$45,928,260
B. Add: Pro Rata Share of Unfunded Building Maintenance (2)	\$269,243
C. Add: Pro Rata Share of Unfunded Fleet Maintenance (2)	<u>\$827,911</u>
D. Total Adjusted General Fund Police Budget	\$47,025,415
E. (Less) Charges for Services (3)	<u>(\$355,000)</u>
F. Net Adjusted General Fund Police Budget	\$46,670,415
G. Total Number of Sworn Police Officers (FY 19/20) (4)	<u>159</u>
H. Cost Per Sworn Police Officer	\$294,000

II. Number of Police Officers Required (5) 1.28 /1,000 Population

III. Project

A. Small Lot Single-Family	
Number of Units	75 Units
Estimated Population	243 Residents
Police Officer Factor per 1,000 Population	1.28
Police Officers Required	0.31
Cost Per Police Officer	<u>\$294,000</u>

B. Total Annual Project Costs - Police Expenditures	\$91,400
--	-----------------

(1) See Table A-4.
 (2) Source: City of Escondido, August 15, 2019.
 (3) Includes Police Services, False Alarms, DUI Cost Recovery, Fingerprinting Revenue, and Restitution.
 (4) Source: City of Escondido, September 10, 2019.
 (5) Reflects the San Diego County average rate.

TABLE D-9

**PROJECTED GENERAL FUND EXPENDITURES, FIRE DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Cost Per Fire Personnel

A. General Fund Fire Expenditures (1)	\$24,746,165
B. Add: Pro Rata Share of Unfunded Building Maintenance (2)	\$69,678
C. Add: Pro Rata Share of Unfunded Fleet Maintenance (2)	\$716,987
D. Add: Radio Communications (3) 10 Years	<u>\$300,000</u>
E. Total Adjusted General Fund Fire Expenditures	\$25,832,831
F. (Less) Charges for Services (4)	<u>(\$6,735,000)</u>
G. Net Adjusted General Fund Fire Expenditures	\$19,097,831
H. Total Fire Personnel (FY 2019/2020) (5)	<u>111</u>
I. Cost Per Fire Personnel	\$172,000

II. Number of Fire Personnel Required (5) 0.707 Per 1,000 Population

III. Project

A. Small Lot Single-Family	
Number of Units	75 Units
Estimated Population	243 Residents
Fire Personnel Factor per 1,000 Population	0.707
Fire Personnel Required	0.17
Cost Per Fire Personnel	<u>\$172,000</u>

B. Total Annual Project Cost - Fire Expenditures	\$30,000
---	-----------------

(1) See Table A-4. Includes PERS-Unfunded Liability.
 (2) Source: City of Escondido, August 15, 2019.
 (3) Source: City of Escondido Fire Department, June 24, 2019.
 (4) Includes Special Fire, Alarm Registration Fee, Commercial Alarm Registration, Failed Reinspection, Fire Plan Check, Fire Protection System Fees, Fire Commercial Care Licensing Fee.
 (5) Source: City of Escondido, September 10, 2019. Reflects total number of paramedics, firefighters, and fire management staff.

TABLE D-10

**PROJECTED GENERAL FUND EXPENDITURES, PUBLIC WORKS AND ENGINEERING DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Public Works and Engineering Expenditures - Street, Building, and Fleet Maintenance

A. Funded Annual Costs	\$18,319,110
B. Unfunded Annual Costs	<u>\$4,237,367</u> ⁽¹⁾
C. Total Public Works and Engineering Costs - Street, Building, and Fleet Maintenance	\$22,556,477
D. (Less) Transfer from Gas Tax	<u>(\$2,055,000)</u>
E. Grand Total Public Works and Engineering Costs - Street, Building, and Fleet Maintenance	\$20,501,477
F. (Less) Charges for Services	<u>(\$827,000)</u> ⁽²⁾
G. Net Public Works and Engineering Expenditures - Street, Building, and Fleet Maintenance	\$19,674,477

II. Public Works and Engineering - Park Maintenance

A. Funded Annual Costs	\$3,464,980
B. Unfunded annual Costs	<u>\$1,070,985</u>
C. Total Public Works and Engineering - Park Maintenance	\$4,535,965
D. (Less) Charges for Services	<u>\$0</u>
E. Net Public Works and Engineering - Park Maintenance	\$4,535,965

III. Project

Small Lot Single-Family	
Number of Units	75 Units
Estimated Population	243 Residents

A. Public Works and Engineering - Street, Building, and Fleet Maintenance Expenditures	
Net Expenditures	\$19,674,477
Service Population - Resident Equivalent (RE) or Population (P)	RE
Citywide RE	176,080
Cost Per RE	\$111.74
Project RE	243
Total Project Costs - Public Works and Engineering - Street, Building, and Fleet Maintenance	\$27,152
B. Public Works and Engineering - Park Maintenance	
Net Expenditures	\$4,535,965
Service Population - Resident Equivalent (RE) or Population (P)	P
Citywide Population	152,739
Cost Per Population	\$29.70
Project Population	243
Total Project Costs - Public Works and Engineering - Park Maintenance	\$7,216

C. Total Annual Project Costs - Public Works and Engineering Expenditures	\$34,400
--	-----------------

(1) Includes pro rata share of building and fleet maintenance (\$1,103,867).

(2) Includes Engineering Fees, Misc. Projects, and Subdivision Fees.

TABLE D-11

**PROJECTED GENERAL FUND EXPENDITURES, COMMUNITY SERVICES DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. FY 2019-2020 Budget

A. Community Services Expenditures (1)	\$8,164,640
B. (Less) Charges for Services (1)	<u>(\$2,071,900)</u>
C. Net Community Services Expenditures	\$6,092,740
D. Add: Pro Rata Share of Building and Fleet Maintenance	<u>\$192,566</u>
E. Total Community Services Expenditures	\$6,285,306

II. Project

A. Small Lot Single-Family

Number of Units	75 Units
Estimated Population	243 Residents
Total Budget Expenditures (Greater of I and II)	\$6,285,306
Service Population - Resident Equivalent (RE) or Population (P)	P
Citywide Population	<u>152,739</u>
Cost Per Population	\$41.15
Project Population	<u>243</u>

B. Total Annual Project Costs - Community Services Expenditures	\$10,000
--	-----------------

(1) Includes Recreation, Older Adult, Nutrition, Video Services, Communications, and Library.

TABLE D-12

**ESTIMATE OF ANNUAL RECURRING EXPENDITURES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

Demographic Profile	Total Population (P)	Total Employment	Total Population/ Jobs	Total Resident Equivalents (RE) @ 0.33 RE Factor (1)
City of Escondido	152,739 (2)	70,729 (2)	223,468	176,080
Prototype	243	0	243	243

	City FY 2020 Budget (3)	Service Population	Total RE/P	Amount Per RE	New P/RE	Total Revenues
I. General Government	\$7,242,440	RE	176,080	\$41.13	243	\$10,000
II. Community Development	\$3,804,700	RE	176,080	\$21.61	243	\$5,300
III. Community Relations & Center for the Arts	\$2,491,540	RE	176,080	\$14.15	243	\$3,400
IV. Total Annual Expenditures	\$13,538,680					\$18,700

RE = Resident Equivalent
P = Population

(1) KMA assumption. Assumes that three employees have the same impact as one resident.
 (2) Source: California Department of Finance, January 1, 2019.
 (3) Source: City of Escondido, Preliminary Annual Operating Budget FY 2020.

TABLE D-13

SUMMARY OF ANNUAL RECURRING EXPENDITURES AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
<u>General Fund</u>		
I. Police	\$91,400	49.5%
II. Fire	\$30,000	16.3%
III. Public Works & Engineering	\$34,400	18.6%
IV. Community Services	\$10,000	5.4%
V. General Government	\$10,000	5.4%
VI. Community Development	\$5,300	2.9%
VII. Community Relations & Center for the Arts	<u>\$3,400</u>	<u>1.8%</u>
VIII. Total Annual Recurring Expenditures to General Fund	\$184,500	100.0%

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

SMALL LOT SINGLE-FAMILY

TABLE D-14

SUMMARY OF ANNUAL FISCAL IMPACT AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
I. Revenues		
Property Tax	\$43,000	33.4%
Property Tax In-Lieu of VLF	\$36,000	28.0%
Sales Tax - Indirect	\$23,000	17.9%
All Other Taxes	\$16,400	12.7%
Intergovernmental	\$4,200	3.3%
Property Transfer Tax	\$2,000	1.6%
Fines and Forfeitures	\$1,700	1.3%
Permits and Licenses	\$1,300	1.0%
Other Revenue	<u>\$1,200</u>	<u>0.9%</u>
Total Annual Recurring Revenues to General Fund	\$128,800	100.0%
II. Expenditures		
Police	\$91,400	49.5%
Fire	\$30,000	16.3%
Public Works & Engineering	\$34,400	18.6%
Community Services	\$10,000	5.4%
General Government	\$10,000	5.4%
Community Development	\$5,300	2.9%
Community Relations & Center for the Arts	<u>\$3,400</u>	<u>1.8%</u>
Total Annual Recurring Expenditures to General Fund	\$184,500	100.0%
III. Annual Recurring Surplus/(Deficit)		
	(\$55,700)	
Per Unit Per Year	(\$743)	
Revenues to Expenditures Ratio	0.70	

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

APPENDIX E

FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES CITY OF ESCONDIDO

Single-Family Development Prototypes

DRAFT

TABLE E-1

PROJECT DESCRIPTION
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

I. Site Area	5.0 Acres
II. Number of Units	25 Units
III. Density	5 Units/Acre
IV. Construction Type	Single-Family

DRAFT

TABLE E-3

**ESTIMATED INCREMENTAL POPULATION
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

	<u>Units</u>	<u>Vacancy Factor</u>	<u>Persons Per Unit</u>	<u>Total</u>
I. Residential				
A. Single-Family	25 Units	0.4%	3.50	87
B. Multi-Family - For-Sale	0 Units	0.0%	0.00	0
C. Multi-Family - Rental	<u>0</u> Units	<u>0.0%</u>	<u>0.00</u>	<u>0</u>
D. Total/Average	25 Units	0.4%	3.49	87
II. Total Population				87

TABLE E-4

**ESTIMATE OF INCREMENTAL PROPERTY TAXES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

Annual Recurring Revenues**I. Property Tax**

Estimated Value		\$17,500,000
Property Tax Levy	1.0%	\$175,000
City Portion	10.3% (1)	\$18,000

Total Property Tax to City	\$18,000
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II. Property Tax in-lieu of VLF

Estimated Value		\$17,500,000
License Fee (per \$1,000 in AV growth)		\$0.8669 (2)

Total Property Tax in-lieu of VLF	\$15,000
--	-----------------

III. Property Transfer Tax

A. Residential Property Valuation (FMV) - Residential		\$17,500,000
Transfer Tax (per \$500)		\$0.55
Total Transfer Tax		\$19,000
City Share of Transfer Tax	50.0%	\$9,500
Turnover Rate (Residential)		10.0%
Net Transfer Tax - Residential		\$1,000

B. Total Property Transfer Tax	\$1,000
---------------------------------------	----------------

(1) Source: City of Escondido Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2018.

(2) Source: California State Controller's Office.

TABLE E-5

**ESTIMATE OF INCREMENTAL INDIRECT SALES TAX (SPENDING BY NEW RESIDENTS)
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

		Single-Family For-Sale	Multi-Family For-Sale	Multi-Family Rental
I. Estimate of Household Income				
Average Sales Price / Average Monthly Rent		\$700,000	\$0	\$0
Down Payment	10%	<u>\$70,000</u>	<u>\$0</u>	
Loan Amount		\$630,000	\$0	
Interest Rate		4.75%	4.75%	
Term (Years)		30	30	
Annual Mortgage Payment / Rent		\$39,000	\$0	\$0
HOA	\$250 /Month	\$3,000	\$3,000	\$0
Maintenance / Insurance	\$50 /Month	\$600	\$600	\$0
Private Mortgage Insurance (PMI)	1.10%	\$6,900	\$0	\$0
Property Taxes	1.25%	<u>\$8,800</u>	<u>\$0</u>	<u>\$0</u>
Total Annual Costs		\$58,300	\$3,600	\$0
% of Income Spent on Housing		35%	35%	30%
Annual Income Required		\$167,000	\$10,000	\$0
II. Number of Households				
Total Number of Residential Units		25	0	0
Occupancy Rate		100%	100%	100%
Total Number of Full-Time Equivalent Households		25	0	0
III. Aggregate Household Income				\$4,158,000
IV. Annual Spending by Households				
		Allocation of Household Income to Taxable Spending ⁽¹⁾	Estimated Annual Taxable Spending	
A. General Merchandise ⁽²⁾		15.0%	\$624,000	
Convenience Goods ⁽³⁾		10.0%	\$416,000	
Eating and Drinking		3.0%	\$125,000	
Automotive Outlets		5.0%	\$208,000	
Other Retail Stores ⁽⁴⁾		<u>0.5%</u>	<u>\$21,000</u>	
B. Total Spending		33.5%	\$1,394,000	
C. Spending Captured in City		70.0%	\$975,800	
City Portion of Sales Tax @		1.0%	\$10,000	
D. Total Sales Tax - New Resident Spending				\$10,000

(1) KMA assumption, based on review of spending ratios in Southern California counties.

(2) Includes Other Comparison Goods and Home Improvement.

(3) Includes food and drug stores.

(4) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

TABLE E-6

**ESTIMATE OF ANNUAL RECURRING REVENUES - OTHER REVENUES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

Demographic Profile	Total Population (P)	Total Employment	Total Population/ Jobs	Total Resident Equivalents (RE) @ 0.33 RE Factor (1)
City of Escondido	152,739 (2)	70,729 (2)	223,468	176,080
Prototype	87	0	87	87

	City FY 2020 Budget (3)	Service Population	Total RE/P	Amount Per RE	New P/RE	Total Revenues
I. All Other Taxes	\$11,881,000	RE	176,080	\$67.48	87	\$5,900
II. Intergovernmental	\$3,063,000	RE	176,080	\$17.40	87	\$1,500
III. Fines and Forfeitures	\$1,226,000	RE	176,080	\$6.96	87	\$600
IV. Permits and Licenses	\$944,500	RE	176,080	\$5.36	87	\$500
V. Other Revenue	<u>\$860,495</u>	RE	176,080	\$4.89	87	<u>\$400</u>
VI. Total Annual Other Revenues	\$17,974,995					\$8,900

(1) KMA assumption. Assumes that three employees have the same impact as one resident.
 (2) See Table A-1.
 (3) Source: City of Escondido, Preliminary Annual Operating Budget FY 2020.

RE = Resident Equivalent P = Population
--

TABLE E-7

SUMMARY OF ANNUAL RECURRING REVENUES AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
<u>General Fund</u>		
I. Property Tax	\$18,000	34.0%
II. Property Tax In-Lieu of VLF	\$15,000	28.4%
III. Sales Tax - Indirect	\$10,000	18.9%
IV. All Other Taxes	\$5,900	11.2%
V. Intergovernmental	\$1,500	2.8%
VI. Property Transfer Tax	\$1,000	1.9%
VII. Fines and Forfeitures	\$600	1.1%
VIII. Permits and Licenses	\$500	0.9%
IX. Other Revenue	<u>\$400</u>	<u>0.8%</u>
X. Total Annual Recurring Revenues to General Fund	\$52,900	100.0%

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

TABLE E-8

**PROJECTED GENERAL FUND EXPENDITURES, POLICE DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Estimated Cost Per Police Officer

A. General Fund Police Budget (1)	\$45,928,260
B. Add: Pro Rata Share of Unfunded Building Maintenance (2)	\$269,243
C. Add: Pro Rata Share of Unfunded Fleet Maintenance (2)	<u>\$827,911</u>
D. Total Adjusted General Fund Police Budget	\$47,025,415
E. (Less) Charges for Services (3)	<u>(\$355,000)</u>
F. Net Adjusted General Fund Police Budget	\$46,670,415
G. Total Number of Sworn Police Officers (FY 19/20) (4)	<u>159</u>
H. Cost Per Sworn Police Officer	\$294,000

II. Number of Police Officers Required (5) 1.28 /1,000 Population**III. Project**

A. Single-Family	
Number of Units	25 Units
Estimated Population	87 Residents
Police Officer Factor per 1,000 Population	1.28
Police Officers Required	0.11
Cost Per Police Officer	<u>\$294,000</u>

B. Total Annual Project Costs - Police Expenditures	\$32,700
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(1) See Table A-4.

(2) Source: City of Escondido, August 15, 2019.

(3) Includes Police Services, False Alarms, DUI Cost Recovery, Fingerprinting Revenue, and Restitution.

(4) Source: City of Escondido, September 10, 2019.

(5) Reflects the San Diego County average rate.

TABLE E-9

**PROJECTED GENERAL FUND EXPENDITURES, FIRE DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Cost Per Fire Personnel

A. General Fund Fire Expenditures (1)	\$24,746,165
B. Add: Pro Rata Share of Unfunded Building Maintenance (2)	\$69,678
C. Add: Pro Rata Share of Unfunded Fleet Maintenance (2)	\$716,987
D. Add: Radio Communications (3) 10 Years	<u>\$300,000</u>
E. Total Adjusted General Fund Fire Expenditures	\$25,832,831
F. (Less) Charges for Services (4)	<u>(\$6,735,000)</u>
G. Net Adjusted General Fund Fire Expenditures	\$19,097,831
H. Total Fire Personnel (FY 2019/2020) (5)	<u>111</u>
I. Cost Per Fire Personnel	\$172,000

II. Number of Fire Personnel Required (5) 0.707 Per 1,000 Population

III. Project

A. Single-Family	
Number of Units	25 Units
Estimated Population	87 Residents
Fire Personnel Factor per 1,000 Population	0.707
Fire Personnel Required	0.06
Cost Per Fire Personnel	<u>\$172,000</u>

B. Total Annual Project Cost - Fire Expenditures \$11,000

(1) See Table A-4. Includes PERS-Unfunded Liability.

(2) Source: City of Escondido, August 15, 2019.

(3) Source: City of Escondido Fire Department, June 24, 2019.

(4) Includes Special Fire, Alarm Registration Fee, Commercial Alarm Registration, Failed Reinspection, Fire Plan Check, Fire Protection System Fees, Fire Commercial Care Licensing Fee.

(5) Source: City of Escondido, September 10, 2019. Reflects total number of paramedics, firefighters, and fire management staff.

TABLE E-10

**PROJECTED GENERAL FUND EXPENDITURES, PUBLIC WORKS AND ENGINEERING DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. Public Works and Engineering Expenditures - Street, Building, and Fleet Maintenance

A. Funded Annual Costs	\$18,319,110
B. Unfunded Annual Costs	<u>\$4,237,367</u> ⁽¹⁾
C. Total Public Works and Engineering Costs - Street, Building, and Fleet Maintenance	\$22,556,477
D. (Less) Transfer from Gas Tax	<u>(\$2,055,000)</u>
E. Grand Total Public Works and Engineering Costs - Street, Building, and Fleet Maintenance	\$20,501,477
F. (Less) Charges for Services	<u>(\$827,000)</u> ⁽²⁾
G. Net Public Works and Engineering Expenditures - Street, Building, and Fleet Maintenance	\$19,674,477

II. Public Works and Engineering - Park Maintenance

A. Funded Annual Costs	\$3,464,980
B. Unfunded annual Costs	<u>\$1,070,985</u>
C. Total Public Works and Engineering - Park Maintenance	\$4,535,965
D. (Less) Charges for Services	<u>\$0</u>
E. Net Public Works and Engineering - Park Maintenance	\$4,535,965

III. Project

Single-Family	
Number of Units	25 Units
Estimated Population	87 Residents

A. Public Works and Engineering - Street, Building, and Fleet Maintenance Expenditures	
Net Expenditures	\$19,674,477
Service Population - Resident Equivalent (RE) or Population (P)	RE
Citywide RE	176,080
Cost Per RE	\$111.74
Project RE	87
Total Project Costs - Public Works and Engineering - Street, Building, and Fleet Maintenance	\$9,721
B. Public Works and Engineering - Park Maintenance	
Net Expenditures	\$4,535,965
Service Population - Resident Equivalent (RE) or Population (P)	P
Citywide Population	152,739
Cost Per Population	\$29.70
Project Population	87
Total Project Costs - Public Works and Engineering - Park Maintenance	\$2,584

C. Total Annual Project Costs - Public Works and Engineering Expenditures	\$12,300
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(1) Includes pro rata share of building and fleet maintenance (\$1,103,867).

