

AGENDA OF AN ADJOURNED REGULAR MEETING - NATIONAL CITY  
CITY COUNCIL/COMMUNITY DEVELOPMENT COMMISSION – HOUSING  
AUTHORITY OF THE CITY OF NATIONAL CITY



COUNCIL CHAMBERS  
CIVIC CENTER  
1243 NATIONAL CITY BOULEVARD  
NATIONAL CITY, CALIFORNIA  
TUESDAY, AUGUST 4, 2015 – 5:00 PM

**RON MORRISON**  
*Mayor*

**JERRY CANO**  
*Vice Mayor*

**ALBERT MENDIVIL**  
*Councilmember*

**MONA RIOS**  
*Councilmember*

**ALEJANDRA SOTELO-SOLIS**  
*Councilmember*

**ORDER OF BUSINESS:** Public sessions of all Regular Meetings of the City Council / Community Development Commission - Housing Authority (hereafter referred to as Elected Body) begin at 6:00 p.m. on the first and third Tuesday of each month. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Sessions begin at 5:00 p.m. or such other time as noted. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda. The Mayor and Council members also sit as the Chairperson and Members of the Board of the Community Development Commission (CDC).

**REPORTS:** All open session agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review at the entry to the Council Chambers. Regular Meetings of the Elected Body are webcast and archived on the City's website [www.nationalcityca.gov](http://www.nationalcityca.gov).

**PUBLIC COMMENTS:** Prior to the Business portion of the agenda, the Elected Body will receive public comments regarding any matters within the jurisdiction of the City and/or the Community Development Commission. Members of the public may also address any item on the agenda at the time the item is considered by the Elected Body. Persons who wish to address the Elected Body are requested to fill out a "Request to Speak" form available at the entrance to the City Council Chambers, and turn in the completed form to the City Clerk. The Mayor or Chairperson will separately call for testimony of those persons who have turned in a "Request to Speak" form. If you wish to speak, please step to the podium at the appropriate time and state your name and address (optional) for the record. The time limit established for public testimony is three minutes per speaker unless a different time limit is announced. Speakers are encouraged to be brief. The Mayor or Chairperson may limit the length of comments due to the number of persons wishing to speak or if comments become repetitious or irrelevant.

*1243 National City Blvd.  
National City  
619-336-4240*

*Meeting agendas and  
minutes available on web*

**WWW.NATIONALCITYCA.GOV**

**WRITTEN AGENDA:** With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

**CONSENT CALENDAR:** Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of

the agenda and separately considered, upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

*Spanish audio interpretation is provided during Elected Body Meetings. Audio headphones are available in the lobby at the beginning of the meeting.*

*Audio interpretación en español se proporciona durante sesiones del Consejo Municipal. Los audiófonos están disponibles en el pasillo al principio de la junta.*

**COUNCIL REQUESTS THAT ALL CELL PHONES AND PAGERS BE TURNED OFF DURING CITY COUNCIL MEETINGS.**

**OPEN TO THE PUBLIC**

**A. CITY COUNCIL**

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE TO THE FLAG**

**PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)**

**PROCLAMATIONS**

**AWARDS AND RECOGNITIONS**

**PRESENTATIONS**

**INTERVIEWS / APPOINTMENTS**

**CONSENT CALENDAR**

1. [Approval of the Minutes of the Regular Meetings of the City Council and Community Development Commission - Housing Authority of the City of National City of December 2, 2014, December 16, 2014 and June 16, 2015 and the Adjourned Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City of April 28, 2015. \(City Clerk\)](#)
2. [Resolution of the City Council of the City of National City approving a Side Letter Agreement to Article 7 of the Memorandum of Understanding \(MOU\) between the City and the National City Police Officers' Association, Sick Leave With Pay. \(Human Resources\)](#)
3. [Resolution of the City Council of the City of National City approving an amendment to the salary schedule for the Municipal Employees' Association employee group to include salary bands for the newly created classifications of Administrative Technician at \\$3,341.17 - \\$4,061.22, monthly \(range 095\), and Police Dispatch Supervisor at \\$5,273.75 - \\$6,410.28 \(range 145\). \(Human Resources\)](#)
4. [Resolution of the City Council of the City of National City authorizing the establishment of an appropriation and corresponding revenue budget in the amount of \\$2,500 from SDG&E's 2015 SAFE San Diego philanthropic giving initiative for the National City Community Emergency Response Team \(CERT\). \(Fire\)](#)

5. [Resolution of the City Council of the City of National City authorizing the installation of 50 feet of red curb “No Parking” on the south side of E. 30th Street, west of “F” Avenue and 20 feet of red curb “No Parking” on the south side of E. 30th Street, east of “F” Avenue to enhance visibility and egress onto E. 30th Street \(TSC 2015-09\) \(Engineering/Public Works\)](#)
6. [Resolution of the City Council of the City of National City authorizing the installation of a blue curb handicap parking space with signage in front of the residence at 2410 Van Ness Avenue \(TSC 2015-12\) \(Engineering/Public Works\)](#)
7. [Resolution of the City Council of the City of National City authorizing the Mayor to execute Change Order No. 6 to the Kimball Tower Boiler Replacement Project contract \(CIP No. 13-05\) with ACCO Engineered Systems, Inc. in the amount of \\$21,101.00 to procure and install a booster pump to provide additional water pressure and flow to service the upper floors of the building with hot water. \(Engineering/Public Works\)](#)
8. [Resolution of the City Council of the City of National City, 1\) accepting an Active Transportation Grant Program \(ATGP\) award in the amount of \\$425,000 through the San Diego Association of Governments for the Euclid Bicycle and Pedestrian Enhancements project, 2\) accepting the terms of the Grant Agreement, 3\) authorizing the City Manager to execute the Grant Agreement, and 4\) establishing corresponding revenue and expenditure accounts. \(Engineering/Public Works\)](#)
9. [Resolution of the City Council of the City of National City, 1\) accepting an Active Transportation Grant Program \(ATGP\) award in the amount of \\$875,000 through the San Diego Association of Governments for the Division Street Road Diet project, 2\) accepting the terms of the Grant Agreement, 3\) authorizing the City Manager to execute the Grant Agreement, and 4\) establishing corresponding revenue and expenditure accounts. \(Engineering/Public Works\)](#)
10. [Resolution of the City Council of the City of National City to participate in the Institute for Local Government Beacon Award: Local Leadership Toward Solving Climate Change. \(Planning\)](#)
11. [Resolution of the City Council of the City of National City consenting to the inclusion of properties within the City of National City’s jurisdiction in the California Home Finance Authority’s PACE program to finance renewable energy generation; energy and water efficiency improvements and electric vehicle charging infrastructure; authorizing the Authority to levy assessments; impose contractual assessment liens and finance eligible improvements on those properties; approving membership in the California Home Finance Authority; and authorizing the Mayor to execute](#)

- [the Indemnification and Insurance Agreement with Ygrene Energy Fund. \(Housing, Grants, and Asset Management\)](#)
12. [Resolution of the City Council of the City of National City consenting to the inclusion of properties within the City of National City's jurisdiction in the California Home Finance Authority Community Facilities District No. 2014-1 \(Clean Energy\) to finance renewable energy improvements, energy efficiency and water conservation improvements, and electric vehicle charging infrastructure with Ygrene Energy Fund. \(Housing, Grants, and Asset Management\)](#)
  13. [Warrant Register #47 for the period of 05/13/15 through 05/19/15 in the amount of \\$612,864.43 \(Finance\)](#)
  14. [Warrant Register #48 for the period of 05/20/15 through 05/26/15 in the amount of \\$2,120,505.50 \(Finance\)](#)
  15. [Warrant Register #49 for the period of 05/27/15 through 06/02/15 in the amount of \\$891,590.01 \(Finance\)](#)
  16. [Warrant Register #50 for the period of 06/03/15 through 06/09/15 in the amount of \\$2,515,323.15 \(Finance\)](#)
  17. [Warrant Register #51 for the period of 06/10/15 through 06/16/15 in the amount of \\$584,399.83 \(Finance\)](#)
  18. [Warrant Register #52 for the period of 06/17/15 through 06/23/15 in the amount of \\$2,099,803.33 \(Finance\)](#)
  19. [Investment transactions for the month ended May 31, 2015 \(Finance\)](#)
  20. [Temporary Use Permit – 14th Annual 9/11 Remembrance Ceremony hosted by the National City Fire Department at 343 E. 16th Street on September 11, 2015 from 6:00 a.m. to 10:00 a.m. This is a city-sponsored event. \(Neighborhood Services\)](#)

## **PUBLIC HEARINGS**

## **ORDINANCES FOR INTRODUCTION**

## **ORDINANCES FOR ADOPTION**

## **NON CONSENT RESOLUTIONS**

21. [Resolution of the City Council of the City of National City reducing the property tax rate for the Library General Obligation Bond for Fiscal Year 2016 from 0.96 cents per \\$100 of assessed valuation to 0.92 cents. \(Finance\)](#)

**NEW BUSINESS**

22. [League of California Cities Annual Conference - Designation of Voting Delegate and Alternate\(s\). \(City Manager\)](#)
23. [Notice of Decision – Planning Commission approval of a Conditional Use Permit for the expansion of the existing area approved for beer and wine sales at Royal Mandarin Restaurant located at 1132 East Plaza Blvd., Suite 205-208. \(Applicant: Mario Woo\) \(Case File 2015-09 CUP\) \(Planning\)](#)
24. [Notice of Decision – Planning Commission approval of a Zone Variance to allow a parking space in the front yard setback for a single-family home located at 1926 “E” Avenue. \(Applicant: Victor Castillo\) \(Case File 2015-05 Z\) \(Planning\)](#)

**B. COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY**

**PUBLIC HEARINGS- HOUSING AUTHORITY**

**CONSENT RESOLUTIONS- HOUSING AUTHORITY**

25. [Resolution of the Community Development Commission-Housing Authority of the City of National City authorizing the Executive Director to execute a Subordination Agreement with Casa Familiar, Inc. subordinating the Deed of Trust that secures a HOME Investment Partnership Program loan for \\$835,000 on restricted rental units located at 305 East Fifth Street in National City for the purpose of refinancing existing debt. \(Housing, Grants, and Asset Management\)](#)

**NON CONSENT RESOLUTIONS- HOUSING AUTHORITY**

**NEW BUSINESS- HOUSING AUTHORITY**

**C. REPORTS**

**STAFF REPORTS**

**MAYOR AND CITY COUNCIL**

**CLOSED SESSION REPORT**

**ADJOURNMENT**

Regular Meeting of the City Council and Community Development Commission-Housing Authority of the City of National City - Tuesday - August 18, 2015 - 6:00 p.m. - Council Chambers - National City, California

The following page(s) contain the backup material for Agenda Item: Approval of the Minutes of the Regular Meetings of the City Council and Community Development Commission - Housing Authority of the City of National City of December 2, 2014, December 16, 2014 and June 16, 2015 and the Adjourned Regular Meeting of the Cit

Item # \_\_\_\_\_

08/04/15

**APPROVAL OF THE MINUTES OF THE REGULAR  
MEETINGS OF THE CITY COUNCIL AND COMMUNITY  
DEVELOPMENT COMMISSION – HOUSING AUTHORITY  
OF THE CITY OF NATIONAL CITY OF DECEMBER 2, 2014  
DECEMBER 16, 2014 AND JUNE 16, 2015, AND THE  
ADJOURNED REGULAR MEETING OF THE CITY COUNCIL  
AND COMMUNITY DEVELOPMENT COMMISSION – HOUSING  
AUTHORITY OF THE CITY OF NATIONAL CITY OF APRIL 28, 2015**

(City Clerk)



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**MINUTES OF THE REGULAR MEETING OF THE  
CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION –  
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**December 2, 2014**

The Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City was called to order at 6:10 p.m. by Mayor / Chairman Ron Morrison.

**ROLL CALL**

Council / Board members present: Cano, Morrison, Natividad, Rios, Sotelo-Solis.  
Administrative Officials present: Dalla, Deese, Duong, Manganiello, Parra, Rauiston, Roberts, Rodriguez, Silva, Vergara, Williams.  
Others present: Student Representative Isaac Maldonado.

**PLEDGE OF ALLEGIANCE TO THE FLAG BY MAYOR RON MORRISON**

**CITY COUNCIL**

**CONSENT CALENDAR**

**ADOPTION OF CONSENT CALENDAR.** Item No. 1 (NCCMC), Item Nos. 2 and 3 (Warrant Registers). Motion by Rios, seconded by Cano, to approve the Consent Calendar. Carried by unanimous vote.

**MUNICIPAL CODE 2014 (506-2-29)**

1. MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE WAIVING OF THE READING OF THE TEXT OF THE ORDINANCES CONSIDERED AT THIS MEETING AND PROVIDING THAT SUCH ORDINANCES SHALL BE INTRODUCED AND/OR ADOPTED AFTER A READING OF THE TITLE ONLY. (City Clerk)

**ACTION:** Approved. See above.

**WARRANT REGISTER JULY 2014 – JUNE 2015 (202-1-29)**

2. Warrant Register #17 for the period of 10/15/14 through 10/21/14 in the amount of \$908,166.95. (Finance)

**ACTION:** Ratified. See above.

**CONSENT CALENDAR (cont.)**

**WARRANT REGISTER JULY 2014 – JUNE 2015 (202-1-29)**

3. Warrant Register #18 for the period of 10/22/14 through 10/28/14 in the amount of \$1,512,668.95. (Finance)  
**ACTION:** Ratified. See above.

**BUSINESS RELATING TO GENERAL MUNICIPAL ELECTION NOVEMBER 4, 2014**

**ELECTION NOV 2014 ADMIN (505-24-1)**

4. Resolution No. 2014-165. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON NOVEMBER 4, 2014, DECLARING THE RESULT AND SUCH OTHER MATTERS AS PROVIDED BY LAW. (City Clerk)  
**RECOMMENDATION:** Adopt the Resolution.  
**TESTIMONY:** None.  
**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to adopt the Resolution. Carried by unanimous vote.

5. **RECOGNITION OF OUTGOING ELECTED OFFICIAL**

Luis Natividad, City Council

Mayor Morrison presented Vice Mayor Natividad with a plaque commemorating his years of service on the City Council.

**TESTIMONY:** Luisa McCarthy, National City, expressed thanks and appreciation to Council Member Natividad for his service to the citizens and community and extended congratulations to newly elected Members Rios and Mendivil.

Terri Valladolid thanked Member Natividad for his service.

**COMMENTS FROM OUTGOING VICE MAYOR NATIVIDAD:** Council Member Natividad expressed appreciation to his family, supporters, volunteers and the voters for supporting him and City staff for helping him over the years. He offered a special 'thank you' to his granddaughters Bella and Didi. Council Member Natividad encouraged young people to never stop dreaming; asked the City Council to continue to support removing RVs and auto sales from the streets and establishing a Police storefront office in the Ei Toyon area. Mr. Natividad said he leaves very proud of how he conducted himself and what he accomplished and went on record supporting the Nutrition Center, Tiny Tots and Seniors.

**BUSINESS RELATING TO GENERAL MUNICIPAL ELECTION NOVEMBER 4, 2014 (cont.)**

**6. SWEARING IN OF NEWLY ELECTED OFFICIALS**

Ismael Casanova administered the ceremonial Oath of Office to newly re-elected Mayor Ron Morrison.

Mr. Albert Alverado administered the ceremonial Oath of Office to newly re-elected Council Member Mona Rios.

Pastor Placido Soliven from Amazing Grace Christian Fellowship administered the ceremonial Oath of Office to newly elected Council Member Albert Mendivil.

**RECESS**

A recess was called at 6:42 p.m.  
The meeting reconvened at 7:04 p.m.

**ROLL CALL**

Council / Board members present: Cano, Mendivil, Morrison, Rios, Sotelo-Solis.

**7. INCOMING ELECTED OFFICIALS' COMMENTS**

Council Member Rios extended congratulations to current and newly elected members of the City Council and said she looked forward to working with everyone. Member Rios said she was grateful to have the opportunity to thank numerous individuals, organizations, businesses, elected officials, labor groups, friends, family and all the people of National City that supported her. They all are the ones who brought her to this moment and she is humbly honored. Member Rios said she respects the great responsibility she has been given representing the many diverse interests in the City. She encouraged the people to make their voices heard and promised to always listen.

Council Member Mendivil thanked God as well as his family and supporters. He attributed his success, in part to the wise counsel of others to get out and walk, knock on doors and meet the people. Member Mendivil gave special mention of a life-long friend and a senior citizen that worked tirelessly in his campaign. He said he was especially proud that his campaign was truly a grassroots effort of friends, neighbors and family. Member Mendivil said he was looking forward to serving National City and working with the entire City Council. His vision for the Council is a cohesive group pulling together as one unit and working to continue the progress of the City.

**BUSINESS RELATING TO GENERAL MUNICIPAL ELECTION NOVEMBER 4, 2014 (cont.)**

**7. INCOMING ELECTED OFFICIALS' COMMENTS**

Mayor Morrison related the history of his involvement and participation with the City Council prior to his election and highlighted the drastic changes that have occurred since then. The Mayor said the City is changing for the better and that it is very exciting that everyone gets to be part of that positive change. There is a new sense of pride and direction with the City Council, staff and citizens working together. During the next four years, the Mayor said he wants to see the progress continue and to accomplish even greater things. Mayor Morrison said that the purpose of the Council is not to embellish themselves, that everyone was elected to serve the community and to make sure that everything done every day is, in some way, to make the City better. Our job here is to serve you, this community, the residents, the businesses and visitors in National City. We can all in our own way commit to do just that. So on behalf of the Council, I want to thank all of you.

**PUBLIC ORAL COMMUNICATIONS**

Carolyn StClair, past Chairman of the Public Art Committee, said that the time had come for her to step back from her community involvement, she hoped that the Art Committee would continue to be engaged and said it had been a great joy working with so many children in the community.

Maria Galleher and Student Alondra Sandoval from Granger Junior High extended an invitation to the school's Farmers Market Event.

**PRESENTATION**

**COUNCIL MEETING PRESENTATIONS 2014 (102-10-9)**

8. National City Tourism Marketing District (TMD) 2014 Marketing Campaign. (Jacqueline Reynoso, President – National City Chamber of Commerce)

**OFF AGENDA ITEM**

**SUBJECT:** Temporary Use Permit – Frankie and Geena's Freecember Concert sponsored by Westfield Plaza Bonita on December 6, 2014 from 10 a.m. to 12 p.m. with no waiver of fees.

**RECOMMENDATION:** Staff reported that the item came to the attention of the City after the posting of the agenda, that the event is scheduled to be held in four days and that there is a need to act. Staff recommends the item be added to the agenda.

**ACTION:** Motion by Sotelo-Solis, seconded by Rios, to bring the item onto the Agenda as Item No. 19a. Carried by unanimous vote.

## INTERVIEWS AND APPOINTMENTS

### VICE MAYOR APPOINTMENT ADMIN (101-20-1)

9. Selection of Vice Mayor. (City Attorney)

**ACTION:** Motion by Morrison, seconded by Cano, to appoint Member Cano as Vice Mayor. Carried by the following vote, to-wit: Ayes: Cano, Mendivil, Morrison. Nays: Rios, Sotelo-Solis. Absent: None. Abstain: None.

## CONSENT CALENDAR

**ADOPTION OF CONSENT CALENDAR.** Item No. 10 (NCMC), Item Nos. 11 through 13 (Resolution Nos. 2014-166 through 2014-168), Item No. 14 (Report). Motion by Cano, seconded by Sotelo-Solis, to approve the Consent Calendar. Carried by unanimous vote.

### MUNICIPAL CODE 2014 (506-2-29)

10. MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE WAIVING OF THE READING OF THE TEXT OF THE ORDINANCES CONSIDERED AT THIS MEETING AND PROVIDING THAT SUCH ORDINANCES SHALL BE INTRODUCED AND/OR ADOPTED AFTER A READING OF THE TITLE ONLY. (City Clerk)

**ACTION:** Approved. See above.

### CONTRACT (C2009-105)

11. Resolution No. 2014-166. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY WAIVING THE BIDDING PROCESS BASED ON SPECIAL CIRCUMSTANCES, AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH DAY WIRELESS SYSTEMS, IN AN AMOUNT NOT TO EXCEED \$46,261, TO PROVIDE MAINTENANCE, SERVICE AND INSTALLATION OF THE CITY'S RADIO COMMUNICATIONS EQUIPMENT, MAINTAIN INFRASTRUCTURE FOR MOBILE AND PORTABLE RADIOS, ON CALL SERVICES AND OTHER PROJECTS AS NEEDED FROM JULY 1, 2014 THROUGH JUNE 30, 2015. (POLICE)

**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**CONTRACT (C2009-106)**

12. Resolution No. 2014-167. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY WAIVING THE BID PROCESS PURSUANT TO SECTION 2.60.260 OF THE NATIONAL CITY MUNICIPAL CODE AND AUTHORIZING THE MAYOR TO EXECUTE THE FIRST AMENDMENT TO THE ANNUAL SOFTWARE MAINTENANCE AGREEMENT WITH NORTHROP GRUMMAN SYSTEMS CORPORATION IN THE TOTAL NOT-TO-EXCEED AMOUNT OF \$153,285.00 TO SUPPORT THE LAW ENFORCEMENT RECORDS MANAGEMENT SYSTEM. (MIS)

**ACTION:** Adopted. See above.

**COUNCIL POLICY MANUAL (102-13-1)**

13. Resolution No. 2014-168. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY TO APPROVE AN UPDATE TO CITY COUNCIL POLICY MANUAL, POLICY #401 "ENVIRONMENTAL GUIDELINES." (City Manager/City Attorney)

**ACTION:** Adopted. See above.

**FINANCIAL MANAGEMENT 2014-2015 (204-1-30)**

14. Investment Report for the quarter ended September 30, 2014. (Finance)

**ACTION:** Filed. See above.

**ORDINANCE FOR INTRODUCTION**

**MUNICIPAL CODE 2014 (506-2-29)**

15. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ESTABLISHING THE COMPENSATION OF THE MAYOR AND THE CITY COUNCIL. (City Attorney)

**ORDINANCE FOR ADOPTION**

**MUNICIPAL CODE 2014 (506-2-29)**

16. Ordinance No. 2014-2399. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY REPEALING CHAPTER 10.63 OF THE NATIONAL CITY MUNICIPAL CODE REGULATING SEX OFFENDERS' PROXIMITY TO CHILDREN'S FACILITIES. (City Attorney)

**RECOMMENDATION:** Adopt proposed Ordinance.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to adopt the Ordinance. Carried by unanimous vote.

**NEW BUSINESS**

**TEMPORARY USE PERMITS 2014 (203-1-30)**

17. Temporary Use Permit – Circus Vargas sponsored by Tabares Entertainment, Inc. from February 26 thru March 9, 2015 at the Westfield Plaza Bonita Mall with no waiver of fees. (Neighborhood Services)

**RECOMMENDATION:** Approve the Application for a Temporary Use Permit subject to compliance with all conditions of approval.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to approve staff recommendation. Carried by unanimous vote.

**CONTRACT (C2013-20)**

**COMMUNITY SERVICES DEPT ADMIN (1104-1-7)**

18. Status report on the YMCA Maintenance and Operating Agreement for Las Palmas Pool and Camacho Gym Recreation Center and direction on future options. (Community Services)

**RECOMMENDATION:** None.

**TESTIMONY:** Tina Medina.

**ACTION:** Motion by Cano, seconded by Mendivil, to approve Option #2 (YMCA). Carried by the following vote, to-wit: Ayes: Cano, Mendivil, Morrison, Rios. Nays: Sotelo-Solis. Absent: None. Abstain: None.

**EX-PARTE:** Members Cano, Morrison, Rios and Sotelo-Solis disclosed that they had Ex-Parte contact outside the meeting with the applicant.

**COMMUNITY SERVICES DEPT ADMIN (1104-1-7)**

19. Update on Construction of the Waterfront Adventure Center (formerly known as the Aquatic Center) and seeking direction for negotiating a Maintenance and Operating Agreement for Sub-lease with the YMCA. (Community Services)

**RECOMMENDATION:** None.

**TESTIMONY:** None.

**ACTION:** No vote was taken.

**NEW BUSINESS (cont.)**

**TEMPORARY USE PERMITS 2014 (203-1-30)**

19a. Temporary Use Permit – Frankie and Geena’s Freecember Concert sponsored by Westfield Plaza Bonita on December 6, 2014 from 10 a.m. to 12 p.m. with no waiver of fees.

**RECOMMENDATION:** Approve the Application for a Temporary Use Permit subject to compliance with all conditions of approval.

**TESTIMONY:** None.

**ACTION:** Motion by Rios, seconded by Cano, to approve staff recommendation. Carried by unanimous vote. It was suggested that staff remind Westfield Plaza Bonita of the proper process for future TUP’s.

**COMMUNITY DEVELOPMENT COMMISSION –  
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**NO AGENDA ITEMS**

**STAFF REPORTS**

**HUMAN RESOURCES DEPT ADMIN (1104-1-2)**

20. 2014 Holiday Closure and Employee Work Furlough. (Human Resources)

**MAYOR AND CITY COUNCIL**

Member Rios thanked everyone again and said it was great to be finished with the election and she was very happy to be moving forward the next four years. She thinks it is going to be a positive year working with the Council and moving a lot of great policies forward.

Member Cano thanked the Mayor for selecting him as Vice Mayor and said he was going to work his hardest to do a great job. He also thanked Councilmember Mendivil for voting for him and having confidence in him.

Member Mendivil said his feet still hurt from the campaign; expressed his thanks for those who voted for him and said he is looking forward to serving.

Member Sotelo-Solis said she was excited to see what the next four years brings about and that she was looking forward to working with Councilmember Mendivil and vetting every item on the agenda. She thanked the staff for the great job and all their work.



**MAYOR AND CITY COUNCIL (cont.)**

Mayor Morrison reported that several programs took place in the community during Thanksgiving to provide for needy families. The Police Department and IGA Market distributed food and the Mayor said his office coordinated with several merchants to distribute 475 turkeys. Mayor Morrison said that because of the community's "giving spirit," great things happened during Thanksgiving and he was confident they would continue through Christmas. Mayor Morrison extended an invitation to the annual Community Christmas party at his home on December 6<sup>th</sup>.

**CLOSED SESSION REPORT**

City Attorney Claudia Silva stated there was no Closed Session.

**ADJOURNMENT**

Motion by Soteio-Solis, seconded by Cano, to adjourn the meeting to the next Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City to be held Tuesday, December 16, 2014 at 6:00 p.m. at the Council Chambers, National City, California. Carried by unanimous vote.

The meeting closed at 9:39 p.m.

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

The foregoing minutes were approved at the Adjourned Regular Meeting of August 4, 2015.

\_\_\_\_\_  
Mayor

City Council Meeting Schedule for the Period December 16, 2014 through January 20, 2015:

- December 16                      Regular Meeting
- January 06                      Regular Meeting (Dispense with Meeting)
- January 20                      Regular Meeting

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**MINUTES OF THE REGULAR MEETING OF THE  
CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION –  
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**December 16, 2014**

The Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City was called to order at 6:13 p.m. by Mayor / Chairman Ron Morrison.

**ROLL CALL**

Council / Board members present: Cano, Mendivil, Morrison, Rios, Sotelo-Solis.  
Administrative Officials present: Dalla, Deese, Duong, Hernandez, Manganiello, Muthusamy, Raulston, Roberts, Rodriguez, Silva, Stevenson, Williams, Ybarra.

**PLEDGE OF ALLEGIANCE TO THE FLAG BY MAYOR RON MORRISON**

**PUBLIC ORAL COMMUNICATIONS**

Sunshine Horton, El Cajon, thanked members of the Police Department for volunteering to be Santas; encouraged everyone to do a good deed for someone and extended Christmas greetings.

**CITY COUNCIL**

**PRESENTATIONS**

**PERSONNEL RECOGNITION / APPRECIATION ADMIN (604-2-1)**

1. Recognizing National City Recreation Specialist Mercy Miana for her efforts in locating a missing juvenile

**PERSONNEL RECOGNITION / APPRECIATION ADMIN (604-2-1)**

2. Employee of the Quarter 2014 – Christopher Duron, Firefighter

**PERSONNEL RECOGNITION / APPRECIATION ADMIN (604-2-1)**

3. Retirement Recognition – Recognizing Veronica (Ronni) Zengota, Police Operations Assistant for her 30 years of service with the City of National City.

**COUNCIL MEETING PRESENTATIONS 2014 (102-10-9)**

4. 2015 Storm Water Calendar Presentation. (Engineering/Public Works)

**PRESENTATIONS (cont.)**

**COUNCIL MEETING PRESENTATIONS 2014 (102-10-9)**

5. Update ARTS / A Reason to Survive – (Ashleigh Starke, Director of Programs)

**CONSENT CALENDAR**

**ADOPTION OF CONSENT CALENDAR.** Item No. 6 (NCCMC), Item No. 7 (Minutes), Item Nos. 8 through 19 (Resolution Nos. 2014-169 through 2014-180), Item Nos. 20 and 21 (Warrant Registers). Motion by Cano, seconded by Rios, to pull Item No. 8, and to approve the remainder of the Consent Calendar. Carried by unanimous vote.

**MUNICIPAL CODE 2014 (506-2-29)**

6. MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE WAIVING OF THE READING OF THE TEXT OF THE ORDINANCES CONSIDERED AT THIS MEETING AND PROVIDING THAT SUCH ORDINANCES SHALL BE INTRODUCED AND/OR ADOPTED AFTER A READING OF THE TITLE ONLY. (City Clerk)

**ACTION:** Approved. See above.

**APPROVAL OF MINUTES**

7. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AND COMMUNITY DEVELOPMENT COMMISSION – HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY OF NOVEMBER 18, 2014. (City Clerk)

**ACTION:** Approved. See above.

**GRANT / PUBLIC SAFETY (206-4-27)**

8. Resolution No. 2014-169. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY RATIFYING THE ACCEPTANCE OF THE SECOND DISBURSEMENT FROM THE STATE OF CALIFORNIA AB109 GRANT FUND ADMINISTERED THROUGH THE CITY OF SAN DIEGO IN THE AMOUNT OF \$36,351 AND THE ESTABLISHMENT OF A FISCAL YEAR 2015 APPROPRIATION OF \$36,351 AND A CORRESPONDING REVENUE BUDGET FOR MONITORING AND ASSISTING FRONTLINE LAW ENFORCEMENT IN OUR REGION WITH THE PROBLEMS ASSOCIATED WITH THE EARLY RELEASE OF NON-VIOLENT OFFENDERS FROM STATE PRISON. (Police)

**ACTION:** Motion by Rios, seconded by Cano, to adopt the Resolution. Carried by unanimous vote.

**CONSENT CALENDAR (cont.)**

**CONTRACT (C2014-1)**

9. Resolution No. 2014-170. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE CHIEF OF POLICE TO ENTER INTO AN AMENDMENT TO EXTEND THE CURRENT MEMORANDUM OF AGREEMENT WITH THE COUNTY OF SAN DIEGO (SAN DIEGO SHERIFF'S DEPARTMENT AND PROBATION DEPARTMENT) AND MUNICIPAL LAW ENFORCEMENT AGENCIES THROUGHOUT THE COUNTY, FOR PROGRAM SUPPORT OF THE REGIONAL REALIGNMENT RESPONSE GROUP (R3). (Police)  
**ACTION:** Adopted. See above.

**EQUIPMENT / VEHICLE PURCHASE ADMIN (209-1-1)**

10. Resolution No. 2014-171. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE COUNCIL TO WAIVE THE FORMAL BID PROCESS FOR THE PURCHASE AND BUILD-OUT OF (5) FULLY EQUIPPED POLICE VEHICLES BASED ON MUNICIPAL CODE SECTION 2.60.260 AND AUTHORIZE THE CITY (BUYER) TO PIGGYBACK THE CALIFORNIA DEPARTMENT OF GENERAL SERVICES CONTRACT # 1-12-23-14 TO AWARD THE PURCHASE AND BUILD-OUT TO FOLSOM LAKE FORD IN THE AMOUNT OF \$246,969.33; AND, WAIVING THE BID PROCESS FOR THE PURCHASE OF THE POLICE RADIOS BASED ON MUNICIPAL CODE SECTION 2.60.220 (B) AND (C) TO BE PURCHASED FROM THE REGIONAL COMMUNICATIONS SYSTEM (RCS) SOLE SOURCE VENDOR, MOTOROLA SOLUTIONS, INC. IN THE AMOUNT OF \$19,620.26 FOR A TOTAL COST OF THE PURCHASE, BUILD OUT, AND RADIOS FOR THE FIVE (5) VEHICLES IN THE NOT TO EXCEED AMOUNT OF \$266,589.59, AND THE ESTABLISHMENT OF AN APPROPRIATION OF \$266,589.59. ONE VEHICLE WILL BE FUNDED THROUGH THE EQUIPMENT REPLACEMENT FUND. (Police)  
**ACTION:** Adopted. See above.

**COUNCIL POLICY MANUAL (102-13-1)**

11. Resolution No. 2014-172. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ADOPTING CITY COUNCIL POLICY # 203, "INVESTMENTS" FOR FISCAL YEAR 2015, ADDING SUB-SECTION "A. MONTHLY REPORTS" TO SECTION XII. (Finance)  
**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**FINANCIAL MANAGEMENT 2014-2015 (204-1-30)**

12. Resolution No. 2014-173. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE ESTABLISHMENT OF GOVERNMENTAL PURPOSES AND TRAINING APPROPRIATIONS FOR THE OFFICE OF COUNCILMEMBER MENDIVIL AND USE OF UNASSIGNED GENERAL FUND FUND BALANCE TO FUND THE APPROPRIATIONS. (Finance)

**ACTION:** Adopted. See above.

**CONTRACT (C2014-53)**

13. Resolution No. 2014-174. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, 1) AWARDED A CONTRACT TO FORDYCE CONSTRUCTION, INC. IN THE NOT-TO-EXCEED AMOUNT OF \$128,200.00 TO COMPLETE ALL LINE ITEMS OF WORK INCLUDED IN THE BASE BID AND ALTERNATE BID "A" FOR THE NATIONAL CITY MORGAN TOWER REPAIRS AND CITY HALL REMODEL PROJECT, CIP NO. 14-04, 2) AUTHORIZING A 25% CONTINGENCY IN THE AMOUNT OF \$32,050.00 FOR ANY UNFORESEEN CHANGES, AND 3) AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT. (Engineering/Public Works)

**ACTION:** Adopted. See above.

**CONTRACT (C2010-28)**

14. Resolution No. 2014-175. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, 1) APPROVING AMENDMENT NO. 1 TO THE AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE SAN DIEGO UNIFIED PORT DISTRICT AND THE CITY OF NATIONAL CITY REGARDING THE NATIONAL CITY AQUATIC CENTER (RENAMED AS THE WATERFRONT ADVENTURE CENTER) WHEREIN THE PORT DISTRICT AGREES TO CONTRIBUTE AN ADDITIONAL \$500,000 TOWARDS COMPLETION OF THE PROJECT, 2) AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT, AND 3) AUTHORIZING THE APPROPRIATION OF \$500,000 TO THE PROJECT, TO BE REIMBURSED BY THE PORT DISTRICT VIA THE TERMS OF THE AMENDMENT. (Engineering/Public Works)

**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**CONTRACT (C2014-54)**

15. Resolution No. 2014-176. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH KTU&A FOR A NOT-TO-EXCEED AMOUNT OF \$700,000 TO PROVIDE ON-CALL PROJECT SUPPORT SERVICES FOR NATIONAL CITY'S CAPITAL IMPROVEMENT PROGRAM (CIP), INCLUDING, BUT NOT LIMITED TO, LANDSCAPE ARCHITECTURE, TRANSPORTATION DESIGN AND PLANNING, MOBILITY AND LAND USE PLANNING, ADA AND UNIVERSAL DESIGN, PUBLIC OUTREACH AND GEOGRAPHIC INFORMATION SYSTEMS (GIS). (Engineering/Public Works)

**ACTION:** Adopted. See above.

**GRANT / LIBRARY (206-4-10)**

16. Resolution No. 2014-177. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY RATIFYING THE ACCEPTANCE OF A \$26,152 AUGMENTATION TO THE CALIFORNIA LIBRARY LITERACY SERVICES (CLLS) GRANT, FISCAL YEAR 2014-15, FOR THE NATIONAL CITY LIBRARY'S LITERACY PROGRAM, INCREASING THE TOTAL AMOUNT OF THE GRANT FROM \$15,000 TO \$41,152, AND AUTHORIZING THE ESTABLISHMENT OF FUND APPROPRIATIONS AND A CORRESPONDING REVENUE BUDGET. (Library)

**ACTION:** Adopted. See above.

**EQUIPMENT / VEHICLE PURCHASE ADMIN (209-1-1)**

17. Resolution No. 2014-178. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY WAIVING THE BID PROCESS BY PIGGYBACKING WESTERN STATES CONTRACTING ALLIANCE (WSCA) CONTRACT B27160, AND AUTHORIZING THE PURCHASE FROM DELL INC. OF TWO SERVERS AND STORAGE AREA NETWORK (SAN) STORAGE FOR AN AMOUNT NOT TO EXCEED \$60,984.64. (MIS)

**ACTION:** Adopted. See above.

**EQUIPMENT / VEHICLE PURCHASE ADMIN (209-1-1)**

18. Resolution No. 2014-179. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY WAIVING THE BID PROCESS BY PIGGYBACKING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) CONTRACT 3-13-70-2409D, AND AUTHORIZING THE PURCHASE FROM PCS MOBILE OF AT&T LTE BROADBAND MODEMS FOR POLICE MOBILE DATA COMPUTERS (MDC) FOR AN AMOUNT NOT TO EXCEED \$49,500.00. (MIS)

**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**EQUIPMENT / VEHICLE PURCHASE ADMIN (209-1-1)**

19. Resolution No. 2014-180. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY WAIVING THE BID PROCESS PURSUANT TO SECTION 2.60.110(B) OF THE NATIONAL CITY MUNICIPAL CODE AND AUTHORIZING THE PURCHASE FROM TRITECH SOFTWARE SYSTEMS, INFORM MOBILE MDC SOFTWARE IN THE TOTAL NOT-TO-EXCEED AMOUNT OF \$64,628.00. (MIS)  
**ACTION:** Adopted. See above.

**WARRANT REGISTER JULY 2014 – JUNE 2015 (202-1-29)**

20. Warrant Register #19 for the period of 10/29/14 through 11/04/14 in the amount of \$848,281.00. (Finance)  
**ACTION:** Ratified. See above.

**WARRANT REGISTER JULY 2014 – JUNE 2015 (202-1-29)**

21. Warrant Register #20 for the period of 11/05/14 through 11/11/14 in the amount of \$2,833,575.64. (Finance)  
**ACTION:** Ratified. See above.

**PUBLIC HEARINGS**

**STREET VACATION ADMIN 2011-2020 (902-26-6)**

22. Public Hearing – Proposed Street Vacation of a segment of "A" Avenue located south of East 28th Street and north of East 29th Street. (Applicant: Frank Motors) (Case File No. 2013-23 SC) (Planning)  
**RECOMMENDATION:** Staff concurs with the Planning Commission determination and recommends approval of the Street Vacation.  
**TESTIMONY:** Francisco Marruenda, National City, spoke in opposition.  
Joe Leon and Andre Leon, National City, spoke in opposition.  
Dan Mann, National City, spoke in opposition.  
Jim Fernaca and Gary Fanelli appeared on behalf of Frank Motors, and agreed to do an expanded traffic study.  
**ACTION:** Motion by Sotelo-Solis, seconded by Rios, to continue the Public Hearing, have the applicant do a more comprehensive traffic study and staff expand the Public Notice area and to include tenants. Carried by unanimous vote.

## ORDINANCES FOR ADOPTION

### MUNICIPAL CODE 2014 (506-2-29)

23. Ordinance No. 2014-2400. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ESTABLISHING THE COMPENSATION OF THE MAYOR AND THE CITY COUNCIL. (City Attorney)

**RECOMMENDATION:** Adopt the Ordinance.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, to deny the Ordinance. Motion died for lack of a second.

Motion by Cano, to raise the Mayor's compensation to \$65,000. Died for lack of a second.

Motion by Rios, seconded by Mendivil, to adopt the Ordinance. Carried by the following vote, to-wit: Ayes: Cano, Mendivil, Morrison, Rios. Nays: Sotelo-Solis. Absent: None. Abstain: None.

## NON CONSENT RESOLUTIONS

### CONTRACT (C2014-55)

24. Resolution No. 2014-181. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, 1) AWARDING A CONTRACT IN THE NOT-TO-EXCEED AMOUNT OF \$1,379,220.00 TO PORTILLO CONCRETE, INC. FOR THE HIGHLAND AVENUE SAFETY ENHANCEMENTS PROJECT, CIP NO. 13-07; 2) AUTHORIZING A 15% CONTINGENCY IN THE AMOUNT OF \$206,883.00 FOR ANY UNFORESEEN CHANGES; AND 3) AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT. (Engineering/Public Works)

**RECOMMENDATION:** Adopt the Resolution.

**TESTIMONY:** None.

**ACTION:** Motion by Cano, seconded by Sotelo-Solis, to adopt the Resolution. Carried by unanimous vote.

## NEW BUSINESS

### CONDITIONAL USE PERMITS 2014 (403-29-1)

25. Notice of Decision – Planning Commission approval of a Conditional Use Permit for beer and wine sales, a banquet facility, and live entertainment at Big Ben Market located at 108 East 8th Street. (Applicant: Grill House at Big Ben) (Case File 2014-08 CUP) (Planning)

**RECOMMENDATION:** Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**TESTIMONY:** None.



**NEW BUSINESS (cont.)**

**CONDITIONAL USE PERMITS 2014 (403-29-1)**

25. Notice of Decision – Planning Commission approval of a Conditional Use Permit for beer and wine sales, a banquet facility, and live entertainment at Big Ben Market located at 108 East 8th Street (continued).

**ACTION:** Motion by Cano, seconded by Sotelo-Solis, to approve staff recommendation.

Member Mendivil requested the item be set for hearing. The maker of the motion declined. Member Sotelo-Solis, withdraw her second. Member Rios seconded the motion, to approve staff recommendation. Motion failed by the following vote, to-wit: Ayes: Cano, Rios. Nays: Mendivil, Morrison, Sotelo-Solis. Absent: None. Abstain: None.

Motion by Mendivil, seconded by Sotelo-Solis, to set for Public Hearing. Carried by the following vote, to-wit: Ayes: Cano, Mendivil, Morrison, Sotelo-Solis. Nays: Rios. Absent: None. Abstain: None.

**SUBDIVISIONS / VARIANCES 2014 (415-1-10)**

26. Notice of Decision – Planning Commission approval of a Tentative Parcel Map for subdividing one lot into two, Zone Variance for a reduced front yard setback, and exception for reduced lot frontage at 240 Norton Avenue. (Applicant: Abraham Edid) (Case File 2014-18 LS, Z) (Planning)

**RECOMMENDATION:** Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to approve staff recommendation. Carried by unanimous vote

**BUDGET FY 2014-2015 (206-1-30)**

27. Fiscal Year 2014 4th Quarter and Fiscal Year 2015 1st Quarter Budget Review. (Finance)

**RECOMMENDATION:** Accept the staff report as presented.

**TESTIMONY:** None.

**ACTION:** Motion by Rios, seconded by Cano, to approve staff recommendation. Carried by unanimous vote.

**COMMUNITY DEVELOPMENT COMMISSION –  
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**NO AGENDA ITEMS**

## **STAFF REPORTS**

### **CITY MANAGER / REPORTS ADMIN (1104-1-12)**

28. Update on National City' portion of the Bayshore Bikeway. (City Manager)

### **POLICE DEPT ADMIN (302-4-1)**

29. Update on South Bay Traffic Court Closure. (Police)

### **ENGINEERING DEPT - GRANTS / REPORTS ADMIN (1104-1-1)**

30. Update on recent rain and flooding. (Engineering/Public Works)

## **MAYOR AND CITY COUNCIL**

Member Sotelo-Solis extended Christmas greetings and a sincere thanks to City Manager Leslie Deese, the Executive/Management team and staff for everything they have done the past year and said the time they dedicate to the community has been phenomenal and really makes a difference.

Member Mendivil thanked staff and everyone in general. As a new person coming in, everyone has been very kind and helpful. He said it is awesome to be involved in the City and he looks forward to continuing to grow together.

Member Rios thanked staff for all their work the past year and highlighted the Christmas breakfast. She said it was great to see another side of people and thanked City Manager Leslie Deese for sponsoring the event and for all that she does.

Vice Mayor Cano also thanked staff and extended Holiday greetings. Member Cano reviewed several holiday events he attended including the Christmas Tree lighting event and the Police Officers Association (POA) dinner. He offered special thanks to the POA and La Maestra for their holiday toy drives for needy families.

City Clerk Dalia discussed meeting procedures and noticing requirements.

Mayor Morrison said the Christmas Breakfast was a huge success and thanked City Manager Deese for sponsoring the event and the employee committee and volunteers who worked on it. The Mayor gave special mention to the low-riders "Tacos to Toys" toy drive and updated the Council on the leadership issues confronting the San Diego Association of Governments (SANDAG).

## **CLOSED SESSION REPORT**

City Attorney Claudia Silva stated there was nothing to report from the Closed Session. (See attached Exhibit 'L')

**ADJOURNMENT**

Motion by Sotelo-Solis, seconded by Mendivil, to adjourn the meeting to the next Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City to be held Tuesday, January 20, 2015 at 6:00 p.m. at the Council Chambers, National City, California. Carried by unanimous vote.

The meeting closed at 9:45 p.m.

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

The foregoing minutes were approved at the Adjourned Regular Meeting of August 4, 2015.

\_\_\_\_\_  
Mayor

City Council Meeting Schedule for the Period of January 6, 2014 through January 20, 2015:

- January 06 – Regular Meeting (Dispense with Meeting)
- January 20 – Regular Meeting

EXHIBIT 'L'



AGENDA OF A SPECIAL MEETING

CITY COUNCIL OF THE CITY OF NATIONAL CITY  
AND  
SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT  
COMMISSION AS THE NATIONAL CITY REDEVELOPMENT  
AGENCY

Main Conference Room  
Civic Center  
1243 National City Boulevard  
National City, California

Special Meeting – Tuesday, December 16, 2014 – 5:00 p.m.

ROLL CALL

CLOSED SESSION

CITY COUNCIL

1. Conference with Legal Counsel – Anticipated Litigation  
Initiation of Litigation Pursuant to Government Code Section 54956.9(c)  
*Robertson v. San Diego Association of Governments*  
SD Superior Court Case No. 37-2013-00051297-CU-WM-CTL  
One Potential Case
2. Conference with Legal Counsel – Existing Litigation  
Government Code Section 54956.9(a)  
*Community Youth Athletic Center v. City of National City, CDC, et al.*  
SD Superior Court Case No. 37-2007-00076404-CU-EI-CTL  
Court of Appeal Case No. D060001

SUCCESSOR AGENCY

3. Conference with Legal Counsel – Existing Litigation  
Government Code Section 54956.9(a)  
*Community Youth Athletic Center v. City of National City, CDC, et al.*  
SD Superior Court Case No. 37-2007-00076404-CU-EI-CTL  
Court of Appeal Case No. D060001

ADJOURNMENT

Next Regular City Council Meeting – Tuesday, December 16, 2014, 6:00 p.m., Council Chambers, Civic Center

DRAFT      DRAFT      DRAFT

**MINUTES OF THE REGULAR MEETING OF THE  
CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION –  
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**June 16, 2015**

The Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City was called to order at 6:11 p.m. by Mayor / Chairman Ron Morrison.

**ROLL CALL**

Council / Board members present: Cano, Mendivil, Morrison, Rios, Sotelo-Solis.  
Administrative Officials present: Dalla, Deese, Denham, Duong, Manganiello, Muthusamy, Parra, Raulston, Roberts, Rodriguez, Silva, Stevenson, Vergara, Ybarra.

Others present: Student Representative Isaac Maldonado.

**PLEDGE OF ALLEGIANCE TO THE FLAG BY MAYOR RON MORRISON**

Item No. 43 was taken up next.

**NEW BUSINESS**

**PLANNING & BUILDING DEPT ADMIN (1104-1-10)**

43. Green Industrial Auto Park (GIAP) Feasibility Study. (Planning)

**RECOMMENDATION:** Accept and file the staff report.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to table the Item. Carried by unanimous vote.

**PUBLIC COMMENTS**

Sunshine Horton, El Cajon, thanked the Mayor and Emergency Services Director Parra for their participation with Special Olympics and encouraged everyone to help one another whenever possible with random acts of kindness.

Tula Alarid, National City, spoke about difficulties she is experiencing with parking in front of her house and securing a parking permit.

Steven Sanchez and Ashley Trzcinski expressed appreciation to the Mayor and Council for their support of the 5K Ren Event at Las Palmas School.

**PUBLIC COMMENTS (cont.)**

Brian Clapper appeared on behalf of Relay for Life and explained that the large City stage had not been requested as part of the previously approved Temporary Use Permit. He was open to any suggestions on how to get the stage for the event. Staff was asked to review the request.

Eddie Perez expressed concern about a recent article in the Union Tribune about the high incidence of childhood obesity in National City.

**CITY COUNCIL**

**PRESENTATIONS**

**PERSONNEL RECOGNITION / APPRECIATION ADMIN (604-2-1)**

1. Employee of the Quarter 2015 – Benjamin Peck, Police Officer

**COUNCIL MEETING PRESENTATIONS 2015 (102-10-10)**

2. 2015 City of National City Scholarship Award Winners – Cecilio Michael Portillo, Estevan Lopez, and Luis Fernando Peña

**CONSENT CALENDAR**

**ADOPTION OF CONSENT CALENDAR.** Item No. 3 (NCCMC), Item Nos. 4 through 19 (Resolution Nos. 2015-83 through 2015-98), Item No. 20 (TUP), Item No. 21 (Report), Item Nos. 22 and 23 (Warrant Registers). Motion by Sotelo-Solis, seconded by Cano, to pull Item No. 8, and to approve the remainder of the Consent Calendar. Carried by unanimous vote.

**MUNICIPAL CODE 2015 (506-2-30)**

3. MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE WAIVING OF THE READING OF THE TEXT OF THE ORDINANCES CONSIDERED AT THIS MEETING AND PROVIDING THAT SUCH ORDINANCES SHALL BE INTRODUCED AND/OR ADOPTED AFTER A READING OF THE TITLE ONLY. (City Clerk)

**ACTION:** Approved. See above.

**CONSENT CALENDAR (cont.)**

**CONTRACT (C2008-38)**

4. Resolution No. 2015-83. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE MAYOR TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF NATIONAL CITY AND WILLIS INSURANCE SERVICES OF CALIFORNIA, INC. FOR INSURANCE BROKERAGE SERVICES, EXTENDING THE TERM BY ONE YEAR EFFECTIVE JULY 1, 2015; AND AUTHORIZING THE CITY MANAGER TO EXECUTE UP TO TWO ADDITIONAL EXTENSIONS OF THE AGREEMENT IN ONE YEAR INCREMENTS. (Human Resources)  
**ACTION:** Adopted. See above.

**LABOR RELATIONS POA MOU 2014-2015 (605-3-11)**

5. Resolution No. 2015-84. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A SIDE LETTER AGREEMENT TO ARTICLE 3, VACATION AND HOLIDAY LEAVE / FURLOUGH LEAVE OF THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY AND THE NATIONAL CITY POLICE OFFICERS' ASSOCIATION. (Human Resources)  
**ACTION:** Adopted. See above.

**LABOR RELATIONS EXEC / MID MGMT EMPLOYEES (605-2-1)**

6. Resolution No. 2015-85. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A SALARY SCHEDULE FOR THE EXECUTIVE EMPLOYEE GROUP FOR FISCAL YEAR 2015-2016 IN COMPLIANCE WITH THE REQUIREMENTS OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS). (Human Resources)  
**ACTION:** Adopted. See above.

**LABOR RELATIONS EXEC / MID MGMT EMPLOYEES (605-2-1)**

7. Resolution No. 2015-86. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A SALARY SCHEDULE FOR THE MANAGEMENT EMPLOYEE GROUP FOR FISCAL YEAR 2015-2016 IN COMPLIANCE WITH THE REQUIREMENTS OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS). (Human Resources)  
**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**LABOR RELATIONS PART TIME/TEMPS/SEASONAL 2015 – 2025 (605-7-3)**

8. Resolution No. 2015-87. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A SALARY SCHEDULE FOR THE PART-TIME AND SEASONAL EMPLOYEE GROUP FOR FISCAL YEAR 2015-2016 IN COMPLIANCE WITH THE REQUIREMENT OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS). (Human Resources)

**TESTIMONY:** Eddie Perez, San Diego, spoke about the difference in pay for part-time in different cities.

**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to adopt the Resolution. Carried by unanimous vote.

**LABOR RELATIONS FFA (605-6-1)**

9. Resolution No. 2015-88. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A SALARY SCHEDULE FOR THE FIREFIGHTERS' ASSOCIATION EMPLOYEE GROUP FOR FISCAL YEAR 2015-2016 IN COMPLIANCE WITH THE REQUIREMENTS OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS). (Human Resources)

**ACTION:** Adopted. See above.

**LABOR RELATIONS POA (605-3-00)**

10. Resolution No. 2015-89. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A SALARY SCHEDULE FOR THE POLICE OFFICERS' ASSOCIATION EMPLOYEE GROUP FOR FISCAL YEAR 2015-2016 IN COMPLIANCE WITH THE REQUIREMENTS OF THE CALIFORNIA PUBLIC EMPLOYEE'S RETIREMENT SYSTEM (CALPERS). (Human Resources)

**ACTION:** Adopted. See above.

**LABOR RELATIONS MEA MOU 2015-2018 (605-4-13)**

11. Resolution No. 2015-90. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A THREE YEAR MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY AND THE NATIONAL CITY MUNICIPAL EMPLOYEES' ASSOCIATION FOR THE PERIOD JULY 1, 2015 THROUGH JUNE 30, 2018. (Human Resources)

**ACTION:** Adopted. See above.



**CONSENT CALENDAR (cont.)**

**LABOR RELATIONS MEA (605-4-00)**

12. Resolution No. 2015-91. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A SALARY SCHEDULE FOR THE MUNICIPAL EMPLOYEES' ASSOCIATION EMPLOYEE GROUP FOR FISCAL YEAR 2015-2016 IN COMPLIANCE WITH THE REQUIREMENTS OF THE CALIFORNIA PUBLIC EMPLOYEE'S RETIREMENT SYSTEM (CALPERS). (Human Resources)  
**ACTION:** Adopted. See above.

**LABOR RELATIONS CONFIDENTIAL EMPLOYEES (605-5-00)**

13. Resolution No. 2015-92. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING A SALARY SCHEDULE FOR THE CONFIDENTIAL EMPLOYEE GROUP FOR FISCAL YEAR 2015-2016 IN COMPLIANCE WITH THE REQUIREMENTS OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS). (Human Resources)  
**ACTION:** Adopted. See above.

**CONTRACT (C98-19)**

14. Resolution No. 2015-93. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH NEXUS IS, INC. IN THE AMOUNT OF \$452,738 AND AUTHORIZE A 10% CONTINGENCY IN THE AMOUNT OF \$45,274 TO IMPLEMENT A CISCO VOICE OVER IP (VOIP)PHONE SYSTEM. (MIS)  
**ACTION:** Adopted. See above.

**CONTRACT (C2015-21)**

15. Resolution No. 2015-94. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING, 1) THE CITY (BUYER) TO PIGGYBACK THE STATE OF CALIFORNIA WSCA-NASPO COOPERATIVE PRICE AGREEMENT PARTICIPATING ADDENDUM NO. 7-14-99-20.01 WITH IDSC HOLDINGS LLC DBA SNAP-ON INDUSTRIAL, A DIVISION OF IDSC HOLDINGS LLC, CONSISTENT WITH SECTION 2.60.260 OF THE NATIONAL CITY MUNICIPAL CODE REGARDING COOPERATIVE PURCHASING, AND 2) THE MAYOR TO EXECUTE AN AGREEMENT WITH IDSC HOLDINGS LLC DBA SNAP-ON INDUSTRIAL, A DIVISION OF IDSC HOLDINGS LLC, TO PURCHASE AND INSTALL AN INTEGRATED, SPACE-SAVING PARTS AND TOOLS STORAGE SYSTEM AND OTHER EQUIPMENT FOR THE NEW PUBLIC WORKS EQUIPMENT MAINTENANCE SHOP LOCATED AT 1726 WILSON AVENUE, IN AN AMOUNT NOT TO EXCEED \$230,000. (Engineering/Public Works)  
**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**ABATEMENT WEED 2015 (402-3-14)**

16. Resolution No. 2015-95. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE REPORT AND ACCOUNT FOR WEED ABATEMENT. (Fire)

**ACTION:** Adopted. See above.

**CONTRACT (C86-47)**

17. Resolution No. 2015-96. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE MAYOR TO SIGN THE THIRD AMENDMENT TO THE AGREEMENT BY AND BETWEEN THE CITY OF NATIONAL CITY AND AMERICAN MEDICAL RESPONSE AMBULANCE SERVICE, INC. TO CONTINUE TO PROVIDE BASIC AND ADVANCED LIFE SUPPORT AMBULANCE TRANSPORTATION SERVICES EFFECTIVE JULY 1, 2015 FOR A PERIOD OF TWO YEARS. (Fire)

**ACTION:** Adopted. See above.

**RECORDS MGMT CITY CLERK DEPT ADMIN (1102-1-2)**

18. Resolution No. 2015-97. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ADOPTING AN UPDATED RECORDS RETENTION SCHEDULE. (City Clerk)

**ACTION:** Adopted. See above.

**FINANCIAL MANAGEMENT 2015-2016 (204-1-31)**

19. Resolution No. 2015-98. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR FISCAL YEAR 2016 OF \$53,376,075. (Finance)

**ACTION:** Adopted. See above.

**TEMPORARY USE PERMITS 2015 (203-1-31)**

20. Temporary Use Permit – National Night Out on August 4, 2015 from 5:00 p.m. to 8:00 p.m. at Kimball Park. This is a National City sponsored event per City Council Policy #804. (Neighborhood Services)

**ACTION:** Adopted. See above.

**FINANCIAL MANAGEMENT 2015-2016 (204-1-31)**

21. Investment transactions for the month ended April 30, 2015. (Finance)

**ACTION:** Filed. See above.

**CONSENT CALENDAR (cont.)**

**WARRANT REGISTER JULY 2014 – JUNE 2015 (202-1-29)**

22. Warrant Register #45 for the period of 04/29/15 through 05/05/15 in the amount of \$1,093,363.63. (Finance)  
**ACTION:** Ratified. See above.

**WARRANT REGISTER JULY 2014 – JUNE 2015 (202-1-29)**

23. Warrant Register #46 for the period of 05/06/15 through 05/12/15 in the amount of \$3,602,311.31. (Finance)  
**ACTION:** Ratified. See above.

**PUBLIC HEARINGS**

**SEWER CAPACITY / FEES ADMIN (906-1-4)**

24. A Public Hearing to consider adoption of the National City 2015/2016 Tax Roll Sewer Service Fees report, which identifies by parcel number, each parcel of real property receiving sewer services and the amount of sewer charges for each parcel for FY 2015-16 as required by the California Health and Safety Code Section 5473, Et seq., pertaining to collection of sewer charges on the tax roll. (Engineering/Public Works)  
**RECOMMENDATION:** Hold Public Hearing to consider the National City 2015/2016 Tax Roll Sewer Service Fees Report.  
**TESTIMONY:** None.  
**ACTION:** Motion by Rios, seconded by Cano, to close the Public Hearing. Carried by unanimous vote.

Item No. 28 was taken up next.

**NON CONSENT RESOLUTIONS**

**SEWER CAPACITY / FEES ADMIN (906-1-4)**

28. Resolution No. 2015-99. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE NATIONAL CITY 2015/2016 TAX ROLL SEWER SERVICE FEES REPORT, WHICH IDENTIFIES BY PARCEL NUMBER, EACH PARCEL OF REAL PROPERTY RECEIVING SEWER SERVICES AND THE AMOUNT OF SEWER CHARGES FOR EACH PARCEL FOR FY 2015-16 AS REQUIRED BY THE CALIFORNIA HEALTH AND SAFETY CODE SECTION 5473, ET SEQ., PERTAINING TO COLLECTION OF SEWER CHARGES ON THE TAX ROLL. (Engineering/Public Works)  
**RECOMMENDATION:** Approve the National City 2015/2016 Tax Roll Sewer Fees Report.  
**TESTIMONY:** None.  
**ACTION:** Motion by Rios, seconded by Cano, to adopt the Resolution. Carried by unanimous vote.

**ORDINANCES FOR ADOPTION**

**MUNICIPAL CODE 2015 (506-2-30)**

25. Ordinance No. 2015-2402. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AMENDING THE NATIONAL CITY MUNICIPAL CODE BY AMENDING SECTIONS 15.70.010, 15.70.020, 15.70.025, 15.70.065, 15.70.075, AND 15.70.140 OF CHAPTER 15.70 (GRADING). (Engineering/Public Works)

**RECOMMENDATION:** Adopt the Ordinance.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to adopt the Ordinance. Carried by unanimous vote.

**MUNICIPAL CODE 2015 (506-2-30)**

26. Ordinance No. 2015-2403. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AMENDING TITLE 14, CHAPTER 14.22, STORM WATER MANAGEMENT AND DISCHARGE CONTROL OF THE NATIONAL CITY MUNICIPAL CODE. (Engineering/Public Works)

**RECOMMENDATION:** Adopt the Ordinance.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to adopt the Ordinance. Carried by unanimous vote.

**MUNICIPAL CODE 2015 (506-2-30)**

27. Ordinance No. 2015-2404. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AMENDING CHAPTER 6.04 OF THE NATIONAL CITY MUNICIPAL CODE BY ADDING NEW SECTION 6.04.210 REQUIRING BUSINESSES TO PARTICIPATE IN THE FREE RESOURCE AND ENERGY BUSINESS EVALUATION (FREBE) PROGRAM. (Planning)

**RECOMMENDATION:** Adopt the Ordinance.

**TESTIMONY:** None.

**ACTION:** Motion by Rios, seconded by Cano, to adopt the Ordinance. Carried by unanimous vote.

## NON CONSENT RESOLUTIONS

### SEWER CAPACITY / FEES ADMIN (906-1-4)

28. Resolution No. 2015-99. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE NATIONAL CITY 2015/2016 TAX ROLL SEWER SERVICE FEES REPORT, WHICH IDENTIFIES BY PARCEL NUMBER, EACH PARCEL OF REAL PROPERTY RECEIVING SEWER SERVICES AND THE AMOUNT OF SEWER CHARGES FOR EACH PARCEL FOR FY 2015-16 AS REQUIRED BY THE CALIFORNIA HEALTH AND SAFETY CODE SECTION 5473, ET SEQ., PERTAINING TO COLLECTION OF SEWER CHARGES ON THE TAX ROLL. (Engineering/Public Works)

**ACTION:** Take up earlier. See above.

### BUDGET FY 2015-2016 (206-1-31)

29. Resolution No. 2015-100. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ADOPTING A BUDGET FOR FISCAL YEAR 2016. (Finance)

**RECOMMENDATION:** Accept staff's recommendation, adopting the City of National City Fiscal Year 2016 Proposed Budget as presented.

**TESTIMONY:** Dukie Valderrama, Port Commissioner, encouraged the Council to not shortchange the legal department and to move forward with the budget as recommended by staff including an additional ½ position in the City Attorney's office.

**ACTION:** Motion by Cano, to approve the budget with the exception that we keep the part-time attorney position part-time and come back at mid-year and look at the position again.

Member Mendivil requested clarification from the maker of the motion, on when the item could be brought back for consideration.

Member Cano clarified that we can bring it back when we see that it is necessary to bring it back again.

Mayor Morrison inquired "in other words it could be brought back at any time?"

Member Cano indicated that was correct.

Mayor Morrison said that the ideal would be that it come back when staff feels it is appropriate.

Following clarification the motion by Cano was seconded by Mendivil, to approve the budget with the exception that we keep the part-time attorney position part-time and we look at the position again when staff feels it is appropriate to bring it back.

Motion carried by the following vote, to wit: Ayes: Cano, Mendivil, Morrison. Nays: Rios, Sotelo-Solis. Abstain: None. Absent: None.

**NON CONSENT RESOLUTIONS (cont.)**

**FINANCIAL MANAGEMENT 2015-2016 (204-1-31)**

30. Resolution No. 2015-101. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY RATIFYING A REFUND OF \$111,689 TO THE HOUSING CHOICE VOUCHER PROGRAM FROM THE FACILITIES MAINTENANCE FUND FOR OVERPAYMENTS OF BUILDING SERVICES CHARGES MADE DURING FISCAL YEARS 2013 AND 2014 AND AUTHORIZING CORRESPONDING INCREASES IN THE FACILITIES MAINTENANCE FUND APPROPRIATION AND HOUSING CHOICE VOUCHER FUND REVENUE BUDGET. (Finance)

**RECOMMENDATION:** Adopt the Resolution.

**TESTIMONY:** None.

**ACTION:** Motion by Cano, seconded by Morrison, to adopt the Resolution. Carried by unanimous vote.

**CONTRACT (C2012-8)**

31. Resolution No. 2015-102. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE MAYOR TO EXECUTE A 5 YEAR LEASE, WITH TWO OPTIONS TO EXTEND 5 YEARS FOR UP TO 15 YEARS, WITH A REASON TO SURVIVE (ARTS) TO PROVIDE ARTS, CULTURE AND EDUCATION AT THE PROPERTY IDENTIFIED AS THE BUILDINGS LOCATED AT 200 EAST 12TH STREET AND THE SECOND FLOOR OF 148 EAST 12TH STREET IN NATIONAL CITY. THE LEASE GENERATES \$50,000 PER YEAR IN REVENUE FROM RENT. (Community Services)

**RECOMMENDATION:** Staff recommend approval of the least with ARTS.

**TESTIMONY:** None.

**ACTION:** Motion by Cano, seconded by Mendivil, to adopt the Resolution. Carried by unanimous vote.

**CONTRACT (C2015-22)**

32. Resolution No. 2015-103. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE MAYOR TO EXECUTE A DURABLE RIGHT OF ENTRY PERMIT WITH SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS) AND SAN DIEGO AND ARIZONA EASTERN RAILWAY COMPANY (SD&AE) FOR THE MAINTENANCE AND REMOVAL OF GRAFFITI. (Neighborhood Services)

**RECOMMENDATION:** Adopt the Resolution authorizing the Mayor to execute the Permit.

**TESTIMONY:** None.

**ACTION:** Motion by Rios, seconded by Cano, to adopt the Resolution. Carried by unanimous vote.

**NEW BUSINESS**

**SUBDIVISIONS / VARIANCES 2015 (415-1-11)**

33. Notice of Decision – Planning Commission approval of a Zone Variance for a reduced rear yard setback related to a residential addition at 1624 Lanoitan Avenue. (Applicant: Silvia Sotelo) (Case File 2015-11 Z) (Planning)

**RECOMMENDATION:** Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**TESTIMONY:** None.

**ACTION:** Motion by Cano, seconded by Mendivil, to file the Notice of Decision. Carried by unanimous vote.

**CONDITIONAL USE PERMITS 2015 (403-30-1)**

34. Notice of Decision – Planning Commission approval of a Conditional Use Permit for a County of San Diego Health & Human Services and Child Support Services office to be located at 401 Mile of Cars Way. (Applicant: County of San Diego) (Case File 2015-10 CUP) (Planning)

**RECOMMENDATION:** Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**TESTIMONY:** None.

**ACTION:** Motion by Rios, seconded by Cano, to file the Notice of Decision. Carried by unanimous vote.

**CONDITIONAL USE PERMITS 2015 (403-30-1)**

35. Notice of Decision – Planning Commission denial of a Conditional Use Permit for a senior boarding house to be located at 313 S. Kenton Avenue. (Applicant: Jose R. Perez) (Case File 2015-03 CUP) (Planning)

**RECOMMENDATION:** Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**TESTIMONY:** None.

**ACTION:** Motion by Cano, seconded by Mendivil, to file the Notice of Decision. Carried by unanimous vote.

**CONDITIONAL USE PERMITS 2015 (403-30-1)**

36. Notice of Decision – Planning Commission approval of a Conditional Use Permit for a drive-through fast food restaurant to be located adjacent to 401 Mile of Cars Way. (Applicant: Rodger Baker) (Case File 2015-01 CUP) (Planning)

**RECOMMENDATION:** Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, seconded by Rios, to set for Public Hearing on August 18, 2015. Carried by unanimous vote.

**NEW BUSINESS (cont.)**

**TEMPORARY USE PERMITS 2015 (203-1-31)**

37. Temporary Use Permit – The Green Education Foundation collection station at Westfield Plaza Bonita, 3030 Plaza Bonita Road from June 17, 2015 thru June 17, 2016 with no waiver of fees. (Neighborhood Services)  
**RECOMMENDATION:** Approve the Application for a Temporary Use Permit with no waiver of fees subject to compliance with all conditions of approval.

**TESTIMONY:** None.

**ACTION:** Motion by Cano, seconded by Mendivil, to approve staff recommendation. Carried by the following vote, to wit: Ayes: Cano, Mendivil, Morrison, Rios. Nays: Sotelo-Solis. Abstain: None. Absent: None.

**TEMPORARY USE PERMITS 2015 (203-1-31)**

38. Temporary Use Permit – This is a reconsideration request of the 24th Annual Automobile Heritage Day Car Show & Festival hosted by the National City Chamber of Commerce at Kimball Park on August 8, 2015 from 9 a.m. to 3 p.m. to have the inflatable jumpers approved. This is a National City Co-Sponsored event per City Council Policy No. 804. (Neighborhood Services)

**RECOMMENDATION:** Staff recommends denial based on current departmental policies.

**TESTIMONY:** Brian Clapper, National City, appeared on behalf of the applicant and spoke in favor.

**ACTION:** Motion by Rios, seconded by Sotelo-Solis, to approve the reconsideration request. Motion failed by the following vote, to wit: Ayes: Rios, Sotelo-Solis. Nays: Cano, Mendivil, Morrison. Abstain: None. Absent: None.

**TEMPORARY USE PERMITS 2015 (203-1-31)**

39. Temporary Use Permit – National City Lions Club to host the 7th Annual Old Town National City Reunion at Casa De Salud on September 26, 2015 from 11 a.m. to 5:30 p.m. (Neighborhood Services)

**RECOMMENDATION:** Approve the Application for a Temporary Use Permit subject to compliance with all conditions of approval with no waiver of fees.

**TESTIMONY:** Dukie Valderamma, National City, requested a waiver of \$1,000 in City fees.

**ACTION:** Motion by Cano, seconded by Sotelo-Solis, to approve the Application for a Temporary Use Permit with a waiver of \$1,000.00. Carried by unanimous vote.



**NEW BUSINESS (cont.)**

**MARTIN LUTHER KING JR. COMMUNITY CENTER (1101-5-1)**

40. Request to use the Martin Luther King Jr. Community Center (North and South Rooms, and Kitchen) by National City Chamber of Commerce for the annual "Salute to Navy" Luncheon on Thursday, October 8, 2015, from 8:00 am to 3:00 pm. This event is co-sponsored by the City. (Engineering/Public Works)

**RECOMMENDATION:** Approve the Facility Use Application with City Support of \$1,000.00.

**TESTIMONY:** None.

**ACTION:** Motion by Cano, seconded by Mendivil, to approve staff recommendation. Carried by unanimous vote.

**CASA DE SALUD ADMIN (702-9-1)**

41. Request to use Casa de Salud Recreation Center by National City Lions Club to hold the 7th Annual Old Town National City Reunion on Saturday, September 26, 2015 from 8:00 a.m. to 6:00 p.m. (Community Services).

**RECOMMENDATION:** Staff recommends approving the Facility Use Application with no waiver of fees.

**TESTIMONY:** None.

**ACTION:** Motion by Cano, seconded by Sotelo-Solis, to approve the request including the waiver of \$1,000 in fees as addressed in Item No. 39, above. Carried by unanimous vote.

Member Sotelo-Solis announced that, pending a ruling from the FPPC, she would recuse herself from consideration of Item No. 42 due to the fact that her husband is a Member of the Board of Trustees for the Sweetwater Union High School District.

Member Sotelo-Solis left the Chamber at 8:29 p.m.

**LAS PALMAS PARK ADMIN (702-3-1)**

42. Report on Las Palmas Pool operations and options; seeking authorization for City staff to begin negotiations with MediFit Community Services, LLC (MediFit) for a Maintenance and Operating Agreement for Las Palmas Pool for a term of two years. Options include: 1) Approve staff recommendation and authorize City staff to begin negotiations with MediFit, or 2) City operates Las Palmas Pool and City Council directs staff to begin recruitment for aquatic staff, or 3) Las Palmas Pool remains closed. (Community Services) Copy on file in the Office of the City Clerk.

**RECOMMENDATION:** Staff recommend authorizing City staff to begin negotiations with MediFit Community Services, LLC for a Maintenance and Operating Agreement for Las Palmas pool for a term of two years.

**NEW BUSINESS (cont.)**

**LAS PALMAS PARK ADMIN (702-3-1)**

42. Report on Las Palmas Pool operations and options (continued).

**TESTIMONY:** Eddie Perez, San Diego, spoke in support of the re-opening the pool.

**ACTION:** Motion by Rios, seconded by Cano, to approve Option #1. Carried by the following vote, to wit: Ayes: Cano, Mendivil, Morrison, Rios. Nays: None. Abstain: Sotelo-Solis. Absent: None.

Member Sotelo-Solis returned to the Chamber at 8:57 p.m.

**PLANNING & BUILDING DEPT ADMIN (1104-1-10)**

43. Green Industrial Auto Park (GIAP) Feasibility Study. (Planning)

**ACTION:** Taken up earlier. See above.

**HUMAN RESOURCES DEPT ADMIN (1104-1-2)**

44. Compensation and benefits survey of Mayor and City Councilmembers. (City Attorney & Human Resources)

**RECOMMENDATION:** File report.

**TESTIMONY:** None.

**ACTION:** Motion by Sotelo-Solis, seconded by Rios, to approve Option #1, to accept and file the Report. Motion failed by the following vote, to wit: Ayes: Rios, Sotelo-Solis. Nays: Cano, Mendivil, Morrison. Abstain: None. Absent: None.

Motion by Mendivil, seconded by Cano, to approve Option #2 – to direct staff to agendise compensation and/or benefits on a future agenda for discuss and come back before the end of the calendar year. Carried by the following vote, to wit: Ayes: Cano, Mendivil, Morrison. Nays: Rios, Sotelo-Solis. Abstain: None. Absent: None.

**NEIGHBORHOOD SERVICES DEPT ADMIN (1104-1-15)**

45. Report on Los Angeles Dream Center and possible tour of facility for Wednesday July 22, 2015. (Neighborhood Services)

**RECOMMENDATION:** Request Council direction.

**TESTIMONY:** None.

Motion by Cano, seconded by Mendivil, to move forward with a tour. Carried by the following vote, to wit: Ayes: Cano, Mendivil, Morrison. Nays: Rios, Sotelo-Solis. Abstain: None. Absent: None.

**COMMUNITY DEVELOPMENT COMMISSION –**  
**HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**CONSENT RESOLUTIONS – HOUSING AUTHORITY**

**BUDGET FY 2015-2016 (206-1-31)**

**HOUSING AUTHORITY 2015 (404-1-4)**

46. Resolution No. 2015-31. RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY ADOPTING THE MORGAN TOWER AND KIMBALL TOWER BUDGETS FOR FISCAL YEAR 2015-2016 THAT INCLUDES A \$15 A MONTH PER UNIT INCREASE TO THE TOTAL RENT PAYMENT RECEIVED FOR KIMBALL TOWER, FROM \$610 TO \$625 A MONTH, AND AN \$8 A MONTH PER UNIT INCREASE TO THE TOTAL RENT PAYMENT RECEIVED FOR MORGAN TOWER, FROM \$698 TO \$706 A MONTH, WITHOUT INCREASING THE TENANT'S SHARE OF THE RENTAL PAYMENT FOR U.S. DEPARTMENT OF HUD ASSISTED UNITS FOR FISCAL YEAR 2015-2016. (Housing, Grants, and Asset Management)

**ACTION:** Motion by Sotelo-Solis, seconded by Cano, to adopt the Resolution. Carried by unanimous vote.

**STAFF REPORTS**

**CITY MANAGER / REPORTS ADMIN (1104-1-12)**

47. Update on Bayshore Bikeway. (City Manager)  
Executive Director Brad Raulston gave a PowerPoint presentation on the meeting of the Port District Board on the Bayshore Bikeway in National City.
- 47a. City Engineer Steve Manganiello reported that the City has been awarded grants totaling \$4.2 million from SANDAG for the Smart Growth Incentive Program (\$3.1) and Active Transportation Grant Program (\$1.1). National City received 25% of the countywide total available for Smart Growth and 35% of the total for Active Transportation. Mr. Manganiello attributed the City's success to all the long range planning efforts the City has complete over the years, the participation of community, residents, schools and non-profits, great work and leadership provided by the Mayor, Council, City Manager Deese, Brad Raulston, Assistant Director Kuna Muthusamy, Planners Reeder and Pe and many other staff members working together.
- 47b. Finance Director Mark Roberts announced the City has been awarded The Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the City's 2014 CAFER.

## STAFF REPORTS (cont.)

47c. City Manager Leslie Deese introduced Connie Huynh who will be participating in a Fellowship program with the City and Stanford University.

## MAYOR AND CITY COUNCIL

Member Mendivil encouraged everyone to find the goodness in each other, said he has respect for all of his colleagues and was very pleased about the upcoming movie in the Park titled 'McFarland USA'.

Member Sotelo-Solis thanked staff for a fantastic job, was pleased with our success leveraging our money with grants, spoke about the Sweetwater High Graduation and Student Council Representative Isaac Maidonado and said she also respects her colleagues and spirited debate on issues.