(2) Includes Engineering Fees, Misc. Projects, and Subdivision Fees.

TABLE E-11

**PROJECTED GENERAL FUND EXPENDITURES, COMMUNITY SERVICES DEPARTMENT
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

I. FY 2019-2020 Budget

A. Community Services Expenditures (1)	\$8,164,640
B. (Less) Charges for Services (1)	<u>(\$2,071,900)</u>
C. Net Community Services Expenditures	\$6,092,740
D. Add: Pro Rata Share of Building and Fleet Maintenance	<u>\$192,566</u>
E. Total Community Services Expenditures	\$6,285,306

II. Project

A. Single-Family

Number of Units	25 Units
Estimated Population	87 Residents
Total Budget Expenditures (Greater of I and II)	\$6,285,306
Service Population - Resident Equivalent (RE) or Population (P)	P
Citywide Population	<u>152,739</u>
Cost Per Population	\$41.15
Project Population	<u>87</u>

B. Total Annual Project Costs - Community Services Expenditures	\$3,600
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(1) Includes Recreation, Older Adult, Nutrition, Video Services, Communications, and Library.

TABLE E-12

**ESTIMATE OF ANNUAL RECURRING EXPENDITURES
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO**

Demographic Profile	Total Population (P)	Total Employment	Total Population/ Jobs	Total Resident Equivalents (RE) @ 0.33 RE Factor (1)
City of Escondido	152,739 (2)	70,729 (2)	223,468	176,080
Prototype	87	0	87	87

	City FY 2020 Budget (3)	Service Population	Total RE/P	Amount Per RE	New P/RE	Total Revenues
I. General Government	\$7,242,440	RE	176,080	\$41.13	87	\$3,600
II. Community Development	\$3,804,700	RE	176,080	\$21.61	87	\$1,900
III. Community Relations & Center for the Arts	\$2,491,540	RE	176,080	\$14.15	87	\$1,200
IV. Total Annual Expenditures	\$13,538,680					\$6,700

RE = Resident Equivalent
P = Population

(1) KMA assumption. Assumes that three employees have the same impact as one resident.
 (2) Source: California Department of Finance, January 1, 2019.
 (3) Source: City of Escondido, Preliminary Annual Operating Budget FY 2020.

TABLE E-13

SUMMARY OF ANNUAL RECURRING EXPENDITURES AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
<u>General Fund</u>		
I. Police	\$32,700	49.3%
II. Fire	\$11,000	16.6%
III. Public Works & Engineering	\$12,300	18.6%
IV. Community Services	\$3,600	5.4%
V. General Government	\$3,600	5.4%
VI. Community Development	\$1,900	2.9%
VII. Community Relations & Center for the Arts	<u>\$1,200</u>	<u>1.8%</u>
VIII. Total Annual Recurring Expenditures to General Fund	\$66,300	100.0%

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

TABLE E-14

SUMMARY OF ANNUAL FISCAL IMPACT AT BUILD-OUT ⁽¹⁾⁽²⁾
FISCAL IMPACT ANALYSES OF DEVELOPMENT PROTOTYPES
CITY OF ESCONDIDO

	<u>Total</u>	<u>Percent</u>
I. Revenues		
Property Tax	\$18,000	34.0%
Property Tax In-Lieu of VLF	\$15,000	28.4%
Sales Tax - Indirect	\$10,000	18.9%
All Other Taxes	\$5,900	11.2%
Intergovernmental	\$1,500	2.8%
Property Transfer Tax	\$1,000	1.9%
Fines and Forfeitures	\$600	1.1%
Permits and Licenses	\$500	0.9%
Other Revenue	<u>\$400</u>	<u>0.8%</u>
Total Annual Recurring Revenues to General Fund	\$52,900	100.0%
II. Expenditures		
Police	\$32,700	49.3%
Fire	\$11,000	16.6%
Public Works & Engineering	\$12,300	18.6%
Community Services	\$3,600	5.4%
General Government	\$3,600	5.4%
Community Development	\$1,900	2.9%
Community Relations & Center for the Arts	<u>\$1,200</u>	<u>1.8%</u>
Total Annual Recurring Expenditures to General Fund	\$66,300	100.0%
III. Annual Recurring Surplus/(Deficit)		
	(\$13,400)	
Per Unit Per Year	(\$536)	
Revenues to Expenditures Ratio	0.80	

(1) Reflects stabilized annual revenue in constant 2020 dollars at build-out.

(2) Excludes revenue from one-time Development Impact Fees (DIFs).

MEMORANDUM

November 26, 2019

To: City of Escondido
 From: DTA
 Subject: Proposed Community Facilities District for the Escondido Country Club

The purpose of this memorandum is for Lennar Homes (the "Developer") to provide an updated summary of the assumptions and conclusions related to the proposed Community Facilities District ("CFD") to be established for the Escondido Country Club Project (the "Project") within the City of Escondido (the "City"). This analysis, updating the November 1, 2019 analysis, is based on the premise that there will be multiple bond issues to finance development impact fees, starting in 2020. The primary objective of this preliminary analysis is to determine the revenue available to finance authorized facilities and potentially development impact fees. Notably, the developer and its team look forward to the opportunity to discuss the CFD with the City in order to get a better understanding of the City's comfort with financing various improvements and/or fees.

In order to commence construction of the Project, the Developer will need to pay certain Development Impact fee ("DIF") amounts required by the City and other agencies. As shown in Table 1 below, DTA has identified specific DIFs that will be eligible for funding through the proposed CFD.

**Table 1
 Eligible Development Impact Fees**

Development Impact Fees	CFD Eligible List
Water Connection	\$934,420
Wastewater Connection	\$2,850,000
Traffic Local Fee	\$1,150,185
SANDAG Traffic Fee Regional ("RTCIP")	\$943,722
Public Facilities Fee	\$1,815,260
Park Fee	\$951,140
Drainage Facilities Fee	\$171,380
Subtotal – City	\$8,816,107
Escondido Union School District	\$3,812,938 ¹
San Marcos School District	\$0
Rincon Del Diablo Water District	\$1,651,992
SDCWA Capacity Charge	\$0
Subtotal – Other Agencies	\$5,464,930
Total Fees	\$14,281,037

1. Assumes a 30% premium on school district fees. Estimate, subject to change.

The following table summarizes the bond assumptions utilized for this preliminary tax spread analysis:

**Table 2
Bond Assumptions**

Bond Assumptions	Units / Quantities
Total Residential Units	380
Average Coupon Rate	5.00%
Bond Term	30
Cost of Issuance	\$150,000 + 1.50%
Reserve Requirement	9.19%
Debt Service	2% Escalating
Minimum Coverage	110%

Additionally, DTA has assumed that the Project would be subject a CFD special tax imposed by the City for services ("Services CFD") in an amount of \$743 per unit for detached units, and \$725 per unit for attached units. Notably, only 58 units in the Project would be classified as attached, namely Plan 2 and Plan 3 of the 6-Pack Cluster product.

Based on the assumptions presented, and an effective tax rates ("ETR") of 1.697% of the base price of each home, the Project would support \$17,460,000 in bonded indebtedness from which approximately \$14,288,001 in construction proceeds would be generated. The assigned special taxes on residential property would range from \$2,335 per unit to \$3,229 per unit. The following table summarizes the financing schedule utilized for this analysis.

**Table 3
Summary of Bond Conclusions**

Bond Conclusions	Total
Maximum Bond Indebtedness	\$17,460,000
<i>Series 2020 (March)</i>	\$5,820,000
<i>Series 2020 (September)</i>	\$5,820,000
<i>Series 2021</i>	\$5,820,000
Total Construction Proceeds	\$14,288,001
<i>Series 2020 (March)</i>	\$4,762,667
<i>Series 2020 (September)</i>	\$4,762,667
<i>Series 2021</i>	\$4,762,667
<i>Assigned Special Taxes</i>	<i>\$2,335 - \$3,229 per unit</i>

Please note that in arriving at the special taxes utilized in this analysis, the base tax rate (which includes the ad-valorem taxes, all overlapping assessments, and the Services CFD) is assumed to be between 1.258% and 1.289%. Additionally, the Developer anticipates that the bonds will be issued in multiple tranches as development occurs, where each tranche will be constrained by a 4-to-1 value to lien ratio.

It is also important to note that while the CFD proposal above shows a total CFD proceed amount of \$14.29M, this amount will not be received all at once. In reality, each phase of the Project will have a bond issue as development commences, at which time a portion of the \$14.29M will be made available. Therefore, as an example, if the Project were to build out over 3 years in equal size phases, then the City would receive \$4.76M in early/mid 2020, \$4.76M in late 2020, and \$4.76M in late 2021. Another important note is that a portion of these proceeds can go to pay other non-City improvements and fees. So, in reality the City would only be receiving a portion of CFD proceeds over time and would then have the adequate time to allocate these revenues to construction projects (as identified on the Capital Improvement Budget) and expend them within the required time frame.

As a final note, DTA has included a 2% escalator on the annual CFD special tax. Without the Escalator (i.e. CFD special taxes that would remain at the same level for the life of the tax, or "Level CFD taxes"), the CFD tax amounts would need to be increased in order to generate the same CFD proceeds projected in this analysis. The City currently limits the tax rate - the projected overall tax rate (ad valorem, G.O. measures, CFDs, and other special districts) - to a maximum of 2.0% of the projected home. Under the approach utilized in this analysis, the Escalator allows the CFD taxes to start 15-20% lower and still achieve the same amount of CFD proceeds.

If you have any questions upon review of this memorandum, please feel free to call us at (800) 969-4382.

Enclosures:

1. Attachment 1 – CFD Capacity Analysis

ATTACHMENT 1

City of Escondido
Proposed CFD
(Escondido Country Club)



CFD CAPACITY ANALYSIS

**PROJECTED SPECIAL TAXES AND BONDED INDEBTEDNESS FOR
PROPOSED CITY OF ESCONDIDO COMMUNITY FACILITIES DISTRICT
(ESCONDIDO COUNTY CLUB)
LENNAR HOMES
Escalating Debt Service and Special Taxes**

<u>LAND USE ASSUMPTIONS</u>		<u>BOND ASSUMPTIONS</u>	<u>SERIES A</u>	<u>SERIES B</u>	<u>SERIES C</u>	<u>SPECIAL TAX ASSUMPTIONS</u>	
BUILDOUT PERIOD (YEARS FROM 2020) [1]	3	<i>BOND YEAR</i>	2020	2020	2021	AVERAGE RESIDENTIAL SPECIAL TAX (PER UNIT)	\$2,664
		AVERAGE COUPON	5.00%	5.00%	5.00%	AVERAGE NON-RESIDENTIAL SPECIAL TAX (PER SQ. FT.)	NA
		BOND TERM (YEARS)	30	30	30	UNDEVELOPED MAXIMUM SPECIAL TAX (PER ACRE)	\$76,030
		COSTS OF ISSUANCE / DISCOUNT	4.08%	4.08%	4.08%	BACKUP SPECIAL TAX (PER ACRE)	\$76,030
		RESERVE FUND	9.19%	9.19%	9.19%	% ANNUAL SPECIAL TAX INCREASE	2.00%
<u>ACREAGE SUMMARY [1]</u>		CAPITALIZED INTEREST - SERIES A	4.90%	NA	NA		
GROSS ACREAGE - TOTAL SITE	14.50	CAPITALIZED INTEREST - SERIES B	NA	4.90%	NA		
LESS: ESTIMATED EXEMPT ACREAGE	4.35	CAPITALIZED INTEREST - SERIES C	NA	NA	4.90%		
ESTIMATED NET TAXABLE ACREAGE	14.50						
GROSS ACREAGE - RESIDENTIAL	14.50	<u>MINIMUM DEBT SERVICE COVERAGE</u>				<u>OTHER ASSUMPTIONS</u>	
GROSS ACREAGE - NON-RESIDENTIAL	0.00	GROSS DEBT SERVICE COVERAGE			110.01%	REINVESTMENT INTEREST RATE	0.75%
		NET DEBT SERVICE COVERAGE			110.72%	DISCOUNT RATE FOR NPV ANALYSIS	5.00%
EST. NET TAXABLE ACREAGE - RESIDENTIAL	14.50					ADMINISTRATION EXPENSE INFLATION RATE	2.00%
EST. NET TAXABLE ACREAGE - NON-RESIDENTIAL	0.00	MINIMUM VALUE-TO-LIEN			23.82	INITIAL YEAR ADMINISTRATION EXPENSE	\$25,000

SUMMARY OF TAX COMPUTATIONS

SPECIAL TAX CLASS	UNITS/ SQ. FT.	LOWEST BASE PRICE [1]	ESTIMATED BOND AMOUNT (PER UNIT/SQ. FT.)	PROCEED AMOUNT (PER UNIT/SQ. FT.)	PROPOSED SPECIAL TAX (PER UNIT/SQ. FT.)	ASSIGNED SPECIAL TAX (FY 2020-2021)		
						CFD E.T.R.	TOTAL E.T.R. EXCLUDING CFD [2]	TOTAL E.T.R. INCLUDING CFD
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	27	\$735,500	\$55,702	\$45,582	\$3,229.00	0.44%	1.2581%	1.697%
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	27	\$718,500	\$54,097	\$44,269	\$3,136.00	0.44%	1.2606%	1.697%
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	26	\$699,500	\$52,303	\$42,801	\$3,032.00	0.43%	1.2636%	1.697%
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	25	\$678,500	\$50,337	\$41,192	\$2,918.00	0.43%	1.2671%	1.697%
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	24	\$660,500	\$48,629	\$39,794	\$2,819.00	0.43%	1.2703%	1.697%
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	24	\$650,500	\$47,680	\$39,018	\$2,764.00	0.42%	1.2722%	1.697%
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	23	\$667,500	\$49,284	\$40,331	\$2,857.00	0.43%	1.2690%	1.697%
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	29	\$593,000	\$42,263	\$34,585	\$2,450.00	0.41%	1.2840%	1.697%
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	117	\$572,000	\$40,280	\$32,962	\$2,335.00	0.41%	1.2889%	1.697%
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	29	\$600,000	\$43,230	\$35,376	\$2,506.00	0.42%	1.2794%	1.697%
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	29	\$595,000	\$42,764	\$34,995	\$2,479.00	0.42%	1.2805%	1.697%

NOTES:

E.T.R.--Effective Tax Rate

[1] Source: Project Proponent.

[2] Based on property tax bills for subject property and neighboring property.

MAJOR CONCLUSIONS			
TOTAL BONDED INDEBTEDNESS		\$17,460,000	
<i>SERIES A</i>	<i>2020</i>	\$5,820,000	
<i>SERIES B</i>	<i>2020</i>	\$5,820,000	
<i>SERIES C</i>	<i>2021</i>	\$5,820,000	
TOTAL BOND FINANCED FACILITIES		\$14,288,001	
<i>SERIES A</i>	<i>2020</i>	\$4,762,667	
<i>SERIES B</i>	<i>2020</i>	\$4,762,667	
<i>SERIES C</i>	<i>2021</i>	\$4,762,667	
NPV OF PAY-AS-YOU-GO FACILITIES		\$84,211	
RESIDENTIAL SPECIAL TAXES			\$35,124,768
NON-RESIDENTIAL SPECIAL TAXES			\$0
UNDEVELOPED SPECIAL TAXES			\$0
TOTAL SPECIAL TAXES			\$35,124,768
TOTAL DEBT SERVICE & ADMINISTRATION			\$37,815,976
MISCELLANEOUS REVENUES			(\$2,793,567)
PAY-AS-YOU-GO FACILITIES			\$102,359
TOTAL NET DEBT SERVICE			\$35,124,768
NPV OF UNDEVELOPED SPECIAL TAXES			\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2019-20 2020	2020-21 2021	2021-22 2022	2022-23 2023	2023-24 2024
<u>I (A). CFD BONDED INDEBTEDNESS - SERIES A</u>	<i>*Mar 2020*</i>				
TOTAL BONDED INDEBTEDNESS	\$5,820,000	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	(\$237,300)	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	(\$534,649)	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	(\$285,384)	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$4,762,667	\$0	\$0	\$0	\$0
<u>I (B). CFD BONDED INDEBTEDNESS - SERIES B</u>	<i>*Sep 2020*</i>				
TOTAL BONDED INDEBTEDNESS	\$5,820,000	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	(\$237,300)	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	(\$534,649)	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	(\$285,384)	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$4,762,667	\$0	\$0	\$0	\$0
<u>I (C). CFD BONDED INDEBTEDNESS - SERIES C</u>	<i>*Sep 2021*</i>				
TOTAL BONDED INDEBTEDNESS	\$0	\$5,820,000	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	(\$237,300)	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	(\$534,649)	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	(\$285,384)	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$4,762,667	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2019-20	2020-21	2021-22	2022-23	2023-24
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2020	2021	2022	2023	2024

II. ABSORPTION - BUILDING PERMITS (as of 5/1)

UNDEVELOPED PROPERTY

REMAINING UNDEVELOPED ACREAGE	10.2	2.1	0.0	0.0	0.0
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DEVELOPED NON-RESIDENTIAL PROPERTY

DEVELOPED RESIDENTIAL PROPERTY

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	8	24	27	27	27
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	8	24	27	27	27
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	8	24	26	26	26
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	8	24	25	25	25
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	8	24	24	24	24
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	8	24	24	24	24
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	8	23	23	23	23
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	8	24	29	29	29
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	32	86	116	117	117
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	8	24	29	29	29
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	8	24	29	29	29

TOTAL DEVELOPED RESIDENTIAL UNITS	112	325	379	380	380
TOTAL DEVELOPED NON-RESIDENTIAL SQ. FT.	0	0	0	0	0

III. MELLO-ROOS SPECIAL TAX LEVY

UNDEVELOPED PROPERTY SPECIAL TAXES	\$0	\$0	\$0	\$0	\$0
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NON-RESIDENTIAL PROPERTY SPECIAL TAXES

RESIDENTIAL PROPERTY SPECIAL TAXES

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	\$0	\$14,669	\$56,686	\$90,705	\$83,332
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	\$0	\$14,247	\$55,053	\$88,093	\$80,932
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	\$0	\$13,774	\$53,227	\$82,017	\$75,350
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	\$0	\$13,257	\$51,226	\$75,897	\$69,728
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	\$0	\$12,807	\$49,488	\$70,389	\$64,668
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	\$0	\$12,557	\$48,523	\$69,016	\$63,406
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	\$0	\$12,979	\$48,065	\$68,366	\$62,809
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	\$0	\$11,130	\$43,010	\$73,920	\$67,912
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	\$0	\$42,432	\$146,886	\$281,803	\$261,128
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	\$0	\$11,385	\$43,993	\$75,610	\$69,464
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	\$0	\$11,262	\$43,519	\$74,795	\$68,716

TOTAL ANNUAL SPECIAL TAX LEVY	\$0	\$170,500	\$639,678	\$1,050,612	\$967,444
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FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2019-20 2020	2020-21 2021	2021-22 2022	2022-23 2023	2023-24 2024
<u>IV. CFD SPECIAL TAX REQUIREMENT FOR FACILITIES</u>					
NEW BONDED INDEBTEDNESS - SERIES A	\$5,820,000	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES A	\$534,649	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES B	\$5,820,000	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES B	\$534,649	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES C	\$0	\$5,820,000	\$0	\$0	\$0
NEW RESERVE FUND - SERIES C	\$0	\$534,649	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES A	\$0	\$0	\$15,000	\$25,000	\$30,000
ANNUAL INTEREST PAYMENT - SERIES A	\$145,500	\$291,000	\$292,089	\$288,231	\$289,495
ANNUAL PRINCIPAL PAYMENT - SERIES B	\$0	\$0	\$15,000	\$25,000	\$30,000
ANNUAL INTEREST PAYMENT - SERIES B	\$0	\$291,000	\$292,089	\$288,231	\$289,495
ANNUAL PRINCIPAL PAYMENT - SERIES C	\$0	\$0	\$0	\$15,000	\$25,000
ANNUAL INTEREST PAYMENT - SERIES C	\$0	\$0	\$291,000	\$292,089	\$288,231
TOTAL ANNUAL PAYMENT - SERIES A	\$145,500	\$291,000	\$307,089	\$313,231	\$319,495
TOTAL ANNUAL PAYMENT - SERIES B	\$0	\$291,000	\$307,089	\$313,231	\$319,495
TOTAL ANNUAL PAYMENT - SERIES C	\$0	\$0	\$291,000	\$307,089	\$313,231
TOTAL ANNUAL DEBT SERVICE	\$145,500	\$582,000	\$905,178	\$933,550	\$952,221
CFD ADMINISTRATION	\$0	\$25,000	\$25,500	\$26,010	\$26,530
RESERVE FUND INTEREST (6% DELINQUENCY)	\$0	\$0	\$0	(\$11,308)	(\$11,308)
RESERVE FUND CREDIT - SERIES A	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES B	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES C	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES A	(\$145,500)	(\$145,500)	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES B	\$0	(\$291,000)	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES C	\$0	\$0	(\$291,000)	\$0	\$0
PAY-AS-YOU-GO FACILITIES	\$0	\$0	\$0	\$102,359	\$0
NET ANNUAL DEBT SERVICE	\$0	\$170,500	\$639,678	\$1,050,612	\$967,444
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2019-20	2020-21	2021-22	2022-23	2023-24
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2020	2021	2022	2023	2024

V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY, PER SQ. FT					
RESIDENTIAL PROPERTY, PER UNIT					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$0	\$1,834	\$2,362	\$3,359	\$3,086
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$0	\$1,781	\$2,294	\$3,263	\$2,997
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$0	\$1,722	\$2,218	\$3,154	\$2,898
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$0	\$1,657	\$2,134	\$3,036	\$2,789
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$0	\$1,601	\$2,062	\$2,933	\$2,694
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$0	\$1,570	\$2,022	\$2,876	\$2,642
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$0	\$1,622	\$2,090	\$2,972	\$2,731
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$0	\$1,391	\$1,792	\$2,549	\$2,342
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$0	\$1,326	\$1,708	\$2,429	\$2,232
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$0	\$1,423	\$1,833	\$2,607	\$2,395
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$0	\$1,408	\$1,813	\$2,579	\$2,370

VI. MAXIMUM SPECIAL TAX LEVY

UNDEVELOPED PROPERTY	\$0	\$777,502	\$162,753	\$3,018	\$0
NON-RESIDENTIAL PROPERTY					
RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$0	\$25,832	\$79,046	\$90,705	\$92,519
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$0	\$25,088	\$76,769	\$88,093	\$89,855
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$0	\$24,256	\$74,223	\$82,017	\$83,657
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$0	\$23,344	\$71,433	\$75,897	\$77,415
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$0	\$22,552	\$69,009	\$70,389	\$71,797
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$0	\$22,112	\$67,663	\$69,016	\$70,396
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$0	\$22,856	\$67,025	\$68,366	\$69,733
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$0	\$19,600	\$59,976	\$73,920	\$75,399
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$0	\$74,720	\$204,826	\$281,803	\$289,917
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$0	\$20,048	\$61,347	\$75,610	\$77,122
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$0	\$19,832	\$60,686	\$74,795	\$76,291
TOTAL MAXIMUM SPECIAL TAX LEVY	\$0	\$1,077,742	\$1,054,756	\$1,053,630	\$1,074,102

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE*	NA	180.88%	113.71%	110.08%	110.01%
NET DEBT SERVICE COVERAGE **	NA	180.88%	113.71%	111.29%	111.20%

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2024-25 2025	2025-26 2026	2026-27 2027	2027-28 2028	2028-29 2029
<u>I (A). CFD BONDED INDEBTEDNESS - SERIES A</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (B). CFD BONDED INDEBTEDNESS - SERIES B</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (C). CFD BONDED INDEBTEDNESS - SERIES C</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2024-25	2025-26	2026-27	2027-28	2028-29
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2025	2026	2027	2028	2029

II. ABSORPTION - BUILDING PERMITS (as of 5/1)

UNDEVELOPED PROPERTY

REMAINING UNDEVELOPED ACREAGE	0.0	0.0	0.0	0.0	0.0
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DEVELOPED NON-RESIDENTIAL PROPERTY

DEVELOPED RESIDENTIAL PROPERTY

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	27	27	27	27	27
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	27	27	27	27	27
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	26	26	26	26	26
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	25	25	25	25	25
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	24	24	24	24	24
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	24	24	24	24	24
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	23	23	23	23	23
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	29	29	29	29	29
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	117	117	117	117	117
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	29	29	29	29	29
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	29	29	29	29	29

TOTAL DEVELOPED RESIDENTIAL UNITS	380	380	380	380	380
TOTAL DEVELOPED NON-RESIDENTIAL SQ. FT.	0	0	0	0	0

III. MELLO-ROOS SPECIAL TAX LEVY

UNDEVELOPED PROPERTY SPECIAL TAXES	\$0	\$0	\$0	\$0	\$0
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NON-RESIDENTIAL PROPERTY SPECIAL TAXES

RESIDENTIAL PROPERTY SPECIAL TAXES

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	\$85,018	\$86,738	\$88,492	\$90,282	\$92,107
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	\$82,570	\$84,240	\$85,944	\$87,681	\$89,454
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	\$76,875	\$78,430	\$80,016	\$81,634	\$83,284
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	\$71,139	\$72,578	\$74,046	\$75,543	\$77,070
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	\$65,976	\$67,311	\$68,672	\$70,061	\$71,477
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	\$64,689	\$65,997	\$67,332	\$68,694	\$70,082
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	\$64,079	\$65,376	\$66,698	\$68,047	\$69,422
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	\$69,286	\$70,687	\$72,117	\$73,575	\$75,063
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	\$266,412	\$271,801	\$277,298	\$282,905	\$288,624
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	\$70,870	\$72,303	\$73,765	\$75,257	\$76,778
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	\$70,106	\$71,524	\$72,971	\$74,446	\$75,951

TOTAL ANNUAL SPECIAL TAX LEVY	\$987,019	\$1,006,985	\$1,027,351	\$1,048,124	\$1,069,313
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FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2024-25 2025	2025-26 2026	2026-27 2027	2027-28 2028	2028-29 2029
IV. CFD SPECIAL TAX REQUIREMENT FOR FACILITIES					
NEW BONDED INDEBTEDNESS - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES C	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES C	\$0	\$0	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES A	\$40,000	\$45,000	\$55,000	\$65,000	\$75,000
ANNUAL INTEREST PAYMENT - SERIES A	\$285,885	\$287,403	\$284,051	\$280,832	\$277,749
ANNUAL PRINCIPAL PAYMENT - SERIES B	\$40,000	\$45,000	\$55,000	\$65,000	\$75,000
ANNUAL INTEREST PAYMENT - SERIES B	\$285,885	\$287,403	\$284,051	\$280,832	\$277,749
ANNUAL PRINCIPAL PAYMENT - SERIES C	\$30,000	\$40,000	\$45,000	\$55,000	\$65,000
ANNUAL INTEREST PAYMENT - SERIES C	\$289,495	\$285,885	\$287,403	\$284,051	\$280,832
TOTAL ANNUAL PAYMENT - SERIES A	\$325,885	\$332,403	\$339,051	\$345,832	\$352,749
TOTAL ANNUAL PAYMENT - SERIES B	\$325,885	\$332,403	\$339,051	\$345,832	\$352,749
TOTAL ANNUAL PAYMENT - SERIES C	\$319,495	\$325,885	\$332,403	\$339,051	\$345,832
TOTAL ANNUAL DEBT SERVICE	\$971,266	\$990,691	\$1,010,505	\$1,030,715	\$1,051,329
CFD ADMINISTRATION	\$27,061	\$27,602	\$28,154	\$28,717	\$29,291
RESERVE FUND INTEREST (6% DELINQUENCY)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)
RESERVE FUND CREDIT - SERIES A	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES B	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES C	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES A	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES B	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES C	\$0	\$0	\$0	\$0	\$0
PAY-AS-YOU-GO FACILITIES	\$0	\$0	\$0	\$0	\$0
NET ANNUAL DEBT SERVICE	\$987,019	\$1,006,985	\$1,027,351	\$1,048,124	\$1,069,313
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2024-25 2025	2025-26 2026	2026-27 2027	2027-28 2028	2028-29 2029
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V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY, PER SQ. FT					
RESIDENTIAL PROPERTY, PER UNIT					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$3,149	\$3,213	\$3,277	\$3,344	\$3,411
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$3,058	\$3,120	\$3,183	\$3,247	\$3,313
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$2,957	\$3,017	\$3,078	\$3,140	\$3,203
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$2,846	\$2,903	\$2,962	\$3,022	\$3,083
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$2,749	\$2,805	\$2,861	\$2,919	\$2,978
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$2,695	\$2,750	\$2,806	\$2,862	\$2,920
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$2,786	\$2,842	\$2,900	\$2,959	\$3,018
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$2,389	\$2,437	\$2,487	\$2,537	\$2,588
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$2,277	\$2,323	\$2,370	\$2,418	\$2,467
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$2,444	\$2,493	\$2,544	\$2,595	\$2,648
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$2,417	\$2,466	\$2,516	\$2,567	\$2,619

VI. MAXIMUM SPECIAL TAX LEVY

UNDEVELOPED PROPERTY	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY					
RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$94,370	\$96,257	\$98,182	\$100,146	\$102,149
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$91,652	\$93,485	\$95,354	\$97,262	\$99,207
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$85,330	\$87,037	\$88,778	\$90,553	\$92,364
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$78,963	\$80,543	\$82,154	\$83,797	\$85,473
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$73,233	\$74,698	\$76,192	\$77,715	\$79,270
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$71,804	\$73,240	\$74,705	\$76,199	\$77,723
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$71,128	\$72,550	\$74,001	\$75,481	\$76,991
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$76,907	\$78,445	\$80,014	\$81,614	\$83,246
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$295,715	\$301,629	\$307,662	\$313,815	\$320,091
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$78,665	\$80,238	\$81,843	\$83,480	\$85,149
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$77,817	\$79,373	\$80,961	\$82,580	\$84,232
TOTAL MAXIMUM SPECIAL TAX LEVY	\$1,095,584	\$1,117,495	\$1,139,845	\$1,162,642	\$1,185,895

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE*	110.01%	110.01%	110.01%	110.01%	110.01%
NET DEBT SERVICE COVERAGE **	111.18%	111.15%	111.13%	111.11%	111.09%

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2029-30 2030	2030-31 2031	2031-32 2032	2032-33 2033	2033-34 2034
<u>I (A). CFD BONDED INDEBTEDNESS - SERIES A</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (B). CFD BONDED INDEBTEDNESS - SERIES B</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (C). CFD BONDED INDEBTEDNESS - SERIES C</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2029-30	2030-31	2031-32	2032-33	2033-34
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2030	2031	2032	2033	2034

II. ABSORPTION - BUILDING PERMITS (as of 5/1)

UNDEVELOPED PROPERTY

REMAINING UNDEVELOPED ACREAGE	0.0	0.0	0.0	0.0	0.0
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DEVELOPED NON-RESIDENTIAL PROPERTY

DEVELOPED RESIDENTIAL PROPERTY

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	27	27	27	27	27
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	27	27	27	27	27
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	26	26	26	26	26
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	25	25	25	25	25
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	24	24	24	24	24
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	24	24	24	24	24
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	23	23	23	23	23
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	29	29	29	29	29
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	117	117	117	117	117
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	29	29	29	29	29
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	29	29	29	29	29

TOTAL DEVELOPED RESIDENTIAL UNITS	380	380	380	380	380
TOTAL DEVELOPED NON-RESIDENTIAL SQ. FT.	0	0	0	0	0

III. MELLO-ROOS SPECIAL TAX LEVY

UNDEVELOPED PROPERTY SPECIAL TAXES	\$0	\$0	\$0	\$0	\$0
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NON-RESIDENTIAL PROPERTY SPECIAL TAXES

RESIDENTIAL PROPERTY SPECIAL TAXES

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	\$93,968	\$95,867	\$97,804	\$99,780	\$101,795
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	\$91,262	\$93,106	\$94,987	\$96,906	\$98,863
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	\$84,967	\$86,684	\$88,436	\$90,222	\$92,044
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	\$78,628	\$80,217	\$81,837	\$83,490	\$85,176
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	\$72,922	\$74,395	\$75,898	\$77,431	\$78,995
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	\$71,499	\$72,944	\$74,417	\$75,921	\$77,454
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	\$70,825	\$72,256	\$73,716	\$75,205	\$76,724
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	\$76,580	\$78,127	\$79,706	\$81,316	\$82,958
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	\$294,458	\$300,408	\$306,477	\$312,668	\$318,982
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	\$78,330	\$79,913	\$81,528	\$83,174	\$84,854
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	\$77,486	\$79,052	\$80,649	\$82,278	\$83,940

TOTAL ANNUAL SPECIAL TAX LEVY	\$1,090,925	\$1,112,970	\$1,135,455	\$1,158,391	\$1,181,785
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FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2029-30 2030	2030-31 2031	2031-32 2032	2032-33 2033	2033-34 2034
<u>IV. CFD SPECIAL TAX REQUIREMENT FOR FACILITIES</u>					
NEW BONDED INDEBTEDNESS - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES C	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES C	\$0	\$0	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES A	\$85,000	\$100,000	\$110,000	\$125,000	\$135,000
ANNUAL INTEREST PAYMENT - SERIES A	\$274,804	\$267,000	\$264,340	\$256,826	\$254,463
ANNUAL PRINCIPAL PAYMENT - SERIES B	\$85,000	\$100,000	\$110,000	\$125,000	\$135,000
ANNUAL INTEREST PAYMENT - SERIES B	\$274,804	\$267,000	\$264,340	\$256,826	\$254,463
ANNUAL PRINCIPAL PAYMENT - SERIES C	\$75,000	\$85,000	\$100,000	\$110,000	\$125,000
ANNUAL INTEREST PAYMENT - SERIES C	\$277,749	\$274,804	\$267,000	\$264,340	\$256,826
TOTAL ANNUAL PAYMENT - SERIES A	\$359,804	\$367,000	\$374,340	\$381,826	\$389,463
TOTAL ANNUAL PAYMENT - SERIES B	\$359,804	\$367,000	\$374,340	\$381,826	\$389,463
TOTAL ANNUAL PAYMENT - SERIES C	\$352,749	\$359,804	\$367,000	\$374,340	\$381,826
TOTAL ANNUAL DEBT SERVICE	\$1,072,356	\$1,093,803	\$1,115,679	\$1,137,992	\$1,160,752
CFD ADMINISTRATION	\$29,877	\$30,475	\$31,084	\$31,706	\$32,340
RESERVE FUND INTEREST (6% DELINQUENCY)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)
RESERVE FUND CREDIT - SERIES A	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES B	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES C	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES A	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES B	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES C	\$0	\$0	\$0	\$0	\$0
PAY-AS-YOU-GO FACILITIES	\$0	\$0	\$0	\$0	\$0
NET ANNUAL DEBT SERVICE	\$1,090,925	\$1,112,970	\$1,135,455	\$1,158,391	\$1,181,785
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2029-30 2030	2030-31 2031	2031-32 2032	2032-33 2033	2033-34 2034
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V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY, PER SQ. FT					
RESIDENTIAL PROPERTY, PER UNIT					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$3,480	\$3,551	\$3,622	\$3,696	\$3,770
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$3,380	\$3,448	\$3,518	\$3,589	\$3,662
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$3,268	\$3,334	\$3,401	\$3,470	\$3,540
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$3,145	\$3,209	\$3,273	\$3,340	\$3,407
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$3,038	\$3,100	\$3,162	\$3,226	\$3,291
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$2,979	\$3,039	\$3,101	\$3,163	\$3,227
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$3,079	\$3,142	\$3,205	\$3,270	\$3,336
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$2,641	\$2,694	\$2,748	\$2,804	\$2,861
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$2,517	\$2,568	\$2,619	\$2,672	\$2,726
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$2,701	\$2,756	\$2,811	\$2,868	\$2,926
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$2,672	\$2,726	\$2,781	\$2,837	\$2,894

VI. MAXIMUM SPECIAL TAX LEVY

UNDEVELOPED PROPERTY	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY					
RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$104,192	\$106,276	\$108,401	\$110,569	\$112,781
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$101,191	\$103,215	\$105,279	\$107,385	\$109,532
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$94,212	\$96,096	\$98,018	\$99,978	\$101,978
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$87,182	\$88,926	\$90,704	\$92,518	\$94,369
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$80,855	\$82,472	\$84,122	\$85,804	\$87,520
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$79,278	\$80,863	\$82,480	\$84,130	\$85,813
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$78,531	\$80,101	\$81,703	\$83,337	\$85,004
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$84,911	\$86,610	\$88,342	\$90,109	\$91,911
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$326,493	\$333,023	\$339,684	\$346,477	\$353,407
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$86,852	\$88,589	\$90,361	\$92,168	\$94,012
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$85,916	\$87,635	\$89,387	\$91,175	\$92,999
TOTAL MAXIMUM SPECIAL TAX LEVY	\$1,209,613	\$1,233,805	\$1,258,481	\$1,283,651	\$1,309,324

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE*	110.01%	110.01%	110.01%	110.01%	110.01%
NET DEBT SERVICE COVERAGE **	111.07%	111.05%	111.03%	111.01%	110.99%

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2034-35 2035	2035-36 2036	2036-37 2037	2037-38 2038	2038-39 2039
<u>I (A). CFD BONDED INDEBTEDNESS - SERIES A</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (B). CFD BONDED INDEBTEDNESS - SERIES B</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (C). CFD BONDED INDEBTEDNESS - SERIES C</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2034-35	2035-36	2036-37	2037-38	2038-39
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2035	2036	2037	2038	2039

II. ABSORPTION - BUILDING PERMITS (as of 5/1)

UNDEVELOPED PROPERTY

REMAINING UNDEVELOPED ACREAGE	0.0	0.0	0.0	0.0	0.0
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DEVELOPED NON-RESIDENTIAL PROPERTY

DEVELOPED RESIDENTIAL PROPERTY

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	27	27	27	27	27
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	27	27	27	27	27
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	26	26	26	26	26
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	25	25	25	25	25
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	24	24	24	24	24
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	24	24	24	24	24
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	23	23	23	23	23
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	29	29	29	29	29
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	117	117	117	117	117
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	29	29	29	29	29
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	29	29	29	29	29

TOTAL DEVELOPED RESIDENTIAL UNITS	380	380	380	380	380
TOTAL DEVELOPED NON-RESIDENTIAL SQ. FT.	0	0	0	0	0

III. MELLO-ROOS SPECIAL TAX LEVY

UNDEVELOPED PROPERTY SPECIAL TAXES	\$0	\$0	\$0	\$0	\$0
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NON-RESIDENTIAL PROPERTY SPECIAL TAXES

RESIDENTIAL PROPERTY SPECIAL TAXES

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	\$103,850	\$105,947	\$108,085	\$110,266	\$112,491
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	\$100,859	\$102,895	\$104,972	\$107,090	\$109,251
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	\$93,903	\$95,798	\$97,732	\$99,704	\$101,716
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	\$86,896	\$88,650	\$90,440	\$92,265	\$94,126
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	\$80,590	\$82,217	\$83,876	\$85,569	\$87,296
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	\$79,018	\$80,613	\$82,240	\$83,900	\$85,592
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	\$78,273	\$79,853	\$81,465	\$83,109	\$84,786
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	\$84,633	\$86,341	\$88,084	\$89,862	\$91,675
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	\$325,423	\$331,992	\$338,693	\$345,528	\$352,500
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	\$86,567	\$88,315	\$90,097	\$91,916	\$93,770
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	\$85,635	\$87,363	\$89,127	\$90,925	\$92,760