Member Rios said she, too, believes it is important to respect each other, thanked the staff for all their work and making the Council look good and extended a welcome to Stanford University Fellow Connie Huynh.

Vice Mayor Cano thanked the staff and said they make his job easier out in the community especially with the business people and constituents. Member Cano announced that his son graduated with honors and has been accepted at the Naval SEALS Academy.

## CLOSED SESSION REPORT

City Attorney Claudia Silva reported that the Council met in Closed Session on five items. The one item being reported out is the case of *City of National and CDC v. Rosenow Spevacek Group (RSG)*. The City Council has previously authorized a settlement agreement on certain terms and conditions being receipt of \$1.8 million from RSG. The authority has already been given and conferred by a unanimous vote from a prior Council action. (See attached Exhibit 'L')

## ADJOURNMENT

Motion by Sotelo-Solis, seconded by Cano, to dispense with the Regular Meetings of July 7 and July 21 and to adjourn the meeting to the an Adjourned Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City to be held Tuesday, August 4, 2015 at 6:00 p.m. at the Council Chambers, National City, California. Carried by unanimous vote.

The meeting closed at 10:45 p.m.

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City Clerk

The foregoing minutes were approved at the Adjourned Regular Meeting of August 4, 2015.

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Mayor

**2015 City Council Summer Legislative Recess**

- July 07 City Council Meeting – Suspended
- July 21 City Council and Parking Authority Meeting – Suspended

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The Adjourned Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City on Tuesday, August 4, 2015 is scheduled to be held at 5:00 p.m. pending approval of the City Council to accommodate "National Night Out."

EXHIBIT 'L'



**AGENDA OF A SPECIAL MEETING**

**CITY COUNCIL OF THE CITY OF NATIONAL CITY  
AND  
SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT  
COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY**

**Main Conference Room  
Civic Center  
1243 National City Boulevard  
National City, California**

**Special Meeting – Tuesday, June 16, 2015 – 5:00 p.m.**

**ROLL CALL**

**CLOSED SESSION**

**CITY COUNCIL**

1. Conference with Labor Negotiators – Government Code Section 54957.6  
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Mark Roberts, and Tim Davis  
Employee Organization: Police Officers' Association
2. Conference with Labor Negotiators – Government Code Section 54957.6  
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Mark Roberts, and Tim Davis  
Employee Organization: Fire Fighters' Association
3. Conference with Labor Negotiators – Government Code Section 54957.6  
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Tim Davis, and Mark Roberts  
Employee Organization: Municipal Employees' Association
4. Conference with Labor Negotiators – Government Code Section 54957.6  
Agency Designated Representatives: Stacey Stevenson  
Employee Organization: Confidential Group

**CLOSED SESSION (cont.)**

**CITY COUNCIL**

5. Conference with Legal Counsel – Existing Litigation  
Government Code Section 54956.9(a)  
*City of National City and CDC v. Rosenow Spevacek Group*  
Arbitration Matter

**SUCCESSOR AGENCY**

6. Conference with Legal Counsel – Existing Litigation  
Government Code Section 54956.9(a)  
*City of National City and CDC v. Rosenow Spevacek Group*  
Arbitration Matter

**ADJOURNMENT**

Next Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City and Successor Agency to the Community Development Commission as the National City Redevelopment Agency will be held Tuesday, June 16, 2015, 6:00 p.m., Council Chambers, Civic Center

DRAFT      DRAFT      DRAFT

**MINUTES OF THE ADJOURNED REGULAR MEETING OF THE  
CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION  
– HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**FISCAL YEAR 2016 BUDGET & STRATEGIC PLANNING WORKSHOP  
AND CLOSED SESSION**

**April 28, 2015**

The Adjourned Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City was called to order at 5:06 p.m. by Mayor / Chairman Ron Morrison.

**ROLL CALL**

Council / Board members present: Cano, Mendivil, Morrison, Rios, Sotelo-Solis.  
Administrative Officials present: Dalla, Deese, Duong, Manganiello, Muthusamy, Parra, Raulston, Roberts, Rodriguez, Silva, Stevenson, Vergara, Ybarra.

**PLEDGE OF ALLEGIANCE TO THE FLAG BY MAYOR RON MORRISON**

**OPEN SESSION**

**FISCAL YEAR 2016 BUDGET & STRATEGIC PLANNING WORKSHOP**

1. City Manager Leslie Deese presented opening remarks and an Overview of the FY 2015 Preliminary Budget Workshop, reviewed the planned agenda and introduced individual staff members Stacey Stevenson, Brad Raulston, Mark Roberts. Ed Prendell and Steve Manganiello made individual presentations on the below listed topics and responded to questions.  
**Note:** All presentation materials are attached as Exhibit "A"
2. Fiscal Year 2016 Preliminary Budget Update
  - a. General Fund Budget Summary
  - b. Total Operating Budget Summary
  - c. Significant Budgetary Impacts
  - d. Proposed Changes & Impacts
  - e. Capital Improvement Program



**FISCAL YEAR 2016 BUDGET & STRATEGIC PLANNING WORKSHOP (cont.)**

3. Future Impacts & Next Steps
4. Proposed 2015-2020 National City Strategic Plan
5. Public Comment

Mark Claussen, representing Southwestern College spoke about the possible use of Las Palmas Pool by the College and responded to questions.

Maria Villanueva, National City, urged the City Council to continue with amortization.

Adriana Medina, National City, spoke in favor of funding for recreation programs.

Carolina Martinez, representing the Environmental Health Coalition (EHC) reported that the feasibility study for the Industrial Park will be presented on May 19<sup>th</sup> and urged the City Council to consider making a commitment to its construction.

Michelle Krug requested that the City adjust the timing of traffic signals to assist pedestrians.

6. City Council Comments and Direction

Member Sotelo-Solis supports the proposed budget revisions, moving forward with the pool and consideration of additional staffing for Casa Salud. She also supports improving crosswalk access, moving forward with community gardens, asking Board and Commission members to provide their ideas on programs and projects and collaborating with the Chamber of Commerce.

Member Mendivil thanked the staff for their presentation and briefing, believes the City has done a great job with securing grants, thinks the pool is an important asset, supports the street sweeper but wants to look at ways to deal with parked cars.

Member Rios thanked staff, believed the proposed personnel changes are warranted, complimented the Engineering Department and supports their merger with Pubic Works. Improving public access to meetings with television, making the permit process easier and continuing amortization efforts are Strategic Plan items she supports.

**FISCAL YEAR 2016 BUDGET & STRATEGIC PLANNING WORKSHOP (cont.)**

6. City Council Comments and Direction (continued).

Member Cano said he supports funding for staff training and promoting from within.

Mayor Morrison said he would like to see more analysis and justification for the proposed new positions in the budget, supports televising meetings and cautioned about the viability of community gardens in light of the current drought.

Members retired into Closed Session at 7:36 p.m.

**CLOSED SESSION – Closed Session in the Large Conference Room**

**CITY COUNCIL**

1. Conference with Labor Negotiators – Government Code Section 54957.6  
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Mark Roberts, and Tim Davis  
Employee Organization: Police Officers' Association
2. Conference with Labor Negotiators – Government Code Section 54957.6  
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Frank Parra, Mark Roberts, and Tim Davis  
Employee Organization: Fire Fighters' Association
3. Conference with Labor Negotiators – Government Code Section 54957.6  
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Tim Davis, Mark Roberts and Lauren Maxilom  
Employee Organization: Municipal Employees' Association
4. Conference with Labor Negotiators – Government Code Section 54957.6  
Agency Designated Representatives: Stacey Stevenson  
Employee Organization: Confidential Group

**OPEN SESSION – Reconvene in Council Chambers**

The meeting reconvened at 8:51 p.m.  
All members were present.

**CLOSED SESSION REPORT**

City Attorney Claudia Silva reported that there was nothing to report from the Closed Session.

**ADJOURNMENT**

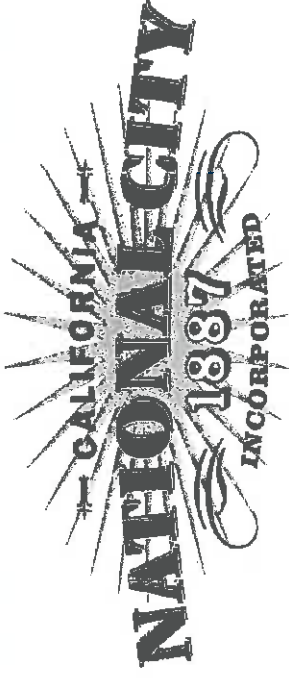
Motion by Mendivil, seconded by Sotelo-Solis, to adjourn the meeting to the next Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City to be held Tuesday, May 5, 2015 at 6:00 p.m. at the Council Chambers, National City, California. Carried by unanimous vote.

The meeting closed at 8:52 p.m.

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

The foregoing minutes were approved at the Adjourned Regular Meeting of August 4, 2015.

\_\_\_\_\_  
Mayor



# PRELIMINARY BUDGET

## Fiscal Year 2016

April 28, 2015



# City Manager Comments

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**Leslie Deese**  
**City Manager**



**Mark Roberts**  
**Director of Finance**

**Ed Prendell**  
**Budget Analyst**



# Strategic Plan Objective 2a

---

## 2. Achieve Fiscal Sustainability

- a) Prepare effective budget, accurately forecast funding sources . . .



# Preliminary General Fund Summary

## Fiscal Year 2016

---

Operating Budget (excluding CIP's)	
Estimated Revenues	\$45,845,540
<u>Operating Expenditures*</u>	<u>\$45,220,355</u>
Operating Surplus/(Deficit)	\$ 625,185

\* includes transfers out (\$2,020,632)





# Preliminary General Fund Summary

## Fiscal Year 2016

---

Total Budget (including CIP's)	
Estimated Revenues	\$45,845,540
Operating Expenditures*	\$45,220,355
<u>Capital Improvements</u>	<u>\$ 2,050,000</u>
Estimated Use of Fund Balance	(\$1,424,814)

\* includes transfers out (\$2,020,632)



# Projected Changes in Fund Balance FY 15 -- FY 16

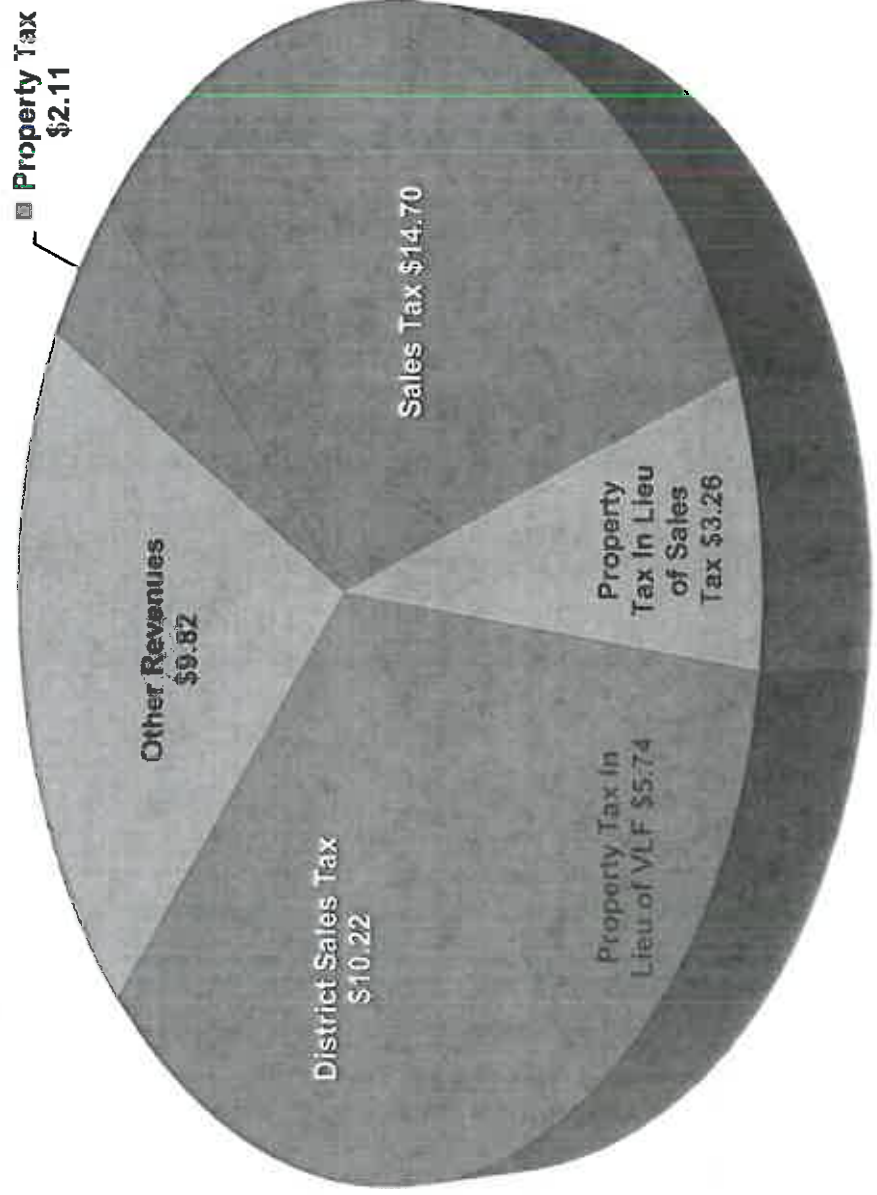
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Unassigned Fund Bal., 6/30/14	\$ 7,797,176
Mid-Yr Estimated FY15 Change	(1,421,070)
<u>Recomm. FY15 CIP Changes</u>	<u>998,736</u>
Est. Unassigned FB, 6/30/15	\$ 7,374,842
<u>Est. FY 16 Use of Fund Bal.</u>	<u>(1,424,814)</u>
Est. Unassigned FB, 6/30/16	\$ 5,950,028



# General Fund Revenues Fiscal Year 2016

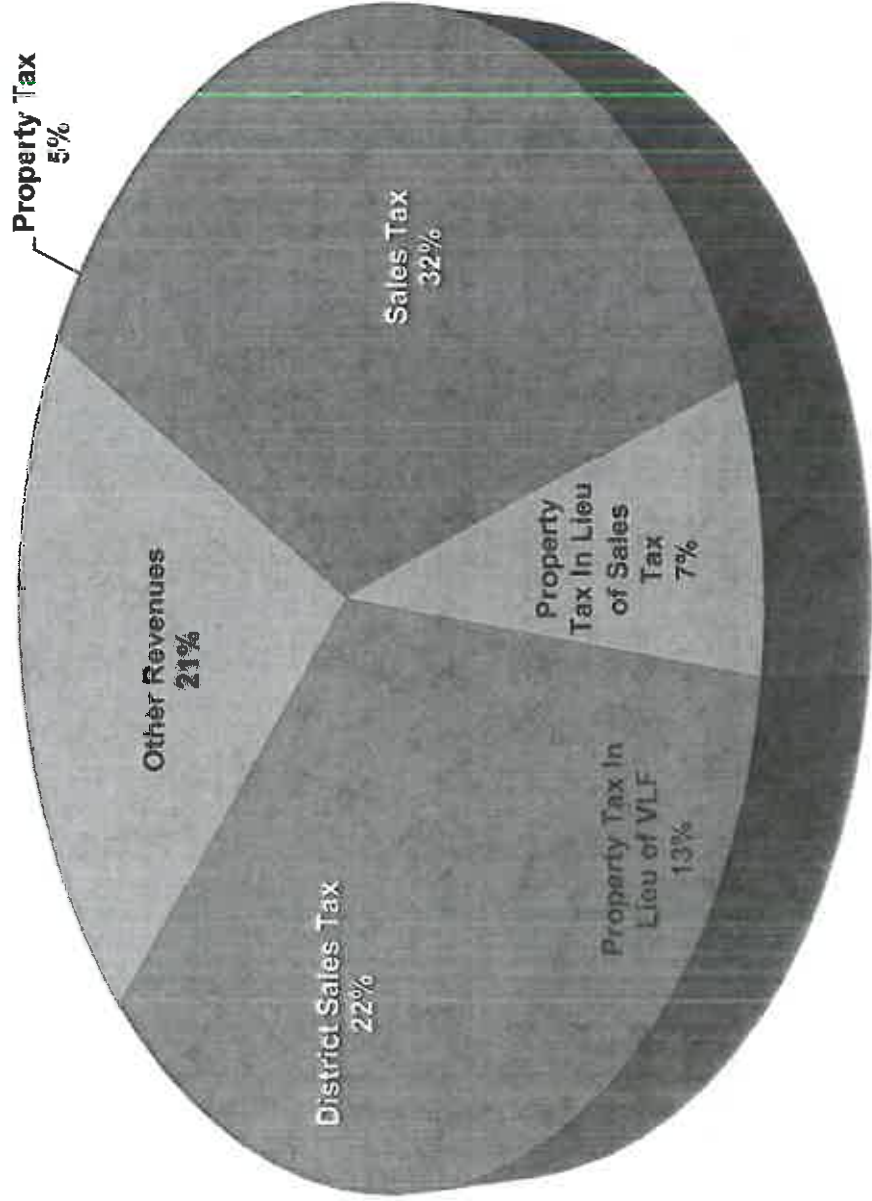
Estimated Revenues - \$45.86M

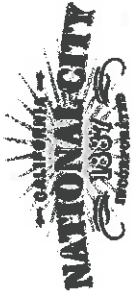


# General Fund Revenues Fiscal Year 2016



Estimated Revenues - \$45.86M



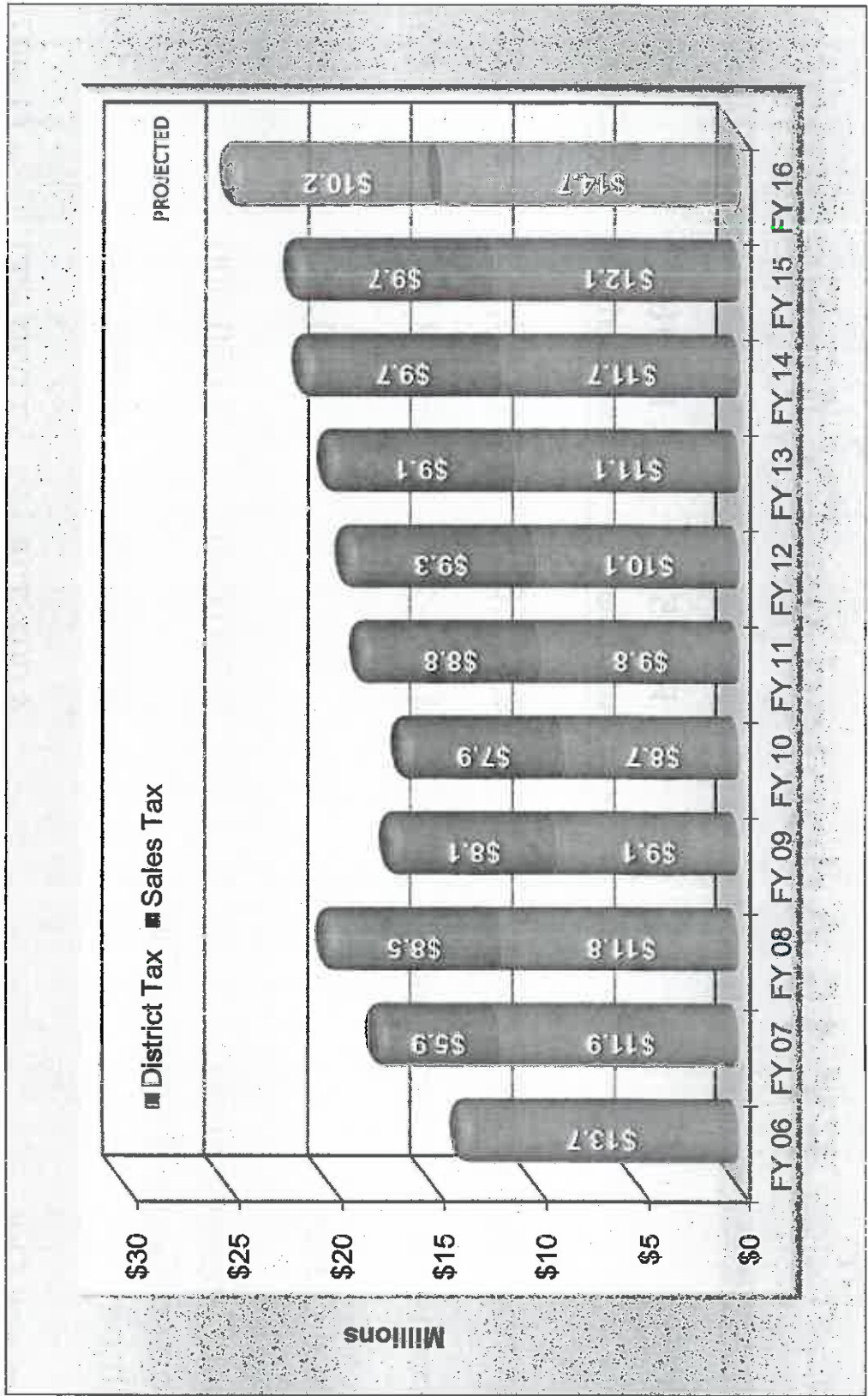


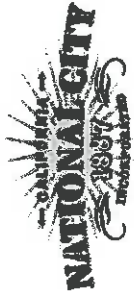
# General Fund Revenues

## FY 15 Adopted vs FY 16 Estimated

	FY 15 Adopted	FY 16 Estimated	Change
Sales Tax	\$ 12,126,248	\$ 14,703,370	\$ 2,577,122
Proposition D / District Tax	9,732,000	10,216,000	484,000
Property Tax	2,073,402	2,114,005	40,603
Property Tax in Lieu of VLF	5,503,185	5,736,819	233,634
Property Tax in Lieu of Sales Tax	4,213,491	3,255,629	(957,862)
Other Revenue	9,441,138	9,819,717	378,579
<b>Total</b>	<b>\$ 43,089,464</b>	<b>\$ 45,845,540</b>	<b>\$ 2,756,076</b>

# Bradley-Burns Sales Tax & District Sales Tax





# General Fund Expenditures

## FY 15 Adopted vs FY 16 Estimated

	FY 15 Adopted	FY 16 Estimated	Change
Personnel Services	\$ 29,017,885	\$ 31,045,373	\$ 2,027,488
Maintenance & Operations	4,691,255	5,328,596	637,341
Capital Outlay	481,750	130,147	(351,603)
Capital Improvements	2,600,000	2,050,000	(550,000)
Allocated Costs & Internal Svc. Charges	6,509,029	6,695,607	186,578
Transfers Out	4,007,728	2,020,632	(1,987,096)
<b>Total</b>	<b>\$ 47,307,647</b>	<b>\$ 47,270,355</b>	<b>\$ (37,292)</b>



# General Fund Transfers Out FY 15 Adopted vs FY 16 Estimated

From	To	Purpose	FY 16		FY 15		Change
			Preliminary		Preliminary		
General Fund	Library Fund	Operating Subsidy	\$ 1,018,432	\$	944,977	\$	73,455
General Fund	Parks Maintenance Fund	Operating Subsidy	440,693		353,719		86,974
General Fund	Nutrition Center Fund	Operating Subsidy	401,507		371,532		29,975
General Fund	Personnel Comp Fund	Retiree Health Benefits	160,000		125,000		35,000
General Fund	Vehicle Replacement Fund	Reserves	-		2,212,500		(2,212,500)

**Total (Net) General Fund Impact \$ 2,020,632 \$ 4,007,728 \$ (1,987,096)**





# Preliminary General Fund Summary Fiscal Year 2016

Fund Description	Personnel Services	Maintenance & Operations	Capital Outlay	Capital Improvement	Allocated Costs & Internal Svc Chrgs	Total Budget
401 CITY COUNCIL	\$289,497	\$38,666	-	-	\$124,994	\$453,157
402 CITY CLERK	217,539	41,500	-	-	52,624	311,663
403 CITY MANAGER	1,011,025	32,200	-	-	115,719	1,158,944
405 CITY ATTORNEY	667,329	139,600	-	-	62,739	869,668
409 NON-DEPARTMENTAL	-	857,304	-	2,050,000	-	2,907,304
410 CITY TREASURER	24,706	2,110	-	-	16,773	43,594
411 POLICE	16,868,318	1,768,400	52,754	-	3,078,955	21,768,427
412 FIRE	7,481,865	621,378	6,236	-	1,051,865	9,161,344
416 ENGINEERING & PUBLIC WORKS	938,752	1,204,335	5,626	-	942,110	3,090,823
417 ADMINISTRATIVE SERVICES *	1,704,138	286,570	35,000	-	378,226	2,403,934
418 COMMUNITY DEVELOPMENT **	1,666,506	282,578	30,531	-	863,388	2,843,003
419 HOUSING, GRANTS & ASSET MANAGEMENT	175,698	53,955	-	-	8,209	237,862
<b>GENERAL FUND</b>	<b>\$31,045,373</b>	<b>\$5,328,596</b>	<b>\$130,147</b>	<b>\$2,050,000</b>	<b>\$6,695,607</b>	<b>\$45,249,723</b>

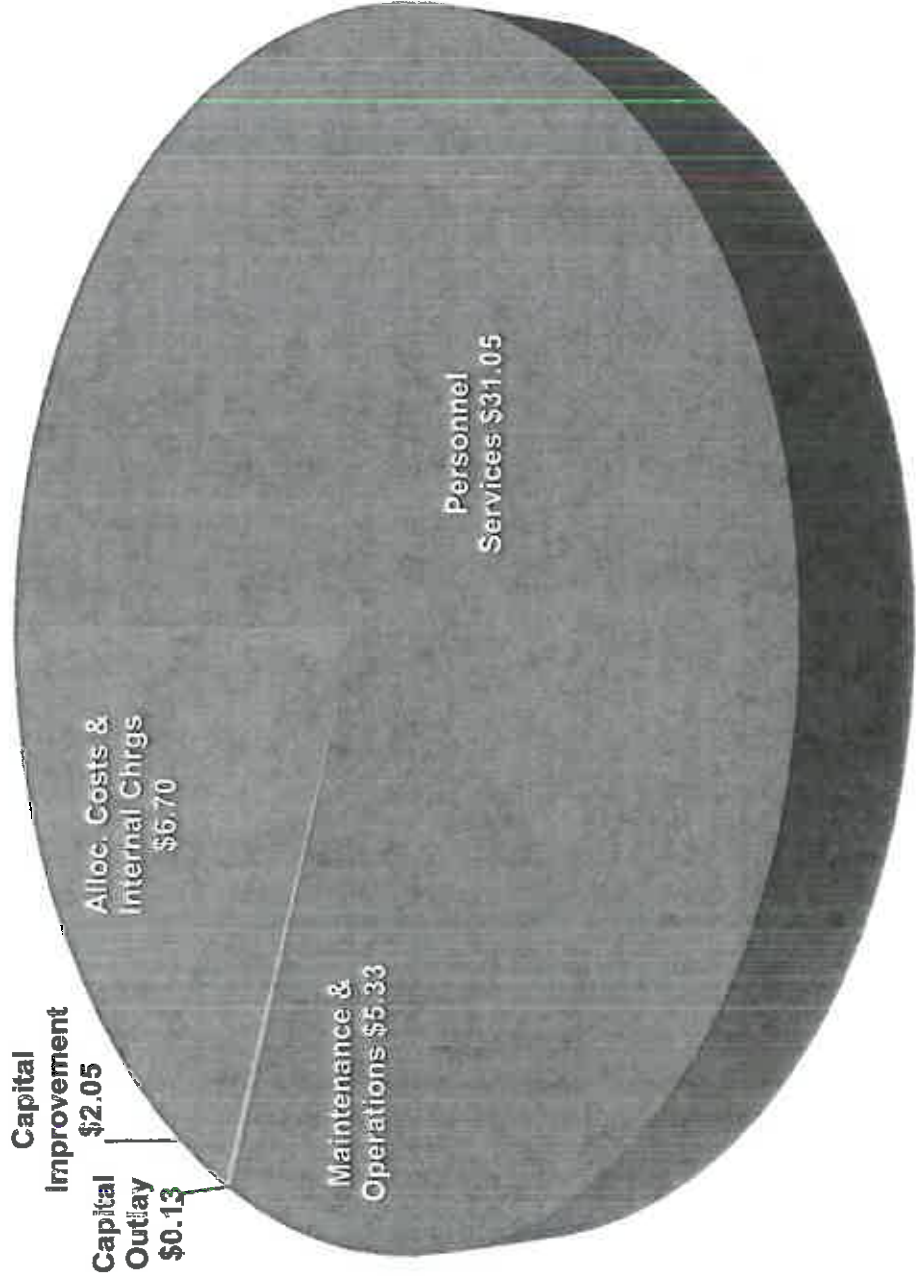
\* Administrative Services: Finance, Human Resources, Risk Management

\*\* Community Development: Community Services, Neighborhood Services, and Planning



# General Fund Expenditures Fiscal Year 2016

## Estimated Expenditures by Category - \$45.25M\*

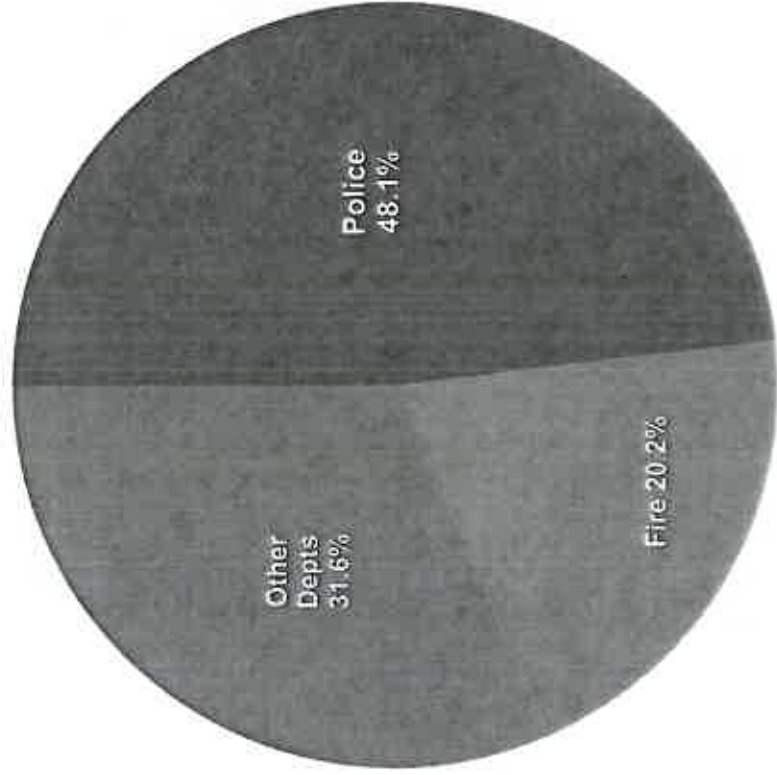


\* Does not include Transfers Out.

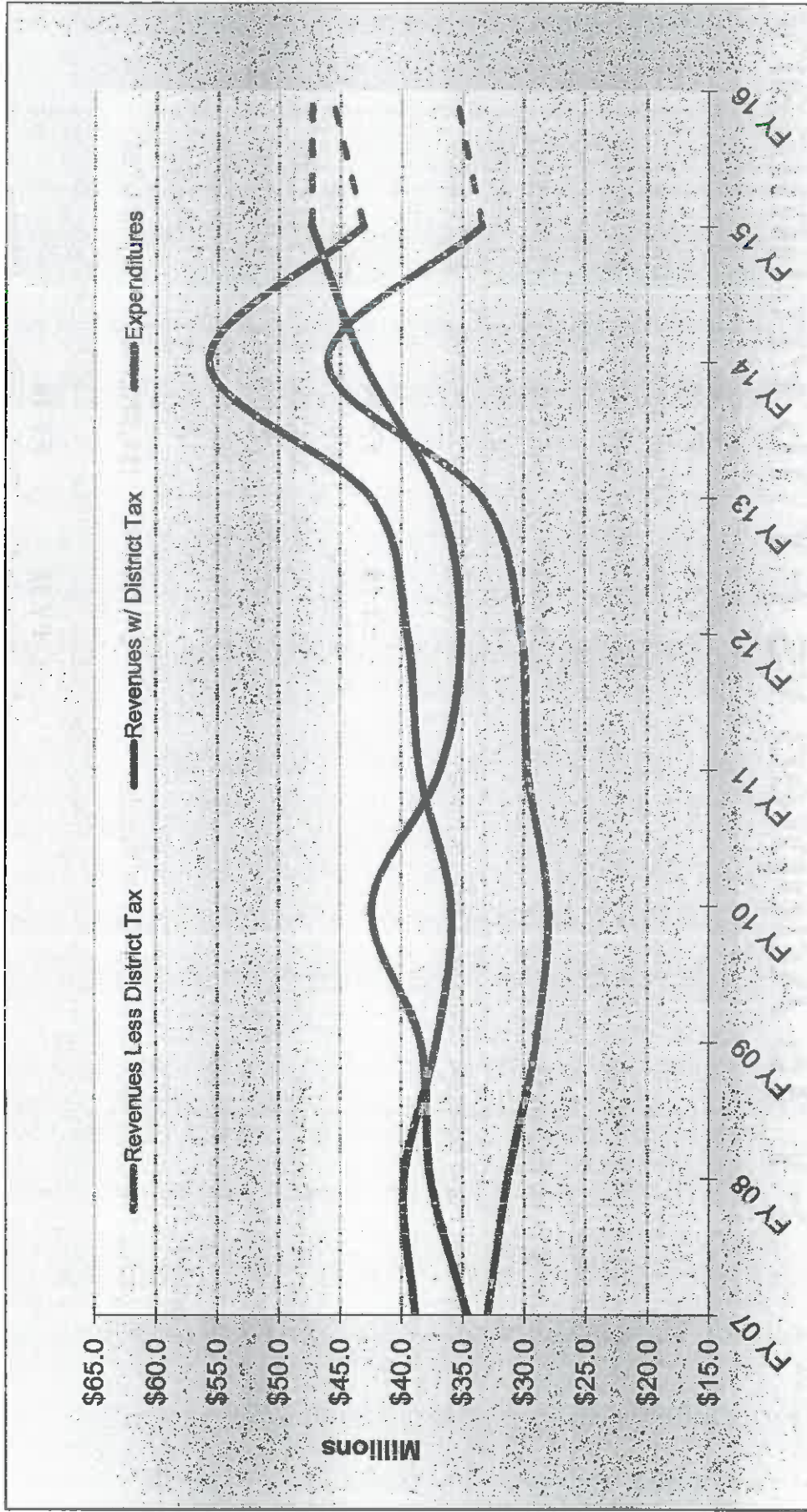


# General Fund Expenditures by Department – FY16

- Police
- Fire
- Other Depts
  - City Council
  - City Clerk
  - City Treasurer
  - City Manager
  - City Attorney
  - Administrative Services
  - Community Development
  - Engineering / Public Works
  - Housing, Grants, & Asset Management
  - Non-Departmental



# General Fund Revenue & Expenditure Forecast



includes transfers out (no transfers-in)



# Total Operating Budget FY 15 Adopted vs FY 16 Preliminary

	FY 15 Adopted	FY 16 Preliminary	Change
General Fund Revenues	\$43,089,464	\$45,845,540	\$2,756,076
Transfers In	0	0	0
General Fund Expenditures	(43,299,919)	(45,249,723)	(1,949,804)
Transfers Out	(4,007,728)	(2,020,632)	1,987,096
<b>Projected Fund Balance Change - General Fund</b>	<b>(\$4,218,183)</b>	<b>(\$1,424,814)</b>	<b>\$2,793,369</b>

	FY 15 Adopted	FY 16 Preliminary	Change
Other Fund Revenues	\$35,192,635	\$34,650,187	\$272,302
Transfers In	4,007,728	2,970,632	(159,966)
Other Fund Expenditures	(37,441,591)	(38,642,878)	1,222,808
Transfers Out	0	(950,000)	459,609

Projected Fund Balance Change - Other Funds **\$1,758,772 (\$1,972,059) \$1,794,753**

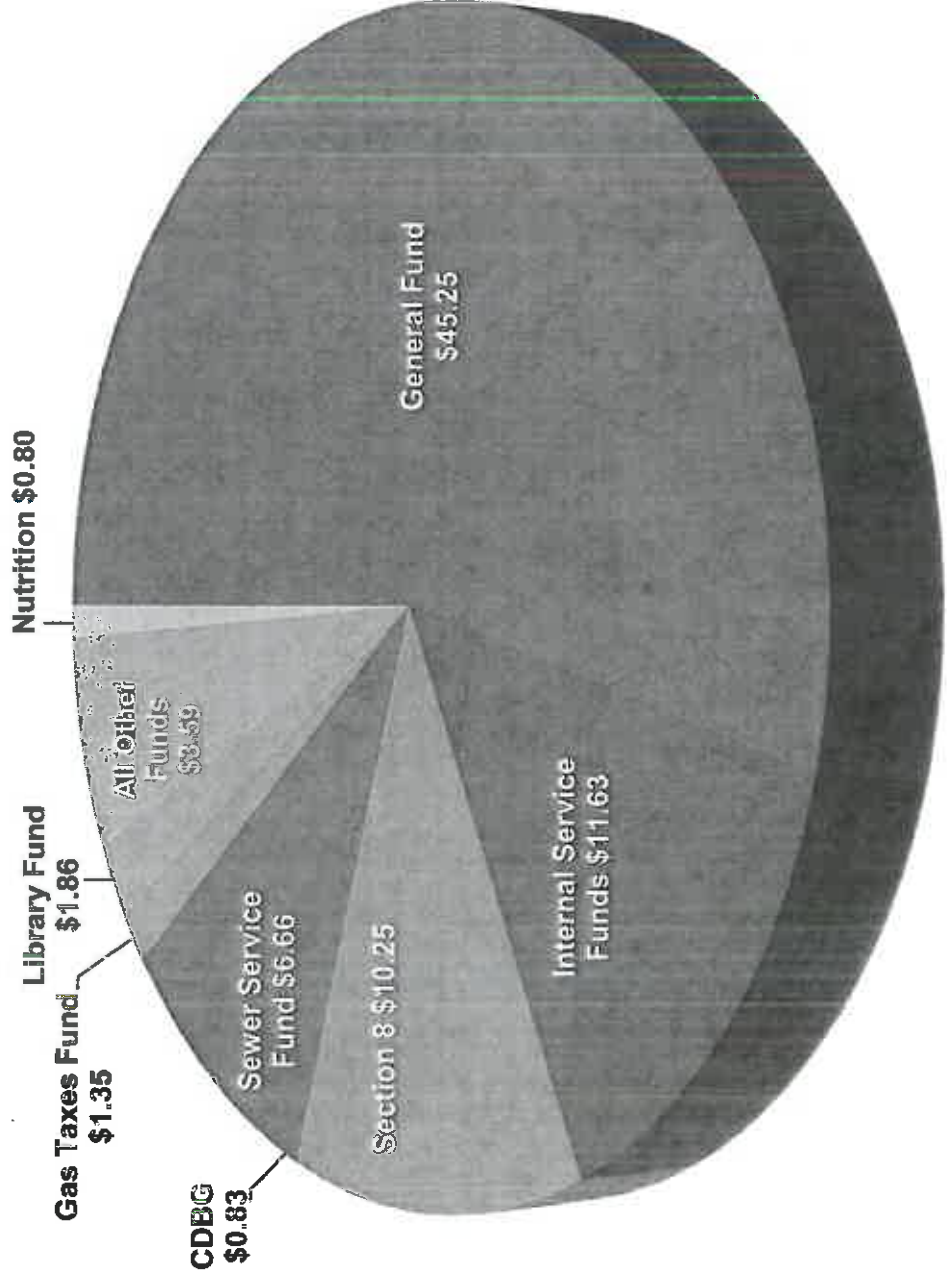
	FY 15 Adopted	FY 16 Preliminary	Change
All Revenues	\$78,282,099	\$80,495,727	\$2,213,628
All Expenditures	(80,741,510)	(83,892,601)	(3,151,091)
<b>Projected Fund Balance Change - All Funds</b>	<b>(\$2,459,411)</b>	<b>(\$3,396,874)</b>	<b>(\$937,463)</b>

Transfers In/Out for all funds equal (net) \$0

# Preliminary Total Budget Fiscal Year 2016



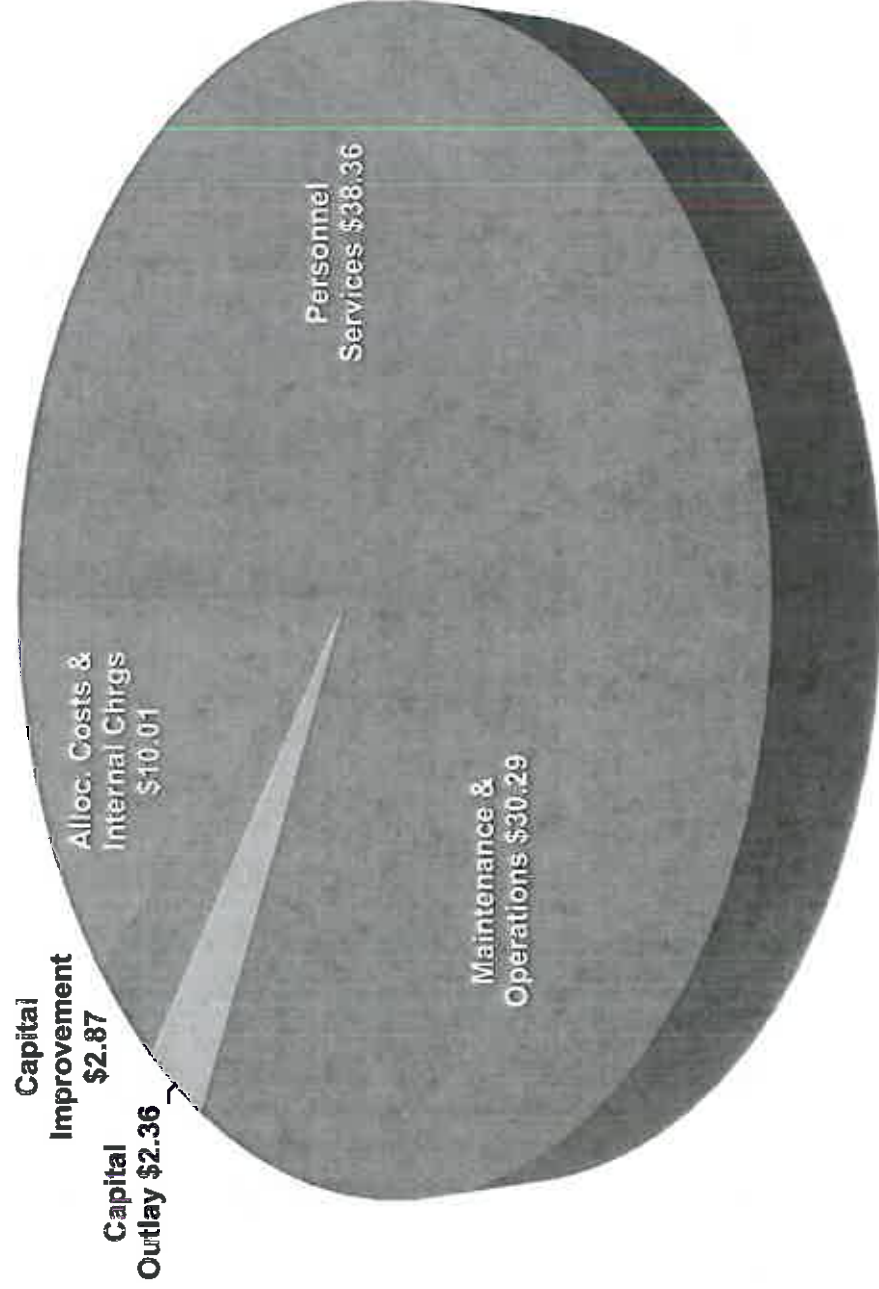
## Estimated Expenditures by Fund - \$83.89M





# Preliminary Total Budget Fiscal Year 2016

## Estimated Expenditures by Category - \$83.89M





# Significant General Fund Changes

## FY 16 Preliminary vs FY 15 Adopted

Additional Tax revenues anticipated*	\$ 2,377,497
Capital Improvements	(550,000)
Personnel	
Salaries	1,099,574
Overtime	268,117
Pension contribution increases	654,136
M&O: Street Lights & Signals	500,000
M&O: Fee Study	100,000
M&O: Homeless Outreach Contract	50,000
Capital Outlay: Vehicle Purchases	(385,000)
Internal Service Charges: Vehicle Lease Charge	305,744

\* Sales, Property, & Related Taxes





# Significant Non-General Fund Changes

## FY 16 Preliminary vs FY 15 Adopted

Capital Improvements	(\$410,650)
Personnel Salaries	151,894
M&O: Street Lights & Signals (Gas Taxes Fund)	(465,000)
M&O: Liability Claim Cost (Liab. Ins. Fund)	150,000
Capital Outlay: Vehicle Purchases (Vehicle Replacement Fund)*	1,800,000

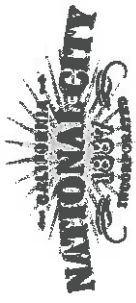
\* Request to purchase 20 new vehicles.



# Vacancy Report



Budgeted Vacancies	20.00
<u>Unfunded Vacancies</u>	<u>54.75</u>
Total Vacancies	74.75



# Staffing Levels – All Funds

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FY 15 Approved	356.14
<u>FY 16 Proposed</u>	<u>362.11</u>
Net Change	5.97



# Fiscal Year 2016 Proposed Personnel Changes

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<u>Fund</u>	<u>FTE</u>	<u>Amount</u>
General Fund (001)	4.67	404,066
Info. Sys. Maint. Fund (629)	0.50	50,947
Parks Maint. Fund (105)	1.00	69,934
Sewer Service Fund (125)	(0.20)	(13,063)
	5.97	511,884



# Fiscal Year 2016 Proposed Personnel Changes

## NEW POSITIONS

Department	Request	Annual Salary	Benefits	Annual Compensation
City Attorney	1.0 Senior Assistant City Attorney	\$134,628	\$49,561	\$184,189
	anticipated vacancy savings	29,640)	(720)	(30,360)
Community Services	0.75 Recreation Leader I	15,678	1,128	16,806
	0.75 Recreation Leader II	17,943	1,290	19,233
	0.47 Recreation Leader III	11,252	807	12,059
	1.0 Recreation Center Supv.	40,452	27,617	68,069
Engineering/Public Works	1.0 Sr. Park Caretaker	39,702	26,355	66,057
Finance	1.0 Budget Technician	42,562	24,327	66,889
Planning	1.0 Assistant Planner	50,024	26,235	76,259
Police	1.0 Sr. Police Dispatcher	61,854	29,837	91,691
	anticipated vacancy savings	(47,882)	(26,020)	(73,902)
<b>Total</b>				<b>\$496,990</b>



# Fiscal Year 2016 Proposed Personnel Changes

## INTERNAL RECRUITMENTS (exchanging one position for another)

Engineering/Public Works	new class: Tree Trimmer	\$44,512	\$20,431	\$64,943
	anticipated vacancy savings	(42,723)	(18,343)	(61,066)
Police	1.0 Police Lieutenant	115,960	76,812	192,772
	anticipated vacancy savings	(101,686)	(66,973)	(168,659)
	<b>Total</b>			<b>\$27,990</b>

## POSITION ADJUSTMENTS

Administrative Services: MIS	0.5 FTE Adj.: MIS Technician II	\$69,836	\$23,491	\$93,327
	anticipated savings	(33,748)	(8,632)	(42,380)
	<b>Total</b>			<b>\$50,947</b>

## REDUCTIONS

Department	Request	Annual Salary	Benefits	Annual Compensation
Engineering/Public Works	1.0 Administrative Secretary	\$(38,099)	\$(27,214)	\$(65,313)
	<b>Total</b>			<b>\$(65,313)</b>
	<b>GRAND TOTALS</b>			<b>\$510,614</b>



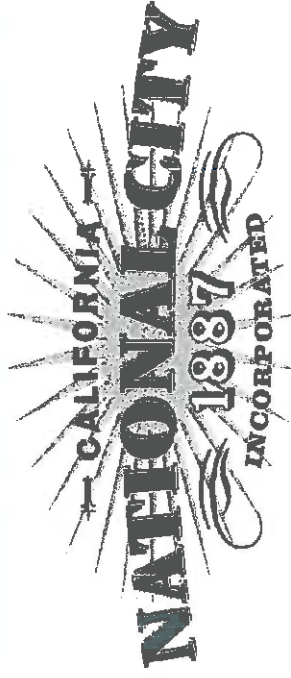
# General Fund Anticipated Adjustments

---

Staffing Additions*	\$ 173,728
M&O Offset**	(50,000)
Provision for Contingency	55,000
<u>Vehicle Lease</u>	<u>10,000</u>
Total	\$ 188,728

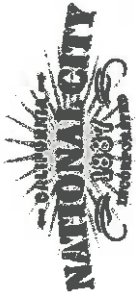
\* Staffing Additions: Associate Civil Engineer \$108,415 in Engineering/Public Works; Administrative Secretary \$65,313 in Neighborhood Services.

\*\* Maintenance & Operations decrease for Consulting/Professional Services as an estimated expense offset to the Staffing Addition of \$108,415.



# Fiscal Year 2016 Capital Improvements





# Steve Manganiello

## City Engineer



# **Stacey Stevenson**

## **Administrative Services Director**



# Next Steps

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- Additional staff review and refinement
- Budget Adjustments
  - Services: Las Palmas Pool (P.R.A.B. Recommendation)
  - Labor Agreements
  - Staffing: Associate Engineer- Civil & Admin Secretary
  - Council directed adjustments
- Neighborhood Council Budget Presentations (May 6<sup>th</sup>, 14<sup>th</sup>, and 20<sup>th</sup>)
- Tentative Council Workshop, i.e., if needed (May 26<sup>th</sup>)
- Adopt final budget no later than June 30, 2015



# Future Impacts

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## Fiscal Year 2017 and beyond

- Multi-year approach
- Personnel
  - Pension Rate Increases
  - Retention & Recruitment
- Infrastructure
  - Fleet
  - City Facilities (i.e., Facility Needs Assessment)
  - RCS System



# Request for Direction

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Staff seeks direction on:

- Revisions to the preliminary budget
- Reschedule second budget workshop for 5:00 pm on May 19<sup>th</sup> (prior to regular Council meeting)
- Additional Council priorities, staffing, or programmatic adjustments.



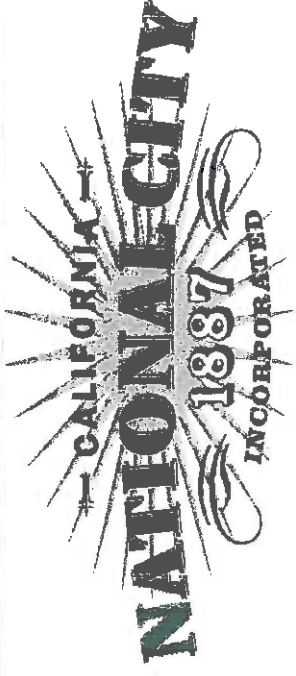
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---

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## Public Comments



## Comments/Questions

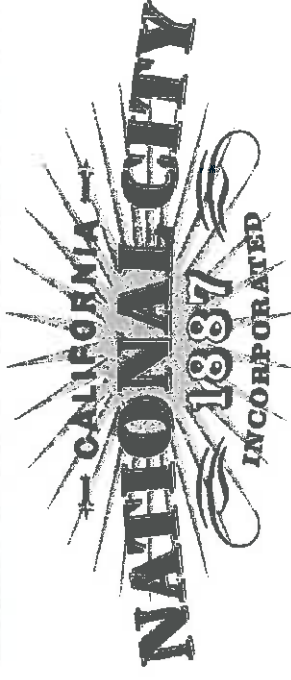




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# **Brad Raulston**

## **Executive Director**



# 2015-2020 Proposed Strategic Plan



# 2015 Proposed Objective #1- Provide Quality Services

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- a) Practice the five core values (Commitment, Customer Service, Courtesy, Communication, and Collaboration) with our diverse customer base.
- b) Align workforce with City's objectives and provide training and support necessary to fully develop employees, boards, and commissions.
- c) Expand public access to City services and information, by updating our website and making digital records accessible to the public.
- d) Pursue public safety goals and objectives and enhance disaster preparedness (Police, Fire, Emergency Medical Services, and Homeland Security).
- e) Analyze internal processes for efficiency and implement technology solutions where feasible. Continue efforts to automate and streamline work processes.



# 2015 Proposed Objective #2- Achieve Fiscal Sustainability

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- a) Prepare effective budget, accurately forecast funding sources, manage investments wisely, provide consistent financial reports, maintain clean audits, resolve findings/deficiencies in a timely manner, and update finance and budget policies.
- b) Update compensation plan for all employee groups. Continue labor/management partnerships with an emphasis on strategic deployment and total compensation issues.
- c) Establish economic development programs to retain existing businesses and stimulate new investments. Evaluate and update fee schedules to promote development and recover costs.
- d) Implement plans to fund replacement reserves and to finance the acquisition, replacement, and maintenance of the City's fleet, facilities, and other assets.
- e) Build cooperative partnerships with community organizations, schools, and other public agencies in the efficient and cost effective delivery of services.



# 2015 Proposed Objective #3- Improve Quality of Life

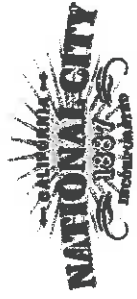
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- a) Enhance crime prevention and emergency service through community outreach, procedural justice, critical incident response, City/regional partnerships, and employee development.
- b) Pursue green initiatives and build a sustainable city by implementing the climate action plan and energy roadmap.
- c) Help organize community events and support social gatherings that benefit the total community.
- d) Update sign ordinance to improve community character and draw attention to important gateways, corridors and intersections with improved signage and wayfinding.
- e) Support Pier 32 (GB Capital Holdings) expansion plans and work with San Diego Unified Port District and its tenants to fund public process and public improvements.

# 2015 Proposed Objective #4- Enhance Housing and Community Assets

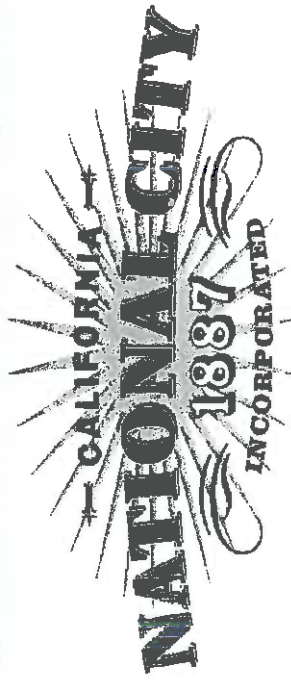


- a) Continue providing housing opportunities at all income levels and develop programs to improve existing conditions. Adopt a comprehensive long term strategy to address homelessness.
- b) Complete WI-TOD phase 1 and community park. Continue pursuing funding for WI-TOD phase 2 and other housing projects.
- c) Maintain and improve City's infrastructure and find alternative funding to construct public facilities, park improvements, and other capital needs. . Complete comprehensive facility needs assessment and establish priorities.
- d) Preserve and promote historic resources and cultural assets. Formalize a public art program that provides funding for art and culture through a "percent for art" program.
- e) Administer real property assets and property management plans to achieve the City's long term goals.



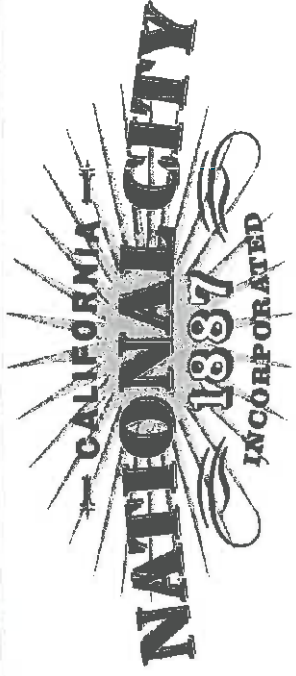
## 2015 Proposed Objective #5- Promote a Healthy Community

- a) Expand opportunities for walking and biking through the development of Community Corridors and Safe Routes to Schools consistent with the National City General Plan and Bicycle Master Plan.
- b) Continue to provide affordable City programs, activities and services that are accessible for all users, including individuals with disabilities (Americans with Disabilities Act).
- c) Enhance neighborhood services programs such as graffiti abatement, parking enforcement, and code enforcement and increase efficiency with new technology.
- d) Implement Neighborhood Action Plans and continue amortization efforts by working with residents and businesses.
- e) Advance National City wellness programs for youth, families, seniors and City employees that encourage a healthy lifestyle and develop a workplace safety program.



## Public Comments

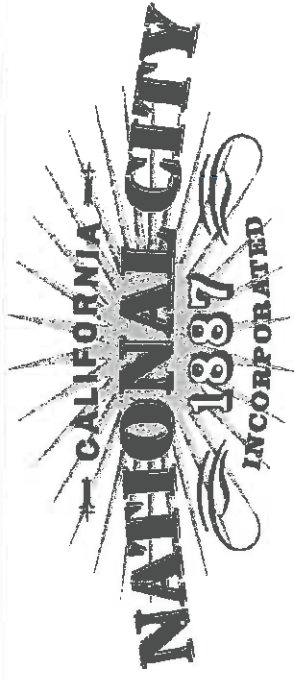




## Comments/Questions



# Request for Direction



# FY 2016 Capital Improvement Program (CIP)



# CIP: Overview

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- “Sliding” five-year budgeting process used to identify, prioritize and coordinate the financing and timing of major public improvements
- First year of the five-year program represents the “approved” capital budget, which is incorporated into the City’s annual budget
- Projects slated for subsequent years in the program are for planning purposes only and do not receive expenditure authority
- CIP is presented to Planning Commission for General Plan Consistency Review, prior to going to City Council for budget adoption



# CIP: Categories

- Infrastructure - streets, storm drains, sewer systems, street lighting, traffic signals, sidewalks, curb & gutters, and ADA curb ramps
- Facilities - city offices, warehouses, public works yard and support structures, police and fire stations, community centers, public libraries and information technology (computers, data storage, public safety cameras and communications equipment)
- Parks & Recreation – park amenities such as ball fields, restrooms, lighting, landscaping, walking paths and information technology; health and quality of life facilities such as recreation centers, municipal swimming pool, public gymnasiums and aquatic center
- Housing - site infrastructure for infill development projects that provide housing opportunities for individuals and families at all income levels



# CIP: Project Evaluation

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- City staff develop project proposals based on needs assessments, input from the Community and long-range planning documents
- CIP Committee reviews project proposals presented by City staff on an annual basis and provides recommendations to the Planning Commission and City Council as part of the City's annual budget
- Key criteria considered include:
  - Health & safety benefits
  - Community support
  - Project costs & schedule
  - Available funding
  - Consistency with the City's General Plan and other long-range planning documents
  - On-going maintenance costs



# CIP: Funding

- With the support of the Community and City Council, staff aggressively pursue Federal, State and Regional grants to fund Capital Projects
- Other available funding sources include: *TransNet* (Prop A), Gas Tax, Sewer Service Fund, Capital Outlay, Development Impact Fees (DIF), Information Systems Maintenance Fund, and General Fund
- Funding sources for Capital Projects often have restrictions based on project scope and/or expenditure timelines
- Exploring funding options, including review of capital / major maintenance reserve policies, is critical to ensuring fiscal sustainability



# FY 2016 CIP: Funding Request

Project	Description	General Fund (001)	Development Impact Fees (325)	Information Systems Maint (629)	Total	Notes
Drainage Improvements	Citywide drainage improvements	\$ 200,000			\$ 200,000	
Street Resurfacing	Citywide street resurfacing, alleys, side walks and ADA	\$ 400,000			\$ 400,000	General Fund contribution will be applied to <i>TransNet</i> MOE requirement
Traffic Monitoring / Safety Enhancements	Citywide traffic safety enhancements, ADA, data collection, grant match, etc.	\$ 500,000			\$ 500,000	General Fund contribution will be applied to <i>TransNet</i> MOE requirement
Unified Messaging System	New telephone system			\$ 209,350	\$ 209,350	
National City Public Library	Public safety cameras, Audio/Visual systems, flooring & other interior upgrades, etc.		\$ 210,000		\$ 210,000	
Police Department Building Improvements	Electrical upgrades, Property & Evidence Room upgrades / expansion, ADA, fire suppression, waterproofing, etc.	\$ 500,000	\$ 35,000		\$ 535,000	Reviewing alternative funding options to potentially reduce impact to General Fund
Kimball Park Improvements	Storm water LID measures, lighting, public safety cameras, ADA, restrooms, skate park, central plaza, walking paths, wayfinding, trash receptacles, etc.	\$ 700,000	\$ 115,000		\$ 815,000	Applied for \$2 million SANDAG Smart Growth Incentive Program Grant (notification June 2015); will replace General Fund allocation, if awarded
		\$ 2,300,000	\$ 360,000	\$ 209,350	\$ 2,869,350	





# FY 2015 CIP Changes

Project	Description	General Fund (001)	Notes
Sweetwater Channel Maintenance	Fair-share contribution paid to County of San Diego for channel maintenance	\$ (24,068)	Release funds - fair-share contribution will be paid out of Engineering Contract Services M&O Account (001-416-030-299)
Civic Center Electrical Upgrades	Electrical upgrades for Civic Center Building	\$ (67,547)	Release funds - project is on hold for FY 2016 pending completion of Citywide Facility Needs Assessment
Civic Center Improvements	Energy efficiency upgrades - mechanical, electrical, HVAC; Council Chambers security, fire suppression, ADA, etc.	\$ (400,000)	Release funds - project is on hold for FY 2016 pending completion of Citywide Facility Needs Assessment; approximately \$200,000 in FY 2015 carryover balance will be available for facility improvements
Civic Center Chiller Project	Replace air cooled condenser unit	\$ (160,410)	Release partial funding - approximately \$200,000 in FY 2015 carryover balance will be used to complete remaining project improvements
Morgan Tower Rehab	Mechanical, electrical, HVAC upgrades, roof, etc.	\$ (205,000)	Release funds - project is on hold for FY 2016 pending completion of Citywide Facility Needs Assessment
Kimball Tower Fire Pumps / Sprinklers	Replace fire pumps and sprinklers for Kimball Tower	\$ (141,712)	Release funds - project completed in FY 2015
		\$ (998,736)	



# FY 2016 CIP: Funding Summary

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## FY 2016 CIP Request vs. FY 2015 Changes

General Fund (001): \$1,301,264

Library DIF (325): \$210,000

Police Dept. DIF (325): \$35,000

Park DIF (325): \$115,000

Information Systems Maintenance (629): \$209,350

**Net: \$1,870,614**



# FY 2016 CIP: Facility Needs Assessment

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- Comprehensive Assessment of City Facilities and Parks
- Upgrades for Mechanical, Electrical, HVAC, Water, Gas, and Americans with Disabilities Act (ADA)
- Project Team: Engineering, Public Works, Building, Fire and Community Services (support from Finance, City Manager and City Attorney)
- ESCO (Energy Savings Contract)
  - Evaluate potential for energy efficiency retrofits for City facilities and parks to save costs on electrical, water and gas
  - Capital improvements will be completed at no cost to the City and reimbursed through energy savings over a period of 10 to 15 years



# Fleet (Vehicles / Equipment)

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National City's fleet consists of over 200 vehicles and associated equipment, valued at over \$10 million. The CIP establishes priorities, funding and financing plans for fleet management, replacement and modernization, which is essential for delivering municipal services to residents, local businesses and visitors.

- Light & Medium Duty (Pick-up Trucks & Pool Vehicles)
- Heavy Equipment
- Police (Patrol & Other)
- Fire



# FY 2016 Fleet: Funding Request

## Enterprise Lease Program (Annual Payment - Existing Vehicles)

FY 2016 Cost	Funding Source	# Vehicles
\$ 75,145	General Fund (001)	11
\$ 52,390	Parks Maintenance Fund (105)	9
\$ 25,785	Sewer Fund (125)	3
\$ 6,240	Section 8 (502)	1
\$ 16,880	Facilities Maintenance Fund (626)	3
<b>\$ 176,440</b>	<b>Total</b>	<b>27</b>

## Equipment Replacement Reserve (Purchase Price w/ Aftermarket Equipment - New Vehicles)\*

FY 2016 Cost	Funding Source	# Vehicles
\$ 850,000	General Fund (001)	18
\$ 600,000	Sewer Fund (125)	1
\$ 350,000	Trash Rate Stabilization Fund (172)	1
<b>\$ 1,800,000</b>	<b>Total</b>	<b>20</b>



# CIP: Grant Funding

Grants	Amount
Smart Growth Incentive Program (SGIP) Grant – 8 <sup>th</sup> St (Trolley Station to Highland Ave)	\$2,000,000
Smart Growth Incentive Program (SGIP) Grant – Downtown-Westside Community Connections	\$2,000,000
Catalyst Grant – WI-TOD Project (Phase I)	\$500,000
EPA Grants (2 Total) – WI-TOD Project (Phases I & II)	\$400,000
Prop 84 Storm Water Grant – “A” Ave Green Street (E. 8th St to Kimball Park)	\$2,500,000
Prop 84 Storm Water Grant – Kimball Park LID / Paradise Creek Restoration	\$1,876,153
Prop 84 Urban Greening Grant – Paradise Creek Educational Park	\$840,000
Bicycle Transportation Account (BTA) Grant – 4 <sup>th</sup> St (Roosevelt Ave to Harbison Ave)	\$355,500
Highway Safety Improvement Program (HSIP) Grant – 8 <sup>th</sup> St (Highland Ave to Palm Ave)	\$900,000
Highway Safety Improvement Program (HSIP) Grant – Highland Ave (Division St to E. 8th St)	\$900,000
Highway Safety Improvement Program (HSIP) Grants (5 Total) – Traffic Signal Upgrades, ADA, Pedestrian & Bicycle Enhancements	\$2,259,400
Safe Routes to School (SRTS) Grant – Coolidge Ave	\$730,000
Safe Routes to School (SRTS) Grant – Roundabout at “D” Ave & E. 12 <sup>th</sup> St / Kimball Way	\$500,000
Safe Routes to School (SRTS) Grant – 8 <sup>th</sup> St (D Ave to Highland Ave)	\$450,000
Safe Routes to School (SRTS) Grant – Paradise Valley Rd (E. 8th St to Plaza Blvd)	\$225,000
Safe Routes to School (SRTS) Grant – Citywide “Walk-to-School” Activities & Safety Education	\$500,000
Active Transportation Program (ATP) Grant – 4 <sup>th</sup> St (Roosevelt Ave to Harbison Ave)	\$450,000
Active Transportation Program (ATP) Grant – “D” Ave (Division St to E. 30th St)	\$600,000
Active Transportation Program (ATP) Grant – Citywide Bicycle Parking	\$50,000
Active Transportation Program (ATP) Grants (5 Total) – ADA, Pedestrian & Bicycle Enhancements (18 <sup>th</sup> St, Division St, Euclid Ave, El Toyon-Las Palmas Bike Corridor, SRTS)	\$3,250,000
Community Development Block Grant (CDBG) – Drainage Improvements	\$100,000
Community Development Block Grants (CDBG) – Kimball/Morgan Towers Nutrition Center	\$145,000
San Diego Unified Port District CIP – Waterfront Adventure Center	\$4,410,000
<b>Grants Awarded = 32</b>	<b>Total</b>
	<b>\$25,941,053</b>

# **Fiscal Year 2016 Preliminary Budget**

# Budget Summary



**City of National City  
Budgeted Revenues by Fund  
Fiscal Year 2016 vs 2015**

<u>General Fund</u>	FY 16	FY 15	Difference
Property Tax	\$ 3,875,000	\$ 3,713,148	\$ 161,852
Property Tax Allocated	(1,760,995)	(1,639,746)	(121,249)
Sales & Use Tax	14,703,370	12,126,248	2,577,122
Property Tax In Lieu of Sales Tax	3,255,629	4,213,491	(957,862)
Property Tax In Lieu of VLF	5,736,819	5,503,185	233,634
District Transaction & Use Tax (Prop D)	10,216,000	9,732,000	484,000
Other	9,819,717	9,441,138	378,579
<b>Total Revenue - General Fund</b>	<b>\$ 45,845,540</b>	<b>\$ 43,089,464</b>	<b>\$ 2,756,076</b>
Transfer In	-	-	-
<b>Total - General Fund</b>	<b>\$ 45,845,540</b>	<b>\$ 43,089,464</b>	<b>\$ 2,756,076</b>
 <u>Total Revenue - Other Funds</u>			
Other	\$34,650,187	\$35,192,635	(\$542,448)
<b>Total Revenue - Other Funds</b>	<b>\$ 34,650,187</b>	<b>\$ 35,192,635</b>	<b>\$ (542,448)</b>
Transfer(s) In	2,972,683	4,007,728	(1,035,045)
<b>Total - Other Funds</b>	<b>\$ 37,622,870</b>	<b>\$ 39,200,363</b>	<b>\$ (1,577,493)</b>
 <b>Total Revenue - All Funds</b>	 <b>\$ 80,495,727</b>	 <b>\$ 78,282,099</b>	 <b>\$ 2,213,628</b>
<b>Total Transfer In - All Funds</b>	<b>2,972,683</b>	<b>4,007,728</b>	<b>(1,035,045)</b>
<b>Total - All Funds</b>	<b>\$ 83,468,410</b>	<b>\$ 82,289,827</b>	<b>\$ 1,178,583</b>

**City of National City**  
**Budgeted Expenditures by Category - General Fund & Other Funds**  
**Fiscal Year 2016 vs 2015**

<u>General Fund</u>	<u>FY 16</u>	<u>FY 15</u>	<u>Difference</u>
Personnel	\$ 31,045,373	\$ 29,017,885	\$ 2,027,488
Maintenance & Operations	5,328,596	4,691,255	637,341
Capital Outlay	130,147	481,750	(351,603)
CIP	2,050,000	2,600,000	(550,000)
Internal Service Charges & Alloc. Costs	6,695,607	6,509,029	186,578
<b>Total Expenditures - General Fund</b>	<b>\$ 45,249,723</b>	<b>\$ 43,299,919</b>	<b>\$ 1,949,804</b>
Transfer(s) Out	2,022,683	4,007,728	(1,985,045)
<b>Total - General Fund</b>	<b>\$ 47,272,406</b>	<b>\$ 47,307,647</b>	<b>\$ (35,241)</b>
<u>Other Funds</u>			
Personnel	\$ 7,311,414	\$ 7,159,517	\$ 151,897
Maintenance & Operations	24,962,051	25,218,038	(255,987)
Capital Outlay	2,233,043	609,177	1,623,866
CIP	1,119,350	1,230,000	(110,650)
Internal Service Charges & Alloc. Costs	3,313,046	3,224,859	88,187
<b>Total - Other Funds</b>	<b>\$ 38,938,904</b>	<b>\$ 37,441,591</b>	<b>\$ 1,497,313</b>
Transfer(s) Out	950,000		950,000
<b>Total - Other Funds</b>	<b>\$ 39,888,904</b>	<b>\$ 37,441,591</b>	<b>\$ 2,447,313</b>
<b>Total Expenditures - All Funds</b>	<b>\$ 84,188,627</b>	<b>\$ 80,741,510</b>	<b>\$ 3,447,117</b>
<b>Total Transfer(s) Out - All Funds</b>	<b>2,972,683</b>	<b>4,007,728</b>	<b>(1,035,045)</b>
<b>Total - All Funds</b>	<b>\$ 87,161,310</b>	<b>\$ 84,749,238</b>	<b>\$ 2,412,072</b>

**City of National City**

**Budgeted Expenditures by Category - General Fund & Other Funds**

**Fiscal Year 2016 vs 2015**

<u>General Fund</u>	<u>FY 16</u>	<u>FY 15</u>	<u>Difference</u>
Administrative Services	\$ 2,403,934	\$ 2,247,652	\$ 156,282
City Attorney	869,668	758,169	111,499
City Clerk	311,663	342,776	(31,113)
City Council	453,157	461,224	(8,067)
City Manager	1,158,944	1,141,953	16,991
City Treasurer	43,594	42,388	1,206
Community Development	2,843,003	2,464,057	378,946
Engineering & Public Works	3,090,823	2,314,886	775,937
Fire	9,161,344	8,470,389	690,955
Housing, Grants & Asset Management	237,862	256,469	(18,607)
Non-Departmental	2,907,304	3,738,726	(831,422)
Police	21,768,427	21,061,230	707,197
<b>Total - General Fund</b>	<b>\$ 45,249,723</b>	<b>\$ 43,299,919</b>	<b>\$ 1,949,804</b>
<b>Total - Other Funds</b>	<b>\$ 38,938,904</b>	<b>\$ 37,441,591</b>	<b>\$ 1,501,287</b>
<b>Total - All Funds</b>	<b>\$ 84,188,627</b>	<b>\$ 80,741,510</b>	<b>\$ 3,451,091</b>

**City of National City  
Budgeted Revenues & Expenditures Comparison  
Fiscal Year 2016 vs 2015**

Revenues		Personnel Services	Maintenance & Operations	Capital Outlay	Capital Improvement	Internal Charges & Alloc. Costs	Total Budget
General Fund - FY 15 Adopted	\$43,089,464						
General Fund - FY 16 Preliminary	45,845,540						
Change - General Fund	\$2,756,076						
Other Funds - FY 15 Adopted	\$35,192,635						
Other Funds - FY 16 Preliminary	34,650,187						
Change - Other Funds	(\$542,448)						
All Funds - FY 15 Adopted	\$78,282,099						
All Funds - FY 16 Preliminary	80,495,727						
Change - All Funds	\$2,213,628						
<b>Expenditures</b>							
General Fund - FY 15 Adopted	\$29,017,885	\$5,081,867	\$481,750	\$2,600,000	\$6,118,417	\$43,299,919	
General Fund - FY 16 Preliminary	31,045,373	5,328,596	130,147	2,050,000	6,695,607	45,249,723	
Change - General Fund	\$2,027,488	\$246,729	(\$351,603)	(\$550,000)	\$577,190	\$1,949,804	
Other Funds - FY 15 Adopted	\$7,159,517	\$25,243,081	\$609,177	\$1,230,000	\$3,199,816	\$37,441,591	
Other Funds - FY 16 Preliminary	7,311,414	24,962,051	2,233,043	1,119,350	3,313,046	38,938,904	
Change - Other Funds	\$151,897	(\$281,030)	\$1,623,866	(\$110,650)	\$113,230	\$1,497,313	
All Funds - FY 15 Adopted	\$36,177,402	\$30,324,948	\$1,090,927	\$3,830,000	\$9,318,233	\$80,741,510	
All Funds - FY 16 Preliminary	38,356,787	30,290,647	2,363,190	3,169,350	10,008,653	84,188,627	
Change - All Funds	\$2,179,385	(\$34,301)	\$1,272,263	(\$660,650)	\$690,420	\$3,447,117	

**City of National City  
Budgeted Revenues & Expenditures Comparison  
Fiscal Year 2016 vs 2015**

**Summary**

	<b>FY 16 Preliminary</b>	<b>FY 15 Adopted</b>	<b>Change</b>
General Fund Revenues	\$45,845,540	\$43,089,464	\$2,756,076
Transfers In	-	-	-
General Fund Expenditures	(45,249,723)	(43,299,919)	(1,949,804)
Transfers Out	(2,022,683)	(4,007,728)	1,985,045
<b>Projected Fund Balance Change - General Fund</b>	<b>(\$1,426,865)</b>	<b>(\$4,218,183)</b>	<b>\$2,791,318</b>
<b>FY 16</b>			
	<b>Preliminary</b>	<b>FY 15 Adopted</b>	<b>Change</b>
Other Fund Revenues	\$34,650,187	\$35,192,635	(\$542,448)
Transfers In	2,972,683	4,007,728	(1,035,045)
Other Fund Expenditures	(38,938,904)	(37,441,591)	(1,497,313)
Transfers Out	(950,000)	-	(950,000)
<b>Projected Fund Balance Change - Other Funds</b>	<b>(\$2,266,034)</b>	<b>\$1,758,772</b>	<b>(\$4,024,806)</b>
<b>FY 16</b>			
	<b>Preliminary</b>	<b>FY 15 Adopted</b>	<b>Change</b>
All Revenues	\$80,495,727	\$78,282,099	\$2,213,628
All Expenditures	(84,188,627)	(80,741,510)	(3,447,117)
<b>Projected Fund Balance Change - All Funds</b>	<b>(\$3,692,900)</b>	<b>(\$2,459,411)</b>	<b>(\$1,233,489)</b>

Transfers In/Out for all funds equal (net) \$0

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City approving a Side Letter Agreement to Article 7 of the Memorandum of Understanding (MOU) between the City and the National City Police Officers' Association, Sick Leave With Pay. (Human Resources

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Resolution of the City Council of the City of National City approving a Side Letter Agreement to Article 7 of the Memorandum of Understanding (MOU) between the City and the National City Police Officers' Association, Sick Leave With Pay.

**PREPARED BY:** Stacey Stevenson

**DEPARTMENT:** Human Resources

**PHONE:** 336-4308

**APPROVED BY:**



**EXPLANATION:**

The purpose of this Side Letter Agreement is to modify to Article 7 of the Memorandum of Understanding (MOU) between the City and the National City Police Officers' Association (POA), Sick Leave With Pay, in compliance with the provisions Assembly Bill 1522, the Healthy Workplaces, Healthy Families Act of 2014 which became effective July 1, 2015. The proposed modifications, as agreed to by the POA, provide for an expanded definition of family and an expanded category of allowable sick leave uses.

The MOU currently references Labor Code Section 233 for the definition of family: child, parent, spouse and domestic partner. Under AB 1522, the definition is expanded to include parents-in-law, siblings, grandchildren and grandparents. AB 1522 also expands the allowable uses of sick leave to include use by an employee who is the victim of domestic violence, sexual assault or stalking.