TOTAL ANNUAL SPECIAL TAX LEVY	\$1,205,646	\$1,229,986	\$1,254,811	\$1,280,134	\$1,305,963
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FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2034-35 2035	2035-36 2036	2036-37 2037	2037-38 2038	2038-39 2039
<u>IV. CFD SPECIAL TAX REQUIREMENT FOR FACILITIES</u>					
NEW BONDED INDEBTEDNESS - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES C	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES C	\$0	\$0	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES A	\$150,000	\$165,000	\$185,000	\$200,000	\$220,000
ANNUAL INTEREST PAYMENT - SERIES A	\$247,252	\$240,197	\$228,301	\$221,567	\$209,999
ANNUAL PRINCIPAL PAYMENT - SERIES B	\$150,000	\$165,000	\$185,000	\$200,000	\$220,000
ANNUAL INTEREST PAYMENT - SERIES B	\$247,252	\$240,197	\$228,301	\$221,567	\$209,999
ANNUAL PRINCIPAL PAYMENT - SERIES C	\$135,000	\$150,000	\$165,000	\$185,000	\$200,000
ANNUAL INTEREST PAYMENT - SERIES C	\$254,463	\$247,252	\$240,197	\$228,301	\$221,567
TOTAL ANNUAL PAYMENT - SERIES A	\$397,252	\$405,197	\$413,301	\$421,567	\$429,999
TOTAL ANNUAL PAYMENT - SERIES B	\$397,252	\$405,197	\$413,301	\$421,567	\$429,999
TOTAL ANNUAL PAYMENT - SERIES C	\$389,463	\$397,252	\$405,197	\$413,301	\$421,567
TOTAL ANNUAL DEBT SERVICE	\$1,183,967	\$1,207,647	\$1,231,800	\$1,256,436	\$1,281,564
CFD ADMINISTRATION	\$32,987	\$33,647	\$34,320	\$35,006	\$35,706
RESERVE FUND INTEREST (6% DELINQUENCY)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)
RESERVE FUND CREDIT - SERIES A	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES B	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES C	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES A	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES B	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES C	\$0	\$0	\$0	\$0	\$0
PAY-AS-YOU-GO FACILITIES	\$0	\$0	\$0	\$0	\$0
NET ANNUAL DEBT SERVICE	\$1,205,646	\$1,229,986	\$1,254,811	\$1,280,134	\$1,305,963
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2034-35 2035	2035-36 2036	2036-37 2037	2037-38 2038	2038-39 2039
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V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY, PER SQ. FT					
RESIDENTIAL PROPERTY, PER UNIT					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$3,846	\$3,924	\$4,003	\$4,084	\$4,166
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$3,736	\$3,811	\$3,888	\$3,966	\$4,046
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$3,612	\$3,685	\$3,759	\$3,835	\$3,912
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$3,476	\$3,546	\$3,618	\$3,691	\$3,765
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$3,358	\$3,426	\$3,495	\$3,565	\$3,637
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$3,292	\$3,359	\$3,427	\$3,496	\$3,566
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$3,403	\$3,472	\$3,542	\$3,613	\$3,686
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$2,918	\$2,977	\$3,037	\$3,099	\$3,161
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$2,781	\$2,838	\$2,895	\$2,953	\$3,013
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$2,985	\$3,045	\$3,107	\$3,170	\$3,233
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$2,953	\$3,013	\$3,073	\$3,135	\$3,199

VI. MAXIMUM SPECIAL TAX LEVY

UNDEVELOPED PROPERTY	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY					
RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$115,036	\$117,337	\$119,684	\$122,077	\$124,519
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$111,723	\$113,957	\$116,237	\$118,561	\$120,932
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$104,017	\$106,097	\$108,219	\$110,384	\$112,592
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$96,256	\$98,181	\$100,145	\$102,148	\$104,191
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$89,271	\$91,056	\$92,877	\$94,735	\$96,629
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$87,529	\$89,280	\$91,065	\$92,886	\$94,744
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$86,704	\$88,438	\$90,207	\$92,011	\$93,851
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$93,749	\$95,624	\$97,536	\$99,487	\$101,477
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$360,475	\$367,685	\$375,038	\$382,539	\$390,190
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$95,892	\$97,810	\$99,766	\$101,761	\$103,796
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$94,859	\$96,756	\$98,691	\$100,665	\$102,678
TOTAL MAXIMUM SPECIAL TAX LEVY	\$1,335,510	\$1,362,221	\$1,389,465	\$1,417,254	\$1,445,599

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE*	110.01%	110.01%	110.01%	110.01%	110.01%
NET DEBT SERVICE COVERAGE **	110.97%	110.95%	110.93%	110.91%	110.90%

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2039-40 2040	2040-41 2041	2041-42 2042	2042-43 2043	2043-44 2044
<u>I (A). CFD BONDED INDEBTEDNESS - SERIES A</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (B). CFD BONDED INDEBTEDNESS - SERIES B</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (C). CFD BONDED INDEBTEDNESS - SERIES C</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2039-40	2040-41	2041-42	2042-43	2043-44
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2040	2041	2042	2043	2044

II. ABSORPTION - BUILDING PERMITS (as of 5/1)

UNDEVELOPED PROPERTY

REMAINING UNDEVELOPED ACREAGE	0.0	0.0	0.0	0.0	0.0
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DEVELOPED NON-RESIDENTIAL PROPERTY

DEVELOPED RESIDENTIAL PROPERTY

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	27	27	27	27	27
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	27	27	27	27	27
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	26	26	26	26	26
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	25	25	25	25	25
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	24	24	24	24	24
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	24	24	24	24	24
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	23	23	23	23	23
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	29	29	29	29	29
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	117	117	117	117	117
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	29	29	29	29	29
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	29	29	29	29	29

TOTAL DEVELOPED RESIDENTIAL UNITS	380	380	380	380	380
TOTAL DEVELOPED NON-RESIDENTIAL SQ. FT.	0	0	0	0	0

III. MELLO-ROOS SPECIAL TAX LEVY

UNDEVELOPED PROPERTY SPECIAL TAXES	\$0	\$0	\$0	\$0	\$0
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NON-RESIDENTIAL PROPERTY SPECIAL TAXES

RESIDENTIAL PROPERTY SPECIAL TAXES

CLASS 1	DETACHED PROPERTY (>= 3,000 SF)	\$114,760	\$117,075	\$119,436	\$121,844	\$124,301
CLASS 2	DETACHED PROPERTY (2,800 - 2,999 SF)	\$111,455	\$113,703	\$115,996	\$118,335	\$120,720
CLASS 3	DETACHED PROPERTY (2,600 - 2,799 SF)	\$103,768	\$105,861	\$107,996	\$110,173	\$112,394
CLASS 4	DETACHED PROPERTY (2,400 - 2,599 SF)	\$96,025	\$97,962	\$99,938	\$101,953	\$104,008
CLASS 5	DETACHED PROPERTY (2,200 - 2,399 SF)	\$89,057	\$90,853	\$92,685	\$94,554	\$96,460
CLASS 6	DETACHED PROPERTY (2,000 - 2,199 SF)	\$87,319	\$89,080	\$90,877	\$92,709	\$94,578
CLASS 7	DETACHED PROPERTY (1,800 - 1,999 SF)	\$86,496	\$88,241	\$90,020	\$91,836	\$93,687
CLASS 8	DETACHED PROPERTY (1,600 - 1,799 SF)	\$93,524	\$95,411	\$97,335	\$99,297	\$101,299
CLASS 9	DETACHED PROPERTY (< 1,600 SF)	\$359,611	\$366,864	\$374,262	\$381,808	\$389,506
CLASS 10	ATTACHED PROPERTY (>= 1,950 SF)	\$95,662	\$97,591	\$99,559	\$101,567	\$103,614
CLASS 11	ATTACHED PROPERTY (< 1,950 SF)	\$94,631	\$96,540	\$98,487	\$100,473	\$102,498

TOTAL ANNUAL SPECIAL TAX LEVY	\$1,332,308	\$1,359,180	\$1,386,590	\$1,414,548	\$1,443,065
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FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2039-40 2040	2040-41 2041	2041-42 2042	2042-43 2043	2043-44 2044
<u>IV. CFD SPECIAL TAX REQUIREMENT FOR FACILITIES</u>					
NEW BONDED INDEBTEDNESS - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES C	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES C	\$0	\$0	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES A	\$240,000	\$260,000	\$280,000	\$305,000	\$330,000
ANNUAL INTEREST PAYMENT - SERIES A	\$198,599	\$187,370	\$176,318	\$160,444	\$144,753
ANNUAL PRINCIPAL PAYMENT - SERIES B	\$240,000	\$260,000	\$280,000	\$305,000	\$330,000
ANNUAL INTEREST PAYMENT - SERIES B	\$198,599	\$187,370	\$176,318	\$160,444	\$144,753
ANNUAL PRINCIPAL PAYMENT - SERIES C	\$220,000	\$240,000	\$260,000	\$280,000	\$305,000
ANNUAL INTEREST PAYMENT - SERIES C	\$209,999	\$198,599	\$187,370	\$176,318	\$160,444
TOTAL ANNUAL PAYMENT - SERIES A	\$438,599	\$447,370	\$456,318	\$465,444	\$474,753
TOTAL ANNUAL PAYMENT - SERIES B	\$438,599	\$447,370	\$456,318	\$465,444	\$474,753
TOTAL ANNUAL PAYMENT - SERIES C	\$429,999	\$438,599	\$447,370	\$456,318	\$465,444
TOTAL ANNUAL DEBT SERVICE	\$1,307,196	\$1,333,339	\$1,360,006	\$1,387,206	\$1,414,951
CFD ADMINISTRATION	\$36,420	\$37,149	\$37,892	\$38,649	\$39,422
RESERVE FUND INTEREST (6% DELINQUENCY)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)
RESERVE FUND CREDIT - SERIES A	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES B	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES C	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES A	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES B	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES C	\$0	\$0	\$0	\$0	\$0
PAY-AS-YOU-GO FACILITIES	\$0	\$0	\$0	\$0	\$0
NET ANNUAL DEBT SERVICE	\$1,332,308	\$1,359,180	\$1,386,590	\$1,414,548	\$1,443,065
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2039-40	2040-41	2041-42	2042-43	2043-44
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2040	2041	2042	2043	2044

V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY, PER SQ. FT					
RESIDENTIAL PROPERTY, PER UNIT					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$4,250	\$4,336	\$4,424	\$4,513	\$4,604
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$4,128	\$4,211	\$4,296	\$4,383	\$4,471
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$3,991	\$4,072	\$4,154	\$4,237	\$4,323
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$3,841	\$3,918	\$3,998	\$4,078	\$4,160
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$3,711	\$3,786	\$3,862	\$3,940	\$4,019
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$3,638	\$3,712	\$3,787	\$3,863	\$3,941
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$3,761	\$3,837	\$3,914	\$3,993	\$4,073
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$3,225	\$3,290	\$3,356	\$3,424	\$3,493
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$3,074	\$3,136	\$3,199	\$3,263	\$3,329
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$3,299	\$3,365	\$3,433	\$3,502	\$3,573
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$3,263	\$3,329	\$3,396	\$3,465	\$3,534

VI. MAXIMUM SPECIAL TAX LEVY

UNDEVELOPED PROPERTY	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY					
RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$127,009	\$129,549	\$132,140	\$134,783	\$137,479
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$123,351	\$125,818	\$128,335	\$130,901	\$133,519
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$114,843	\$117,140	\$119,483	\$121,873	\$124,310
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$106,274	\$108,400	\$110,568	\$112,779	\$115,035
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$98,562	\$100,533	\$102,544	\$104,595	\$106,687
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$96,639	\$98,572	\$100,543	\$102,554	\$104,605
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$95,729	\$97,643	\$99,596	\$101,588	\$103,620
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$103,506	\$105,577	\$107,688	\$109,842	\$112,039
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$397,994	\$405,953	\$414,072	\$422,354	\$430,801
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$105,872	\$107,990	\$110,150	\$112,353	\$114,600
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$104,732	\$106,826	\$108,963	\$111,142	\$113,365
TOTAL MAXIMUM SPECIAL TAX LEVY	\$1,474,511	\$1,504,002	\$1,534,082	\$1,564,763	\$1,596,059

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE*	110.01%	110.01%	110.01%	110.01%	110.01%
NET DEBT SERVICE COVERAGE **	110.88%	110.86%	110.84%	110.83%	110.81%

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2044-45 2045	2045-46 2046	2046-47 2047	2047-48 2048	2048-49 2049
<u>I (A). CFD BONDED INDEBTEDNESS - SERIES A</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (B). CFD BONDED INDEBTEDNESS - SERIES B</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (C). CFD BONDED INDEBTEDNESS - SERIES C</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2044-45	2045-46	2046-47	2047-48	2048-49
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2045	2046	2047	2048	2049

II. ABSORPTION - BUILDING PERMITS (as of 5/1)

UNDEVELOPED PROPERTY					
REMAINING UNDEVELOPED ACREAGE	0.0	0.0	0.0	0.0	0.0
DEVELOPED NON-RESIDENTIAL PROPERTY					
DEVELOPED RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	27	27	27	27	27
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	27	27	27	27	27
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	26	26	26	26	26
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	25	25	25	25	25
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	24	24	24	24	24
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	24	24	24	24	24
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	23	23	23	23	23
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	29	29	29	29	29
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	117	117	117	117	117
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	29	29	29	29	29
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	29	29	29	29	29

TOTAL DEVELOPED RESIDENTIAL UNITS	380	380	380	380	380
TOTAL DEVELOPED NON-RESIDENTIAL SQ. FT.	0	0	0	0	0

III. MELLO-ROOS SPECIAL TAX LEVY

UNDEVELOPED PROPERTY SPECIAL TAXES					
	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY SPECIAL TAXES					
RESIDENTIAL PROPERTY SPECIAL TAXES					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$126,806	\$129,362	\$131,968	\$134,627	\$137,339
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$123,154	\$125,636	\$128,167	\$130,750	\$133,384
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$114,660	\$116,970	\$119,327	\$121,732	\$124,184
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$106,104	\$108,243	\$110,424	\$112,649	\$114,918
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$98,404	\$100,388	\$102,410	\$104,474	\$106,578
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$96,484	\$98,429	\$100,412	\$102,435	\$104,499
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$95,575	\$97,502	\$99,466	\$101,470	\$103,514
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$103,341	\$105,424	\$107,548	\$109,715	\$111,925
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$397,357	\$405,365	\$413,533	\$421,865	\$430,363
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$105,703	\$107,833	\$110,006	\$112,222	\$114,483
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$104,564	\$106,671	\$108,821	\$111,013	\$113,250

TOTAL ANNUAL SPECIAL TAX LEVY	\$1,472,153	\$1,501,822	\$1,532,084	\$1,562,952	\$1,594,438

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2044-45	2045-46	2046-47	2047-48	2048-49
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2045	2046	2047	2048	2049
<u>IV. CFD SPECIAL TAX REQUIREMENT FOR FACILITIES</u>					
NEW BONDED INDEBTEDNESS - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES A	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES B	\$0	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES C	\$0	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES C	\$0	\$0	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES A	\$355,000	\$385,000	\$410,000	\$445,000	\$475,000
ANNUAL INTEREST PAYMENT - SERIES A	\$129,248	\$108,933	\$93,812	\$68,888	\$49,166
ANNUAL PRINCIPAL PAYMENT - SERIES B	\$355,000	\$385,000	\$410,000	\$445,000	\$475,000
ANNUAL INTEREST PAYMENT - SERIES B	\$129,248	\$108,933	\$93,812	\$68,888	\$49,166
ANNUAL PRINCIPAL PAYMENT - SERIES C	\$330,000	\$355,000	\$385,000	\$410,000	\$445,000
ANNUAL INTEREST PAYMENT - SERIES C	\$144,753	\$129,248	\$108,933	\$93,812	\$68,888
TOTAL ANNUAL PAYMENT - SERIES A	\$484,248	\$493,933	\$503,812	\$513,888	\$524,166
TOTAL ANNUAL PAYMENT - SERIES B	\$484,248	\$493,933	\$503,812	\$513,888	\$524,166
TOTAL ANNUAL PAYMENT - SERIES C	\$474,753	\$484,248	\$493,933	\$503,812	\$513,888
TOTAL ANNUAL DEBT SERVICE	\$1,443,250	\$1,472,115	\$1,501,557	\$1,531,588	\$1,562,220
CFD ADMINISTRATION	\$40,211	\$41,015	\$41,835	\$42,672	\$43,526
RESERVE FUND INTEREST (6% DELINQUENCY)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)	(\$11,308)
RESERVE FUND CREDIT - SERIES A	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES B	\$0	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES C	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES A	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES B	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES C	\$0	\$0	\$0	\$0	\$0
PAY-AS-YOU-GO FACILITIES	\$0	\$0	\$0	\$0	\$0
NET ANNUAL DEBT SERVICE	\$1,472,153	\$1,501,822	\$1,532,084	\$1,562,952	\$1,594,438
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2044-45 2045	2045-46 2046	2046-47 2047	2047-48 2048	2048-49 2049
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V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY, PER SQ. FT					
RESIDENTIAL PROPERTY, PER UNIT					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$4,697	\$4,791	\$4,888	\$4,986	\$5,087
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$4,561	\$4,653	\$4,747	\$4,843	\$4,940
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$4,410	\$4,499	\$4,590	\$4,682	\$4,776
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$4,244	\$4,330	\$4,417	\$4,506	\$4,597
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$4,100	\$4,183	\$4,267	\$4,353	\$4,441
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$4,020	\$4,101	\$4,184	\$4,268	\$4,354
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$4,155	\$4,239	\$4,325	\$4,412	\$4,501
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$3,563	\$3,635	\$3,709	\$3,783	\$3,859
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$3,396	\$3,465	\$3,534	\$3,606	\$3,678
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$3,645	\$3,718	\$3,793	\$3,870	\$3,948
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$3,606	\$3,678	\$3,752	\$3,828	\$3,905

VI. MAXIMUM SPECIAL TAX LEVY

UNDEVELOPED PROPERTY	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY					
RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$140,228	\$143,033	\$145,894	\$148,811	\$151,788
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$136,190	\$138,913	\$141,692	\$144,525	\$147,416
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$126,796	\$129,332	\$131,919	\$134,557	\$137,248
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$117,335	\$119,682	\$122,076	\$124,517	\$127,008
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$108,820	\$110,997	\$113,217	\$115,481	\$117,791
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$106,697	\$108,831	\$111,008	\$113,228	\$115,493
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$105,692	\$107,806	\$109,962	\$112,161	\$114,404
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$114,279	\$116,565	\$118,896	\$121,274	\$123,700
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$439,417	\$448,205	\$457,169	\$466,313	\$475,639
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$116,892	\$119,229	\$121,614	\$124,046	\$126,527
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$115,632	\$117,945	\$120,304	\$122,710	\$125,164
TOTAL MAXIMUM SPECIAL TAX LEVY	\$1,627,980	\$1,660,539	\$1,693,750	\$1,727,625	\$1,762,178

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE*	110.01%	110.01%	110.01%	110.01%	110.01%
NET DEBT SERVICE COVERAGE **	110.80%	110.78%	110.77%	110.75%	110.74%

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2049-50 2050	2050-51 2051	2051-52 2052	2052-53 2053	2053-54 2054
<u>I (A). CFD BONDED INDEBTEDNESS - SERIES A</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (B). CFD BONDED INDEBTEDNESS - SERIES B</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0
<u>I (C). CFD BONDED INDEBTEDNESS - SERIES C</u>					
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0
LESS: COSTS OF ISSUANCE / DISCOUNT	\$0	\$0	\$0	\$0	\$0
LESS: RESERVE REQUIREMENT	\$0	\$0	\$0	\$0	\$0
LESS: CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
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TOTAL BOND FINANCED FACILITIES	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2049-50	2050-51	2051-52	2052-53	2053-54
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2050	2051	2052	2053	2054

II. ABSORPTION - BUILDING PERMITS (as of 5/1)

UNDEVELOPED PROPERTY					
REMAINING UNDEVELOPED ACREAGE	0.0	0.0	0.0	0.0	0.0
DEVELOPED NON-RESIDENTIAL PROPERTY					
DEVELOPED RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	27	27	27	27	27
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	27	27	27	27	27
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	26	26	26	26	26
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	25	25	25	25	25
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	24	24	24	24	24
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	24	24	24	24	24
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	23	23	23	23	23
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	29	29	29	29	29
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	117	117	117	117	117
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	29	29	29	29	29
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	29	29	29	29	29

TOTAL DEVELOPED RESIDENTIAL UNITS	380	380	380	380	380
TOTAL DEVELOPED NON-RESIDENTIAL SQ. FT.	0	0	0	0	0

III. MELLO-ROOS SPECIAL TAX LEVY

UNDEVELOPED PROPERTY SPECIAL TAXES					
	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY SPECIAL TAXES					
RESIDENTIAL PROPERTY SPECIAL TAXES					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$48,000	\$3,901	\$0	\$0	\$0
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$46,617	\$3,788	\$0	\$0	\$0
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$43,402	\$3,527	\$0	\$0	\$0
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$40,164	\$3,264	\$0	\$0	\$0
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$37,249	\$3,027	\$0	\$0	\$0
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$36,522	\$2,968	\$0	\$0	\$0
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$36,178	\$2,940	\$0	\$0	\$0
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$39,118	\$3,179	\$0	\$0	\$0
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$150,412	\$12,223	\$0	\$0	\$0
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$40,012	\$3,251	\$0	\$0	\$0
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$39,581	\$3,216	\$0	\$0	\$0

TOTAL ANNUAL SPECIAL TAX LEVY	\$557,254	\$45,284	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2049-50 2050	2050-51 2051	2051-52 2052	2052-53 2053	2053-54 2054
<u>IV. CFD SPECIAL TAX REQUIREMENT FOR FACILITIES</u>					
NEW BONDED INDEBTEDNESS - SERIES A	(\$5,820,000)	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES A	(\$534,649)	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES B	(\$5,820,000)	\$0	\$0	\$0	\$0
NEW RESERVE FUND - SERIES B	(\$534,649)	\$0	\$0	\$0	\$0
NEW BONDED INDEBTEDNESS - SERIES C	\$0	(\$5,820,000)	\$0	\$0	\$0
NEW RESERVE FUND - SERIES C	\$0	(\$534,649)	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES A	\$510,000	\$0	\$0	\$0	\$0
ANNUAL INTEREST PAYMENT - SERIES A	\$24,649	\$0	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES B	\$510,000	\$0	\$0	\$0	\$0
ANNUAL INTEREST PAYMENT - SERIES B	\$24,649	\$0	\$0	\$0	\$0
ANNUAL PRINCIPAL PAYMENT - SERIES C	\$475,000	\$510,000	\$0	\$0	\$0
ANNUAL INTEREST PAYMENT - SERIES C	\$49,166	\$24,649	\$0	\$0	\$0
TOTAL ANNUAL PAYMENT - SERIES A	\$534,649	\$0	\$0	\$0	\$0
TOTAL ANNUAL PAYMENT - SERIES B	\$534,649	\$0	\$0	\$0	\$0
TOTAL ANNUAL PAYMENT - SERIES C	\$524,166	\$534,649	\$0	\$0	\$0
TOTAL ANNUAL DEBT SERVICE	\$1,593,464	\$534,649	\$0	\$0	\$0
CFD ADMINISTRATION	\$44,396	\$45,284	\$0	\$0	\$0
RESERVE FUND INTEREST (6% DELINQUENCY)	(\$11,308)	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES A	(\$534,649)	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES B	(\$534,649)	\$0	\$0	\$0	\$0
RESERVE FUND CREDIT - SERIES C	\$0	(\$534,649)	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES A	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES B	\$0	\$0	\$0	\$0	\$0
CAPITALIZED INTEREST - SERIES C	\$0	\$0	\$0	\$0	\$0
PAY-AS-YOU-GO FACILITIES	\$0	\$0	\$0	\$0	\$0
NET ANNUAL DEBT SERVICE	\$557,254	\$45,284	\$0	\$0	\$0
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0

FISCAL YEAR - COLLECTION OF TAXES/ASSESSMENTS	2049-50	2050-51	2051-52	2052-53	2053-54
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	2050	2051	2052	2053	2054

V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY, PER SQ. FT					
RESIDENTIAL PROPERTY, PER UNIT					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$1,778	\$144	\$0	\$0	\$0
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$1,727	\$140	\$0	\$0	\$0
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$1,669	\$136	\$0	\$0	\$0
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$1,607	\$131	\$0	\$0	\$0
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$1,552	\$126	\$0	\$0	\$0
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$1,522	\$124	\$0	\$0	\$0
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$1,573	\$128	\$0	\$0	\$0
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$1,349	\$110	\$0	\$0	\$0
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$1,286	\$104	\$0	\$0	\$0
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$1,380	\$112	\$0	\$0	\$0
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$1,365	\$111	\$0	\$0	\$0

VI. MAXIMUM SPECIAL TAX LEVY

UNDEVELOPED PROPERTY	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY					
RESIDENTIAL PROPERTY					
CLASS 1 DETACHED PROPERTY (>= 3,000 SF)	\$154,823	\$157,920	\$161,078	\$164,300	\$167,586
CLASS 2 DETACHED PROPERTY (2,800 - 2,999 SF)	\$150,364	\$153,372	\$156,439	\$159,568	\$162,759
CLASS 3 DETACHED PROPERTY (2,600 - 2,799 SF)	\$139,993	\$142,793	\$145,649	\$148,562	\$151,533
CLASS 4 DETACHED PROPERTY (2,400 - 2,599 SF)	\$129,548	\$132,139	\$134,782	\$137,477	\$140,227
CLASS 5 DETACHED PROPERTY (2,200 - 2,399 SF)	\$120,147	\$122,549	\$125,000	\$127,500	\$130,050
CLASS 6 DETACHED PROPERTY (2,000 - 2,199 SF)	\$117,802	\$120,158	\$122,562	\$125,013	\$127,513
CLASS 7 DETACHED PROPERTY (1,800 - 1,999 SF)	\$116,693	\$119,026	\$121,407	\$123,835	\$126,312
CLASS 8 DETACHED PROPERTY (1,600 - 1,799 SF)	\$126,174	\$128,697	\$131,271	\$133,897	\$136,575
CLASS 9 DETACHED PROPERTY (< 1,600 SF)	\$485,152	\$494,855	\$504,752	\$514,847	\$525,144
CLASS 10 ATTACHED PROPERTY (>= 1,950 SF)	\$129,058	\$131,639	\$134,272	\$136,957	\$139,696
CLASS 11 ATTACHED PROPERTY (< 1,950 SF)	\$127,667	\$130,221	\$132,825	\$135,482	\$138,191
TOTAL MAXIMUM SPECIAL TAX LEVY	\$1,797,421	\$1,833,370	\$1,870,037	\$1,907,438	\$1,945,587

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE*	110.01%	334.44%	NA	NA	NA
NET DEBT SERVICE COVERAGE **	110.72%	334.44%	NA	NA	NA

RESOLUTION NO. 2020-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE DIRECTOR OF ENGINEERING SERVICES OR HIS OR HER DESIGNEE TO PREPARE DOCUMENTS NECESSARY FOR THE FORMATION OF A CITYWIDE COMMUNITY FACILITIES DISTRICT (CFD) TO FUND MUNICIPAL SERVICES FOR NEW RESIDENTIAL DEVELOPMENT.

WHEREAS, the City Council of the City of Escondido ("City") approved The Villages Project on November 15, 2017. The Developer, Lennar, proposes to the City of Escondido a Community Facilities District ("CFD"), and the project conditions contemplate the potential formation of a CFD; and

WHEREAS, the City Council authorized a reimbursement agreement that allowed staff to engage with consultants for special tax assessment, an Independent Registered Municipal Advisor, and outside counsel for guidance on pre-formation activities on June 12, 2019; and

WHEREAS, the City has retained Keyser Marston Associates, Inc. ("KMA") to provide a fiscal impact analysis for the cost to serve new residential development within the City.

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 Director of Engineering Services or his or her designee is directed to prepare documents necessary to consider a Resolution of Intention to form a Citywide CFD to fund municipal Services for new residential development.



CITY COUNCIL STAFF REPORT

Current Business Item No. 11

January 15, 2020

File No. 0680-10

SUBJECT: City Council Meeting Times

DEPARTMENT: City Manager's Office and City Clerk's Office

RECOMMENDATION:

It is requested that the City Council review Section 2-21 of the Escondido Municipal Code (Attachment 1) pertaining to the time of City Council Meetings and provide direction to staff.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item relates to the Council's Action Plan regarding community outreach.

PREVIOUS ACTION:

In 2019, the City Council adopted Ordinance No. 2019-05, which amended Section 2-21 of the Escondido Municipal Code pertaining to the time of regular City Council Meetings. (See Attachment 1). The Ordinance set forth that the City Council shall hold regular meetings commencing with closed session items at 5:00 p.m. and regular public meetings at 6:00 p.m. on each of the first four (4) Wednesdays of each calendar month at the Escondido City Hall or such location as the City Council may designate from time to time.

BACKGROUND:

On January 1, 2020, City Councilmember Michael Morasco requested an agenda item to review Section 2-21 of the Escondido Municipal Code to explore the possibility of adjusting the time when Escondido City Council Meetings are held.

As a result of that direction, the City Clerk researched the history of when Escondido City Council Meetings have been previously held, along with the current times that all other cities in San Diego County commence closed session and hold their respective city council meetings.

The Escondido City Council currently holds regular meetings commencing with closed session items at 5:00 p.m. and regular public meetings at 6:00 p.m. on each of the first four (4) Wednesdays of each calendar month at the Escondido City Hall or such location as the City Council may designate from time to time.

Historically, the Escondido City Council (formerly the Escondido Board of Trustees), held their regularly scheduled meetings at 7:00 p.m. (1888 to 1889); 7:30 p.m. (1890 to 1972); 8:00 a.m. with

public hearing items in the evening (1973 to 1989); 4:00 p.m. (1990 to 2010); 4:30 p.m. (2011 to May 2019); and 6:00 p.m. (May 2019 to present).

A survey of other cities in San Diego County revealed significant variance in council meeting times:

- Carlsbad holds regular City Council Meetings twice a month, commencing with closed session items at 5:00 p.m. and regular public meetings at 6:00 p.m.
- Chula Vista holds regular City Council Meetings four times a month, commencing with regular public meetings at 5:00 p.m. and hearing closed session items after the regular meeting adjourns.
- Coronado holds regular City Council Meetings twice a month, commencing with closed session items at 3:00 p.m. and regular public meetings at 4:00 p.m.
- Del Mar holds regular City Council Meetings twice a month, commencing with closed session items at 3:30 p.m. and regular public meetings at 4:30 p.m.
- El Cajon holds regular City Council Meetings twice a month, commencing with regular public meetings at 3:00 p.m. and hearing closed session items after the regular meeting adjourns.
- Encinitas holds regular City Council Meetings twice a month, commencing with closed session items before the regular public meetings, which begins at 6:00 p.m.
- Imperial Beach holds regular City Council Meetings twice a month, commencing with closed session items at 5:30 p.m. and regular public meetings at 6:00 p.m.
- La Mesa holds regular City Council Meetings twice a month, commencing with closed session items before the regular public meetings, which begins at 6:00 p.m.
- Lemon Grove holds regular City Council Meetings twice a month, commencing with regular public meetings at 6:00 p.m. and hearing closed session items after the regular meeting adjourns.
- National City holds regular City Council Meetings twice a month, commencing with regular public meetings at 6:00 p.m. and hearing closed session items after the regular meeting adjourns.
- Oceanside holds regular City Council Meetings twice a month, commencing with closed session items at 3:30 p.m. and regular public meetings at 5:00 p.m.

- Poway holds regular City Council Meetings twice a month, commencing with regular public meetings at 7:00 p.m. and hearing closed session items after the regular meeting adjourns.
- Santee holds regular City Council Meetings twice a month, commencing with regular public meetings at 7:00 p.m. (January through October) and at 6:30 p.m. (November through December) and hearing closed session items after the regular meeting adjourns.
- Solana Beach holds regular City Council Meetings twice a month, commencing with closed session items at 5:00 p.m. and regular public meetings at 6:00 p.m.
- Vista holds regular City Council Meetings twice a month, commencing with closed session items at 4:00 p.m. and regular public meetings at 5:30 p.m.

APPROVED AND ACKNOWLEDGED ELECTRONICALLY BY:

Zack Beck, City Clerk
1/8/2020 4:38 p.m.

ATTACHMENTS:

1. Attachment 1 - Escondido Municipal Code (Section 2-21)

Escondido Municipal Code**Sec. 2-21. Time, location of meetings.**

(a) The regular meeting time for the Escondido city council will be on the first four (4) Wednesdays of each month, commencing with closed session items at 5:00 p.m. and a regular public meeting at 6:00 p.m. Such meetings may be canceled from time to time depending on the number of agenda items, availability of council members or related circumstances. Unless publicly noticed otherwise, all meetings shall take place at Escondido City Hall, 201 North Broadway, Escondido, California.

(b) The Escondido city council may adopt rules of decorum and procedure from time to time by means of city council resolution. Rules adopted to expedite the transaction of the business of the council in an orderly fashion are deemed to be procedural only and the failure to strictly observe such rules shall not affect the jurisdiction of the council or invalidate any action taken at a meeting that is otherwise held in conformity with law.

(c) Any person using vulgar, profane, loud or boisterous language at any meeting or otherwise interrupting the proceedings of the council, or who refuses to carry out orders and instructions given by the presiding officer for the purpose of maintaining order and decorum at the council meeting, or who interrupts proceedings, shall upon conviction be deemed guilty of a misdemeanor.

(d) The chief of police, or such member of the police department as designated, shall be sergeant-at-arms of the city council, and shall attend meetings at the request of the presiding officer, city manager, or city council, and shall carry out all orders given by the presiding officer or council for the purpose of maintaining order and decorum at the council meetings. (Code 1957, § 1111; Ord. No. 81-59, § 1, 8-12-81; Ord. No. 82-101, § 1, 10-20-82; Ord. No. 87-7, § 1, 2-25-87; Ord. No. 90-13, § 1, 3-28-90; Ord. No. 2005-15, § 1, 6-15-05; Ord. No. 2006-15, § 1, 3-22-06; Ord. No. 2011-05R, § 1, 1-12-11; Ord. No. 2014-09, § 1, 3-19-14; Ord. No. 2019-05, § 1, 4-10-19)

State law references — Frequency and location of regular meetings, Gov. Code, §§ 36805, 36808; meetings to be open and public (Ralph M. Brown Act) Gov. Code, §§ 54950—54960.



FUTURE CITY COUNCIL AGENDA ITEMS

Updated January 9, 2020

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

January 22, 2020	
6:00 p.m.	
PROCLAMATIONS	
	Martin Luther King Jr. Day
CONSENT CALENDAR	
	<p>Notice of Completion for Pradera (TRACT 889, TRACT 894, SUB13-0033, SUB13-0010, AND SUB13-0011) North of Lehner Avenue to Stanley Avenue, East of Ash Street to Conway Drive (J. Procopio)</p> <p><i>Escondido Tract 889, Tract 894, SUB13-0003, SUB13-0010, and SUB13-0011 contain 72 residential lots located between North Ash Street and Conway Drive. The project includes the installation of 21 new LED streetlights, nine fire hydrants, a new water main, ten pedestrian ramps, four utility access roads, construction of new sidewalks, curb and gutter; water, sewer, and fire service lines; storm drains; a bio retention basin; and parkway landscaping.</i></p>
	<p>Notice of Completion for the Kia Dealership Grading Project (J. Procopio)</p> <p><i>This project restored a 0.5-acre portion of City owned property that was disturbed during the construction of the Brine Line Project. This property is currently being leased to the adjacent Kia dealership and is used for additional vehicle parking. Restoration activities included grading, installation of decomposed granite (DG) stabilized with a pervious binder, and adjusting the existing valves cans and manholes to finished grade.</i></p>
	<p>Notice of Completion for Storm Drain Pipe Lining and Rehabilitation Project PHASE 1 (J. Procopio)</p> <p><i>This Project completed the first phase of the Storm Drain Pipe Lining and Rehabilitation program. Eighteen (18) of the City of Escondido's most critical storm drain pipe structures were rehabilitated in this phase, amounting to approximately 2,076 lineal feet. The scope of work for this project included video inspection, cleaning, grouting, point repairs, and cured in place pipe lining.</i></p>
PUBLIC HEARINGS	
	<p>Amendment to Article 34 (Communications Antennas) of the Escondido Zoning Code, Adoption of Guidelines for the Deployment of Small Wireless Facilities in the Public Right-Of-Way, and Establishment of Fees for Small Wireless Facility Permit Applications (B. Martin)</p> <p><i>A proposed amendment to Article 34 (Communication Antennas) of the Escondido Zoning Code to update the requirements for small wireless facilities (aka Small Cells) in the public right-of-way, and creation of guidelines to efficiently and effectively manage the deployment of such facilities. The amendment includes an update to the entitlement process to streamline the deployment of wireless networks, and simplified language to be</i></p>

consistent with recent Federal Communications Commission mandates. The guidelines provide specific detail regarding processing requirements and design standards for such facilities proposed to be located in the public right-of-way. Fees would also be established for the processing of applications for small wireless facility permits. No development project is proposed.

CURRENT BUSINESS

Consultant Selection and Contracting for Services Related to CCE Technical Feasibility Study
(B. Martin)

On July 17, the City Council adopted Resolution No. 2019-94 to approve of the content of a RFP for a joint CCE technical feasibility study. An RFP was released on August 5, 2019. Two firms responded to the solicitation. Both firms are qualified and have the resources and expertise to complete the task. EES Consulting, Inc. provided the low-bid. EES Consulting, Inc. was also rated as the preferred consultant and completed their work program approximately one year ago. If approved, the City of Vista, as the lead agency, will administer preparation of a CCE technical feasibility study for the cities of Vista, San Marcos, and Escondido, including contracting and payment of a professional consultant.

FUTURE AGENDA ITEMS

January 29, 2020
NO MEETING (5th Wednesday)

February 5, 2020
6:00 p.m.

CONSENT CALENDAR

Approval of CalPERS Industrial Disability Retirement for Lee Anne McCollough
(J. Perpetua)

Approval of CalPERS Industrial Disability Retirement for Police Officer Lee Anne McCollough.

PUBLIC HEARINGS

CURRENT BUSINESS

FUTURE AGENDA ITEMS

February 12, 2020
6:00 p.m.

PRESENTATIONS

A Step Beyond – Frank Foster

Public Library Partnership between City and Palomar College
(J. Axelrod)

Staff will present information about a partnership between the City and Palomar College to promote and expand upon library services available to the general public at Palomar's Ernest J. Allen Library on the Escondido campus. Palomar College will make services available to the general public including library collections, borrowing privileges, staff assistance, public-use computers, and printing and Wi-Fi access.

CONSENT CALENDAR

Fourth Quarter 2019 Treasurer's Report
(D. Shultz)

	<i>In accordance with the City's Investment Policy, the City Treasurer is required to submit an investment report to the City Council for review on a quarterly basis. The report will include the type of investment, issuer, date of maturity, par value, book value, and market value for each security held by the City.</i>
PUBLIC HEARINGS	
CURRENT BUSINESS	
	<p>Review of Campaign Contribution Limits (M. McGuinness)</p> <p><i>Request the City Council to approve Ordinance No. 2019-22 amending the City Municipal Election Campaign Control Ordinance to lower the maximum personal contributions from \$4,300 to \$250 for city council candidates and from \$4,300 to \$800 for mayoral candidates. Council may further consider changes to the acceptance and/or disclosures of contributions from persons having business before the City. (This item was continued from the December 18, 2019 City Council Meeting)</i></p>
FUTURE AGENDA ITEMS	

<p>February 19, 2020 NO MEETING (President's Day)</p>

<p>February 26, 2020 8:00 a.m.</p>
<p>State of the City – California Center for the Arts, Escondido</p>

<p>March 4, 2020 6:00 p.m.</p>
<p>CONSENT CALENDAR</p>
<p>PUBLIC HEARINGS</p>
<p>CURRENT BUSINESS</p>
<p>FUTURE AGENDA ITEMS</p>

<p>March 11, 2020 3:30-6:00 p.m.</p>
<p>Board & Commission Interviews</p>

<p>March 18, 2020 3:30-6:00 p.m.</p>
<p>Board & Commission Interviews</p>

<p>March 25, 2020 6:00 p.m.</p>
<p>CONSENT CALENDAR</p>
<p>PUBLIC HEARINGS</p>
<p>CURRENT BUSINESS</p>

FUTURE AGENDA ITEMS

April 1, 2020

6:00 p.m.