The Side Letter agreement incorporates the above expanded definitions. The sick leave accrual rates established under the current MOU are greater than those established under AB 1522. As such, the accruals will remain the same as previously agreed to by the City of National City and the POA.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

There is no fiscal impact associated with this item.

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, is not subject to environmental review.

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Adopt the resolution approving Side Letter Agreement to Article 7 of the labor agreement with the National City Police Officers' Association

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Side Letter Agreement  
Resolution

Side Letter Agreement  
City of National City  
and  
National City Police Officers' Association  
(July, 2015)

Pursuant to the provisions of the Meyers-Milias-Brown Act ("MMBA"), effective July 1, 2015, this Side Letter of Agreement is entered into between the City of National City of National City ("City") and the National City Police Officers' Association ("POA") ("Side Letter Agreement") as an amendment to the Memorandum of Understanding ("MOU") effective July 1, 2014 through December 31, 2015. The POA and the City are collectively referred to herein as the "Parties". It is understood and agreed that the specific provisions contained in the Side Letter Agreement shall supersede any previous agreements, whether oral or written, regarding matters contained herein. Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by the POA shall remain in full force and effect.

The parties have met and conferred in good faith concerning the terms and conditions of this Side Letter Agreement and its implementation and agree that the following language will replace Article 7, Section 4 of the MOU in its entirety. All other sections contained in Article 7 shall remain unchanged.

Article 7

Section 1      Sick Leave Defined

Sick leave is the necessary absence from duty of an employee and may be approved for:

1.    Diagnosis, care, or treatment of the employee's existing health condition or preventive medical or dental care for an employee.
2.    The incapacity of the employee while on a scheduled vacation as defined in Section 7 of this Article.
3.    Bereavement.
4.    Diagnosis, care, or treatment of an existing health condition of, or preventive care for an employee's family member. For the purposes of using sick leave under this policy only, "family member" shall mean an employee's parent, child, spouse, registered domestic partner, parent-in-law, sibling, grandchild or grandparent.

In addition, an employee who is a victim of domestic violence, sexual assault, or stalking may use accrued paid sick leave under this policy for the following reasons:

1.    To obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or the victim's child;



2. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
3. To obtain services from a domestic violence shelter, program, or rape crisis center;
4. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking;

**For the City**

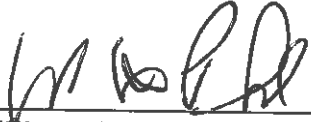
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Stacey Stevenson  
Director of Administrative Services

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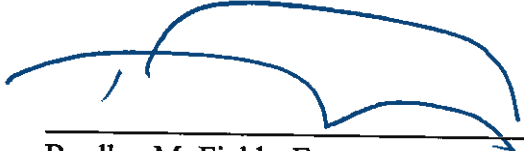
Claudia G. Silva  
City Attorney

**For the POA**



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William Phillips  
POA President



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Bradley M. Fields, Esq.  
POA Attorney

RESOLUTION NO. 2015 – 104

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
APPROVING A SIDE LETTER AGREEMENT TO ARTICLE 7, SICK LEAVE  
WITH PAY, OF THE MEMORANDUM OF UNDERSTANDING BETWEEN  
THE CITY OF NATIONAL CITY AND THE NATIONAL CITY  
POLICE OFFICERS' ASSOCIATION

WHEREAS, a Side Letter Agreement is necessary to modify Article 7, Sick Leave With Pay, of the Memorandum of Understanding ("MOU") between the City of National City and the National City Police Officers' Association ("POA"), to comply with the provisions of Assembly Bill 1522, the Healthy Workplaces, Healthy Families Act of 2014, which became effective July 1, 2015; and

WHEREAS, the proposed modifications, as agreed to by the POA, provide for an expanded definition of family and an expanded category of allowable sick leave uses; and

WHEREAS, the MOU currently references Labor Code Section 233 for the definition of family: child, parent, spouse, and domestic partner, but Under AB 1522, the definition is expanded to include parents-in-law, siblings, grandchildren, and grandparents; and

WHEREAS, AB 1522 also expands the allowable uses of sick leave to include use by an employee who is the victim of domestic violence, sexual assault, or stalking.

WHEREAS, although the sick leave accrual rates established under the current MOU are greater than those established under AB 1522, the accruals will remain the same as previously agreed to by the City of National City and the POA.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby approves the Side Letter Agreement to Article 7, Sick Leave with Pay, of the Memorandum of Understanding between the City of National City and the National City Police Officers' Association.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City approving an amendment to the salary schedule for the Municipal Employees' Association employee group to include salary bands for the newly created classifications of Administrative Technician at

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Resolution of the City Council of the City of National City approving an amendment to the salary schedule for the Municipal Employees' Association employee group to include salary bands for the newly created classifications of Administrative Technician at \$3,341.17 - \$4,061.22, monthly (range 095), and Police Dispatch Supervisor at \$5,273.75 - \$6,410.28 (range 145).

**PREPARED BY:** Stacey Stevenson

**DEPARTMENT:** Human Resources

**PHONE:** 336-4308

**APPROVED BY:** 

**EXPLANATION:**

On June 16, 2015, the City Council of the City of National City adopted the Fiscal Year 2016 budget. The budget, as adopted includes the addition of additional positions, many of which are existing, previously unfunded vacancies. Two of the added positions however do not currently exist in the City's compensation plan: Budget Technician and Senior Police Dispatcher (both working titles during the budgeting process). After studying the proposed duties of two of the proposed positions, the Human Resources Department concluded that new classifications are warranted. On July 9, 2015, the City of National City Civil Service Commission approved the creation of the two new classes: Administrative Technician and Police Dispatch Supervisor. The Administrative Technician is a broad, para-professional class that can ultimately be used City-wide. The current budgeted vacancy is in the Finance Department. The position is intended to assist in the creation and monitoring of the City's budget as well as other finance related duties. The Police Dispatch Supervisor will take over supervisory responsibility of the Police Department's Communication Center. These duties are currently performed by a sworn Police Sergeant. A civilian supervisor is consistent with the organizational structure of other Communication Centers throughout the county.

With this action, staff requests that the City Council: amend the MEA salary schedule to include Administrative Technician and Police Dispatch Supervisor.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

The City Council authorized funding for these positions in the adopted Fiscal Year 2016 budget. Funds have been allocated in the personnel budgets of the Finance and Police Departments, respectively.

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, is not subject to environmental review.

**ORDINANCE:** INTRODUCTION:

**FINAL ADOPTION:**

**STAFF RECOMMENDATION:**

Adopt the resolution adding Administrative Technician and Police Dispatch Supervisor to the MEA salary schedule, ranges 095 and 145, respectively.

**BOARD / COMMISSION RECOMMENDATION:**

On July 9, 2015, the Civil Service Commission voted unanimously to create the new classifications of Administrative Technician and Police Dispatch Supervisor.

**ATTACHMENTS:**

Resolution

RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
APPROVING AN AMENDMENT TO THE SALARY SCHEDULE FOR  
THE MUNICIPAL EMPLOYEES' ASSOCIATION ("MEA") EMPLOYEE GROUP  
TO INCLUDE SALARY BANDS FOR THE NEWLY CREATED CLASSIFICATIONS OF  
ADMINISTRATIVE TECHNICIAN AT \$3,341.17 - \$4,061.22, MONTHLY (RANGE 095);  
AND POLICE DISPATCH SUPERVISOR AT \$5,273.75 - \$6,410.28 (RANGE 145).

WHEREAS, on June 16, 2015, the City Council of the City of National City adopted Resolution No. 2015-100, approving the Fiscal Year 2016 budget which included the addition of employee positions, many of which are existing, previously unfunded vacancies; and

WHEREAS, two of the added positions do not currently exist in the City's compensation plan: Budget Technician and Senior Police Dispatcher (both working titles during the budgeting process); and

WHEREAS, after studying the proposed duties of the two proposed positions, the Human Resources Department concluded that the new classifications are warranted; and

WHEREAS, on July 9, 2015, the City of National City Civil Service Commission approved the creation of the two new classes: Administrative Technician and Police Dispatch Supervisor; and

WHEREAS, an amendment to the salary schedule for the MEA employee group is necessary to include salary bands for the newly created classifications of Administrative Technician at \$3,341.17 - \$4,061.22, monthly (range 095), and Police Dispatch Supervisor at \$5,273.75 - \$6,410.28, monthly (range 145).

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby approves amending the salary schedule for the Municipal Employees' Association employee group to include salary bands for the newly created classifications of Administrative Technician at \$3,341.17 - \$4,061.22, monthly (range 095), and Police Dispatch Supervisor at \$5,273.75 - \$6,410.28, monthly (range 145).

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the establishment of an appropriation and corresponding revenue budget in the amount of \$2,500 from SDG&E's 2015 SAFE San Diego philanthropic giving initiative for the National City C

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the establishment of an appropriation and corresponding revenue budget in the amount of \$2,500 from SDG&E's 2015 SAFE San Diego philanthropic giving initiative for the National City Community Emergency Response Team (CERT). (Fire)

**PREPARED BY:** Walter Amedee

**DEPARTMENT:** Fire

**PHONE:** 619-336-4556

**APPROVED BY:** 

**EXPLANATION:**

Through SDG&E's 2015 SAFE San Diego philanthropic giving initiative, SDG&E will award \$1 million to more than 80 non-profit organizations, to support local emergency preparedness, safety, and disaster response programs, including volunteer fire departments, 2-1-1 San Diego, Community Emergency Response Teams (CERT), local Fire Safe Councils (FSC), Inter Tribal Long Term Recovery Foundation and regional partners that provide disaster preparedness training, resources, and/or public safety education. SDG&E has provided a check in the amount of \$2,500 from the Burn Institute, who is serving as National City CERT's fiscal agent for this grant. Staff recommends the establishment of an appropriation and corresponding revenue budget in the amount of \$2,500.

**FINANCIAL STATEMENT:**

**APPROVED:** 

Finance

**ACCOUNT NO.** Ex. 282-412-912-355-0000 / Rev. 282-12912-3498

**APPROVED:** \_\_\_\_\_

MIS

No negative impact.

**ENVIRONMENTAL REVIEW:**

**ORDINANCE:** INTRODUCTION:

FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Staff recommends authorizing the establishment of an appropriation and corresponding revenue budget in the amount of \$2,500.

**BOARD / COMMISSION RECOMMENDATION:**

**ATTACHMENTS:**

Resolution

RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
AUTHORIZING THE ESTABLISHMENT OF AN APPROPRIATION AND  
CORRESPONDING REVENUE BUDGET FOR FUNDS RECEIVED FROM  
SDG&E'S 2015 SAFE SAN DIEGO PHILANTHROPIC GIVING INITIATIVE  
IN THE AMOUNT OF \$2,500 FOR THE NATIONAL CITY  
COMMUNITY EMERGENCY RESPONSE TEAM

WHEREAS, through SDG&E's 2015 SAFE San Diego philanthropic giving initiative, SDG&E is awarding \$1 million to more than 80 non-profit organizations to support local emergency preparedness, safety, and disaster response programs, including volunteer fire departments, 2-1-1 San Diego, community emergency response teams, local Fire Safe Councils, Inter-Tribal Long Term Recovery Foundation, and regional partners that provide disaster preparedness training, resources, and/or public safety education; and

WHEREAS, SDG&E has awarded funds in the amount of \$2,500 to the National City Community Emergency Response Team (CERT), through the Burn Institute who is serving as the National City Community Emergency Response Team's fiscal agent for this grant.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby authorizes the establishment of fund appropriations and a corresponding revenue budget for funds received from the 2015 SAFE San Diego philanthropic giving initiative in the amount of \$2,500 for the National City Community Emergency Response Team (CERT).

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney



The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the installation of 50 feet of red curb “No Parking” on the south side of E. 30th Street, west of “F” Avenue and 20 feet of red curb “No Parking” on the south side of E. 30th Street,

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the installation of 50 feet of red curb "No Parking" on the south side of E. 30<sup>th</sup> Street, west of "F" Avenue and 20 feet of red curb "No Parking" on the south side of E. 30<sup>th</sup> Street, east of "F" Avenue to enhance visibility and egress onto E. 30<sup>th</sup> Street (TSC 2015-09)

**PREPARED BY:** Kenneth Fernandez, P.E. 

**DEPARTMENT:** Engineering and Public Works

**PHONE:** 619-336-4388

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

See attached.



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

N/A

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Adopt the Resolution.

**BOARD / COMMISSION RECOMMENDATION:**

At their meeting on July 8, 2015, the Traffic Safety Committee unanimously approved the staff recommendation to install 50/20 feet of red curb "No Parking" on the south side of E. 4<sup>th</sup> Street, west/east of "F" Avenue, respectively, as per TSC 2015-09.

**ATTACHMENTS:**

1. Explanation
2. Staff Report to the Traffic Safety Committee on July 8, 2015 (TSC 2015-09)
3. Notice to affected residents/property owners/institution
4. Resolution

## EXPLANATION

Mr. Rudy Robledo, resident of 3131 "F" Avenue has requested red curb "No Parking" on the south side of E. 30<sup>th</sup> Street, when egressing "F" Avenue. According to Mr. Robledo, he and his neighbors encounter line of sight issues due to vehicles parked near the corner of the E. 30<sup>th</sup> Street and "F" Avenue intersection. Mr. Robledo has requested painted red curb to improve visibility and enhance safety for vehicles exiting "F" Avenue onto E. 30<sup>th</sup> Street.

Staff performed a site evaluation. The posted speed limit along E. 30<sup>th</sup> Street between "D" Avenue and Highland Avenue is 30 mph, with a 25 mph speed limit in effect during school hours. Unrestricted parallel parking is provided on the south side of the street adjacent to residential homes. The north side of the street, adjacent to Sweetwater High School, contains a combination of unrestricted parallel parking, 3-minute Passenger Loading and red curb "No Parking." Staff confirmed that parking is at a premium when school is in session. The southwest corner of the intersection of E. 30<sup>th</sup> Street and "F" Avenue contains a corner "bulb-out" for traffic calming, installed as part of a Safe Routes to School Project.

Staff conducted a formal stopping sight distance evaluation to determine line of sight requirements consistent with the guidelines established by the American Association of State Highway and Transportation Officials' (AASHTO) "A Policy on Geometric Design of Highways and Streets" manual. The manual suggests a minimum stopping sight distance of 300 feet based on a design speed of 30 mph. When vehicles park close to the intersection, drivers' line of sight is obscured. In order to improve line of sight and achieve minimum stopping sight distance, staff recommends painting 50 feet of red curb "No Parking" west of the intersection. Similarly, staff recommends painting 20 feet of red curb east of the intersection. This would result in the loss of 3 parking spaces.

Staff sent letters to area residents, property owners, and Sweetwater High School inviting them to attend the Traffic Safety Committee Meeting held on July 8, 2015. Mrs. Elizabeth Robledo was present at the public meeting and spoke in favor of the item on behalf of Mr. Robledo and their household. No other members of the public were in attendance to speak on the item.

After considering staff's presentation and testimony from Mrs. Robledo, the Traffic Safety Committee voted unanimously to approve the staff recommendation to install 50 feet of red curb "No Parking" on the south side of E. 30<sup>th</sup> Street, west of "F" Avenue and 20 feet of red curb "No Parking" on the south side of E. 30<sup>th</sup> Street, east of "F" Avenue to enhance visibility and egress onto E. 30<sup>th</sup> Street.

Staff sent letters to area residents, property owners, and Sweetwater High School inviting them to attend the City Council meeting on August 4, 2015.

If approved by City Council, all work will be performed by City Public Works.

**NATIONAL CITY TRAFFIC SAFETY COMMITTEE  
AGENDA REPORT FOR JULY 8, 2015**

**ITEM NO. 2015-09**

**ITEM TITLE: REQUEST TO INSTALL 50 FEET OF RED CURB "NO PARKING" ON THE SOUTH SIDE OF E. 30<sup>TH</sup> STREET, WEST OF "F" AVENUE AND 20 FEET OF RED CURB "NO PARKING" ON THE SOUTH SIDE OF E. 30<sup>TH</sup> STREET, EAST OF "F" AVENUE TO ENHANCE VISIBILITY AND ACCESS ONTO EAST 30<sup>TH</sup> STREET (BY R. ROBLEDO)**

**PREPARED BY:** Kenneth Fernandez, P.E.  
Engineering and Public Works Department, Engineering Division

**DISCUSSION:**

Mr. Rudy Robledo, resident of 3131 "F" Avenue has requested red curb "No Parking" on the south side of E. 30<sup>th</sup> Street, when egressing "F" Avenue. According to Mr. Robledo, he and his neighbors constantly encounter line-of-sight issues due to vehicles parked near the corner of the E 30<sup>th</sup> Street and "F" Avenue intersection. Mr. Delgado is requesting painted red curb at said locations to improve visibility and enhance safety for vehicles exiting "F" Avenue onto E. 30<sup>th</sup> Street.

Staff performed a site evaluation. The posted speed limit is 30 mph. E 30<sup>th</sup> Street between "D" Avenue and Highland Avenue is relatively flat and has a negligible grade. A sidewalk "bulb-out" was installed during a recent Safe Routes to Schools (SR2S) Capital Improvement Project (CIP) on the southwest corner of the same intersection. It addresses eastbound vehicle and pedestrian line-of-sight concerns and pedestrian access across E 4<sup>th</sup> Street.

"A Policy on Geometric Design of Highways and Streets" manual from the American Association of State Highway and Transportation Officials (AASHTO) was used as a reference. Sight triangles for westbound and eastbound traffic were prepared by Engineering Staff depicting insufficient visibility of oncoming vehicular traffic from both directions. Safety concerns arise when vehicles are parked at both westerly and easterly curb returns of said intersection. It was found that line-of-sight for vehicular traffic was affected when two/one standard-size vehicle(s) were parked on the west/east corner, respectively. Staff recommends painting 50 feet of red curb west of the intersection. Similarly, Staff recommends painting 20 feet of red curb east of the intersection. These "No Parking" sections are intended to enhance safety and as act as a preventive measure. However, this adjustment of the street layout would result in the loss of approximately three standard-size on-street parallel public parking spaces (two (2) west of and one (1) east of "F" Avenue).

If implemented, the general public will still have available on-street parking on both sides of E 30<sup>th</sup> Street and "F" Avenue. Staff sent letters to area residents, property owners, and institutions inviting them to contact Staff and/or attend the Traffic Safety Committee Meeting. Staff noticed that parking is a premium when school is in session.

**STAFF RECOMMENDATION:**

Staff recommends installation of approximately 70 feet of red curb "No Parking" along the south side of E 30<sup>th</sup> Street immediately 50 feet west and 20 feet east of the E 30<sup>th</sup> Street and "F" Avenue intersection to enhance line-of-sight.

**EXHIBITS:**

1. Correspondence
2. Traffic Safety Committee Notification Letter
3. Location Map
4. Photos

2015-09

**Kenneth Fernandez**

---

**Subject:** FW: Safety Issue at 30th and F ave

**From:** rudy robledo [<mailto:rudedog62062@hotmail.com>]

**Sent:** Wednesday, February 18, 2015 12:56 PM

**To:** Stephen Manganiello

**Cc:** Leslie Deese; Ronny Soriano; Arnando Vergara

**Subject:** Safety Issue at 30th and F ave

Mr.Manganiello,

I am requesting the city look at making it safer to pull onto oncoming traffic (30th) from F Ave.It may take red curbing or something else,I will leave this to the experts.My address is : 3131 F Ave National City CA 91950

Rudy Robledo  
Home Owner



June 23, 2015

Resident/Property Owner/Institution

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2015-09

REQUEST TO INSTALL 50 FEET OF RED CURB "NO PARKING" ON THE SOUTH SIDE OF E. 30<sup>TH</sup> STREET, WEST OF "F" AVENUE AND 20 FEET OF RED CURB "NO PARKING" ON THE SOUTH SIDE OF E. 30<sup>TH</sup> STREET, EAST OF "F" AVENUE TO ENHANCE VISIBILITY AND ACCESS ONTO EAST 30<sup>TH</sup> STREET

Dear Sir/Madame:

The City of National City would like to invite you to our next Traffic Safety Committee Meeting scheduled for **Wednesday, July 8, 2015, at 2:00 P.M.** in the 2<sup>nd</sup> Floor Large Conference Room of the Civic Center Building, 1243 National City Boulevard, to discuss the above-referenced item.

We have notified you about this item to obtain your feedback on the request to install a total of 70 linear feet of red curb, which would result in the loss of three (3) on-street public parking spaces.

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2015-09.

Sincerely,

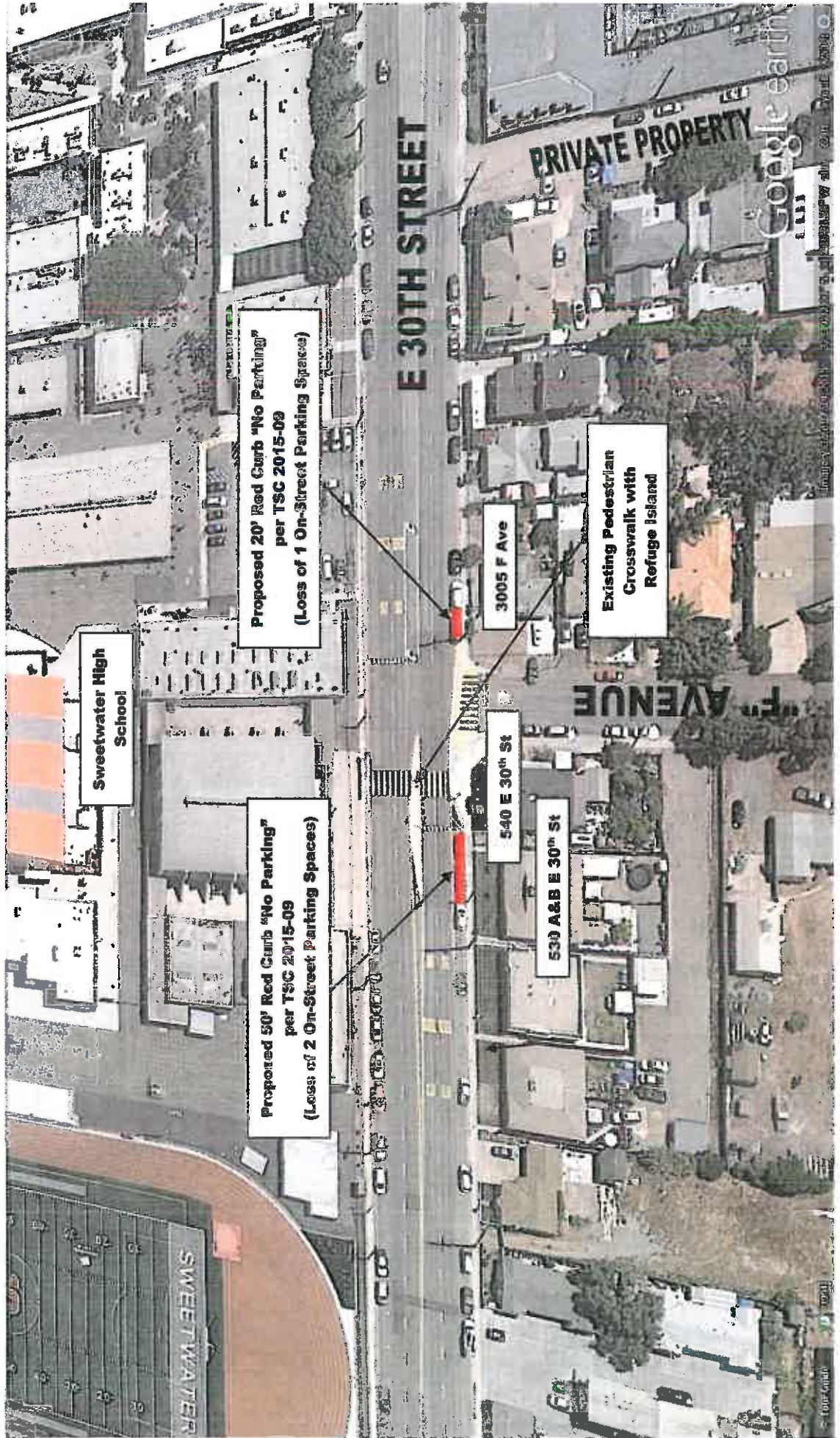
A handwritten signature in cursive script that reads "Stephen V. Manganiello".

Stephen Manganiello  
City Engineer

SM:kf

2015-09

# Location Map







**Location of Proposed Red Curb on E 30<sup>th</sup> Street west of "F" Avenue  
(looking west)**



**Location of Proposed Red Curb on E 30<sup>th</sup> Street east of "F" Avenue  
(looking east)**



July 21, 2015

Resident(s)/Property Owner(s)/Institution  
National City, CA 91950

RE: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2015-09

REQUEST TO INSTALL 50 FEET OF RED CURB "NO PARKING" ON  
THE SOUTH SIDE OF E. 30<sup>TH</sup> STREET, WEST OF "F" AVENUE AND 20  
FEET OF RED CURB "NO PARKING" ON THE SOUTH SIDE OF E. 30<sup>TH</sup>  
STREET, EAST OF "F" AVENUE TO ENHANCE VISIBILITY AND  
ACCESS ONTO EAST 30<sup>TH</sup> STREET

Dear Sir/Madame:

The City of National City would like to inform you that the subject-referenced item was unanimously recommended for approval by the Traffic Safety Committee on Wednesday, July 8, 2015, (See attached location map).

This item will now be presented to the City Council of the City of National City on **Tuesday, August 4, 2015, at 6:00 P.M.** The meeting will be held in the 2<sup>nd</sup> floor Council Chambers of the Civic Center Building located at 1243 National City Boulevard.

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2015-09.

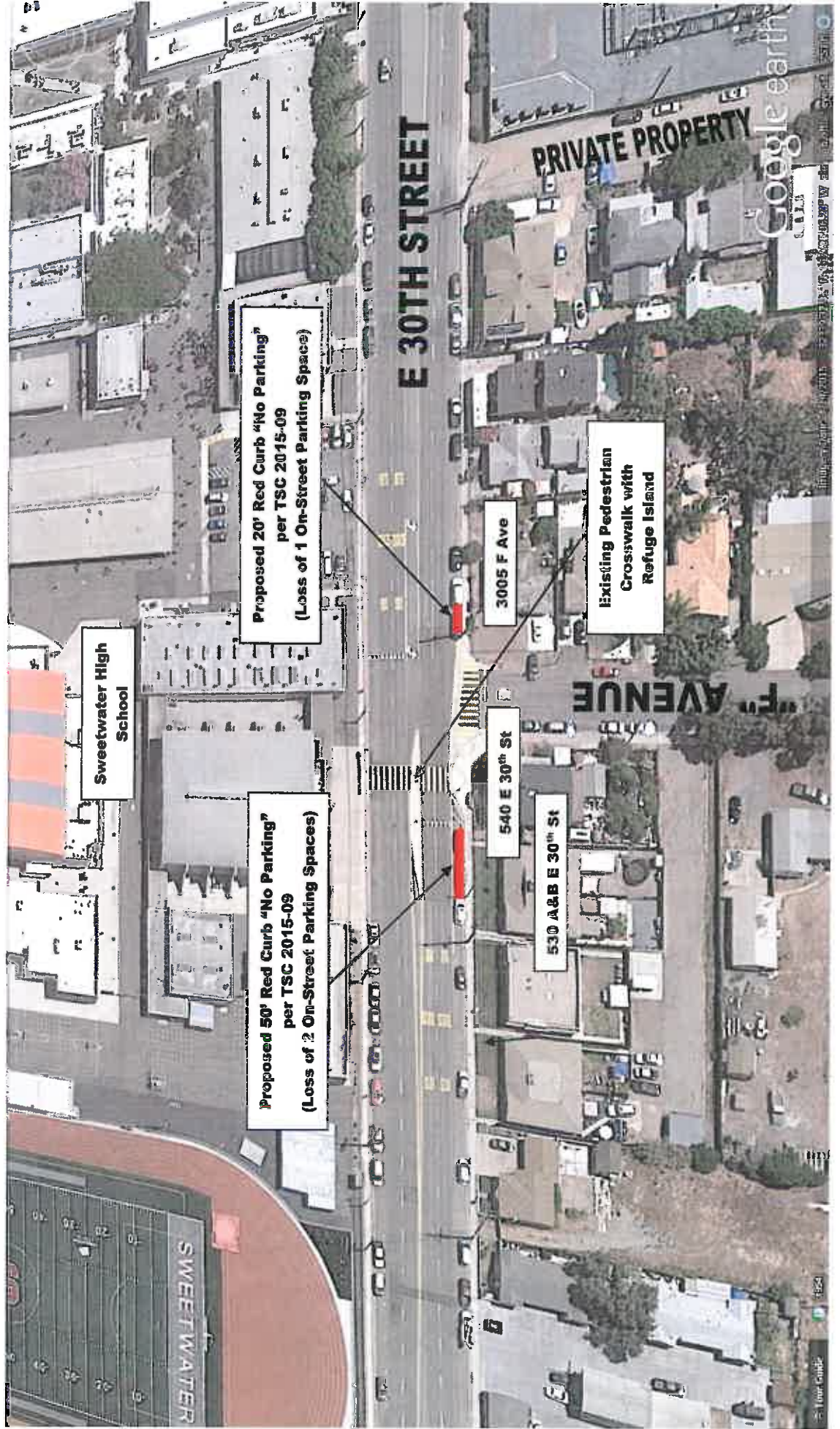
Sincerely,

Stephen Manganiello  
City Engineer

SM:kf

2015-09

# Location Map



RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
AUTHORIZING THE INSTALLATION OF 50 FEET OF RED CURB “NO PARKING”  
ON THE SOUTH SIDE OF EAST 30<sup>TH</sup> STREET, WEST OF “F” AVENUE,  
AND 20 FEET OF RED CURB “NO PARKING” ON THE SOUTH SIDE OF  
EAST 30<sup>TH</sup> STREET, EAST OF “F” AVENUE TO ENHANCE  
VISIBILITY AND EGRESS ONTO EAST 30<sup>TH</sup> STREET

WHEREAS, the resident of 3131 “F” Avenue has requested installation of red curb “No Parking” on the south side of East 30<sup>th</sup> Street due to line of sight problems caused by vehicles parking near the corner of the intersection at East 30<sup>th</sup> Street and “F” Avenue; and

WHEREAS, after a site evaluation, staff recommends the installation of 50 feet of red curb “No Parking” west of the intersection, and 20 feet of red curb “No Parking” east of the intersection to improve line of sight and achieve minimum stopping sight distance; and

WHEREAS, at its meeting on July 8, 2015, the Traffic Safety Committee approved staff’s recommendation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby authorizes the installation of 50 feet of red curb “No Parking” west of the intersection, and 20 feet of red curb “No Parking” east of the intersection to improve line of sight and achieve minimum stopping sight distance.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the installation of a blue curb handicap parking space with signage in front of the residence at 2410 Van Ness Avenue (TSC 2015-12) (Engineering/Public Works)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the installation of a blue curb handicap parking space with signage in front of the residence at 2410 Van Ness Avenue (TSC 2015-12)

**PREPARED BY:** Kenneth Fernandez, P.E. 

**PHONE:** 619-336-4388

**DEPARTMENT:** Engineering and Public Works

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

See attached.



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

N/A

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Adopt the Resolution to install a blue curb handicap parking space with signage in front of 2410 Van Ness Avenue.

**BOARD / COMMISSION RECOMMENDATION:**

At their meeting on July 8, 2015, the Traffic Safety Committee unanimously approved the staff recommendation to install a blue curb handicap parking space with signage in front of the residence at 2410 Van Ness Avenue.

**ATTACHMENTS:**

1. Explanation
2. Staff Report to the Traffic Safety Committee on July 8, 2015 (TSC 2015-12)
3. Resolution

## EXPLANATION

Ms. Stephanie Zazueta, resident of 2410 Van Ness Avenue, has requested a blue curb handicap parking space in front of her residence due to physical limitations. The residence is located on the west side of Van Ness Avenue between E 24<sup>th</sup> Street and Leonard Street near the southwest corner of Granger Junior High School. Ms. Zazueta possesses a valid disabled person's placard from the California Department of Motor Vehicles.

Engineering staff visited the site and observed that the residence has a garage. However, the garage is too small to accommodate a standard vehicle (see attached photo). The residence's driveway, which is approximately 9 feet wide by 10 feet deep, does not allow for parking of a standard vehicle without blocking the sidewalk. Ms. Zazueta stated that she had been cited once for her vehicle blocking the sidewalk when parked in her driveway. The curb length north of the shared driveway apron with 2412 Van Ness Avenue to the projected southerly property line of the school is approximately 100 feet.

Currently, there are no on-street handicap parking spaces provided in the general vicinity.

The City Council has adopted a policy, which is used to evaluate requests for handicap parking spaces. The City Council Policy requirements for "Special Hardship" cases are as follows:

1. Applicant (or guardian) must be in possession of valid license plates or placard for "disabled persons" or "disabled veterans". *This condition is met.*
2. The proposed disabled parking space must be in front (or side if on a corner lot) of the applicant's (or guardian's) place of residence. *This condition is met.*
3. The residence must not have useable off-street parking available or an off-street space available that may be converted into disabled parking. *This condition is met.*

Since all three conditions of the City Council's Disabled Persons Parking Policy are met for this "Special Hardship" case, staff recommends installation of a blue curb handicap parking space with signage in front of the residence at 2410 Van Ness Avenue.

On July 8, 2015, the Traffic Safety Committee unanimously approved the staff recommendation to install a blue curb handicap parking space with signage in front of the residence at 2410 Van Ness Avenue. Ms. Zazueta attended the meeting and spoke of behalf of her item. Additionally, she communicated her support of the item via telephone and in writing to Engineering staff. There was no public opposition to the item. Ms. Zazueta was informed that handicap parking spaces do not constitute "personal reserved parking" and that any person with valid "disabled persons" license plates or placards may legally park in on-street handicap spaces for up to 72 hours.

If approved by City Council, all work will be performed by City Public Works.

**NATIONAL CITY TRAFFIC SAFETY COMMITTEE  
AGENDA REPORT FOR JULY 8, 2015**

**ITEM NO. 2015-12**

**ITEM TITLE:** REQUEST FOR INSTALLATION OF A BLUE CURB HANDICAP PARKING SPACE WITH SIGNAGE IN FRONT OF 2410 VAN NESS AVENUE (BY S. ZAZUETA)

**PREPARED BY:** Kenneth Fernandez, P.E.  
Engineering and Public Works Department, Engineering Division

**DISCUSSION:**

Ms. Stephanie Zazueta, resident of 2410 Van Ness Avenue, has requested a blue curb handicap parking space in front of her residence due to physical limitations. The residence is located on the west side of Van Ness Avenue between E 24<sup>th</sup> Street and Leonard Street near the southwest corner of Granger Junior High School. Ms. Zazueta possesses a valid disabled person's placard from the California Department of Motor Vehicles.

Engineering Staff visited the site and visually observed that the aforementioned attached residence has a one-car garage. The residence's driveway is approximately 9 feet wide and 10 feet deep. Ms. Zazueta has stated that she once was cited for blocking the pedestrian path of travel when parked on said driveway. The curb length north of the shared driveway apron with 2412 Van Ness Avenue to the projected southerly property line of the school is approximately 100 feet.

Currently, there are no on-street handicap parking spaces provided in the general vicinity.

The City Council has adopted a policy, which is used to evaluate requests for handicap parking spaces. The City Council Policy requirements for "Special Hardship" cases are as follows:

1. Applicant (or guardian) must be in possession of valid license plates or placard for "disabled persons" or "disabled veterans". *This condition is met.*
2. The proposed disabled parking space must be in front (or side if on a corner lot) of the applicant's (or guardian's) place of residence. *This condition is met.*
3. The residence must not have useable off-street parking available or an off-street space available that may be converted into disabled parking. *This condition is met.*

Based on the site evaluation, staff has determined that accessible parking is not available on the property.

As a result, per the City Council Disabled Persons Parking Policy, Ms. Zazueta's request is eligible for further consideration.



it shall be noted that handicap parking spaces do not constitute "personal reserved parking" and that any person with valid "disabled persons" license plates or placards may park in handicap spaces.

**STAFF RECOMMENDATION:**

Since all three conditions of the City Council's Disabled Persons Parking Policy are met for this "Special Hardship" case, staff recommends installation of a blue curb handicap parking space with signage in front of the residence at 2410 Van ness Avenue.

**EXHIBITS:**

1. Correspondence
2. Location Map
3. Photos
4. Disabled Persons Parking Policy

2015-12

To whom it may concern,

4-14-15

I Stephanie Zazueta at 8410 Van Ness Ave. National City, Ca. 91950, am trying to request a handicap parking in front of my house due to that my garage is too small and the driveway is too short due to traffic enforcement I am not allowed to park there or the alley either. Please review this information, I have hard time walking a long distance and are having problems with neighbors. [REDACTED]

Thank You,

Stephanie Zazueta  
[Signature]

RECEIVED  
ENGINEERING DEPT.

2015 APR 14 P 3 19

DEPARTMENT OF MOTOR VEHICLES

PLACARD NUMBER: 087138F

EXPIRES: 06/30/2011

DATE ISSUED: 03/12/2015

DISABLED PERSON  
PLACARD IDENTIFICATION  
CARD/RECEIPT



A Public Service Agency

This identification card or facsimile copy is to be carried by the placard owner. Present it to any peace officer upon demand. Immediately notify DMV by mail of any change of address. When parking, hang the placard from the rear view mirror, remove it from the mirror when driving.

When your placard is properly displayed, you may park in or on:

TYPE: N1 TV: 92 CO: 37

DOB: 04/01/1980

- \* Disabled person-parking spaces (blue zones)
- \* Street metered zones without paying.
- \* Green zones without restrictions to time limits.
- \* Streets where preferential parking privileges are given residents and merchants.

ISSUED TO

ZAZUETA STEPHANIE  
2410 VAN NESS AVE

NATIONAL CITY CA 91950



You may not park in or on:  
Red, Yellow, White or Tow Away Zones.

- \* Crosshatch marked spaces next to disabled person parking spaces.
- \* Display a placard unless the disabled owner is being transported.
- \* Display a placard which has been cancelled or revoked.
- \* Loan your placard to anyone, including family members.

It is considered misuse to:

Purchase of fuel  
(Business & Professions Code 13660):

- \* State law requires service stations to refuel a disabled person's vehicle at self-service rates except self-service facilities with only one cashier.

- \* Misuse is a misdemeanor (section 4461VC) and can result in cancellation or revocation of the placard, loss of parking privileges, and/or fines.

REMOVE FROM MIRROR BEFORE DRIVING VEHICLE

CALIFORNIA



WARNING: The illegal use of a disabled parking placard could result in a maximum fine of \$5,200.

PARKING PLACARD



DISABLED PERSON

EXPIRES JUNE 30

2017

087138 F

PURCHASE OF FUEL (Business & Professions Code 13460)  
State law requires service stations to refuel a disabled person's vehicle at self-service rates, except at service facilities with only one employee on duty.

# Location Map





**Location of Proposed Blue Curb and Signage at 2410 Van Ness Avenue  
(looking southwest)**



**Location of Proposed Blue Curb and Signage at 2410 Van Ness Avenue  
(looking west)**

## DISABLED PERSONS PARKING POLICY

The purpose of a disabled persons parking zone is to provide designated parking spaces at major points of assembly for the exclusive use of physically disabled persons whose vehicle displays a distinguishing license plate as authorized by the California Department of Motor Vehicles.

The City Council may upon recommendation of the City Engineer, designate specially marked and posted on-street parking spaces for disabled persons pursuant to California Vehicle Code 21101, et seq. at the following facilities:

1. Government buildings serving the public such as administration buildings, public employment offices, public libraries, police stations, etc.
2. Hospitals and convalescent homes with more than 75-bed capacity.
3. Medical facilities and doctors' offices staffed by a maximum of five practitioners. Zones shall be located to serve a maximum number of facilities on one block.
4. Community service facilities such as senior citizens service centers, etc.
5. Accredited vocational training and educational facilities where no off-street parking is provided for disabled persons.
6. Employment offices for major enterprises employing more than 200 persons.
7. Public recreational facilities including municipal swimming pools, recreation halls, museums, etc.
8. Public theaters, auditoriums, meeting halls, arenas, stadiums with more than 300 seating capacity.
9. Other places of assembly such as schools and churches.
10. Commercial and/or office building(s) with an aggregate of more than 50,000 square feet of usable floor space. Zone shall be located to serve a maximum number of facilities on one block.
11. Hotels catering to daily guests, maintaining a ground floor lobby and a switchboard that is operated 24 hours per day.

12. A hotel or apartment house catering to weekly or monthly guests and containing more than 30 separate living units.

In addition, disabled persons parking spaces may be provided within all publicly owned, leased or controlled off-street parking facilities as specified in the General Requirements.

#### General Requirements

Each disabled persons parking space shall be indicated by blue paint and a sign (white on blue) showing the international symbol of accessibility (a profile view of a wheelchair with occupant).

Where installed under the above criteria the total number of disabled persons curb parking spaces will be limited to 3% of the total number of on-street parking spaces available in the area and shall be distributed uniformly within the area.

Disabled persons parking will not be installed at locations with a full-time parking prohibition. When a disabled persons parking zone is installed where a part-time parking prohibition is in effect, the disabled persons parking zone will have the same time restrictions as the part-time parking prohibition.

The cost of installing disabled persons parking will be assumed by the City on public streets and public off-street parking facilities.

In establishing on-street parking facilities for the disabled there shall be a reasonable determination made that the need is of an on-going nature. The intent is to prevent the proliferation of special parking stalls that may be installed for a short-term purpose but later are seldom used. Unjustified installation of such parking stalls unnecessarily increases the City's maintenance and operations costs, reduce available on-street parking for the general public, and detract from the overall effectiveness of the disabled persons parking program.

#### Special Hardship Cases

It is not the intention of the City to provide personal reserved parking on the public right-of-way, especially in residential areas. However, exceptions may be made, in special hardship cases, provided all of the following conditions exists:

- (1) Applicant (or guardian) must be in possession of valid license plates for "disabled persons" or "disabled veterans."
- (2) The proposed disabled parking space must be in front of the applicant's (or guardian's) place of residence.



- (3) Subject residence must not have useable off-street parking available or off-street space available that may be converted into disabled parking.

NOTE: It must be emphasized that such parking spaces do not constitute "personal reserved parking" and that any person with valid "disabled persons" license plates may park in the above stalls.

Jha:p

RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
AUTHORIZING THE INSTALLATION OF A BLUE CURB HANDICAP PARKING SPACE  
WITH SIGNAGE IN FRONT OF THE RESIDENCE AT 2410 VAN NESS AVENUE

WHEREAS, a resident with a valid Disabled Person Placard from the State of California Department of Motor Vehicles, has requested the installation of a blue curb handicap parking space in front of her home at 2410 Van Ness Avenue; and

WHEREAS, after conducting an inspection and review, staff determined that all conditions have been met for the property to qualify for a blue curb handicap parking space; and

WHEREAS, at its July 8, 2015 meeting, the Traffic Safety Committee approved the installation of a blue curb handicap parking space at 2410 Van Ness Avenue.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby authorizes the City Engineer to approve the installation of a blue curb handicap parking space with signage in front of the residence at 2410 Van Ness Avenue.

PASSED and ADOPTED this 4th day of August, 2015.

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Ron Morrison, Mayor

ATTEST:

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Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

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Claudia Gacitua Silva  
City Attorney

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the Mayor to execute Change Order No. 6 to the Kimball Tower Boiler Replacement Project contract (CIP No. 13-05) with ACCO Engineered Systems, Inc. in the amount of \$21,101.00 to proc

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the Mayor to execute Change Order No. 6 to the Kimball Tower Boiler Replacement Project contract (CIP No. 13-05) with ACCO Engineered Systems, Inc. in the amount of \$21,101.00 to procure and install a booster pump to provide additional water pressure and flow to service the upper floors of the building with hot water.

**PREPARED BY:** Charles Nissley.

**PHONE:** 336-4396

**EXPLANATION:**

See attached.

**DEPARTMENT:** Engineering & Public Works

**APPROVED BY:** \_\_\_\_\_



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

001-409-500-598-1593 (Kimball Tower Improvements): \$21,101.00

**APPROVED:** \_\_\_\_\_

Finance

**APPROVED:** \_\_\_\_\_

MIS

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE: INTRODUCTION:**

**FINAL ADOPTION:**

**STAFF RECOMMENDATION:**

Adopt the Resolution.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Explanation
2. Change Order No. 6
3. Resolution

## **EXPLANATION**

On June 17, 2014, City Council adopted Resolution No. 2014-84 awarding a contract to ACCO Engineered Systems for the Kimball Tower Boiler Replacement Project, Specification No. 13-05, and authorizing a 15% contingency in the amount of \$25,738.95 for any unforeseen changes. The contractor installed a new boiler system per the contract specifications and performed testing. The testing indicated that additional pressure is needed to provide hot water to the upper floors of the building. Installation of a booster pump is recommended to resolve the issue.

The contractor's change order proposal to accomplish the work is \$21,101.00. Since this change order amount, when added to the previously approved change order amounts, would slightly exceed the pre-approved 15% contingency by \$5,300.05, City Council action is required.



**KIMBALL TOWER BOILER REPLACEMENT PROJECT**

**CHANGE ORDER NO.6**

CIP No. 13-05

July 8, 2015

Contractor: ACCO Engineered Systems

*Reason/Purpose for this Change Order:*

Loss of hot water on the upper floors were identified by the supervisor of building maintenance at the Kimball Towers. Several measures in resolving this issue were implemented and it was determined that allowing the mixing valve to be incorporated in the system decreases the water pressure and flow. According to BSE (designers), additional design work to resolve the issue must be done in order to prevent the loss of water pressure and flow in the system. The analysis and design work will take several days to be prepared for the contractor to continue their work. At this time, additional days in the contract is required to allow the project to be open.

*The City of National City and Contractor agree to the following change to the original Contract:*

The City and the Contractor agree that the Contractor shall install the booster pump to increase the water flow in the boiler system located at Kimball Towers Building per Engineer's design. The contractor will continue the work within the contract days including the days added in the agreement of this Change Order. Forty-five (45) additional contract days will be added to the project which will take original completion date from 5/20/15 to 7/24/15. The agreed upon price for all the costs associated with this work is a total of \$21,101.00.

Original Contract Amount.....	\$	171,593.00
Net change by previously authorized Change Orders.....		9,938.00
Subtotal.....		181,531.00
<b>Amount of this change order.....</b>		<b>21,101.00</b>
New contract amount.....	\$	202,632.00

Working days added: 45    Working days subtracted: 0    Percent change in Contract to date 18.09%

*Submitted by:*

	7/21/2014	
Project Manager	Date	

*Approved by:*

	7/29/15	
City Engineer	Date	City Manager, required for Change Orders >\$24,999    Date

By signing this Change Order the Contractor confirms that he/she is completely familiar with its terms and conditions and has fairly negotiated its price, terms and conditions. If this Change Order is approved, Contractor will provide all of the equipment, materials and labor necessary to provide a complete work as described above at that the price stated herein. Additionally, Contractor confirms that the price is fair and complete and represents all costs associated with the work, including but not limited to all equipment, materials, labor, supervision, overhead, fees, bonds, insurance, profit, etc. and that there will be no further compensation. All of the terms and conditions of the original contract documents are incorporated herein.

*Accepted and agreed to by ACCO Engineered Systems:*

	7/14/15
Name:    DAVID OSBURN, Assistant Secretary	Date

Note to Contractor: If you do not agree with this Change Order you may be directed to proceed with this work under the terms of the contract and you may proceed under protest. You must comply with the contract requirements of submitting a written protest to protect your claim.

Originals: City Clerk, Contractor

cc: Engineering project file, Project Manager



**KIMBALL TOWERS BOILER REPLACEMENT PROJECT**

CIP No. 13-05

Contractor: ACCO Engineered Systems

**CHANGE ORDER NO.3**

July 8, 2014

No.	Task	Units	Quantity	Unit Price	Extension
1	Direct Job Costs including equipment, piping, project management	LS	1	16,436.00	16,436.00
2	Overhead costs	LS	1	2,465.00	2,465.00
3	Subcontracted work	LS	1	2,200.00	2,200.00
<b>Subtotal</b>					<b>21,101.00</b>

<b>Total Cost</b>	<b>21,101.00</b>
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RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
AUTHORIZING THE MAYOR TO EXECUTE CHANGE ORDER NO. 6  
TO THE CONTRACT WITH ACCO ENGINEERED SYSTEMS, INC.,  
IN THE AMOUNT OF \$21,101.00 FOR THE KIMBALL TOWER BOILER  
REPLACEMENT PROJECT FOR THE PROCUREMENT AND INSTALLATION OF  
A BOOSTER PUMP TO PROVIDE ADDITIONAL WATER PRESSURE AND FLOW  
TO SERVICE THE UPPER FLOORS OF KIMBALL TOWER WITH HOT WATER

WHEREAS, on June 17, 2014, City Council adopted Resolution No. 2014-84 awarding a contract to ACCO Engineered Systems, Inc., (“ACCO”) for the Kimball Tower Boiler Replacement Project, Specification No. 13-05, and authorizing a 15% contingency in the amount of \$25,738.95 for any unforeseen changes; and

WHEREAS, the new boiler system was installed according to contract specifications, but testing indicated that additional pressure is needed to provide hot water to the upper floors of Kimball Tower, which will require the installation of a booster pump; and

WHEREAS, ACCO proposes to accomplish the installation of a booster pump for the change order amount of \$21,101.00; and

WHEREAS, this change order amount, when added to the previously approved change order amounts, would slightly exceed the pre-approved 15% contingency by \$5,300.05, which requires City Council approval.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby authorizes the Mayor to execute Change Order No. 6 to the Contract with ACCO Engineered Systems, Inc., in the amount of \$21,101.00 for the Kimball Tower Boiler Replacement Project for the procurement and installation of a booster pump to provide additional water pressure and flow to service the upper floors of Kimball Tower with hot water.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney



The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City, 1) accepting an Active Transportation Grant Program (ATGP) award in the amount of \$425,000 through the San Diego Association of Governments for the Euclid Bicycle and Pedestrian Enhancements pro

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** | August 4, 2015 |

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Resolution of the City Council of the City of National City, 1) accepting an Active Transportation Grant Program (ATGP) award in the amount of \$425,000 through the San Diego Association of Governments for the Euclid Bicycle and Pedestrian Enhancements project, 2) accepting the terms of the Grant Agreement, 3) authorizing the City Manager to execute the Grant Agreement, and 4) establishing corresponding revenue and expenditure accounts.

**PREPARED BY:** | Ray Roberson |

**DEPARTMENT:** Engineering/Public Works

**PHONE:** | 336-4583 |

**APPROVED BY:** 

**EXPLANATION:**

Euclid Avenue is a four-lane north-south arterial with on-street parallel parking along most of the corridor. Euclid Avenue is identified as a major arterial in the City's General Plan and a regional bicycle corridor in both the City's Bicycle Master Plan and SANDAG 2050 Regional Transportation Plan. This ATGP grant will provide funding for design and engineering of the project to include approximately 1.7 miles of Class II bicycle facilities between Cervantes Avenue and E. 24th Street. There is no local match required for this project. Staff has applied for an additional grant to fund project construction, and should be notified of the results this summer.

It shall be noted that the Grant Agreement contains provisions required by SANDAG, which have been reviewed and accepted by staff. While one such provision is a "hold harmless" provision, staff has determined that risk to the City is minimal since SANDAG's involvement in this grant-funded project is limited to accounting processes and financial audits.

**FINANCIAL STATEMENT:**

**APPROVED:**  Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Revenue Account No. 296-06572-3463

Expenditure Account No. 296-409-500-598-6572

**ENVIRONMENTAL REVIEW:**

| N/A |

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

| Adopt the Resolution. |

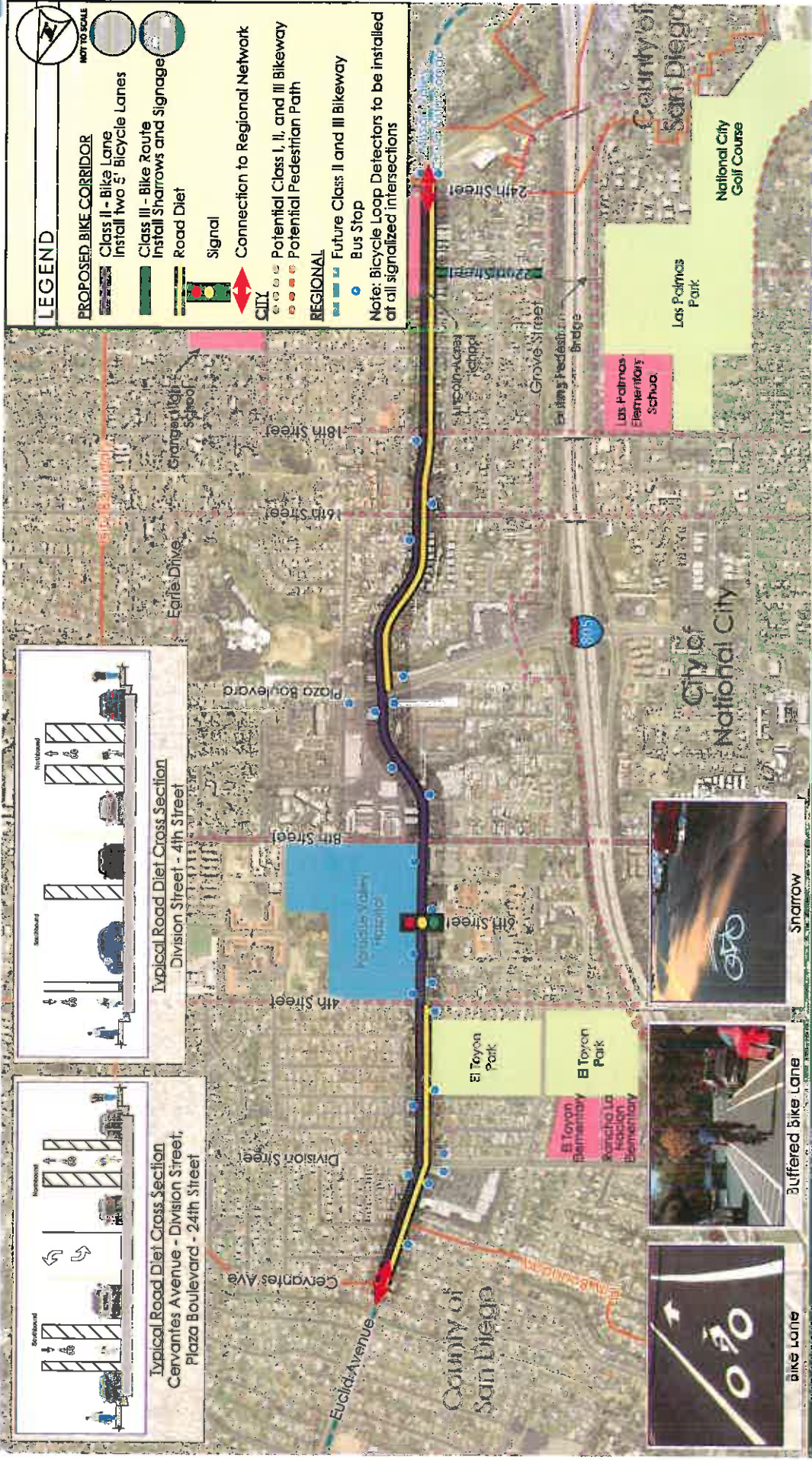
**BOARD / COMMISSION RECOMMENDATION:**

| N/A |

**ATTACHMENTS:**

1. Grant Agreement
2. Resolution

# Project Improvement Map



# Euclid Avenue Bicycle and Pedestrian Enhancements

National City Euclid Avenue  
 Bicycle and Pedestrian Enhancements



MAY 2014

**TransNet ACTIVE TRANSPORTATION GRANT PROGRAM**  
**GRANT AGREEMENT 5004637 BETWEEN**  
**THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND**  
**THE CITY OF NATIONAL CITY**  
**REGARDING ITS EUCLID AVENUE BICYCLE AND PEDESTRIAN ENHANCEMENTS**

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THIS GRANT AGREEMENT 5004637 (Agreement) is made this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the San Diego Association of Governments, 401 B Street, Suite 800, San Diego, California, hereinafter referred to as SANDAG, and the City of National City 1243 National City Boulevard, National City, CA 91950, hereinafter referred to as Grantee. This agreement expires on \_\_\_\_\_.

The following recitals are a substantive part of this Agreement:

- A. On September 26, 2013, the Governor Brown signed legislation creating the Active Transportation Program (ATP) (Senate Bill 99 and Assembly Bill 101) to encourage increased use of active modes of transportation such as bicycling and walking.
- B. ATP funding is awarded through a competitive process that consists of two stages: a statewide competition facilitated by the California Transportation Commission (CTC), followed by a regional competition facilitated by SANDAG.
- C. The regional competition for Cycle 1 ATP funds was conducted in 2014 and resulted in a list of ten projects to be funded through the ATP in the amount of \$13.41 million. On September 26, 2014, the Board of Directors recommended the final list of ranked projects to the CTC for funding allocation. Of the ten recommended projects, seven were from local jurisdictions with a cumulative award amount of \$5.99 million, while the three remaining projects were SANDAG projects.
- D. The SANDAG Board of Directors allocates funds under the *TransNet* local sales tax program to support local bicycle and pedestrian transportation projects in the San Diego region through a competitive process.
- E. The *TransNet* Extension Ordinance contains provisions to fund the Bicycle, Pedestrian, and Neighborhood Safety Program (BPNSP), which encompasses bicycle and pedestrian travel projects. The *TransNet* BPNSP is commonly referred to as the SANDAG Active Transportation Grant Program (ATGP).
- F. Section 7 of the *TransNet* Extension Ordinance allows for the exchange of federal, state, or other local funds for *TransNet* funds to maximize effectiveness in the use of revenues.
- G. On November 21, 2014, the SANDAG Board of Directors approved the exchange of ATP funding for *TransNet* funding for the 7 local jurisdiction projects selected in the regional ATP competition by Resolution Number RTC 2015-02.
- H. Grantee successfully applied for ATP Funding for its Euclid Avenue Bicycle and Pedestrian Enhancements (Project), as described in Grantee's grant application. The Scope of Work, Project Schedule, and Approved Project Budget are included as Attachment A.

- I. Grantee's Project is funded with \$425,000 in ATGP funds. The *TransNet* MPO ID for the Project is NC21.
- J. The purpose of this Agreement is to establish the terms and conditions for SANDAG to provide Grantee with funding to implement the Project.
- K. Although SANDAG will be providing financial assistance to Grantee to support the Project, SANDAG will not take an active role or retain substantial control of the Project. Therefore, this Agreement is characterized as a funding agreement rather than a cooperative agreement.
- L. Grantee understands that *TransNet* funds derive from retail transactions and use tax revenues which fluctuate. SANDAG's funding commitment to ATGP Projects, including this Project, is subject to these fluctuations, which may impact funding availability for this Project.
- M. Grantee further understands that this Grant Award, Agreement and the Grantee's performance thereunder are subject to Board Policy No. 035, which includes multiple "use it or lose it" provisions.

NOW, THEREFORE, it is agreed as follows:

**I. DEFINITIONS**

- A. **Application.** The signed and dated grant application, including any amendment thereto, with all explanatory, supporting, and supplementary documents filed with SANDAG by or on behalf of the Grantee and accepted or approved by SANDAG. All of Grantee's application materials, not in conflict with this Agreement, are hereby incorporated into this Agreement as though fully set forth herein.
- B. **Approval, Authorization, Concurrence, Waiver.** A written statement (transmitted in typewritten hard copy or electronically) of a SANDAG official authorized to permit the Grantee to take or omit an action required by this Agreement, which action may not be taken or omitted without such written permission. Except to the extent that SANDAG determines otherwise in writing, such approval, authorization, concurrence, or waiver permitting the performance or omission of a specific action does not constitute permission to perform or omit other similar actions. An oral permission or interpretation has no legal force or effect.
- C. **Approved Project Budget.** The most recent statement of the costs of the Project, the maximum amount of assistance from SANDAG for which the Grantee is currently eligible, the specific tasks (including specific contingencies) covered, and the estimated cost of each task, that has been approved by SANDAG. The Approved Project Budget is included in Attachment A.
- D. **ATGP Funds and Funding.** Funding from the *TransNet* BPNSP.
- E. **Grantee.** The local jurisdiction that is the recipient of ATGP funding under this Agreement.
- F. **Notice to Proceed.** A written notice from SANDAG issued to the Grantee authorizing the Grantee to proceed with all or a portion of the work described in the Scope of Work. Grantee shall not proceed with the work and shall not be eligible to receive payment for work performed prior to the SANDAG issuance of a Notice to Proceed.

**G. Subgrantee.** Any contractor or consultant, at any tier, paid directly or indirectly with funds flowing from this Agreement for the Project.

## **ii. PROJECT IMPLEMENTATION**

**A. General.** The Grantee agrees to carry out the Project as follows:

1. **Project Description.** Grantee agrees to perform the work as described in the Scope of Work included as Attachment A.
2. **Effective Date.** The effective date of this Agreement or any amendment hereto is the date on which this Agreement or an amendment is fully executed. The Grantee agrees to undertake Project work promptly after receiving a Notice to Proceed from SANDAG.
3. **Grantee's Capacity.** The Grantee agrees to maintain or acquire sufficient legal, financial, technical, and managerial capacity to: (a) plan, manage, and complete the Project and provide for the use of any Project property; (b) carry out the safety and security aspects of the Project; and (c) comply with the terms of the Agreement and all applicable laws, regulations, and policies pertaining to the Project and the Grantee, including but not limited to the *TransNet* Extension Ordinance and Board Policy No. 035.
4. **Project Schedule.** The Grantee agrees to complete the Project according to the Project Schedule included in Attachment A and in compliance with Board Policy No. 035, as amended, and included as Attachment B.
5. **Project Implementation and Oversight.** Grantee agrees to comply with the Project Implementation and Oversight Requirements, included as Attachment C, and Board Policy No. 035, as amended.
6. **Changes to Project's Scope of Work.** This Agreement was awarded to Grantee based on the application submitted by Grantee, which contained representations by Grantee regarding project parameters, project proximity to transit, and other criteria relevant to evaluating and ranking the Project based on the Regional ATP scoring criteria. Any substantive deviation from Grantee's representations in the Application during project implementation may require reevaluation or result in loss of funding. If Grantee knows or should have known that substantive changes to the Project will occur or have occurred, Grantee will immediately notify SANDAG in writing. SANDAG will then determine whether the Project is still consistent with the overall objectives of the ATGP and Regional ATP and whether the changes would have negatively affected the Project ranking during the competitive grant evaluation process. SANDAG reserves the right to have ATGP Funding withheld from Grantee, or refunded to SANDAG, due to Grantee's failure to satisfactorily complete the Project or due to substantive changes to the Project.
7. **Media and Community Outreach Coordination.** The Grantee agrees notify SANDAG of any media and community outreach efforts, including presentations to community groups, other agencies, and elected officials. The Grantee agrees to assist SANDAG with media or community events related to the Project, such as ground breaking and ribbon cutting. Press materials shall be provided to SANDAG staff before they are distributed.

SANDAG logos should be included in press materials and other project collateral, but may never be included in such documents without advance approval from SANDAG.

As part of the quarterly reports submitted to SANDAG, the Grantee agrees to provide project milestone information to support media and communications efforts. SANDAG reserves the right to use the information provided by the Grantee for any combination of the following, including but not limited to: social media posts, online photo albums, videos, press releases, PowerPoint presentations, web updates, newsletters, and testimonials. In submitting photos to SANDAG, the Grantee agrees to release the rights of the photos to SANDAG for its use.

8. Project Signage and Designation of *TransNet* Funded Facilities. Each capital project in excess of \$250,000 funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by revenues from the *TransNet* Extension Ordinance.

Grantee agrees to follow the Project Signage Specifications. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before printing.

9. Baseline Data Collection. For capital projects, Grantee is required to coordinate with SANDAG staff on the development of a baseline data collection plan in accordance with the Project Implementation and Oversight Requirements.
- B. Application of Laws.** Should a federal or state law pre-empt a local law, regulation, or the *TransNet* Extension Ordinance, the Grantee must comply with the federal or state law and implementing regulations. No provision of this Agreement requires the Grantee to observe or enforce compliance with any provision, perform any other act, or do any other task in contravention of federal, state, territorial, or local law, regulation, or ordinance. If compliance with any provision of this Agreement violates or would require the Grantee to violate any law, the Grantee agrees to notify SANDAG immediately in writing. Should this occur, SANDAG and the Grantee agree that they will make appropriate arrangements to proceed with or, if necessary, terminate the Project or affected portions thereof expeditiously.
- C. Notice Regarding Prevailing Wages.** SANDAG ATGP Grants are funded with *TransNet* revenues consistent with the *TransNet* Extension Ordinance adopted by the voters in November 2004 (SANDAG Ordinance 04-01). Although SANDAG Ordinance 04-01 does not require payment of prevailing wages, California law may require that Grantee's public works projects pay prevailing wages for workers. Grantee acknowledges that SANDAG has strongly encouraged Grantee to seek legal counsel regarding whether the Project will be subject to prevailing wage laws consistent with Labor Code Section 1720, et seq. This Agreement requires Grantee's compliance with all federal, state, and local laws and ordinances as applicable.
- D. Significant Participation by a Subgrantee.** Although the Grantee may delegate any or almost all Project responsibilities to one or more subgrantees, the Grantee agrees that it, rather than any subgrantee, is ultimately responsible for compliance with all applicable laws, regulations, and this Agreement.

- E. Third-Party Contracting.** Grantee shall not award contracts over \$3,000 on the basis of a noncompetitive procurement for work to be performed under this Agreement without the prior written approval of SANDAG. Contracts awarded by Grantee, if intended as local match credit, must meet the requirements set forth in this Agreement regarding local match funds.
1. If Grantee hires a consultant to carry out professional services funded under this Agreement, Grantee shall: prepare an Independent Cost Estimate (ICE) prior to soliciting proposals; publicly advertise for competing proposals for the work; use cost as an evaluation factor in selecting the consultant; document a Record of Negotiation (RON) establishing that the amount paid by Grantee for the consultant services is fair and reasonable; and pass through the relevant obligations in this Agreement to the consultant.
  2. If Grantee hires a contractor to carry out construction services funded under this Agreement, Grantee shall: prepare an ICE (e.g., a construction cost estimate) prior to soliciting bids; publicly advertise for competing bids for the work; award the work to the lowest responsive and responsible bidder; document a RON establishing that the amount paid by Grantee for the construction services is fair and reasonable; and pass through the relevant obligations in this Agreement to the contractor.
- F. Grantee's Responsibility to Extend Agreement Requirements to Other Entities**
1. **Entities Affected.** Grantee agrees to take appropriate measures necessary to ensure that all Project participants comply with all applicable federal laws, regulations, and policies affecting Project implementation. In addition, if an entity other than the Grantee is expected to fulfill any responsibilities typically performed by the Grantee, the Grantee agrees to assure that the entity carries out the Grantee's responsibilities as set forth in this Agreement.
  2. **Documents Affected.** The applicability provisions of laws, regulations, and policies determine the extent to which those provisions affect an entity (such as a subgrantee) participating in the Project through the Grantee. Thus, the Grantee agrees to use a written document to ensure that each entity participating in the Project complies with applicable laws, regulations, and policies.
  3. **Flowdown.** The Grantee agrees to include in each document (subagreement, lease, third-party contract, or other) any necessary provisions requiring the Project participant (third-party contractor, subgrantee, or other) to impose applicable laws, Agreement requirements and directives on its subgrantees, lessees, third-party contractors, and other Project participants at the lowest tier necessary.
- G. No SANDAG Obligations to Third Parties.** In connection with the Project, the Grantee agrees that SANDAG shall not be subject to any obligations or liabilities to any subgrantee, lessee, third-party contractor, or other person or entity that is not a party to the Agreement for the Project. Notwithstanding that SANDAG may have concurred in or approved any solicitation, subagreement, lease, or third-party contract at any tier, SANDAG has no obligations or liabilities to any entity other than the Grantee, including any subgrantee, lessee, or third-party contractor at any tier.



- H. Changes in Project Performance.** The Grantee agrees to notify SANDAG immediately, in writing, of any change in local law, conditions (including its legal, financial, or technical capacity), or any other event that may adversely affect the Grantee's ability to perform the Project in accordance with the terms of the Agreement and as required by Board Policy No. 035. The Grantee also agrees to notify SANDAG immediately, in writing, of any current or prospective major dispute, breach, default, or litigation that may adversely affect SANDAG interests in the Project; and agrees to inform SANDAG, also in writing, before naming SANDAG as a party to litigation for any reason, in any forum. At a minimum, the Grantee agrees to send each notice to SANDAG required by this subsection to the SANDAG Office of General Counsel.
- I. Standard of Care.** The Grantee expressly warrants that the work to be performed pursuant to this Agreement shall be performed in accordance with the applicable standard of care. Where approval by SANDAG, its Executive Director, or other representative of SANDAG is indicated in the Scope of Work, it is understood to be conceptual approval only and does not relieve the Grantee of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the Grantee or its subgrantees.

### **III. ETHICS**

- A. Grantee Code of Conduct/Standards of Conduct.** The Grantee agrees to maintain a written code of conduct or standards of conduct that shall govern the actions of its officers, employees, council or board members, or agents engaged in the award or administration of subagreements, leases, or third-party contracts supported with ATGP Funding. The Grantee agrees that its code of conduct or standards of conduct shall specify that its officers, employees, council or board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from any present or potential subgrantee, lessee, or third-party contractor at any tier or agent thereof. The Grantee may set *de minimis* rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. The Grantee agrees that its code of conduct or standards of conduct shall also prohibit its officers, employees, board members, or agents from using their respective positions in a manner that presents a real or apparent personal or organizational conflict of interest or personal gain. As permitted by state or local law or regulations, the Grantee agrees that its code of conduct or standards of conduct shall include penalties, sanctions, or other disciplinary actions for violations by its officers, employees, council or board members, or their agents, or its third-party contractors or subgrantees or their agents.
1. **Personal Conflicts of Interest.** The Grantee agrees that its code of conduct or standards of conduct shall prohibit the Grantee's employees, officers, council or board members, or agents from participating in the selection, award, or administration of any third-party contract or subagreement supported by ATGP Funding if a real or apparent conflict of interest would be involved. Such a conflict would arise when an employee, officer, board member, or agent, including any member of his or her immediate family, partner, or organization that employs, or intends to employ, any of the parties listed herein has a financial interest in a firm competing for award.
  2. **Organizational Conflicts of Interest.** The Grantee agrees that its code of conduct or standards of conduct shall include procedures for identifying and preventing real and

apparent organizational conflicts of interest. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third-party contract or subagreement may, without some restrictions on future activities, result in an unfair competitive advantage to the third-party contractor or subgrantee or impair its objectivity in performing the contract work.

- B. SANDAG Code of Conduct.** SANDAG has established policies concerning potential conflicts of interest. These policies apply to Grantee. For all awards by SANDAG, any practices which might result in unlawful activity are prohibited including, but not limited to, rebates, kickbacks, or other unlawful considerations. SANDAG staff members are specifically prohibited from participating in the selection process when those staff have a close personal relationship, family relationship, or past (within the last 12 months), present, or potential business or employment relationship with a person or business entity seeking a contract with SANDAG. It is unlawful for any contract to be made by SANDAG if any individual Board member or staff has a prohibited financial interest in the contract. Staff are also prohibited from soliciting or accepting gratuities from any organization seeking funding from SANDAG. SANDAG officers, employees, agents, and Board members shall not solicit or accept gifts, gratuities, favors, or anything of monetary value from consultants, potential consultants, or parties to subagreements. By signing this Agreement, Grantee affirms that it has no knowledge of an ethical violation by SANDAG staff or Grantee. If Grantee has any reason to believe a conflict of interest exists with regard to the Agreement or the Project, it should notify the SANDAG Office of General Counsel immediately.
- C. Bonus or Commission.** The Grantee affirms that it has not paid, and agrees not to pay, any bonus or commission to obtain approval of its ATGP Funding application for the Project.
- D. False or Fraudulent Statements or Claims.** The Grantee acknowledges and agrees that by executing the Agreement for the Project, the Grantee certifies or affirms the truthfulness and accuracy of each statement it has made, it makes, or it may make in connection with the Project, including, but not limited to, the Grantee's grant application, progress reports and invoices.

#### **IV. AMOUNT OF FUNDING ASSISTANCE**

The Grantee agrees that SANDAG will provide ATGP Funding for the Project equal to the smaller of the following amounts: (a) the Maximum SANDAG Amount Approved of \$425,000; or (b) the amount calculated in accordance with the Maximum Percentages of SANDAG Participation, which is 100 percent. SANDAG responsibility to make payments under this Agreement is limited to the amounts listed in the Approved Project Budget for the Project. Grantee's estimate in its application for funding from SANDAG for the Project is the amount that forms the basis upon which SANDAG determines the Maximum SANDAG Amount Awarded and Maximum Percentages of SANDAG Participation.

#### **V. MATCHING FUNDS**

Grantee has not proposed to provide matching funds for the Project.

## **VI. APPROVED PROJECT BUDGET**

Except to the extent that SANDAG determines otherwise in writing, the Grantee agrees as follows: The Grantee and SANDAG have agreed to a Project budget that is designated the "Approved Project Budget." The Grantee will incur obligations and make disbursements of Project funds only as authorized by the Approved Project Budget. An amendment to the Approved Project Budget requires the issuance of a formal amendment to the Agreement, unless the re-allocation of funds among budget items or fiscal years that not increase the total amount of the ATGP Funding awarded for the Project, does not negatively impact the benefits obtained from the Project, and is consistent with applicable laws, regulations, and policies. Prior written SANDAG Project Manager approval is required for transfers of funds between Approved Project Budget line items.

## **VII. PAYMENTS**

- A. Grantee's Request for Payment When Matching Funds Are Required.** The Grantee will demonstrate or certify that it will provide adequate matching funds such that, when combined with payments from SANDAG, will cover all costs to be incurred for the Project. Except to the extent that SANDAG determines, in writing, that the Grantee may defer its provision of matching funds for the Project, a Grantee is required under the terms of this Agreement to provide matching funds for the Project and agrees that it will not:
1. Request or obtain matching funds exceeding the amount justified by the matching share previously provided.
  2. Take any action that would cause the proportion of ATGP Funding made available to the Project at any time to exceed the percentage authorized by the Agreement for the Project.
- B. Payment by SANDAG.** Upon receiving a request for payment and adequate supporting information, SANDAG will make payment for eligible amounts to Grantee within 30 days if Grantee has complied with the requirements of the Agreement, including submission of a Quarterly Report which is included as Attachment D, has satisfied SANDAG that the ATGP Funding requested is needed for Project purposes in that requisition period, and is making adequate progress toward Project completion consistent with Board Policy No. 035. After the Grantee has demonstrated satisfactory compliance with the preceding requirements, SANDAG may reimburse the Grantee's apparent allowable costs incurred consistent with the Approved Project Budget. SANDAG shall retain ten percent from the amounts invoiced until satisfactory completion of work. SANDAG shall promptly release retention amounts to Grantee following Grantee's satisfactory completion of work and receipt of Grantee's final invoice and all required documentation.
- C. Eligible Costs.** The Grantee agrees that Project costs eligible for ATGP Funding must comply with the following requirements, unless SANDAG determines otherwise in writing. To be eligible for reimbursement, Project costs must be:
1. Consistent with the Project Scope of Work, the Approved Project Budget, and other provisions of the Agreement.
  2. Necessary in order to accomplish the Project.

3. Reasonable for the goods or services purchased.
4. Actual net costs to the Grantee (i.e., the price paid minus any refunds, rebates, or other items of value received by the Grantee that have the effect of reducing the cost actually incurred, excluding program income).
5. Incurred for work performed, only on a reimbursement basis, after both the Effective Date of the Agreement and following Grantee's receipt of a Notice to Proceed from SANDAG.
6. Satisfactorily documented with supporting documentation which is to be submitted with each invoice.
7. Treated consistently in accordance with generally accepted accounting principles and procedures for the Grantee and any third-party contractors and subgrantees, (see Section 8 Accounting Records).
8. Eligible for *TransNet* Funding as part of the ATGP.
9. Indirect Costs are only allowable with prior SANDAG approval. Grantee must submit the following documentation as part of the grant application materials: (1) an indirect cost allocation audit approved by a qualified independent auditor; or (2) the applicant's proposed method for allocating indirect costs in accordance with OMB Circular A-87 guidelines. Indirect cost allocation plans must be reviewed and renewed annually.
10. Project generated revenue realized by the Grantee shall be utilized in support of the Project. Project generated revenue and expenditures, if any, shall be reported at the end of the Agreement period.

**D. Excluded Costs**

1. In determining the amount of ATGP Funding SANDAG will provide for the Project, SANDAG will exclude:
  - a. Any Project cost incurred by the Grantee before either the date SANDAG issues a Notice to Proceed to Grantee or the Effective Date of the Agreement or any Amendment thereto;
  - b. Any cost that is not included in the latest Approved Project Budget;
  - c. Any cost for Project property or services received in connection with a subagreement, lease, third-party contract, or other arrangement that is required to be, but has not been, concurred in or approved in writing by SANDAG; and
  - d. Any cost ineligible for SANDAG participation as provided by applicable laws, regulations, or policies.
2. Certain costs at times associated with bicycle and pedestrian projects are not eligible when the benefit provided is not the exclusive use of bicyclists or pedestrians. These instances are listed below.

- a. Curb and gutter are part of the roadway drainage system. As such, newly installed curb and gutter cannot be considered an improvement exclusively for the benefit of the sidewalk or bike lane and are not an eligible expense.
  - b. Driveway ramps installed across sidewalks are not for the benefit of pedestrians, and in fact, degrade the pedestrian environment. Claimants may not include the cost of driveway ramps in applications for sidewalk projects. However, the distance across the driveway may be included when computing the per-square-foot cost of the sidewalk.
  - c. Where roadway design standards require a roadway shoulder width at least as wide as would be required for a standard bike lane, the cost of the shoulder construction will not be eligible. Appropriate bikeway signage is eligible.
  - d. Under some circumstances, it may be necessary to remove and replace curb and gutter, driveway ramps, drainage facilities and other existing improvements in order to construct a bikeway or sidewalk. In such cases the cost of this work is most likely eligible, but claimants should carefully document why this is so in the claim submittal.
- E. The Grantee understands and agrees that payment to the Grantee for any Project cost does not constitute the SANDAG final decision about whether that cost is allowable and eligible for payment under the Project and does not constitute a waiver of any violation by the Grantee of the terms of the Agreement for the Project or Board Policy No. 035. The Grantee acknowledges that SANDAG will not make a final determination about the allowability and eligibility of any cost until the final payment has been made on the Project or the results of an audit of the Project requested by SANDAG or its Independent Taxpayers' Oversight Committee (ITOC) has been completed, whichever occurs latest. If SANDAG determines that the Grantee is not entitled to receive any portion of the ATGP Funding requested or paid, SANDAG will notify the Grantee in writing, stating its reasons. The Grantee agrees that Project closeout will not alter the Grantee's responsibility to return any funds due to SANDAG as a result of later refunds, corrections, performance deficiencies, or other similar actions; nor will Project closeout alter the SANDAG right to disallow costs and recover funds provided for the Project on the basis of a later audit or other review. Upon notification to the Grantee that specific amounts are owed to SANDAG, whether for excess payments of ATGP Funding, disallowed costs, or funds recovered from third parties or elsewhere, the Grantee agrees to promptly remit to SANDAG the amounts owed, including applicable interest, penalties and administrative charges.

## VIII. ACCOUNTING RECORDS

In compliance with applicable laws, regulations, and policies, the Grantee agrees as follows:

- A. **Project Accounts.** The Grantee agrees to establish and maintain for the Project either a separate set of accounts or separate accounts within the framework of an established accounting system that can be identified with the Project. The Grantee also agrees to maintain documentation of all checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents related in whole or in part to the Project so that they may be clearly identified, readily accessible, and available to SANDAG upon request and, to the extent

feasible, kept separate from documents not related to the Project.

- B. **Documentation of Project Costs and Program Income.** Except to the extent that SANDAG determines otherwise, in writing, the Grantee agrees to support all costs charged to the Project, including any approved services or property contributed by the Grantee or others, with properly executed payrolls, time records, invoices, contracts, or vouchers describing in detail the nature and propriety of the charges, including adequate records to support the costs the Grantee has incurred underlying any payment in which SANDAG has agreed to participate in based upon a payable milestone.

#### **IX. REPORTING, RECORD RETENTION, AND ACCESS**

- A. **Types of Reports.** The Grantee agrees to submit to SANDAG all reports required by law and regulation, policy, this Agreement, and any other reports SANDAG may specify.
- B. **Report Formats.** The Grantee agrees that all reports and other documents or information intended for public availability developed in the course of the Project and required to be submitted to SANDAG must be prepared and submitted in electronic and/or typewritten hard copy formats, as SANDAG may specify. SANDAG reserves the right to specify that records be submitted in particular formats.
- C. **Record Retention.** During the course of the Project and for three years thereafter from the date of transmission of the final expenditure report, the Grantee agrees to maintain, intact and readily accessible, all data, documents, reports, records, contracts, and supporting materials relating to the Project, as SANDAG may require.
- D. **Access to Records of Grantees and Subgrantees.** The Grantee agrees to permit, and require its subgrantees to permit, SANDAG or its authorized representatives, upon request, to inspect all Project work, materials, payrolls, and other data, and to audit the books, records, and accounts of the Grantee and its subgrantees pertaining to the Project.
- E. **Project Closeout.** The Grantee agrees that Project closeout does not alter the reporting and record retention requirements of this Agreement.
- F. **Quarterly Reports.** Grantee shall submit written quarterly reports to SANDAG detailing the progress of its work, expenditures incurred, and information regarding whether the Project is projected to be completed within the limits of the Approved Project Budget, Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. Grantee shall document the progress and results of work performed under this Agreement to the satisfaction of SANDAG. This includes progress and final reports, plans, specifications, estimates, and other evidence of attainment of the Agreement objectives, which are requested by SANDAG or ITOC. Grantee may be required to attend meetings of SANDAG staff and committees, including but not limited to ITOC, the Regional Planning Committee, the Transportation Committee, and the SANDAG Board of Directors, to report on its progress and respond to questions.
- G. **Communities Served Data and Report.** If requested, Grantee shall provide SANDAG with data regarding how the Project's benefits and burdens were equitably distributed among socio and economic populations in the area affected by the Project, and associated smart growth data.

**X. Project Completion, Audit, Settlement, and Closeout**

- A. Project Completion.** Within 90 calendar days following Project completion or termination by SANDAG, the Grantee agrees to submit a final certification of Project expenses and final reports, as applicable. All payments made to the Grantee shall be subject to review for compliance by SANDAG with the requirements of this Agreement and shall be subject to an audit upon completion of the Project.
- B. Project Audit.** The Grantee agrees to have financial and compliance audits performed as SANDAG may require consistent with the *TransNet* Extension Ordinance. The Grantee agrees that Project closeout will not alter the Grantee's audit responsibilities. Audit costs are allowable Project costs.
- C. Performance Audit.** The Grantee agrees to cooperate with SANDAG or ITOC with regard to any performance audit that is performed on the Project pursuant to the *TransNet* Ordinance.
- D. Project Closeout.** Project closeout occurs when SANDAG notifies the Grantee that SANDAG has closed the Project, and, if applicable, either forwards the final ATGP Funding payment and or acknowledges that the Grantee has remitted the proper refund. The Grantee agrees that Project closeout by SANDAG does not invalidate any continuing requirements imposed by the Agreement or any unmet requirements set forth in a written notification from SANDAG.
- E. Project Use.** Grantee was awarded this Agreement based on representations in its grant application regarding the Project's intended use. If the Project is a capital project, Grantee hereby commits to continued use of the Project for the purposes stated in its application for a period of at least five years after completion of construction. SANDAG may require Grantee to refund ATGP funding provided for the Project in the event Grantee fails to utilize the Project for its intended purposes as stated in the grant application or for any disallowed costs.

**XI. TIMELY PROGRESS AND RIGHT OF SANDAG TO TERMINATE**

- A.** Grantee shall make diligent and timely progress toward completion of the Project within the timelines set forth in the Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. If timely progress is not achieved, SANDAG may, in its sole discretion, review the status of the Project to determine if the remaining funding should be reallocated to another eligible project, as per Board Policy No. 035. Grantee understands and agrees that any failure to make reasonable progress on the Project or violation of this Agreement and/or Board Policy No. 035, that endangers substantial performance of the Project shall provide sufficient grounds for SANDAG, in its sole discretion, to terminate this Agreement.
- B.** In the event Grantee encounters difficulty in meeting the Project Schedule or anticipates difficulty in complying with the Project Schedule, the Grantee shall immediately notify the SANDAG Project Manager in writing, and shall provide pertinent details, including the reasons for the delay in performance and the date by which Grantee expects to complete performance or delivery. This notification shall be informational in character only and receipt of it shall not be construed as a waiver by SANDAG of a project delivery schedule or date, or any rights or remedies provided by this Agreement, including Board Policy No. 035 requirements.

- C. Upon written notice, the Grantee agrees that SANDAG may suspend or terminate all or any part of the ATGP Funding to be provided for the Project if the Grantee has violated the terms of the Agreement, or Board Policy No. 035, or if SANDAG determines that the purpose of the laws or policies authorizing the Project would not be adequately served by the continuation of ATGP Funding for the Project.
- D. In general, termination of ATGP Funding for the Project will not invalidate obligations properly incurred by the Grantee before the termination date to the extent those obligations cannot be canceled. If, however, SANDAG determines that the Grantee has willfully misused ATGP Funding by failing to make adequate progress, or failing to comply with the terms of the Agreement, SANDAG reserves the right to require the Grantee to refund to SANDAG the entire amount of ATGP Funding provided for the Project or any lesser amount as SANDAG may determine.
- E. Expiration of any Project time period established in the Project Schedule will not, by itself, automatically constitute an expiration or termination of the Agreement for the Project, however, Grantee must request and SANDAG may agree to amend the Agreement in writing if the Project Schedule will not be met. An amendment to the Project Schedule may be made at the discretion of SANDAG if Grantee's request is consistent with the provisions of Board Policy No. 035.

## XII. CIVIL RIGHTS

The Grantee agrees to comply with all applicable civil rights laws, regulations, and policies and shall include the provisions of this Section 12 in each subagreement, lease, third-party contract, or other legally binding document to perform work funded by this Agreement. Applicable civil rights laws, regulations and policies include, but are not limited to, the following:

- A. **Nondiscrimination.** SANDAG implements its programs without regard to income level, disability, race, color, and national origin in compliance with the Americans with Disabilities Act and Title VI of the Civil Rights Act. Grantee shall prohibit discrimination on these grounds, notify the public of their rights under these laws, and utilize a process for addressing complaints of discrimination. Furthermore, Grantee shall make the procedures for filing a complaint available to members of the public and will keep a log of all such complaints. Grantee must notify SANDAG immediately if a complaint is lodged that relates to the Project or program funded by this grant.
- B. **Equal Employment Opportunity.** During the performance of this Agreement, Grantee and all of its subcontractors, if any, shall not unlawfully discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family and medical care leave, denial of pregnancy disability leave, veteran status, or sexual orientation. Grantee and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (California Government Code Section 12900, et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0, et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing



California Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by this reference and are made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

### **XIII. OWNERSHIP OF WORK PRODUCT**

SANDAG shall own any deliverables created in whole or in part for the SANDAG benefit pursuant to the Scope of Work for the Project. The term "deliverables" includes, but is not limited to, all original drawings, reports, photos, and other documents, including detailed calculations and other work product developed for the Project or services performed on the Project.

### **XIV. DISPUTES AND VENUE**

**A. Choice of Law.** This Agreement shall be interpreted in accordance with the laws of the State of California.

**B. Dispute Resolution Process.** In the event Grantee has a dispute with SANDAG during the performance of this Agreement, Grantee shall continue to perform unless SANDAG informs Grantee in writing to cease performance. The dispute resolution process for disputes arising under this Agreement shall be as follows:

1. Grantee shall submit a statement of the grounds for the dispute, including all pertinent dates, names of persons involved, and supporting documentation, to the SANDAG Project Manager. The Project Manager and other appropriate SANDAG staff will review the documentation in a timely manner and reply to Grantee within 20 calendar days. Upon receipt of an adverse decision by SANDAG, Grantee may submit a request for reconsideration to the SANDAG Executive Director. The request for reconsideration must be received within ten calendar days from the postmark date of the SANDAG reply. The Executive Director will respond to the request for reconsideration within ten working days. The decision of the Executive Director will be in writing.
2. If Grantee is dissatisfied with the results following exhaustion of the above dispute resolution procedures, Grantee shall make a written request to SANDAG for appeal to the SANDAG Transportation Committee. SANDAG shall respond to a request for mediation within 30 calendar days. The decision of the Transportation Committee shall be final.

**C. Venue.** If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, litigation and collection expenses, witness fees, and court costs as determined by the court.

## **XV. ASSIGNMENT**

Grantee shall not assign, sublet, or transfer (whether by assignment or novation) this Agreement or any rights under or interest in this Agreement.

## **XVI. INSURANCE**

Grantee shall procure and maintain during the period of performance of this Agreement, and for 12 months following completion, policies of insurance from insurance companies authorized to do business in the State of California or the equivalent types and amounts of self-insurance, as follows:

- A. General Liability.** Combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate for personal and bodily injury, including death, and broad form property damage. The policy must include an acceptable "Waiver of Transfer Rights of Recovery Against Others Endorsement." The policy must name SANDAG as an additional insured in the endorsement. A deductible or retention may be utilized, subject to approval by SANDAG.
- B. Automobile Liability.** For personal and bodily injury, including death, and property damage in an amount not less than \$1,000,000.
- C. Workers' Compensation and Employer's Liability.** Policy must comply with the laws of the State of California. The policy must include an acceptable "Waiver of Right to Recover From Others Endorsement" naming SANDAG as an additional insured.
- D. Other Requirements.** Grantee shall furnish satisfactory proof by one or more certificates (original copies) that it has the foregoing insurance. The insurance shall be provided by an acceptable insurance provider, as determined by SANDAG, which satisfies the following minimum requirements:
  - 1. An insurance carrier qualified to do business in California and maintaining an agent for service of process within the state. Such insurance carrier shall maintain a current A.M. Best rating classification of "A-" or better, and a financial size of "\$10 million to \$24 million (Class V) or better," or
  - 2. A Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for service of process in California.
- E.** Certificates of insurance shall be filed with SANDAG. These policies shall be primary insurance as to SANDAG so that any other coverage held by SANDAG shall not contribute to any loss under Grantee's insurance. Insurance policies shall not be canceled without first giving 30 days advance written notice to SANDAG. For purposes of this notice requirement, any material change in the policy prior to its expiration shall be considered a cancellation.

## **XVII. INDEMNIFICATION AND HOLD HARMLESS**

- A. Generally.** With regard to any claim, protest, or litigation arising from or related to the Grantee's performance in connection with or incidental to the Project or this Agreement, Grantee agrees to defend, indemnify, protect, and hold SANDAG and its agents, officers, Board members, and employees harmless from and against any and all claims, including, but not limited to prevailing wage claims against the Project, asserted or established liability for

damages or injuries to any person or property, including injury to the Grantee's or its subgrantees' employees, agents, or officers, which arise from or are connected with or are caused or claimed to be caused by the negligent, reckless, or willful acts or omissions of the Grantee and its subgrantees and their agents, officers, or employees, in performing the work or services herein, and all expenses of investigating and defending against same, including attorney fees and costs; provided, however, that the Grantee's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of SANDAG, its Board of Directors, agents, officers, or employees.

- B. Intellectual Property.** Upon request by SANDAG, the Grantee agrees to indemnify, save, and hold harmless SANDAG and its Board of Directors, officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Grantee of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Project. The Grantee shall not be required to indemnify SANDAG for any such liability caused solely by the wrongful acts of SANDAG employees or agents.

#### **XVIII. INDEPENDENT CONTRACTOR**

- A. Status of Grantee.** Grantee shall perform the services provided for within this Agreement as an independent contractor, and not as an employee of SANDAG. Grantee shall be under the control of SANDAG as to the result to be accomplished and not the means, and shall consult with SANDAG as provided for in the Scope of Work. The payments made to Grantee pursuant to this Agreement shall be the full and complete compensation to which Grantee is entitled. SANDAG shall not make any federal or state tax withholdings on behalf of Grantee. SANDAG shall not be required to pay any workers' compensation insurance on behalf of Grantee. Grantee agrees to indemnify SANDAG for any tax, retirement contribution, social security, overtime payment, or workers' compensation payment which SANDAG may be required to make on behalf of Grantee or any employee of Grantee for work done under this Agreement.
- B. Actions on behalf of SANDAG.** Except as SANDAG may specify in writing, Grantee shall have no authority, express or implied, to act on behalf of SANDAG in any capacity whatsoever, as an agent or otherwise. Grantee shall have no authority, express or implied, to bind SANDAG or its members, agents, or employees, to any obligation whatsoever, unless expressly provided for in this Agreement.

#### **XIX. SEVERABILITY AND INTEGRATION**

If any provision of the Agreement is determined invalid, the remainder of that Agreement shall not be affected if that remainder would continue to conform to the requirements of applicable laws or regulations. This Agreement represents the entire understanding of SANDAG and Grantee as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by SANDAG and the Grantee.

#### **XX. PROJECT MANAGER**

The Grantee has assigned Kuna Muthusamy as the Project Manager for the Project. Project Manager continuity and experience is deemed essential in Grantee's ability to carry out the Project in

accordance with the terms of this Agreement. Grantee shall not change the Project Manager without first providing written notice to SANDAG.

**XXI. NOTICE**

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

San Diego Association of Governments  
401 B Street, Suite 800  
San Diego, CA 92101  
Attention: Susan Baldwin/Suchi Mukherjee

Grantee:  
City of National City  
1243 National City Boulevard  
National City, CA 91950  
Attn: Kuna Muthusamy

Notice shall be effective upon receipt thereof.

**XXII. SIGNATURES**

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

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

SAN DIEGO ASSOCIATION OF GOVERNMENTS

CITY OF NATIONAL CITY

\_\_\_\_\_  
**GARY L. GALLEGOS**  
Executive Director or designee

\_\_\_\_\_  
**LESLIE DEESE**  
City Manager

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Office of General Counsel

\_\_\_\_\_  
City Attorney

# ATTACHMENT A SCOPE OF WORK, SCHEDULE, AND APPROVED PROJECT BUDGET

## CAPITAL PROJECTS: SCOPE OF WORK, SCHEDULE, AND BUDGET

**PART I: PROJECT OVERVIEW**  
**PROJECT TITLE:** Euclid Avenue Bicycle and Pedestrian Enhancements  
**PROJECT LIMITS:** Division Street, between Highland and Euclid Avenue.

**PROJECT SUMMARY:**  
 Euclid Avenue is a four-lane north-south arterial with on-street parallel parking along portions of the street, and is identified as a major arterial road in the City General Plan and a regional bicycle corridor in the National City Bicycle Master Plan and SANDAG 2050 Regional Transportation Plan (RTP). A regional bicycle corridor provides an opportunity to connect National City to neighboring communities and will support intercommunity bicycle travel for residents who may commute to/from adjacent municipalities. The project will provide final design plans for approximately 1.7 miles of Class II bicycle facilities between Cervantes Avenue and E. 24th Street. Additionally, the project will provide plans to implement a road diet which includes the removal of one travel lane in each direction of the corridor everywhere except between Plaza Blvd. and 4th Street (where traffic volumes are too high to support a road diet). Project elements include a signal/crosswalk at the 6th Street intersection, and high visibility crosswalks and ADA accessible ramps at all existing major intersections along the Euclid Avenue corridor. Bike lanes will be buffered in areas where there is a proposed road diet. Specifically, the project area between Division Street and 4th Street will include a 2' raised median buffer and will provide a wider sidewalk west of Euclid Avenue. The project will also include sidewalk panel replacement in key locations to maintain ADA accessibility within the existing sidewalks, as concrete has lifted and cracked over time causing uneven surfaces along pedestrian paths of travel. The Euclid Avenue Bicycle and Pedestrian Corridor will be used by pedestrians and cyclists to go to and from the schools, parks, and regional transportation within close proximity.

TASK NO.	TASK DESCRIPTION	DELIVERABLES	TYPE	START DATE	COMPLETION DATE	DURATION	TOTAL PROJECT COSTS
1	Collect Baseline Data	Baseline Data Collection Plan; Raw Bike/Ped Data	Notice to Proceed (NTP)	4 months	4 months	4 months	\$ 5,000.00
2	Project Approval & Environmental Document (P&E)	Environmental Document	4 months	8 months	8 months	4 months	\$ 45,000.00
3	Final Plans, Specifications, and Estimates (P&S&E)	30%, 60%, 90%, and 100% Plans	4 months	18 months	18 months	14 months	\$ 375,000.00
		DURATION	Notice to Proceed (NTP)	18 months	18 months	18 months	\$ -
					TOTAL		\$ 425,000.00

\*Start and completion dates shall be tracked using "Months from Notice to Proceed (NTP)"  
 \*\*Indicates Policy No. 035 Milestones

1 Original grant application included construction, but project proposal was partially funded. Revised scope of work focuses on planning and design activities.

**PART III: FUNDING SOURCES**

TOTAL PROJECT COST:	\$ 425,000.00
TOTAL GRANT AMOUNT REQUESTED FROM SANDAG:	\$ 425,000.00
TOTAL MATCH AMOUNT THAT WILL BE CONTRIBUTED:	\$ -

SANDAG % CONTRIBUTION: 100%  
 MATCH % CONTRIBUTION: 0%



## COMPETITIVE GRANT PROGRAM PROCEDURES

### Applicability and Purpose of Policy

This Policy applies to all grant programs administered through SANDAG, whether from *TransNet* or another source, including but not limited to the Smart Growth Incentive Program, Environmental Mitigation Program, Bike and Pedestrian Program, Senior Mini Grant Program, Federal Transit Administration grant programs, and Active Transportation Grant Program.

Nothing in this Policy is intended to supersede federal or state grant rules, regulations, statutes, or contract documents that conflict with the requirements in this Policy. There are never enough government grant funds to pay for all of the projects worthy of funding in the San Diego region. For this reason, SANDAG awards grant funds on a competitive basis that takes the grantees' ability to perform their proposed project on a timely basis into account. SANDAG intends to hold grantees accountable to the project schedules they have proposed in order to ensure fairness in the competitive process and encourage grantees to get their projects implemented quickly so that the public can benefit from the project deliverables as soon as possible.

### Procedures

#### 1. Project Milestone and Completion Deadlines

1.1. When signing a grant agreement for a competitive program funded and/or administered by SANDAG, grant recipients must agree to the project delivery objectives and schedules in the agreement. In addition, a grantee's proposal must contain a schedule that falls within the following deadlines. Failure to meet the deadlines below may result in revocation of all grant funds not already expended. The final invoice for capital, planning, or operations grants must be submitted prior to the applicable deadline.

1.1.1. Funding for Capital Projects. If the grant will fund a capital project, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary construction contract must be awarded within two years following execution of the grant agreement, and construction must be completed within eighteen months following award of the construction contract. Completion of construction for purposes of this policy shall be when the prime construction contractor is relieved from its maintenance responsibilities. If no construction contract award is necessary, the construction project must be complete within eighteen months following execution of the grant agreement.

1.1.2. Funding for Planning Grants. If the grant will fund planning, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary consultant contract must be awarded within one year following execution of the grant agreement, and the planning project must be

complete within two years following award of the consultant contract. Completion of planning for purposes of this policy shall be when grantee approves the final planning project deliverable. If no consultant contract award is necessary, the planning project must be complete within two years of execution of the grant agreement.

1.1.3 Funding for Operations Grants. If the grant will fund operations, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary services contract for operations must be awarded within one year following execution of the grant agreement, and the operations must commence within six months following award of the operations contract. If no services contract for operations is necessary, the operations project must commence within one year of execution of the grant agreement.

1.1.4 Funding for Equipment or Vehicles Grants. If the grant will fund equipment or vehicles, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary purchase contracts for equipment or vehicles must be awarded within one year following execution of the grant agreement, and use of the equipment or vehicles for the benefit of the public must commence within six months following award of the purchase contract.

## 2. Project Milestone and Completion Deadline Extensions

2.1. Schedules within grant agreements may include project scopes and schedules that will identify interim milestones in addition to those described in Section 1 of this Policy. Grant recipients may receive extensions on their project schedules of up to six months for good cause. Extensions of up to six months aggregate that would not cause the project to miss a completion deadline in Section 1 may be approved by the SANDAG Executive Director. Extensions beyond six months aggregate or that would cause the project to miss a completion deadline in Section 1 must be approved by the Policy Advisory Committee that has been delegated the necessary authority by the Board. For an extension to be granted under this Section 2, the following conditions must be met:

2.1.1. For extension requests of up to six months, the grantee must request the extension in writing to the SANDAG Program Manager at least two weeks prior to the earliest project schedule milestone deadline for which an extension is being requested. The Executive Director or designee will determine whether the extension should be granted. The Executive Director's action will be reported out to the Board in following month's report of delegated actions.

2.1.2. A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes.

2.1.3. If the Executive Director denies an extension request under this Section 2, the grantee may appeal within ten business days of receiving the Executive Director's response to the responsible Policy Advisory Committee by sending the appeal to the SANDAG Program Manager.

2.1.4. Extension requests that are rejected by the Policy Advisory Committee will result in termination of the grant agreement and obligation by the grantee to return to SANDAG any unexpended funds within 30 days. Unexpended funds are funds for project costs not incurred prior to rejection of the extension request by the Policy Advisory Committee.

3. Project Delays and Extensions in Excess of Six Months

3.1. Requests for extensions in excess of six months, or that will cause a project to miss a completion deadline in Section 1 (including those projects that were already granted extensions by the Executive Director and are again falling behind schedule), will be considered by the Policy Advisory Committee upon request to the SANDAG Program Manager.

3.2 A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes. The grantee must provide the necessary information to SANDAG staff to place in a report to the Policy Advisory Committee. If sufficient time is available, and the grant utilized *TransNet* funds, the request will first be taken to the Independent Taxpayer Advisory Committee (ITOC) for a recommendation. The grantee should make a representative available at the meeting to present the information to, and/or answer questions from, the ITOC and Policy Advisory Committee.

3.3 The Policy Advisory Committee will only grant an extension under this Section 3 for extenuating circumstances that the grantee could not have reasonably foreseen.

4. Resolution and Execution of the Grant Agreement

4.1 Two weeks prior to the review by the Policy Advisory Committee of the proposed grants, prospective grantees must submit a resolution from their authorized governing body that includes the provisions in this Subsection 4.1. Failure to provide a resolution that meets the requirements in this Subsection 4.1 will result in rejection of the application and the application will be dropped from consideration with funding going to the next project as scored by the evaluation committee. In order to assist grantees in meeting this resolution deadline, when SANDAG issues the call for projects it will allow at least 90 days for grant application submission.

4.1.1 Grantee governing body commits to providing the amount of matching funds set forth in the grant application.

4.1.2 Grantee governing body authorizes staff to accept the grant funding and execute a grant agreement if an award is made by SANDAG.

4.2 Grantee's authorized representative must execute the grant agreement within 45 days from the date SANDAG presents the grant agreement to the prospective grantee for execution. Failure to meet the requirements in this Subsection 4.2 may result in revocation of the grant award.



5. Increased Availability of Funding Under this Policy

5.1. Grant funds made available as a result of the procedures in this Policy may be awarded to the next project on the recommended project priority list from the most recent project selection process, or may be added to the funds available for the next project funding cycle, at the responsible Policy Advisory Committee's discretion. Any project that loses funding due to failure to meet the deadlines specified in this Policy may be resubmitted to compete for funding in a future call for grant applications.

Adopted: January 2010

Amended: November 2014

**ATTACHMENT C**  
**PROJECT IMPLEMENTATION AND OVERSIGHT REQUIREMENTS**

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**Capital Grants**

**1. Contact Information:** Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.

**2. Baseline Data Collection:** Prior to the construction of grant-funded improvements, the Grantee is responsible for developing a baseline data collection plan with SANDAG to gather information on pedestrian and bicyclist activity. At a minimum, data should be collected for observed bicycle and pedestrian volumes, behavior, and attitudes in the project area. Once the data collection plan is approved by SANDAG staff, the Grantee is responsible for carrying out the plan and returning collected data to SANDAG as a deliverable. Standardized forms required for data collection will be provided by SANDAG.

Grantees are encouraged to use the National Bicycle and Pedestrian Documentation Project methodology and plan for the following:

- Conduct counts prior to project construction, during National Documentation Days in the second week of September. Supplementary counts and surveys can be conducted during January, May, and July to provide seasonal data, if desired.
- Conduct counts for two hours, at peak times relative to the facility. For example, facilities attracting utilitarian trips should be counted on a Tuesday, Wednesday, or Thursday from 5 to 7 p.m., whereas facilities attracting recreational trips should be counted on a Saturday, from 9 to 11a.m.

In the case that the above timeframes are deemed infeasible due to the project schedule, the Grantee and SANDAG will collaborate on an alternative data collection methodology and procedure.

A subset of Grantees may be selected for in-depth evaluation by SANDAG, in which case, SANDAG will conduct the data collection effort with required participation from Grantee staff. Such in-depth evaluation conducted by SANDAG will take place solely for the purpose of SANDAG Active Transportation data collection and monitoring efforts, and will not impact Grantees' budgets.

Grantees should plan to budget \$5,000 for data collection. For questions or assistance with data collection, contact Christine Eary at [christine.eary@sandag.org](mailto:christine.eary@sandag.org), or (619) 699-6928.

**3. Design Development and Community Meetings:** Grantee must provide SANDAG with advance notice (preferably within two weeks) and agendas of all design development and community meetings, and a meeting summary following the meeting. SANDAG staff may attend any meetings as appropriate.

**4. Plan Review:** Grantee must submit project design drawings and cost estimates (if available) to SANDAG for review and comment at 30 percent, 60 percent, 90 percent, and 100 percent. SANDAG

staff may meet with the Grantee to comment on submitted plans and assure substantial conformance. SANDAG may comment on submitted plans regarding:

- Whether they are consistent with the Project proposed in the original grant application, and
- Consistency with accepted pedestrian/bicycle facility and smart growth design standards.

**5. Quarterly Reports and Invoices:** Grantee must submit quarterly reports and invoices to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule. Furthermore, the Grantee agrees to provide project milestone information (such as presentations to community groups, other agencies, and elected officials, ground-breakings, and ribbon-cuttings) to support media and communications efforts.

**6. Media and Community Outreach Coordination:** Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral. Furthermore, the grantee agrees to provide project milestone information to support media and communications efforts.

**7. Photo Documentation:** Grantees are responsible for the following photo documentation:

- Before and after photos, which should be taken from similar angles to showcase how a particular area has been transformed over time.
- Project milestone photos (such as ground-breakings and ribbon-cuttings).
- Photos taken throughout construction phases and throughout the length of the project.

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate.

**8. Project Signage:** Each project or program in excess of \$250,000 funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by such revenues. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before printing.

**9. Performance Monitoring:** SANDAG staff may measure performance of the constructed capital improvements against stated project objectives, and evaluate the overall grant program. Grantee is expected to meet with SANDAG staff to identify relevant performance measures and data sources, and provide available data and feedback regarding the program as appropriate.

### **Planning and Non-Capital Grants**

**1. Contact Information.** Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.

**2. Request for Proposals and Consultant Selection.** Upon request by SANDAG, Grantee must submit consultant draft Request for Proposals to SANDAG staff for review and comment for consistency with the agreed upon Scope of Work with SANDAG (Attachment A).

**3. Quarterly Reports.** Grantee must submit quarterly reports to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule.

**4. Stakeholder and Community Meetings.** Grantee must provide SANDAG with advance notice (preferably within two weeks) and agendas of all stakeholder and community meetings, and a meeting summary following the meeting. SANDAG staff may attend any meetings as appropriate.

**5. Media and Community Outreach Coordination.** Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral. Furthermore, the Grantee agrees to provide project milestone information to support media and communications efforts.

**6. Photo Documentation.** Grantees are responsible for the following photo documentation:

- Existing conditions photos, which should illustrate the current conditions of the project site and demonstrate the need for improved facilities
- Project milestone photos (such as workshops, presentations to community groups, other agencies, and elected officials)

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate.

**ATTACHMENT D  
QUARTERLY REPORT AND INVOICE FORMS**

**TransNet Active TRANSPORTATION GRANT PROGRAM  
QUARTERLY REPORT**

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**Report Submittal Date:** [insert]

**Reporting Period:** [Insert - Example: FY 2014, Quarter 1]

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**PART 1: DESCRIPTION OF ACTIVITY FOR REPORTING PERIOD**

**1. Work Accomplished This Reporting Period**

[INSTRUCTIONS: Replace this text with a detailed description of work completed and underway during the reporting period. In a bullet format, reference specific tasks.]

Example:

- Task 1 - Award Consultant Contract: Issued RFP and convened a selection panel of 5 members from the City, MTS, NTCDC, and SANDAG to shortlist 3 of 9 firms. The panel interviewed the 3 firms and selected XYZ Group for this project. The City Council approved the consultant contract with XYZ Group on January 1, 2014. City staff held a kick-off meeting on January 10, 2014.
- Task 2 – Public Outreach: City staff and XYZ Group began organizing the first workshop for this project. The anticipated date of the first workshop will be in the February/March 2014 timeframe.
- Task 3 – Etc.
- Task 4 – Etc.

**2. Deliverables Produced This Reporting Period**

[INSTRUCTIONS: Summarize the deliverables produced during this period and indicate the date submitted to SANDAG. Deliverables can be submitted as an attachment to this report. See Item 5 for more details.]

Example:

- Final RFP – Submitted in December 2014.
- Approved Consultant Contract and Kick-Off Meeting Notes – Submitted with this report. Please see accompanying list of attachments.

**3. Is there an accompanying invoice for this period?**

[INSTRUCTIONS: Indicate YES or NO.]

**4. Work Anticipated for the Next Reporting Period**

[INSTRUCTIONS: Replace this text with a brief description of work anticipated for the next reporting period. Also note any upcoming meetings or workshops.]

**5. List of Attachments**

[INSTRUCTIONS: List any deliverables or invoice documents attached to this report. Attachments over 6MB should be sent via WeTransfer.]

WeTransfer Link: <https://sandag.wetransfer.com/>

Example:

- Attachment 1: Consultant Contract
- Attachment 2: Kick-Off Meeting Notes
- Attachment 3: Invoice Spreadsheet
- Attachment 4: Invoice Documentation

**PART 2: SCHEDULE AND TASK STATUS**

<b>Task</b>	<b>Scheduled Start Date (Per Grant Scope of Work)</b>	<b>Scheduled Completion Date (Per Grant Scope of Work)</b>	<b>Status</b>	<b>Timing</b>	<b>Anticipated Start Date (If Different from Grant Scope of Work)</b>	<b>Anticipated Completion (If Different from Grant Scope of Work)</b>
NTP Date						
Task 1	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]
Task 2: Policy No. 035 Milestone	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]
Task 3: Policy No. 035 Milestone	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]

**PART 3: CHALLENGES, SCHEDULE DELAYS, AND AMENDMENT REQUESTS**

**Challenges and Actions Toward Resolution (If applicable)**

[INSTRUCTIONS: If you are experiencing challenges in completing project tasks, please provide information about the delay and actions taken to resolve issues. If an amendment is needed, provide justification and check the appropriate box below.]

No amendment requested at this time

Amendment requested to\*:

Project Schedule

Project Budget

Scope of Work

*\*Failure to check a box in the above section assumes there is no action requested. Amendment requests are subject to SANDAG approval. It is the Grantee's responsibility to ensure compliance with SANDAG Board Policy No. 035: Competitive Grant Program Procedures and grant agreement terms and conditions.*

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**PART 4: PROJECT STATUS REPORT SIGNATURE**

Prepared by \_\_\_\_\_ Date: \_\_\_\_\_  
Project Manager

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**INVOICE INSTRUCTIONS**

**Step 1: Complete the Quarterly Progress Report.**

Reimbursements cannot be made without a completed Quarterly Progress Report.

**Step 2: Gather Documentation for Staff Costs, Consultant/Contractor Costs, and Other Costs.**

Provide SANDAG with a copy of any consultant and contractor agreements awarded through the grant.

Staff Costs should be supported by certified payroll documentation

Consultant costs should be supported by the consultant invoice AND a proof of payment. The proof of payment can be either a copy of the check provided to the consultant or printout from the project's financial accounting system showing that funds were disbursed.

Contractor costs should be supported by the contractor invoice, schedule of values, AND a proof of payment. The proof of payment can be either a copy of the check provided to the contractor or a printout from the project's financial accounting system showing that funds were disbursed.

Other costs should be supported by either an invoice from the vendor or a receipt AND must be accompanied by a proof of payment. The proof of payment can be either a copy of the check provided to the vendor or a printout from the project's financial accounting system showing that funds were disbursed.

Clearly identify (i.e., highlight or circle) all grant-related expenses on documents that include non-related costs.

**Step 3: Complete the Expense Summary.**

Summarize the total Staff Costs, Consultant/Contractor Costs, and Other Costs incurred during the reporting period.

Confirm that you have the adequate documentation.

Break down each cost by task. This will help with the next step to complete the invoice statement.

Double check and make sure all sub-totals have been calculated correctly.

**Step 4: Complete the Invoice Statement**

Enter the costs for each task (calculated in Step 3) into the appropriate cells of the Invoice Statement. The SANDAG contribution, match contribution, and retention amounts should automatically calculate.

Enter previous costs by task into the appropriate cells of the spreadsheet. The remaining grant balance should automatically calculate.

**Step 5: Submit Quarterly Progress Report, Invoice, and Supporting Documentation to SANDAG at:**

**[sgatgrants@sandag.org](mailto:sgatgrants@sandag.org)**

Sign and scan the completed Quarterly Progress Report. Submit it in PDF form.

Sign and scan the invoice statement. Submit it in PDF form.

Submit supporting documentation in PDF form.

Submit the completed Excel workbook.

**Files in excess of 6MB should be submitted via:**

**<https://sandag.wetransfer.com>**



**PART 1. STAFF COSTS**

Personnel	Time Period	Hours	Hourly Rate	Amount	Documentation Attached?
Staff Person A	mm/dd/yy to mm/dd/yy	100.00	\$ 10.00	\$ 1,000.00	YES/NO
Staff Person B	mm/dd/yy to mm/dd/yy	100.00	\$ 10.00	\$ 1,000.00	YES/NO
Staff Person C	mm/dd/yy to mm/dd/yy	100.00	\$ 10.00	\$ 1,000.00	YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

**PART 2. CONSULTANT/OUTREACH COSTS**

Consultant/Contractor	Invoice No.	Invoice Date	Description of Costs	Amount	Documentation Attached?
Consultant XYZ	1	1/1/2014	Professional services for the month of January 2014	\$ 10,000.00	YES/NO
Consultant XYZ	2	2/1/2014	Professional services for the month of February 2014	\$ 10,000.00	YES/NO
Consultant XYZ	3	3/1/2014	Professional services for the month of March 2014	\$ 10,000.00	YES/NO
Outreach Organization ABC	1	3/1/2014	Outreach from January 2014 to March 2014	\$ 10,000.00	YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

**PART 3. OTHER COSTS**

Vendor	Invoice No.	Invoice Date	Description of Costs	Amount	Documentation Attached?
Vendor A	1	1/1/2014	Printing costs for January 2014	\$ 100.00	YES/NO
Vendor B	1	2/1/2014	News Announcement for February 2014 Workshop	\$ 100.00	YES/NO
Vendor C	1	2/28/2014	Snacks for February 2014 Workshop	\$ 100.00	YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

TRANSNET SMART GROWTH INCENTIVE PROGRAM INVOICE

To: **SUCHI MUKHERJEE**  
 SANDAG  
 401 B Street, Suite 800  
 San Diego, CA 92101-4231

Project Name: [PROJECT NAME]  
 Contract Number: 500XXX

Grant Invoice Number: #  
 Billing Period: FROM TO  
 Invoice Date: DATE

Grant Award: \$0.00  
 Balance Remaining: \$0.00

From: Name  
 Address

TASK	Previous Balance		Current MM/DD/YYYY to MM/DD/YYYY			Total Expenses		SANDAG Total		Match Spent	
	Reimbursed by Date	Match by Date	Total to Date	Staff Costs	Consultant/ Contractor Costs	Other Costs	This Invoice	This Invoice	This Invoice	This Invoice	This Invoice
1 RFP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2 Existing Conditions Report	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3 Public Outreach	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4 Draft Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5 Final Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>											
Total Current Expenditures: \$0.00 Total Amount Due this Invoice: \$0.00 Less 10% Retention: \$0.00 Match % Met to Date: #DIV/0!											

Total Project Budget (Grant + Match)	
Task 1	\$0.00
Task 2	\$0.00
Task 3	\$0.00
Task 4	\$0.00
Task 5	\$0.00
<b>TOTAL</b>	<b>\$0.00</b>
<b>SANDAG Grant Match:</b>	<b>\$0.00</b>
<b>SANDAG Contribution %</b>	<b>#DIV/0!</b>
<b>Required Match %</b>	<b>#DIV/0!</b>

**CERTIFICATION OF GRANTEE**

I hereby certify that the above costs were incurred in performance of the work required under the grant and are consistent with the amounts evidenced by attached supporting documents and expenditures.

Signature

Printed Name and Title

Date

RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ACCEPTING AN ACTIVE TRANSPORTATION GRANT PROGRAM AWARD IN THE AMOUNT OF \$425,000 THROUGH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS FOR THE EUCLID BICYCLE AND PEDESTRIAN ENHANCEMENTS PROJECT, ACCEPTING THE TERMS OF THE GRANT AGREEMENT, AUTHORIZING THE CITY MANAGER TO EXECUTE THE GRANT AGREEMENT, AND AUTHORIZING THE ESTABLISHMENT OF FUND APPROPRIATIONS AND A CORRESPONDING REVENUE BUDGET

WHEREAS, the City of National City has been awarded a grant through SANDAG from the Active Transportation Grant Program in the amount of \$425,000 for the Euclid Bicycle and Pedestrian Enhancements Project (the “Project”), with no local fund match required; and

WHEREAS, Euclid Avenue is a four-lane north-south arterial with on-street parallel parking along most of the corridor, and is identified as a major arterial in the City’s General Plan, and a regional bicycle corridor in both the City’s Bicycle Master Plan and SANDAG 2050 Regional Transportation Plan; and

WHEREAS, the grant will provide funding for the design and engineering of the Project to include approximately 1.7 miles of Class II bicycle facilities between Cervantes Avenue and East 24th Street; and

WHEREAS, the Grant Agreement contains provisions required by SANDAG, which have been reviewed and accepted by staff. While one such provision is a “hold harmless” provision, staff has determined that risk to the City is minimal since SANDAG’s involvement in this grant-funded project is limited to accounting processes and financial audits.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby accepts the Active Transportation Grant Program grant funds in the amount of \$425,000 for the Euclid Bicycle and Pedestrian Enhancements Project, with no local fund match required.

BE IT FURTHER RESOLVED that the City Council accepts the terms of the Grant Agreement, and authorizes the City Manager to execute the Grant Agreement.

BE IT FURTHER RESOLVED that the City Council hereby authorizes the establishment of fund appropriations and a corresponding revenue budget.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City, 1) accepting an Active Transportation Grant Program (ATGP) award in the amount of \$875,000 through the San Diego Association of Governments for the Division Street Road Diet project, 2) acceptin

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

[Resolution of the City Council of the City of National City, 1) accepting an Active Transportation Grant Program (ATGP) award in the amount of \$875,000 through the San Diego Association of Governments for the Division Street Road Diet project, 2) accepting the terms of the Grant Agreement, 3) authorizing the City Manager to execute the Grant Agreement, and 4) establishing corresponding revenue and expenditure accounts]

**PREPARED BY:** Ray Roberson

**DEPARTMENT:** Engineering/Public Works

**PHONE:** 336-4583

**APPROVED BY:**



**EXPLANATION:**

[The Division Street project proposes to implement a road diet reducing the corridor from four travel lanes to three. Two lanes would remain for westbound traffic and one lane for eastbound traffic. The center-turn-lane and on-street parking would remain and approximately 1 mile of Class II buffered bike lanes would be installed. The project would also provide high visibility crosswalks, ADA accessible curb ramps, the construction of a new crosswalk with pedestrian refuge island near Rancho De La Nacion Elementary School, and sidewalk panel replacement where necessary to maintain ADA accessibility.

This ATGP grant will provide funding for design, engineering, project management, construction and inspections. There is no local match required for this project. It shall be noted that the Grant Agreement contains provisions required by SANDAG, which have been reviewed and accepted by staff. While one such provision is a "hold harmless" provision, staff has determined that risk to the City is minimal since SANDAG's involvement in this grant-funded project is limited to accounting processes and financial audits.

**FINANCIAL STATEMENT:**

**APPROVED:**



Finance

**ACCOUNT NO.**

**APPROVED:**

MIS

Revenue Account No. 296-06571-3463

Expenditure Account No. 296-409-500-598-6571

**ENVIRONMENTAL REVIEW:**

**ORDINANCE:** INTRODUCTION:

FINAL ADOPTION:

**STAFF RECOMMENDATION:**

[Adopt the Resolution.]

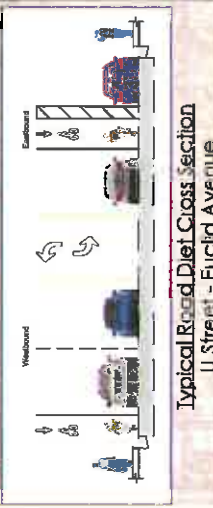
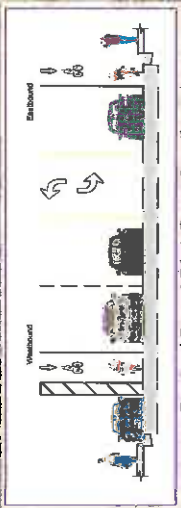
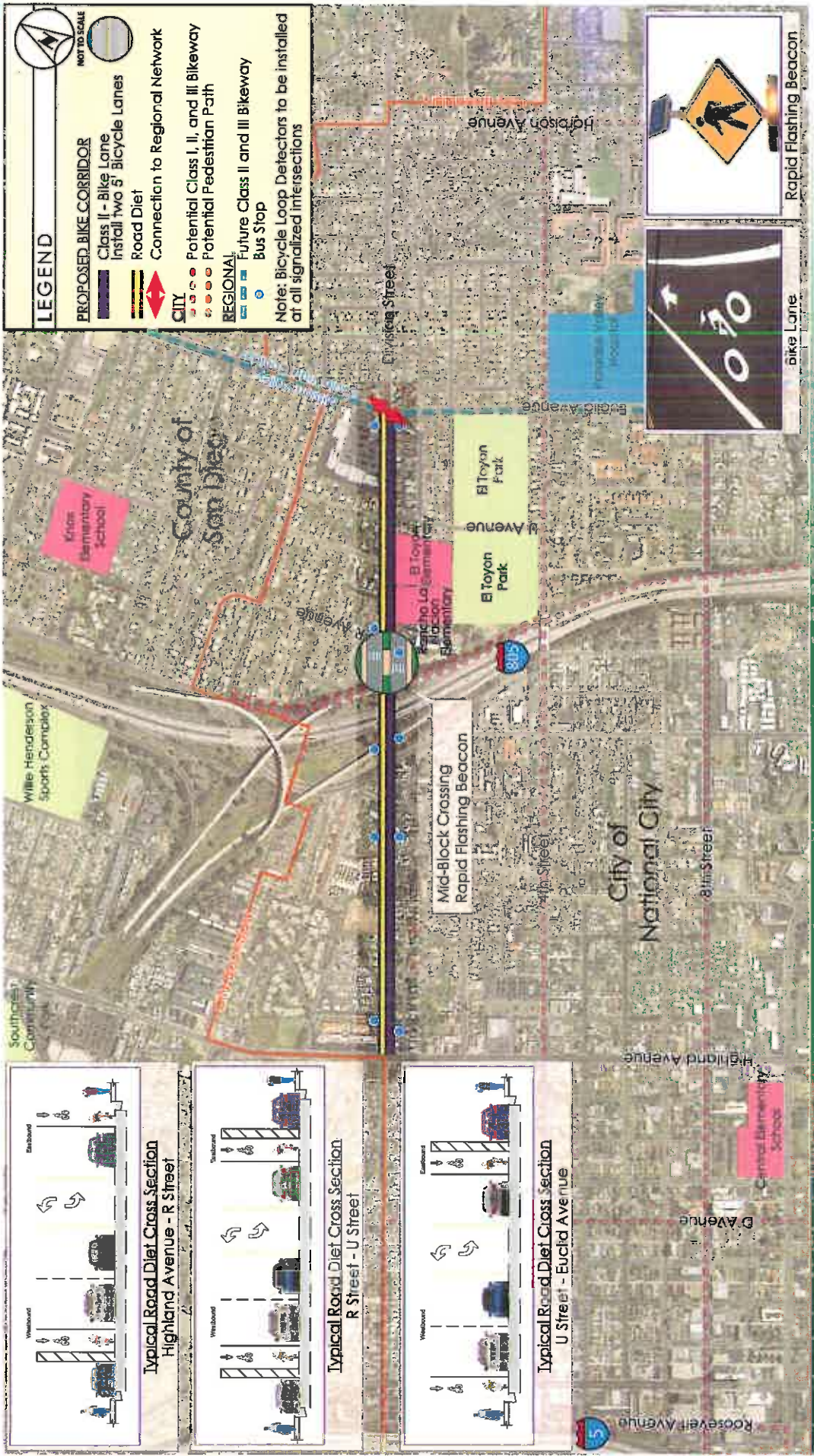
**BOARD / COMMISSION RECOMMENDATION:**

[N/A]

**ATTACHMENTS:**

1. Grant Agreement
2. Resolution

# Project Improvement Map



**LEGEND**

**PROPOSED BIKE CORRIDOR**  
 Class II - Bike Lane  
 Install two 5' Bicycle Lanes  
 Road Diet  
 Connection to Regional Network

**CITY**  
 Potential Class I, II, and III Bikeway  
 Potential Pedestrian Path

**REGIONAL**  
 Future Class II and III Bikeway  
 Bus Stop

Note: Bicycle Loop Detectors to be installed at all signalized intersections

**Rapid Flashing Beacon**

**Bike Lane**

# Division Street Road Diet

National City Division Street Road Diet



**TransNet ACTIVE TRANSPORTATION GRANT PROGRAM**  
**GRANT AGREEMENT 5004636 BETWEEN**  
**THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND**  
**THE CITY OF NATIONAL CITY**  
**REGARDING ITS DIVISION STREET ROAD DIET**

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THIS GRANT AGREEMENT 5004636 (Agreement) is made this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the San Diego Association of Governments, 401 B Street, Suite 800, San Diego, California, hereinafter referred to as SANDAG, and the City of National City 1243 National City Boulevard, National City, California 91950, hereinafter referred to as Grantee. This agreement expires on \_\_\_\_\_.

The following recitals are a substantive part of this Agreement:

- A.** On September 26, 2013, the Governor Brown signed legislation creating the Active Transportation Program (ATP) (Senate Bill 99 and Assembly Bill 101) to encourage increased use of active modes of transportation such as bicycling and walking.
- B.** ATP funding is awarded through a competitive process that consists of two stages: a statewide competition facilitated by the California Transportation Commission (CTC), followed by a regional competition facilitated by SANDAG.
- C.** The regional competition for Cycle 1 ATP funds was conducted in 2014 and resulted in a list of ten projects to be funded through the ATP in the amount of \$13.41 million. On September 26, 2014, the Board of Directors recommended the final list of ranked projects to the CTC for funding allocation. Of the ten recommended projects, seven were from local jurisdictions with a cumulative award amount of \$5.99 million, while the three remaining projects were SANDAG projects.
- D.** The SANDAG Board of Directors allocates funds under the *TransNet* local sales tax program to support local bicycle and pedestrian transportation projects in the San Diego region through a competitive process.
- E.** The *TransNet* Extension Ordinance contains provisions to fund the Bicycle, Pedestrian, and Neighborhood Safety Program (BPNSP), which encompasses bicycle and pedestrian travel projects. The *TransNet* BPNSP is commonly referred to as the SANDAG Active Transportation Grant Program (ATGP).
- F.** Section 7 of the *TransNet* Extension Ordinance allows for the exchange of federal, state, or other local funds for *TransNet* funds to maximize effectiveness in the use of revenues.
- G.** On November 21, 2014, the SANDAG Board of Directors approved the exchange of ATP funding for *TransNet* funding for the seven local jurisdiction projects selected in the regional ATP competition by Resolution Number 2015-02.
- H.** Grantee successfully applied for ATP Funding for its Division Street Road Diet (Project), as described in Grantee's grant application. The Scope of Work, Project Schedule, and Approved Project Budget are included as Attachment A.



- I. Grantee's Project is funded with \$875,000 in ATGP funds. The *TransNet* MPO ID for the Project is NC20.
- J. The purpose of this Agreement is to establish the terms and conditions for SANDAG to provide Grantee with funding to implement the Project.
- K. Although SANDAG will be providing financial assistance to Grantee to support the Project, SANDAG will not take an active role or retain substantial control of the Project. Therefore, this Agreement is characterized as a funding agreement rather than a cooperative agreement.
- L. Grantee understands that *TransNet* funds derive from retail transactions and use tax revenues which fluctuate. The SANDAG funding commitment to ATGP Projects, including this Project, is subject to these fluctuations, which may impact funding availability for this Project.
- M. Grantee further understands that this Grant Award, Agreement and the Grantee's performance thereunder are subject to Board Policy No. 035, which includes multiple "use it or lose it" provisions.

NOW, THEREFORE, it is agreed as follows:

**I. DEFINITIONS**

- A. **Application.** The signed and dated grant application, including any amendment thereto, with all explanatory, supporting, and supplementary documents filed with SANDAG by or on behalf of the Grantee and accepted or approved by SANDAG. All of Grantee's application materials, not in conflict with this Agreement, are hereby incorporated into this Agreement as though fully set forth herein.
- B. **Approval, Authorization, Concurrence, Waiver.** A written statement (transmitted in typewritten hard copy or electronically) of a SANDAG official authorized to permit the Grantee to take or omit an action required by this Agreement, which action may not be taken or omitted without such written permission. Except to the extent that SANDAG determines otherwise in writing, such approval, authorization, concurrence, or waiver permitting the performance or omission of a specific action does not constitute permission to perform or omit other similar actions. An oral permission or interpretation has no legal force or effect.
- C. **Approved Project Budget.** The most recent statement of the costs of the Project, the maximum amount of assistance from SANDAG for which the Grantee is currently eligible, the specific tasks (including specific contingencies) covered, and the estimated cost of each task, that has been approved by SANDAG. The Approved Project Budget is included in Attachment A.
- D. **ATGP Funds and Funding.** Funding from the *TransNet* BPNSP.
- E. **Grantee.** The local jurisdiction that is the recipient of ATGP funding under this Agreement.
- F. **Notice to Proceed.** A written notice from SANDAG issued to the Grantee authorizing the Grantee to proceed with all or a portion of the work described in the Scope of Work. Grantee shall not proceed with the work and shall not be eligible to receive payment for work performed prior to the SANDAG issuance of a Notice to Proceed.

- G. Subgrantee.** Any contractor or consultant, at any tier, paid directly or indirectly with funds flowing from this Agreement for the Project.

## **II. PROJECT IMPLEMENTATION**

- A. General.** The Grantee agrees to carry out the Project as follows:

1. **Project Description.** Grantee agrees to perform the work as described in the Scope of Work included as Attachment A.
2. **Effective Date.** The effective date of this Agreement or any amendment hereto is the date on which this Agreement or an amendment is fully executed. The Grantee agrees to undertake Project work promptly after receiving a Notice to Proceed from SANDAG.
3. **Grantee's Capacity.** The Grantee agrees to maintain or acquire sufficient legal, financial, technical, and managerial capacity to: (a) plan, manage, and complete the Project and provide for the use of any project property; (b) carry out the safety and security aspects of the Project; and (c) comply with the terms of the Agreement and all applicable laws, regulations, and policies pertaining to the Project and the Grantee, including but not limited to the *TransNet* Extension Ordinance and Board Policy No. 035.
4. **Project Schedule.** The Grantee agrees to complete the Project according to the Project Schedule included in Attachment A and in compliance with Board Policy No. 035, as amended, and included as Attachment B.
5. **Project Implementation and Oversight.** Grantee agrees to comply with the Project Implementation and Oversight Requirements, included as Attachment C, and Board Policy No. 035, as amended.
6. **Changes to Project's Scope of Work.** This Agreement was awarded to Grantee based on the application submitted by Grantee, which contained representations by Grantee regarding project parameters, project proximity to transit, and other criteria relevant to evaluating and ranking the Project based on the Regional ATP scoring criteria. Any substantive deviation from Grantee's representations in the Application during project implementation may require reevaluation or result in loss of funding. If Grantee knows or should have known that substantive changes to the Project will occur or have occurred, Grantee will immediately notify SANDAG in writing. SANDAG will then determine whether the Project is still consistent with the overall objectives of the ATGP and Regional ATP and whether the changes would have negatively affected the Project ranking during the competitive grant evaluation process. SANDAG reserves the right to have ATGP Funding withheld from Grantee, or refunded to SANDAG, due to Grantee's failure to satisfactorily complete the Project or due to substantive changes to the Project.
7. **Media and Community Outreach Coordination.** The Grantee agrees notify SANDAG of any media and community outreach efforts, including presentations to community groups, other agencies, and elected officials. The Grantee agrees to assist SANDAG with media or community events related to the Project, such as ground breaking and ribbon cutting. Press materials shall be provided to SANDAG staff before they are distributed.

SANDAG logos should be included in press materials and other project collateral, but may never be included in such documents without advance approval from SANDAG.

As part of the quarterly reports submitted to SANDAG, the Grantee agrees to provide project milestone information to support media and communications efforts. SANDAG reserves the right to use the information provided by the Grantee for any combination of the following, including but not limited to: social media posts, online photo albums, videos, press releases, PowerPoint presentations, web updates, newsletters, and testimonials. In submitting photos to SANDAG, the Grantee agrees to release the rights of the photos to SANDAG for its use.

8. **Project Signage and Designation of *TransNet* Funded Facilities.** Each capital project in excess of \$250,000 funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by revenues from the *TransNet* Extension Ordinance.

Grantee agrees to follow the Project Signage Specifications. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before printing.

9. **Baseline Data Collection.** For capital projects, Grantee is required to coordinate with SANDAG staff on the development of a baseline data collection plan in accordance with the Project Implementation and Oversight Requirements.

**B. Application of Laws** Should a federal or state law pre-empt a local law, regulation, or the *TransNet* Extension Ordinance, the Grantee must comply with the federal or state law and implementing regulations. No provision of this Agreement requires the Grantee to observe or enforce compliance with any provision, perform any other act, or do any other task in contravention of federal, state, territorial, or local law, regulation, or ordinance. If compliance with any provision of this Agreement violates or would require the Grantee to violate any law, the Grantee agrees to notify SANDAG immediately in writing. Should this occur, SANDAG and the Grantee agree that they will make appropriate arrangements to proceed with or, if necessary, terminate the Project or affected portions thereof expeditiously.

**C. Notice Regarding Prevailing Wages.** The SANDAG ATGP Grants are funded with *TransNet* revenues consistent with the *TransNet* Extension Ordinance adopted by the voters in November 2004 (SANDAG Ordinance 04-01). Although SANDAG Ordinance 04-01 does not require payment of prevailing wages, California law may require that Grantee's public works projects pay prevailing wages for workers. Grantee acknowledges that SANDAG has strongly encouraged Grantee to seek legal counsel regarding whether the Project will be subject to prevailing wage laws consistent with Labor Code Section 1720, et seq. This Agreement requires Grantee's compliance with all federal, state, and local laws and ordinances as applicable.

**D. Significant Participation by a Subgrantee.** Although the Grantee may delegate any or almost all Project responsibilities to one or more subgrantees, the Grantee agrees that it, rather than any subgrantee, is ultimately responsible for compliance with all applicable laws, regulations, and this Agreement.

**E. Third-Party Contracting.** Grantee shall not award contracts over \$3,000 on the basis of a noncompetitive procurement for work to be performed under this Agreement without the prior written approval of SANDAG. Contracts awarded by Grantee, if intended as local match credit, must meet the requirements set forth in this Agreement regarding local match funds.

1. If Grantee hires a consultant to carry out professional services funded under this Agreement, Grantee shall: prepare an Independent Cost Estimate (ICE) prior to soliciting proposals; publicly advertise for competing proposals for the work; use cost as an evaluation factor in selecting the consultant; document a Record of Negotiation (RON) establishing that the amount paid by Grantee for the consultant services is fair and reasonable; and pass through the relevant obligations in this Agreement to the consultant.
2. If Grantee hires a contractor to carry out construction services funded under this Agreement, Grantee shall: prepare an ICE (e.g., a construction cost estimate) prior to soliciting bids; publicly advertise for competing bids for the work; award the work to the lowest responsive and responsible bidder; document a RON establishing that the amount paid by Grantee for the construction services is fair and reasonable; and pass through the relevant obligations in this Agreement to the contractor.

**F. Grantee's Responsibility to Extend Agreement Requirements to Other Entities**

1. **Entities Affected.** Grantee agrees to take appropriate measures necessary to ensure that all Project participants comply with all applicable federal laws, regulations, and policies affecting Project implementation. In addition, if an entity other than the Grantee is expected to fulfill any responsibilities typically performed by the Grantee, the Grantee agrees to assure that the entity carries out the Grantee's responsibilities as set forth in this Agreement.
2. **Documents Affected.** The applicability provisions of laws, regulations, and policies determine the extent to which those provisions affect an entity (such as a subgrantee) participating in the Project through the Grantee. Thus, the Grantee agrees to use a written document to ensure that each entity participating in the Project complies with applicable laws, regulations, and policies.
3. **Flowdown.** The Grantee agrees to include in each document (subagreement, lease, third-party contract, or other) any necessary provisions requiring the Project participant (third-party contractor, subgrantee, or other) to impose applicable laws, Agreement requirements and directives on its subgrantees, lessees, third-party contractors, and other Project participants at the lowest tier necessary.

**G. No SANDAG Obligations to Third Parties.** In connection with the Project, the Grantee agrees that SANDAG shall not be subject to any obligations or liabilities to any subgrantee, lessee, third-party contractor, or other person or entity that is not a party to the Agreement for the Project. Notwithstanding that SANDAG may have concurred in or approved any solicitation, subagreement, lease, or third-party contract at any tier, SANDAG has no obligations or liabilities to any entity other than the Grantee, including any subgrantee, lessee, or third-party contractor at any tier.

- H. **Changes in Project Performance.** The Grantee agrees to notify SANDAG immediately, in writing, of any change in local law, conditions (including its legal, financial, or technical capacity), or any other event that may adversely affect the Grantee's ability to perform the Project in accordance with the terms of the Agreement and as required by Board Policy No. 035. The Grantee also agrees to notify SANDAG immediately, in writing, of any current or prospective major dispute, breach, default, or litigation that may adversely affect the SANDAG interests in the Project; and agrees to inform SANDAG, also in writing, before naming SANDAG as a party to litigation for any reason, in any forum. At a minimum, the Grantee agrees to send each notice to SANDAG required by this subsection to the SANDAG Office of General Counsel.
- I. **Standard of Care.** The Grantee expressly warrants that the work to be performed pursuant to this Agreement shall be performed in accordance with the applicable standard of care. Where approval by SANDAG, its Executive Director, or other representative of SANDAG is indicated in the Scope of Work, it is understood to be conceptual approval only and does not relieve the Grantee of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the Grantee or its subgrantees.

### III. ETHICS

- A. **Grantee Code of Conduct/Standards of Conduct.** The Grantee agrees to maintain a written code of conduct or standards of conduct that shall govern the actions of its officers, employees, council or board members, or agents engaged in the award or administration of subagreements, leases, or third-party contracts supported with ATGP Funding. The Grantee agrees that its code of conduct or standards of conduct shall specify that its officers, employees, council or board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from any present or potential subgrantee, lessee, or third-party contractor at any tier or agent thereof. The Grantee may set *de minimis* rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. The Grantee agrees that its code of conduct or standards of conduct shall also prohibit its officers, employees, board members, or agents from using their respective positions in a manner that presents a real or apparent personal or organizational conflict of interest or personal gain. As permitted by state or local law or regulations, the Grantee agrees that its code of conduct or standards of conduct shall include penalties, sanctions, or other disciplinary actions for violations by its officers, employees, council or board members, or their agents, or its third-party contractors or subgrantees or their agents.
1. **Personal Conflicts of Interest.** The Grantee agrees that its code of conduct or standards of conduct shall prohibit the Grantee's employees, officers, council or board members, or agents from participating in the selection, award, or administration of any third-party contract or subagreement supported by ATGP Funding if a real or apparent conflict of interest would be involved. Such a conflict would arise when an employee, officer, board member, or agent, including any member of his or her immediate family, partner, or organization that employs, or intends to employ, any of the parties listed herein has a financial interest in a firm competing for award.
  2. **Organizational Conflicts of Interest.** The Grantee agrees that its code of conduct or standards of conduct shall include procedures for identifying and preventing real and

apparent organizational conflicts of interest. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third-party contract or subagreement may, without some restrictions on future activities, result in an unfair competitive advantage to the third-party contractor or subgrantee or impair its objectivity in performing the contract work.

- B. SANDAG Code of Conduct.** SANDAG has established policies concerning potential conflicts of interest. These policies apply to Grantee. For all awards by SANDAG, any practices which might result in unlawful activity are prohibited including, but not limited to, rebates, kickbacks, or other unlawful considerations. SANDAG staff members are specifically prohibited from participating in the selection process when those staff have a close personal relationship, family relationship, or past (within the last 12 months), present, or potential business or employment relationship with a person or business entity seeking a contract with SANDAG. It is unlawful for any contract to be made by SANDAG if any individual Board member or staff has a prohibited financial interest in the contract. Staff are also prohibited from soliciting or accepting gratuities from any organization seeking funding from SANDAG. The SANDAG officers, employees, agents, and Board members shall not solicit or accept gifts, gratuities, favors, or anything of monetary value from consultants, potential consultants, or parties to subagreements. By signing this Agreement, Grantee affirms that it has no knowledge of an ethical violation by SANDAG staff or Grantee. If Grantee has any reason to believe a conflict of interest exists with regard to the Agreement or the Project, it should notify the SANDAG Office of General Counsel immediately.
- C. Bonus or Commission.** The Grantee affirms that it has not paid, and agrees not to pay, any bonus or commission to obtain approval of its ATGP Funding application for the Project.
- D. False or Fraudulent Statements or Claims.** The Grantee acknowledges and agrees that by executing the Agreement for the Project, the Grantee certifies or affirms the truthfulness and accuracy of each statement it has made, it makes, or it may make in connection with the Project, including, but not limited to, the Grantee's grant application, progress reports and invoices.

#### **IV. AMOUNT OF FUNDING ASSISTANCE**

The Grantee agrees that SANDAG will provide ATGP Funding for the Project equal to the smaller of the following amounts: (a) the Maximum SANDAG Amount Approved of \$875,000; or (b) the amount calculated in accordance with the Maximum Percentages of SANDAG Participation, which is 100 percent. The SANDAG responsibility to make payments under this Agreement is limited to the amounts listed in the Approved Project Budget for the Project. Grantee's estimate in its application for funding from SANDAG for the Project is the amount that forms the basis upon which SANDAG determines the Maximum SANDAG Amount Awarded and Maximum Percentages of SANDAG Participation.

#### **V. MATCHING FUNDS**

Grantee has not proposed to provide matching funds for the Project.

## **VI. APPROVED PROJECT BUDGET**

Except to the extent that SANDAG determines otherwise in writing, the Grantee agrees as follows: The Grantee and SANDAG have agreed to a Project budget that is designated the "Approved Project Budget." The Grantee will incur obligations and make disbursements of Project funds only as authorized by the Approved Project Budget. An amendment to the Approved Project Budget requires the issuance of a formal amendment to the Agreement, unless the re-allocation of funds among budget items or fiscal years that not increase the total amount of the ATGP Funding awarded for the Project, does not negatively impact the benefits obtained from the Project, and is consistent with applicable laws, regulations, and policies. Prior written SANDAG Project Manager approval is required for transfers of funds between Approved Project Budget line items.

## **VII. PAYMENTS**

- A. Grantee's Request for Payment When Matching Funds Are Required.** The Grantee will demonstrate or certify that it will provide adequate matching funds such that, when combined with payments from SANDAG, will cover all costs to be incurred for the Project. Except to the extent that SANDAG determines, in writing, that the Grantee may defer its provision of matching funds for the Project, a Grantee is required under the terms of this Agreement to provide matching funds for the Project and agrees that it will not:
1. Request or obtain matching funds exceeding the amount justified by the matching share previously provided.
  2. Take any action that would cause the proportion of ATGP Funding made available to the Project at any time to exceed the percentage authorized by the Agreement for the Project.
- B. Payment by SANDAG.** Upon receiving a request for payment and adequate supporting information, SANDAG will make payment for eligible amounts to Grantee within 30 days if Grantee has complied with the requirements of the Agreement, including submission of a Quarterly Report which is included as Attachment D, has satisfied SANDAG that the ATGP Funding requested is needed for Project purposes in that requisition period, and is making adequate progress toward Project completion consistent with Board Policy No. 035. After the Grantee has demonstrated satisfactory compliance with the preceding requirements, SANDAG may reimburse the Grantee's apparent allowable costs incurred consistent with the Approved Project Budget. SANDAG shall retain ten percent from the amounts invoiced until satisfactory completion of work. SANDAG shall promptly release retention amounts to Grantee following Grantee's satisfactory completion of work and receipt of Grantee's final invoice and all required documentation.
- C. Eligible Costs.** The Grantee agrees that Project costs eligible for ATGP Funding must comply with the following requirements, unless SANDAG determines otherwise in writing. To be eligible for reimbursement, Project costs must be:
1. Consistent with the Project Scope of Work, the Approved Project Budget, and other provisions of the Agreement.
  2. Necessary in order to accomplish the Project.

3. Reasonable for the goods or services purchased.
4. Actual net costs to the Grantee (i.e., the price paid minus any refunds, rebates, or other items of value received by the Grantee that have the effect of reducing the cost actually incurred, excluding program income).
5. incurred for work performed, only on a reimbursement basis, after both the Effective Date of the Agreement and following Grantee's receipt of a Notice to Proceed from SANDAG.
6. Satisfactorily documented with supporting documentation which is to be submitted with each invoice.
7. Treated consistently in accordance with generally accepted accounting principles and procedures for the Grantee and any third-party contractors and subgrantees, (see Section 8 Accounting Records).
8. Eligible for *TransNet* Funding as part of the ATGP.
9. Indirect Costs are only allowable with prior SANDAG approval. Grantee must submit the following documentation as part of the grant application materials: (1) an indirect cost allocation audit approved by a qualified independent auditor; or (2) the applicant's proposed method for allocating indirect costs in accordance with OMB Circular A-87 guidelines. Indirect cost allocation plans must be reviewed and renewed annually.
10. Project generated revenue realized by the Grantee shall be utilized in support of the Project. Project generated revenue and expenditures, if any, shall be reported at the end of the Agreement period.

**D. Excluded Costs**

1. In determining the amount of ATGP Funding SANDAG will provide for the Project, SANDAG will exclude:
  - a. Any Project cost incurred by the Grantee before either the date SANDAG issues a Notice to Proceed to Grantee or the Effective Date of the Agreement or any Amendment thereto;
  - b. Any cost that is not included in the latest Approved Project Budget;
  - c. Any cost for Project property or services received in connection with a subagreement, lease, third-party contract, or other arrangement that is required to be, but has not been, concurred in or approved in writing by SANDAG; and
  - d. Any cost ineligible for SANDAG participation as provided by applicable laws, regulations, or policies.
2. Certain costs at times associated with bicycle and pedestrian projects are not eligible when the benefit provided is not the exclusive use of bicyclists or pedestrians. These instances are listed below.



- a. Curb and gutter are part of the roadway drainage system. As such, newly installed curb and gutter cannot be considered an improvement exclusively for the benefit of the sidewalk or bike lane and are not an eligible expense.
- b. Driveway ramps installed across sidewalks are not for the benefit of pedestrians, and in fact, degrade the pedestrian environment. Claimants may not include the cost of driveway ramps in applications for sidewalk projects. However, the distance across the driveway may be included when computing the per-square-foot cost of the sidewalk.
- c. Where roadway design standards require a roadway shoulder width at least as wide as would be required for a standard bike lane, the cost of the shoulder construction will not be eligible. Appropriate bikeway signage is eligible.
- d. Under some circumstances, it may be necessary to remove and replace curb and gutter, driveway ramps, drainage facilities, and other existing improvements in order to construct a bikeway or sidewalk. In such cases the cost of this work is most likely eligible, but claimants should carefully document why this is so in the claim submittal.

**E.** The Grantee understands and agrees that payment to the Grantee for any Project cost does not constitute the SANDAG final decision about whether that cost is allowable and eligible for payment under the Project and does not constitute a waiver of any violation by the Grantee of the terms of the Agreement for the Project or Board Policy No. 035. The Grantee acknowledges that SANDAG will not make a final determination about the allowability and eligibility of any cost until the final payment has been made on the Project or the results of an audit of the Project requested by SANDAG or its Independent Taxpayers' Oversight Committee (ITOC) has been completed, whichever occurs latest. If SANDAG determines that the Grantee is not entitled to receive any portion of the ATGP Funding requested or paid, SANDAG will notify the Grantee in writing, stating its reasons. The Grantee agrees that Project closeout will not alter the Grantee's responsibility to return any funds due to SANDAG as a result of later refunds, corrections, performance deficiencies, or other similar actions; nor will Project closeout alter the SANDAG right to disallow costs and recover funds provided for the Project on the basis of a later audit or other review. Upon notification to the Grantee that specific amounts are owed to SANDAG, whether for excess payments of ATGP Funding, disallowed costs, or funds recovered from third parties or elsewhere, the Grantee agrees to promptly remit to SANDAG the amounts owed, including applicable interest, penalties and administrative charges.

## VIII. ACCOUNTING RECORDS

In compliance with applicable laws, regulations, and policies, the Grantee agrees as follows:

- A. Project Accounts.** The Grantee agrees to establish and maintain for the Project either a separate set of accounts or separate accounts within the framework of an established accounting system that can be identified with the Project. The Grantee also agrees to maintain documentation of all checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents related in whole or in part to the Project so that they may be clearly identified, readily accessible, and available to SANDAG upon request and, to the extent feasible, kept separate from documents not related to the Project.
- B. Documentation of Project Costs and Program Income.** Except to the extent that SANDAG determines otherwise, in writing, the Grantee agrees to support all costs charged to the Project, including any approved services or property contributed by the Grantee or others, with properly executed payrolls, time records, invoices, contracts, or vouchers describing in detail the nature and propriety of the charges, including adequate records to support the costs the Grantee has incurred underlying any payment in which SANDAG has agreed to participate in based upon a payable milestone.

## IX. REPORTING, RECORD RETENTION, AND ACCESS

- A. Types of Reports.** The Grantee agrees to submit to SANDAG all reports required by law and regulation, policy, this Agreement, and any other reports SANDAG may specify.
- B. Report Formats.** The Grantee agrees that all reports and other documents or information intended for public availability developed in the course of the Project and required to be submitted to SANDAG must be prepared and submitted in electronic and/or typewritten hard copy formats, as SANDAG may specify. SANDAG reserves the right to specify that records be submitted in particular formats.
- C. Record Retention.** During the course of the Project and for three years thereafter from the date of transmission of the final expenditure report, the Grantee agrees to maintain, intact and readily accessible, all data, documents, reports, records, contracts, and supporting materials relating to the Project, as SANDAG may require.
- D. Access to Records of Grantees and Subgrantees.** The Grantee agrees to permit, and require its subgrantees to permit, SANDAG or its authorized representatives, upon request, to inspect all Project work, materials, payrolls, and other data, and to audit the books, records, and accounts of the Grantee and its subgrantees pertaining to the Project.
- E. Project Closeout.** The Grantee agrees that Project closeout does not alter the reporting and record retention requirements of this Agreement.
- F. Quarterly Reports.** Grantee shall submit written quarterly reports to SANDAG detailing the progress of its work, expenditures incurred, and information regarding whether the Project is projected to be completed within the limits of the Approved Project Budget, Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. Grantee shall document the progress and results of work performed under this Agreement to the satisfaction of SANDAG. This includes progress and final reports, plans,

specifications, estimates, and other evidence of attainment of the Agreement objectives, which are requested by SANDAG or ITOC. Grantee may be required to attend meetings of SANDAG staff and committees, including but not limited to ITOC, the Regional Planning Committee, the Transportation Committee, and the SANDAG Board of Directors, to report on its progress and respond to questions.

- G. Communities Served Data and Report.** If requested, Grantee shall provide SANDAG with data regarding how the Project's benefits and burdens were equitably distributed among socio and economic populations in the area affected by the Project, and associated smart growth data.

**X. Project Completion, Audit, Settlement, and Closeout**

- A. Project Completion.** Within 90 calendar days following Project completion or termination by SANDAG, the Grantee agrees to submit a final certification of Project expenses and final reports, as applicable. All payments made to the Grantee shall be subject to review for compliance by SANDAG with the requirements of this Agreement and shall be subject to an audit upon completion of the Project.

**B. Project Audit.**

The Grantee agrees to have financial and compliance audits performed as SANDAG may require consistent with the *TransNet* Extension Ordinance. The Grantee agrees that Project closeout will not alter the Grantee's audit responsibilities. Audit costs are allowable Project costs.

- C. Performance Audit.** The Grantee agrees to cooperate with SANDAG or ITOC with regard to any performance audit that is performed on the Project pursuant to the *TransNet* Ordinance.

- D. Project Closeout.** Project closeout occurs when SANDAG notifies the Grantee that SANDAG has closed the Project, and, if applicable, either forwards the final ATGP Funding payment and or acknowledges that the Grantee has remitted the proper refund. The Grantee agrees that Project closeout by SANDAG does not invalidate any continuing requirements imposed by the Agreement or any unmet requirements set forth in a written notification from SANDAG.

- E. Project Use.** Grantee was awarded this Agreement based on representations in its grant application regarding the Project's intended use. If the Project is a capital project, Grantee hereby commits to continued use of the Project for the purposes stated in its application for a period of at least five years after completion of construction. SANDAG may require Grantee to refund ATGP funding provided for the Project in the event Grantee fails to utilize the Project for its intended purposes as stated in the grant application or for any disallowed costs.

**XI. TIMELY PROGRESS AND RIGHT OF SANDAG TO TERMINATE**

- A.** Grantee shall make diligent and timely progress toward completion of the Project within the timelines set forth in the Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. If timely progress is not achieved, SANDAG may, in its sole discretion, review the status of the Project to determine if the remaining funding should be reallocated to another eligible project, as per Board Policy No. 035. Grantee understands and agrees that any failure to make reasonable progress on the Project or violation of this

Agreement and/or Board Policy No. 035, that endangers substantial performance of the Project shall provide sufficient grounds for SANDAG, in its sole discretion, to terminate this Agreement.