PROCLAMATIONS

Earth Day

CONSENT CALENDAR

PUBLIC HEARINGS

CURRENT BUSINESS

FUTURE AGENDA ITEMS

April 8, 2020

6:00 p.m.

CONSENT CALENDAR

PUBLIC HEARINGS

CURRENT BUSINESS

FUTURE AGENDA ITEMS

April 15, 2020

6:00 p.m.

CONSENT CALENDAR

PUBLIC HEARINGS

CURRENT BUSINESS

Designation of Enforcement Authority for Escondido Campaign Control Ordinance (M. McGuinness)

<i>Request that the City Council appoint a special counsel as the enforcement authority over investigations for campaign issues per Escondido Municipal Code 2-110.5(c).</i>
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FUTURE AGENDA ITEMS

April 22, 2020

NO MEETING (Spring Break)

April 29, 2020

NO MEETING (5th Wednesday)
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Weekly Activity Report



January 9, 2020

Escondido Hero Banners Now Available

The Escondido Hero Banner Program honors men and women who serve, or have served, in the U.S. Armed Forces by offering personalized banners that will be hung from approximately Memorial Day (mid-May) to Veterans Day (mid-November) in Downtown Escondido along Grand Avenue, 2nd Avenue and Valley Parkway.

The order period for 2020 is now open!

For questions or more information visit:

<https://www.escondido.org/herobanner.aspx> or call (760) 839-4815.



Escondido Library Receives Early Learning Stations and Tablets

The Escondido Library Foundation has generously donated six new AWE Early Learning Stations and six new AWE Early Learning Tablets to the Library!

The stand-alone stations have the latest educational software, a touchscreen interface and are bilingual in English and Spanish. These AWE Early Learning Stations and Tablets support school readiness and literacy in the community. The tablets are useful for a more hands-on learning experience for families when they visit the library. The tablets are for use inside the library with a valid library card.

For more information about library events and programs visit:

www.escondidolibrary.org

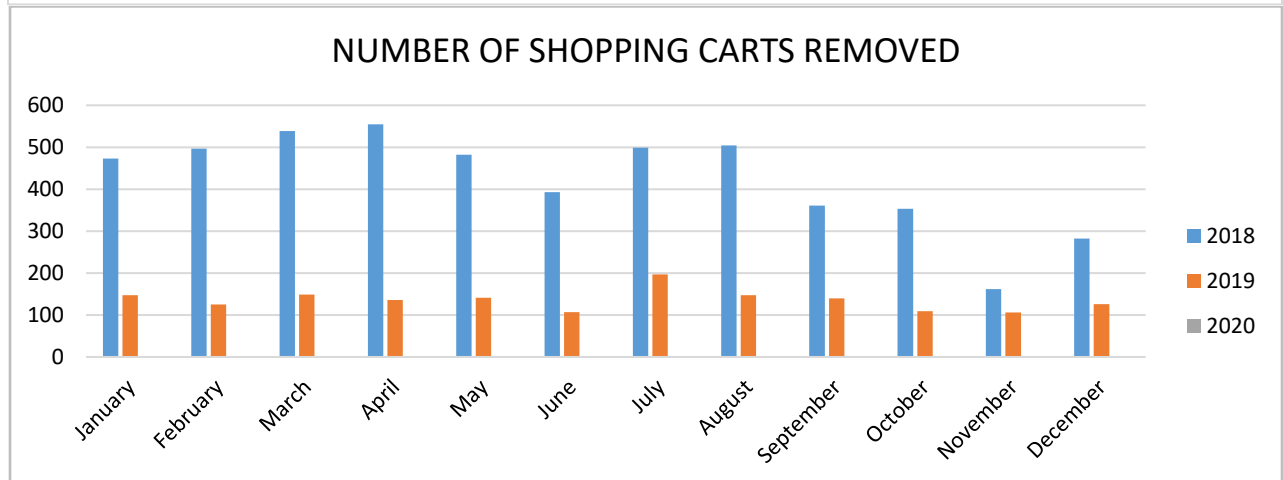
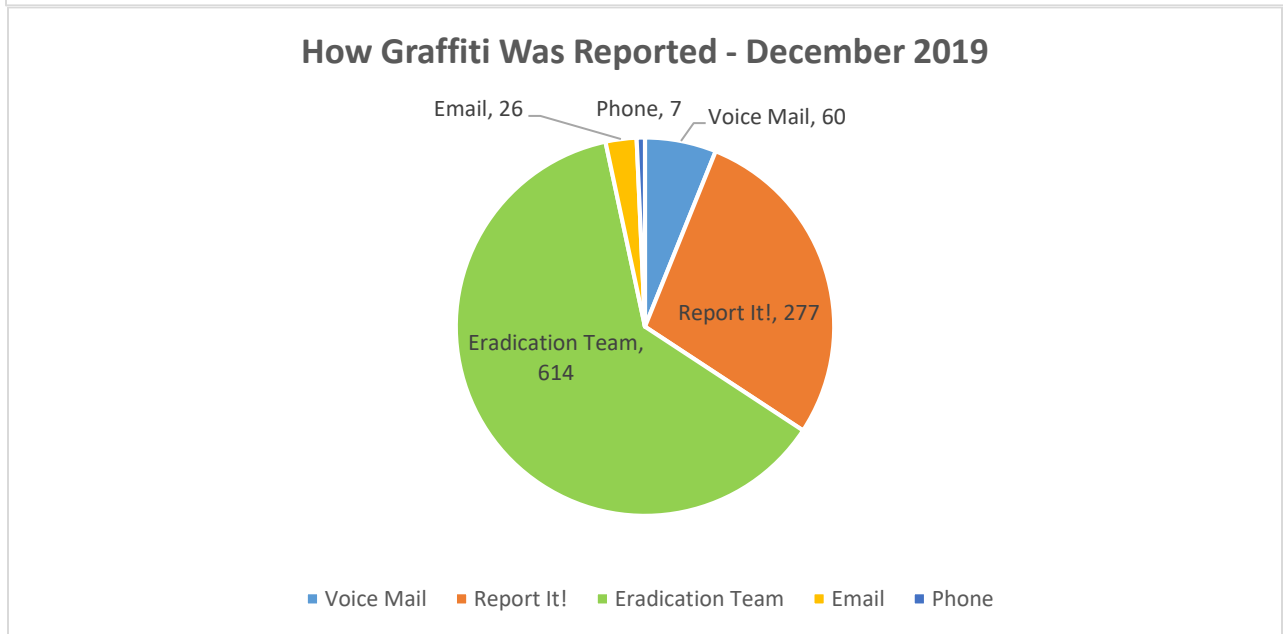
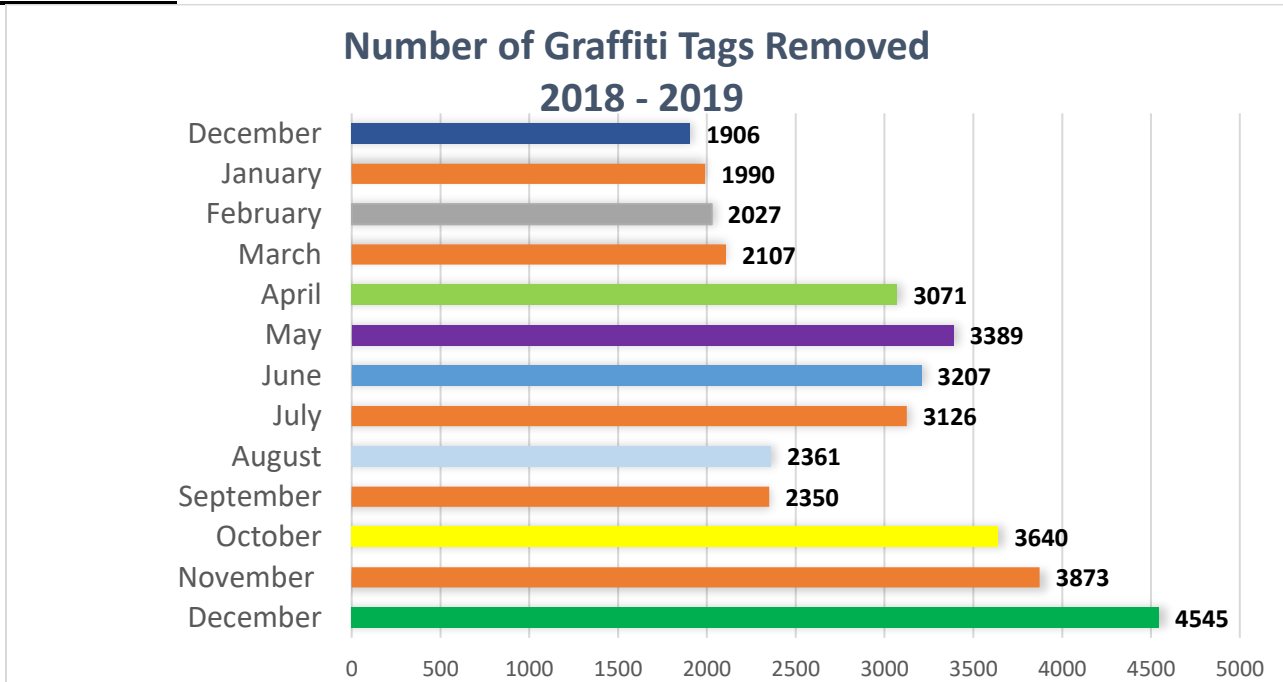


American Red Cross Offers Free Smoke Alarm Installations

The Red Cross responds to a local disaster like a home fire nearly once a day in our region and every eight minutes nationwide. Working smoke alarms make a lifesaving difference. Don't forget, smoke alarms need to be replaced every 10 years, so if you haven't replaced your smoke alarms since 2010, act now! If you need smoke alarms in your home, please request a free smoke alarm installation visit from the Red Cross at www.SoundTheAlarm.org/SanDiego or call 619-354-9609.

BY THE NUMBERS

Public Works



Code Enforcement

252 Total Active Cases

29 New Cases

33 Cases Closed

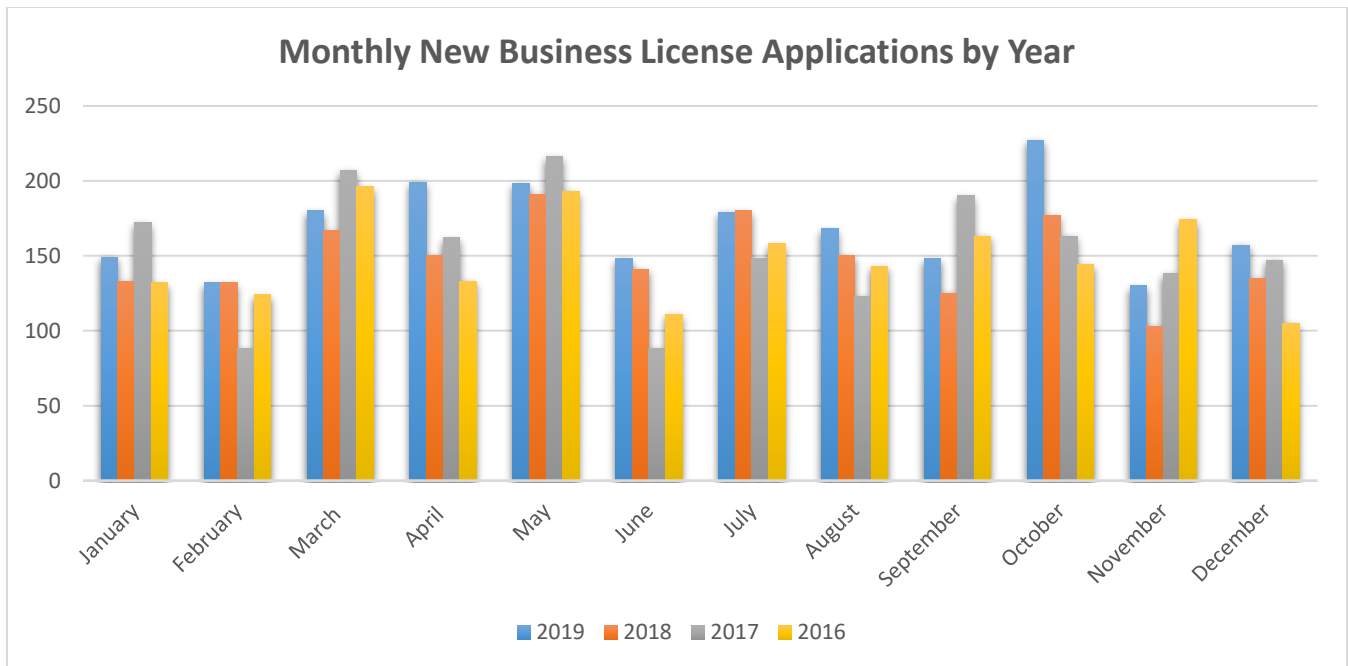
97% Voluntary Compliance

3 Citations Issued

20 Notices Issued

Total Code Cases (Year To Date)	9
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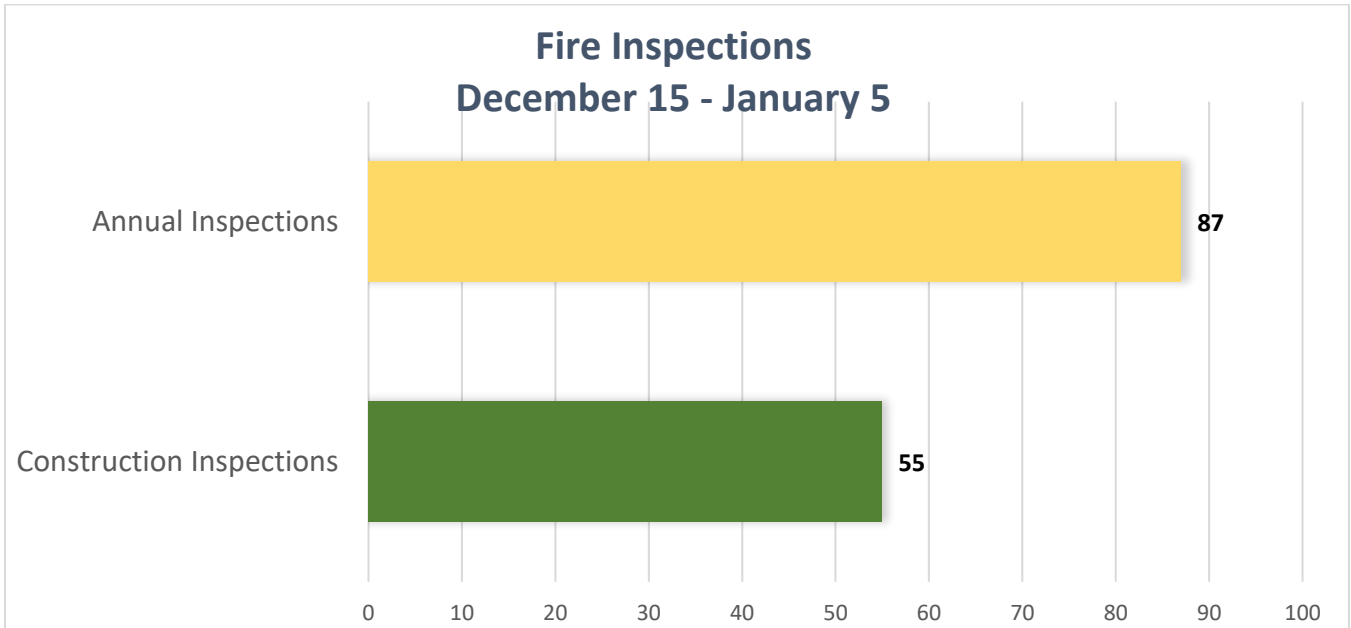
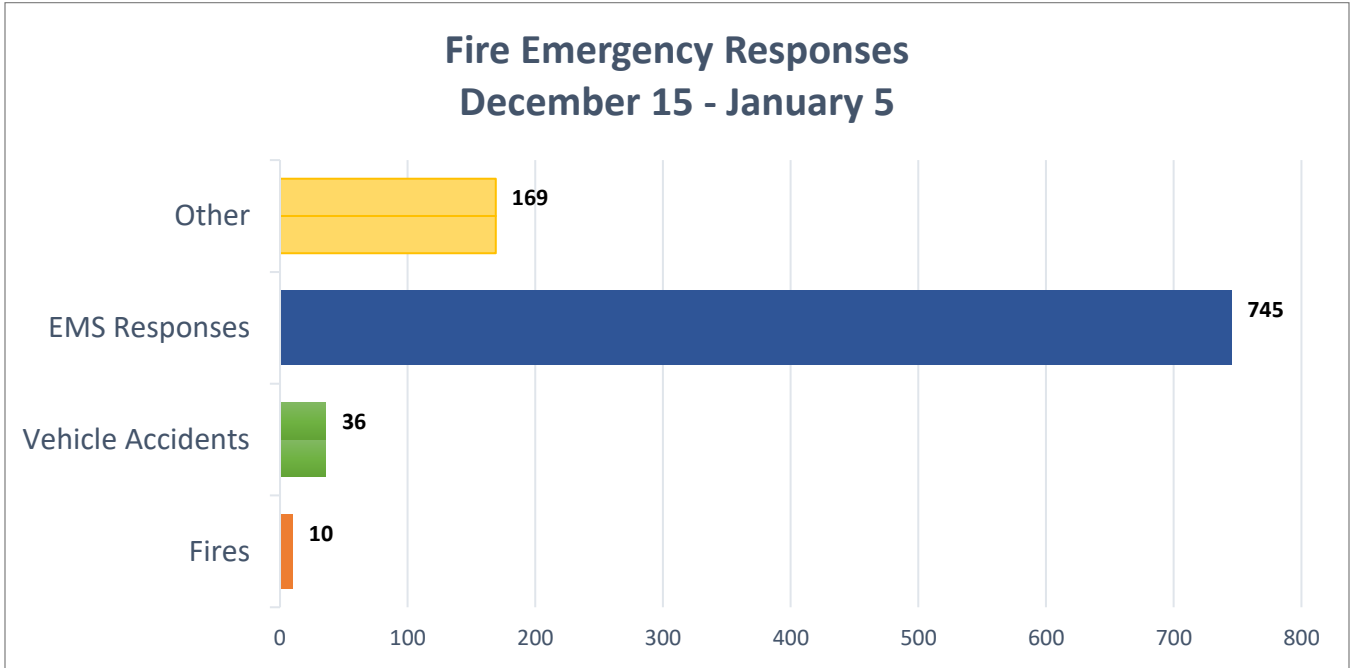
Business Licenses