- B. In the event Grantee encounters difficulty in meeting the Project Schedule or anticipates difficulty in complying with the Project Schedule, the Grantee shall immediately notify the SANDAG Project Manager in writing, and shall provide pertinent details, including the reason(s) for the delay in performance and the date by which Grantee expects to complete performance or delivery. This notification shall be informational in character only and receipt of it shall not be construed as a waiver by SANDAG of a project delivery schedule or date, or any rights or remedies provided by this Agreement, including Board Policy No. 035 requirements.
- C. Upon written notice, the Grantee agrees that SANDAG may suspend or terminate all or any part of the ATGP Funding to be provided for the Project if the Grantee has violated the terms of the Agreement, or Board Policy No. 035, or if SANDAG determines that the purpose of the laws or policies authorizing the Project would not be adequately served by the continuation of ATGP Funding for the Project.
- D. In general, termination of ATGP Funding for the Project will not invalidate obligations properly incurred by the Grantee before the termination date to the extent those obligations cannot be canceled. If, however, SANDAG determines that the Grantee has willfully misused ATGP Funding by failing to make adequate progress, or failing to comply with the terms of the Agreement, SANDAG reserves the right to require the Grantee to refund to SANDAG the entire amount of ATGP Funding provided for the Project or any lesser amount as SANDAG may determine.
- E. Expiration of any Project time period established in the Project Schedule will not, by itself, automatically constitute an expiration or termination of the Agreement for the Project, however, Grantee must request and SANDAG may agree to amend the Agreement in writing if the Project Schedule will not be met. An amendment to the Project Schedule may be made at the discretion of SANDAG if Grantee's request is consistent with the provisions of Board Policy No. 035.

## **XII. CIVIL RIGHTS**

The Grantee agrees to comply with all applicable civil rights laws, regulations and policies and shall include the provisions of this Section 12 in each subagreement, lease, third-party contract or other legally binding document to perform work funded by this Agreement. Applicable civil rights laws, regulations and policies include, but are not limited to, the following:

- A. **Nondiscrimination.** SANDAG implements its programs without regard to income level, disability, race, color, and national origin in compliance with the Americans with Disabilities Act and Title VI of the Civil Rights Act. Grantee shall prohibit discrimination on these grounds, notify the public of their rights under these laws, and utilize a process for addressing complaints of discrimination. Furthermore, Grantee shall make the procedures for filing a complaint available to members of the public and will keep a log of all such complaints. Grantee must notify SANDAG immediately if a complaint is lodged that relates to the Project or program funded by this grant.

- B. Equal Employment Opportunity.** During the performance of this Agreement, Grantee and all of its subcontractors, if any, shall not unlawfully discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family and medical care leave, denial of pregnancy disability leave, veteran status, or sexual orientation. Grantee and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (California Government Code Section 12900, et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0, et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing California Government Code Section 12900 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by this reference and are made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

### **XIII. OWNERSHIP OF WORK PRODUCT**

SANDAG shall own any deliverables created in whole or in part for the SANDAG benefit pursuant to the Scope of Work for the Project. The term "deliverables" includes, but is not limited to, all original drawings, reports, photos, and other documents, including detailed calculations and other work product developed for the Project or services performed on the Project.

### **XIV. DISPUTES AND VENUE**

- A. Choice of Law.** This Agreement shall be interpreted in accordance with the laws of the State of California.
- B. Dispute Resolution Process.** In the event Grantee has a dispute with SANDAG during the performance of this Agreement, Grantee shall continue to perform unless SANDAG informs Grantee in writing to cease performance. The dispute resolution process for disputes arising under this Agreement shall be as follows:
1. Grantee shall submit a statement of the grounds for the dispute, including all pertinent dates, names of persons involved, and supporting documentation, to the SANDAG Project Manager. The Project Manager and other appropriate SANDAG staff will review the documentation in a timely manner and reply to Grantee within 20 calendar days. Upon receipt of an adverse decision by SANDAG, Grantee may submit a request for reconsideration to the SANDAG Executive Director. The request for reconsideration must be received within ten calendar days from the postmark date of the SANDAG reply. The Executive Director will respond to the request for reconsideration within ten working days. The decision of the Executive Director will be in writing.
  2. If Grantee is dissatisfied with the results following exhaustion of the above dispute resolution procedures, Grantee shall make a written request to SANDAG for appeal to the SANDAG Transportation Committee. SANDAG shall respond to a request for

mediation within 30 calendar days. The decision of the Transportation Committee shall be final.

- C. **Venue.** If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, litigation and collection expenses, witness fees, and court costs as determined by the court.

#### XV. ASSIGNMENT

Grantee shall not assign, sublet, or transfer (whether by assignment or novation) this Agreement or any rights under or interest in this Agreement.

#### XVI. INSURANCE

Grantee shall procure and maintain during the period of performance of this Agreement, and for 12 months following completion, policies of insurance from insurance companies authorized to do business in the State of California or the equivalent types and amounts of self-insurance, as follows:

- A. **General Liability.** Combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate for personal and bodily injury, including death, and broad form property damage. The policy must include an acceptable "Waiver of Transfer Rights of Recovery Against Others Endorsement." The policy must name SANDAG as an additional insured in the endorsement. A deductible or retention may be utilized, subject to approval by SANDAG.
- B. **Automobile Liability.** For personal and bodily injury, including death, and property damage in an amount not less than \$1,000,000.
- C. **Workers' Compensation and Employer's Liability.** Policy must comply with the laws of the State of California. The policy must include an acceptable "Waiver of Right to Recover From Others Endorsement" naming SANDAG as an additional insured.
- D. **Other Requirements.** Grantee shall furnish satisfactory proof by one or more certificates (original copies) that it has the foregoing insurance. The insurance shall be provided by an acceptable insurance provider, as determined by SANDAG, which satisfies the following minimum requirements:
1. An insurance carrier qualified to do business in California and maintaining an agent for service of process within the state. Such insurance carrier shall maintain a current A.M. Best rating classification of "A-" or better, and a financial size of "\$10 million to \$24 million (Class V) or better," or
  2. A Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for service of process in California.
- E. Certificates of insurance shall be filed with SANDAG. These policies shall be primary insurance as to SANDAG so that any other coverage held by SANDAG shall not contribute to any loss under Grantee's insurance. Insurance policies shall not be canceled without first giving

30 days advance written notice to SANDAG. For purposes of this notice requirement, any material change in the policy prior to its expiration shall be considered a cancellation.

## **XVII. INDEMNIFICATION AND HOLD HARMLESS**

- A. Generally.** With regard to any claim, protest, or litigation arising from or related to the Grantee's performance in connection with or incidental to the Project or this Agreement, Grantee agrees to defend, indemnify, protect, and hold SANDAG and its agents, officers, Board members, and employees harmless from and against any and all claims, including, but not limited to prevailing wage claims against the Project, asserted or established liability for damages or injuries to any person or property, including injury to the Grantee's or its subgrantees' employees, agents, or officers, which arise from or are connected with or are caused or claimed to be caused by the negligent, reckless, or willful acts or omissions of the Grantee and its subgrantees and their agents, officers, or employees, in performing the work or services herein, and all expenses of investigating and defending against same, including attorney fees and costs; provided, however, that the Grantee's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of SANDAG, its Board of Directors, agents, officers, or employees.
- B. Intellectual Property.** Upon request by SANDAG, the Grantee agrees to indemnify, save, and hold harmless SANDAG and its Board of Directors, officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Grantee of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Project. The Grantee shall not be required to indemnify SANDAG for any such liability caused solely by the wrongful acts of SANDAG employees or agents.

## **XVIII. INDEPENDENT CONTRACTOR**

- A. Status of Grantee.** Grantee shall perform the services provided for within this Agreement as an independent contractor, and not as an employee of SANDAG. Grantee shall be under the control of SANDAG as to the result to be accomplished and not the means, and shall consult with SANDAG as provided for in the Scope of Work. The payments made to Grantee pursuant to this Agreement shall be the full and complete compensation to which Grantee is entitled. SANDAG shall not make any federal or state tax withholdings on behalf of Grantee. SANDAG shall not be required to pay any workers' compensation insurance on behalf of Grantee. Grantee agrees to indemnify SANDAG for any tax, retirement contribution, social security, overtime payment, or workers' compensation payment which SANDAG may be required to make on behalf of Grantee or any employee of Grantee for work done under this Agreement.
- B. Actions on behalf of SANDAG.** Except as SANDAG may specify in writing, Grantee shall have no authority, express or implied, to act on behalf of SANDAG in any capacity whatsoever, as an agent or otherwise. Grantee shall have no authority, express or implied, to bind SANDAG or its members, agents, or employees, to any obligation whatsoever, unless expressly provided for in this Agreement.

**XIX. SEVERABILITY AND INTEGRATION**

If any provision of the Agreement is determined invalid, the remainder of that Agreement shall not be affected if that remainder would continue to conform to the requirements of applicable laws or regulations. This Agreement represents the entire understanding of SANDAG and Grantee as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by SANDAG and the Grantee.

**XX. PROJECT MANAGER**

The Grantee has assigned David Taylor as the Project Manager for the Project. Project Manager continuity and experience is deemed essential in Grantee’s ability to carry out the Project in accordance with the terms of this Agreement. Grantee shall not change the Project Manager without first providing written notice to SANDAG.

**XXI. NOTICE**

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

San Diego Association of Governments  
401 B Street, Suite 800  
San Diego, CA 92101  
Attention: Susan Baldwin/Suchi Mukherjee

Grantee:  
City of National City  
1243 National City Boulevard  
National City, CA 91950  
Attention: Kuna Muthusamy

Notice shall be effective upon receipt thereof.

**XXII. SIGNATURES**

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

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

SAN DIEGO ASSOCIATION OF GOVERNMENTS

CITY OF NATIONAL CITY

**GARY L. GALLEGOS**  
Executive Director or designee

**Leslie Deese**  
City Manager

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of General Counsel

City Attorney



# ATTACHMENT A SCOPE OF WORK, SCHEDULE, AND APPROVED PROJECT BUDGET

## CAPITAL PROJECTS: SCOPE OF WORK, SCHEDULE, AND BUDGET

### PART I: PROJECT OVERVIEW

**PROJECT TITLE:**  
Division Street Road Diet

**PROJECT LIMITS:**  
Division Street, between Highland and Euclid Avenue.

### PROJECT SUMMARY:

Division Street is identified as an east-west arterial, with a center-turn-lane, on the City's northern most boundary in the City General Plan. The project length is approximately one mile between Highland Avenue and Euclid Avenue. Division Street is a four-lane divided road with a center turn-lane that crosses under Interstate 805. A mix of commercial, school, and residential land uses line the corridor. Two elementary schools, El Toyon and Rancho De La Nacion, are located immediately adjacent to the proposed improvements.

Based on future and existing traffic volume projections, the Division Street project proposes to implement a road diet reducing the corridor from four travel lanes to three. Two lanes would remain for westbound traffic and one lane for eastbound traffic based on the directional traffic volumes from the City's 2011 traffic counts. The center-turn-lane and on-street parking would remain and approximately 1 mile of Class II buffered bike lanes installed. These bike lanes would add a critical east-west bicycle connection between the proposed El Toyon-Las Palmas Bicycle Corridor and the proposed regional bicycle path along Euclid Avenue. The project would also provide high visibility crosswalks, ADA accessible ramps, and the construction of an offset crosswalk, median refuge and enhanced pedestrian crossing adjacent to Rancho De La Nacion Elementary School. The project will also provide sidewalk panel replacement in key locations to maintain ADA accessibility with the existing sidewalks, as concrete has lifted over time causing uneven surfaces along pedestrian paths of travel. The proposed bicycle lanes would serve the existing MTS regional bus route, as there are five bus stops along Division Street within the project limits.

TASK ID	TASK DESCRIPTION	DELIVERABLES	START DATE	COMPLETION DATE	DURATION	TOTAL PROJECT COSTS
1	Collect Baseline Data	Baseline Data (Traffic, Flow, Bike/Ped Data)	2 months	2 months	2 months	\$ 5,000.00
2	Project Approval & Environmental	Environmental Document	2 months	8 months	6 months	\$ 45,000.00
3	Final Plans, Specifications and Estimates (F&E)	Plans, Specs, 90% and 100%	2 months	10 months	8 months	\$ 99,000.00
4	Construction	See S.1 and S.2	10 months	21 months	11 months	\$ 792,000.00
4.1	Bike Lanes/Shoulder Construction	See S.1 and S.2	10 months	13 months	3 months	\$ -
4.2	Project Construction	Close-out documents	13 months	21 months	8 months	\$ -
		Duration	21 months	21 months	21 months	\$ -
		NOTES TO PROVIDE (NTP)				\$ 875,000.00
		TOTAL				\$ 875,000.00

\*Start and Completion dates shall be tracked using "Months from Notices to Proceed (NTP)"  
 \*\*Indicates Policy No. 095 Initiatives

### SEASONAL CONSTRAINTS, IF ANY:

(IDENTIFY ANY KNOWN SEASONAL CONSTRAINTS TO PROJECT IMPLEMENTATION)

### PART II: FUNDING SOURCES

TOTAL PROJECT COST:	\$ 875,000.00
TOTAL GRANT AMOUNT REQUESTED FROM SANDAG:	\$ 875,000.00
TOTAL MATCH AMOUNT THAT WILL BE CONTRIBUTED:	\$ -
SANDAG % CONTRIBUTION:	100%
MATCH % CONTRIBUTION:	0%



**COMPETITIVE GRANT PROGRAM PROCEDURES**

**Applicability and Purpose of Policy**

This Policy applies to all grant programs administered through SANDAG, whether from *TransNet* or another source, including but not limited to the Smart Growth Incentive Program, Environmental Mitigation Program, Bike and Pedestrian Program, Senior Mini Grant Program, Federal Transit Administration grant programs, and Active Transportation Grant Program.

Nothing in this Policy is intended to supersede federal or state grant rules, regulations, statutes, or contract documents that conflict with the requirements in this Policy. There are never enough government grant funds to pay for all of the projects worthy of funding in the San Diego region. For this reason, SANDAG awards grant funds on a competitive basis that takes the grantees' ability to perform their proposed project on a timely basis into account. SANDAG intends to hold grantees accountable to the project schedules they have proposed in order to ensure fairness in the competitive process and encourage grantees to get their projects implemented quickly so that the public can benefit from the project deliverables as soon as possible.

**Procedures**

1. Project Milestone and Completion Deadlines

1.1. When signing a grant agreement for a competitive program funded and/or administered by SANDAG, grant recipients must agree to the project delivery objectives and schedules in the agreement. In addition, a grantee's proposal must contain a schedule that falls within the following deadlines. Failure to meet the deadlines below may result in revocation of all grant funds not already expended. The final invoice for capital, planning, or operations grants must be submitted prior to the applicable deadline.

1.1.1. Funding for Capital Projects. If the grant will fund a capital project, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary construction contract must be awarded within two years following execution of the grant agreement, and construction must be completed within eighteen months following award of the construction contract. Completion of construction for purposes of this policy shall be when the prime construction contractor is relieved from its maintenance responsibilities. If no construction contract award is necessary, the construction project must be complete within eighteen months following execution of the grant agreement.

1.1.2. Funding for Planning Grants. If the grant will fund planning, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary consultant contract must be awarded within one year following execution of the grant agreement, and the planning project must be

complete within two years following award of the consultant contract. Completion of planning for purposes of this policy shall be when grantee approves the final planning project deliverable. If no consultant contract award is necessary, the planning project must be complete within two years of execution of the grant agreement.

1.1.3 Funding for Operations Grants. If the grant will fund operations, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary services contract for operations must be awarded within one year following execution of the grant agreement, and the operations must commence within six months following award of the operations contract. If no services contract for operations is necessary, the operations project must commence within one year of execution of the grant agreement.

1.1.4 Funding for Equipment or Vehicles Grants. If the grant will fund equipment or vehicles, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary purchase contracts for equipment or vehicles must be awarded within one year following execution of the grant agreement, and use of the equipment or vehicles for the benefit of the public must commence within six months following award of the purchase contract.

## 2. Project Milestone and Completion Deadline Extensions

2.1. Schedules within grant agreements may include project scopes and schedules that will identify interim milestones in addition to those described in Section 1 of this Policy. Grant recipients may receive extensions on their project schedules of up to six months for good cause. Extensions of up to six months aggregate that would not cause the project to miss a completion deadline in Section 1 may be approved by the SANDAG Executive Director. Extensions beyond six months aggregate or that would cause the project to miss a completion deadline in Section 1 must be approved by the Policy Advisory Committee that has been delegated the necessary authority by the Board. For an extension to be granted under this Section 2, the following conditions must be met:

2.1.1. For extension requests of up to six months, the grantee must request the extension in writing to the SANDAG Program Manager at least two weeks prior to the earliest project schedule milestone deadline for which an extension is being requested. The Executive Director or designee will determine whether the extension should be granted. The Executive Director's action will be reported out to the Board in following month's report of delegated actions.

2.1.2. A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes.

2.1.3. If the Executive Director denies an extension request under this Section 2, the grantee may appeal within ten business days of receiving the Executive Director's response to the responsible Policy Advisory Committee by sending the appeal to the SANDAG Program Manager.

2.1.4. Extension requests that are rejected by the Policy Advisory Committee will result in termination of the grant agreement and obligation by the grantee to return to SANDAG any unexpended funds within 30 days. Unexpended funds are funds for project costs not incurred prior to rejection of the extension request by the Policy Advisory Committee.

3. Project Delays and Extensions in Excess of Six Months

3.1. Requests for extensions in excess of six months, or that will cause a project to miss a completion deadline in Section 1 (including those projects that were already granted extensions by the Executive Director and are again falling behind schedule), will be considered by the Policy Advisory Committee upon request to the SANDAG Program Manager.

3.2 A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes. The grantee must provide the necessary information to SANDAG staff to place in a report to the Policy Advisory Committee. If sufficient time is available, and the grant utilized *TransNet* funds, the request will first be taken to the Independent Taxpayer Advisory Committee (ITOC) for a recommendation. The grantee should make a representative available at the meeting to present the information to, and/or answer questions from, the ITOC and Policy Advisory Committee.

3.3 The Policy Advisory Committee will only grant an extension under this Section 3 for extenuating circumstances that the grantee could not have reasonably foreseen.

4. Resolution and Execution of the Grant Agreement

4.1 Two weeks prior to the review by the Policy Advisory Committee of the proposed grants, prospective grantees must submit a resolution from their authorized governing body that includes the provisions in this Subsection 4.1. Failure to provide a resolution that meets the requirements in this Subsection 4.1 will result in rejection of the application and the application will be dropped from consideration with funding going to the next project as scored by the evaluation committee. In order to assist grantees in meeting this resolution deadline, when SANDAG issues the call for projects it will allow at least 90 days for grant application submission.

4.1.1 Grantee governing body commits to providing the amount of matching funds set forth in the grant application.

4.1.2 Grantee governing body authorizes staff to accept the grant funding and execute a grant agreement if an award is made by SANDAG.

4.2 Grantee's authorized representative must execute the grant agreement within 45 days from the date SANDAG presents the grant agreement to the prospective grantee for execution. Failure to meet the requirements in this Subsection 4.2 may result in revocation of the grant award.

5. Increased Availability of Funding Under this Policy

5.1. Grant funds made available as a result of the procedures in this Policy may be awarded to the next project on the recommended project priority list from the most recent project selection process, or may be added to the funds available for the next project funding cycle, at the responsible Policy Advisory Committee's discretion. Any project that loses funding due to failure to meet the deadlines specified in this Policy may be resubmitted to compete for funding in a future call for grant applications.

Adopted: January 2010

Amended: November 2014

**ATTACHMENT C**  
**PROJECT IMPLEMENTATION AND OVERSIGHT REQUIREMENTS**

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**Capital Grants**

**1. Contact Information:** Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.

**2. Baseline Data Collection:** Prior to the construction of grant-funded improvements, the Grantee is responsible for developing a baseline data collection plan with SANDAG to gather information on pedestrian and bicyclist activity. At a minimum, data should be collected for observed bicycle and pedestrian volumes, behavior, and attitudes in the project area. Once the data collection plan is approved by SANDAG staff, the Grantee is responsible for carrying out the plan and returning collected data to SANDAG as a deliverable. Standardized forms required for data collection will be provided by SANDAG.

Grantees are encouraged to use the National Bicycle and Pedestrian Documentation Project methodology and plan for the following:

- Conduct counts prior to project construction, during National Documentation Days in the second week of September. Supplementary counts and surveys can be conducted during January, May, and July to provide seasonal data, if desired.
- Conduct counts for two hours, at peak times relative to the facility. For example, facilities attracting utilitarian trips should be counted on a Tuesday, Wednesday, or Thursday from 5 to 7 p.m., whereas facilities attracting recreational trips should be counted on a Saturday, from 9 to 11 a.m.

In the case that the above timeframes are deemed infeasible due to the project schedule, the Grantee and SANDAG will collaborate on an alternative data collection methodology and procedure.

A subset of Grantees may be selected for in-depth evaluation by SANDAG, in which case, SANDAG will conduct the data collection effort with required participation from Grantee staff. Such in-depth evaluation conducted by SANDAG will take place solely for the purpose of SANDAG Active Transportation data collection and monitoring efforts, and will not impact Grantees' budgets.

Grantees should plan to budget \$5,000 for data collection. For questions or assistance with data collection, contact Christine Eary at [christine.eary@sandag.org](mailto:christine.eary@sandag.org), or (619) 699-6928.

**3. Design Development and Community Meetings:** Grantee must provide SANDAG with advance notice (preferably within two weeks) and agendas of all design development and community meetings, and a meeting summary following the meeting. SANDAG staff may attend any meetings as appropriate.

**4. Plan Review:** Grantee must submit project design drawings and cost estimates (if available) to SANDAG for review and comment at 30 percent, 60 percent, 90 percent, and 100 percent. SANDAG

staff may meet with the Grantee to comment on submitted plans and assure substantial conformance. SANDAG may comment on submitted plans regarding:

- Whether they are consistent with the Project proposed in the original grant application, and
- Consistency with accepted pedestrian/bicycle facility and smart growth design standards.

**5. Quarterly Reports and Invoices:** Grantee must submit quarterly reports and invoices to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule. Furthermore, the Grantee agrees to provide project milestone information (such as presentations to community groups, other agencies, and elected officials, ground-breakings, and ribbon-cuttings) to support media and communications efforts.

**6. Media and Community Outreach Coordination:** Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral. Furthermore, the grantee agrees to provide project milestone information to support media and communications efforts.

**7. Photo Documentation:** Grantees are responsible for the following photo documentation:

- Before and after photos, which should be taken from similar angles to showcase how a particular area has been transformed over time.
- Project milestone photos (such as ground-breakings and ribbon-cuttings).
- Photos taken throughout construction phases and throughout the length of the project.

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate.

**8. Project Signage:** Each project or program in excess of \$250,000 funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by such revenues. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before printing.

**9. Performance Monitoring:** SANDAG staff may measure performance of the constructed capital improvements against stated project objectives, and evaluate the overall grant program. Grantee is expected to meet with SANDAG staff to identify relevant performance measures and data sources, and provide available data and feedback regarding the program as appropriate.

### **Planning and Non-Capital Grants**

**1. Contact Information.** Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.

**2. Request for Proposals and Consultant Selection.** Upon request by SANDAG, Grantee must submit consultant draft Request for Proposals to SANDAG staff for review and comment for consistency with the agreed upon Scope of Work with SANDAG (Attachment A).

**3. Quarterly Reports.** Grantee must submit quarterly reports to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule.

**4. Stakeholder and Community Meetings.** Grantee must provide SANDAG with advance notice (preferably within two weeks) and agendas of all stakeholder and community meetings, and a meeting summary following the meeting. SANDAG staff may attend any meetings as appropriate.

**5. Media and Community Outreach Coordination.** Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral. Furthermore, the Grantee agrees to provide project milestone information to support media and communications efforts.

**6. Photo Documentation.** Grantees are responsible for the following photo documentation:

- Existing conditions photos, which should illustrate the current conditions of the project site and demonstrate the need for improved facilities
- Project milestone photos (such as workshops, presentations to community groups, other agencies, and elected officials)

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate.



**ATTACHMENT D  
QUARTERLY REPORT AND INVOICE FORMS**

**TransNet Active TRANSPORTATION GRANT PROGRAM  
QUARTERLY REPORT**

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**Report Submittal Date:** [Insert]

**Reporting Period:** [Insert - Example: FY 2014, Quarter 1]

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**PART 1: DESCRIPTION OF ACTIVITY FOR REPORTING PERIOD**

**1. Work Accomplished This Reporting Period**

[INSTRUCTIONS: Replace this text with a detailed description of work completed and underway during the reporting period. In a bullet format, reference specific tasks.]

Example:

- Task 1 - Award Consultant Contract: Issued RFP and convened a selection panel of 5 members from the City, MTS, NTCB, and SANDAG to shortlist 3 of 9 firms. The panel interviewed the 3 firms and selected XYZ Group for this project. The City Council approved the consultant contract with XYZ Group on January 1, 2014. City staff held a kick-off meeting on January 10, 2014.
- Task 2 – Public Outreach: City staff and XYZ Group began organizing the first workshop for this project. The anticipated date of the first workshop will be in the February/March 2014 timeframe.
- Task 3 – Etc.
- Task 4 – Etc.

**2. Deliverables Produced This Reporting Period**

[INSTRUCTIONS: Summarize the deliverables produced during this period and indicate the date submitted to SANDAG. Deliverables can be submitted as an attachment to this report. See Item 5 for more details.]

Example:

- Final RFP – Submitted in December 2014.
- Approved Consultant Contract and Kick-Off Meeting Notes – Submitted with this report. Please see accompanying list of attachments.

**3. Is there an accompanying invoice for this period?**

[INSTRUCTIONS: Indicate YES or NO.]

**4. Work Anticipated for the Next Reporting Period**

[INSTRUCTIONS: Replace this text with a brief description of work anticipated for the next reporting period. Also note any upcoming meetings or workshops.]

**5. List of Attachments**

[INSTRUCTIONS: List any deliverables or invoice documents attached to this report. Attachments over 6MB should be sent via WeTransfer.]

WeTransfer Link: <https://sandag.wetransfer.com/>

Example:

- Attachment 1: Consultant Contract
- Attachment 2: Kick-Off Meeting Notes
- Attachment 3: Invoice Spreadsheet
- Attachment 4: Invoice Documentation

**PART 2: SCHEDULE AND TASK STATUS**

<b>Task</b>	<b>Scheduled Start Date (Per Grant Scope of Work)</b>	<b>Scheduled Completion Date (Per Grant Scope of Work)</b>	<b>Status</b>	<b>Timing</b>	<b>Anticipated Start Date (If Different from Grant Scope of Work)</b>	<b>Anticipated Completion (If Different from Grant Scope of Work)</b>
NTP Date						
Task 1	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]
Task 2: Policy No. 035 Milestone	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]
Task 3: Policy No. 035 Milestone	[mm/dd/yy]	[mm/dd/yy]	[In Progress/ Completed/ Not Started]	[On Time/ Delayed]	[mm/dd/yy]	[mm/dd/yy]

**PART 3: CHALLENGES, SCHEDULE DELAYS, AND AMENDMENT REQUESTS**

**Challenges and Actions Toward Resolution (If applicable)**

[INSTRUCTIONS: If you are experiencing challenges in completing project tasks, please provide information about the delay and actions taken to resolve issues. If an amendment is needed, provide justification and check the appropriate box below.]

No amendment requested at this time

Amendment requested to\*:

Project Schedule

Project Budget

Scope of Work

*\*Failure to check a box in the above section assumes there is no action requested. Amendment requests are subject to SANDAG approval. It is the Grantee's responsibility to ensure compliance with SANDAG Board Policy No. 035: Competitive Grant Program Procedures and grant agreement terms and conditions.*

---

#### **PART 4: PROJECT STATUS REPORT SIGNATURE**

**Prepared by** \_\_\_\_\_ **Date:** \_\_\_\_\_  
Project Manager

---

**INVOICE INSTRUCTIONS**

**Step 1: Complete the Quarterly Progress Report.**

Reimbursements cannot be made without a completed Quarterly Progress Report.

**Step 2: Gather Documentation for Staff Costs, Consultant/Contractor Costs, and Other Costs.**

Provide SANDAG with a copy of any consultant and contractor agreements awarded through the grant. Staff Costs should be supported by certified payroll documentation.

Consultant costs should be supported by the consultant invoice AND a proof of payment. The proof of payment can be either a copy of the check provided to the consultant or printout from the project's financial accounting system showing that funds were disbursed.

Contractor costs should be supported by the contractor invoice, schedule of values, AND a proof of payment. The proof of payment can be either a copy of the check provided to the contractor or a printout from the project's financial accounting system showing that funds were disbursed.

Other costs should be supported by either an invoice from the vendor or a receipt AND must be accompanied by a proof of payment. The proof of payment can be either a copy of the check provided to the vendor or a printout from the project's financial accounting system showing that funds were disbursed.

Clearly identify (i.e., highlight or circle) all grant-related expenses on documents that include non-related costs.

**Step 3: Complete the Expense Summary.**

Summarize the total Staff Costs, Consultant/Contractor Costs, and Other Costs incurred during the reporting period.

Confirm that you have the adequate documentation.

Break down each cost by task. This will help with the next step to complete the invoice statement.

Double check and make sure all sub-totals have been calculated correctly.

**Step 4: Complete the Invoice Statement.**

Enter the costs for each task (calculated in Step 3) into the appropriate cells of the Invoice Statement. The SANDAG contribution, match contribution, and retention amounts should automatically calculate.

Enter previous costs by task into the appropriate cells of the spreadsheet. The remaining grant balance should automatically calculate.

**Step 5: Submit Quarterly Progress Report, Invoice, and Supporting Documentation to SANDAG at:**

**sgatgrants@sandag.org**

Sign and scan the completed Quarterly Progress Report. Submit it in PDF form.

Sign and scan the invoice statement. Submit it in PDF form.

Submit supporting documentation in PDF form.

Submit the completed Excel workbook.

**Files in excess of 6MB should be submitted via:**

**<https://sandag.wetransfer.com>**

**PART 1 - STAFF COSTS**

Personnel	Time Period	Hours	Hourly Rate	Amount	Documentation Attached?
Staff Person A	mm/dd/yy to mm/dd/yy		10 \$	100.00 \$	1,000.00 YES/NO
Staff Person B	mm/dd/yy to mm/dd/yy		10 \$	100.00 \$	1,000.00 YES/NO
Staff Person C	mm/dd/yy to mm/dd/yy		10 \$	100.00 \$	1,000.00 YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

**PART 2 - CONSULTANT/CONTRACTOR COSTS**

Consultant/Contractor	Invoice No.	Invoice Date	Description of Costs	Amount	Documentation Attached?
Consultant XYZ	1	1/1/2014	Professional services for the month of January 2014	\$ 10,000.00	YES/NO
Consultant XYZ	2	2/1/2014	Professional services for the month of February 2014	\$ 10,000.00	YES/NO
Consultant XYZ	3	3/1/2014	Professional services for the month of March 2014	\$ 10,000.00	YES/NO
Outreach Organization ABC	1	3/1/2014	Outreach from January 2014 to March 2014	\$ 10,000.00	YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

**PART 3 - OTHER COSTS**

Vendor	Invoice No.	Invoice Date	Description of Costs	Amount	Documentation Attached?
Vendor A	1	1/1/2014	Printing costs for January 2014	\$ 100.00	YES/NO
Vendor B	1	2/1/2014	News Announcement for February 2014 Workshop	\$ 100.00	YES/NO
Vendor C	1	2/28/2014	Snacks for February 2014 Workshop	\$ 100.00	YES/NO

[INSERT ADDITIONAL LINES AS NEEDED]

**TRANSNET SMART GROWTH INCENTIVE PROGRAM INVOICE**

To: **SUCHI MUKHERJEE** Project Name: [PROJECT NAME]  
**SANDAG** Contract Number: 500XXX

401 B Street, Suite 800  
 San Diego, CA 92101-4231

Grant Invoice Number: #  
 Billing Period: FROM TO  
 Invoice Date: DATE

From: Name  
 Address

Grant Award: \$0.00  
 Balance Remaining: \$0.00

TASK	Previous Balance		Current MM/DD/YYYY to MM/DD/YYYY			Total Expenses		SANDAG Total		Match Spent
	Reimbursed Date	Match Date	Total to Date	Staff Costs	Contractor Costs	Other Costs	This Invoice	This Invoice	This Invoice	
1 RFP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2 Existing Conditions Report	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3 Public Outreach	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4 Draft Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5 Final Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Total Current Expenditures: \$0.00 Total Amount Due this Invoice: \$0.00 Less: 10% Retention: \$0.00 Match % Met to Date: #DIV/0!										

Total Project Budget (Grant + Match)	
Task 1	\$0.00
Task 2	\$0.00
Task 3	\$0.00
Task 4	\$0.00
Task 5	\$0.00
<b>TOTAL</b>	<b>\$0.00</b>
<b>SANDAG Grant:</b>	<b>\$0.00</b>
<b>Match:</b>	<b>\$0.00</b>
<b>SANDAG Contribution %</b>	<b>#DIV/0!</b>
<b>Required Match %</b>	<b>#DIV/0!</b>

**CERTIFICATION OF GRANTEE**

I hereby certify that the above costs were incurred in performance of the work required under the grant and are consistent with the amounts evidenced by attached supporting documents and expenditures.

Signature

Printed Name and Title

Date

RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
ACCEPTING AN ACTIVE TRANSPORTATION GRANT PROGRAM AWARD  
IN THE AMOUNT OF \$875,000 THROUGH THE SAN DIEGO ASSOCIATION OF  
GOVERNMENTS (SANDAG) FOR THE DIVISION STREET ROAD DIET PROJECT,  
ACCEPTING THE TERMS OF THE GRANT AGREEMENT, AUTHORIZING  
THE CITY MANAGER TO EXECUTE THE GRANT AGREEMENT, AND  
AUTHORIZING THE ESTABLISHMENT OF FUND APPROPRIATIONS  
AND A CORRESPONDING REVENUE BUDGET

WHEREAS, the City of National City has been awarded a grant through SANDAG from the Active Transportation Grant Program in the amount of \$875,000 for the Division Street Road Diet Project (the "Project") that will provide funds for design, engineering, project management, construction, and inspections for the Project with no local fund match required; and

WHEREAS, the Project proposes to implement a road diet reducing the corridor from four travel lanes to three: two lanes for westbound traffic, one lane for eastbound traffic, with a center-turn-lane and on-street parking, and the installation of approximately 1 mile of Class II buffered bike lanes; and

WHEREAS, the Project would also provide high visibility crosswalks, ADA accessible curb ramps, the construction of a new crosswalk with pedestrian refuge island near Rancho De La Nacion Elementary School, and sidewalk panel replacement where necessary to maintain ADA accessibility; and

WHEREAS, the Grant Agreement contains provisions required by SANDAG, which have been reviewed and accepted by staff. While one such provision is a "hold harmless" provision, staff has determined that risk to the City is minimal since SANDAG's involvement in this grant-funded project is limited to accounting processes and financial audits.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby accepts the Active Transportation Grant Project grant funds in the amount of \$875,000 for the Division Street Road Diet Project, with no local fund match required.

BE IT FURTHER RESOLVED that the City Council accepts the terms of the Grant Agreement, and authorizes the City Manager to execute the Grant Agreement.

BE IT FURTHER RESOLVED that the City Council hereby authorizes the establishment of fund appropriations and a corresponding revenue budget.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney



The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City to participate in the Institute for Local Government Beacon Award: Local Leadership Toward Solving Climate Change. (Planning)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** July 21, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

A resolution of the City Council of the City of National City to participate in the Institute for Local Government Beacon Award: Local Leadership Toward Solving Climate Change. (Planning)

**PREPARED BY:** Raymond Pe 

**PHONE:** 336-4421

**DEPARTMENT:** Planning Division

**APPROVED BY:** 

**EXPLANATION:**

The Beacon Award Program is sponsored by the Local Government Commission and the Institute for Local Government. The program recognizes and awards the leadership from cities and counties for reducing greenhouse gas emissions, saving energy, and promoting sustainability. SANDAG has identified the City as a candidate for the program and has encouraged the City to participate. Participation would gain recognition for the City's sustainability efforts such as the adoption and implementation of the Climate Action Plan. SANDAG would assist the City by completing the program application and submitting the application along with the City's resolution to participate in the program.

Background report attached.

**FINANCIAL STATEMENT:** Not Applicable

**APPROVED:** \_\_\_\_\_ Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

This activity is not a project as defined in Section 15378 of the California Code of Regulations; therefore, no further action is required under the California Environmental Quality Act.

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Adopt the resolution.

**BOARD / COMMISSION RECOMMENDATION:**

Not Applicable.

**ATTACHMENTS:**

1. Background Report
2. Program Informational Materials

## Attachment 1

### Background Report

The Beacon Award: Local Leadership toward Solving Climate Change is a program of the Institute for Local Government (ILG) recognizing cities and counties that reduce greenhouse gas emissions and energy use; adopt policies and programs to address climate change; and promote sustainability. ILG is the non-profit research and education affiliate of the League of California Cities and the California State Association of Counties.

The Beacon Award program is funded by California utility ratepayers and administered by Pacific Gas and Electric Company, San Diego Gas and Electric Company, Southern California Edison, and Southern California Gas Company under the auspices of the California Public Utilities Commission.

To participate in the program, cities and counties must submit an application and:

- Adopt a resolution of participation in the program;
- Prepare a baseline greenhouse gas emissions inventory for agency facilities and the community (completed in 2009);
- Prepare a climate action plan (adopted in 2011);
- Demonstrate compliance with AB 939, the California Integrated Waste Management Act of 1989;
- Achieve greenhouse gas reductions and energy savings in agency facilities; and
- Achieve greenhouse gas reductions and promote energy conservation in the community.

Participation in the Beacon Award program will increase National City's visibility within the region and statewide. It is an opportunity for the City to showcase its efforts to reduce greenhouse gas emissions and energy use and to promote sustainability. In addition, participation in the program may increase the City's competitiveness for future state or other grant funding.

Participating cities and counties will be recognized with Silver, Gold, and Platinum Beacon Awards for achieving specified measureable reductions. The program will also recognize participants for interim accomplishments. Awards are achieved through the tiered scale of criteria below:

<b><i>Silver Beacon Award</i></b>	
<b>Agency Facilities &amp; Operations</b>	
GHG Reduction:	5 %
Energy Savings:	5 % (efficiency retrofits)
<b>Community</b>	
GHG Reduction:	5 %
Energy Savings:	1 activity that promotes energy efficiency
Best Practice Areas:	1 activity in each 10 Best Practice Areas

<b>Gold Beacon Award</b>	
<b>Agency Facilities &amp; Operations</b>	
GHG Reduction:	10 %
Energy Savings:	10 % (efficiency retrofits)
<b>Community</b>	
GHG Reduction:	10 %
Energy Savings:	2 activities that promotes energy efficiency
Best Practice Areas:	2 activities in each 10 Best Practice Areas

<b>Platinum Beacon Award</b>	
<b>Agency Facilities &amp; Operations</b>	
GHG Reduction:	20 %
Energy Savings:	20 % (efficiency retrofits)
<b>Community</b>	
GHG Reduction:	20 %
Energy Savings:	4 activities that promote energy efficiency
Best Practice Areas:	3 activities in each 10 Best Practice Areas

The 10 Best Practice Areas referenced are from ILG's California Climate Action Network's Best Practices Framework, which offers suggestions for action to reduce greenhouse gas emissions in each of the areas for agency facilities and the community. The 10 Best Practice Areas are:

1. Energy Efficiency & Conservation
2. Water & Wastewater Systems
3. Green Building
4. Waste Reduction & Recycling
5. Climate-Friendly Purchasing
6. Renewable Energy & Low-Carbon Fuels
7. Efficient Transportation
8. Land Use & Community Design
9. Open Space & Offsetting Carbon Emission
10. Promoting Community & Individual Action

Once National City is accepted as a Beacon Award participant, the City will work towards achieving one or more of the three award levels at its own pace. There is no deadline or timeline for meeting award level criteria; awards will be given out on an ongoing basis. The City will be asked to provide periodic information about efforts to reduce greenhouse gas emissions and save energy and as well as progress in completing activities in the 10 Best Practice Areas.

The City will receive special recognition at League of California Cities and California State Association of Counties events, be highlighted on the Beacon Award website, and receive certificates and other materials. Additional detailed information about the program can be found at [www.ca-ilg.org/BeaconAward](http://www.ca-ilg.org/BeaconAward).

# Benefits of Participation

Beacon participants receive valuable support and encouragement from the Institute for Local Government (ILG) staff and its nonprofit and utility partners. The team helps local governments apply sustainability best practices and collect and organize data to advance participants' achievements within the program.

Beacon participants receive:



An individualized marketing and recognition plan tailored to meet the agency's needs. Past activities have included special video presentations, targeted media outreach, case stories and features in *Western City Magazine*.



Technical assistance in collecting, reporting and tracking sustainability best practices, energy savings and greenhouse gas reductions.



Access to peer to peer networking and educational events including webinars, conference sessions and informal information exchanges.



Invitations to showcase sustainability leadership and agency achievements to a statewide audience.

The Beacon Program welcomes cities and counties in all stages of climate action planning and implementation. The data and stories collected through the program provide valuable information about what local governments are doing to meet aggressive state goals related to climate change. This narrative is important to developing policies that align with the unique opportunities of individual agencies throughout the state so that, together, we all can create a better California.

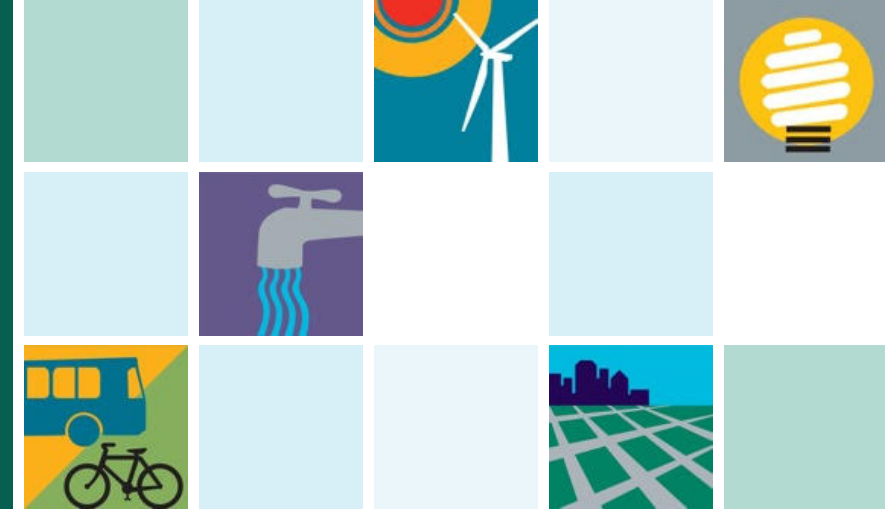


[www.californiaseec.org](http://www.californiaseec.org)



[www.ca-ilg.org](http://www.ca-ilg.org)

The Beacon Program is developed by the Institute for Local Government and sponsored by the Statewide Energy Efficiency Collaborative (SEEC). SEEC is an alliance between The Institute for Local Government, The Local Government Commission and ICLEI Local Governments for Sustainability and California's four investor owned utilities. The program is funded by California utility customers and administered by Pacific Gas & Electric Company, San Diego Gas & Electric Company, Southern California Edison and Southern California Gas Company under the auspices of the California Public Utilities Commission.



## Leading the Way to a Sustainable California



# Join Beacon

The Beacon Program provides a framework for local governments to share best practices that create healthier, more efficient, vibrant communities. The program honors voluntary efforts by local governments to reduce greenhouse gas emissions, save energy and adopt policies and programs that promote sustainability.

▶ To learn more about the Beacon Program, visit [www.ca-ilg.org/BeaconProgram](http://www.ca-ilg.org/BeaconProgram).

# Achieve Results

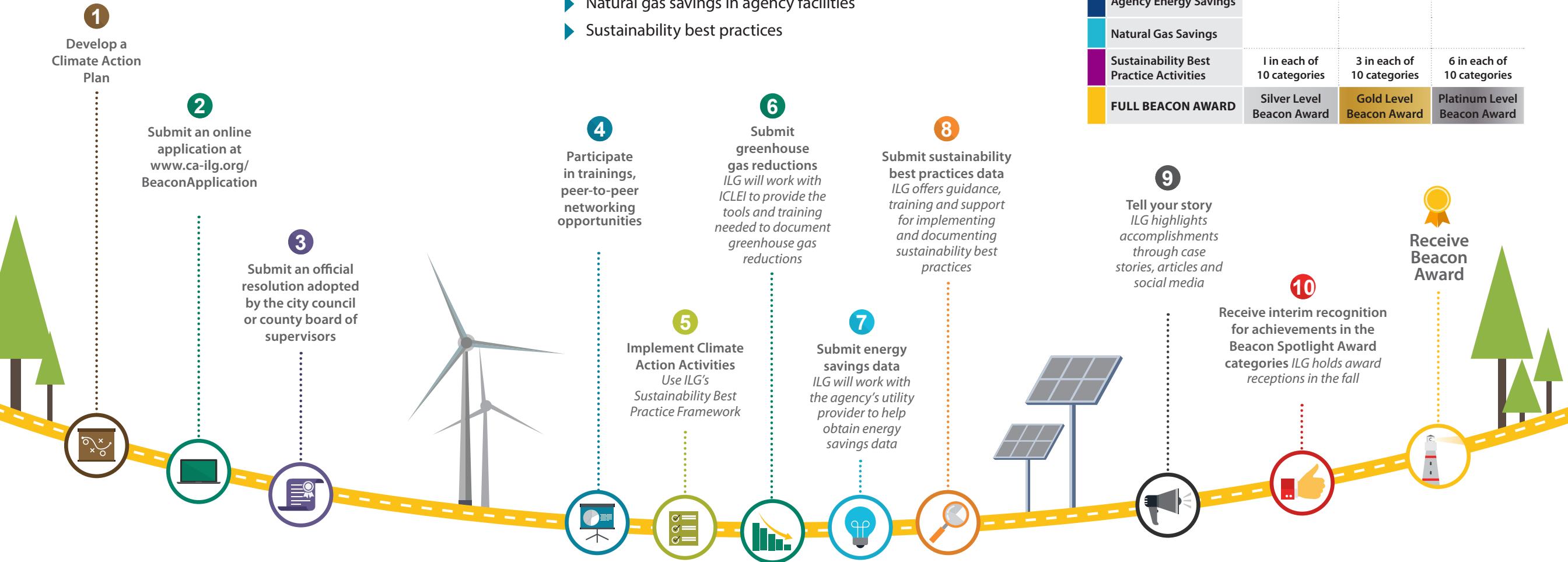
The Institute for Local Government provides resources and technical support to assist participants in their journey through the Beacon Program. Through our partnerships within the SEEC collaborative, we are able to help participants obtain and record achievements in five areas of accomplishment.

- ▶ Reducing agency greenhouse gas emissions
- ▶ Reducing community greenhouse gas emissions
- ▶ Electricity savings in agencies facilities
- ▶ Natural gas savings in agency facilities
- ▶ Sustainability best practices

# Celebrate Success

Within each area, a participant can earn Beacon Spotlight Awards-silver, gold and platinum- based on level of achievement. To win a full Beacon Award, participants are required to demonstrate achievement in all five areas.

SPOTLIGHT AWARD Areas of Accomplishment	SILVER LEVEL	GOLD LEVEL	PLATINUM LEVEL
Agency GHG Reductions	5% Reduction	10% Reduction	20% Reduction
Community GHG Reductions			
Agency Energy Savings			
Natural Gas Savings			
Sustainability Best Practice Activities	1 in each of 10 categories	3 in each of 10 categories	6 in each of 10 categories
<b>FULL BEACON AWARD</b>	Silver Level Beacon Award	Gold Level Beacon Award	Platinum Level Beacon Award





# Guidelines for Participation & Recognition



# Guidelines for Participation & Recognition

Revised May 2014

About the Beacon Program ..... 1

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    Greenhouse Gas Reductions ..... 7

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    Community Energy Efficiency Activities..... 11

Additional Resources..... 13

Calculating Independent Energy Savings Data..... A

Climate Action Plan Alternative..... B



## About the Beacon Program

The Beacon program recognizes and celebrates California cities and counties that:

- Reduce greenhouse gas emissions and energy use;
- Adopt policies and programs to address climate change; and
- Promote sustainability.

Beacon is an ongoing achievement recognition program that awards participating agencies for accomplishments as they're working to achieve long term greenhouse gas reductions, energy savings and sustainability goals.

Participating in the Beacon program provides local agencies and their leaders with positive recognition for voluntary efforts to save energy, conserve resources, promote sustainability and reduce greenhouse gas emissions. It lets them shine a bright light on their accomplishments for their residents, colleagues and others.

Cities and counties will be honored with Silver, Gold and Platinum Beacon Awards for undertaking sustainability activities in ten areas and for achieving measurable energy and greenhouse gas reductions. Participating cities and counties are also recognized with Spotlight Awards as they work to meet all of criteria necessary to win a full Beacon Award.

## Program Contacts

Contact ILG staff if you have any questions about the Beacon program [beaconaward@ca-ilg.org](mailto:beaconaward@ca-ilg.org).

## Program Resources

- Guidelines for Participation & Recognition: [www.ca-ilg.org/BeaconAward/Guidelines](http://www.ca-ilg.org/BeaconAward/Guidelines)
- Sample Resolution: [www.ca-ilg.org/BeaconAward/SampleResolution](http://www.ca-ilg.org/BeaconAward/SampleResolution)
- Sample Staff Report: [www.ca-ilg.org/BeaconAward/SampleStaffReport](http://www.ca-ilg.org/BeaconAward/SampleStaffReport)
- Cities & Counties Participating in the Beacon Award: [www.ca-ilg.org/BeaconAward/Participants](http://www.ca-ilg.org/BeaconAward/Participants)
- Participant Accomplishments: [www.ca-ilg.org/BeaconAward/ParticipantAccomplishments](http://www.ca-ilg.org/BeaconAward/ParticipantAccomplishments)
- Best Practice Activity Survey: [www.ca-ilg.org/BeaconAward/BestPracticeActivitySurvey](http://www.ca-ilg.org/BeaconAward/BestPracticeActivitySurvey)

## Participating in the Beacon Program

It's relatively simple to become a Beacon program participant. Any city or county in California is eligible to participate. We welcome agencies at every step of the climate action journey to consider applying. There is no deadline to apply; applications are accepted on an ongoing basis. Agencies interested in participating are required to:

1. Submit a simple online application designating a contact person and indicating the status of the agency's greenhouse gas inventory and climate action planning efforts.
2. Adopt a resolution to participate.

A sample resolution and staff report is available on the Institute's website for use. We recognize that many local agencies have yet to complete a greenhouse gas inventory and climate action plan (CAP). Therefore, your agency may participate if an inventory and CAP are planned, in process, or if an acceptable alternative to a CAP, as described in Appendix B, has been implemented or adopted.

## Program Sponsors

The Beacon Award program is sponsored by the Institute for Local Government and the Statewide Energy Efficiency Collaborative. The Statewide Energy Efficiency Collaborative (SEEC) is an alliance to help cities and counties reduce greenhouse gas emissions and save energy. SEEC is a collaboration between three statewide non-profit organizations and California's four Investor Owned Utilities [www.californiaseec.org](http://www.californiaseec.org).

The program is funded by California utility customers and administered by Pacific Gas and Electric Company, San Diego Gas and Electric Company, Southern California Edison, and Southern California Gas Company under the auspices of the California Public Utilities Commission.



## Awards

The Beacon program features two types of awards:

- Beacon Award
- Spotlight Award

### Beacon Award

The Beacon Award recognizes an agency's holistic approach to addressing climate change. Participating agencies are required to complete each of following six elements to win a Beacon Award:

1. Agency Greenhouse Gas Reductions
2. Agency Electricity Savings
3. Agency Natural Gas Savings
4. Community Greenhouse Gas Reduction
5. Activity Promoting Energy Efficiency in the Community
6. Activities in each of the Institute's ten Sustainability Best Practice Areas

Participating agencies are honored with Silver, Gold and Platinum Beacon Awards for accomplishing all of the criteria specified. Reduction criteria increases with each award level. Silver, gold and platinum award levels require 5, 10 and 20% energy savings and greenhouse gas reductions respectively. Activity information is gathered via surveys and does not require quantifiable measurements.

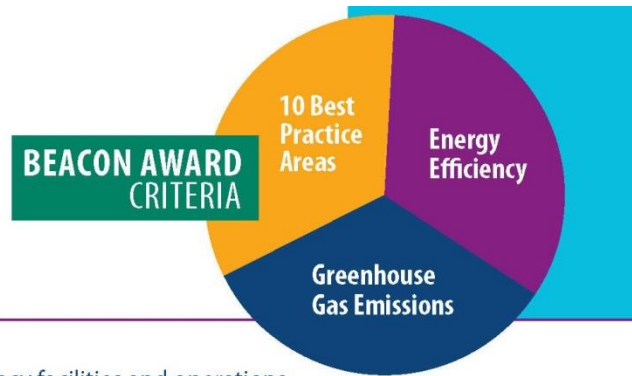
### Spotlight Award

As cities and counties participating in the Beacon program work to complete the elements necessary to achieve a Silver, Gold or Platinum Beacon Award, the program recognizes these efforts as Spotlight Awards. Participating agencies are eligible to be recognized for accomplishing individual elements of the full Beacon Award criteria, including:

- Energy savings in agency facilities (electricity and natural gas).
- Greenhouse gas reductions in agency operations and the community.
- Activities in the Institute's ten Sustainability Best Practice Areas.

## Beacon Award Criteria

Participants receive recognition when they complete the award level criteria.



### Silver Beacon Award

Agency facilities and operations	
Greenhouse gas reduction	5% in agency facilities and operations
Electricity and natural gas savings	5% in agency facilities and operations from energy efficiency retrofits
Community	
Greenhouse gas reduction	5% in the community as a whole
Energy efficiency	One activity that promotes energy efficiency in the community
Best Practice Areas	One activity in each of the 10 Best Practice Areas

### Gold Beacon Award

Agency facilities and operations	
Greenhouse gas reduction	10% in agency facilities and operations
Electricity and natural gas savings	10% in agency facilities and operations from energy
Community	
Greenhouse gas reduction	10% in the community as a whole
Energy efficiency	Two activities that promote energy efficiency in the community
Best Practice Areas	Two activities in each of the 10 Best Practice Areas

### Platinum Beacon Award

Agency facilities and operations	
Greenhouse gas reduction	20% in agency facilities and operations
Electricity and natural gas savings	20% in agency facilities and operations from energy efficiency retrofits
Community	
Greenhouse gas reduction	20% in the community as a whole
Energy efficiency	Four activities that promote energy efficiency in the community
Best Practice Areas	Three activities in each of the 10 Best Practice Areas

For more about Best Practice Areas, see [www.ca-ilg.org/ClimatePractices](http://www.ca-ilg.org/ClimatePractices).

## Participant Support & Promotion

The Institute provides the following support and promotional opportunities to Beacon program participants:

- Recognition associated with League of California Cities, the California State Association of Counties and other events and publications.
- Presence at the ILG booth.
- Sessions at conferences to bring together participants for networking, information sharing and recognition.
- Press releases about participation and awards including distribution assistance to you or your agency Public Information Officer upon request.
- Suggested social media content.
- Cross-promotion using the Institute's social media platforms highlighting your agency's sustainability leadership and accomplishments.
- Presence on the Institute's website including an individual participant profile (<http://www.ca-ilg.org/BeaconAward/Participants>) highlighting your agency's efforts.
- Presence on [www.CaliforniaSEEC.org](http://www.CaliforniaSEEC.org).
- Use of program logos.
- "Proud Participant" window decal for use at agency facilities identifying your agency as a proud participant in the Beacon Award program.
- Opportunity to highlight agency elected officials and staff through video interviews ([www.ca-ilg.org/BeaconAwardVideos](http://www.ca-ilg.org/BeaconAwardVideos)).
  - ILG staff seeks out opportunities to meet with agency elected officials and staff to capture video content for inclusion on your participant profile and other areas of the ILG website.
  - Video content can be used on your agency website.

## Award Criteria Guidance & Reporting

As Beacon is an ongoing recognition program, participants are encouraged to submit data to ILG staff on an ongoing basis.

### Greenhouse Gas Reductions

#### Baseline

Agencies may select their own baseline for measuring initial greenhouse gas emissions so long as the agency has used ICLEI's or another commonly accepted methodology to conduct the inventory. The selected baseline will be used to measure reductions in both the agency and the community. An agency that wants to use a *completed* greenhouse gas inventory that used ICLEI's or another commonly accepted methodology may do so regardless of the base-year used.

For a new greenhouse gas emissions inventory, it is preferred and recommended to use the same base year for your energy savings activities. Many greenhouse gas inventories currently being prepared for local agency operations or the community use 2005 as a base-year, although some use base-years as early as 2003 or as recent as 2009. The difficulties of using a base year earlier than 2003 to prepare a *new* greenhouse gas inventory relate to the availability of accurate data to convert energy usage into greenhouse gas emissions. Even though pre-2003 electricity and natural gas usage information may be available, the ability to convert that information into tons of greenhouse gas emissions is not feasible. This is because prior to 2003 the accuracy of the emissions factors needed to translate energy use into tons of greenhouse gas emissions declines.

#### Methodology

Several commonly accepted methodologies are available to prepare a greenhouse gas inventory. Previously completed inventories that used an earlier ICLEI, Climate Registry or other commonly accepted methodology will be accepted as well.

"Commonly accepted methodology" includes the following:

- ICLEI's methodology ([www.icleiusa.org](http://www.icleiusa.org)).
- The Local Government Operations Protocol for Greenhouse Gas Assessments and the U.S. Community Protocol for Accounting and Reporting of Greenhouse Gas Emissions.
- Other greenhouse gas inventory accounting methodologies, such as those done by consultants, will be accepted on a case-by-case basis.

#### Reporting Progress

Greenhouse gas reductions are demonstrated through the completion of an updated GHG inventory (also known as a re-inventory). If your agency has completed a GHG re-inventory, please send results to ILG staff for review in order to receive recognition for your agency's efforts.

## Agency Electricity & Natural Gas Savings

Energy savings are the result of energy efficiency retrofits undertaken as a part of the following:

- Investor-owned or municipal utility energy efficiency programs;
- Programs funded by the California Energy Commission (CEC); or
- Efforts funded by the local agency or other sources.

### Baseline

Agencies may select a baseline no earlier than 2004 from which to measure energy savings.

### Accessing Energy Savings Data from Utilities

While each has a different process, the investor-owned utilities are eager to provide you with the data necessary to achieve recognition through the Beacon program. To receive recognition for energy savings, access energy savings data as specified below and send reports to ILG staff. See natural gas guidance on the next page to make a determination on your agency's option for demonstrating natural gas savings.

- **Pacific Gas & Electric:** PG&E provides energy savings data reports to Beacon participating communities annually with 2005 baseline data and to date energy savings achieved through participating in a utility energy efficiency program. Contact your Community Energy Manager for assistance.
- **Southern California Edison:** For agencies participating in SCE's Energy Leader Partnerships, baseline usage and energy savings data are provided in the agency's quarterly tier update report. Contact your Local Government Partnership Program Manager, Account Representative or Local Public Affairs Region Manager for assistance. For agencies not engaged in a partnership, contact your Account Representative or Local Public Affairs Region Manager to request energy savings data.
- **San Diego Gas & Electric:** SDG&E provides energy savings data upon request. See natural gas guidance on the next page to make a determination on your agency's option for demonstrating natural gas savings. Contact your Local Government Partnership Program Manager, Account Representative or Local Public Affairs Region Manager for assistance.
- **Southern California Gas:** See natural gas guidance on the next page and contact ILG staff to make a determination on your agency's option for demonstrating natural gas savings. For agencies determined to be large natural gas users, contact your Local Government Partnership Program Manager, Account Representative or Local Public Affairs Region Manager to request energy savings data.

### Calculating Non-IOU Related Energy Savings

The Beacon Award recognizes energy savings achieved as a result of energy efficiency retrofits in agency facilities. The retrofits can be funded in part or in whole by utility incentives, grants, loans (such as from the California Energy Commission), agency funds, bonds, and/or other sources. Appendix A

provides guidance on calculating energy efficiency savings that is not tied to investor owned utility incentive rebates or loans.

### **Options for Demonstrating Natural Gas Savings**

The Beacon program offers two options to participants for demonstrating natural gas savings as described below. Contact ILG staff to make a determination on your agency's option for demonstrating natural gas savings.

#### **Option 1: Quantitative**

The participating agency calculates natural gas savings achieved through energy efficiency retrofits as specified on the previous page; or

#### **Option 2: Qualitative**

Agencies that use very little natural gas, such as those with few facilities and minimal natural gas powered equipment, can decide not to include natural gas usage and instead limit its energy savings information to electricity only.

- If the agency selects this option, it will be asked to demonstrate an increasing level of commitment to reduce natural gas use, commensurate with the three Beacon Award levels.
- This may include, for example, increasing efforts to retrofit or replace natural gas appliances or equipment with more energy efficient ones or adopt policies and procedures to operate the appliances or equipment more efficiently.

### **Determining Your Agency's Approach**

Local government facilities that are considered larger natural gas users and should use the quantitative approach include:

- Facilities with Central Plants
- Hospitals
- Jails
- Municipal water facilities including Water Treatment Plants
- Facilities with Combined Heat & Power (Cogeneration)
- Facilities with Natural Gas Chillers

Local government facilities that may be considered larger natural gas users include:

- Courthouses
- Police Stations
- Fire Stations
- General Administrative offices (Health Service, General Services Employment, etc)
- Maintenance facilities
- Community Swimming Pools
- Public Recreation Facilities
- Libraries



Agencies with these facility types will need to be evaluated on a case to case basis to determine which approach to use.

## Best Practice Activities

Based upon the Institute's Sustainability Best Practices Framework, the ten Best Practice Areas are:

1. Energy Efficiency and Conservation
2. Water and Waste Water Systems
3. Green Building
4. Waste Reduction and Recycling
5. Climate-Friendly Purchasing
6. Renewable Energy and Low-Carbon Fuels
7. Efficient Transportation
8. Land Use and Community Design
9. Open Space and Offsetting Carbon Emissions
10. Community and Individual Action

Visit [www.ca-ilg.org/SustainabilityBestPractices](http://www.ca-ilg.org/SustainabilityBestPractices) to download the Best Practices Framework which offers options for local action ten best practice areas that vary in complexity and are adaptable to fit the unique needs and circumstances of individual communities. Agencies are not limited to activities listed in the Best Practices Framework. Local agencies are encouraged to be innovative and undertake other activities that meet local conditions.

## Reporting Progress

Participants are asked to complete a survey ([www.ca-ilg.org/BeaconAward/BestPracticeActivitySurvey](http://www.ca-ilg.org/BeaconAward/BestPracticeActivitySurvey)) and provide brief descriptions of **up to six** activities **that are ongoing or that your agency has completed** in each of the Best Practice Areas. These activities should be activities that you would like to highlight and apply towards the award achievement. Activity information will be shared on your agency participant profile.

If your agency hasn't completed any activities in a particular Best Practice Area, that's ok. This is strictly for tracking purposes and to highlight activities to share with other communities. Not completing an activity in a particular best practice area will not detract from your agency's accomplishments in other areas.

## Community Energy Efficiency Activities

Unlike measuring energy savings in agency facilities, the community energy efficiency element uses a *qualitative*, not *quantitative* approach. Agencies will be asked to demonstrate increasing levels of activity for projects they have initiated or in which they participate that promote energy efficiency and conservation in the broader community.

The three award levels do not prescribe any specific types of activities. This is because the levels of complexity and agency commitment will vary among different cities and counties depending upon their size, staff, financial resources, and level of existing community energy activities. Activities reported on the best practice activity survey may be counted towards this part of the Beacon Award criteria.

### Award Level Criteria

#### *Silver Award*

- One community energy efficiency activity initiated by the local agency or in which the local agency participates.

#### *Gold Award*

- Two community energy efficiency activities initiated by the local agency or in which the local agency participates.
- The activities must reflect a higher level of commitment, complexity and agency involvement than the activity for the Silver Award.
- These activities must run for a duration of time or be ongoing as opposed to one time only events or activities. They may include a continuation or expansion of the activity undertaken to meet the Silver Award criteria.

#### *Platinum Award*

- Four community energy efficiency activities, two of which must be *initiated* by the local agency.
- The activities must reflect a significantly higher level of commitment, complexity and agency involvement than the activities for the Gold Award.
- These activities must run for a duration of time or be ongoing as opposed to one time only events or activities. They may include a continuation or expansion of activities undertaken to receive the Gold Award.

**Examples of activities to promote energy efficiency and conservation in the community**

The following examples illustrate the range of activities a local agency may use to promote energy efficiency and conservation in the community. They are not mandatory or exhaustive of what an agency may do. Local agencies are encouraged to undertake activities that reflect increasing levels of commitment or difficulty for the individual agency. More examples of community energy efficiency and conservation outreach activities are available in the Best Practices Framework at [www.ca-ilg.org/SustainabilityBestPractices](http://www.ca-ilg.org/SustainabilityBestPractices) and [www.ca-ilg.org/energyefficiency](http://www.ca-ilg.org/energyefficiency).

***Examples of Silver Activities***

- Including energy conservation information on agency's website.
- Organizing or participating in an energy fair to showcase energy efficient equipment and appliances for residents and businesses.
- Working with area schools to educate children about energy efficiency.
- Including an energy efficiency component in the agency's youth commission project activity.

***Examples of Gold Activities***

- Collaborating with utility to promote energy efficiency in homes and businesses.
- Offering energy audits for local businesses.
- Offering seminars to assist homeowners to retrofit homes to include energy efficiency features.
- Offering seminars for builders and architects to educate them about energy efficiency features in new homes.

***Examples of Platinum Activities***

- Adopting a green building ordinance that exceeds the state's energy efficiency standards.
- Working with owners of multi-family properties to install energy efficiency retrofits.
- Adopting an ordinance that encourages or requires energy audits at time of sale.
- Sponsoring home energy audit and efficiency retrofit programs.

*Note: Adoption of policies or programs related to alternative or renewable energy, such as requiring or encouraging photovoltaic systems on new commercial or residential buildings, may satisfy the community energy activity criteria as long as it is part of a group of activities that emphasizes energy efficiency or conservation policies or programs.*

## Additional Resources

- Statewide Energy Efficiency Collaborative: No cost technical assistance, peer-to-peer networking, resources and recognition for local government climate and energy efforts. [www.californiaseec.org](http://www.californiaseec.org)
- Pacific Gas & Electric Company Local Government Resources: [www.pge.com/en/mybusiness/save/rebates/bybusiness/govt\\_local.page](http://www.pge.com/en/mybusiness/save/rebates/bybusiness/govt_local.page)
- Southern California Edison Energy Leader Partnerships: [www.sce.com/wps/portal/home/about-us/community/outreach/city-partnerships](http://www.sce.com/wps/portal/home/about-us/community/outreach/city-partnerships)
- Southern California Gas Company Programs with Local Governments: [www.socalgas.com/innovation/protecting-the-environment/energy-efficiency-programs](http://www.socalgas.com/innovation/protecting-the-environment/energy-efficiency-programs)
- San Diego Gas & Electric Company Local Government Partnerships: [www.sdge.com/our-commitment/energy-efficiency-partnership-programs/local-government-partnerships](http://www.sdge.com/our-commitment/energy-efficiency-partnership-programs/local-government-partnerships)

## Appendix A:

# Clarification to Guidelines for Beacon Participants When Calculating Energy Efficiency Savings Not Tied to Investor Owned Utility Incentive Rebates or Loans

## Background

The Beacon Award recognizes energy savings achieved as a result of energy efficiency retrofits in agency facilities. The retrofits can be funded in part or in whole by utility incentives, grants, loans (such as from the California Energy Commission), agency funds, bonds, and/or other sources.

## The Challenge to Resolve

Investor Owned Utility (IOU) incentives are paid to utility customers on the energy savings and permanent peak demand reduction that are above and beyond “baseline energy performance,” which is usually defined as the building and energy efficiency performance mandated by federal codes and state codes, such as Title 20 and Title 24. For example, if a customer replaces a 50-year-old boiler with an ultra-efficient model, the incentive check from the utility (and the corresponding energy savings claimed by the utility) would only reflect the difference between what is required by current state or federal code and the performance of the ultra-efficient model.

In reality, the difference between the energy performance of a 50-year-old boiler and the ultra-efficient model is much larger.

Since actual savings are usually higher than that which the IOU is able to claim credit for reporting purposes to the California Public Utilities Commission, there is a potential advantage to those using actual savings numbers compared to those using IOU-claimed savings numbers for Beacon Award energy saving substantiation. When the Beacon program was originally designed, it was anticipated that all savings information would be reported as IOU claimed savings. At that time, it was not expected that local agencies would be able to obtain actual or estimated actual annual savings.

However, with more experience in the program, it appears that this original assumption may not have correct. For example, Beacon participants served by municipal utilities may only be able to provide actual or estimated actual savings using existing conditions as the baseline instead of state codes such as Title 24. Similarly, participants that chose not to take advantage of IOU energy efficiency programs do not have IOU estimated savings to report and may want to rely on actual estimated savings. Some participants wish to provide energy savings data for both projects benefiting from IOU incentives and projects that did not benefit from an IOU incentive either by choice, because of misinformation, or because the project did not qualify.

## Clarification to Beacon Participant Guidelines Related to Energy Savings

In order to ensure that energy savings numbers reflect the same level of savings across Beacon participants, the following clarification is provided to Beacon participants.

- Energy savings from retrofits or other activities that used IOU incentive programs are treated the same. For example, this includes the savings information based upon numbers provided by the IOU (such as through SCE's energy leader program or the PG&E energy savings data system designed for Beacon participants).
- Energy savings from retrofits that did not receive an IOU energy efficiency incentive will be reviewed on a case-by-case basis with ILG staff. The review will include the following guidance criteria:
  - Only annual savings, not cumulative savings, will be accepted.
  - Projected or actual projected savings will be accepted if they are substantiated by commonly accepted energy efficiency methodologies such as those outlined in the DEER (Database for Energy Efficiency Resources) cost savings tool. The DEER contains information on selected energy-efficient technologies and measures. The DEER provides estimates of the energy-savings potential for these technologies in residential and non-residential applications ([www.deeresources.com/](http://www.deeresources.com/)). Another example of proper substantiation would be a contractor's post-installation report or a pre- and post-installation energy savings analysis.
  - ILG will assist the Beacon participant in using these tools and in reviewing the information.
  - ILG will also work with the IOU serving the participant, if appropriate and feasible, to provide assistance in calculating the projected savings.

# Appendix B:

## Beacon Award Program

### Climate Action Plan Alternative

#### Background

In order to be accepted into the Beacon Award program, participating agencies must have completed or promise to complete development and adoption of a Greenhouse Gas Inventory and a Climate Action Plan (CAP) for both the agency and the community.

Some participants may not have completed a Climate Action Plan, but have implemented or adopted many of the same elements as those of a Climate Action Plan. In this case, an acceptable alternative to a Climate Action Plan may fulfill that requirement for the Beacon Program. The agency's alternative can be assembled as a description and specific references to where those policies and programs can be found. This would include, for example, specific policies and programs in the agency's General Plan and other plans/programs approved by the agency. In addition, the alternative would include a description of plans to implement the policies, how progress will be monitored, and the estimated greenhouse gas reductions that may result from the various policies and programs. This document lays out what needs to be included in a Climate Action Plan alternative for Beacon participants and provides a survey participants can use to provide that information.

More information about Climate Action Plans in general is included in Attachment A.

#### Elements Included in a Climate Action Plan Alternative<sup>1</sup>

The essence of a Climate Action Plan is policies and programs designed to reduce greenhouse gas emissions generated from government operations and in the community as a whole. The key elements which should be included in every Climate Action Plan, or acceptable alternative, are strategies to reduce greenhouse gas production from four sectors which generate the largest amount of greenhouse gas emissions:

- Energy use
- Transportation choices/design & agency fleet
- Solid waste
- Building & land use & agency facilities

In addition to policies and programs for reducing greenhouse gas emissions in these key sectors, a climate action plan alternative should also specifically include:

- Identification of a cumulative greenhouse gas emission reduction goal for all four sectors listed above.

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<sup>1</sup> "Quick Start Guide for Climate Action Planning" prepared by ICLEI as part of the Statewide Energy Efficiency Collaborative (SEEC), January 2011. [www.californiasee.org](http://www.californiasee.org)

- An energy action plan (policies or programs designed to reduce agency and community energy use with specific targets).
- A description or plan of how the policies and/or programs will be implemented. This would include, for example, programs specifying how to implement policies in all four areas listed above, including specific and quantified estimates of emission reductions from all policies cited and how their combined impact will meet the overall goal.
- A plan for monitoring progress in implementation and effectiveness.

## **Attachment A – Excerpt from “Quick Start Guide for Climate Action Planning”**

The following information is taken from “Quick Start Guide for Climate Action Planning”, prepared by ICLEI, as part of its participation in the Statewide Energy Efficiency Collaborative (SEEC). More about ICLEI’s SEEC climate planning tools are available at [www.californiaseec.org/software-tools](http://www.californiaseec.org/software-tools).

SEEC is an alliance to help cities and counties reduce greenhouse gas emissions and save energy. SEEC is a collaboration between three statewide non-profit organizations, including the Institute for Local Government, and California’s investor-owned utilities. [www.californiaseec.org](http://www.californiaseec.org)

The core focus of a Climate Action Plan is, as the name suggests, reducing greenhouse gas emissions from both the local government’s operations and from the community as a whole. It includes strategies to reduce greenhouse gas emissions resulting from all activities in all contributing sectors: buildings, transportation, solid waste disposal, wastewater treatment, and water delivery. Some local governments address other environmental issues in their Climate Action Plans, such as the conservation of natural resources, urban forestry, and green jobs.

However, many local governments may choose to develop greenhouse gas mitigation strategies as part of their broader plans to achieve comprehensive community sustainability, energy independence, and other long-range objectives. In some cases, a stand-alone Climate Action Plan may not be the most effective framework by which to address climate change mitigation, and a different planning process may instead serve as a better means towards this end.

A sustainability plan ties together a broad range of community-centered goals, and includes specific actions to holistically address the three pillars of sustainability of environment, economy, and society. It takes into account the interrelated issues of population growth, land use, infrastructure, natural resource management, climate change, quality of life, public health, and economic development. The plan should recognize and highlight the co-benefits of the plan’s strategies and illustrate how they can achieve multiple sustainability goals concurrently. Social equity should be a crosscutting theme in the plan, and every strategy of the plan should be designed so that the benefits will be distributed across the community.”<sup>2</sup>

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<sup>2</sup> “Quick Start Guide for Climate Action Planning” a product of the Statewide Energy Efficiency Collaborative (SEEC), January 2011, page 13. <http://californiaseec.org/resources-guidance>



### Examples of Climate Action Plan Elements and Activities<sup>3</sup>

Strategy Area	Sample Measures
<b>ENERGY EFFICIENCY</b>	
Facility-Scale Energy Improvements	Adopt strict commercial or residential energy code requirements
	Implement energy efficient weatherization of low-income housing
	Perform energy efficiency retrofits of existing facilities
	Implement peak load management and demand response programs
	Require energy upgrades of facilities at time of sale
Energy Efficient Lighting	Distribute free CFL bulbs or fixtures to community members
	Install LED lights (Street, Exit, Traffic)
	Install occupancy sensors
	Institute a Lights-Out-at-Night policy
	Efficient lighting retrofits
Energy Efficient Equipment	Purchase ENERGY STAR equipment
	High efficiency water heaters, boilers, and chillers
	HVAC maintenance tune-ups
	Switch electric heat to natural gas
	Geothermal heat pumps
Promotion/Education	What type of promotion/education efforts are you considering?
	Promote energy efficiency campaigns targeted at businesses and residents
	Promote green building practices through a local business program or create incentives
	Promote participation in a local green business program
Water Conservation	Adopt a water conservation ordinance
	Install low-flow faucets and shower heads
	Install high efficiency toilets
	Improve water pumping energy efficiency
	Use low-maintenance landscaping
Renewable Energy Generation	Biomass energy from sewage treatment and landfill biogas
	Implement tidal power project
	Install solar photovoltaic (PV) panels
	Install solar hot water heaters and wind turbines
Energy Generation/ Renewable Energy Procurement	Purchase Green Electricity via the Grid from Solar, Geothermal, Wind, or Hydroelectric Sources
	Purchase green tags/Renewable Energy Certificates (RECs)
Energy Generation/ Energy Generation Infrastructure Upgrades	Install energy efficiency cogeneration power production facilities
	Implement district heating and cooling
<b>TRANSPORTATION</b>	

<sup>3</sup> Quick Start Guide – page 17-18, [www.californiaseec.org/resources-guidance](http://www.californiaseec.org/resources-guidance).

Alternative Fuels	Construct electric vehicle recharging facilities in new parking facilities
	Conversion to biodiesel or compressed natural gas
	Conversion to ethanol
	Initiate community biodiesel fueling station
	Utilize hydrogen or fuel cell vehicles
Trip Reduction	Disincentivize driving alone (congestion pricing, HOV lanes)
	Expand pedestrian and bicycling infrastructure
	Encourage employer-based programs e.g. telecommuting
	Revise land use code to promote smart growth
	Transit-oriented development
	Traffic signal synchronization
Vehicle Fuel Efficiency	Hybrid vehicles
	Parking and lane incentives for hybrid vehicles
	Retire old under-used vehicles
	Retrofit school buses with particulate traps or oxidation catalysts
	Utilize fuel efficient vehicles for parking enforcement
Other Transportation Measures	Limit idling of heavy equipment vehicles, local transit, school buses, and government operations vehicles
<b>WASTE</b>	
Composting	Organics composting
	Yard waste collection and composting
Methane Flaring	Methane flaring at local landfills
Recycling	Recycling policy or program
	Improve recyclables processing facilities Establish/expand business, curbside, and other recycling programs
	Reuse or recycle construction and demolition materials
<b>OTHER</b>	
Carbon Credits/Tax	Purchase carbon offsets
	Implement carbon tax
VOC Reduction Actions	Use low-VOC paints and cleaning products
	Use non-asphalt pavements
	Portable gas can replacement
	Gasoline lawnmower replacement
Urban Forestry	Urban forestry policy or program
	Tree planting to shade buildings
	Tree planting for carbon storage and heat island mitigation

RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
TO PARTICIPATE IN THE INSTITUTE FOR LOCAL GOVERNMENT  
BEACON AWARD: LOCAL LEADERSHIP TOWARD SOLVING CLIMATE CHANGE

WHEREAS, the City of National City is undertaking policies, programs, and activities to reduce greenhouse gas emissions and save energy; and

WHEREAS, these policies, programs, and activities conserve natural resources, save energy and money, and promote sustainable land use and transportation planning in the community; and

WHEREAS, cities and counties statewide are leading by example by adopting innovative sustainability programs and policies, including working with community residents, business groups, and others; and

WHEREAS, the City of National City participated in the San Diego Association of Governments' Energy Roadmap Program to become more energy efficient and sustainable; and

WHEREAS, in order to develop and implement sustainable planning and mitigation strategies, the City of National City developed and adopted a Climate Action Plan in 2011; and

WHEREAS, the City of National City has participated in the South Bay Energy Action Collaborative ("SoBEAC") since 2013 in order to leverage the subregion's resources and promote energy efficiency and other sustainable practices; and

WHEREAS, the City of National City has implemented energy efficient retrofits at its municipal facilities in order to reduce energy use and costs; and

WHEREAS, the City of National City has installed bike infrastructure and facilities which allow for active transportation to be a more viable option; and

WHEREAS, the City of National City coordinated with San Diego State University to participate in the Sage Project, addressing projects related to smart growth, quality of life, and sustainability goals; and

WHEREAS, the City of National City wishes to expand these activities, share its experiences with other communities, and be recognized for its accomplishments; and

WHEREAS, the Beacon Award: Local Leadership Toward Solving Climate Change is a voluntary program of the Institute for Local Government, the non-profit research and education affiliate of the California State Association of Counties and the League of California Cities; and

WHEREAS, the Beacon Award recognizes and celebrates achievements of cities and counties that reduce greenhouse gas emissions and save energy; and

WHEREAS, participating in the Beacon Award is an opportunity for the City of National City to be recognized for its efforts to promote sustainability, reduce greenhouse gas emissions, and save energy.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City does hereby resolve to participate in the Institute for Local Government's Beacon Award: Local Leadership Toward Solving Climate Change.

BE IT FURTHER RESOLVED that the City of National City will work towards achieving the Silver, Gold, and/or Platinum Beacon Award levels.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City consenting to the inclusion of properties within the City of National City's jurisdiction in the California Home Finance Authority's PACE program to finance renewable energy generation; energy an

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City consenting to the inclusion of properties within the City of National City's jurisdiction in the California Home Finance Authority's PACE program to finance renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure, authorizing the Authority to levy assessments, impose contractual assessment liens and finance eligible improvements on those properties, approving membership in the California Home Finance Authority, and authorizing the Mayor to execute the Indemnification and Insurance Agreement. (Housing, Grants, and Asset Management)

**PREPARED BY:** Carlos Aguirre,   
Community Development Manager

**DEPARTMENT:** Housing, Grants, & Asset Management

**PHONE:** 619 336-4391

**APPROVED BY:** 

**EXPLANATION:** Please see background report.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

N/A

**ENVIRONMENTAL REVIEW:**

This activity is not a project as defined in Section 57378 of the California Code of Regulations. Therefore, no action is required under the California Environmental Quality Act.

**ORDINANCE:**  **INTRODUCTION:**  **FINAL ADOPTION:**

**STAFF RECOMMENDATION:** Adopt the resolution.

**BOARD / COMMISSION RECOMMENDATION:**

**ATTACHMENTS:**

1. Background Report]
2. CHF AB811 Program Report
3. CHF Resolution 2014-05
4. Indemnification and Insurance Agreement

## **Ygrene PACE Program and Indemnification Background Report**

California Home Finance Authority ("CHFA"), which is in the process of formally changing its name to Golden State Finance Authority, is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time.

Assembly Bill 811 (2008) ("AB 811") amended Chapter 29 of the Streets and Highways Code and allows a jurisdiction to form a voluntary contractual assessment district to finance energy-efficiency, water conservation, renewable energy generation and electric vehicle charging infrastructure improvements that are permanently attached to private real property. Amortized repayment of the funding for these projects is secured by property tax assessments authorized by the owners of the improved properties. Liens remain with the property upon change of ownership unless paid. Property owners voluntarily enter into a program financing agreement that authorizes recording of an assessment and tax lien on their property to secure project financing. Assessments are repaid through biannual, non-ad valorem property tax installments at fully amortized fixed interest rates for terms approved by the jurisdiction.

Ygrene Energy Fund (Ygrene) and Golden State Finance Authority (GSFA) fully intend and expect to operate the SB 555 version of the PACE program once the validation suit is completed. However, there are a number of important reasons why Ygrene and GSFA have chosen to establish, validate, and maintain both the SB 555 and AB 811 program offerings including ensuring that the "Ygrene Works for California" program remains the most innovative, cost effective and most secure PACE program in the state.

Additional reasons include:

1. Should market conditions, consumer demand and/or legislative changes effect one PACE program more than another, Ygrene and GSFA will have the flexibility to convert without any service interruption to participating counties and cities and their property owners. Having the ability to offer either program model best supports this vision of service.

2. Offering both AB 811 and SB 555 from the outset also ensures that the Ygrene Works program remains flexible, innovative and able to meet market demands should one program better suit a given measure or set of measures over the other. Ygrene and GSFA intend to maximize the benefits of both program offerings.

3. Providing this breadth of service ensures that no matter the market or legislative environment for PACE, the Ygrene Works program will be established and able to operate successfully without the need for additional review or the need for the Board of Supervisors to consider approving another resolution thereby saving valuable staff time and resources.

The assessments levied pursuant to Chapter 29, and the interest and any penalties thereon, shall constitute a lien against the lots and parcels of land on which they are made, until they are paid. The assessments may be levied under the provisions of Chapter 29 only with the free and willing consent of the owner of each lot or parcel on which an assessment is levied at the time the assessment is levied.

In order to participate in the Authority PACE Program, the City desires to become an Associate

Member of the Authority. In addition, Ygrene Energy Fund CA will be the program administrator (“Ygrene”).

In order to protect the City in connection with the administration of the Authority PACE Program, Ygrene Energy has agreed to defend and indemnify the City. The City will not be responsible for the conduct of any assessment proceedings, the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

The City has opted into similar programs. For instance, on August, 19, 2014, the City Council of the City of National City authorized the City to opt into three (3) PACE programs, HERO, CaliforniaFirst, and Figtree.



CALIFORNIA CLEAN ENERGY PROGRAM  
CALIFORNIA HOME FINANCE AUTHORITY

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PROGRAM REPORT

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**Contents**

1. Introduction
2. Program Report
3. Program Requirements & Parameters
4. Authorized Improvements
5. The Financial Strategy
6. Changes to the Report

Appendix A – Map of the Program Area

Appendix B – Form of Assessment Contract

A Residential Program Handbook and a Commercial Program Handbook provide further details.

## **1. Introduction**

In July of 2008, the California Legislature approved Assembly Bill 811 amending Chapter 29 of the Improvement Act of 1911 (Streets and Highways Code Section 5898.12 and following) (the “Act”), authorizing cities and counties to establish voluntary contractual assessment programs to fund an array of conservation and renewable energy projects proposed by property owners (collectively “PACE” programs). The Act was subsequently amended to add water efficiency improvements and electrical vehicle charging infrastructure to the list of authorized improvements (“Authorized Improvements”). The California Legislature declared that such programs, which authorize local governments to finance the installation of such improvements that are permanently affixed to real property, would serve a public purpose.

California Home Finance Authority (“the Authority”) intends to use its authority to establish and judicially validate a PACE program (the “Program”). Under the Program, private property owners will enter into a voluntary contractual assessment with the Authority. The amount of the contractual assessment is equal to the cost to pay for the installation of Authorized Improvements, the costs of bonds that will finance the Program, the costs to administer the Program and Program fees. Like most assessments, the amounts are billed and collected on County property tax bills. If the property is sold or the primary mortgage(s) refinanced, the obligation to make the payments on the assessment will remain on the property or can, subject to prepayment premiums that may be established for the Program, be paid off. If a property owner fails to pay the annual contractual assessment installments, the Trustee, on behalf of the Authority, is obligated to strip the delinquent installments off the property tax bill and commence judicial proceedings to foreclose the lien of the delinquent installments. This is an expedited procedure, disclosed in the Assessment Contract and other Program documents that can result in the public sale of the property in less than a year.

The Program is being instituted to serve private properties within California. The Program will be offered in both incorporated and unincorporated jurisdictions that are members or associate members of the Authority, or that become members or associate members in the future, consistent with terms and conditions adopted by the Authority. Any incorporated territories authorizing the Program must agree to comply with all terms and conditions of the Program as adopted from time to time.

Property owner participation in the Program is purely voluntary and requires the full consent of all of the owners of any property for which Program financing will be used to install Authorized Improvements. As with other land-secured public financing programs (such as utility or road maintenance assessment districts), property owners repay the costs advanced by the Program through property taxes that amortize a recorded assessment on the property. Assessment installments are payable, along with ad valorem and other property taxes, in semi-annual installments that appear as a separate line item on property tax bills.

**Program Goals:** The Authority intends that the Program will allow property owners to make principled investments in their homes and businesses, in their long-term economic health and in the global environment. At the same time, this Program can help jurisdictions throughout California meet State goals for dealing with climate change and drought.

**Program Benefits:** The Program provides a strategic opportunity for cities and counties to achieve significant public benefits in the areas of economic development and quality of life. By letting property owners easily finance energy and water conservation measures the Program

promotes reduced consumption. This translates into direct consumer savings and an increase in discretionary income. The multiplier effect attributable to such savings can benefit businesses and households throughout California, encouraging job growth and bolstering local-government revenues. The most recent ECONorthwest study shows that investments in energy efficiency lead to direct job growth, estimating up to 60 new jobs for every \$4 million invested. Improvements to the building stock as a result of Program financing enhance occupant comfort and safety, promote public health and increase employee productivity. Water conservation projects increase the supply and quality of the State's water resources and protect recreational and life-style access.

Program Administration: The Authority is contracting with Ygrene Energy Fund (the "Program Administrator") to operate and fund the Program. The Authority's Executive Director or designee is authorized to enter into Assessment Contracts on behalf of the Authority. The Program Administrator will oversee the staff, contractors and organizations assisting with Program implementation.

## **2. Program Report**

The Authority stated its intention to establish the California Clean Energy Program on September 26, 2014 by adopting its Resolution No. 2014-05 (the "ROI"). The Authority directed preparation of this Program Report (the "Report") to include the following:

- A map showing the boundaries of the territory within which the Program intends to offer voluntary assessment financing to private property owners (Exhibit A).
- Policies concerning participation in the Program and the maximum aggregate dollar amount of Authorized Improvements that may be financed under the Program.
- Identification of the Authorized Improvements.
- Information on the Authority's and the Program Administrator's incidental, financing, and administrative costs, and the cost of placing assessments on the tax roll.
- A plan for raising capital required to pay for work performed pursuant to contractual assessments.
- A draft assessment agreement ("Assessment Contract") that includes information defining the Authority official authorized to enter into Assessment Contracts with participating property owners (Exhibit B).

The Report is the guiding document for the Program and fulfills the requirements of Sections 5898.22 and 5898.23 of the California Streets and Highways Code. The Program is offered to property owners in Cities and Counties throughout the State of California that are members or associate members of the Authority, or that become members or associate members of the Authority, and that elect to make the Program available to their constituents by adopting a resolution that authorizes Ygrene Energy Fund CA, LLC ("Program Administrator") to operate the Program on behalf of the Authority within their respective boundaries. The Administrator also offers supplemental handbooks ("Program Handbook") for the residential and commercial sections of the Program.

## **3. Program Requirements & Parameters**

## **Boundaries of Program Area**

A map (Exhibit A) showing the prospective boundaries within which contractual assessments may be offered is attached. The governing bodies of counties within the prospective boundaries may allow citizens in the unincorporated areas of the County to participate in Program financing by passing a resolution adopting the Program. Incorporated cities must adopt similar resolutions to enable their residents to participate. Each owner intending to secure Program financing for their property must complete an application, pay the application fee and secure the signatures of all owners of record on the Assessment Contract.

## **Eligible Property Owners and Eligible Properties**

Property owners eligible to participate in the Program include, but are not necessarily limited to, individuals, associations, business entities, and cooperatives. For financing to be approved, property owners must meet eligibility and underwriting criteria established for the Program. Details of these requirements are provided in the Program Handbook (available from the Program Administrator) and on-line. Notwithstanding anything to the contrary in this Report or in any Program Handbook, the Authority and the Program Administrator will implement adequate safeguards to ensure compliance with Section 5898.15 of the Act.

## **Authorized Improvements**

The Program enables owners of qualified property within the Program area to finance a wide range of Authorized Improvements consistent with the following provisions:

- The Program provides financing for Authorized Improvements that are permanently affixed to real property.
- Program financing may be used for direct purchase of equipment, installation and services, leases and power purchase agreements.
- Program financing is available for retrofits that replace outdated or inefficient equipment, or to install new equipment.
- The Program Administrator certifies contractors for participation in the Program (each, a “Certified Contractor”) and requires that they meet Program standards.

## **Eligible Project Costs and Administrative Costs**

Eligible Project Costs.

- Program financing may be used to cover the actual cost of Authorized Improvements including charges for equipment, materials, supplies, and installation.
- Installation costs may include, but are not necessarily limited to, construction labor, energy and water-survey consultants and auditors, design/engineering/architecture, and program soft costs such as appraisals, permits and inspection fees.
- The Program Administrator must pre-approve any payments for labor provided by property owners on Authorized Improvements.
- Eligible costs do not include general remodeling or property repairs that are not directly required to enable installation of Authorized Improvements.

### Administrative Costs.

- The intent of the Program is to minimize initial out of pocket costs for property owners while also supporting Program sustainability. Accordingly, the Program Administrator may impose fees and other charges in accordance with schedules posted from time to time on the Program website and in Program materials. With the exception of the application fee, all Program fees may be included in the financing and will be added to the disbursement amount at the time of closing unless the property owner elects to pay them directly.

### **Duration of Assessment**

Assessment Contracts may be available for terms up to 30-years based on the average weighted useful lives of the installed Authorized Improvements. Most projects are financed for 20 years, but the Program Administrator offers alternative amortization schedules to accommodate property owner preferences.

### **Program Interest Rate**

The Program Administrator will set the interest rate for the financing at the time the property owner enters into an Assessment Contract. The interest rate will be fixed at that point for the rate-lock period ("Rate Lock") defined in the Assessment Contract and will not change unless the property owner fails to submit a valid funding request during the Rate-Lock. The Program Administrator will make periodic changes to the Program interest rates and Rate-Lock periods in response to conditions in the financial markets. Current policies will be available from the Program Administrator and on the Program website.

### **Assessment Lien**

All owners of record of participating properties must sign an Assessment Contract and have their signatures either notarized or verified through a third party verification process. Execution of the Assessment Contract authorizes recording of a lien on the property that secures repayment of the assessments levied in accordance with the agreement.

### **Delinquent Assessment Collections**

Delinquent assessments will be collected using the procedures and powers authorized under California law for the collection of property taxes, and assessments. While unlikely, one remedy available to holders of beneficial interests in Program assessment liens to collect delinquent installments is accelerated judicial foreclosure of the tax lien against the delinquent property, which may be initiated following the delinquency. To minimize the possibility of delinquent assessments the Program Administrator may implement a pooled interest reserve.

### **First Levy of Assessment**

If funds are disbursed to property owners before June 30 of any year, then the assessment and the first year's installment will appear on the next tax bill. For disbursements made on or after July 1 of any year, the first assessment will not appear on the tax bill until the following tax year. Interest on deferred installments will be capitalized and added to the amount to be financed under the Assessment Contract or, at the election of the property owner, may be paid directly at the time of funding.

The Program Administrator may offer an option of financing additional capitalized interest to enable property owners, at their election, to extend the period during which no assessments would appear on the property tax bill or be payable.

### **Reserve Fund**

The amount to be financed under the Assessment Contract may include an amount to fund a reserve from which payments can be made if assessment collections are insufficient to pay debt service on bonds issued for the Program. The amount of the reserve will be specified in the Assessment Contract.

## **4. Authorized Improvements**

There are four categories of Authorized Improvements that can be financed through the Program. A representative list of Authorized Improvements is set out in the Program Handbook.

- **Energy Efficiency Improvements:** Energy efficiency improvements comprise a wide range of fixtures from windows and doors to attic insulation and HVAC equipment. Such measures will help reduce energy use through increased efficiency in buildings and other improved real property.
- **Renewable Energy Improvements:** Renewable energy improvements are usually solar photovoltaic installations intended to replace utility generated electrical power with renewable solar power for all or part of a property's energy needs. Also included are wind generation, solar-thermal, geothermal, and hydroelectric installations, as well as emerging technologies for renewable energy generation.
- **Water Conservation Improvements:** Water conservation improvements comprise a wide range of water saving measures designed to reduce demand or waste. Included are recirculation systems, gray-water systems, low-flow fixtures, waterless urinals, deionization equipment, and filter upgrades. In addition, numerous innovative agriculture and aquaculture installations can be financed through the Program.
- **Electric Vehicle Charging Infrastructure:** The Program can finance charging station equipment and installations whether for commercial or residential use.
- **Custom Improvements:** The Program encourages the development of innovative technologies that will diversify and expand the State's energy saving and renewable energy generation opportunities. As described above, the Program Administrator is also always looking to approve for funding creative water saving measures. Applicants who seek program financing for custom improvements should consult with the Program Administrator to determine eligibility and, if necessary, obtain directions for submitting detailed information about the proposal. The Program Administrator will approve custom improvements on a case-by-case basis.

## **5. The Financial Strategy**

The following conditions will govern financial resources for the Program, financing of projects, recordation of assessments and collection and distribution of assessment payments:

- The maximum aggregate principal amount of contractual assessments to be levied under the Program is \$ \_\_\_\_\_, subject to increase if there is sufficient demand. It is anticipated that the Authority will issue bonds secured by contractual assessments that will be purchased by the Program Administrator, or its affiliates or designees, to fund projects completed under Program Assessment Contracts.
- The Program Administrator has entered into agreements with funding sources to secure adequate interim and long-term financing for the Program, and represented to the Authority that it can provide all necessary financial resources to fund the Program.
- In the event it appears that, at any time, funding resources for the Program will be inadequate to meet demand, completed and properly executed applications for Program funding will be processed in the order in which received by the Program Administrator.
- The Executive Director of the Authority and/or designee is authorized to enter into Assessment Contracts with participating property owners.
- The annual assessments will be authorized in accordance with the Act and the Assessment Contracts and collected through the property-tax system in the County in which the Property is located.
- The Authority will pledge the assessment revenues to a trustee as directed by the Program Administrator as security for bonds issued to finance the Program.
- The Program Administrator will manage the Program, establish the program budget, and be responsible for funding program operations.

Upon execution of the Assessment Contract, the Program Administrator will record a Notice of Assessment against the participating property. This lien secures payment of the assessment for as long as it remains on the property. The Assessment Contract uses (i) a Principal Amount to be financed, (ii) Capitalized Interest due on the transaction, (iii) a Program Interest Rate charged on the principal amount, and (iv) ongoing administrative fees, to arrive at the annual assessment that appears on the tax bill.

- **Principal Amount to be Financed:** The Program typically finances the costs associated with installing Authorized Improvements including, but not necessarily limited to, appraisals, energy and water-survey consultations, architectural and engineering services, permits and inspections. The financed amount will also include Program fees and capitalized interest. Principal amounts can also include lease and/or power purchase contract payments, whether up-front or



incremental.

- **Capitalized Interest:** County tax collectors place assessments on property tax rolls once each year – usually during the first week of August. As a result, when funds are disbursed at the completion of the project, the Program Administrator will add an amount to the assessment sufficient to cover the interest from the date of closing until the beginning of the tax year when the assessment is first placed on tax bills. This capitalized interest is included in the financing and amortized at the Program interest rate for the term of the loan. There will be no payments due on the financing during the capitalized interest period.
- **Program Interest Rate:** The rate of interest paid by the property owner for the financing will be fixed for the entire term. The rate offered to property owners will vary from time to time depending on the Program Administrator's cost of funds, and will be posted daily on the Program website.
- **Administrative Costs and Costs of Issuance:** Annual administrative costs may include, but are not limited to, (i) the fees charged by the County to prepare the tax roll and collect Program assessments, (ii) financing origination costs, (iii) costs to offset capital provider, third party and operational costs associated with the provision of the financing and Program administration and (iv) reserve funds. These fees will be added to the annual assessment each year.

## **6. Changes to Report**

The Program Administrator may make changes to this Program Report that the Authority and the Program Administrator reasonably determine are necessary to clarify its provisions or to effectuate the purposes of the Program. Changes to this Program Report may not affect the assessments payable under then existing Assessment Contracts between property owners and the Authority.

EXHIBIT A – BOUNDARY MAP

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**BOUNDARIES OF THE DISTRICT**

**CALIFORNIA HOME FINANCE AUTHORITY**  
ASSESSMENT DISTRICT NO. 2014-05 (CLEAN ENERGY)

EXHIBIT B - ASSESSMENT CONTRACT

FORM OF ASSESSMENT CONTRACT

This Assessment Contract (the "Agreement"), dated \_\_\_\_\_, is between the California Home Finance Authority, a California joint exercise of powers authority (the "Authority") and all of the persons or entities identified below as the record owner(s) (the "Property Owner") of the fee title to the real property identified herein.

Owner No. 1:

Owner No. 2:

Owner No. 3:

Owner No. 4:

Trust:

Legal Entity:

Project ID No.: Folio Number:

Property Street Address:

City: State: Zip:

RECITAL

WHEREAS, the Authority has established a PACE program (the "Program") to allow the financing and refinancing of the installation of distributed generation renewable energy sources, energy efficiency improvements, water efficiency improvements, and electric vehicle charging infrastructure that are permanently fixed to real property (the "Qualifying Improvements") through the levy of contractual assessments (the "Assessment(s)") pursuant to Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California, as amended ("Chapter 29"); and

WHEREAS, the Authority has conducted the proceedings required by Chapter 29 and other applicable California law to enter into this Agreement with the Property Owner; and

WHEREAS, the Authority and the Property Owner wish to enter into this Agreement pursuant to which the Authority will agree to finance or refinance the costs of installing the Qualifying Improvements and the Property Owner freely and willingly agrees to the imposition by the Authority of the Assessment on the real property described above (the "Property") in order to repay the costs incurred by the Authority with respect to financing or refinancing the installation of the Final Improvements, all on the terms set forth in this Agreement; and

WHEREAS, the Authority has contracted with Ygrene Energy Fund California, LLC (together with any successors or assigns), (the "Administrator") to act as the administrator of the Program pursuant to a Third Party Administration Agreement dated as of \_\_\_\_\_ (the "Administration Agreement") between the Authority and the Administrator.

NOW, THEREFORE, in consideration of the foregoing and the material covenants hereinafter contained, the Property Owner and the Authority formally covenant, agree and bind themselves and their successors and assigns as follows:

## AGREEMENT

### Section 1. Purpose.

The Property Owner and the Authority are freely and willingly entering into this Agreement for the purpose of financing or refinancing the installation of the Final Improvements on the Property whether by lease of the Final Improvements, purchase of energy generated by the Final Improvements through a power purchase contract or otherwise. The Authority will not finance or refinance the installation of any improvements that are not Authorized Improvements.

### Section 2. The Property.

The Property Owner hereby represents and warrants that:

- a) It is indefeasibly seized with fee simple title to the Property and possesses all legal authority necessary to execute this Agreement;
- b) All property taxes and any other assessments levied on the same bill as property taxes are paid and have not been delinquent for the preceding three years or the Property Owner's period of ownership, whichever is less;
- c) There are no involuntary liens, including, but not limited to, construction liens on the Property; and no notices of default or other evidence of property-based debt delinquency have been recorded during the preceding three years or the Property Owner's period of ownership, whichever is less;
- d) Property Owner is current on all mortgage debt on the Property; and has not been late in making mortgage payments more than once in the preceding 12 months, or the Property Owner's period of ownership, whichever is less.
- e) If there are any existing mortgages encumbering or otherwise secured by the property, before entering into a financing agreement, the Property Owner or Administrator has provided to the holders or loan servicers of record of any existing mortgages encumbering or otherwise secured by the property a notice of the Property Owner's intent to enter into this Agreement together with the maximum principal amount to be financed and the maximum annual assessment necessary to repay that amount as set forth in Exhibit A. Property Owner has provided a verified copy or other proof of such notice to the Administrator.

### Section 3. Agreement to Pay Assessment; Prepayment; Non-Completion

- a) **Payment of Final Assessment.** Upon completion of the Final Improvements, the Authority will record a Notice of Assessment which will include the Addendum, which will set forth the final cost of the Final Improvements, which will not exceed the Maximum Amount (the "**Final Cost**"), the final total principal amount of the Assessment (the "**Final Assessment**"), the final annual payment schedule for the Assessment (the "**Final Annual Assessment Schedule**"), and each annual amount shown thereon, (the "**Yearly Annual Assessment**") and the final interest rate calculated as of the date of execution of the Addendum (the "**Final Interest Rate**") and the Property Owner hereby freely and willingly agrees to pay the Final Assessment together with interest thereon at the Final Interest Rate. THE PROPERTY OWNER ACKNOWLEDGES AND AGREES THAT FINAL INTEREST RATE WILL BE THE SAME AS THE ESTIMATED INTEREST RATE IF THE FINAL IMPROVEMENTS ARE COMPLETED WITHIN THE PERIOD SET FORTH IN EXHIBIT A HERETO; OTHERWISE THE FINAL INTEREST RATE WILL BE BASED ON MARKET CONDITIONS EXISTING AT THE TIME THAT FUNDS ARE RELEASED AND MAY BE MORE THAN THE ESTIMATED INTEREST RATE, RESULTING IN A CORRESPONDING INCREASE IN THE MAXIMUM ANNUAL ASSESSMENT. IN ADDITION, THE PROPERTY OWNER ACKNOWLEDGES AND AGREES THAT ALL OF THE AMOUNTS SET FORTH IN EXHIBIT A HERETO WILL CHANGE IF THE PROPERTY OWNER REQUESTS A CHANGE IN THE TERM OVER WHICH ASSESSMENTS ARE TO BE REPAID. The Authority shall not provide financing in an amount in excess of the Final Cost. Interest will accrue on the Final Assessment at the Final Interest Rate.
- b) **Payment of Non-Completion Assessment.** The Property Owner understands and hereby acknowledges that in the event that the Property Owner begins the installation of the Qualifying Improvements and subsequently decides not to complete such Qualifying Improvements in compliance with the Program rules and this Agreement (a "Project Abandonment"), the Authority may be obligated to pay the Authority's expenses incurred prior to Project Abandonment. To the extent the Authority incurs such expenses (the "Abandonment Payment"), the Property Owner hereby freely and willingly agrees to pay a non-completion assessment (the "Non-Completion Assessment," which, in the case of a Project Abandonment, will be treated the same as, and may also be referred to as, a "Final Assessment"). Failure to sign all the required program documents within 30 days of the successful inspection of the improvements will constitute project abandonment. Upon Project Abandonment, the Property Owner agrees that the Authority will record a Notice of Assessment which will set forth the amount of the Abandonment Payment, the total principal amount of the Non-Completion Assessment, the annual payment schedule for the Non-Completion Assessment (the "Annual Non-Completion Assessment Schedule") and the interest rate calculated as of the date of execution of the Addendum (the "Non-Completion Interest Rate"). Such Addendum will not require any further consent of, or execution by, the Property Owner. THE PROPERTY OWNER ACKNOWLEDGES AND AGREES THAT THE NON-COMPLETION INTEREST RATE WILL BE BASED ON MARKET CONDITIONS EXISTING AT THE TIME THE ADDENDUM IS FINALIZED AND MAY BE MORE OR LESS THAN THE ESTIMATED INTEREST RATE. Interest will accrue on the Non-Completion Assessment at the Non-Completion Interest Rate. The Property Owner acknowledges that the purpose of the Non-Completion Assessment is to provide for redemption of any bonds issued by the Authority or prepayment of any other financial obligation entered into by or on behalf of the Authority to finance or refinance installation of the Qualifying Improvements, and to pay any costs incurred by the Authority in order to release the lien of the Assessment on the Property. The Property Owner further agrees and acknowledges that the Authority will levy the Non-Completion Assessment in the first fiscal year in which the Authority is able to cause the Non-Completion Assessment to be placed on the property tax roll. The Property Owner hereby freely and willingly agrees to pay the Non-Completion Assessment, together with interest thereon at the Non-Completion Interest Rate.
- c) **Administrative Expenses.** The Property Owner hereby agrees and acknowledges that the Authority may add amounts to an annual installment of the Assessment (including a Non-Completion Assessment) in order to pay for the costs of collecting the Assessment and the administrative costs and expenses of the Authority and the Administrator in administering the Assessment or the bonds issued to finance or refinance the Qualifying Improvements (the "Final Assessment" and the "Non-Completion Assessment" shall include such amounts as referred to herein). These amounts may vary based on the applicable County's Tax Collector fee schedule and the costs of the Authority and Administrator in administering the Program.
- d) **Prepayment of the Final Assessment.** The Final Assessment may be prepaid in whole or in any amount of at least \$[\_\_\_\_\_] at any time upon the payment of (i) the amount of any delinquent installments of principal or interest on the Assessment, together with

penalties accrued to the date of prepayment; (ii) the whole or, subject to the minimum amount set forth in this subsection, a portion of the unpaid non-delinquent principal component of the Final Assessment; (iii) the accrued but unpaid interest on the principal amount of the unpaid Final Assessment being prepaid through the earlier of the March 2 or September 2 that occurs at least 50 days following the date the prepayment is made; (iv) a prepayment premium in the amount set forth on **Exhibit A**; and (v) a reasonable fee, if charged by the Authority or the Administrator, for the cost of administering the prepayment and redemption of bonds.

- e) Absolute Obligation. The Property Owner hereby agrees and acknowledges that the Assessment will not be subject to reduction, offset or credit of any kind in the event that the bonds secured thereby are refunded or for any other reason.

#### **Section 4. Collection of Assessment; Lien**

The Assessment, the interest and penalties thereon as a result of a delinquency in the payment of any installment of the Assessment, and the administrative fees shall constitute a lien against the Property until they are paid and shall be collected and, as set forth in Chapter 29, such lien shall be coequal to and independent of the lien for general taxes.

The Property Owner acknowledges that if any Assessment installment is not paid when due, the Authority has the right to have such delinquent installment and its associated penalties and interest stripped off the secured property tax roll and immediately enforced through a judicial foreclosure action that could result in a sale of the Property for the payment of the delinquent installments, associated penalties and interest, and all costs of suit, including attorneys' fees. The Property Owner acknowledges that, if bonds are sold to finance the Qualifying Improvements, the Authority may pledge and assign this Agreement and the related Assessment and lien as security for the bonds and obligate itself, through a covenant with the owners of such bonds, to exercise its judicial foreclosure rights with respect to delinquent Assessment installments under circumstances specified in such covenant.

#### **Section 5. Financing of the Final Improvements**

- a) Agreement to Finance Final Improvements. The Authority hereby agrees to use the Assessment to finance the Final Improvements, including the payment of the Authority's and Administrator's reasonable costs of administering the Program, subject to the Property Owner's compliance with the conditions for such financing established by the Authority.
- b) Disbursement of Funds. The Administrator will make one disbursement on behalf of the Authority when the following conditions have been met, except in the case of an approved phase or course of construction payment schedule authorized by the Authority. The Administrator's obligation to disburse funds to pay the costs of the Final Improvements shall be conditioned upon the Property Owner providing, to the satisfaction of the Administrator, (i) all required affidavits from all contractors and the Property Owner certifying that the Final Improvements have been completed in accordance with all applicable building codes, regulations, and other governmental requirements, and (ii) final releases or waivers of all applicable contractors', mechanic's and material men's liens. Disbursed funds must be used to pay for the installation of improvements, including by lease or power purchase agreement, or used purely as a reimbursement of expenses incurred for the installation of improvements. Acceptance of financing while refusing to pay for installation of improvements may constitute fraud against the Program.

#### **Section 6. Term; Agreement Runs with the Land; Subdivision**

- a) Except as otherwise set forth in this Agreement, this Agreement shall expire upon the final payment or prepayment of the Assessment.
- b) This Agreement establishes rights and obligations that are for the benefit of the Property and such rights and obligations run with the land.
- c) In the event the Property is subdivided while the Assessment remains unpaid, the Assessment will remain on all subdivided parcels that were used to calculate property value at the time of funding. If the Final Improvements no longer exist, the Assessment will be assigned to each of the newly created parcels on a per-acre basis, unless the Authority, in its sole discretion, determines that the Assessment should be allocated in an alternate manner.

#### **Section 7. Recordation of Documents**

The Property Owner hereby authorizes and directs the Authority to cause to be recorded in the public records of the applicable County the various notices and other documents, including an Addendum, required by applicable laws to be recorded against the Property.

#### **Section 8. Sole Responsibility to Deal with Lenders**

The Property Owner should note the following:

- 1) When the Property Owner enters into this Agreement with the Authority and finances any Qualifying Improvements, an assessment lien will be imposed on the Property.
- 2) By law, the assessment lien will be co-equal with the lien for general property taxes. It thus will be superior to the lien of any existing deed of trust the Property Owner may have previously executed in favor of a mortgage lender.
- 3) Existing mortgage lenders may contend that by entering into this Agreement the Property Owner has violated the loan agreements or deeds of trust.
- 4) The fact that the Property Owner or Administrator sent the notice described in Section 2(e) will not preclude the lenders from later alleging that the Property Owner has violated the loan agreements with them, and there is a risk that the lenders may prevail in any litigation over the alleged violation.
- 5) Neither the Authority nor the Administrator can advise the Property Owner about any loan agreements with lenders. The Property Owner's contractual relations with lenders are the Property Owner's sole responsibility.

#### **Section 9. Notice**

To the extent required by applicable Law, the Property Owner hereby agrees to provide written notice to any subsequent purchaser of the Property of the obligation to pay the Assessment pursuant to this Agreement.

#### **Section 10. Waivers, Acknowledgement and Agreement**

This Agreement reflects the Property Owner's free and willing consent to the imposition of the Assessment. The Property Owner hereby waives any otherwise applicable requirements of Article XIII D of the California Constitution or any other provision of California law for an engineer's report, notice, public hearing, protest or ballot. The Property Owner hereby waives its right to repeal the Assessment by initiative or any other action, or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the Authority or the Program Administrator undertaken in connection with the Program. The Property Owner hereby agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Final Improvements. The Property Owner hereby acknowledges that the Property Owner will be responsible for payment of the Assessment regardless of whether the Final Improvements are properly installed, operated, maintained or perform as expected.

**THE PROPERTY OWNER HEREBY AGREES THAT THE AUTHORITY IS ENTERING INTO THIS AGREEMENT SOLELY FOR THE PURPOSE OF ASSISTING THE PROPERTY OWNER WITH THE FINANCING OR REFINANCING OF THE INSTALLATION OF THE QUALIFYING IMPROVEMENTS, AND THAT THE AUTHORITY HAS NO RESPONSIBILITY OF ANY KIND FOR, AND SHALL HAVE NO LIABILITY ARISING OUT OF, THE INSTALLATION, OPERATION, FINANCING, REFINANCING, MAINTENANCE OR PERFORMANCE OF THE QUALIFYING IMPROVEMENTS.**

**BASED UPON THE FOREGOING, THE PROPERTY OWNER HEREBY WAIVES THE RIGHT TO RECOVER FROM AND FULLY AND IRREVOCABLY RELEASES THE AUTHORITY AND THE ADMINISTRATOR AND ANY AND ALL AGENTS, EMPLOYEES, BOARD MEMBERS, ATTORNEYS, REPRESENTATIVES AND SUCCESSORS AND ASSIGNS OF THE AUTHORITY AND THE ADMINISTRATOR, FROM ANY AND ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES (INCLUDING CONSEQUENTIAL DAMAGES), PENALTIES, FINES, FORFEITURES, COSTS AND EXPENSES (INCLUDING ALL REASONABLE OUT-OF-POCKET LITIGATION COSTS AND REASONABLE ATTORNEY'S FEES), RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT THAT THE PROPERTY OWNER MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST THE AUTHORITY OR THE ADMINISTRATOR AND ANY AND ALL AGENTS, EMPLOYEES, BOARD MEMBERS, ATTORNEYS, REPRESENTATIVES AND SUCCESSORS AND ASSIGNS OF THE AUTHORITY OR THE ADMINISTRATOR.**

**TO THE EXTENT THAT THE FOREGOING WAIVERS AND AGREEMENTS ARE SUBJECT TO SECTION 1542 OF THE CALIFORNIA CIVIL CODE OR SIMILAR PROVISIONS OF OTHER APPLICABLE LAW, IT IS THE INTENTION OF THE PROPERTY OWNER THAT THE FOREGOING WAIVERS AND AGREEMENTS WILL BE EFFECTIVE AS A BAR TO ANY AND ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES (INCLUDING CONSEQUENTIAL DAMAGES), PENALTIES, FINES, FORFEITURES, COSTS AND EXPENSES (INCLUDING ALL REASONABLE OUT-OF-POCKET LITIGATION COSTS AND REASONABLE ATTORNEY'S FEES), OF WHATEVER CHARACTER, NATURE AND KIND, KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, AND PROPERTY OWNER AGREES TO WAIVE ANY AND ALL RIGHTS AND BENEFITS CONFERRED UPON THE PROPERTY OWNER BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE. SECTION 1542 READS AS FOLLOWS:**

**"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."**

**BY INITIALING BELOW, PROPERTY OWNER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.**

**Property Owner's Initials: .....**

The waivers, releases and agreements set forth in this Section 10 shall survive termination of this Agreement.

**Section 11. Indemnification**

**THE PROPERTY OWNER AGREES TO INDEMNIFY, DEFEND, PROTECT, AND HOLD HARMLESS THE AUTHORITY AND THE ADMINISTRATOR AND ANY AND ALL AGENTS, EMPLOYEES, BOARD MEMBERS, ATTORNEYS, REPRESENTATIVES AND SUCCESSORS AND ASSIGNS OF THE AUTHORITY AND THE ADMINISTRATOR, FROM AND AGAINST ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES (INCLUDING CONSEQUENTIAL DAMAGES), PENALTIES, FINES, FORFEITURES, COSTS AND EXPENSES (INCLUDING ALL REASONABLE OUT-OF-POCKET LITIGATION COSTS AND REASONABLE ATTORNEY'S FEES) AND ANY DEMANDS OF ANY NATURE WHATSOEVER RELATED DIRECTLY OR INDIRECTLY TO, OR ARISING OUT OF OR IN CONNECTION WITH (I) THE ASSESSMENT, (II) THE FINANCING BY OR ON BEHALF OF THE AUTHORITY OF THE FINAL IMPROVEMENTS, (III) THE FINAL IMPROVEMENTS, OR (IV) ANY OTHER FACT, CIRCUMSTANCE OR EVENT RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT, REGARDLESS OF WHETHER SUCH LOSSES, LIABILITIES, CLAIMS, DAMAGES (INCLUDING CONSEQUENTIAL DAMAGES), PENALTIES, FINES, FORFEITURES, COSTS AND EXPENSES (INCLUDING ALL REASONABLE OUT-OF-POCKET LITIGATION COSTS AND REASONABLE ATTORNEY'S FEES) ACCRUE BEFORE OR AFTER THE DATE OF THIS AGREEMENT.**

The provisions of this Section 11 shall survive the termination of this Agreement.

**Section 12. No Representation by Authority or Administrator as to Suitability or Effectiveness of Final Improvements**

**THE PROPERTY OWNER HEREBY ACKNOWLEDGES THAT IT HAS DONE ITS OWN INVESTIGATION AND ANALYSIS OF THE SUITABILITY OF THE FINAL IMPROVEMENTS FOR THE PROPERTY AND THE POTENTIAL COST SAVINGS AND ENVIRONMENTAL IMPACT OF THE FINAL IMPROVEMENTS. NEITHER THE AUTHORITY NOR THE ADMINISTRATOR REPRESENTS OR GUARANTEES (A) THAT THE FINAL IMPROVEMENTS ARE SUITABLE FOR THEIR INTENDED PURPOSES, (B) THAT THE FINAL IMPROVEMENTS WILL RESULT IN ENERGY SAVINGS OR OTHER COST SAVINGS TO THE PROPERTY OWNER OR (C) THE ECONOMIC VALUE OR THE ENVIRONMENTAL IMPACT OF THE FINAL IMPROVEMENTS. IN PARTICULAR, NEITHER THE AUTHORITY NOR THE ADMINISTRATOR REPRESENTS OR GUARANTEES THAT UTILITY COMPANIES WILL NOT RAISE THEIR RATES IN THE FUTURE AND THEREBY OFFSET ALL OR A PORTION OF THE PROPERTY OWNER'S PROJECTED SAVINGS AS A RESULT OF MAKING THE FINAL IMPROVEMENTS NOR THAT THE INSTALLATION OF THE FINAL IMPROVEMENTS WILL RESULT IN ANY INCREASE IN THE VALUE OF THE PROPERTY. THE**

**PROPERTY OWNER HEREBY ACKNOWLEDGES AND AGREES THAT THE AUTHORITY AND THE ADMINISTRATOR ARE MERELY ASSISTING THE PROPERTY OWNER BY PROVIDING A FINANCING MECHANISM FOR THE FINAL IMPROVEMENTS AND HAVE NO ROLE IN DETERMINING THE ECONOMIC, FINANCIAL OR ENVIRONMENTAL VALUE OR IMPACT OF THE FINAL IMPROVEMENTS. THE PROPERTY OWNER HEREBY AGREES THAT THE WAIVERS IN SECTION 10 AND THE INDEMNIFICATION PROVISIONS IN SECTION 11 APPLY SPECIFICALLY TO, AMONG OTHER THINGS, THE MATTERS REFERRED TO IN THIS SECTION 12.**

### **Section 13. Right to Inspect Property**

The Property Owner hereby grants the Authority and the Administrator, their agents and representatives the right to enter at any reasonable time, upon reasonable notice, to inspect the Final Improvements. The Property Owner further hereby grants the Authority and the Administrator, their agents and representatives the right to examine and copy any documentation relating to the Final Improvements.

### **Section 14. Carbon Credits**

The Property Owner agrees, upon direction of the Program Administrator, to transfer any carbon credits, renewable-energy credits, solar-renewable-energy credits, offsets, or other tradable environmental certificate or permit attributable to the Final Improvements (collectively, "Carbon Credits") to the Authority; following which, such Carbon Credits will be owned by the Authority. Should installation of the Final Improvements qualify for a monetary incentive or rebate program that requires transfer of Carbon Credits to the provider of the monetary incentive or rebate, then the Authority shall waive its rights to the transfer of the Carbon Credits to it by the Property Owner in conjunction with the provision of the monetary incentive or rebate to the Property Owner.

### **Section 15. Program Application**

The Property Owner hereby represents and warrants to the Authority that the information set forth in the program application (the "Program Application") submitted to the Administrator in connection with its request for financing is true and correct as of the date hereof, and that the representations set forth in the Program Application with respect to the Property and the Property Owner are true and correct as of the date hereof as if made on the date hereof.

### **Section 16. Amendment**

This Agreement may be modified only by the written agreement of the Authority and the Property Owner.

### **Section 17. Binding Effect; Assignment**

This Agreement inures to the benefit of and is binding upon the Authority, the Property Owner and their respective successors and assigns.

The Authority has the right to assign or delegate to any person or entity (whether by way of sale, pledge, grant of security interest, or otherwise) this Agreement and any or all of its rights (including rights to payment, the Assessment, the Assessment lien, the right to pursue judicial foreclosure of the Assessment lien, and the right to enforce the collection of the Assessment or any installment thereof against the Property) and obligations under this Agreement, without the consent of the Property Owner. Any such delegation of obligations by the Authority shall release the Authority from such obligations to the extent stated in such delegation, without the need for any consent of the Property Owner. The obligation to pay the Assessment set forth in this Agreement and in the Addendum is an obligation of the Property and no agreement or action of the Property Owner will serve to impair in any way the Authority's rights, including, but not limited to, the right to pursue judicial foreclosure of the Assessment lien or the right to enforce the collection of the Assessment or any installment thereof against the Property.

### **Section 18. s.**

The Exhibits to this Agreement are incorporated into this Agreement by this reference as if set forth in their entirety in this Agreement.

### **Section 19. Severability**

If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Agreement.

### **Section 20. Corrective Instruments**

The Authority and the Property Owner agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments, including the Addendum, as may reasonably be required in order to carry out the expressed intention of this Agreement.

### **Section 21. Governing Law; Venue**

This Agreement is governed by and construed in accordance with the laws of the State of California. Any legal action brought under this Agreement must be instituted in the Superior Court of California, County of Sacramento; provided, however, that actions to foreclose delinquent installments of the Assessment will be filed and maintained in the Superior Court of California in the County in which the Property is located.

### **Section 22. Counterparts**

This Agreement may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument.

IN WITNESS WHEREOF, the Authority and the Property Owner have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first above written.

(SIGNATURE PAGES FOLLOW)

**PROPERTY OWNER NO. 1**

<b>First Name:</b>	<b>Middle:</b>	<b>Last Name:</b>
<b>Mailing Address:</b>		
<b>City:</b>	<b>State:</b>	<b>Zip Code:</b>



Trust:

Legal Entity:

IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS. IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith, Trustee

.....  
...  
PROPERTY OWNER NO. 1 SIGNATURE  
.....  
...  
DATE

Print Name & Title of Authorized Person:

STATE OF CALIFORNIA )  
 )SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this.....day of  
....., 20....., by

....., who is/are personally known to me or who

has/have produced.....as identification.

[ SEAL ]

.....  
Notary Public, State of California

PROPERTY OWNER NO. 2

First Name:	Middle:	Last Name:
-------------	---------	------------

Mailing Address:

City:	State:	Zip Code:
-------	--------	-----------

Trust:

Legal Entity:

**IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.  
 IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith,  
 Trustee**

.....  
 ...  
**PROPERTY OWNER NO. 2 SIGNATURE**

.....  
 ...  
**DATE**

**Print Name & Title  
of Authorized Person:**

STATE OF CALIFORNIA            )  
   )SS  
 COUNTY OF \_\_\_\_\_         )

The foregoing instrument was acknowledged before me this.....day of  
 ....., 20....., by

....., who is/are  
 personally known to me or who

has/have produced.....as identification.

[ SEAL ]

.....  
 Notary Public, State of California

**PROPERTY OWNER NO. 3**

First Name:	Middle:	Last Name:
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Mailing Address:

City:	State:	Zip Code:
-------	--------	-----------

Trust:

Legal Entity:

**IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.  
 IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith,  
 Trustee**

.....  
 ...  
**PROPERTY OWNER NO. 3 SIGNATURE**

.....  
 ...  
**DATE**

**Print Name & Title  
of Authorized Person:**

STATE OF CALIFORNIA            )  
   )SS  
 COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this.....day of  
 ....., 20....., by

....., who is/are  
 personally known to me or who

has/have produced.....as identification.

[ SEAL ]

.....  
 Notary Public, State of California

**PROPERTY OWNER NO. 4**

First Name:	Middle:	Last Name:
-------------	---------	------------

Mailing Address:

City:	State:	Zip Code:
-------	--------	-----------

Trust:

Legal Entity:

**IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.**  
**IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith, Trustee**

.....  
 ...  
**PROPERTY OWNER NO. 4 SIGNATURE**

.....  
 ...  
**DATE**

**Print Name & Title  
of Authorized Person:**

STATE OF CALIFORNIA            )  
   )SS  
 COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this.....day of  
 ....., 20....., by

....., who is/are  
 personally known to me or who

has/have produced.....as identification.

[ SEAL ]

.....  
 Notary Public, State of California

---

**CALIFORNIA HOME FINANCE AUTHORITY**

Signature of Authorized Person:

---

Print Name and Title of Authorized Person:

Date:

STATE OF CALIFORNIA )  
 )SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this.....day of  
....., 20....., by

....., who is/are  
personally known to me or who

has/have produced.....as identification.

[ SEAL ]

.....  
Notary Public, State of California

EXHIBIT A TO ASSESSMENT CONTRACT

DESCRIPTION OF ESTIMATED COSTS AND TERMS OF FINANCING

INTEREST RATE: ..... %                      REPAYMENT TERM: ..... years  
 PREPAYMENT PREMIUM:                      %                      INTEREST RATE LOCK PERIOD: 90 days from the effective date of this Financing Agreement

Note: If you do not complete your project and request funding during the Rate Lock Period your Interest Rate may increase.

	MAXIMUM AUTHORIZED	PROPOSED PROJECT
Eligible Project Funding	\$ .....	\$ .....
Estimated Capitalized Interest	\$ .....	\$ .....
Estimated Program Fees	\$ .....	\$ .....
<b>Estimated Financing</b>	<b>\$ .....</b>	<b>\$ .....</b>
Estimated Annual Special Assessment*	\$ .....	\$ .....

\*NOTE: Collection fees may be added to the final assessment amount. These fees vary and are based on changes in the Tax Collector's fees schedules and policies. Ask the program administrator for the current collection fees being charged.

PROPERTY OWNER NO. 1	PROPERTY OWNER NO. 2
TRUST:	TRUST:
LEGAL ENTITY:	LEGAL ENTITY:
SIGNATURE	SIGNATURE
NAME:	NAME:

PROPERTY OWNER NO. 3	PROPERTY OWNER NO. 4
TRUST:	TRUST:
LEGAL ENTITY:	LEGAL ENTITY:
SIGNATURE	SIGNATURE
NAME:	NAME:

## CALIFORNIA HOME FINANCE AUTHORITY

## RESOLUTION NO. 2014-05

RESOLUTION OF THE BOARD OF THE CALIFORNIA HOME FINANCE AUTHORITY DECLARING ITS INTENTION TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES AND ENERGY EFFICIENCY IMPROVEMENTS THROUGH THE USE OF VOLUNTARY CONTRACTUAL ASSESSMENTS PURSUANT TO CHAPTER 29 OF PART 3 OF DIVISION 7 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND SETTING A PUBLIC HEARING THEREON

WHEREAS, pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "Act"), the Board of the California Home Finance Authority ("CHF") proposes to establish a voluntary contractual assessment program to assist property owners with the cost of installing distributed generation renewable energy sources or making energy or water efficiency improvements that are permanently fixed to their property ("Program"); and

WHEREAS, in the opinion of the California Home Finance Authority, property in the unincorporated and incorporated areas within the Authority membership (Full and/or Associate Member Counties) would be benefitted by including such properties in the Program, subject to the approval and consent of the governing body of the county or city, as applicable;

NOW THEREFORE, THE BOARD OF THE CALIFORNIA HOME FINANCE AUTHORITY HEREBY RESOLVES AS FOLLOWS:

Section 1. The CHF Board hereby finds and declares as follows:

- a. All of the above recitals are true and correct.
- b. Energy conservation efforts, including the promotion of energy and water efficiency improvements to residential, commercial, industrial, or other real property, are necessary and beneficial;
- c. The upfront cost of making residential, commercial, industrial or other real property more energy efficient prevents many property owners from making those improvements. To make those improvements more affordable and to promote the installation of those improvements, the Legislature has authorized an alternative procedure pursuant to the Act for authorizing voluntary contractual assessment to finance the cost of such improvements;
- d. It would be convenient, advantageous and in the public interest to implement a program whereby CHF is authorized to finance the installation of distributed generation renewable energy sources and energy efficiency improvements that are permanently fixed to residential, commercial, industrial and other real property.
- e. Property located in the unincorporated and incorporated areas within the boundaries of the CHF Members and Associate Members will benefit from inclusion in the program, and subject to the approval and consent of the governing body of any participating county or city,

including such property in the program will serve the public purpose of promoting conservation efforts.

Section 2. The Board of Directors hereby determines that it would be convenient, advantageous and in the public interest to designate the entire Membership (Full and Associate Member Counties), unincorporated and incorporated, as an area within which authorized Authority officials and property owners may enter into contractual assessments pursuant to the Act to finance the installation of authorized improvements that are permanently fixed to real property.

Section 3. The Board of Directors hereby declares that financing the proposed distributed generation renewable energy sources and energy efficiency improvements in both the unincorporated and incorporated areas of the CHF Members and Associate Members can best be accomplished by a single, comprehensive program. Therefore, CHF proposes to make contractual assessment financing available to the owners of property in the Authority Membership, unincorporated and incorporated, to finance authorized improvements that are permanently fixed to real property.

Section 4. The Executive Director (the "Authorized Officer") shall prepare or direct the preparation of, as part of the report required in Section 8 of this Resolution, and update, as the Authorized Officer deems necessary, a list of the distributed generation renewable energy sources or energy efficiency improvements that may be financed through the Authority's contractual assessment financing program. The types of distributed generation renewable energy sources or energy efficiency improvements eligible for financing through contractual assessments will be included in the report required in Section 8 of this Resolution, and include, but are not limited to, high efficiency air conditioning and ventilation systems, high performance windows, high efficiency and tankless water heating equipment photovoltaic and thermal solar energy systems, cool roof systems, geothermal exchange heat pumps, zoning control and energy management control systems, high efficiency irrigation pumps and controls, natural gas fuel cells, wind and geothermal energy systems, wall, ceiling and roof insulation upgrades, and electric vehicle charging infrastructure.

Section 5. The area within which contractual assessments may be entered into pursuant to the Act is all land within the defined boundaries of the Authority Members and Associate Members.

Section 6. No contractual assessment will be levied on a parcel situated within any area and no assessment contract will be entered into with the owner(s) of any such parcel unless and until (1) the legislative body of the respective county or city has adopted a resolution consenting to inclusion of parcels within its jurisdiction in the contractual assessment program and authorizing CHF to levy assessments, to impose the contractual assessment liens and to finance the eligible improvement on such parcels; and (2) the legislative body of such county or city has entered into an agreement with the Authority addressing issues such as liability for loss, and any conditions the county or city wishes to impose on participating properties in its jurisdiction.

Section 7. The proposed arrangements for financing the contractual assessment financing program are briefly described as follows: The Authority or its contracted Third Party Administrator may issue, or cause to be issued, bonds, notes, receive lines of credit, and enter into



other financing instruments or relationships pursuant to the Act, the principal and interest of which would be repaid by contractual assessments. Alternatively or in the interim, the Authority may enter into agreements with other public entities, including but not limited to the jurisdictions within the Authority Membership, to advance their funds to the Authority to finance work. Such advances shall be repaid through contractual assessments and the Authority may sell, or cause to be sold, bonds or other forms of indebtedness to reimburse such advances.

In the event improvement bonds will be issued pursuant to Streets and Highways Code Section 5898.28 to represent assessments, all of the following will apply to the extent not in conflict with the Act:

- (a) Provision is hereby made for the issuance of improvement bonds, in one or more series;
- (b) Notice is hereby given that serial bonds or term bonds or both to represent unpaid assessments, and to bear interest at a rate authorized by law; payable semiannually, shall be issued hereunder in one or more series in the manner provided by the Division 10 (to the extent not in conflict with the Act), and the last installment of bonds shall mature a maximum of 39 years from the second day of September next succeeding 12 months from their date.
- (c) The Authority hereby determines that the principal amount of bonds maturing or becoming subject to mandatory prior redemption each year shall be other than an amount equal to an even annual proportion of the aggregate principal amount of the bonds, and the amount of principal maturing or becoming subject to mandatory prior redemption in each year plus the amount of interest payable in that year shall not be an aggregate amount that is substantially equal each year, except for the moneys falling due on the first maturity or mandatory prior redemption date of the bonds which shall be adjusted to reflect the amount of interest earned from the date when the bonds bear interest to the date when the first interest is payable on the bonds.
- (d) With respect to the procedures for collection of assessments and the advance retirement of bonds, the Authority proposes to proceed under the provisions of part 11.1 of Division 10 (commencing with Section 8760 of the Streets and Highways Code).

Section 8. The Board of Directors hereby directs the Authorized Officer to prepare, or direct the preparation of, and file with the Secretary a report pursuant to Section 5898.22 of the California Streets and Highways Code at or before the time of the public hearing described in Section 9 hereof (the "Report"). The Report shall contain all of the following:

- (a) A map showing the boundaries of the territory within which contractual assessments are proposed to be offered.
- (b) A draft contract specifying the terms and conditions that would be agreed to by a property owner within the contractual assessment area and the Authority.

(c) A statement of Authority policies concerning contractual assessments including all of the following:

(i) Identification of types of facilities, distributed generation renewable energy sources, or energy efficiency improvements that may be financed through the use of contractual assessments;

(ii) Identification of an Authority official authorized to enter into contractual assessments on behalf of the Authority;

(iii) A maximum aggregate dollar amount of contractual assessments;

(iv) A method of settling requests from property owners for financing through contractual assessments in priority order in the event that requests appear likely to exceed the authorization amount;

(v) Parameters for extending the Program into unincorporated and incorporated areas

(d) A plan for raising a capital amount required to pay for work performed pursuant to contractual assessments. The plan may include amounts to be advanced by the Authority through funds available to it from any source. The plan may include the sale of a bond or bonds or other financing relationship pursuant to Streets and Highways Code Section 5898.28. The plan shall include a statement of or method for determining the interest rate and time period during which contracting property owners would pay any assessment. The plan shall provide for any reserve fund or funds. The plan shall provide for the apportionment of all or any portion of the costs incidental to financing, administration, and collection of the contractual assessment program among the consenting property owners and the Authority.

(e) A report on the results of the consultations with the county auditors or county controllers concerning the additional fees, if any, that will be charged for incorporating the proposed voluntary contractual assessments into the assessments of the general taxes of the city or county on real property, and a plan for financing the payment of those fees.

Section 9. The Board of Directors hereby calls a public hearing to be held on December 10, 2014 at 8:30 a.m., or as soon thereafter as feasible, in the Board Room, 1215 K Street, Suite 1650, Sacramento, CA 95814, on the proposed Report and the contractual assessment financing program. At the public hearing all interested persons may appear and hear and be heard and object to or inquire about the proposed contractual assessment financing program or any of its particulars.

Section 10. The Executive Director of the Authority is hereby directed to provide notice of the public hearing by publishing once a week for two weeks, pursuant to Section 6066 of the California Government Code, in a newspaper of general circulation published in each county and city that is a Member or Associate Member of CHF, and the first publication shall not occur later than 20 days before the date of such hearing.

Section 11. The assessments levied pursuant to the Act, and the interest and any penalties thereon, shall constitute a lien against the lots and parcels of land on which they are made, until they are paid. The assessments shall be collected in the same manner and at the same time as the general taxes of the enforcing jurisdiction on real property are payable and shall be subject to the same penalties, remedies and lien priorities in the event of delinquency and default. As a cumulative remedy, if any assessment or installment thereof, or of any interest thereon, together with any penalties, costs, fees, and other accrued charges are not paid when due, the Board of Directors may order that the same be collected by an action brought in superior court to foreclose the lien thereof as provided in Division 10 of the California Streets and Highways Code.

Section 12. The Board of Directors hereby directs the Authorized Officer to determine and discuss in the report what additional fees, if any, will be charged, annually, by the enforcing jurisdiction for incorporating the proposed contractual assessments on the tax roll.

ON A MOTION BY Supervisor Kim Dolbow Vann, Colusa County, seconded by Supervisor Debra Chapman, Trinity County, the foregoing resolution was passed and adopted by the Board of Directors of the California Home Finance Authority this 26th day of September, 2014, by the following vote:

AYES: Supervisor Mary Rawson, Alpine County; Supervisor Richard Forster, Amador County; Supervisor Doug Teeter, Butte County; Supervisor Merita Callaway, Calaveras County; Supervisor Kim Dolbow Vann, Colusa County; Supervisor John Viegas, Glenn County; Supervisor Linda Arcularius, Inyo County; Supervisor Anthony Farrington, Lake County; Supervisor Aaron Albaugh, Lassen County; Supervisor David Rogers, Madera County; Supervisor Kevin Cann, Mariposa County; Supervisor Carre Brown, Mendocino County; Supervisor Geri Byrne, Modoc County; Supervisor Tim Fesko, Mono County; Supervisor Diane Dillon, Napa County; Supervisor Nate Beason, Nevada County; Supervisor Terry Swofford, Plumas County; Supervisor Lee Adams, Sierra County; Supervisor Larry Munger, Sutter County; Supervisor Bob Williams, Tehama County; Supervisor Debra Chapman, Trinity County; Supervisor Jerry Muenzer, San Benito County; Supervisor Randy Hanvelt, Tuolumne County; Supervisor Jim Provenza, Yolo County; Supervisor Roger Abe, Yuba County

NOES: 0

ABSENT: Supervisor David Finigan, Del Norte County; Supervisor Brian Veerkamp, El Dorado County; Supervisor Rex Bohn, Humboldt County; Supervisor Michael Kelley, Imperial County; Supervisor Jim Holmes, Placer County; Supervisor Les Baugh, Shasta County; Supervisor Michael Kobseff, Siskiyou County

ABSTAIN: 0

  
\_\_\_\_\_

Chair of the Board

ATTEST:

  
\_\_\_\_\_

CHF Secretary

**INDEMNIFICATION AND INSURANCE AGREEMENT  
BY AND BETWEEN  
THE CITY OF NATIONAL CITY  
AND  
YGRENE ENERGY FUND CA, LLC**

This Indemnification and Insurance Agreement (“Agreement”) is entered into by and between the City of National City, a municipal corporation (“City”) and Ygrene Energy Fund CA, LLC, a California limited liability company (“Administrator”), the administrator of the California Home Finance Authority’s PACE Program and the California Home Finance Authority’s Community Facilities District No. 2014-1 (Clean Energy).

**RECITALS**

WHEREAS, the California Home Finance Authority (“Authority”) is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the California Government Code (Section 6500 *et. seq.*) and the Joint Exercise of Powers Agreement entered into on July 1, 1993, as amended from time to time (“Authority JPA”); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, the Authority has established a property-assessed clean energy (“PACE”) Program (“Authority PACE Program”) to provide for the financing of renewable energy generation, energy and water efficiency improvements, and electric vehicle charging infrastructure (the “Improvements”) pursuant to Chapter 29 of Division 7 of the California Streets and Highways Code (“Chapter 29”), within counties and cities throughout the State of California that elect to participate in the Program; and

WHEREAS, in addition, the Authority has established the Community Facilities District No. 2014-1(Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (“Act”) and particularly in accordance with sections 53313.5(l) and 53328.1(a) (“District”); and

WHEREAS, the City Council of the City of National City has approved the City joining the Authority, has consented to the inclusion in the Authority PACE Program of all of the properties in the jurisdictional boundaries of the City and to the acquisition, construction, and installation of the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to the Program, and has consented to the inclusion in Community Facilities District No. 2014-1(Clean Energy) of all of the properties in the City’s jurisdiction and to the construction and installation of the Authorized Improvements, upon the request of, and execution of the Unanimous Approval Agreement by,

the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to the District; and

WHEREAS, the Authority and the Administrator have entered into a Third Party Administration Agreement, dated March 2015, in which the Administrator agrees to administer the Authority PACE Program and/or Community Facilities District No. 2014-1(Clean Energy) on behalf of the Authority; and

WHEREAS, the Administrator agrees to indemnify the City and to provide insurance in connection with the administration of the Authority PACE Program and/or Community Facilities District No. 2014-1(Clean Energy) in the City of National City.

NOW, THEREFORE, in consideration of the Recitals above and of the City's agreement to join the Authority and to participate in the Authority's PACE Program and/or Community Facilities District No. 2014-1(Clean Energy), the parties agree as follows:

1. Agreement to Indemnify. The Administrator agrees to defend, indemnify, and hold harmless the City, its officers, elected or appointed officials, employees, agents, and volunteers from and against any and all claims, damages, losses, expenses, fines, penalties, judgments, demands, and defense costs (including, without limitation, actual, direct, out-of-pocket costs and expenses, and amounts paid in compromise or settlement and reasonable outside legal fees arising from litigation of every nature or liability of any kind or nature including civil, criminal, administrative or investigative) arising out of or in connection with the Authority's PACE Program or Community Facilities District No. 2014-1 (Clean Energy), except such loss or damage which was caused by the sole negligence or willful misconduct of the City. The Administrator will conduct all defenses at its sole cost and expense, and the City shall reasonably approve selection of the Administrator's counsel. This indemnity shall apply to all claims and liability regardless of whether any insurance policies of the Administrator, its affiliates or any other parties are applicable thereto. The policy limits of any insurance of the Administrator, its affiliates or other parties are not a limitation upon the obligation of the Administrator, including without limitation, the amount of indemnification to be provided by the Administrator. The provisions of this section shall survive the termination of this Agreement.

2. Insurance. The Administrator agrees that, at no cost or expense to the City, at all times during the administration of the Authority's PACE Program and Community Facilities District No. 2014-1 (Clean Energy), to maintain the insurance coverage set forth in Exhibit "A" to this Agreement.

3. Amendment/Interpretation of this Agreement. This Agreement, including all Exhibits attached hereto, represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. No supplement, modification, or amendment of this

Agreement shall be binding unless executed in writing by both parties hereto. This Agreement shall not be interpreted for or against any party by reason of the fact that such party may have drafted this Agreement or any of its provisions.

4. Section Headings. Section headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

5. Waiver. No waiver of any of the provisions of this Agreement shall be binding unless in the form of a writing signed by the party against whom enforcement is sought, and no such waiver shall operate as a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver. Except as specifically provided herein, no failure to exercise or any delay in exercising any right or remedy hereunder shall constitute a waiver thereof.

6. Severability and Governing Law. If any provision or portion thereof of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California applicable to contracts made and to be performed in California.

7. Notices. All notices, demands and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand, against receipt, or mailed certified or registered mail and addressed as follows:

If to the Administrator:           Bart Van Voorhis  
   Senior Vice President, Corporate Development  
   Ygrene Energy Fund CA, LLC  
   815 5th Street, Suite 100  
   Santa Rosa, CA 95404

If to the City:                         Alfredo Ibarra  
   Director, Housing, Grants, and Asset Management  
   City of National City  
   1243 National City Boulevard  
   National City, CA 91950-4301

8. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, which together shall constitute the same instrument.

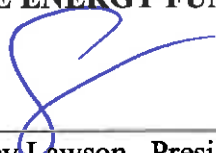
9. Effective Date. This Agreement will be effective as of the date of the signature of City's representative as indicated below in the City's signature block.

IN WITNESS HEREOF, the parties hereto duly executed this Agreement as of the date below.

**CITY**  
**CITY OF NATIONAL CITY**

**ADMINISTRATOR**  
**YGRENE ENERGY FUND CA, LLC**

By: \_\_\_\_\_  
Ron Morrison, Mayor

By: \_\_\_\_\_  
  
Stacey Lawson, President/CEO

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

Date: 6/11/15

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Silva  
City Attorney



**EXHIBIT A****INSURANCE****A. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. The coverage provided by Insurance Services Office Commercial General Liability coverage (“occurrence”) Form Number CG 0001; and
2. The coverage provided by Insurance Services Office Form Number CA 0001 covering Automobile Liability. Coverage shall be included for all owned, non-owned and hired automobiles; and
3. Workers' Compensation insurance as required by the California Labor Code and Employers Liability insurance; and
4. Professional Liability Errors & Omissions for all professional services.

There shall be no endorsement reducing the scope of coverage required above unless approved by the National City Risk Manager.

**B. Minimum Limits of Insurance**

Administrator shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit; and
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage; and
3. Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the California Labor Code and Employers Liability limits of \$1,000,000 per accident; and
4. Professional Liability Errors & Omissions \$1,000,000 per occurrence/ aggregate limit.

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

Any deductibles or self-insured retentions must be declared to, and approved by the National City Risk Manager. At the option of City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its officers, employees, agents and

contractors; or Administrator shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the National City Risk Manager.

#### **D. Other Insurance Provisions**

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages.
  - a. National City, its officers, employees, agents, and contractors are to be covered as additional insureds as respects: Liability arising out of activities performed by or on behalf of Administrator; products and completed operations of Administrator; premises owned, leased, or used by Administrator; and automobiles owned, leased, hired or borrowed by Administrator. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, employees, agents, and contractors.
  - b. Administrator's insurance coverage shall be primary insurance as respects the City, its officers, employees, agents, and contractors. Any insurance or self-insurance maintained by City, its officers, employees, agents, or contractors shall be excess of Administrator's insurance and shall not contribute with it.
  - c. Any failure to comply with reporting provisions of the policies by Administrator shall not affect coverage provided to the City, its officers, employees, agents, or contractors.
  - d. Coverage shall state that Administrator's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - e. Coverage shall contain a waiver of subrogation in favor of the City, its officers, employees, agents, and contractors.

2. Workers' Compensation and Employers' Liability.

Coverage shall contain waiver of subrogation in favor of National City, its officers, employees, agents, and contractors.

3. All Coverages

Each insurance policy required by this AGREEMENT shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or reduced in limits except after thirty (30) days' prior written notice has been given to the City, except that ten (10) days' prior written notice shall apply in the event of cancellation for nonpayment of premium.

**E. Acceptability of Insurers.**

Insurance is to be placed with insurers acceptable to the National City Risk Manager.

**F. Verification of Coverage.**

Administrator shall furnish the City with certificates of insurance and with original endorsements affecting coverage required by this AGREEMENT. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Proof of insurance shall be either emailed in pdf format to: [eamaya@nationalcityca.gov](mailto:eamaya@nationalcityca.gov) or mailed to the following postal address or any subsequent address as may be directed in writing by the National City Risk Manager:

Risk Manager  
City of National City  
1243 National City Boulevard  
National City, CA 91950-4301

**G. Subcontractors**

Administrator shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor.



RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN  
THE CITY OF NATIONAL CITY'S JURISDICTION IN THE CALIFORNIA  
HOME FINANCE AUTHORITY'S PACE PROGRAM TO FINANCE RENEWABLE  
ENERGY GENERATION, ENERGY AND WATER EFFICIENCY IMPROVEMENTS,  
AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE; AUTHORIZING  
THE AUTHORITY TO LEVY ASSESSMENTS, IMPOSE CONTRACTUAL  
ASSESSMENT LIENS, AND FINANCE ELIGIBLE IMPROVEMENTS ON  
THOSE PROPERTIES; APPROVING MEMBERSHIP IN THE CALIFORNIA  
HOME FINANCE AUTHORITY; AND AUTHORIZING THE MAYOR TO  
EXECUTE THE INDEMNIFICATION AND INSURANCE AGREEMENT  
WITH YGRENE ENERGY FUND CA, LLC

WHEREAS, the California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the California Government Code (Section 6500 et. seq.) and the Joint Exercise of Powers Agreement entered into on July 1, 1993, as amended from time to time ("Authority JPA"); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, the Authority has established a property-assessed clean energy ("PACE") Program ("Authority PACE Program") to provide for the financing of renewable energy generation, energy and water efficiency improvements, and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of Division 7 of the California Streets and Highways Code ("Chapter 29"), within counties and cities throughout the State of California that elect to participate in the Program; and

WHEREAS, Chapter 29 authorizes cities and counties to assist property owners in financing the cost of installing the Improvements through a voluntary contractual assessment program; and

WHEREAS, the assessments levied pursuant to Chapter 29, and the interest and any penalties thereon, shall constitute a lien against the lots and parcels of land on which they are made, until they are paid; and

WHEREAS, the assessments may be levied under the provisions of Chapter 29 only with the free and willing consent of the owner of each lot or parcel on which an assessment is levied at the time the assessment is levied; and

WHEREAS, the parameters of the Authority PACE Program are set forth in the Program Report which has been prepared pursuant to Section 5898.22 of Chapter 29; and

WHEREAS, the City Council of the City of National City has reviewed the Program Report; and

WHEREAS, the City desires to participate in the Authority PACE Program and provide for participation in the Authority PACE Program by property owners located within the City's jurisdiction; and

WHEREAS, in order to participate in the Authority PACE Program, the City desires to become an Associate Member of the Authority. A copy of the JPA Agreement is attached to this Resolution as Exhibit “A”; and

WHEREAS, to protect the City in connection with the administration of the Authority PACE Program, Ygrene Energy Fund CA, LLC, the Program administrator, has agreed to defend and indemnify the City; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings, the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

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

1. The City Council approves the City joining the Authority as an Associate member and authorizes the Mayor to execute the Signature Page for New Associate Members to the JPA Agreement.
2. The City Council finds and declares that properties in the City’s jurisdiction will be benefited by the availability of the Authority PACE Program to finance the installation of the Improvements.
3. The City Council consents to inclusion in the Authority PACE Program of all of the properties in the jurisdictional boundaries of the City and to the acquisition, construction, and installation of the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to the Program.
4. The City Council consents to the assumption of jurisdiction by the Authority for all purposes of the Authority PACE Program and authorizes the Authority, upon satisfaction of the conditions imposed in this Resolution, to take each and every step required for, or suitable for, financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.
5. The City Council acknowledges that the Authority has prepared, and will update from time to time, the Program Report pursuant to requirements of Chapter 29, and the Authority will undertake assessment proceedings and the financing of the Improvements as set forth in the Program Report.
6. The Authority will administer, or cause the administration of, the Authority PACE Program at no cost to the City.
7. The Mayor is authorized to execute the Indemnification and Insurance Agreement with Ygrene Energy Fund CA, LLC.

8. The City will not be responsible for the conduct of any assessment proceedings, the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

9. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this Resolution to the Secretary of the Authority.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City consenting to the inclusion of properties within the City of National City's jurisdiction in the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy) to finan



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City consenting to the inclusion of properties within the City of National City's jurisdiction in the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy) to finance renewable energy improvements, energy efficiency and water conservation improvements, and electric vehicle charging infrastructure. (Housing, Grants, and Asset Management)

**PREPARED BY:** Carlos Aguirre,   
Community Development Manager

**DEPARTMENT:** Housing, Grants, & Asset Management

**PHONE:** 619 336-4391

**APPROVED BY:** 

**EXPLANATION:** Please see background report.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

N/A

**ENVIRONMENTAL REVIEW:**

This activity is not a project as defined in Section 57378 of the California Code of Regulations. Therefore, no action is required under the California Environmental Quality Act.

**ORDINANCE:**    **INTRODUCTION:**     **FINAL ADOPTION:**

**STAFF RECOMMENDATION:** Adopt the resolution.

**BOARD / COMMISSION RECOMMENDATION:**

**ATTACHMENTS:**

1. [Background Report]
2. CHF SB555 Hearing Report
3. CHF Resolution 2014-07
4. Indemnification and Insurance Agreement

## **CFD Background Report**

California Home Finance Authority ("CHFA"), which is in the process of formally changing its name to Golden State Finance Authority, is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA").

CHFA has established Community Facilities District (CFD) No. 2014-1 (Clean Energy) in accordance with the Mello-Roos Community Facilities Act. The purpose of this CFD is to finance or refinance the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy, and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real properties. Senate Bill 555 (2011) ("SB 555") amended the Mello-Roos Community Facilities Act of 1982 and authorizes a jurisdiction to form a voluntary special-use community facilities district to finance (or re-finance) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and other improvements to or on real property and in buildings, whether the real property or buildings are privately or publicly owned. Property owners within the district, by executing program financing agreements, effectively vote to annex their properties into the district, authorize levy of a special tax and approve recordation of a special tax lien. Financing is repaid through biannual imposition of special tax levies on the improved property for terms not to exceed the useful life of the improvements or 40 years (30 years in the case of the Ygrene Works program), whichever is less.

Ygrene Energy Fund (Ygrene) and Golden State Finance Authority (GSFA) fully intend and expect to operate the SB 555 version of the PACE program once the validation suit is completed. However, there are a number of important reasons why Ygrene and GSFA have chosen to establish, validate, and maintain both the SB 555 and AB 811 program offerings including ensuring that the "Ygrene Works for California" program remains the most innovative, cost effective and most secure PACE program in the state.

Additional reasons include:

1. Should market conditions, consumer demand and/or legislative changes effect one PACE program more than another, Ygrene and GSFA will have the flexibility to convert without any service interruption to participating counties and cities and their property owners. Having the ability to offer either program model best supports this vision of service.

2. Offering both AB 811 and SB 555 from the outset also ensures that the Ygrene Works program remains flexible, innovative and able to meet market demands should one program better suit a given measure or set of measures over the other. Ygrene and GSFA intend to maximize the benefits of both program offerings.

3. Providing this breadth of service ensures that no matter the market or legislative environment for PACE, the Ygrene Works program will be established and able to operate successfully without the need for additional review or the need for the Board of Supervisors to consider approving another resolution thereby saving valuable staff time and resources.

The CFD allows a parcel within the territory of the district to annex to the District and be subject to the special tax levy of the district only. This action requires City Council consent, adoption of a resolution, and unanimous written approval of the owner(s) of the parcel once annexed.

The CFD will be managed by the Ygrene Energy Fund CA (“Ygrene”). In addition, Ygrene has agreed to defend and indemnify the City. Moreover, the City will not be responsible for the conduct of any special tax proceedings, the levy and collection of special taxes or any required remedial action in the case of delinquencies in the payment of any special taxes relating with the district.

The City has opted into similar programs. For instance, on August, 19, 2014, the City Council of the City of National City authorized the City to opt into three (3) PACE programs, HERO, CaliforniaFirst, and Figtree.