Graffiti Restitution

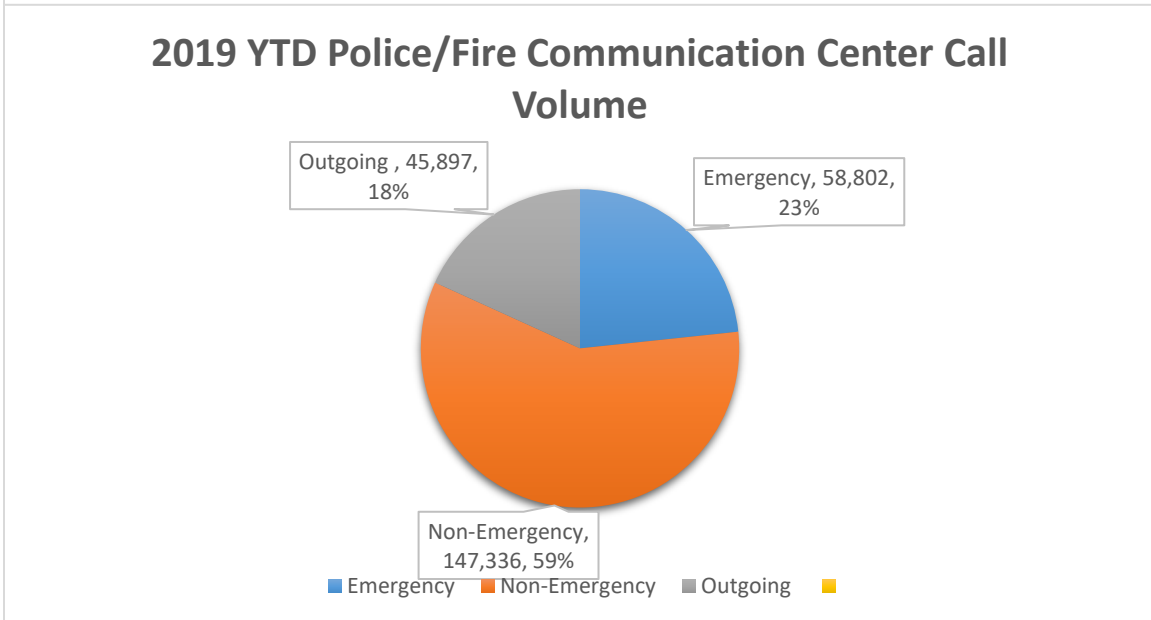
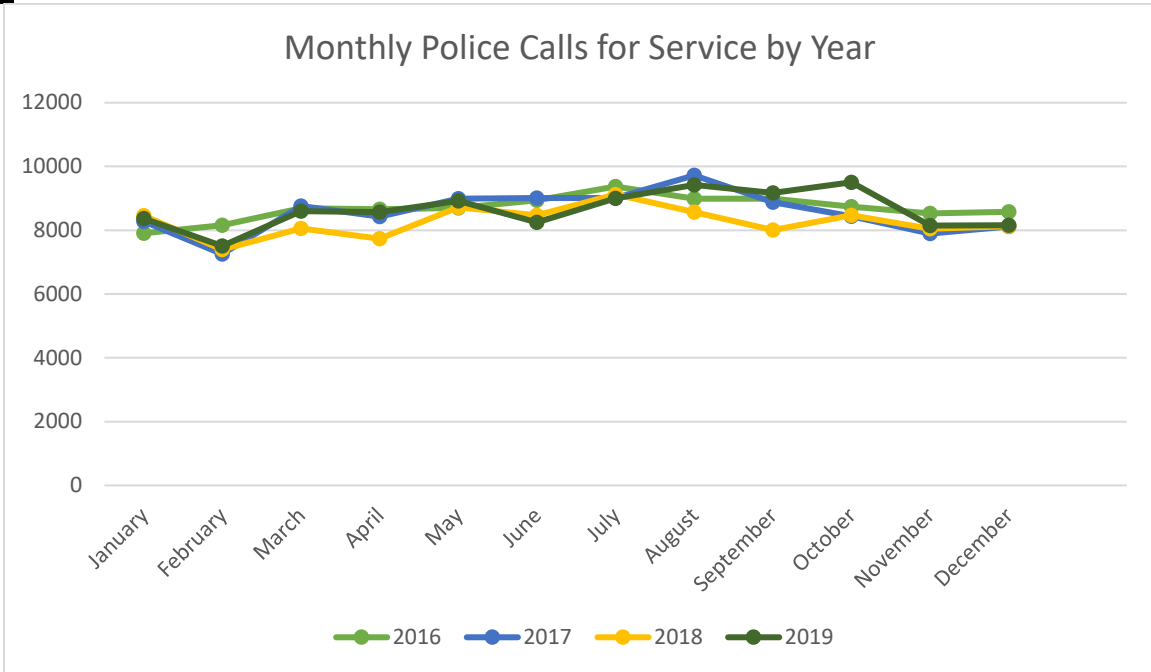
Collected Past Two Weeks	Collected Year to Date
\$763.25	\$0

Fire:

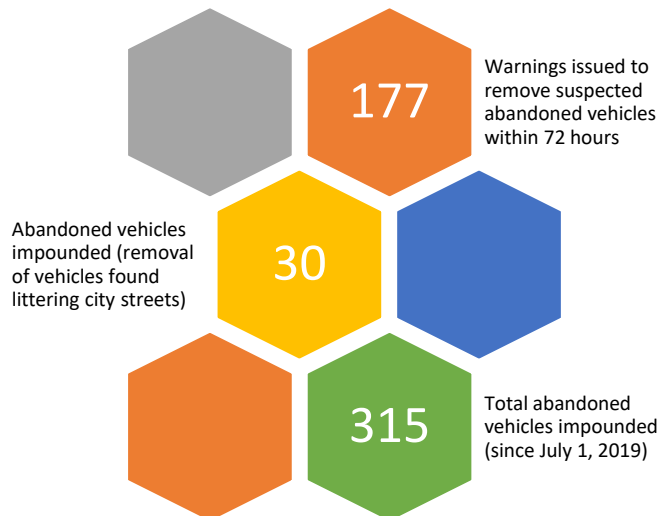


Total Emergency Responses (Year To Date)	244
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Police:

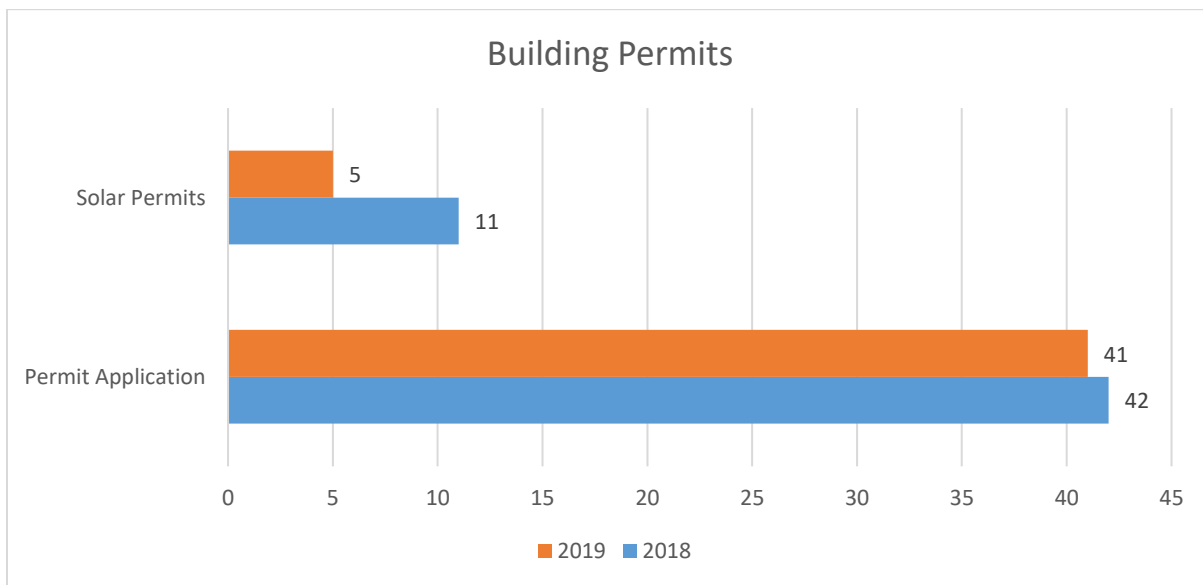
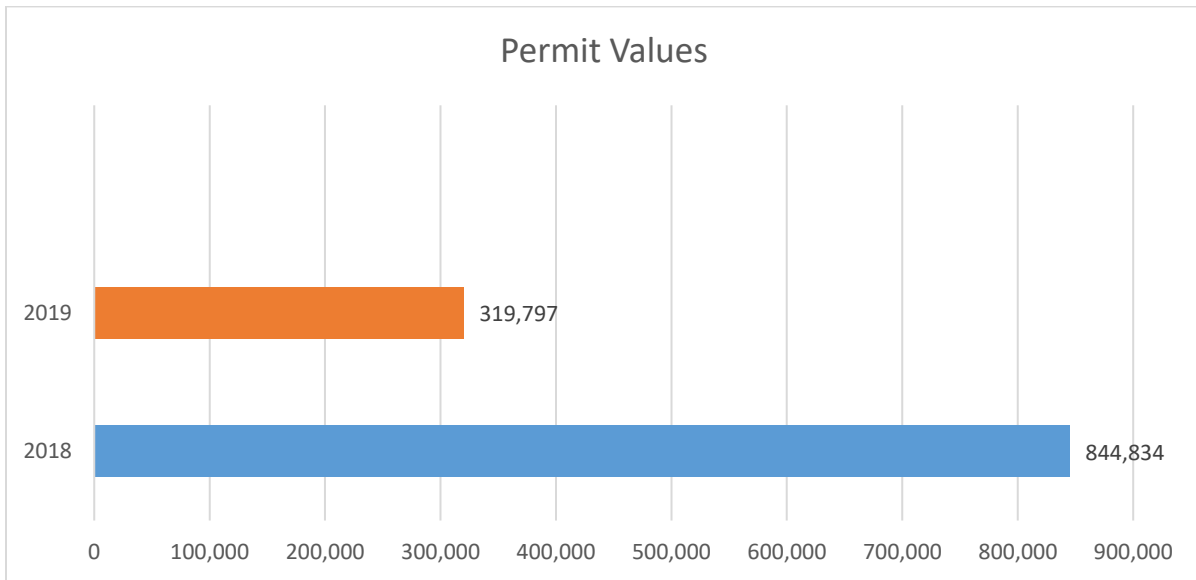


December Abandoned Vehicle Data



Building Division:

**Data reflects activity through January 4 of each year.*



VOLUNTEER PROGRAM



Past Projects:

On Saturday, December 21, seventeen Boy Scout volunteers working on an Eagle Scout project painted fire hydrants in Escondido. They were able to paint and service 27 hydrants. Local business Sculpt Nouveau graciously donated 3 gallons of the required reflective yellow paint for this project. Will Shitting organized the group and overall logistics. This was a coordinated effort between the Fire Department, Utilities, and the volunteers. Thank you to all!



Get Involved:

If you would like to get involved with future projects and volunteer in Escondido, visit: <https://volunteer.escondido.org/>

POLICE DEPARTMENT

Incidents:

Gun Pulled on Resident Parking His Car

On December 21, 2019, at about 5:50 p.m., the victim was parking his vehicle on Buchanan St. when he was approached by a Hispanic male and asked, "Are you here to pick up?" The victim had no idea what the suspect was referring to. The suspect pulled a hand gun on the victim and pointed it at him. The victim drove away. The suspect was described as a Hispanic male, 5'8" tall, wearing a blue SD Padres shirt and blue jeans.

Car Crashes into Home

At 10:45 p.m. on New Year's Eve, police and fire personnel responded to the 500 block of W. Washington to investigate a vehicle crash into a house. Police arrived at the location and discovered a blue Ford SUV had left the roadway and collided into the front of the house. The driver fled the vehicle before police arrived. No one was home when the collision occurred. A building inspector responded to evaluate the integrity of the structure.



Man Brings Handgun to House Party

On December 31, 2019, at 11:30 p.m., the suspect, 34-year-old Sean Barbosa of Escondido, walked into a party in an apartment in the 400 block of Beaumont Glen. The resident did not know Barbosa and became suspicious. The resident decided to search Barbosa and retrieved a handgun and high capacity magazine from him. The resident called the police and Barbosa fled. Officers arrived and the resident gave a description of the suspect and turned the handgun over to the police. 90 minutes later, officers were dispatched to the same neighborhood because a suspicious male was looking into vehicles. The officers located Barbosa who had an outstanding warrant for his arrest. Officers recognized that Barbosa matched the earlier description of the gun-toting man. Barbosa was identified by the resident as the individual in possession of the firearm and the magazine.

COPPS:

The COPPS (Community Oriented Policing and Problem-Solving) Unit is dedicated to increasing the quality of life for the residents of Escondido through pro-active responses to crime trends, quality of life issues, and addressing crime and public nuisance in Grape Day Park and at Maple Plaza.

- 2 arrests
- 7 citations
- 75 extra patrols/calls for service

Events:

The EPD Police Athletic League (PAL) Awards Scholarship to Victim

During the last week of December, PAL presented Rosie a \$500 scholarship for college. She currently attends college and desires to go to law school and be a prosecutor. Rosie was identified as a crime victim and demonstrated exceptional courage during the court process resulting in the suspect being sentenced to life in prison.



L – R: Al Owens, Captain Justin Murphy, Rosie, Chief Ed Varso, Captain Eric Skaja

FIRE DEPARTMENT

News:

Fire Engineer Shaun Skelton and his wife Megan understand how meaningful a new book is to hospitalized children. When their 1 ½ year old daughter Sloane was hospitalized long term in 2018 while receiving treatment for Hurler's Syndrome, she would light up when she received a new book to explore. Since Sloane's passing, Shaun and Megan have held book drives each year to donate new children's books to Rady Children's Hospital in San Diego. The #BeKindforSloane campaign has also become an annual event to help educate people about Hurler's Syndrome which is a rare genetic condition. Thanks to generous donations from hundreds of people, Shaun and Megan delivered more than 800 new books to Rady Children's Hospital on December 18, each with a sticker with Sloane's name so her legacy lasts a lifetime.



On December 21, 2019, the San Diego Regional Fire Foundation awarded a \$1,000 grant to the Escondido Fire Explorer Post to cover the cost of uniforms and other expenses for Explorers who might otherwise not be able to afford to participate in the program. For more information about the Fire Explorers, visit <https://fire.escondido.org/explorers.aspx>

On Monday, December 23, 2019, at approximately 6:15 p.m., the Escondido Fire Department responded to a reported house fire on Valle Grande near Sierra Linda Drive. Upon arrival, firefighters found the home's garage fully involved with fire. The fire was contained in about 30 minutes and although the garage sustained extensive damage, firefighters were able to keep it from spreading into the living area of the house. Fortunately, there were no injuries and the cause of the fire is under investigation.



On Thursday, December 26, 2019 at approximately 7:32 a.m., the Escondido Police and Fire Communication Center received a report of a home in the area of Via Valle Vista and Via Loma with smoke coming from inside the residence and from the roof. When firefighters arrived they found that fire had spread in the walls and attic near the chimney. Due to the extension of the fire, a second alarm was requested. The fire was contained in about 40 minutes and the home sustained moderate damage. Fortunately, there were no injuries. Due to the damage to the home, Red Cross provided shelter assistance to the displaced family and a gift card from California Fire Foundation was provided for immediate essential needs. The cause of the fire is under investigation.



COMMUNITY DEVELOPMENT

Major Projects Update

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

Commercial / Office:

1. Raising Cane's Restaurant – (Developer: Ada Fermin, PM Design Group) 1280 W. Valley Parkway – Demolition of vacant, former Coco's restaurant building and construction of new 3,744 SF drive-through restaurant for Raising Cane's. A CUP application was filed on October 30, 2019. The applicant recently resubmitted plans showing additional drive-through stacking. The traffic study was submitted for review on December 18, 2019. Department comments will be issued next week.
2. Mercedes Benz Expansion – (Developer: Jody Stout, Integrity Design and Construction) 1101 W. 9th Avenue – A Master and Precise Plan modification to demo the existing dealership showroom and construct a new two-story, 52,334 SF showroom, office, parts storage and service building with rooftop parking/display. The application was submitted on November 20, 2019. Staff comments were provided to the applicant the week of December 16, 2019.
3. 7-Eleven Gas and Convenience Store – (Developer: Golcheh Group) 900 W. Mission Ave. – A proposal to relocate a 7-Eleven from the northeastern corner of Mission/Rock Springs to the northwestern corner and add a gas station. The City Council initiated study of a General Plan Amendment (from Industrial to Commercial) for the proposal on May 15, 2019. An application for a GPA, Zone Change and CUP was filed on September 12, 2019. A comprehensive list of comments from all departments was sent to the applicant on October 11, 2019. The applicant submitted a traffic study on December 17, 2019, and revised plans are expected next week.
4. Discount Tire Expansion – (Developer: Reid Kunisghe, raSmith, Inc.) 209 S. Escondido Blvd. and 339 W2nd Ave. - A proposal to demolish the existing Discount Tire store and an adjacent bridal shop and construct an expanded tire store with 8,192 SF of floor area. An amendment to the Downtown Specific Plan and CUP were filed on June 19, 2019. The Planning Commission recommended approval of the proposal on December 10, 2019. A City Council hearing has been scheduled for January 15, 2019.

Industrial

1. Citracado Business Park (Developer: Dentt Properties) 2207 Harmony Grove Road – A proposed specific plan for two industrial warehouse/office buildings (145,930 SF and 125,930 SF) with the buildings to be separated by the future extension of Citracado Parkway. The application was submitted on August 14, 2018. All departments have completed their initial review and comments were sent to the applicant on September 17, 2018. SDG&E also has provided comments regarding the high voltage power lines that traverse the site. The applicant's traffic consultant submitted revised methodology and distribution to Engineering on October 19, 2018, and a revised Traffic Impact Analysis was submitted to Engineering on August 8, 2019. The developer and consultant team met with Engineering and Planning on August 20, 2019, to discuss proposed traffic mitigation measures. Two vacant residences on the site were demolished on October 4, 2019.

City Projects

1. Membrane-Filtration Reverse Osmosis/ MFRO (Developer: City of Escondido Utilities Department) SE corner Ash/Washington – On January 16, 2019, the City Council expressed continued support for the MFRO, but directed staff to investigate moving the facility from Ash/Washington to another location. A city-owned property located at 901 W. Washington Avenue has been selected as the new MFRO site. A Design Build Agreement was approved by the City Council on April 3, 2019. The Design Build Agreement with Filanc+BC Joint Venture provides for design and pre-construction services. The Design Build team met with Utilities and Planning on May 15, 2019 and June 5, 2019 to discuss design and timeline issues. City staff met with the Design Build team to review site plan comments on August 14, 2019, and again on September 3, 2019. A Plot Plan application was submitted for review on October 14, 2019. A comment letter was issued on November 6, 2019, and a follow-up meeting with Utilities occurred the next day. The first draft of the proposed Mitigated Negative Declaration (MND) was submitted for review on November 20, 2019, and Planning provided comments during the week following Christmas. A 60% design meeting occurred on December 9, 2019, and additional design work is on-going.
2. Lake Wohlford Replacement Dam (Developer: City of Escondido Utilities Department) – A Draft EIR was prepared and issued for a 45-day public review period that began on October 4, 2016 and closed on November 17, 2016. A field visit with staff from the state and federal wildlife agencies took place on May 11, 2017, to review biological mitigation requirements including an agency request for full mitigation for emergent vegetation at the eastern end of the lake that came into existence since the lake level was reduced for safety reasons. Staff sent a follow-up letter to the wildlife agencies on June 29, 2017, seeking clarification on the proposed biological mitigation requirements. Additional information has been compiled and analyzed by the City's biological consultants based on recent conversations with the agencies. The biological consultant and staff met with the wildlife agencies on November 28, 2018 to discuss a modified approach to fulfilling mitigation requirements. Written information summarizing what was discussed at the meeting was transmitted to the agencies on December 4, 2018. City staff prepared a revised assessment of potential biological impacts and met with the agencies to present the findings. Additional information requested by the agencies was prepared and submitted as requested. The agencies ultimately responded they do not concur with the alternative mitigation proposal and the issue remains unresolved. Utilities is currently discussing a potential legislative solution to extend the state 1E Grant Funding. On December 18, 2019, the City Council considered a proposed amendment to the design contract to provide additional engineering services to evaluate the feasibility of rehabilitating the existing Lake Wohlford Dam and associated structures to address seismic deficiencies in lieu of building a replacement dam.

Residential

1. Harvest Hills (aka Safari Highlands Ranch) (Developer: Jeb Hall, Concordia Homes) 550 lots east of Rancho San Pasqual – A Notice of Availability for the Draft EIR was issued on October 16, 2017 for public review and comment. The comment period ended on January 2, 2018. Staff transmitted all the comment letters and emails to the EIR consultant for review and to prepare a response to each comment. The Draft EIR and appendices have been posted on the City's website at the following link:

<https://www.escondido.org/safari-highlands-ranch-specific-plan.aspx>

The responses to comments have generated related revisions to the project design. The applicant's engineer submitted a revised tentative map on October 26, 2018. Generally, the amount of grading and the area of disturbance has decreased, while the overall number of 550 residential lots has remained the same. Engineering met with the project engineer and applicant on January 31, 2019, to discuss their comments on the revised tentative map. The applicant met with Traffic Engineering during the week of February 25th to discuss off-site improvements. Staff, applicant and biological consultant met with the wildlife agencies on April 23, 2019, to discuss the revisions to the project design mentioned above. The applicant and staff met on June 20, 2019, to refine the list of outstanding issues remaining to be resolved prior to advancing to public hearings for the project. The applicant met with Traffic Engineering staff on August 15, 2019, and agreement was reached on several of the off-site mitigation locations on October 28, 2019. Additional information regarding biological resources was submitted on August 29, 2019. A revised tentative map addressing previous staff comments was submitted on November 6, 2019. The revised tentative map and exhibits have been posted on-line at the link above. A third amendment to the EIR contract for additional consultant funding was approved by the City Council on November 20, 2019. Staff comments on the revised tentative map are expected to be issued next week.