**CALIFORNIA CLEAN ENERGY PROGRAM  
CALIFORNIA HOME FINANCE AUTHORITY  
COMMUNITY FACILITIES DISTRICT NO. 2014-1**

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**HEARING REPORT**

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## **Contents**

1. Introduction
2. Hearing Report
3. Program Requirements & Parameters
4. Authorized Improvements
5. The Financial Strategy
6. Changes to the Report

Appendix A – Map of the Program Area

Appendix B – Form of Unanimous Approval Agreement

    Exhibit A to Unanimous Approval Agreement – Notice of Special Tax Lien

Appendix C – Master Assignment Agreement

A Residential Program Handbook and a Commercial Program Handbook provide further details.

## **1. Introduction**

Senate Bill 555 (Statutes of 2011, Chapter 493) amended the Mello-Roos Community Facilities Act of 1982 (Government Code Sections 53311 and following) (the “Act”) to enable public agencies in California to establish voluntary special-tax programs to reduce the upfront costs associated with energy-efficiency, renewable-energy, and water-conservation projects that are affixed to real property and proposed by property owners. The California Legislature declared that programs that authorize public agencies to finance the installation of such improvements that are permanently affixed to real property would serve a public purpose.

California Home Finance Authority (“the Authority”) intends to use this financing authority to establish Community Facilities District No. 2014-1 (Clean Energy) (the “District”). The Authority will use the District to implement its California Clean Energy Program (the “Program”). The District and Program were formed and will be judicially validated to serve all properties legally permitted pursuant to Government Code Section 53313.5(l). In this report, eligible energy-efficiency and renewable-energy improvements and water-conservation measures are collectively referred to as “Authorized Improvements.”

The Program is being instituted to serve private properties within California. The Program will be offered in both incorporated and unincorporated jurisdictions that are members or associate members of the Authority, or that become members or associate members in the future, consistent with terms and conditions adopted by the Authority. Any incorporated territory authorizing the Program must agree to comply with all terms and conditions of the Program as adopted from time to time.

Property owner participation in the Program is purely voluntary and requires the full consent of all of the owners of any property for which Program financing will be used to install Authorized Improvements. As with other land-secured public financing programs (such as utility or road maintenance assessment districts), property owners repay the costs advanced by the Program through special taxes that amortize the financing on the property. Special taxes are payable, along with ad valorem and other property taxes, in semi-annual installments that appear as a separate line item on property tax bills.

**Program Goals:** The Authority intends that the Program will allow property owners to make principled investments in their homes and businesses, as well as in their long-term economic health and in the global environment. At the same time, this Program can help jurisdictions throughout California meet State mandated goals for dealing with climate change and drought.

**Program Benefits:** The Program provides a strategic opportunity for cities and counties to achieve significant public benefits in the areas of economic development and quality of life. By letting property owners easily finance energy and water conservation measures the Program promotes reduced consumption. This translates into direct consumer savings and an increase in discretionary income. The multiplier effect attributable to such savings can benefit businesses and households throughout California, encouraging job growth and bolstering local-government revenues. The most recent ECONorthwest study shows that investments in energy efficiency lead to direct job growth, estimating up to 60 new jobs for every \$4 million invested. Improvements to the building stock as a result of Program financing enhance occupant comfort and safety, promote public health and increase employee productivity. Water conservation projects increase the supply and quality of the State’s water resources and protect recreational

and life-style access.

Program Administration: The Jurisdiction is contracting with Ygrene Energy Fund (the “Program Administrator”) to operate and fund the Program. The Authority’s Executive Director or designee is authorized to enter into financing agreements (“UAA”) on behalf of the Authority. The Program Administrator will oversee the staff, contractors and organizations assisting with Program implementation.

## **2. Hearing Report**

The Authority stated its intention to establish the California Clean Energy Program on September 26, 2014 by adopting its Resolution No.14-04 (the “ROI”). The Authority directed preparation of this Hearing Report (the “Report”) to include the following:

- A map showing the boundaries of the territory within which the Program intends to offer voluntary special tax financing to private property owners (Exhibit A).
- Policies concerning participation in the Program and the maximum aggregate dollar amount of Authorized Improvements that may be financed under the Program.
- Identification of the Authorized Improvements.
- Information on the Authority’s and the Program Administrator’s incidental, financing, and administrative costs, and the cost of placing special taxes on the tax roll.
- A plan for raising capital required to pay for work performed pursuant to special taxes.
- A draft Unanimous Approval Agreement (UAA) that includes information defining the Jurisdiction official authorized to enter into UAAs with participating property owners (Appendix B).
- A draft Notice of Special Tax Lien (Exhibit A to the Unanimous Approval Agreement).

The Report is the guiding document for the Program and fulfills the requirements of Sections 5898.22 and 5898.23 of the California Streets and Highways Code. The Program is offered to property owners in Cities and Counties throughout the State of California that are members or associate members of the Authority, or that become members or associate members of the Authority, and that elect to make the Program available to their constituents by adopting a resolution that authorizes Ygrene Energy Fund CA, LLC (“Program Administrator”) to operate the Program on behalf of the Authority within their respective boundaries. To provide additional information for property owners and other Program stakeholders, the Program Administrator also offers supplemental handbooks (“Program Handbook(s)”) for the residential and commercial sections of the Program.

## **3. Program Requirements & Parameters**

### **Boundaries of Program Area**

A map (Exhibit A) showing the prospective boundaries within which Program financing may be offered is attached. The governing bodies of counties within the prospective boundaries may allow citizens in the unincorporated areas of the County to participate in Program financing by passing a resolution adopting the Program. Incorporated cities must adopt similar resolutions to

enable their residents to participate. Each owner intending to secure Program financing for their property must complete an application, pay the application fee and secure the signatures of all owners of record on the UAA.

### **Eligible Property Owners and Eligible Properties**

Property owners eligible to participate in the Program include, but are not necessarily limited to, individuals, associations, business entities, and cooperatives. For financing to be approved, property owners must meet eligibility and underwriting criteria established for the Program. Details of these requirements are provided in the Program Handbook (available from the Program Administrator) and on-line. Notwithstanding anything to the contrary in this Report or in any Program Handbook, the Authority and the Program Administrator will implement adequate safeguards to ensure compliance with Section 5898.15 of the Act.

### **Authorized Improvements**

The Program enables owners of qualified property within the Program boundaries to finance a wide range of Authorized Improvements consistent with the following provisions:

- The Program provides financing for Authorized Improvements that are permanently affixed to real property.
- Program financing may be used for direct purchase of equipment, installation and services, leases and power purchase agreements.
- Program financing is available for retrofits that replace outdated or inefficient equipment, or to install new equipment.
- The Program Administrator certifies contractors for participation in the Program (each, a "Certified Contractor") and requires that they meet Program standards.

### **Eligible Project Costs and Administrative Costs**

#### Eligible Project Costs.

- Program financing may be used to cover the actual cost of Authorized Improvements including charges for equipment, materials, supplies, and installation.
- Installation costs may include, but are not necessarily limited to, construction labor, energy and water-survey consultants and auditors, design/engineering/architecture, and program soft costs such as appraisals, permits and inspection fees.
- The Program Administrator must pre-approve any payments for labor provided by property owners on Authorized Improvements.
- Eligible costs do not include general remodeling or property repairs that are not directly required to enable installation of Authorized Improvements.

#### Administrative Costs.

- The intent of the Program is to minimize initial out of pocket costs for property owners while also supporting Program sustainability. Accordingly, the Program Administrator may impose fees and other charges in accordance with schedules posted from time to time on the



Program website and in Program materials. With the exception of the application fee, all Program fees may be included in the financing and will be added to the disbursement amount at the time of closing unless the property owner elects to pay them directly.

### **Duration of Special Tax**

Program financing is available for terms up to 30-years based on the average weighted useful lives of the installed Authorized Improvements. Most projects are financed for 20 years, but the Program Administrator offers alternative amortization schedules to accommodate property owner preferences.

### **Program Interest Rate**

The Program Administrator will set the interest rate for the financing at the time the property owner enters into a UAA. The interest rate will be fixed at that point for the rate-lock period ("Rate Lock") defined in the UAA and will not change unless the property owner fails to submit a valid funding request during the Rate-Lock. The Program Administrator will make periodic changes to the Program interest rates and Rate-Lock periods in response to conditions in the financial markets. Current policies will be available from the Program Administrator and on the Program website.

### **Special Tax Lien**

All owners of record of participating properties must sign a UAA and have their signatures either notarized or verified through a third party verification process. Execution of the UAA authorizes recording of a lien on the property that secures repayment of the special taxes levied in accordance with the agreement.

### **Delinquent Special Tax Collections**

Delinquent special taxes will be collected using the procedures and powers authorized under California law for the collection of property taxes, and assessments. While unlikely, one remedy available to holders of beneficial interests in Program special tax liens to collect delinquent installments is accelerated judicial foreclosure of the tax lien against the delinquent property, which may be initiated following the delinquency. To minimize the possibility of delinquent special taxes the Program Administrator may implement a pooled interest reserve.

### **First Levy of Special Taxes**

If funds are disbursed to property owners before June 30 of any year, then the first year's installment of special taxes will appear on the next tax bill. For disbursements made on or after July 1 of any year, the first year's installment of special taxes will not appear on the tax bill until the following tax year. Interest on deferred installments will be capitalized and added to the amount to be financed under the UAA or, at the election of the property owner, may be paid directly at the time of funding.

The Program Administrator may offer an option of financing additional capitalized interest to enable property owners, at their election, to extend the period during which no special taxes would appear on the property tax bill or be payable.

### **Reserve Fund**

The amount to be financed under the UAA may include an amount to fund a reserve from which payments can be made if special tax collections are insufficient to pay debt service on bonds issued for the Program. The amount of the reserve will be specified in the UAA.

## **4. Authorized Improvements**

There are four categories of Authorized Improvements that can be financed through the Program. A representative list of Authorized Improvements is set out in the Program Handbooks.

- **Energy Efficiency Improvements:** Energy efficiency improvements comprise a wide range of fixtures from windows and doors to attic insulation and HVAC equipment. Such measures will help reduce energy use through increased efficiency in buildings and other improved real property.
- **Renewable Energy Improvements:** Renewable energy improvements are usually solar photovoltaic installations intended to replace utility generated electrical power with renewable solar power for all or part of a property's energy needs. Also included are wind generation, solar-thermal, geothermal, and hydroelectric installations, as well as emerging technologies for renewable energy generation.
- **Water Conservation Improvements:** Water conservation improvements comprise a wide range of water saving measures designed to reduce demand or waste. Included are recirculation systems, gray-water systems, low-flow fixtures, waterless urinals, deionization equipment, and filter upgrades. In addition, numerous innovative agriculture and aquaculture installations can be financed through the Program.
- **Electric Vehicle Charging Infrastructure:** The Program can finance charging station equipment and installations whether for commercial or residential use.
- **Custom Improvements:** The Program encourages the development of innovative technologies that will diversify and expand the State's energy saving and renewable energy generation opportunities. As described above, the Program Administrator is also always looking to approve for funding creative water saving measures. Applicants who seek program financing for custom improvements should consult with the Program Administrator to determine eligibility and, if necessary, obtain directions for submitting detailed information about the proposal. The Program Administrator will approve custom improvements on a case-by-case basis.

## **5. The Financial Strategy**

The following conditions will govern financial resources for the Program, financing of projects,

recording of special taxes and collection and distribution of special tax payments:

- The maximum aggregate principal amount of special taxes to be levied under the Program is \$2 billion, subject to increase if there is sufficient demand. It is anticipated that the Authority will issue bonds secured by special tax liens that will be purchased by the Program Administrator, or its affiliates or designees, to fund projects completed under Program UAAs.
- The Program Administrator has entered into agreements with funding sources to secure adequate interim and long-term financing for the Program, and represented to the Authority that it can provide all necessary financial resources to fund the Program.
- In the event it appears that, at any time, funding resources for the Program will be inadequate to meet demand, completed and properly executed applications for Program funding will be processed in the order in which received by the Program Administrator.
- The Executive Director of the Authority and/or designee is authorized to enter into UAAs with participating property owners.
- The annual special taxes will be authorized in accordance with the Act and the UAAs and collected through the property-tax system in the County in which the Property is located.
- The Authority will pledge the special tax revenues to a trustee as directed by the Program Administrator as security for bonds issued to finance the Program.
- The Program Administrator will manage the Program, establish the program budget, and be responsible for funding program operations.

Upon execution of the UAA, the Program Administrator will record a Notice of Special Tax Lien against the participating property. This lien secures payment of the special tax for as long as it remains on the property. The UAA uses (i) a Principal Amount to be financed, (ii) Capitalized Interest due on the transaction, (iii) a Program Interest Rate charged on the principal amount, and (iv) ongoing administrative fees, to arrive at the annual special tax that appears on the tax bill.

- **Principal Amount to be Financed:** The Program typically finances the costs associated with installing Authorized Improvements including, but not necessarily limited to, appraisals, energy and water-survey consultations, architectural and engineering services, permits and inspections. The financed amount will also include Program fees and capitalized interest. Principal amounts can also include lease and/or power purchase contract payments, whether up-front or incremental.
- **Capitalized Interest:** County tax collectors place special taxes on property tax rolls once each year – usually during the first week of August. As a result, when funds are disbursed at the completion of the project, the Program Administrator will add an amount to the special tax sufficient to cover the interest from the date of closing until the beginning of the tax year when the special tax is first placed on tax bills. This capitalized interest is included in the financing and amortized at the Program interest rate for the term of the loan. There will be no payments due on the financing during the capitalized interest period.
- **Program Interest Rate:** The rate of interest paid by the property owner for the financing will

be fixed for the entire term. The rate offered to property owners will vary from time to time depending on the Program Administrator's cost of funds, and will be posted daily on the Program website.

- **Administrative Costs and Costs of Issuance:** Annual administrative costs may include, but are not limited to, (i) the fees charged by the County to prepare the tax roll and collect Program special taxes, (ii) financing origination costs, (iii) costs to offset capital provider, third party and operational costs associated with the provision of the financing and Program administration and (iv) reserve funds. These fees will be added to the annual special tax each year.

## **6. Changes to Report**

The Program Administrator may make changes to this Hearing Report that the Authority and the Program Administrator reasonably determine are necessary to clarify its provisions or to effectuate the purposes of the Program. Changes to this Hearing Report may not affect the special taxes payable under then existing UAAs between property owners and CHF.

EXHIBIT A – BOUNDARY MAP

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**BOUNDARIES OF THE DISTRICT**

**CALIFORNIA HOME FINANCE AUTHORITY**  
COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY)

EXHIBIT B - UNANIMOUS APPROVAL AGREEMENT AND NOTICE OF SPECIAL TAX LIEN

California Home Finance Authority
Community Facilities District No. 2014-1 (Clean Energy)

FORM OF UNANIMOUS APPROVAL AGREEMENT

This Unanimous Approval Agreement, dated ....., for purposes of identification only, is between the California Home Finance Authority, a California joint exercise of powers authority (the "Authority"), and all of the persons or entities identified below as owners of the real property identified herein (collectively, the "Owner").

Owner No. 1:

Horizontal line for Owner No. 1

Owner No. 2:

Horizontal line for Owner No. 2

Owner No. 3:

Horizontal line for Owner No. 3

Owner No. 4:

Horizontal line for Owner No. 4

Trust:

Horizontal line for Trust

Legal Entity:

Horizontal line for Legal Entity

Project ID No.:

APN:

Horizontal line for Project ID No. and APN

Property Street Address:

Horizontal line for Property Street Address

City:

State:

Zip:

Horizontal line for City, State, and Zip

## Background

- A. In connection with its Clean Energy Program (the “**Program**”), the Authority has established its *Community Facilities District No. 2014-1 (Clean Energy)* (the “**CFD**”) for the purpose of levying special taxes on certain developed properties. The tax revenues will be used to finance, refinance, or lease the acquisition and installation on those properties of qualifying renewable-energy systems and energy- and water-efficiency improvements.
- B. The CFD was formed by the Authority under the Mello-Roos Community Facilities Act of 1982, set forth in sections 53311 through 53368.3 of the California Government Code (the “**Act**”), and particularly under sections 53313.5(l) and 53328.1, which the California Legislature added to the Act in 2011 to promote energy- and water-efficiency improvements needed to address global climate change (see Statutes 2011, chapter 493 (Senate Bill No. 555)). As the Legislature declared in the Act, “a public purpose will be served by providing the legislative body of a local agency with the authority to use special taxes pursuant to the Mello-Roos Community Facilities Act of 1982 to finance the installation of energy efficiency and renewable energy improvements that are affixed, as specified in section 660 of the Civil Code, to residential, commercial, industrial, or other property.” The purpose and method of administration of the special taxes under the CFD are further described in the CFD Hearing Report submitted to the Secretary of the Authority in conjunction with the public hearing concerning the formation of the CFD held by the Board of the Authority on December 10, 2014, as it may be amended from time to time (the “**Report**”).
- C. The Authority has contracted with Ygrene Energy Fund California, LLC (the “**Program Administrator**”) to administer the Program and to fund the acquisition and installation of qualifying renewable-energy systems and energy- and water-efficiency improvements through the CFD for the duration of the contract.
- D. To participate in the Program, a property must annex to the CFD. The Act permits annexation to the CFD only with the unanimous approval of all of the property’s owners. One purpose of this Unanimous Approval Agreement is to memorialize the unanimous approval required by the Act, but this agreement also specifies the terms under which the Property (as defined in paragraph E below) will participate in the Program.
- E. Owner holds title to the real property described above (the “**Property**”) and has submitted an application to participate in the Program (the “**Application**”). Among other things, the Application directs the Owner to review the list of renewable-energy systems, water-efficiency improvements, and energy-efficiency improvements set forth in the Report and authorized to be financed through the Program, and Owner will select from the list the systems and improvements to be installed on the Property. The selected systems and improvements, together with their acquisition and installation on the Property, are referred to as the “Improvements.”
- F. The Owner wishes to participate in the Program by entering into this agreement with the Authority and using the moneys advanced by the Program Administrator to finance, refinance, or lease the Improvements or to purchase energy generated by the Improvements through a power purchase contract.

With these background facts in mind, the Authority and the Owner agree as follows:

1. **Contract Documents.** This agreement and the documents attached to it as exhibits, together with the Application, are collectively referred to as the “**Contract Documents**.” All of the Owner’s declarations and warranties in the Application are incorporated into this agreement.
2. **Term.** The term of this agreement begins on the date, after the Authority and the Owner have signed this agreement, when the Notice of Special Tax Lien, substantially in the form attached to this agreement as Exhibit A (the “**Notice of Special Tax Lien**”), is recorded against the Property (the “**Effective Date**”) in the records of the office of the Clerk/Recorder for the County within which the Property is located (the “**County**”). The term of this agreement ends when the entire special-tax obligation (as described in section 7(a), below), plus any applicable penalties, costs, fees, and other charges, has been paid in full.
3. **Special Tax and Lien.**
  - (a) As of the Effective Date, the Property either has, by prior agreement, or will, by this Unanimous Approval Agreement, be annexed to the CFD for all purposes and will be subject to the annual special tax that will be levied against the Property in accordance with the terms of the CFD, this agreement, the Act, and any other applicable law and will be secured by the special-tax lien imposed by the recorded Notice of Special Tax Lien (the “**Special Tax**”). The Owner hereby consents to the levy of the Special Tax on, and to the recordation of the Notice of Special Tax Lien against, the Property.
  - (b) Failure to pay any installment of the Special Tax, like failure to pay any property taxes on the Property, will result in penalties and interest accruing on the amounts due. In addition, the Authority

or a trustee acting in the Authority's name may foreclose on the lien of any delinquent Special Tax plus penalties, interest, and costs, as set forth in section 7(d) below and as provided in the Act. In that regard, the Authority and the Owner hereby agree that the obligation to pay the Special Tax is for the purpose of repaying funds advanced under the Program to the Owner or on the Owner's behalf; that this agreement constitutes the Owner's binding obligation to pay or repay a sum of money through the payment of the Special Tax; and that this agreement thus memorializes a "debt" for purposes of sections 53317(d) and 53356.1 of the Act.

- (c) In the event the Property is subdivided while any of the Special Tax obligation remains unpaid, the Special Tax obligation will remain on all subdivided parcels that were used to calculate property value at the time of funding. If the Improvements no longer exist, the Special Tax obligation will be assigned to each of the newly created parcels on a per-acre basis, unless the Authority, in its sole discretion, determines that the Special Tax obligation should be allocated in an alternate manner.
4. **Disbursement Amount.** The Authority shall authorize disbursement of moneys to the Owner or on the Owner's behalf based on the amount of the actual cost of the Improvements (the "**Disbursement Amount**"), subject to this limit: the Disbursement Amount may not exceed \$..... (the "**Maximum Disbursement**"). The Program Administrator will determine the Disbursement Amount based on invoices and other relevant documents submitted by the Owner. The Owner's use of the Disbursement Amount is limited as described in section 8, below. If the actual cost of the Improvements exceeds the Maximum Disbursement, then the Owner will be solely responsible for the payment of all improvement-completion costs that exceed the Maximum Disbursement and shall complete the Improvements and fund all costs that exceed the Maximum Disbursement.
5. **Authorization of Special Tax, Indebtedness, and Appropriations Limit.** The Owner acknowledges that this agreement constitutes the Owner's election to annex the Property to the CFD, if the Property has not been previously annexed to the CFD, to authorize the Special Tax and the debt described in section 3(b) above, and to establish the contribution of the Property towards the appropriations limit for the CFD (as defined by section 8(h) of Article XIII B of the California Constitution). The Owner hereby waives any notice, protest, and hearing procedures and provisions of any law other than the Act with respect to the annexation of the Property, the levy and collection of the Special Tax, the authorization of debt, or the establishment of the appropriations limit. The Owner further acknowledges that the annexation, the Special Tax, the debt, and the appropriations limit are being authorized on the Property at the Owner's request, and the Owner waives any right to contest the annexation, the authorization of the Special Tax or the debt, the establishment of the appropriations limit, or the imposition of the Special Tax in accordance with this agreement.
6. **Commencement and Completion of Improvements.**
- (a) Consent and Authorization. This agreement constitutes consent and authorization for the Owner to purchase directly the related equipment and materials for the Improvements and to contract directly for the installation of the Improvements on the Property whether by lease of the Improvements, the purchase of energy generated by the Improvements through a power purchase contract, or otherwise.
- (b) Date of completion of the Improvements. Subject to section 17(g) below, the Owner shall complete installation of the Improvements no later than 180 days after the Effective Date unless the Improvements cost \$500,000 or more and the Owner and the Program Administrator have agreed on a later completion date. The Owner and the Program Administrator may agree to an extension of the completion date for good cause shown.
7. **Collection of Special Tax on Property Tax Bill; Other Remedies.**
- (a) Annual installments of the Special Tax will be collected through the property-tax bill for the Property. The Special Tax will be payable and become delinquent and will bear the same penalties and interest after delinquency, at the same times and in the same manner, and in the same installments, as general taxes on the Property are payable. The maximum amount of the Special Tax that will be placed on the tax roll each year is set forth in Exhibit B to this agreement. In accordance with California Law, delinquent Special Taxes bear late charges and interest at the same rates that apply to delinquent ad valorem taxes.
- (b) The Special Tax lien will be coequal to, and independent of, the lien for general taxes and, except as provided in California Government Code section 53936, will not be subject to extinguishment by the sale of the Property on account of the nonpayment of any taxes. The Special Tax lien will be prior and superior to all liens, claims, and encumbrances on or against the Property except (1) the lien for



general taxes or ad valorem assessments in the nature of taxes that are levied and collected by the State of California or by any county, city, special district, or other local agency; (2) the lien of any special assessment or assessments; (3) easements constituting servitudes upon or burdens to the Property; (4) water rights, the record title to which is held separately from the title to the Property; and (5) restrictions of record.

- (c) The Special Tax may include an amount to pay costs that are incurred by the applicable County in the collection of taxes for the CFD, the Authority, or the Program Administrator in connection with the following: administration and collection of the Special Tax; administration of the CFD; administration of the debt or financing arrangement, as described in the Report; or administration of any reserve fund and other related funds.
  - (d) As a cumulative remedy, if any installment of the Special Tax or any related interest, penalties, costs (including reasonable attorneys' fees), or other charges accruing under applicable taxation provisions are not paid when due, then the Authority or the Program Administrator on behalf of the Authority may order that the same be collected by an action brought by the Authority or by a trustee in the name of the Authority in the Superior Court of the County within which the property is located to foreclose the lien of the Special Tax to the extent permitted by, and in the manner provided by, applicable law.
  - (e) The Authority intends to have all Special Tax revenues the County collects (including any interest, late charges, delinquent interest, and other charges allowed by law) remitted directly to a trustee who will receive and hold the revenues for the benefit of the Program Administrator and disburse the revenues in accordance with the Program Administrator's instructions.
- 8. Use of Proceeds.** The Owner shall use the Disbursement Amount in compliance with all requirements of the Contract Documents and for the sole purpose of paying the reasonable costs and expenses of the Improvements, including the costs of energy audits, architectural and engineering fees, insurance costs, prepaid or amortized interest, Program costs, and other costs as may be required by the Authority and the Program Administrator.
- 9. Disbursement Procedures.**
- (a) Notwithstanding anything to the contrary elsewhere in this agreement, no funds will be disbursed to the Owner or on the Owner's behalf unless and until the Program Administrator determines that each of the following conditions has been satisfied, except that the Program Administrator may, with the Authority's approval, expressly waive one or more of these conditions in writing on the Authority's behalf:
    - (1) The Program Administrator has received a written request to disburse the Disbursement Amount.
    - (2) The Program Administrator (A) has received written confirmation from the appropriate government department performing building inspection services for the jurisdiction within which the property is located, that the Improvements have been completed in accordance with the building permit; or (B) has established criteria for processing progress disbursements, and those criteria have been satisfied.
    - (3) If requested, the Program Administrator has received from the Owner and, if applicable, from the contractor or contractors that installed the Improvements, a document certifying that installation is complete. The certification must be acceptable to the Program Administrator in form and substance.
    - (4) The Program Administrator has received such other documents as the Program Administrator may require, including, if applicable, documents required by consumer-protection laws, the sworn statements of contractors, and releases or waivers of liens, all in compliance with Program policies and/or applicable law.
    - (5) The Owner has, as appropriate, signed and delivered to the Program Administrator the Contract Documents and such other documents pertaining to the Disbursement Amount or the Improvements as the Program Administrator may reasonably require.
    - (6) As of the date of the disbursement, no stop payment or mechanic's lien notice pertaining to the Improvements has been filed and remains in effect, except such as will be removed through a close of an escrow that includes the payment of some or all of the Disbursement Amount.
    - (7) If required, the Program Administrator has received a title policy, paid for by the Owner, with regard to the funds to be disbursed to the Owner.
- 10. Prepayment of Special Tax Obligation.** The Owner may prepay the Special Tax obligation at any time by paying the then outstanding principal balance as shown on the amortization schedule provided with the Final

Closing Statement, plus reasonable administrative costs and the current year's installment of the Special Tax that appears on the property tax bill. The prepayment may also include a prepayment premium based upon a percentage of the remaining principal as defined in Exhibit B hereto. The Special Tax obligation may only be prepaid in full.

11. **The Owner's Representations and Warranties.** Based on the Owner's actual knowledge after a reasonable investigation, the Owner represents and warrants that each of the statements set forth in sections 11(a) through 11(f) below is true and complete as of the Effective Date. By accepting the Disbursement Amount, the Owner is deemed to have reaffirmed, as of the date of disbursement, the truth and completeness of the statements in sections 11(a) through 11(f) and of each declaration the Owner makes in the Application. If the Owner is one or more trustees of a trust, then the following statements also pertain to the trustor or trustors of the trust.

- (a) *Formation; Authority.* Each person who signs this agreement (other than the Authority's signatory) represents the following:
- (1) The signature page of this agreement identifies all persons and entities holding title to the Property.
  - (2) The Contract Documents are binding upon, and enforceable against, the Owner in accordance with their terms.
  - (3) No consent or approval of any third party is required for the Owner's execution of the Contract Documents or the Owner's performance of its obligations under the Contract Documents except for the consents and approvals, if any, that the Owner has already obtained.
  - (4) If the person is signing for himself or herself, then he or she is authorized and able to perform the Owner's obligations under the Contract Documents and under all other documents the Owner delivers to the Authority or the Program Administrator in connection with the Contract Documents.
  - (5) If the person is signing on behalf of a corporation, partnership, limited-liability company, or other entity that is not a natural person, then (A) he or she is authorized to sign and deliver this agreement on that entity's behalf; (B) the entity for which he or she signs is authorized and able to perform the Owner's obligations under the Contract Documents and under all other documents the Owner delivers to the Authority or the Program Administrator in connection with the Contract Documents; and (C) the entity has complied with all laws and regulations concerning its organization and existence and the transaction of its business and is in good standing in each state in which it conducts its business.
- (b) *Compliance with Law.* Neither the Owner nor the Property is in violation of, and the terms and provisions of the Contract Documents do not conflict with, any regulation or ordinance, any order of any court or governmental entity, or any building restrictions or governmental requirements affecting the Property.
- (c) *Other Information.* All documents, information, and forms of evidence that have been delivered to the Program Administrator in connection with the Owner's application for Program funding are accurate and sufficiently complete to provide accurate and complete knowledge of their subject matter.
- (d) *Lawsuits.* There are no lawsuits, tax claims, actions, proceedings, investigations, or other disputes pending or threatened against the Owner or the Property that may impair the Owner's ability to perform its obligations under this agreement or may impair the Authority's ability to levy and collect the Special Tax or any other amounts owing under the Program.
- (e) *No Event of Default.* There is no event that is, or with notice or lapse of time or both would be, a Default (defined in section 17 below) under this agreement.
- (f) *Accuracy of Declarations.* The Owner's declarations in the Application are true and complete.

12. **The Owner's Covenants.**

- (a) *Installation and Maintenance of Improvements.* The Improvements must be installed by contractors on the Program Administrator's list of Certified Contractors unless the Program Administrator, in writing, authorizes the Owner to install the Improvements. The Owner shall cause its contractor or contractors to do the following: promptly obtain all required building permits; thereafter promptly begin installation of the Improvements and diligently continue the work to completion, in a good and workmanlike manner and in accordance with sound installation practices. The same standard applies if the Owner installs the Improvements. The Owner shall maintain the Improvements in good condition and repair.

- (b) *Compliance with Law.* The Owner shall complete all Improvements, or cause the Improvements to be completed, in conformity with all applicable laws, including all applicable federal, state, and local occupation, safety, and health laws, rules, regulations, and standards. The Owner shall comply with and keep in effect all permits, licenses, and approvals required to install and operate the Improvements.
  - (c) *Site Visits.* The Owner hereby grants to the Authority's and the Program Administrator's agents and representatives the right to enter and visit the Property at any reasonable time during construction, and for a period of 180 days following completion of construction, after giving reasonable notice to the Owner, for the purpose of observing the Improvements. The agents and representatives will make reasonable efforts, during any site visit, to avoid interfering with Owner's use of the Property. The Owner shall also allow the Authority's and the Program Administrator's agents and representatives to examine and copy the Owner's records and other documents that relate to the Improvements. Any site visit, observation, or examination under this section 12(c) will be solely for the purposes of protecting the Authority's rights under the Contract Documents and shall not result in any responsibility or obligation of the Authority with respect to the Improvements.
  - (d) *Protection Against Lien Claims.* The Owner shall promptly pay or otherwise discharge any claims and liens for labor done and materials and services furnished to the Property in connection with the Improvements. The Owner may contest in good faith any claim or lien but must do so diligently and without delay in completing the Improvements.
  - (e) *Notice to Successors in Interest.* The Owner shall provide any subsequent purchaser of the Property with written notice that the Property is subject to the Special Tax lien.
  - (f) *Insurance.* If the Maximum Disbursement exceeds \$100,000, then the Owner shall provide, maintain, and keep in force at all times, until the Improvements are completed, a policy of builder's "all risk" property-damage insurance on the Property, with a policy limit equal to the amount of the Maximum Disbursement. Alternatively, the Owner may require that each Certified Contractor installing the Improvements provides, maintains, and keeps such insurance in force. Upon request, the Owner shall provide the Program Administrator with documents (e.g., a certificate of insurance) confirming compliance with this section 12(f).
  - (g) *Notices.* The Owner shall promptly notify the Program Administrator in writing of any Default (defined in section 17 below) under this agreement and of any event that, with notice or lapse of time or both, would constitute a Default.
13. **Mechanic's Lien and Stop Work Notices.** If a stop work notice or a mechanic's lien related to the Improvements is filed or recorded in accordance with California law, then the Program Administrator may summarily refuse to disburse any funds to the Owner. In addition, if the Owner fails to furnish the Program Administrator with a bond causing such notice or lien to be released within ten days of notice from the Program Administrator to do so, then that failure will constitute a Default under this agreement (see section 17 below). The Owner shall promptly deliver to the Program Administrator copies of all such notices or liens.
14. **Owner Responsibility; Indemnification.**
- (a) The Owner acknowledges that the Authority has established the Program solely for the purpose of assisting the owners of property in the Authority with financing for the acquisition and installation of qualifying renewable-energy systems and energy- and water-efficiency improvements. The Program is a financing program. The Authority; the Authority's officers, employees, or agents; and the Program Administrator are not responsible for the selection of the Improvements or for the installation, performance, or maintenance of the Improvements. Any issues related to installation, performance, or maintenance of the Improvements should be discussed with the Owner's contractors and with the manufacturers or distributors of the Improvements.
  - (b) **SOLE RESPONSIBILITY TO DEAL WITH LENDERS**  
The Owner authorizes the Program Administrator to send a *Notice to Lender of Proposed Special Tax* to each mortgage lender of record that holds a note or alternative debt instrument secured by a lien on the property (the "Notice"). It will notify lenders that the Owner intends to authorize the recordation of a special-tax lien against the property.  
Please note the following:
    - 1) When the Owner annexes the property to the CFD and enters into a Unanimous Approval Agreement with the Authority, a special-tax lien will be imposed on the property.

- 2) By law, the special-tax lien will be co-equal with the lien for general property taxes. It thus will be superior to the lien of any existing deed of trust the Owner may have previously executed in favor of a mortgage lender.
- 3) Existing mortgage lenders may contend that by entering into the Unanimous Approval Agreement the Owner has violated the loan agreements or deeds of trust.
- 4) The fact that the Program sent the Notice will not preclude the lenders from later alleging that the Owner has violated the loan agreements with them, and there is a risk that the lenders may prevail in any litigation over the alleged violation.
- 5) Neither the Authority nor the Program Administrator can advise the Owner about any loan agreements with lenders. The Owner's contractual relations with lenders are the Owner's sole responsibility.

**OWNER'S INITIALS:** .....

- (c) To the maximum extent permitted by law, the Owner shall indemnify, defend, protect, and hold harmless the Authority and the Authority's officers, employees, and agents (collectively, the "Authority Parties"), as well as the Program Administrator, from and against all liabilities, claims, demands, damages (including consequential damages), and costs (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees through final resolution on appeal) that are related directly or indirectly to, or arise in any way out of, or in connection with, any fact, circumstance, or event related to the approval of the Disbursement Amount or the payment to the Owner of the Disbursement Amount, including any of the following: the Contract Documents; the Owner's performance of (or failure to perform) its obligations under the Contract Documents; the Owner's breach or Default (see section 17 below) under the Contract Documents; disbursement of the Disbursement Amount; the selection, acquisition, installation, operation, or maintenance of the Improvements; the levy and collection of the Special Tax; and the imposition of the Special Tax lien. The Owner's obligations under this section 14 apply whether they accrue or are discovered before or after the disbursement of the Disbursement Amount to the Owner or the Owner's designee.
  - (d) The indemnity obligations described in this section 14 will survive the disbursement of the Disbursement Amount to the Owner or the Owner's designee, the payment of the Special Tax obligation in full, the transfer or sale of the Property by Owner, and the termination of this agreement.
- 15. Waiver of Claims.**
- (a) Acting for itself; for its successors-in-interest to the Property; and for anyone claiming by, through, or under the Owner, the Owner hereby waives the right to recover from, and fully and irrevocably releases the Authority Parties and the Program Administrator from, all claims, obligations, liabilities, causes of action, or damages, including attorneys' fees and court costs, that the Owner may now have or later acquire against any of the Authority Parties or the Program Administrator, and accruing from, or related to, any of the following:
    - (1) the Contract Documents;
    - (2) the advance of or failure to advance the Disbursement Amount;
    - (3) the levy and collection of the Special Tax;
    - (4) the imposition of the Special Tax lien;
    - (5) the issuance and sale of any bonds or other evidences of indebtedness, or other financial arrangements entered into by the Authority or the Program Administrator pursuant to the Program;
    - (6) the performance of the Improvements;
    - (7) the Improvements;
    - (8) any damage to or diminution in value of the Property that may result from installation or operation of the Improvements;
    - (9) any personal injury or death that may result from installation or operation of the Improvements;
    - (10) the selection of manufacturers, dealers, suppliers, contractors, or installers, or their action or inaction with respect to the Improvements;
    - (11) the merchantability and fitness of the Improvements for any particular purpose, use, or application;
    - (12) the amount of energy or water savings resulting from the Improvements;
    - (13) the workmanship of any third parties; and
    - (14) any other matter with respect to the Program.

- (b) This release includes claims, obligations, liabilities, causes of action, and damages of which the Owner is not currently aware or which the Owner does not suspect to exist, and which, if known by the Owner, would materially affect the Owner's release of the Authority Parties or the Program Administrator or both.
- (c) The Owner hereby acknowledges that it has read and is familiar with California Civil Code section 1542 ("Section 1542"), which is set forth below:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

By initialing below, the Owner hereby waives the provisions of Section 1542 solely in connection with the matters that are the subject of the foregoing waivers and releases.

**OWNER'S INITIALS:** .....

- (d) The Owner's waivers and releases in this section 15 will survive the disbursement of the Disbursement Amount, the payment of the Special Tax obligation in full, the Owner's transfer or sale of the Property, and the termination of this agreement. The Owner's waivers and releases in this section 15 apply to the Owner's successors-in-interest to the Property and to anyone claiming by, through, or under the Owner.
- 16. Further Assurances.** The Owner shall execute any additional documents that are consistent with this agreement, including documents in recordable form, as the Authority or the Program Administrator may from time to time find necessary or appropriate to effectuate its purposes in entering into this agreement and disbursing funds to the Owner.
- 17. Events of Default.**
- (a) Section 3 above and California law, including the Act, govern remedies with respect to the nonpayment of the Special Tax or any other amounts payable by the Owner under this agreement.
  - (b) The failure of any of the Owner's representations or warranties to be correct in all material respects, or the Owner's failure to perform or delay in performing any of its obligations under the Contract Documents (other than failures or delays with respect to payment of the Special Tax or any other amount payable by the Owner), will each constitute a non-monetary default (each, a "**Default**"). Upon receiving a notice of Default given under section 17(c) below, the Owner shall immediately start to cure the Default and shall complete the cure with reasonable diligence, but in any event no later than the time set forth in section 17(c).
  - (c) If a Default occurs, then before exercising any rights or remedies under the Contract Documents or California law, including the Act, the Program Administrator, on the Authority's behalf, must give the Owner a written notice of Default. If the Default is reasonably capable of being cured within 30 days, then the Owner will have 30 days after receiving the notice to effect a cure before the Authority may exercise any rights or remedies. If the Default is reasonably capable of being cured, but not within 30 days, and if the Owner begins corrective action within 30 days after receiving the notice and diligently, continually, and in good faith works to complete the cure as soon as is practicable, then the Owner will have such additional time as is reasonably necessary to cure the Default before the Authority may exercise any rights or remedies. In no event, however, will the Authority be precluded from exercising any rights or remedies if its security becomes or is about to become materially jeopardized by the Owner's failure to cure a Default or if the Default is not cured within 120 days after the first notice of Default is given.
  - (d) If a Default occurs, then, subject to section 17(c) above, the Authority may exercise any or all of the rights and remedies available to it under applicable law, at equity, or as otherwise provided in this agreement. If, at the time of the Default, there has been no disbursement of the Disbursement Amount, then the Authority may elect to terminate this agreement, and, except as otherwise expressly provided in this agreement, upon such termination the parties will have no further obligations or rights under this agreement.

- (e) All costs and expenses the Authority or the Program Administrator incurs in pursuing its remedies under this agreement will be additional indebtedness of the Owner.
- (f) Except as otherwise expressly stated in this agreement or as otherwise provided by applicable law, the Authority’s rights and remedies are cumulative, and the exercise of one or more of those rights or remedies will not preclude the exercise, at the same time or different times, of any other rights or remedies for the same Default or any other Default. The Authority’s failure or delay in asserting any of its rights and remedies as to any Default will not operate as a waiver of any Default or of any such rights or remedies and will not deprive the Authority of its rights to institute and maintain any actions or proceedings it may consider necessary to protect, assert, or enforce its rights or remedies.
- (g) With respect to the installation of the Improvements only, the performance of the Owner’s covenants under this agreement and the compliance of conditions imposed upon the Owner by this agreement will be excused while and to the extent that the Owner, through no fault or negligence of its own, is prevented from performing or complying by war, riots, strikes, lockouts, action of the elements, accidents, or acts of nature beyond the Owner’s reasonable control. But the excused covenants or conditions will be restored to full force as soon as the cause or event preventing compliance is removed or ceases to exist, and the Owner shall immediately resume installation of the Improvements.

**18. Severability.** Each provision of this agreement is a separate and independent covenant and agreement. If any non-material provision of this agreement or the application of that provision is held to be invalid or unenforceable in whole or part, then the remainder of this agreement, or the application of that provision to circumstances other than those to which it is invalid or unenforceable, will remain valid and fully enforceable.

**19. Notices.** Any notice or demand under this agreement must be in writing and will be considered properly given and effective only when mailed or delivered in the manner provided by this section 19 to the persons identified below. A mailed notice or demand will be effective or will be considered to have been given on the second business day after it is deposited in the United States Mail, as certified mail, addressed as set forth below and with postage prepaid. A notice or demand sent in any other manner will be effective or will be considered properly given when actually delivered. A party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this section 19. Notwithstanding anything set forth in this section, after disbursement of funds to the Owner, all notices regarding the Special Tax must be sent as provided by California law.

**To the Authority:**  
 California Home Finance Authority  
 1215 K Street, Sacramento, CA 95814  
 Suite 1650  
 Attention: Vice President

**To Owner:**

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**20. No Waiver.** A disbursement of the Disbursement Amount based upon inadequate or incorrect information will not constitute a waiver of the Authority’s right to receive a refund of the Disbursement Amount from the Owner.

**21. Interpretation.** This agreement is to be interpreted and applied in accordance with California law. Exhibits A and B are part of this agreement. “Include” and its variants are terms of enlargement rather than of limitation. For example, “includes” means “includes but not limited to,” and “including” means “including but not limited to.”

**22. Venue.** Any legal action brought under this agreement must be instituted in the Superior Court in Sacramento County, California.

**23. Assignment by Authority.** The Authority, at its option, may do either or both of the following without obtaining the Owner’s consent:

- (a) Assign any or all of its rights and obligations under this agreement, including the right to file and prosecute any foreclosure action regarding delinquent Special Taxes or any other amounts payable by the Owner under this agreement.

- (b) Pledge and assign its right to receive the Special Tax collections and any other amounts payable by the Owner under this agreement.
24. **Owner Assignment Prohibited.** The Owner shall not assign or transfer any portion of this agreement or of the Owner's rights or obligations under the agreement without the Authority's prior express written consent, which the Authority may withhold, grant, or condition in its sole and absolute discretion. The sale, transfer, or rental of the Property is not an assignment or transfer of this agreement.
25. **Carbon Credits.** The Owner agrees, upon direction of the Program Administrator, to transfer any carbon credits, renewable-energy credits, solar-renewable-energy credits, offsets, or other tradable environmental certificate or permit attributable to the Improvements (collectively, "Carbon Credits") to the Authority; following which, such Carbon Credits will be owned by the Authority. Should installation of the Improvements qualify for a monetary incentive or rebate program that requires transfer of Carbon Credits to the provider of the monetary incentive or rebate, then the Authority shall waive its rights to the transfer of the Carbon Credits to it by the Owner in conjunction with the provision of the monetary incentive or rebate to the Owner.
26. **Entire Agreement; Counterparts; Amendment.** This agreement contains the parties' entire understanding regarding the matters addressed and is intended to be their final, complete, and exclusive expression of those matters. It supersedes all prior or contemporaneous agreements, representations, and negotiations, whether written, oral, express, or implied. Any amendment to this Agreement must be in writing and signed by both parties. If the Owner consists of more than one person or entity, then all such persons and entities will be jointly and severally obligated by this agreement. This agreement may be executed in several counterparts, each of which will be considered an original, but all of which together will constitute the same agreement.
27. **Special Termination.** Notwithstanding anything to the contrary above, this agreement will terminate and be of no further force if, on or before the date and time described in the Notice of Right to Cancel delivered to the Owner when the Owner signed this agreement, the Owner submits to the Program Administrator a notice of the Owner's decision to cancel this agreement.

(SIGNATURE PAGES FOLLOW)

**PROPERTY OWNER NO. 1**

<b>First Name:</b>	<b>Middle:</b>	<b>Last Name:</b>
--------------------	----------------	-------------------

**Mailing Address:**

<b>City:</b>	<b>State:</b>	<b>Zip Code:</b>
--------------	---------------	------------------

**Trust:**

**Legal Entity:**

**IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS. IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith, Trustee**

**F-SIGNATURE – PROPERTY OWNER NO. 1**

.....  
...  
**PROPERTY OWNERS NO. 1 SIGNATURE**

.....  
...  
**DATE**

**Print Name & Title  
of Authorized Person:**

**STATE OF CALIFORNIA**

County of..... } ss.

On....., 20..... before me,  
..... personally appeared,  
..... who proved to me on the basis of satisfactory evidence to be the person(s), whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

.....  
**NOTARY'S SIGNATURE**

**SEAL**



**PROPERTY OWNER NO. 2**

<b>First Name:</b>	<b>Middle:</b>	<b>Last Name:</b>
--------------------	----------------	-------------------

**Mailing Address:**

<b>City:</b>	<b>State:</b>	<b>Zip Code:</b>
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**Trust:**

**Legal Entity:**

**IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS. IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith, Trustee**

**E-SIGNATURE – PROPERTY OWNER NO. 2**

.....  
 ...  
**PROPERTY OWNERS NO. 2 SIGNATURE**

.....  
 ...  
**DATE**

**Print Name & Title of Authorized Person:**

**STATE OF CALIFORNIA**

County of..... } ss.

On....., 20..... before me,  
..... personally appeared,  
..... who proved to me on the basis of satisfactory evidence to  
be the person(s), whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity  
upon behalf of which the person(s) acted, executed the instrument.  
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

.....  
NOTARY'S SIGNATURE

SEAL

**PROPERTY OWNER NO. 3**

<b>First Name:</b>	<b>Middle:</b>	<b>Last Name:</b>
<b>Mailing Address:</b>		
<b>City:</b>	<b>State:</b>	<b>Zip Code:</b>

**Trust:**

**Legal Entity:**

**IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.  
IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith,  
Trustee**

**E-SIGNATURE – PROPERTY OWNER NO. 3**

.....  
...  
**PROPERTY OWNERS NO. 3 SIGNATURE**

.....  
...  
**DATE**

**Print Name & Title  
of Authorized Person:**

**STATE OF CALIFORNIA**

County of..... } ss.

On....., 20..... before me,  
..... personally appeared,  
..... who proved to me on the basis of satisfactory evidence to  
be the person(s), whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity  
upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

.....  
NOTARY'S SIGNATURE

SEAL

**PROPERTY OWNER NO. 4**

<b>First Name:</b>	<b>Middle:</b>	<b>Last Name:</b>
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**Mailing Address:**

<b>City:</b>	<b>State:</b>	<b>Zip Code:</b>
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**Trust:**

**Legal Entity:**

**IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.  
IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith,  
Trustee**

**E-SIGNATURE – PROPERTY OWNER NO. 4**

.....

...

PROPERTY OWNERS NO. 4 SIGNATURE

.....

...

DATE

Print Name & Title  
of Authorized Person:

**STATE OF CALIFORNIA**

County of..... } ss.

On....., 20..... before me,  
..... personally appeared,  
..... who proved to me on the basis of satisfactory evidence to  
be the person(s), whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity  
upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

.....  
NOTARY'S SIGNATURE

SEAL

**CALIFORNIA HOME FINANCE AUTHORITY**

Signature of Authorized Person:

Print Name and Title of Authorized Person:

Date:

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## EXHIBIT A TO UNANIMOUS APPROVAL AGREEMENT

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### NOTICE OF SPECIAL TAX LIEN

**California Home Finance Authority  
Community Facilities District No. 2014-1  
(Clean Energy)**

Sections 53328.1(a)(4) and 53328.3 of the California Government Code, which are part of the "Mello-Roos Community Facilities Act of 1982" (chapter 2.5, part of the California Government Code) (the "**Act**"), and to section 3114.5 of the California Streets and Highways Code, the undersigned hereby gives notice that the payment of a special tax is hereby imposed by the Board of the California Home Finance Authority (the "**Authority**"), upon the parcel listed here (the special tax secured by this lien is authorized to be levied for the purpose of paying the cost to acquire and install qualifying renewable-energy systems and energy-efficiency improvements, including paying principal and interest on debt (as that term is defined in the Act), the proceeds of which are used to finance all or a portion of the cost of the systems and improvements.

The special tax is authorized to be levied within the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy), to which the Property has been dedicated by the unanimous consent of all of its owners by means of a Unanimous Approval Agreement (to which reference is made for further particulars and which, pursuant to section 29.6 of the Act, constitutes the vote of the qualified electors required by the California Constitution). The lien of the special tax is a continuing lien that shall survive the sale of the Property and shall remain in effect until the special-tax obligation is prepaid, permanently satisfied, or canceled in accordance with law.

The annual amount of the special tax is shown hereon. The conditions under which the obligation to pay the special tax may be prepaid and permanently satisfied, or the special tax canceled, and the procedures for calculating the amount required for prepayment of the special tax, are set forth in the Unanimous Approval Agreement.

Notwithstanding that upon the recording of this notice in the office of the Clerk/Recorder of the County within which the Property is domiciled, the obligation to pay the special tax shall become a lien upon the Property in accordance with section 3115.5 of the California Streets and Highways Code.

The names of the owners and the assessor's parcel number of the Property are shown hereon.

For more information concerning the current and estimated future special-tax liability of owners or purchasers of the Property subject to this special-tax lien, interested parties should contact:

**Services**

[customerservice@willdan.com](mailto:customerservice@willdan.com)

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## EXHIBIT C – MASTER ASSIGNMENT AGREEMENT

### FORM OF MASTER ASSIGNMENT AGREEMENT

This Master Assignment Agreement, dated \_\_\_\_\_, 20\_\_\_, for reference (the “**Master Agreement**”), is between the CALIFORNIA HOME FINANCE AUTHORITY, a California joint exercise of powers authority (the “**Authority**”); YGRENE ENERGY FUND CALIFORNIA, LLC, a California limited-liability company (“**Ygrene**”); and ZIONS FIRST NATIONAL BANK, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee, including its successors and assigns hereunder (the “**Trustee**”).

#### Background

- A. In connection with its Clean Energy Program (the “**Program**”), the Authority has established its Community Facilities District No. 2014-1 (Clean Energy) (the “**CFD**”) in accordance with the Mello-Roos Community Facilities Act of 1982 (California Government Code Sections 53311 through 53368.3) (the “**Act**”), and particularly under Sections 53313.5(l) and 53328.1. The CFD authorizes the Authority to levy, secure, and collect special taxes on any parcel when all the owners of the parcel sign an agreement consenting to have the parcel annexed to the CFD (a “**Unanimous Approval Agreement**”). In this Master Agreement, “**Special Tax**” means the special tax described in, and authorized by, a Unanimous Approval Agreement.
- B. A Unanimous Approval Agreement has been entered into for each of the parcels described in supplemental assignments substantially in the form attached to this Master Agreement as Exhibit A (each a “**Supplemental Assignment**”). In this Master Agreement, the “**Property**” refers to the parcel described in a Supplemental Assignment.
- C. Under the Act, the Special Tax authorized by a Unanimous Approval Agreement is to be levied and collected as a separate line item on the secured property-tax bill for the Property in the same manner as applicable County Treasurer-Tax Collector collects the general property-tax revenues.
- D. In exchange for Ygrene’s arrangement of financing through the Program for energy-efficiency, water-conservation, and renewable-energy improvements on the Property (the “**Improvements**”), the Authority desires to sell and assign to Ygrene, without recourse to the Authority except as expressly provided herein, the Authority’s right to receive the Special Tax collectible for each Property, and any penalties and interest on and other proceeds of any delinquent installment of the Special Tax (the “**Special Tax Revenues**”).
- E. Also in exchange for Ygrene’s arrangement of financing for the Improvements through the Program, the Authority desires to sell and assign certain enforcement rights with respect to the Special Tax Revenues to the Trustee, in trust, for the benefit of Ygrene upon the terms set forth in this Master Agreement.

- F. The Authority is willing to sell and assign the Authority's right to receive Special Tax Revenues upon the terms set forth in this Master Agreement.
- G. The Authority is willing to sell and assign certain enforcement rights with respect to the Special Tax Revenues upon the terms set forth in this Master Agreement.

***The Authority, Ygrene, and the Trustee agree as follows:***

1. **Agreement to Sell and Assign Special Tax Revenues; Agreement to Sell and Assign Enforcement Rights; Repurchase of Delinquent Installments.** (a) The Authority shall sell and assign to Ygrene, without recourse to the Authority except as expressly provided herein, all of the Authority's rights to receive the Special Tax Revenues collectible for the Property identified in each Supplemental Assignment. The consideration for each sale and assignment is Ygrene's arrangement of financing for the Improvements through the Program.

(b) The Authority shall sell and assign to the Trustee, in trust, for the benefit of Ygrene, without recourse to the Authority except as expressly provided herein, all present or future rights of the Authority to enforce or cause the enforcement of the payment of any delinquent Special Tax collectible for the Property through judicial foreclosure. The Trustee hereby agrees that it will not initiate any such judicial foreclosure proceeding against any Property to enforce a delinquent installment of the Special Tax if the applicable County shall have paid, and the Trustee shall have received, one hundred percent (100%) of the amount of such delinquent installment of the Special Tax through the County's so-called "Teeter Plan," if any. The consideration for each sale and assignment is Ygrene's arrangement of financing for the Improvements through the Program.

(c) Any delinquent installment of the Special Tax, the right to receive the Special Tax Revenues collectible with respect to any such delinquent installment of the Special Tax, and the enforcement rights described in Section 1(b) of this Master Agreement with respect to such delinquent installment of the Special Tax, shall be automatically sold to the applicable County upon the Trustee receiving one hundred percent (100%) of the amount of such delinquent installment of the Special Tax through the County's so-called "Teeter Plan," if any, as set forth in Section 5(b) of this Master Agreement. Upon the sale to the applicable County of any delinquent installment of the Special Tax and the rights with respect thereto pursuant to the immediately preceding sentence, Ygrene and the Trustee shall have no further right to the enforcement rights described in Section 1(b) of this Master Agreement with respect to such delinquent installment of the Special Tax or to receive such delinquent installment of the Special Tax or the Special Tax Revenues collectible with respect to such delinquent installment of the Special Tax and the Authority shall have no further obligation to pay the Special Tax Revenues collectible with respect to such delinquent installment of the Special Tax to the Trustee as set forth in Section 5(a) of this Master Agreement.

2. **Ygrene's Representations and Warranties.** Ygrene hereby represents and warrants to the Authority and the Trustee that the following statements are true as of the effective date of this Master Agreement and, with respect to the right to receive Special Tax Revenues conveyed by a Supplemental Assignment, as of the effective date of the Supplemental Assignment:
- (a) Ygrene is duly organized, validly existing, and in good standing in the State of California.
  - (b) Ygrene has full power and authority to enter into, and to perform its obligations under, this Master Agreement.
  - (c) Ygrene's execution and delivery of, and performance under, this Master Agreement does not conflict with, or cause a breach or default by it under, any of its organizational documents; any law, rule, regulation, judgment, order, or decree to which it is subject; or any agreement or instrument to which it is a party.
  - (d) Ygrene has duly authorized the terms, execution, delivery, and performance of this Master Agreement, and Ygrene has duly executed and delivered this Master Agreement.
  - (e) This Master Agreement constitutes a legal, valid, and binding obligation of Ygrene, enforceable against Ygrene and its successors and assignees in accordance with its terms, subject to laws relating to or affecting creditors' rights generally (including laws pertaining to bankruptcy, insolvency, reorganization, moratorium, and fraudulent conveyance) and to the application of equitable principles in any proceeding, whether at law or in equity.
  - (f) No consent, approval, authorization, order, registration, or qualification by, of, or with any court, regulatory body, administrative agency, or other governmental instrumentality having jurisdiction over Ygrene is required for Ygrene's consummation of the transactions contemplated by this Master Agreement or any Supplemental Assignment, except for those that have been obtained and are in full effect.
  - (g) Ygrene believes that the consummation of the transactions contemplated by this Master Agreement and each Supplemental Assignment will not violate any law, order, rule, or regulation of any court, regulatory body, administrative agency, or other governmental instrumentality having jurisdiction over Ygrene.
  - (h) Ygrene has not been served with process in, and has not been overtly threatened by a governmental entity or financial institution in a substantive matter with, any court proceeding that—



- (1) asserts the invalidity of this Master Agreement, any Supplemental Assignment, or any aspect of the CFD;
  - (2) seeks to prevent the consummation of any of the transactions contemplated by this Master Agreement, any Supplemental Assignment, or the CFD; or
  - (3) seeks any determination or ruling that would materially and adversely affect the validity or enforceability of this Master Agreement, any Supplemental Assignment, or the authority conferred upon the Authority by the CFD.
- (i) Ygrene is providing reasonably equivalent value for each right to receive Special Tax Revenues sold and assigned to Ygrene under this Master Agreement and a Supplemental Assignment.
3. **The Authority's Representations and Warranties.** The Authority hereby represents and warrants to Ygrene and the Trustee that the following statements are true as of the effective date of this Master Agreement and, with respect to the right to receive Special Tax Revenues conveyed by a Supplemental Assignment, as of the effective date of the Supplemental Assignment:
- (a) The Authority validly exists as a joint powers authority under California law.
  - (b) The Authority has duly authorized the execution, delivery, and performance of this Master Agreement and of each Supplemental Assignment.
  - (c) The Authority has duly executed and delivered this Master Agreement and each Supplemental Assignment. Assuming that Ygrene and the Trustee duly authorize, execute, and deliver this Master Agreement, the Authority believes that this Master Agreement and each Supplemental Assignment constitute legal, valid, and binding obligations of the Authority, enforceable against the Authority in accordance with their terms, subject to laws relating to or affecting creditors' rights generally (including laws pertaining to bankruptcy, insolvency, reorganization, moratorium, and fraudulent conveyance); to the application of equitable principles in any proceeding, whether at law or in equity; and to the limitations on remedies against cities in California.
  - (d) No consent, approval, authorization, order, registration, or qualification by, of, or with any court, regulatory body, administrative agency, or other governmental instrumentality having jurisdiction over the Authority is required for the Authority's consummation of the transactions contemplated by this Master Agreement or any Supplemental Assignment, except for those that have been obtained and are in full effect.

- (e) The Authority's consummation of the transactions contemplated by this Master Agreement and each Supplemental Assignment, and the fulfillment of the terms of those agreements, do not—
  - (1) in any material way conflict with, or result in the Authority's material breach of, any of the material terms and provisions of any agreement to which the Authority is a party or by which it is bound; or
  - (2) constitute a material default by the Authority (with or without notice or lapse of time) under any agreement to which the Authority is a party or by which it is bound.
- (f) The Authority believes that the consummation of the transactions contemplated by this Master Agreement and each Supplemental Assignment will not violate any law, order, rule, or regulation of any court, regulatory body, administrative agency, or other governmental instrumentality having jurisdiction over the Authority.
- (g) The Authority has not been served with process in, and has not been overtly threatened by a governmental entity or financial institution in a substantive matter with, any court proceeding that—
  - (1) asserts the invalidity of this Master Agreement, any Supplemental Assignment, or any aspect of the CFD;
  - (2) seeks to prevent the consummation of any of the transactions contemplated by this Master Agreement, any Supplemental Assignment, or the CFD; or
  - (3) seeks any determination or ruling that would materially and adversely affect the validity or enforceability of this Master Agreement, any Supplemental Assignment, or the authority conferred upon the Authority by the CFD.
- (h) No voter initiatives are pending that would affect the Authority's sale and assignment of the right to receive any Special Tax Revenues or would affect the Program.
- (i) With respect to each Supplemental Assignment, when the Authority sells and assigns to Ygrene the right to receive Special Tax Revenues collectible for a Property, the Authority will have the sole right to levy the related Special Tax on the Property and to collect and receive the Special Tax Revenues, as provided in the Act. From and after the Authority's sale and assignment to Ygrene of the right to receive those Special Tax Revenues, the Authority will retain and shall exercise the right to levy the related Special Taxes but will have no interest in the Special Tax Revenues or the right to receive them, provided, that, solely to the extent that the Authority is not separately reimbursed for such charges and costs by a third-party administrator of the CFD or from another source, the Authority may first deduct from the amounts

collected its reasonable and agreed charges for collecting the Special Tax and its reasonable costs for administering the CFD.

- (j) With respect to each Supplemental Assignment—
  - (1) when the Authority sells and assigns to Ygrene the right to receive any Special Tax Revenues collectible for a Property, the Authority will hold title to that right free and clear of all liens, pledges, charges, security interests, or other impediments of any nature; and
  - (2) except as set forth in this Master Agreement, the Authority has not sold, transferred, assigned, set over, or otherwise conveyed and will not sell, transfer, assign, set over, or otherwise convey any right, title, or interest of any kind in all or any portion of the right to receive the Special Tax Revenues, and has not created and will not have created or to its knowledge permitted the creation of any lien on that right or any portion of it.
- (k) The Authority's principal place of business and chief executive office is located at 1215 K Street – SU 1650, Sacramento, CA 95814.
- (l) The Authority shall treat each sale and assignment of the right to receive Special Tax Revenues as a sale for purposes of tax reporting and accounting, and the Authority will not take the position that the right to receive Special Tax Revenues is a part of the debtor's estate if the Authority files a bankruptcy petition or has such a petition filed against it under any bankruptcy law.
- (m) The Authority has received reasonably equivalent value for each right to receive Special Tax Revenues sold and assigned to Ygrene under this Master Agreement and a Supplemental Assignment.

#### **4. The Authority's Covenants.**

- (a) The Authority shall not knowingly take any action if taking such action would adversely affect Ygrene's rights to receive Special Tax Revenues that have been conveyed to Ygrene by the Supplemental Assignments or the ability of Ygrene to receive the Special Tax Revenues conveyed to Ygrene by the Supplemental Assignments. The Authority shall not knowingly omit to take any action if omitting to take such action would adversely affect Ygrene's rights to receive Special Tax Revenues that have been conveyed to Ygrene by the Supplemental Assignments or the ability of Ygrene to receive the Special Tax Revenues conveyed to Ygrene by the Supplemental Assignments.
- (b) The Authority shall not knowingly take any action or omit to take any action, and, to the extent the Authority knows of any such action, shall use reasonable efforts to prevent any action by others, that would release the lien that secures payment of the

Special Tax on a Property until the Special Tax has been paid in full. Without the prior written consent of Ygrene, the Authority shall not do any of the following if the effect would be materially adverse to Ygrene: amend, modify, terminate, waive, or surrender a Unanimous Approval Agreement; agree to any amendment, modification, termination, waiver, or surrender of any provision in a Unanimous Approval Agreement; or waive timely performance or observance of any provision in a Unanimous Approval Agreement.

- (c) Subject to Section 1(c) of this Master Agreement, upon request of Ygrene or the Trustee, the Authority shall take all actions necessary to preserve, maintain, and protect Ygrene's title to the Special Tax Revenues and the Trustee's title to the enforcement rights described in Section 1(b) of this Master Agreement.

- 5. **Payment of Special Tax Revenues.** (a) Subject to Section 1(c) of this Master Agreement, the Authority will endeavor to secure the agreement of the each County in which a Property is located to pay the Special Tax Revenues directly to the Trustee, so that the Special Tax Revenues will not come, even temporarily, into the Authority's possession. If any Special Tax Revenues come into the Authority's possession, then the Authority shall immediately pay such Special Tax Revenues to the Trustee.

- (b) If any delinquent installment of the Special Tax is sold to a County through the County's Teeter Plan as set forth in Section 1(c) of this Master Agreement, the Authority will endeavor to secure the agreement of the County to pay directly to the Trustee an amount equal to one hundred percent (100%) of the amount of such delinquent installment of the Special Tax.

- 6. **Notices of Breach.** If the Authority or Ygrene discovers that the Authority has breached any of its covenants or that any of the Authority's or Ygrene's representations or warranties is materially false or misleading, and if the breach or false or misleading representation or warranty materially and adversely affects the value of the rights to receive Special Tax Revenues that have been conveyed to Ygrene by the Supplemental Assignments, then the discovering party shall promptly notify the other party and the Trustee in writing.

- 7. **Indemnification.**

- (a) To the extent permitted by law, the Authority shall indemnify, defend, and hold harmless Ygrene and Ygrene's officers, directors, employees, and agents from and against all liabilities, claims, demands, damages, and costs to the extent they arise out of the Authority's breach of any of its covenants in this Master Agreement or out of any representation or warranty of the Authority in Section 3 of this Master Agreement that is materially false or misleading.

- (b) Ygrene shall indemnify, defend, and hold harmless the Authority, its Board, officers, directors, agents, employees and volunteers from and against any and all claims, demands, actions, losses, liabilities, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of this Master Agreement or any Supplemental Assignment, except to the extent they arise out of the Authority's breach of any of its covenants in this Master Agreement or out of any representation or warranty of the Authority in Section 3 of this Master Agreement that is materially false or misleading.
8. **Limitation on Liability.** Regarding any matter arising under this Master Agreement, the Authority and the Authority's elected officials, officers, employees and agents may rely in good faith on the advice of counsel and on any document that reasonably appears to be properly authorized and signed. The Authority's elected officials, officers, and employees of the Authority are not personally liable for the Authority's representations, warranties, covenants, agreements, or other obligations under this Master Agreement or for any certificates, notices, or agreements delivered under this Master Agreement.
9. **Assignment.**
- (a) Ygrene is entitled to assign (including granting a security interest) (i) its rights under this Master Agreement, (ii) its rights under each Supplemental Assignment, and (iii) its rights to receive Special Tax Revenues. Any assignee of any such rights may further assign such rights. Notwithstanding the foregoing, (I) Ygrene shall not assign its rights and obligations set forth in Sections 12(h), 12(k), and 12(n) of this Master Agreement, and such rights and obligations shall remain those of Ygrene notwithstanding any attempted assignment, and (II) references in Sections 12(i), 12(j), 12(l), 14, and 15 of this Master Agreement to Ygrene shall refer to Ygrene Energy Fund California, LLC or any successor thereto, notwithstanding any assignment.
- (b) Except as provided in Section 9(a) of this Master Agreement, Ygrene may not assign, transfer, or delegate any of its obligations under this Master Agreement or any Supplemental Assignment without the Authority's prior written consent. Any attempted assignment, transfer, or delegation in violation of the terms of the preceding sentence shall be void.
- (c) The Authority may not assign, transfer, or delegate any of its rights or obligations under this Master Agreement without Ygrene's prior written consent. Any attempted assignment, transfer, or delegation in violation of the terms of the preceding sentence shall be void.
- (d) If Ygrene assigns (including granting a security interest) any of its rights under this Master Agreement, its rights under any Supplemental Assignment, or its rights to receive Special Tax Revenues, then Ygrene shall promptly notify the Trustee in writing of such assignment and shall provide a copy of such assignment to the Trustee. The notice shall include at least the following information: (i) the effective date of the assignment, (ii) the identity and relevant contact information for the assignee, and (iii)

a description of the specific rights assigned, including information identifying the Property for which the rights have been assigned. From and after the date set forth in such notice as the effective date of the assignment, the Trustee shall in all respects treat the assignee, and not Ygrene, as the beneficiary of the trusts created by this Master Agreement and the relevant Supplemental Assignments with respect to the assigned rights that are identified in the notice and the Property specified in the notice, and such assignee shall be entitled to all of the rights that have been assigned to it. The provisions of this paragraph shall also apply to any further assignment by an assignee. Notwithstanding any other provision, should any assignee make a further assignment, then, to the extent of such further assignment, such assignee shall no longer be considered to be an assignee hereunder.

10. **Reliance on Representations, Warranties, and Covenants; Survival.** The Authority and Ygrene agree and acknowledge that the Trustee, the Authority and Ygrene have relied on, will continue to rely on, and are entitled to rely on the Authority's and Ygrene's representations and warranties in Sections 2 and 3 of this Master Agreement and the Authority's covenants in Section 4 of this Master Agreement. The Authority's and Ygrene's representations and warranties in Sections 2 and 3 of this Master Agreement and the Authority's covenants in Section 4 of this Master Agreement—
- (a) will survive (i) the sale and assignment of rights to receive Special Tax Revenues to Ygrene, (ii) the sale and assignment to the Trustee set forth in Section 1(b) of this Master Agreement, and (iii) any assignment (including any grant of a security interest) of rights under this Master Agreement, rights under any Supplemental Assignment, or rights to receive Special Tax Revenues by Ygrene to any assignee, or by any assignee to a further assignee;
  - (b) will continue in full force notwithstanding any change in the authority conferred upon the Authority by the CFD; and
  - (c) will inure to the benefit of Ygrene and any assigns.
11. **Ygrene's Acknowledgment.** Ygrene agrees and acknowledges that, the Authority is irrevocably selling and assigning (i) to Ygrene the rights to receive Special Tax Revenues, without recourse to the Authority and without any representation or warranty, except as expressly set forth herein, and (ii) to the Trustee the enforcement rights described in Section 1(b) of this Master Agreement, without recourse to the Authority and without any representation or warranty, except as expressly set forth herein.
12. **Trustee Provisions.**
- (a) The Authority and Ygrene hereby appoint the Trustee to act as trustee for the benefit of Ygrene with respect to the enforcement rights described in Section 1(b) of this Master Agreement, and the Trustee accepts such appointment.

- (b) The Trustee is hereby instructed by Ygrene and the Authority to, and the Trustee hereby agrees to, accept and hold in trust for the benefit of Ygrene the Special Tax Revenues transferred to the Trustee under Section 5 of this Master Agreement or collected by it through judicial foreclosure and distribute the Special Tax Revenues for each Property as directed in writing by Ygrene.
- (c) The Trustee is hereby instructed by Ygrene and the Authority to, and the Trustee hereby agrees to, accept and hold in trust for the benefit of Ygrene all present or future rights of the Authority to enforce or cause the enforcement of the payment of any delinquent Special Tax collectible for each Property through judicial foreclosure, in trust, for the benefit of Ygrene. The Trustee hereby agrees that it will not initiate any such judicial foreclosure proceeding against any Property to enforce a delinquent installment of the Special Tax if the applicable County shall have paid, and the Trustee shall have received, one hundred percent (100%) of the amount of such delinquent installment of the Special Tax through the County's so-called "Teeter Plan," if any.
- (d) Except as otherwise provided in Sections 1(b) and 12(c) of this Master Agreement, if directed in writing by Ygrene and upon receiving indemnification satisfactory to it, the Trustee will initiate foreclosure proceedings as authorized by the Act in order to enforce the lien of each delinquent installment of the Special Tax for any Property and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale.
- (e) The recitals of fact herein shall not be taken as statements of the Trustee, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Master Agreement or any Supplemental Assignment and the Trustee shall incur no liability in respect thereof. The Trustee shall be under no responsibility or duty with respect to the application of any moneys properly paid to it except as provided herein or as otherwise expressly agreed by the Trustee. The Trustee shall be under no obligation or duty to perform any act that would involve it in expense or liability or to institute or defend any suit in respect of this Master Agreement or any Supplemental Assignment or to advance any of its own moneys, unless indemnified to its reasonable satisfaction. The Trustee shall not be liable in connection with the performance of its duties under this Master Agreement or any Supplemental Assignment except for its own negligence or willful misconduct.
- (f) The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Master Agreement and each Supplemental Assignment. The Trustee shall not take any discretionary action under this Master Agreement or any Supplemental Assignment without the written approval of Ygrene and shall take such discretionary action permitted or required under the Master Agreement and any Supplemental Assignment, as may be directed in writing by Ygrene.

- (g) The Trustee, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Master Agreement or any Supplemental Assignment, shall examine such instrument to determine whether it conforms to the requirements of this Master Agreement or any Supplemental Assignment and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel selected by it in respect of any action taken or suffered by the Trustee under this Master Agreement or any Supplemental Assignment. Specifically, and without limiting the foregoing, the Trustee may rely upon directions, instructions and information given or provided to it by Ygrene or persons or entities acting on its behalf, as set forth in this Master Agreement or any Supplemental Assignment, without further review thereof (other than examining such instrument to determine whether it conforms to the requirements of this Master Agreement and any Supplemental Assignment), and shall not be liable or responsible for the accuracy of the contents contained in such directions, instructions and information or for taking any actions on the basis thereof.
- (h) Ygrene has agreed to pay, or provide for payment of, the Trustee's fees and expenses from time to time as set forth in a separate agreement between Ygrene and the Trustee as compensation for all services rendered by the Trustee under this Master Agreement and any Supplemental Assignment. The Trustee shall not have a lien on any moneys or other assets at any time held or received by it under this Master Agreement or any Supplemental Assignment.
- (i) The Trustee may resign at any time and be discharged of the duties and obligations created by this Master Agreement and all Supplemental Assignments by giving not less than sixty (60) days' written notice to the Authority, Ygrene, and all assignees with respect to which the Trustee has received notice pursuant to Section 9(d) of this Master Agreement. No resignation shall become effective until the acceptance of appointment by a successor Trustee. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 60 days after the giving of such notice of resignation, the retiring Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.
- (j) The Trustee may be removed at any time by an instrument or concurrent instruments in writing, signed by Ygrene and all assignees with respect to which the Trustee has received notice pursuant to Section 9(d) of this Master Agreement and filed with the Trustee; provided that no removal shall become effective until the acceptance of appointment by a successor Trustee.
- (k) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any



public officer shall take charge or control of the Trustee, or of its property or affairs, Ygrene shall appoint a successor Trustee.

- (l) Any successor Trustee appointed under this Master Agreement shall execute, acknowledge and deliver to its predecessor, and also to the Authority, Ygrene and all assignees with respect to which notice has been provided to the predecessor Trustee pursuant to Section 9(d) of this Master Agreement, an instrument accepting such appointment and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named; but the Trustee ceasing to act nevertheless, shall execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as reasonably may be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of the predecessor Trustee in and to any property held by it under this Master Agreement and any Supplemental Assignment, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions set forth in or pursuant to this Master Agreement and all Supplemental Assignments. Should any deed, conveyance or instrument in writing from the Authority or Ygrene be required by such successor Trustee for more fully and certainly vesting in and confirming any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged and delivered by the Authority and Ygrene.
- (m) Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it may be party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, and shall be authorized by law to perform all the duties imposed upon it by this Master Agreement and all Supplemental Assignments, shall be the successor to the Trustee without the execution or filing of any paper or the performance of any further act.
- (n) Ygrene shall indemnify, defend, and hold harmless the Trustee against any loss, damages, liability, or expense incurred without negligence or bad faith on the part of the Trustee and arising out of or in connection with the acceptance or administration of the trusts created by this Master Agreement and all Supplemental Assignments, including costs and expenses (including attorneys' fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers under this Master Agreement or any Supplemental Assignment. The rights of the Trustee and the obligations of Ygrene under this paragraph shall survive the resignation or removal of the Trustee.

13. **Notices.** Any notice or other communication under this Master Agreement must be in writing and will be considered properly given and effective only when mailed or delivered in the manner provided by this Section 13 to the persons identified below. A notice or other communication that is mailed will be effective or will be considered to have been given on the third day after it is deposited in the U.S. Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this Section 13.

*If to the Authority:*

California Home Finance Authority  
1215 K Street – SU 1650  
Sacramento, CA 95814

*If to Ygrene:*

Ygrene Energy Fund California, LLC  
100B Street – SU 210  
Santa Rosa, CA 95401

*If to the Trustee:*

Zions First National Bank  
Corporate Trust Division  
550 South Hope Street – SU 2875  
Los Angeles, CA 90071

14. **Amendments.** The Authority, Ygrene, and the Trustee may amend this Master Agreement, without the consent of any assignee, to cure any ambiguity or to correct any provision in this Master Agreement. Except as set forth in the preceding sentence, this Master Agreement may not be amended without the written consent of the Authority, the Trustee, Ygrene, and each assignee with respect to which the Trustee has received notice pursuant to Section 9(d) of this Master Agreement.
15. **Third Party Rights.** Each assignee of rights to receive Special Tax Revenues is an express and intended third-party beneficiary of this Master Agreement. This Master Agreement does not give any person or entity other than the Authority, Ygrene, the Trustee, and each assignee with respect to which the Trustee has received notice pursuant to Section 9(d) of this Master Agreement, any benefit or legal or equitable right, remedy, or claim.
16. **Severability.** If any court with jurisdiction rules that any part of this Master Agreement is invalid, unenforceable, or contrary to law or public policy, then the rest of this Master Agreement remains valid and fully enforceable.
17. **Interpretation.** This Master Agreement is to be interpreted and applied in accordance with California law. Exhibit A is part of this Master Agreement.

18. **Venue.** Any legal action brought under this Master Agreement must be instituted in the Superior Court of the County of Sacramento, State of California.
19. **Effective Date.** This Master Agreement is effective when all parties have signed it.
20. **Counterparts.** The parties may sign this Master Agreement in counterparts, each of which will be considered an original, but all of which will constitute the same agreement.
21. **Entire Agreement.** This Master Agreement sets forth the parties' entire understanding regarding the matters set forth above and is intended to be their final, complete, and exclusive expression of those matters.