2. 18 lots at 701 San Pasqual Valley Rd (Developer: Bob Stewart) – A tentative map for ten single-family lots was approved by City Council on February 8, 2008. The applicant has been working to revise the map to develop more homes on the property. In response to follow-up discussions with the applicant about revising the map, comments were provided on April 29, 2019. Additional discussions between the applicant and the City to resolve project issues also occurred on June 20, 2019.
3. The Villages at Escondido Country Club (Builder: Lennar Homes) 380 residences – The City Council voted 3-2 to approve the project on November 15, 2017. The applicant submitted rough grading plans, drainage improvement plans and utility relocation plans for all three villages on May 7, 2018. A revised Certified Tentative Map for substantial conformance review was submitted on May 23, 2019 and included a proposal to relocate approximately 10 residential lots within the development. The revised Certified Tentative Map was approved on September 3, 2019. A rough grading permit for Village 1 was issued on September 16, 2019, and grading is underway. All remaining buildings in the village center area of Village 1 have been demolished. Final engineering for Villages 2 and 3 was resubmitted to staff on October 14, 2019. This includes rough grading plans, improvement plans, and the final map. Partial staff comments were issued in mid-December for Villages 2 and 3 and the Country Club Drive improvements. Village 1 improvement plans were approved on November 8, 2019. A design review application for all residences was submitted on November 20, 2019. CC&Rs are also under review. Precise grading plans have been submitted for the model homes. Building permit applications for the model homes were submitted before the end of the year.

The approved tentative subdivision map, Final EIR and appendices, Specific Plan and other related information can be accessed on the City's website at the following link:

<https://www.escondido.org/ecc.aspx>

4. North Avenue Estates (Developer: Casey Johnson) 34 lots at North Ave./Conway Dr. –The City Council approved the project on January 10, 2018. LAFCO approved the annexation application on October 1, 2018, and the annexation has recorded. The new homebuilder, Taylor Morrison Homes submitted a Precise Development Plan to Planning on December 14,

2018. Grading plans, final map and improvement plans were submitted for review on December 7, 2018. Engineering met with the applicant's engineer on January 31, 2019 to discuss drainage issues. A revised Certified TM was approved on March 14, 2019. Final engineering plans were resubmitted on March 21, 2019. The project engineer, Engineering and County Water Authority staff met on April 2, 2019, to discuss the street and utility crossings over the CWA aqueduct. The applicant's engineer submitted a revised design to address the CWA issues the week of June 3rd. Building plans for four model homes were submitted into plan check on July 15, 2019. The most recent comments by Planning on the building plans were sent on October 24, 2019. The Precise Development Plan was approved by the Planning Commission on August 13, 2019. Revised grading and improvement plans were resubmitted on October 25, 2019. Staff comments were provided on those plans and a follow-up meeting to discuss the comments took place on December 6, 2019. The applicant is working on storm water comments and a resubmittal of plans is expected this week. The City Attorney's Office is reviewing a proposed joint-use agreement with the County Water Authority.

5. Sager Ranch/Daley Ranch Resort Specific Plan (Developer: J. Whalen Associates, Inc., Sager Ranch Partners) 203 housing units and 225-room resort hotel on 1,783-acres, just north and east of Daley Ranch – This proposed residential and resort hotel annexation and specific plan project was received on March 2, 2018. The project submittal has been deemed incomplete and a letter from staff requesting additional project related information was sent to the applicant on April 4, 2018. Requested information includes annexation exhibits, proposed general plan amendment text, a proposed Transfer of Development Rights Program, environmental initial study, and a fiscal impact analysis. Planning met with the applicant on May 17, 2018 to discuss items listed in the letter. A follow-up meeting to discuss engineering issues occurred on June 27, 2018. The applicant met with Escondido Fire and Valley Center Fire on August 1, 2018 to discuss fire protection issues. Significant fire-related issues to be addressed include the steepness of the project entry road, secondary emergency access and Fire Department response times. A follow-up meeting with the applicant to discuss these issues occurred on October 11, 2018. On April 5, 2019, the applicant provided a letter response with alternative compliance proposals to address some of the fire-related issues. On May 14, 2019 the applicant provided additional fire-related information requested by Fire and Planning. Fire, Planning, and Engineering staff met with the applicant team on May 29, 2019 to discuss the fire-related information. A financial feasibility study for the proposed resort was submitted on July 8, 2019.

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

<https://www.escondido.org/daley-ranch-resort-specific-plan.aspx>

6. Nutmeg Condo General Plan Amendment (Developer: Jim Simmons, CCI) 137 townhome condo units on 7.7 acres on both sides of Nutmeg between I-15 and Centre City Parkway – This proposed multi-family residential development includes a GPA from Office to Urban III (up to 18 du/acre) as well as a specific alignment plan for Nutmeg and a vacation of approximately one acre of public right-of-way for use in the project. The project application was received on June 15, 2018. Initial comments from Planning, Fire, Engineering, Utilities and Traffic Engineering were provided to the applicant on July 13, 2018. A Notice of Availability for the Draft EIR was issued May 7, 2019, announcing a 45-day public review period from May 10, 2019 to June 24, 2019. Caltrans expressed a concern for having encroachment into their right of way. As a result, project revisions are necessary for the southern portion of the property to accommodate grading and fuel modification zone planning on-site. The applicant met with

Planning and Engineering on August 14, 2019 to discuss potential changes to the project. The project applicant is splitting the project into northern and southern pieces. The GPA, Final EIR and northern piece were recommended for approval by the Planning Commission on October 22, 2019. The City Council approved the same part of the proposal on November 20, 2019. Staff is now awaiting resubmittal of the southern portion of the project.

7. Oak Creek (Builder: KB Homes) 65 single-family residential lots on approximately 44 acres at Felicita Road and Hamilton Lane – The Zoning Administrator approved a modification to the Precise Development Plan to revise the architecture on October 25, 2018. On-site remediation of hazardous materials has been completed and DTSC has issued a clearance letter. On-site improvement plans have been approved. The rough grading permit was issued on April 18, 2019, and grading has commenced on the site. The Precise Grading Plan for the model homes has been approved and building permits for two model homes were issued the week of July 8. A Model Home Permit was approved by Planning on July 10, 2019, for the sales office and temporary improvements. A second plan check submittal for the final map was received the week of May 13. Second plan check for the off-site improvement plans was received on June 3, 2019. Engineering comments have been returned and Engineering has approved all improvements, excepting those provided for on Felicita, which additional changes are expected. County of San Diego staff from the Parks and Public Works Divisions have met with the applicant to discuss ways to evaluate floodplain and drainage issues occurring at the Felicita Park. A follow up meeting with Engineering occurred on August 28, 2019. In response the applicant submitted a hydraulics study to DPW on September 9, 2019. The applicant is currently evaluating a drainage solution that minimizes or eliminates the need to construct drainage improvements in Felicita Park.
8. Villa Portofino (Developer: Chris Post, ATC Design Group) 15 apartment units in a three-story building with parking garage at 2690 S. Escondido Blvd. – This 15-unit multi-family residential project on a 0.52-acre parcel between S. Escondido Blvd and Cranston Drive was submitted as a Plot Plan application on November 28, 2018. A Development Agreement will be required to reduce open space. A comment letter was issued on December 20, 2018. Planning, Fire and Engineering met with the applicant on June 10, 2019, to discuss revisions to the plans intended to address the previous comments. A revised project design was routed to all departments on August 23, 2019. Planning has notified the applicant the project design is not consistent with the South Centre City Specific Plan. Engineering and Utilities comments were provided to the applicant on October 2, 2019 and staff has engaged in several follow-up meetings with the applicant.
9. Palomar Heights (Developer: Ninia Hammond, Integral Communities) Demolition and redevelopment of the old Palomar Hospital site with 510 multi-family units – A proposed Tentative Map, Planned Development, Specific Plan Amendment and EIR to redevelop the 13.8-acre former hospital site. Up to 5,500 square feet of recreation or commercial space could be included. A partial project application was submitted on December 24, 2018. Engineering and Planning comments on the initial project submittal were sent to the applicant on February 12, 2019. A contract for a developer-funded planning consultant to work on this project as an extension of Planning staff was approved by the City Council on February 13, 2019. Planning Engineering and Fire met with the applicant team on February 27, 2019 and again on April 24, 2019 to go through proposed revisions to the site plan and building designs. The applicant revised the plans to increase the unit count from 424 units to 510 units. A Notice of Preparation (NOP) for the Draft EIR was issued on May 3, 2019 and a public scoping meeting took place on May 20, 2019. The public comment period for the NOP closed on June 3, 2019, and approximately 28 comment letters and written forms from the scoping meeting

were received. Resubmittal of the redesign package was filed on June 25, 2019. Design and site plan information was submitted on July 1, 2019 and a screen check EIR was submitted on July 29, 2019. City comments on the design package was transmitted on August 2, 2019. Comments on the screen check EIR were issued on August 27, 2019, and a second screen check of the EIR was submitted on December 5, 2019. The third revision to project plans was submitted to Planning on September 11, 2019. A Planning Commission work session focused on project design occurred on October 8, 2019. A City comment letter, including Planning Commission feedback on design review, was transmitted to the applicant on October 21, 2019. A meeting with Fire officials to discuss access requirements and hydrant locations occurred on November 26, 2019. On January 8, 2020, the applicant met with staff from multiple departments to discuss permitting and logistics for the demolition of all existing structures on the site.

The development proposal and other related information can be accessed on the City's website at the following link:

<https://www.escondido.org/palomarheights.aspx>

10. Henry Ranch (Builder: Joe Martin, Trumark Homes) An approved development of 97 single-family residential homes on 74.35 acres at the eastern terminus of Lincoln Avenue – The Tract 920 development proposal was originally approved in 2007 and an extension of the associated Development Agreement was approved in 2016. Final Map, grading plans and improvement plans were submitted for initial review on February 12, 2019. Architectural plans were submitted for Design Review on February 15, 2019, and comments were issued on March 14, 2019. The second submittal of final engineering was received on April 22, 2019, and several rounds of comments have been provided. Planning has provided comments on the 1st check for building plans and the model home complex. Fire met with the applicant on December 5, 2019, to discuss landscaping and fuel modification zones. The final map was resubmitted on December 6, 2019. The improvement plans were resubmitted the week of December 9, 2019. The applicant submitted a precise grading plan for the entire site on January 3, 2020.
11. Del Prado (Developer: Kerry Garza, Touchstone Communities) – An approved 113-unit townhome-style Planned Development located at the southwestern corner of Brotherton Road and the Centre City Parkway frontage road - The Del Prado project was approved by the City Council in May of 2016. The project site is separated into two parcels by an SDGE parcel. Engineering and Planning are reviewing third plan check for final map, grading and improvement plans for Del Prado South. Del Prado North is in second plan check for the same plans. No building plans have been submitted into plan check. Planning has provided comments for the North landscape plans. The applicant is attempting to resolve sewer issues with the Regional Water Quality Control Board because sewer lines are proposed to cross over water lines. Incomplete plans for North were submitted in mid-November and immediately returned to the engineer. Improvement plans for the North were resubmitted on December 27, 2019. Utilities issues remain unresolved. Planning approved the South landscape plan. Staff is aware of easement issues regarding the SDG&E access easement and are still working with the applicant on that driveway design.
12. Hacienda De Vega Redevelopment – (Developer: Tony Cassolato) A proposed residential condominium development consisting of 42 three-story attached townhomes on 1.75 acres – The project would demolish the vacant restaurant building and redevelop the entire site with residential townhomes. An application for a tentative map, plot plan and condominium permit was submitted on October 8, 2019. Initial comments from all departments were provided to

the applicant on November 7, 2019, and a follow-up meeting to discuss the comments occurred on November 13, 2019. Street improvement and open space issues are being addressed by the applicant and revised plans are expected next week. Planning hosted a neighborhood meeting on January 7, 2020, to discuss the project and hear neighborhood concerns. The primary concern expressed by neighbors revolved around traffic in the area.

13. Accessory Dwelling Units – Planning staff is currently working on eleven (11) applications for accessory dwelling units. Thirty-two (32) accessory dwelling units were approved in 2019. Twenty-four (24) accessory dwelling units were approved in 2018. Three (3) accessory dwelling units were approved in 2017.

Building Division:

1. The Building Division issued 81 permits (including 12 solar photovoltaic) with a total valuation of \$655,575.
2. Our building inspectors responded to 59 inspection requests. 103 customers visited the Building counter during the week.
3. *No change from the previous.* The Latitude 2 apartment project at 650 Center City Pkwy has received Building final approvals and Temporary Certificates of Occupancy for buildings 1-4. Field Engineering have released Building 6 for TCO. The Building Division has granted a Temporary Certificate of Occupancy, with minor restrictions and is awaiting a request for Final inspection of Bldg. 6. Final Inspection is pending the receipt of all final reports from the contractor.
4. The new two story church sanctuary building at 1864 N. Broadway has received a 30-day Temporary certificate of Occupancy and is progressing toward Final C of O.
5. The new 105 room hotel at 200 La Terraza is currently operating on a Temporary Certificate of Occupancy, pending Engineering final approval. Work is on-going to complete Engineering conditions, however, additional time is needed and the developer has been granted a series of 30-day extensions for the TCO with the next expiration set for January 18, 2020. Traffic signal poles have been set in place and should be fully operational by the first week of January.
6. The Gateway Grand (now renamed “Rowan”) 126-unit apartment project at 700 W. Grand Ave. has roof framing work ongoing in Buildings A & B in anticipation for a soon to be requested inspection. Drywall installation is on-going in Building B on the 4th floor. Top-out plumbing is being installed on the 3rd and 4th floors of Building A. Building B framing has been completed and approved. Drywall installation is on-going in Building B. Partial Exterior lath installation is ongoing in Building A.
7. The new apartments at 917 W Lincoln Ave, consisting of 3 buildings and 9 total units, has been completed and is ready for occupancy. This project will no longer appear in the weekly report.
8. The new two-story, 20,000 sf office building for Superior Ready Mix on 1564 W Mission had an interior framing inspection on December 19, 2019.

9. *No change from the previous.* KB Homes, located at the Oak Creek development on Daisy Field Glen has completed the model home construction phase of the development. Plan revisions have been submitted and are currently under review. Staff has been informed by KB's permit coordinator that requests for permit issuance of the first phase could be occurring within the next 2 to 3 weeks. The number of homes in the first phase could total between 12-16 dwellings. Construction of the Guard shack is currently underway with framing, roof sheathing, drywall and exterior lath approved. Precise Grading plans for Phases 1 & 2, totaling 12 SFD's, are currently in review.
10. The Starbucks building located at 350 W Valley Pkwy has received partial pre-roofing inspection to allow for shear transfer connections to be placed. Exterior shear has been approved. Rough framing, electrical, plumbing and mechanical has been approved. Drywall & Exterior Lath have been approved. Final inspection of "shell only" is currently in progress and awaiting the installation of exterior building finishes. Framing of the interior tenant improvements has been approved. Temporary gas and electrical meters have been released.
11. The Medical office building located at 2130 Citracado Pkwy has received partial foundation inspection and partial underground electrical conduit inspection. Underground plumbing, foundation work and steel reinforcement is on-going in preparation for future inspections. Partial slab construction has been approved.
12. Building staff is currently preparing plan check fee estimates for model homes for the Villages (Escondido Country Club) project.

ENGINEERING DEPARTMENT

Capital Improvements:

1. El Norte Parkway Improvements –The project includes widening of El Norte Parkway at the flood control channel by the installation of a new bridge, construction of new median islands from Valley Parkway to Washington Avenue, landscaping and a drip irrigation system, a bike/pedestrian signal at the flood control channel, along with roadway resurfacing. Bridge abutments have been back filled, concrete median curbs have been placed. Bridge barrier walls and sidewalk are to be placed this week. Irrigation and electrical conduit are being installed. Fifty-one (51) working days are remaining for project completion.



2. Transit Center Pedestrian Bridge Project – *No changes from that reported last week.* The contractor is continuing to build the masonry flood walls located at 3rd and Spruce Street and is continuing to grade the channel walls at the Valley Parkway location.
3. 2019 Street Rehabilitation and Maintenance Project Rebid- This year's project will resurface approximately 71-lane miles of pavement, replace 0.59- miles of sidewalk, restripe 2.5- miles of bike lanes, install 51 pedestrian ramps, and replace 90 street trees that were damaging concrete improvements. With the continued investment into our streets, the City has increased its Pavement Condition Index (PCI) from 55 to 61 points since 2013. This year's project is Maintenance Zone W, which is west of I-15 between State Route 78 and Felicita Avenue. Streets include Eucalyptus Avenue, Valley Parkway between Auto Parkway and 11th Avenue, Citracado Parkway East of Valley Parkway and 9th Avenue between Auto Parkway and Hale Avenue. Out of service area street is Valley Parkway between Fig Street and Grape Street. The contract has been signed and the project preconstruction meeting will be scheduled for January 2020. With a projected start in February. More information can be found at <https://www.escondido.org/city-of-escondido-street-maintenance-program.aspx>
4. Storm Drain Pipe Lining and Rehabilitation Project Phase1 –*This project has been completed.*

Private Development:

1. Tract 932 - Canyon Grove Shea Homes Community –*No changes from that reported last week;* The developer completed final asphalt placement throughout the tract. The roadway connection between Vista Avenue and Vista Verde Way is scheduled to be opened to all traffic. This opening will connect El Norte Parkway to the South and Ash Street to the West.
2. Latitude II Condominiums: Washington Avenue @ Centre City Parkway – *No changes from that reported last week;* The project will be working on punch list items.
3. Tract 934 – The contractor has paved the in-track street. This is a 5 lot subdivision located at 1207 Gamble Street.
4. 1221 Gamble Street – *No changes from that reported last week;* This project is a 3 lot subdivision located adjacent to Tract 934. The contractor has placed base material for the roadway widening on Pear Blossom Place.
5. KB Homes Oak Creek Project – *No changes from that reported last week;* The construction of on site improvements are continuing this week.
6. North American Self Storage –*Metcalf road resurfacing work is completed.* This project is in the Punch List Phase. The project is located at 852 Metcalf Street.
7. Pradera by Lennar – *No changes from that reported last week;* The construction and installation of 779' of 12" water main along Conway Drive, between Lehner Drive and Rincon Avenue is complete. The contractor is tying the new line to the Cities potable water system.
8. Henry Ranch Tract 920 – *No changes from that reported last week;* The project is located at the intersection of El Norte Parkway/Lincoln Avenue. The contractor has been issued a Grading Permit and grading has begun this past week. 433,000 cubic yards of material will be processed during the grading operation with 50,000 cubic yards of material being exported off site.

9. The Villages – *No changes from that reported last week*; Village 1 grading is continuing this week. Village 1 is between Country Club Drive to the south, David Drive to the east and Golden Circle Drive to the north. A total of 111 homes are to be constructed in Village 1. “No Parking” signs are placed on Country Club Drive South of Country Club Lane. The work will be for the construction of storm drain pipe at Country Club Drive and Fairway Park. Contractor to start installation of the new sewer line.
10. SDG&E 16” Gas Main Replacement: *No changes from that reported last week*; The City has issued an Encroachment Permit for pot holing of utilities for a future gas main replacement project on Bear Valley Parkway between HWY 78/ San Pasqual Valley Road interaction then South to Beethoven Drive. Information is being gathered to aid in the development of the new gas main alignment. Pot holing will begin this week. The construction phase is not expected until 2021.
11. Escondido Giving Arch: A gateway arch is being constructed spanning Grand Ave at Centre City Parkway. When completed this arch will be 108 feet across. The color and design will match the Downtown architecture. Work has started on the foundations this week.

GRANT APPLICATIONS

Applications:

- None this week.

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