*(Signature page follows)*

**California Home Finance Authority**

By: \_\_\_\_\_  
Signature of authorized person

\_\_\_\_\_  
Print signatory's name

\_\_\_\_\_  
Print signatory's title

**Ygrene Energy Fund California, LLC**

By: \_\_\_\_\_  
Signature of authorized person

\_\_\_\_\_  
Print signatory's name

\_\_\_\_\_  
Print signatory's title

**Zions First National Bank, as trustee**

By: \_\_\_\_\_  
Signature of authorized person

\_\_\_\_\_  
Print signatory's name

\_\_\_\_\_  
Print signatory's title

# EXHIBIT A TO MASTER ASSIGNMENT

## FORM OF SUPPLEMENTAL ASSIGNMENT

This Supplemental Assignment, dated \_\_\_\_\_, for reference, is made by the California Home Finance Authority, a California joint exercise of powers authority (the "Authority") in favor of (i) Ygrene Energy Fund California, LLC, a California limited-liability company ("Ygrene"), and (ii) Zions First National Bank, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (the "Trustee"), including its successors and assigns under the Master Assignment Agreement, defined below.

1. The Authority, Ygrene, and the Trustee have entered into a Master Assignment Agreement dated \_\_\_\_\_, pertaining to the Authority's Community Facilities District No. 2014-1 (Clean Energy) (the "CFD").
2. This is a "Supplemental Assignment" as that term is defined in the Master Agreement, and all of the terms of the Master Agreement are incorporated herein. If there are inconsistencies between the terms of the Master Agreement and this Supplemental Assignment, the terms of the Master Agreement shall control.
3. This Supplemental Assignment applies to the following real property within the CFD (the "Property"):

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i. **Street Address:**

<b>ity:</b>	<b>tate:</b>	<b>ip:</b>
<b>PN:</b>	v.	vi.

4. In consideration of the arrangement by Ygrene of financing for the improvements for the Property in accordance with the procedures and authority of the CFD and the provisions of the Unanimous Approval Agreement, and subject to the terms of the Master Agreement, the Authority does hereby—
  - (a) sell and assign to Ygrene, without recourse to the Authority except as expressly provided in the Master Agreement, all of the Authority's rights to receive the Special Tax Revenues collectible for the Property; and
  - (b) sell and assign to the Trustee, in trust, for the benefit of Ygrene, without recourse to the Authority except as expressly provided in the Master Agreement, all present or future rights of the Authority to enforce or cause the enforcement of the payment of any delinquent Special Tax collectible for the Property through judicial foreclosure.
5. This Supplemental Assignment is effective upon execution and delivery hereof by the Authority.

### CALIFORNIA HOME FINANCE AUTHORITY

vii. \_\_\_\_\_  
 viii. **Print Name of Authorized Person**

xi. \_\_\_\_\_  
 xii. **Signature of Authorized Person**

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**CALIFORNIA HOME FINANCE AUTHORITY****RESOLUTION NO. 2014-07****RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALIFORNIA HOME FINANCE AUTHORITY ESTABLISHING THE CALIFORNIA HOME FINANCE AUTHORITY (“AUTHORITY”) COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) AND PROVIDING FOR THE LEVY OF A SPECIAL TAX THEREIN TO FINANCE OR REFINANCE THE ACQUISITION, INSTALLATION, AND IMPROVEMENT OF ENERGY EFFICIENCY, WATER CONSERVATION, RENEWABLE ENERGY AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE IMPROVEMENTS PERMANENTLY AFFIXED TO OR ON REAL PROPERTY OR IN BUILDINGS AND AUTHORIZING FILING OF VALIDATION ACTION**

WHEREAS, on September 26, 2014, the Board of Directors (the “Board”) of the California Home Finance Authority (“CHF”) duly adopted Resolution No. 2014-04 (the “Resolution of Intention”) declaring its intent to establish a community facilities district within the jurisdictional boundaries of the Authority’s current and future full or associate members in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the “Act”) and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the “District”). The District is to be named the California Home Finance Authority (“CHF”) Community Facilities District No. 2014-1 (Clean Energy) and its purpose is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the “Authorized Improvements”); reference is made to the Resolution of Intention for further particulars and for additional defined terms; and

WHEREAS, in the Resolution of Intention, the Board approved the boundary map showing the territory proposed for annexation to the District in the future (the “Territory”), a copy of which has been on file with the Secretary of the Authority (the “Secretary”), and a reduced copy of which was attached to the Resolution of Intention as Exhibit A; and

WHEREAS, the Resolution of Intention fixed 8:30 a.m. on Wednesday, November 12, 2014, in the regular meeting place of the Board of the Authority, 1215 K Street, Suite 1650, Sacramento, CA 95814 as the time and place for the Board to hold a public hearing (the “Public Hearing”) to consider the establishment of the District, the specification of Authorized Improvements, the extent of the Territory, the establishment of the appropriation limit for the District, and all other matters set forth in the Resolution of Intention; and

WHEREAS, on Wednesday, November 12, 2014, the Board continued the Public Hearing to 8:30 a.m. on Wednesday, December 10, 2013, in the regular meeting place of the Board, 1215 K Street, Suite 1650, Sacramento, CA 95814 (the “Continued Public Hearing”); and

WHEREAS, the Authority’s Executive Director has submitted a report to the office of the Secretary of the Board (the “Secretary”) as directed by the Resolution of Intention describing: the Authorized Improvements; a representative listing of incidental expenses; a recommended form of Unanimous Approval Agreement; recommendations for appropriate procedures and criteria for processing and evaluating applications for participation and inclusion in the Community Facilities District from the owners of property within the Territory; and an estimate of the related incidental expenses (the “Hearing Report”), which Hearing Report (Exhibit B) and associated Residential (Exhibit C) and Commercial Handbooks (Exhibit D) is incorporated herein by this reference and made a part of the record of the Continued Public Hearing; and

WHEREAS, at or shortly after the time set for the Continued Public Hearing, the Board conducted the Continued Public Hearing and all persons interested, including all taxpayers, property owners and registered voters within the boundaries of the Territory, were allowed to submit written protests to any matter set forth in the Resolution of Intention and were permitted to withdraw their protests before the close of the Continued Public Hearing; and

WHEREAS, there is on file with the Secretary proofs of publication of the Notice of Public Hearing in the newspapers listed in the attached Exhibit A;

WHEREAS, the Board also desires to authorize the Authority’s special counsel, Best Best & Krieger LLP, to file a validation action on behalf of the Authority to seek a judgment of the Sacramento County Superior Court that the special tax, contracts, obligations or evidences of indebtedness arising out of the establishment and implementation of the District, and all matters, agreements and procedures related thereto, are in all respects legal, valid, and binding; and

WHEREAS, the Board is fully advised in this matter;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF THE CALIFORNIA HOME FINANCE AUTHORITY, AS FOLLOWS:

Section 1. The above recitals are true and correct, and the Board so finds and determines.

Section 2. Except to the extent it is inconsistent with this Resolution, the Resolution of Intention is reaffirmed, and its provisions and findings are incorporated herein by this reference.

Section 3. The Board accepts the proofs of publication of the Notice of Public Hearing (Exhibit A) and finds, based thereon, that proper notice of the Public Hearing and the Continued Public Hearing has been given in accordance with the Act and that the Continued Public Hearing was conducted with proper and legal notice in all respects.

Section 4. The Board finds and determines that, at the close of the Continued Public Hearing, the written protests, if any, to any of the matters set forth in the Resolution of Intention – including the establishment of the District, the levy of the special tax and the incurrence of debt (as defined in the Act), the extent of the Territory, the acquisition, construction, or installation of any of the Authorized Improvements, and the establishment of the appropriations limit for the District – were submitted by less than 50 percent of the registered voters residing within the Territory and by the owners of less than one-half of the area of land in the Territory. Thus, the Board finds that it is not precluded by the Act from proceeding further in this matter, and it determines and orders that all protests to the matters set forth in the Resolution of Intention are hereby overruled.

Section 5. The Board hereby establishes the District in accordance with the Act and particularly in accordance with sections 53313.5(l) and 53328.1(a).

Section 6. The Board orders that (a) a parcel within the Territory may be annexed to the Community Facilities District and subject to the special tax only (i) if the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the “Unanimous Approval Agreement”), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; (b) that the rate of special tax for each parcel will be established in an amount required to finance or refinance (including the payment of interest and the funding and replenishment of any reserve fund for debt) the Authorized Improvements approved for the parcel and to pay the parcel’s appropriate share of the District’s incidental, financing and administrative expenses; (c) that the maximum annual rate, method of apportionment and manner of collection of the special tax must be specified in the Unanimous Approval Agreement for each parcel; (d) that the maximum principal amount of the debt to be incurred to finance or refinance the Authorized Improvements for the parcel will be the amount approved in the Unanimous Approval Agreement for each parcel; and (e) that the special-tax revenues may also be used to repay the appropriate portion of any funds that CHF advances for the District and to repay under any agreement (which will not constitute a debt or liability of the Authority) any advances of funds or reimbursement for the lesser of the value or cost of work in-kind provided by any person for the purposes of the District. The financing or refinancing of Authorized Improvements may be in the form of paying for the ownership or lease of the Authorized Improvements or paying or preparing for the energy or other output of the Authorized Improvements, which Authorized Improvements may be owned for tax purposes or otherwise by a third party.

Section 7. Once a Unanimous Approval Agreement for one or more parcels has been signed by all of the parcel owners and by the Authority, Authority staff are authorized and directed to record or cause to be recorded a Notice of Special Tax Lien against the parcels with the County Recorder of the county in which the parcel is located, in accordance with Section 3114.5 of the Streets and Highways Code. Upon recordation of the Notice of Special Tax lien, a continuing lien to secure each levy of the special tax will attach to the affected parcel(s). The lien will continue in force until the special-tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or until levy and collection of the tax ceases.



Section 8. The special tax is to be collected in the same manner as ordinary ad valorem property taxes are collected and is to be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as are provided for ad valorem taxes collected on the secured property-tax roll of the county, except that the Board hereby reserves the right to enforce the collection of delinquent special taxes through judicial foreclosure, including through the assignment of the ability to pursue judicial foreclosure as provided in the Act.

Section 9. The Authority's Executive Director, 1215 K Street, Suite 1650, Sacramento, CA 95814 or designee of the Authority Executive Director, is designated to prepare or cause to be prepared annually the current roll of special-tax levy obligations for each parcel within the District that is subject to the special tax and to estimate future special tax levies.

Section 10. The Board hereby approves the form of Unanimous Approval Agreement contained in the Hearing Report and directs its use with such changes as the Authority's Executive Director may approve after consultation with special counsel. The Authority Executive Director or such officer's designee is hereby authorized to execute one or more Unanimous Approval Agreements from time to time in substantially said form with such changes thereto as the Authority Executive Director or such officer's designee may approve after consultation with special counsel, with any material changes to be approved by special counsel and the Authority's Executive Director.

Section 11. The Board hereby approves the form of Assignment Agreement contained in the Hearing Report and directs its use with such changes as the Authority Executive Director may approve after consultation with special counsel. The CHF Executive Director or such officer's designee is hereby authorized to execute one or more Assignment Agreements from time to time in substantially said form with such changes thereto as the CHF Executive Director or such officer's designee may approve after consultation with special counsel, with any material changes to be approved by special counsel and the Authority's Executive Director.

Section 12. In accordance with Sections 53325.7 and 53328.1(a)(3) of the Act, the Board hereby establishes the appropriations limit (as defined by Section 8(h) of article XIII B of the California Constitution) for the District for the 2014-15 fiscal year and for subsequent fiscal years as the sum of the amounts stated as the appropriations limit in each approved Unanimous Approval Agreement. The amount contributing toward the appropriations limit of the District in each Unanimous Approval Agreement will be subject to adjustment following the fiscal year in which the Unanimous Approval Agreement is fully subscribed, as provided in Section 53325.7 of the Act.

Section 13. The authorization to finance or refinance the acquisition, construction, and installation of Authorized Improvements covers all costs incidental to the acquisition, construction, and installation, including the costs of planning and design, the costs of any environmental evaluations, all costs associated with establishing the District and financing the Authorized Improvements, the costs of determining the amount of special taxes, the costs of collecting or paying the special taxes, and cost otherwise incurred to carry out the authorized purposes of the District.

Section 14. The Board finds and determines that all proceedings it has conducted and approved with respect to the establishment of the District, up to and including the adoption of this resolution, are valid and in conformity with the Act. As provided in the Act, this determination is final and conclusive for all purposes and is binding upon all persons.

Section 15. Pursuant to California Code of Regulations Section 15378(b)(4), the Board of Directors hereby finds that the approval of the District is not a “project” subject to the requirements of the California Environmental Quality Act (California Public Resources Code Section 21000 and following) because the approval of the District is the creation of a government funding mechanism or other government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. If deemed necessary by the Executive Director, the Secretary is hereby authorized to file, or cause to be filed, a Notice of Exemption pursuant to the State CEQA Guidelines with the County Clerk of each County in California.

Section 16. The Authority’s special counsel, Best Best & Krieger LLP is hereby authorized and directed to file and prosecute on the Authority’s behalf, against all persons interested in the matter, a civil validation action under California Government Code sections 53311 and 53328.1(c) and California Code of Civil Procedure section 860 *et seq.*, seeking a judgment of the Sacramento County Superior Court that the special tax, contracts, obligations, or evidences of indebtedness arising out of the establishment and implementation of the District, and all matters, agreements, and procedures related thereto, are in all respects legal, valid and binding.

Section 16. This resolution shall take effect immediately upon its passage and adoption.

ON A MOTION BY Supervisor Tim Fesko, Mono County, seconded by Supervisor Michael Kobseff, Siskiyou County, the foregoing resolution was passed and adopted by the Board of Directors of the California Home Finance Authority this 10th day of December 2014, by the following vote:

AYES: Supervisor Mary Rawson, Alpine County; Supervisor Richard Forster, Amador County; Supervisor Doug Teeter, Butte County; Supervisor Merita Callaway, Calaveras County; Supervisor Kim Dolbow Vann, Colusa County; Supervisor Dave Finigan, Del Norte County; Supervisor John Viegas, Glenn County; Supervisor Rex Bohn, Humboldt County; Supervisor Michael Kelley, Imperial County; Supervisor Linda Arcularius, Inyo County; Supervisor Aaron Albaugh, Lassen County; Supervisor David Rogers, Madera County; Supervisor Kevin Cann, Mariposa County; Supervisor John Pedrozo, Merced County; Supervisor Carre Brown, Mendocino County; Supervisor Geri Byrne, Modoc County; Supervisor Tim Fesko, Mono County; Supervisor Diane Dillon, Napa County; Supervisor Nate Beason, Nevada County; Supervisor Jim Holmes, Placer County; Supervisor Les Baugh, Shasta County; Supervisor Lee Adams, Sierra County; Supervisor Michael Kobseff, Siskiyou County; Supervisor Larry Munger, Sutter County; Supervisor Bob Williams, Tehama County; Supervisor Randy Hanvelt, Tuolumne County; Supervisor Roger Abe, Yuba County

NOES: 0

ABSENT: Supervisor Brian Veerkamp, El Dorado County; Supervisor Anthony Farrington, Lake County; Supervisor Terry Swofford, Plumas County; Supervisor Anthony Botelho, San Benito County; Supervisor Debra Chapman, Trinity County; Supervisor Jim Provenza, Yolo County

ABSTAIN: 0

Richard M. Forster

Chair of the Board

ATTEST:

  
\_\_\_\_\_  
\_\_\_\_\_  
CHF Secretary

EXHIBIT A  
NOTICE OF PUBLIC HEARING  
PROOFS OF PUBLICATION

Alameda	Inter-City Express
Alpine	Tahoe Daily Tribune
Amador	Amador Ledger Dispatch
Butte	Chico Enterprise Record
Calaveras	Calaveras Enterprise
Colusa	Colusa Sun Herald
Contra Costa	Contra Costa Times
Del Norte	The Triplicate
El Dorado	Mountain Democrat
Fresno	The Business Journal
Glenn	Sacramento Valley Mirror
Humboldt	Eureka Times-Standard
Imperial	Imperial Valley Press
Inyo	The Inyo Register
Kern	The Bakersfield Californian
Kings	The Hanford Sentinel
Lake	Lake County Record-Bee
Lassen	Lassen County Times
Los Angeles	Los Angeles Daily Journal
Madera	Madera Tribune
Marin	Marin Independent Journal
Mariposa	Mariposa Gazette & Miner
Mendocino	Ukiah Daily Journal
Merced	Merced Sun-Star
Modoc	Modoc County Record
Mono	Mammoth Times
Monterey	The Salinas Californian
Napa	Napa Valley Register
Nevada	The Union
Orange	Orange County Reporter
Placer	Roseville Press Tribune
	Feather River Bulletin; Indian Valley Record; Chester
Plumas	Progressive; Portola Reporter
Riverside	Business Journal
Sacramento	The Daily Recorder
San Benito	Free Lance
San Bernardino	San Bernardino American

San Diego	San Diego Commerce
San Francisco	San Francisco Daily Journal
San Joaquin	The Record
San Luis Obispo	The Tribune
San Mateo	Redwood City Tribune
Santa Barbara	Santa Barbara News Press
Santa Clara	San Jose Post-Record
Santa Cruz	Santa Cruz Sentinel
Shasta	Record Searchlight
Sierra	Mountain Messenger
Siskiyou	Siskiyou Daily News
Solano	Daily Republic
Sonoma	The Press Democrat
Stanislaus	The Modesto Bee
Sutter	The Appeal-Democrat
Tehama	Red Bluff Daily News
Trinity	The Trinity Journal
Tulare	Visalia Times-Delta
Tuolumne	The Union Democrat
Ventura	Ventura County Star
Yolo	Davis Enterprise
Yuba	The Appeal-Democrat

**INDEMNIFICATION AND INSURANCE AGREEMENT  
BY AND BETWEEN  
THE CITY OF NATIONAL CITY  
AND  
YGRENE ENERGY FUND CA, LLC**

This Indemnification and Insurance Agreement (“Agreement”) is entered into by and between the City of National City, a municipal corporation (“City”) and Ygrene Energy Fund CA, LLC, a California limited liability company (“Administrator”), the administrator of the California Home Finance Authority’s PACE Program and the California Home Finance Authority’s Community Facilities District No. 2014-1 (Clean Energy).

**RECITALS**

WHEREAS, the California Home Finance Authority (“Authority”) is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the California Government Code (Section 6500 *et. seq.*) and the Joint Exercise of Powers Agreement entered into on July 1, 1993, as amended from time to time (“Authority JPA”); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, the Authority has established a property-assessed clean energy (“PACE”) Program (“Authority PACE Program”) to provide for the financing of renewable energy generation, energy and water efficiency improvements, and electric vehicle charging infrastructure (the “Improvements”) pursuant to Chapter 29 of Division 7 of the California Streets and Highways Code (“Chapter 29”), within counties and cities throughout the State of California that elect to participate in the Program; and

WHEREAS, in addition, the Authority has established the Community Facilities District No. 2014-1(Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (“Act”) and particularly in accordance with sections 53313.5(l) and 53328.1(a) (“District”); and

WHEREAS, the City Council of the City of National City has approved the City joining the Authority, has consented to the inclusion in the Authority PACE Program of all of the properties in the jurisdictional boundaries of the City and to the acquisition, construction, and installation of the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to the Program, and has consented to the inclusion in Community Facilities District No. 2014-1(Clean Energy) of all of the properties in the City’s jurisdiction and to the construction and installation of the Authorized Improvements, upon the request of, and execution of the Unanimous Approval Agreement by,

the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to the District; and

WHEREAS, the Authority and the Administrator have entered into a Third Party Administration Agreement, dated March 2015, in which the Administrator agrees to administer the Authority PACE Program and/or Community Facilities District No. 2014-1(Clean Energy) on behalf of the Authority; and

WHEREAS, the Administrator agrees to indemnify the City and to provide insurance in connection with the administration of the Authority PACE Program and/or Community Facilities District No. 2014-1(Clean Energy) in the City of National City.

NOW, THEREFORE, in consideration of the Recitals above and of the City's agreement to join the Authority and to participate in the Authority's PACE Program and/or Community Facilities District No. 2014-1(Clean Energy), the parties agree as follows:

1. Agreement to Indemnify. The Administrator agrees to defend, indemnify, and hold harmless the City, its officers, elected or appointed officials, employees, agents, and volunteers from and against any and all claims, damages, losses, expenses, fines, penalties, judgments, demands, and defense costs (including, without limitation, actual, direct, out-of-pocket costs and expenses, and amounts paid in compromise or settlement and reasonable outside legal fees arising from litigation of every nature or liability of any kind or nature including civil, criminal, administrative or investigative) arising out of or in connection with the Authority's PACE Program or Community Facilities District No. 2014-1 (Clean Energy), except such loss or damage which was caused by the sole negligence or willful misconduct of the City. The Administrator will conduct all defenses at its sole cost and expense, and the City shall reasonably approve selection of the Administrator's counsel. This indemnity shall apply to all claims and liability regardless of whether any insurance policies of the Administrator, its affiliates or any other parties are applicable thereto. The policy limits of any insurance of the Administrator, its affiliates or other parties are not a limitation upon the obligation of the Administrator, including without limitation, the amount of indemnification to be provided by the Administrator. The provisions of this section shall survive the termination of this Agreement.

2. Insurance. The Administrator agrees that, at no cost or expense to the City, at all times during the administration of the Authority's PACE Program and Community Facilities District No. 2014-1 (Clean Energy), to maintain the insurance coverage set forth in Exhibit "A" to this Agreement.

3. Amendment/Interpretation of this Agreement. This Agreement, including all Exhibits attached hereto, represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. No supplement, modification, or amendment of this

Agreement shall be binding unless executed in writing by both parties hereto. This Agreement shall not be interpreted for or against any party by reason of the fact that such party may have drafted this Agreement or any of its provisions.

4. Section Headings. Section headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

5. Waiver. No waiver of any of the provisions of this Agreement shall be binding unless in the form of a writing signed by the party against whom enforcement is sought, and no such waiver shall operate as a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver. Except as specifically provided herein, no failure to exercise or any delay in exercising any right or remedy hereunder shall constitute a waiver thereof.

6. Severability and Governing Law. If any provision or portion thereof of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California applicable to contracts made and to be performed in California.

7. Notices. All notices, demands and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand, against receipt, or mailed certified or registered mail and addressed as follows:

If to the Administrator:           Bart Van Voorhis  
   Senior Vice President, Corporate Development  
   Ygrene Energy Fund CA, LLC  
   815 5th Street, Suite 100  
   Santa Rosa, CA 95404

If to the City:                         Alfredo Ibarra  
   Director, Housing, Grants, and Asset Management  
   City of National City  
   1243 National City Boulevard  
   National City, CA 91950-4301



8. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, which together shall constitute the same instrument.

9. Effective Date. This Agreement will be effective as of the date of the signature of City's representative as indicated below in the City's signature block.

IN WITNESS HEREOF, the parties hereto duly executed this Agreement as of the date below.

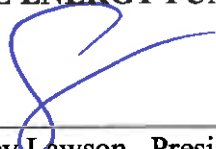
**CITY**

**CITY OF NATIONAL CITY**

**ADMINISTRATOR**

**YGRENE ENERGY FUND CA, LLC**

By: \_\_\_\_\_  
Ron Morrison, Mayor

By:  \_\_\_\_\_  
Stacey Lawson, President/CEO

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

Date: 6/11/15 \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Silva  
City Attorney

**EXHIBIT A****INSURANCE****A. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. The coverage provided by Insurance Services Office Commercial General Liability coverage (“occurrence”) Form Number CG 0001; and
2. The coverage provided by Insurance Services Office Form Number CA 0001 covering Automobile Liability. Coverage shall be included for all owned, non-owned and hired automobiles; and
3. Workers' Compensation insurance as required by the California Labor Code and Employers Liability insurance; and
4. Professional Liability Errors & Omissions for all professional services.

There shall be no endorsement reducing the scope of coverage required above unless approved by the National City Risk Manager.

**B. Minimum Limits of Insurance**

Administrator shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit; and
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage; and
3. Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the California Labor Code and Employers Liability limits of \$1,000,000 per accident; and
4. Professional Liability Errors & Omissions \$1,000,000 per occurrence/ aggregate limit.

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

Any deductibles or self-insured retentions must be declared to, and approved by the National City Risk Manager. At the option of City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its officers, employees, agents and

contractors; or Administrator shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the National City Risk Manager.

#### **D. Other Insurance Provisions**

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages.
  - a. National City, its officers, employees, agents, and contractors are to be covered as additional insureds as respects: Liability arising out of activities performed by or on behalf of Administrator; products and completed operations of Administrator; premises owned, leased, or used by Administrator; and automobiles owned, leased, hired or borrowed by Administrator. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, employees, agents, and contractors.
  - b. Administrator's insurance coverage shall be primary insurance as respects the City, its officers, employees, agents, and contractors. Any insurance or self-insurance maintained by City, its officers, employees, agents, or contractors shall be excess of Administrator's insurance and shall not contribute with it.
  - c. Any failure to comply with reporting provisions of the policies by Administrator shall not affect coverage provided to the City, its officers, employees, agents, or contractors.
  - d. Coverage shall state that Administrator's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - e. Coverage shall contain a waiver of subrogation in favor of the City, its officers, employees, agents, and contractors.

2. Workers' Compensation and Employers' Liability.

Coverage shall contain waiver of subrogation in favor of National City, its officers, employees, agents, and contractors.

3. All Coverages

Each insurance policy required by this AGREEMENT shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or reduced in limits except after thirty (30) days' prior written notice has been given to the City, except that ten (10) days' prior written notice shall apply in the event of cancellation for nonpayment of premium.

**E. Acceptability of Insurers.**

Insurance is to be placed with insurers acceptable to the National City Risk Manager.

**F. Verification of Coverage.**

Administrator shall furnish the City with certificates of insurance and with original endorsements affecting coverage required by this AGREEMENT. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Proof of insurance shall be either emailed in pdf format to: [eamaya@nationalcityca.gov](mailto:eamaya@nationalcityca.gov) or mailed to the following postal address or any subsequent address as may be directed in writing by the National City Risk Manager:

Risk Manager  
City of National City  
1243 National City Boulevard  
National City, CA 91950-4301

**G. Subcontractors**

Administrator shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor.



RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN  
THE CITY OF NATIONAL CITY'S JURISDICTION IN THE CALIFORNIA  
HOME FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-1  
(CLEAN ENERGY) TO FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY  
EFFICIENCY AND WATER CONSERVATION IMPROVEMENTS, AND ELECTRIC  
VEHICLE CHARGING INFRASTRUCTURE WITH YGRENE ENERGY FUND

WHEREAS, the California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the California Government Code (Section 6500 *et. seq.*) and the Joint Exercise of Powers Agreement entered into on July 1, 1993, as amended from time to time ("Authority JPA"); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, the Authority has established Community Facilities District No. 2014-1 (Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code ("Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) ("District"); and

WHEREAS, the purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy, and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

WHEREAS, the Act authorizes a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if the City Council has consented, by the adoption of a resolution, to the inclusion of parcels within its jurisdiction in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed, which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; and

WHEREAS, the Authority directed the preparation of the California Clean Energy Program, California Home Finance Authority Community Facilities District No. 2014-1 Hearing Report which includes a form for the required unanimous written approval called the Unanimous Approval Agreement; and

WHEREAS, the City Council of the City of National City has reviewed the Hearing Report; and

WHEREAS, the City desires to participate in the District and provide for participation in the District by property owners located within the City's jurisdiction; and

WHEREAS, to protect the City in connection with the administration of the District, Ygrene Energy Fund CA, LLC, the Program administrator, has agreed to defend and indemnify the City; and

WHEREAS, the City will not be responsible for the conduct of any special tax proceedings, the levy and collection of special taxes or any required remedial action in the case of delinquencies in the payment of any special taxes in connection with the District.

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

1. The City Council finds and declares that properties in the City's jurisdiction will be benefited by the availability of Community Facilities District No. 2014-1(Clean Energy) to finance the installation of the Authorized Improvements.

2. The City Council consents to inclusion in Community Facilities District No. 2014-1(Clean Energy) of all of the properties in the City's jurisdiction and to the construction and installation of the Authorized Improvements, upon the request of, and execution of the Unanimous Approval Agreement by, the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to the District.

3. The City Council consents to the assumption of jurisdiction by the Authority for all purposes of Community Facilities District No. 2014-1(Clean Energy) and authorizes the Authority, upon satisfaction of the conditions imposed in this Resolution, to take each and every step required for, or suitable for, financing the Authorized Improvements.

4. The Authority will administer, or cause the administration of, Community Facilities District No. 2014-1(Clean Energy) at no cost to the City.

5. The City will not be responsible for the conduct of any special tax proceedings, the levy and collection of special taxes or any required remedial action in the case of delinquencies in the payment of any special taxes in connection with Community Facilities District No. 2014-1(Clean Energy).

6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this Resolution to the Secretary of the Authority.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney





The following page(s) contain the backup material for Agenda Item: Warrant Register #47 for the period of 05/13/15 through 05/19/15 in the amount of \$612,864.43 (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO. |**

**ITEM TITLE:**

Warrant Register #47 for the period of 05/13/15 through 05/19/15 in the amount of \$612,864.43  
(Finance)

**PREPARED BY:** K. Apalategui

**DEPARTMENT:** Finance

**PHONE:** 619-336-4572

**APPROVED BY:** 

**EXPLANATION:**

Per Government Section Code 37208, attached are the warrants issued for the period of 05/13/15 through 05/19/15.

Consistent with Department of Finance practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
Wavetec Construction	317672	225,000.00	726 West 19 <sup>th</sup> St Project
City of San Diego	317692	57,463.00	Fire Dispatch Svcs Apr-Jun 2015

**FINANCIAL STATEMENT:**

**APPROVED:**  Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$612,864.43

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:

FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Ratification of warrants in the amount of \$612,864.43

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Warrant Register #47



**WARRANT REGISTER #47  
5/19/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
CARPENTER ZUCKERMAN & WAVETEC CONSTRUCTION	LIABILITY CLAIM COSTS	317671	5/19/15	19,000.00
ADAMSON POLICE PRODUCTS	726 WEST 19TH ST PROJECT	317672	5/19/15	225,000.00
AIRGAS WEST	SCA SUMMIT LEVEL IIIA BALLISTIC VEST / PD	317673	5/19/15	1,580.50
ALDEMCO	MOP#45714 SUPPLIES	317674	5/19/15	164.75
ALL FRESH PRODUCTS	CONSUMABLES / NUTRITION	317675	5/19/15	492.43
ART D NIELSEN PAINTING INC	FOOD / NUTRITION CENTER	317676	5/19/15	966.35
AT&T MCI	CITY-WIDE PAINTING SERVICES	317677	5/19/15	2,445.00
AT&T MCI	AT&T PHONE SERVICE / 3/13/15 - 4/12/15	317678	5/19/15	7,797.65
AT&T MOBILITY	AT&T PHONE SERVICE / 3/13/15 - 4/12/15	317679	5/19/15	140.76
AUSTIN DOORS	ATT/CINGULAR WIRELESS / 3/6/15-4/5/15	317680	5/19/15	2,649.04
BPI PLUMBING	CITY-WIDE ROLL UP DOORS SERVICE / PW	317681	5/19/15	1,753.58
BURKE WILLIAMS & SORENSEN LLP	CITY-WIDE PLUMBING SERVICE & REPAIRS	317682	5/19/15	1,629.98
CALIFORNIA COMMERCIAL SECURITY	LEGAL / NEGOTIATIONS	317683	5/19/15	5,829.00
CALIFORNIA ELECTRIC SUPPLY	MOP#45754 BUILDING MATERIAL	317684	5/19/15	302.92
CALIFORNIA ELECTRIC SUPPLY	MOP#45698 ELECTRICAL MATERIALS	317685	5/19/15	475.42
CAMEON, C	MOP#45698 ELECTRICAL MATERIALS	317686	5/19/15	103.17
CHELIUS, A	SUBSISTENCE: SHERMAN BLOCK SLI SESSION	317687	5/19/15	474.00
CHILDREN'S HOSPITAL	SUBSISTENCE: 24 HR PERISHABLE SKILLS	317688	5/19/15	384.00
CHRISTENSEN & SPATH LLP	CHILD ABUSE EXAMS / PD	317689	5/19/15	2,512.00
CITY OF CHULA VISTA	ATTORNEY SERVICES	317690	5/19/15	675.00
CITY OF SAN DIEGO	ANIMAL SHELTER COSTS / PD	317691	5/19/15	35,554.13
COMMERCIAL AQUATICS	FIRE DISPATCH SERVICES / APR - JUN 2015	317692	5/19/15	57,463.00
COUNTY OF SAN DIEGO	POOL SERVICES / PW	317693	5/19/15	1,819.01
COUNTY OF SAN DIEGO	OBSERVER SAFETY CLOTHING FOR AUTOPSIES	317694	5/19/15	20.00
COUNTY OF SAN DIEGO	MAIL PROCESSING NOV - DEC 2014	317695	5/19/15	7,822.96
COX COMMUNICATIONS	BUILDING RECORDS	317696	5/19/15	4.00
CSA SAN DIEGO COUNTY	COX INTERNET SERVICES FY15	317697	5/19/15	203.09
DALEY & HEFT LLP	CDBG FY 2015 CSA SAN DIEGO COUNTY FAIR REIM	317698	5/19/15	9,667.42
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	317699	5/19/15	4,181.00
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	317700	5/19/15	2,956.20
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	317701	5/19/15	1,685.56
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	317702	5/19/15	1,088.58
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	317703	5/19/15	594.03
DANIELS TIRE SERVICE	TIRES FOR CITY FLEET / PW	317704	5/19/15	1,262.14
DATA TICKET INC	DATA TICKET APPEALS & ON-LINE ACCESS	317705	5/19/15	2,340.20
DAY WIRELESS SYSTEMS (20)	RADIO MAINTENANCE SERVICE CONTRACT	317706	5/19/15	6,534.00
DAY, J	ED REIMBURSEMENT	317707	5/19/15	250.00
DCS TESTING & EQUIPMENT INC	FIRE HOSE TESTING GROUND LADDER	317708	5/19/15	3,459.20
DIZINNO, T	REIMB: SMART PHONE FORENSICS	317709	5/19/15	671.36
EMPLOYMENT DEVELOP DEPT	UNEMPLOYMENT INS REIMB BENEFIT CHG	317710	5/19/15	7,977.00
EQUIFAX INFORMATION SVCS	BACKGROUND & CREDIT SERVICES / S8	317711	5/19/15	136.96
ERGOGENESIS LLC	ERGOGENESIS ERGONOMIC CHAIRS	317712	5/19/15	7,491.49
ESGIL CORPORATION	PLAN CHECK AND INSPECTION SERVICES	317713	5/19/15	51,873.06
EXPERIAN	CREDIT CHECK / POLICE DEPT	317714	5/19/15	44.20
FEDEX	TRANSPORTATION CHARGES	317715	5/19/15	135.71
FERGUSON ENTERPRISES INC	MOP#45723 SEWER PIPE	317716	5/19/15	772.29
FLEET SERVICES INC	MOP#67804 AUTO PARTS	317717	5/19/15	825.66
FREE FORM CLAY & SUPPLY	REPAIRS / EL TOYON CENTER	317718	5/19/15	91.35
GISI, G	REIMB: FIELD TRAINING OFFICER	317719	5/19/15	146.53



**WARRANT REGISTER #47  
5/19/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
GRAINGER	MOP#65179 MATERIALS	317720	5/19/15	1,228.08
GRANICUS INC	GRANICUS WEBCASTING SERVICES	317721	5/19/15	1,477.35
HERNANDEZ, A	REIMB: SOCIAL MEDIA THE INTERNET	317722	5/19/15	359.52
HONEYWELL INTERNATIONAL INC	CITY-WIDE HVAC MAINTENANCE FOR FY 2015	317723	5/19/15	1,624.54
HUNTER'S NURSERY INC	MOP#45719 HORTICULTURAL ITEMS	317724	5/19/15	26.68
HYDRO SCAPE PRODUCTS INC	MOP#45720 WATER PIPE VALVES	317725	5/19/15	664.31
ICC	CERTIFICATION RENEWAL	317726	5/19/15	115.00
INDEPENDENT FORENSIC SERVICES	SART EXAMS / POLICE	317727	5/19/15	1,250.00
JOHNSON, S	REIMB: SUPPLIES FOR TINY TOTS PROGRAM	317728	5/19/15	23.98
KALANKIEWICZ, C	SUBSISTENCE: 24-HR PERISHABLE SKILLS	317729	5/19/15	384.00
KONE	CITY-WIDE ELEVATOR MAINTENANCE/REPAIRS	317730	5/19/15	3,195.00
LANGUAGE LINE SERVICES	INTERPRETATION SERVICES / PD	317731	5/19/15	68.67
MAN K9 INC	MAINTENANCE TRAINING / PD	317732	5/19/15	1,400.00
MARCHANTE, A	REIMB: BINDERS PURCHASED AT COSTCO	317733	5/19/15	52.87
METRO FIRE & SAFETY	ANNUAL FIRE EXTINGUISHER SYSTEM	317734	5/19/15	175.00
NAPA AUTO PARTS	MOP#45735 SMALL TOOLS	317735	5/19/15	45.81
NATIONAL CITY TROPHY	MOP#66556 BUILDING MATERIALS	317736	5/19/15	16.03
NGUYEN, L	REIMB: FIELD TRAINING OFFICER	317737	5/19/15	146.53
ORIENTAL TRADING COMP LLC	ORANGE COUPON DOUBLE ROLL TICKETS	317738	5/19/15	402.02
ORKIN	CITY-WIDE PEST MAINTENANCE	317739	5/19/15	403.39
PACIFIC AUTO REPAIR	SMOG CERTIFICATION & REPAIRS	317740	5/19/15	55.00
PACIFIC SAFETY CENTER	HAZMAT MANAGEMENT TRAINING / GONZALEZ	317741	5/19/15	95.00
PACIFIC TELEMAGEMENT SERVICE	PACIFIC TELEMAGEMENT PAY PHONE	317742	5/19/15	228.00
PORAC LEGAL DEFENSE FUND	LEGAL DEFENSE FUND FOR RESERVE POLICE	317743	5/19/15	135.00
PRO BUILD	MOP#45707 SHOP SUPPLIES	317744	5/19/15	2,492.32
PROJECT PROFESSIONALS CORP	8TH ST SMARTH GROWTH	317745	5/19/15	27,786.75
PRUDENTIAL OVERALL SUPPLY	MOP#45742 LAUNDRY SERVICES / PW	317746	5/19/15	208.29
RAMIREZ, O	REIMB: FIELD TRAINING OFFICER	317747	5/19/15	146.53
RIVERSIDE COUNTY SHERIFF DEPT	TUITION: 24 HR PERISHABLE SKILLS	317748	5/19/15	320.00
RON BAKER CHEVROLET	MOP#45751 AUTO PARTS	317749	5/19/15	89.95
ROUNDS, R	REIMB: EXECUTIVE DEV COURSE	317750	5/19/15	80.00
S D COUNTY SHERIFF'S DEPT	SHERIFF'S RANGE USE	317751	5/19/15	600.00
SAN DIEGO PET & LAB SUPPLY	MOP 45753 K-9 FOOD - PD	317752	5/19/15	297.91
SAN DIEGO STATE UNIVERSITY	SDSU PACE	317753	5/19/15	25,000.00
SAN DIEGO STATE UNIVERSITY	SDSU PACE-DISASTER PREPAREDNESS	317754	5/19/15	25,000.00
SDG&E	FACILITIES DIVISION GAS & ELECTRIC	317755	5/19/15	543.12
SHINN, D	REIMB: SUPPLIES FOR TINY TOTS PROGRAM	317756	5/19/15	41.77
SMART & FINAL	MOP 45756 MISC SUPPLIES - COMM SVC	317757	5/19/15	387.57
SMART SOURCE OF CALIFORNIA LLC	BUSINESS CARD MASTER SHELLS	317758	5/19/15	1,061.45
SONSRAY MACHINERY LLC	RADIATOR/CONNECTOR/FILTER	317759	5/19/15	1,584.29
STAPLES ADVANTAGE	MOP 45704 OFFICE SUPPLIES - PD	317760	5/19/15	1,464.59
SUPERIOR READY MIX	TACK OIL, 3/8 SHEET & COLD MIX ASPHALTS	317761	5/19/15	163.94
SWEETWATER AUTHORITY	PARKS DIVISION WATER BILL FOR FY 2015	317762	5/19/15	98.88
SYSCO SAN DIEGO INC	CONSUMABLES / NUTRITION CENTER	317763	5/19/15	2,301.66
TELLEZ, J	REIMB: DISPATCHER APPRECIATION LUNCHEON	317764	5/19/15	209.91
THE LIGHTHOUSE INC	MOP#45726 AUTO PARTS	317765	5/19/15	195.34
TOPECO PRODUCTS	MOP#63849 SHOP SUPPLIES	317766	5/19/15	166.50
U S BANK	CREDIT CARD EXP - CITY ATTN	317767	5/19/15	4,351.02
U S HEALTHWORKS	PRE-EMPLOYMENT PHYSICALS	317768	5/19/15	810.00



**WARRANT REGISTER #47**

**5/19/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
UNDERGROUND SERVICE ALERT	UNDERGROUND SERVICE ALERT CHARGES	317769	5/19/15	264.00
UNION TRIBUNE PUB CO	PUBLIC NOTICE - CONSOLIDATED PLAN	317770	5/19/15	618.00
UNION TRIBUNE PUB CO	LEGAL NOTICES ADVERTISING	317771	5/19/15	131.60
UNITED PARCEL SERVICE	UPS SHIPMENT	317772	5/19/15	31.53
UNITED ROTARY BRUSH CORP	MOP#62683 AUTO PARTS	317773	5/19/15	2,010.96
V & V MANUFACTURING	NEW BADGES, BADGE, REPAIRS	317774	5/19/15	501.50
VALLEY INDUSTRIAL SPECIALTIES	MOP#46453 PLUMBING MATERIALS	317775	5/19/15	766.13
VERIZON WIRELESS	VERIZON WIRELESS / 3/22/15 - 4/21/15	317776	5/19/15	7,029.75
WESTFLEX INDUSTRIAL	MOP#63850 AUTO PARTS	317777	5/19/15	251.52
WILLY'S ELECTRONIC SUPPLY	MOP 45763. ELECTRICAL SUPPLIES / MIS	317778	5/19/15	939.64
KANE BALLMER & BERKMAN	LEGAL / S A OPERATIONS	317779	5/19/15	562.50
MAZZARELLA LORENZANA LLP	LEGAL / ROSENOW, SPEVACEK GROUP, INC	317780	5/19/15	4,917.53
NBS	LANDSCAPE MAINTENANCE DISTRICT / S A	317781	5/19/15	500.00
OPPER & VARCO LLP	LEGAL / EDUCATION VILLAGE/GEN S A	317782	5/19/15	65.00
POWER PLUS	EQUIPMENT RENTAL / S A	317783	5/19/15	390.00
SDG&E	GAS AND ELECTRIC UTILITIES / S A	317784	5/19/15	205.70
SWEETWATER AUTHORITY	WATER UTILITES / S A	317785	5/19/15	445.22
THE LAW OFFICES OF EDWARD Z KOTKIN	LEGAL / GENERAL COUNSEL SERVICES	317786	5/19/15	400.00
UNION TRIBUNE PUB CO	PUBLIC NOTICING / PLANNING COMMISSION	317787	5/19/15	2,414.60
			<b>A/P Total</b>	<b>612,864.43</b>
	<b>GRAND TOTAL</b>			<b>\$ 612,864.43</b>

**Certification**

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.

  
\_\_\_\_\_  
MARK ROBERTS, FINANCE

\_\_\_\_\_  
LESLIE DEESE, CITY MANAGER

**FINANCE COMMITTEE**

\_\_\_\_\_  
RONALD J. MORRISON, MAYOR-CHAIRMAN

\_\_\_\_\_  
JERRY CANO, VICE-MAYOR

\_\_\_\_\_  
ALEJANDRA SOTELO-SOLIS, MEMBER

\_\_\_\_\_  
MONA RIOS, MEMBER

\_\_\_\_\_  
ALBERT MENDIVIL, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 4<sup>th</sup> OF AUGUST, 2015.

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

ABSENT \_\_\_\_\_

The following page(s) contain the backup material for Agenda Item: Warrant Register #48 for the period of 05/20/15 through 05/26/15 in the amount of \$2,120,505.50 (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Warrant Register #48 for the period of 05/20/15 through 05/26/15 in the amount of \$2,120,505.50 (Finance)

**PREPARED BY:** K. Apalategui

**DEPARTMENT:** Finance

**PHONE:** 619-336-4572

**APPROVED BY:** Mark Roberts

**EXPLANATION:**

Per Government Section Code 37208, attached are the warrants issued for the period of 05/20/15 through 05/26/15.

Consistent with Department of Finance practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
Downstream Services	317805	70,300.00	Culvert Barriers
Tristar Risk Management	280691	65,420.21	April 2015 WC Replenishment
Ticor Title Co of CA	283950	574,335.29	Purchase of Real Property
The Bank of NY Mellon	291186	128,841.50	Loan Refinance / Fire Station 34
Public Emp Ret System	5222015	320,891.62	Service Period 4/28/15 – 5/11/15

**FINANCIAL STATEMENT:**

**APPROVED:** Mark Roberts

**Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_

**MIS**

Reimbursement total \$2,120,505.50

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:

FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Ratification of warrants in the amount of \$2,120,505.50

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Warrant Register #48





**WARRANT REGISTER #48  
5/26/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
ACE UNIFORMS & ACCESSORIES INC	EMBROIDERY LOGO SHIRTS	317788	5/26/15	194.36
ACME SAFETY & SUPPLY CORP	EXTRUDED BLADES	317789	5/26/15	272.50
AIRGAS WEST	MOP#45714 SUPPLIES	317790	5/26/15	135.59
AT&T MCI	AT&T PHONE SERVICE / 4/1/15 - 4/30/15	317791	5/26/15	357.32
AT&T MCI	AT&T PHONE SERVICE / 4/1/15 - 4/30/15	317792	5/26/15	140.68
AT&T MOBILITY	ATT WIRELESS / 4/06/15 - 5/05/15	317793	5/26/15	2,263.45
BOUND TREE MEDICAL LLC	ONSITE AED ADULT DEFIBRILLATION PADS	317794	5/26/15	137.63
BROADWAY AUTO GLASS	MATERIAL - ADHESIVE/WHINDSHIELD TINT	317795	5/26/15	270.00
CALIFORNIA RESERVE PEACE	RESERVE MEMBERSHIP/LEGAL SUPPORT	317796	5/26/15	990.00
CHILDREN'S HOSPITAL	SR2S	317797	5/26/15	35,308.89
CITY OF NATIONAL CITY	PETTY CASH REPLENISHMENT- MARCH 2015	317798	5/26/15	637.60
COURTESY REFRIGERATION INC	HEATCRAFT / MODEL # MCH025L62CF	317799	5/26/15	328.44
COX COMMUNICATIONS	COX INTERNET SERVICES FY15	317800	5/26/15	3,578.74
CYNTHIA TITGEN CONSULTING INC	RISK MGMNT CONSULTANT SERVICES	317801	5/26/15	2,968.75
D PREP L L C	TUITION: INTERNAL AFFAIRS UPDATE	317802	5/26/15	136.00
DION INTERNATIONAL TRUCK INC	SHOP SUPPLIES	317803	5/26/15	1,579.53
DOOLEY ENTERPRISES	308 WINCHESTER 168 GR	317804	5/26/15	2,965.20
DOWNSTREAM SERVICES	CULVERT BARRIERS	317805	5/26/15	70,300.00
ENTERPRISE FLEET MANAGEMENT	ENTERPRISE FLEET MANAGEMENT	317806	5/26/15	14,575.65
EW TRUCK & EQUIPMENT CO INC	PARTS - OIL, FILTER OIL, FILTER FUEL	317807	5/26/15	1,457.39
FLEET SERVICES INC	MOP#67804 AUTO PARTS	317808	5/26/15	192.23
HONEYWELL INTERNATIONAL INC	INV 5232745906 DUCT & FITTINGS	317809	5/26/15	3,262.39
KONE	MECHANIC TRAVEL	317810	5/26/15	593.77
KUSTOM SIGNALS INC	P1III BATTTERY	317811	5/26/15	409.67
LEHR AUTO ELECTRIC	PKG, BASE, SUPPORT BRACE	317812	5/26/15	578.50
LEXIPOL LLC	ONE MONTH FIRE POLICY MANUAL UPDATE	317813	5/26/15	408.33
LONG	SUBSISTENCE: IDENTITY THEFT INVESTIGATIONS	317814	5/26/15	256.00
MAN K9 INC	MONTHLY MAINTENANCE FOR K9 TRAINING	317815	5/26/15	1,400.00
MEGLA MANUFACTURING INC	STREET SWEEPER METAL ASSEMBLE	317816	5/26/15	2,580.00
METRO AUTO PARTS DISTRIBUTOR	MOP#75945 AUTO PARTS	317817	5/26/15	53.17
METRO FIRE & SAFETY	SERVICE CALL/DRY CHEMICAL RECHARGE	317818	5/26/15	57.50
NINYO & MOORE	NATIONAL CITY AQUATIC CTR	317819	5/26/15	3,162.75
OCEAN BLUE ENVIRONMENTAL	ABANDONED WASTE PICK UP	317820	5/26/15	308.07
OFFICE SOLUTIONS BUSINESS	HON PILLOW SOFT BLACK LEATHER	317821	5/26/15	302.37
OLIVER PACKAGING &	PACKAGING FOR HOME DELIVERY MEALS	317822	5/26/15	2,118.00
ORIENTAL TRADING COMP LLC	NON-WOVEN HIBISCUS BAGS/GREEN KIDDIE	317823	5/26/15	485.24
PADRE JANITORIAL SUPPLIES	JANITORIAL SUPPLIES / NUTRITON CENTER	317824	5/26/15	102.56
POWERSTRIDE BATTERY CO INC	MOP#67839 AUTO PARTS	317825	5/26/15	233.73
PRO BUILD	MOP#45707 SHOP SUPPLIES	317826	5/26/15	1,386.23
PROGRESSIVE INSURANCE	LIABILITY CLAIM COSTS	317827	5/26/15	2,024.86
PRUDENTIAL OVERALL SUPPLY	MOP#45742 WEARING APPAREL	317828	5/26/15	459.00
RAMESH PATEL	REFUND: TOT PENALTY FOR JULY 2014	317829	5/26/15	1,934.25
REEDER, M	REIMB: APA MEMBERSHIP DUES	317830	5/26/15	485.00
RESTORATION ARTECHS	STORAGE FEE FOR BRONZE PLAQUES	317831	5/26/15	150.00
RIVERSIDE COUNTY SHERIFF DEPT	TUITION: IDENTITY THEFT INVESTIGATION	317832	5/26/15	80.00
RODRIGUEZ, M	REIMB: CHIEFS' EXECUTIVE SEMINAR	317833	5/26/15	444.00
ROTARY CLUB OF NATIONAL CITY	QUARTERLY DUES - M RODRIGUEZ	317834	5/26/15	195.00
SAM'S ALIGNMENT SERVICE	MOP#72442 AUTO PARTS	317835	5/26/15	267.32
SDTMA LEA CORBIN TREASURER	MEMBERSHIP DUES: N NAGLE	317836	5/26/15	50.00



**WARRANT REGISTER #48  
5/26/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
SMART & FINAL	MOP 45756 MISC SUPPLIES - FIRE	317837	5/26/15	133.88
SMART SOURCE OF CALIFORNIA LLC	MOP 63845 FINAL RECRUITMENT PHAMPLET	317838	5/26/15	416.38
SONSRAY MACHINERY LLC	ENVIRO FEE/SHOP SUPPLIES/ZONE	317839	5/26/15	661.63
SOUTH COAST EMERGENCY	STEERING GEAR	317840	5/26/15	3,263.56
SPARKLETTS	WATER FOR MAYOR/COUNCIL FY15	317841	5/26/15	2.00
SPARKLETTS	WATER / NUTRITION CENTER	317842	5/26/15	1.65
STAPLES ADVANTAGE	COPY PAPER FOR PD	317843	5/26/15	2,272.68
SYSCO SAN DIEGO INC	CONSUMABLES / NUTRITION CENTER	317844	5/26/15	1,943.93
THE HOME DEPOT CREDIT SERVICES	ANT BAIT/PEST GLUE BOARDS	317845	5/26/15	109.32
THE SEMINAR GROUP	TUITION: 2ND ANNUAL PUBLIC/PRIVATE FINAN	317846	5/26/15	425.00
U S HEALTHWORKS	PRE-EMPLOYMENT PHYSICALS	317847	5/26/15	831.00
UNITED ROTARY BRUSH CORP	MOP#62683 AUTO PARTS	317848	5/26/15	109.57
VALLEY INDUSTRIAL SPECIALTIES	MOP#46453 PLUMBING MATERIALS	317849	5/26/15	317.75
VERIZON WIRELESS	VERIZON WIRELESS / 3/22/15 - 4/21/15	317850	5/26/15	54.20
WILLY'S ELECTRONIC SUPPLY	MOP 45763 MISC SUPPLIES - MIS	317851	5/26/15	58.48
MAZZARELLA LORENZANA LLP	LEGAL / ROSENOW, SPEVACEK GROUP	317852	5/26/15	11,864.96
THE LAW OFFICES OF EDWARD Z KOTKIN	LEGAL / OVERSIGHT BOARD FOR THE S A	317853	5/26/15	720.00
			<b>A/P Total</b>	<b>185,763.65</b>
<b>WIRED PAYMENTS</b>				
TRISTAR RISK MANAGEMENT	APRIL 2015 WC REPLENISHMENT	280691	5/20/15	65,420.21
TICOR TITLE COMPANY OF CA	PURCHASE OF REAL PROPERTY	283950	5/21/15	574,335.29
THE BANK OF NEW YORK MELLON	LOAN REFINANCE FOR FIRE STATION 34	291186	5/26/15	128,841.50
PUBLIC EMP RETIREMENT SYSTEM	SERVICE PERIOD 04/28/15 - 05/11/15	5222015	5/22/15	320,891.62
<b>PAYROLL</b>				
<b>Pay period</b>	<b>Start Date</b>	<b>End Date</b>	<b>Check Date</b>	
11	5/12/2015	5/25/2015	6/3/2015	<b>845,253.23</b>
			<b>GRAND TOTAL</b>	<b>\$ 2,120,505.50</b>

**Certification**

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.



MARK ROBERTS, FINANCE

LESLIE DEESE, CITY MANAGER

**FINANCE COMMITTEE**

RONALD J. MORRISON, MAYOR-CHAIRMAN

JERRY CANO, VICE-MAYOR

ALEJANDRA SOTELO-SOLIS, MEMBER

MONA RIOS, MEMBER

ALBERT MENDIVIL, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 4<sup>th</sup> OF AUGUST, 2015.

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

ABSENT \_\_\_\_\_

The following page(s) contain the backup material for Agenda Item: Warrant Register #49 for the period of 05/27/15 through 06/02/15 in the amount of \$891,590.01 (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** \_\_\_\_\_

**ITEM TITLE:**

Warrant Register #49 for the period of 05/27/15 through 06/02/15 in the amount of \$891,590.01 (Finance)

**PREPARED BY:** K. Apalategui

**DEPARTMENT:** Finance

**PHONE:** 619-336-4572

**APPROVED BY:** 

**EXPLANATION:**

Per Government Section Code 37208, attached are the warrants issued for the period of 05/27/15 through 06/02/15.

Consistent with Department of Finance practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
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**FINANCIAL STATEMENT:**

**APPROVED:** 

Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_

MIS

Reimbursement total \$891,590.01

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:**

**INTRODUCTION:**

**FINAL ADOPTION:**

**STAFF RECOMMENDATION:**

Ratification of warrants in the amount of \$891,590.01

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Warrant Register #49



**WARRANT REGISTER #49**  
**6/2/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
SAN DIEGO GAS & ELECTRIC	GAS & ELECTRIC FOR NUTRITION CENTER	317854	5/28/15	4,761.10
ACEDO, I	RETIREE HEALTH BENEFITS - JUNE 2015	317855	6/2/15	160.00
AMEDEE, W	REFUND: LUNCH FOR EOC EXERCISE	317856	6/2/15	203.66
ANDERSON, E	RETIREE HEALTH BENEFITS - JUNE 2015	317857	6/2/15	110.00
BEARD, P	RETIREE HEALTH BENEFITS - JUNE 2015	317858	6/2/15	70.00
BECK, L	RETIREE HEALTH BENEFITS - JUNE 2015	317859	6/2/15	140.00
BISHOP, R	RETIREE HEALTH BENEFITS - JUNE 2015	317860	6/2/15	110.00
BLACKIE'S TROPHIES AND AWARDS	MOP 67727 METAL NAME TAG	317861	6/2/15	15.12
BOEGLER, C	RETIREE HEALTH BENEFITS - JUNE 2015	317862	6/2/15	260.00
BOYD JR, P	RETIREE HEALTH BENEFITS - JUNE 2015	317863	6/2/15	145.00
CAL UNIFORMS INC	INV19212/19221/19280 UNIFORMS PD	317864	6/2/15	3,245.94
CALIFORNIA COMMERCIAL SECURITY	CITY-WIDE ELECTRONIC DOOR REPAIRS AS	317865	6/2/15	2,825.35
CALPERS	REPLACEMENT BENEFIT FUND	317866	6/2/15	1,448.31
CARRILLO, R	RETIREE HEALTH BENEFITS - JUNE 2015	317867	6/2/15	290.00
CLEAN HARBORS	HOUSEHOLD HAZADARDOUS WASTE	317868	6/2/15	805.00
COLE, L	RETIREE HEALTH BENEFITS - JUNE 2015	317869	6/2/15	165.00
COMMERCIAL AQUATICS	POOL SERVICES, REPAIRS, PURCHASE	317870	6/2/15	487.57
CONDON, D	RETIREE HEALTH BENEFITS - JUNE 2015	317871	6/2/15	280.00
CORPUZ, T	RETIREE HEALTH BENEFITS - JUNE 2015	317872	6/2/15	140.00
COUNTY OF SAN DIEGO	SHARE OF PC REVENUE - APR 2015	317873	6/2/15	10,865.00
COUNTY OF SAN DIEGO	MAIL PROCESSING SVCS / MAR 2015	317874	6/2/15	4,021.25
DANESHFAR, Z	RETIREE HEALTH BENEFITS - JUNE 2015	317875	6/2/15	250.00
DELTA DENTAL	COBRA DENTAL INS - APRIL 2015	317876	6/2/15	459.43
DESROCHERS, P	RETIREE HEALTH BENEFITS - JUNE 2015	317877	6/2/15	110.00
DI CERCHIO, A	RETIREE HEALTH BENEFITS - JUNE 2015	317878	6/2/15	70.00
DIAMOND ENVIRONMENTAL SVCS	1 - HANDICAP RESTROOM	317879	6/2/15	269.40
DILLARD, S	RETIREE HEALTH BENEFITS - JUNE 2015	317880	6/2/15	480.00
DREDGE, J	RETIREE HEALTH BENEFITS - JUNE 2015	317881	6/2/15	250.00
EISER III, G	RETIREE HEALTH BENEFITS - JUNE 2015	317882	6/2/15	250.00
ESGIL CORPORATION	PLAN CHECK / INSPECTION SERVICES	317883	6/2/15	1,826.00
EXPRESS PIPE AND SUPPLY CO INC	CITY-WIDE PLUMBING PARTS & MATERIALS	317884	6/2/15	46.81
FABINSKI, D	RETIREE HEALTH BENEFITS - JUNE 2015	317885	6/2/15	220.00
FREE FORM CLAY & SUPPLY	REPLACED PLUG - KILN REPAIR	317886	6/2/15	152.61
GALLS INC	SABRE RED CROSSFIRE STREAM / PD	317887	6/2/15	498.35
GELSKEY, K	RETIREE HEALTH BENEFITS - JUNE 2015	317888	6/2/15	115.00
GEORGE WATERS NUTRITION CENTER	SACK LUNCHES - COMMUNITY SVC DAY EVENT	317889	6/2/15	1,200.00
GIBBS JR, R	RETIREE HEALTH BENEFITS - JUNE 2015	317890	6/2/15	120.00
GOLDEN WEST COLLEGE	TUITION: BASIC SWAT ACADEMY CLASS	317891	6/2/15	798.00
GONZALEZ, L	WASTE WATER DIV LAPTOP REIMB	317892	6/2/15	327.98
GORMSEN APPLIANCE CO	CITY-WIDE APPLIANCE PURCHASES, REPAIRS	317893	6/2/15	320.00
GRAINGER	MOP# 65179 PW RELOC PROJECT	317894	6/2/15	2,855.77
GUNDERT, M	RETIREE HEALTH BENEFITS - JUNE 2015	317895	6/2/15	350.00
HANSON, E	RETIREE HEALTH BENEFITS - JUNE 2015	317896	6/2/15	135.00
HAUG, S	RETIREE HEALTH BENEFITS - JUNE 2015	317897	6/2/15	120.00
HEALTH NET	INS FOR R1192Q - APRIL 2015	317898	6/2/15	1,726.35
HODGES, B	RETIREE HEALTH BENEFITS - JUNE 2015	317899	6/2/15	200.00
HONDO, E	RETIREE HEALTH BENEFITS - JUNE 2015	317900	6/2/15	110.00
INTOXIMETERS INC	MOUTHPIECE CHECKTRAP / PD	317901	6/2/15	307.65
IRON MOUNTAIN	RECORDS MANAGEMENT & STORAGE	317902	6/2/15	155.84



## WARRANT REGISTER #49

6/2/2015

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
JAMES, R	RETIREE HEALTH BENEFITS - JUNE 2015	317903	6/2/15	140.00
JANIKING OF CALIFORNIA INC	CITY-WIDE JANITORIAL SERVICES	317904	6/2/15	475.00
JONES & MAYER	PUBLIC SAFETY OFFICERS PROCEDURAL	317905	6/2/15	140.00
JUNIEL, R	RETIREE HEALTH BENEFITS - JUNE 2015	317906	6/2/15	50.00
KAISER FOUNDATION HEALTH PLANS	RETIREE INS - COBRA APRIL 2015	317907	6/2/15	509.71
KIMBLE, R	RETIREE HEALTH BENEFITS - JUNE 2015	317908	6/2/15	300.00
LANDA, A	RETIREE HEALTH BENEFITS - JUNE 2015	317909	6/2/15	155.00
LASER SAVER INC	CANON PFI102 SD MATTE BLACK OEM	317910	6/2/15	679.72
LIMFUECO, M	RETIREE HEALTH BENEFITS - JUNE 2015	317911	6/2/15	160.00
LOPEZ, T	INTERPRETATION SERVICES	317912	6/2/15	350.00
MALDONADO, J	RETIREE HEALTH BENEFITS - JUNE 2015	317913	6/2/15	130.00
MATIENZO, M	RETIREE HEALTH BENEFITS - JUNE 2015	317914	6/2/15	100.00
MC CABE, T	RETIREE HEALTH BENEFITS - JUNE 2015	317915	6/2/15	280.00
MEDINA, R	RETIREE HEALTH BENEFITS - JUNE 2015	317916	6/2/15	105.00
MENDOZA, S	ED REIMBURSEMENT	317917	6/2/15	148.00
MINER, D	RETIREE HEALTH BENEFITS - JUNE 2015	317918	6/2/15	580.00
MUNOZ, M	REFUND OF BUSINESS APPLICATION	317919	6/2/15	320.00
MYERS, B	RETIREE HEALTH BENEFITS - JUNE 2015	317920	6/2/15	140.00
NAN MCKAY AND ASSOC INC	PIH ALERT AND NEWSLETTER ACCESS/SEC8	317921	6/2/15	573.00
NATIONAL CITY POLICE OFFICERS ASSOC	REIMB: SDPOA PEACE OFFICER OF THE YEAR	317922	6/2/15	400.00
NATIONAL CITY POLICE OFFICERS ASSOC	REIMB: CRIME STOPPERS PRESENTATION	317923	6/2/15	375.00
NOSAL, W	RETIREMENT SETTLEMENT- JUNE 2015	317924	6/2/15	1,244.52
NOTEWARE, D	RETIREE HEALTH BENEFITS - JUNE 2015	317925	6/2/15	120.00
OCEAN BLUE ENVIRONMENTAL	ALLEY BEHIND 2145 HOOVER AVE	317926	6/2/15	1,452.76
OCHOA, I	RETIREE HEALTH BENEFITS - JUNE 2015	317927	6/2/15	125.00
PAUU JR, P	RETIREE HEALTH BENEFITS - JUNE 2015	317928	6/2/15	340.00
PEASE JR, D	RETIREE HEALTH BENEFITS - JUNE 2015	317929	6/2/15	140.00
PENSKE FORD	R&M CITY VEHICLES / PW	317930	6/2/15	565.34
PEREZ, R	REFUND: PERMIT FEES - 1404 S LANOITAN AVE	317931	6/2/15	285.00
PERRY FORD	MOP#45703 AUTO EQUIPMENT	317932	6/2/15	664.97
PETERS, S	RETIREE HEALTH BENEFITS - JUNE 2015	317933	6/2/15	290.00
PLANETBIDS INC	PLANET BIDS ONLINE SERVICE & SUPPORT	317934	6/2/15	7,375.00
POST, R	RETIREE HEALTH BENEFITS - JUNE 2015	317935	6/2/15	280.00
POTTER, C	RETIREE HEALTH BENEFITS - JUNE 2015	317936	6/2/15	150.00
PRO BUILD	MOP 45707 MISC SUPPLIES - NSD	317937	6/2/15	401.91
PRUDENTIAL OVERALL SUPPLY	MOP#45742 LAUNDRY	317938	6/2/15	230.55
RAY, S	RETIREE HEALTH BENEFITS - JUNE 2015	317939	6/2/15	190.00
ROARK, L	RETIREE HEALTH BENEFITS - JUNE 2015	317940	6/2/15	135.00
ROE, V	RETIREE HEALTH BENEFITS - JUNE 2015	317941	6/2/15	120.00
RON BAKER CHEVROLET	MOP#45751 AUTO EQUIPMENT	317942	6/2/15	154.77
RUIZ, J	RETIREE HEALTH BENEFITS - JUNE 2015	317943	6/2/15	310.00
S & J BUILDERS & RESTORATION	CITY WIDE GENERAL BUILDING FOR REPAIRS	317944	6/2/15	1,344.34
SAM'S ALIGNMENT SERVICE	MOP#72442 AUTO EQUIPMENT	317945	6/2/15	615.47
SAN DIEGO POLICE EQUIPMENT	PB-PLATE CARRIER POINT BLANK LOW	317946	6/2/15	6,499.85
SCHOOL OUTFITTERS LLC	15 - 9000 SERIES SCHOOL CHAIRS / CSD	317947	6/2/15	1,368.45
SDG&E	FACILITIES DIVISION GAS & ELECTRIC	317948	6/2/15	40,934.41
SERVATIUS, J	RETIREE HEALTH BENEFITS - JUNE 2015	317949	6/2/15	340.00
SHORT, C	RETIREE HEALTH BENEFITS - JUNE 2015	317950	6/2/15	300.00
SMART & FINAL	MOP 45756 MISC SUPPLIES - COMM SVC	317951	6/2/15	945.14



## WARRANT REGISTER #49

6/2/2015

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
SMART SOURCE OF CALIFORNIA LLC	MOP 63845 BUSINESS CARD IMPRINTS	317952	6/2/15	74.12
SMITH, J	RETIREE HEALTH BENEFITS - JUNE 2015	317953	6/2/15	320.00
SOLAR CITY	REFUND: PERMIT FEES - 6 N HARBISON AVE	317954	6/2/15	417.42
SOUTH BAY WINDOW & GLASS CO	CITY-WIDE WINDOW/DOOR/MIRROR	317955	6/2/15	587.10
STAPLES ADVANTAGE	LEE PRODUCTS FINGERTIP PAD / PD	317956	6/2/15	534.17
STAPLES ADVANTAGE	ITEM # 1501594 SCANSNAP IX500 CLR	317957	6/2/15	2,085.38
STARTECH COMPUTERS	MOP 61744 LASER PRINTER	317958	6/2/15	252.02
STILES, J	ED REIMBURSEMENT	317959	6/2/15	165.00
STRASEN, W	RETIREE HEALTH BENEFITS - JUNE 2015	317960	6/2/15	135.00
SWEETWATER AUTHORITY	PARKS DIVISION WATER BILL FOR FY 2015	317961	6/2/15	4,761.68
THE ENGRAVING STORE	SGT. M. HARLAN #317 FLAG BOX	317962	6/2/15	338.27
TIPTON, B	RETIREE HEALTH BENEFITS - JUNE 2015	317963	6/2/15	250.00
TRIVIZ, R	RETIREE HEALTH BENEFITS - JUNE 2015	317964	6/2/15	135.00
TYLER TECHNOLOGIES INC	EDEN CONTRACT MANAGEMENT MODULE	317965	6/2/15	6,150.25
UNION TRIBUNE PUB CO	ADVERTISING / SEC 8	317966	6/2/15	668.75
URIAS, N	RETIREE HEALTH BENEFITS - JUNE 2015	317967	6/2/15	125.00
VERRY, L	RETIREE HEALTH BENEFITS - JUNE 2015	317968	6/2/15	280.00
VILLAGOMEZ, J	RETIREE HEALTH BENEFITS - JUNE 2015	317969	6/2/15	480.00
VISTA PAINT	MOP# 68834 CASA DE SALUD	317970	6/2/15	4,937.97
WALTERS, W	REIMB: BASIC SUPERVISORY COURSE	317971	6/2/15	285.20
WAXIE SANITARY SUPPLY	MISCELLANEOUS JANITORIAL SUPPLIES	317972	6/2/15	592.67
WHITE, J	RETIREE HEALTH BENEFITS - JUNE 2015	317973	6/2/15	230.00
ZENGOTA, V	RETIREE HEALTH BENEFITS - JUNE 2015	317974	6/2/15	300.00
ZIETLOW, D	RETIREE HEALTH BENEFITS - JUNE 2015	317975	6/2/15	150.00
SWEETWATER AUTHORITY	WATER UTILITES / S A	317976	6/2/15	343.85

**A/P Total 141,904.25**

	<u>Start Date</u>	<u>End Date</u>	
<b>SECTION 8 HAPS PAYMENTS</b>	<b>5/27/2015</b>	<b>6/2/2015</b>	<b>749,685.76</b>

**GRAND TOTAL**

**\$ 891,590.01**



**Certification**

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.

  
\_\_\_\_\_  
MARK ROBERTS, FINANCE

\_\_\_\_\_  
LESLIE DEESE, CITY MANAGER

**FINANCE COMMITTEE**

\_\_\_\_\_  
RONALD J. MORRISON, MAYOR-CHAIRMAN

\_\_\_\_\_  
JERRY CANO, VICE-MAYOR

\_\_\_\_\_  
ALEJANDRA SOTELO-SOLIS, MEMBER

\_\_\_\_\_  
MONA RIOS, MEMBER

\_\_\_\_\_  
ALBERT MENDIVIL, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 4<sup>th</sup> OF AUGUST, 2015.

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

ABSENT \_\_\_\_\_

The following page(s) contain the backup material for Agenda Item: Warrant Register #50 for the period of 06/03/15 through 06/09/15 in the amount of \$2,515,323.15 (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO. |**

**ITEM TITLE:**

Warrant Register #50 for the period of 06/03/15 through 06/09/15 in the amount of \$2,515,323.15 (Finance)

**PREPARED BY:** K. Apalategui

**DEPARTMENT:** Finance

**PHONE:** 619-336-4572

**APPROVED BY:** 

**EXPLANATION:**

Per Government Section Code 37208, attached are the warrants issued for the period of 06/03/15 through 06/09/15.

Consistent with Department of Finance practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
EC Constructors Inc	318031	224,442.24	Aquatic Center Project
Health Net Inc	318048	65,552.60	Insurance R1192A – June 2015
Kaiser Foundation	318052	173,095.24	Insurance Active – June 2015
LB Civil Construction Inc	318059	324,930.21	A Ave Green Street
Portillo Concrete, Inc	318073	159,155.64	Highland Avenue Safety
Public Emp Ret System	6082015	319,371.50	Service Period 5/12/15-5/25/15

**FINANCIAL STATEMENT:**

**APPROVED:**  Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$2,515,323.15

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Ratification of warrants in the amount of \$2,515,323.15

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Warrant Register #50



**WARRANT REGISTER #50  
6/9/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
GOVERNMENT FINANCE	2014 CAFR FEE ADJUSTMENT	317977	6/8/15	75.00
POWER PLUS	EQUIPMENT RENTAL / S A	317978	6/9/15	195.00
URBAN FUTURES	SVCS 1999,2004,2005&2011 TAX ALLOCATION	317979	6/9/15	7,950.00
ALL ABOUT BOOKS CO	GIVEAWAY BOOKS FOR LITERACY SERVICES	317980	6/9/15	481.18
AMAZON	BOOKS - LIBRARY	317982	6/9/15	4,249.25
BAKER & TAYLOR	BOOKS - LIBRARY	317983	6/9/15	6,923.15
BRODART CO	BOOKS - LIBRARY	317984	6/9/15	720.65
CAPSTONE	BOOKS FOR THE LITERACY SERVICES	317985	6/9/15	2,542.21
FRIENDS OF THE READ S D	REGISTRATION FEE FOR READ/SAN DIEGO	317986	6/9/15	315.00
GANDELMAN, A	PERFORMER FOR SUMMER READING PROGRAM	317987	6/9/15	200.00
GOVCONNECTION INC	47.6" SONY HD LED-LCD TV, BLACK	317988	6/9/15	1,760.37
GRASS ROOTS PRESS	BOOKS FOR THE LITERACY COLLECTION	317989	6/9/15	351.50
MIDWEST TAPE	DVD'S - LIBRARY	317990	6/9/15	1,075.31
NEW READERS PRESS	SUPPLIES / LIBRARY	317991	6/9/15	1,036.98
OCCUPATIONAL TRAINING SVCS	OCCUPATIONAL TRAINING WORKSHOPS	317992	6/9/15	1,400.00
PEDIA LEARNING INC	MATERIALS FOR TUTORS AND LEARNERS	317993	6/9/15	330.10
PRO BUILD	MOP #45707 - SUPPLIES	317994	6/9/15	100.96
SMART & FINAL	MOP #45756 - SUPPLIES	317995	6/9/15	26.97
STAPLES ADVANTAGE	MOP #45704 - SUPPLIES	317996	6/9/15	182.47
U S POSTMASTER	POSTAGE FOR OVERDUE NOTICES	317997	6/9/15	313.60
YOGA RASCALS	FAMILY YOGA CLASSES ON JUNE 22 AND JUNE	317998	6/9/15	205.00
ACE UNIFORMS & ACCESSORIES INC	8810WX WMNS CARGO TROUSERS NAVY	317999	6/9/15	347.16
ACME SAFETY & SUPPLY CORP	DN-CONES, DAY-NITE CONES 7#	318000	6/9/15	498.68
AFLAC	AFLAC ACCT BDM36 - JUNE 2015	318001	6/9/15	694.34
ALDEMCO	CONSUMABLES / NUTRITION	318002	6/9/15	5,568.48
AMEDEE, W	EQUIPMENT FOR YOGA CLASSES	318003	6/9/15	74.38
ARCO GASPRO PLUS	FUEL FOR CITY FLEET AS NEEDED FOR FY	318004	6/9/15	31,492.76
ASPEN RISK MANAGEMENT GROUP	PROFESSIONAL SERVICES	318005	6/9/15	2,866.50
ASPEN RISK MANAGEMENT GROUP	PROFESSIONAL SERVICES	318006	6/9/15	1,865.50
BANK OF AMERICA PUBLIC	CAT LOADER EQUIP LEASE - 6/24/15	318007	6/9/15	3,077.02
BARAWED, C	SUBSISTENCE: BASIC SWAT ACADEMY CLASS	318008	6/9/15	1,280.00
BATTERIES PLUS	DURACELL PROCELL 1.5 V AA ALKALINE	318009	6/9/15	677.25
BAXTER'S FRAME WORKS	NATIONAL CITY POLICE BADGE	318010	6/9/15	2,572.24
BEST BEST & KRIEGER ATTNY LAW	LIABILITY CLAIM COSTS	318011	6/9/15	3,308.35
C A P F	FIRE LTD - JUNE 2015	318012	6/9/15	624.00
CALIFORNIA LAW ENFORCEMENT	PD LTD JUNE 2015	318013	6/9/15	1,960.00
CALIFORNIA UNITED BANK	MORGAN TOWERS	318014	6/9/15	1,782.55
CALPELRA	ANNUAL CONFERENCE REGISTRATION	318015	6/9/15	1,020.00
CAYABYAB, W	REFUND: PARKING CITATION P62124	318016	6/9/15	275.00
CEB	CA CIVIL DISCOVERY PRACTICE	318017	6/9/15	246.55
CITY NATIONAL BANK	ENERGY RETROFIT PROJECT	318018	6/9/15	43,101.10
CITY OF CHULA VISTA	ANIMAL SHELTER COSTS / PD	318019	6/9/15	36,030.13
CITY OF NATIONAL CITY	PETTY CASH INCREASE FOR ENG/PW	318020	6/9/15	200.00
COAST INDUSTRIAL SYSTEMS, INC.	HOSE 3/4" COUPLED	318021	6/9/15	156.06
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	318022	6/9/15	3,702.07
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	318023	6/9/15	1,628.10
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	318024	6/9/15	850.98
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	318025	6/9/15	735.00
DALEY & HEFT LLP	LIABILITY CLAIM COSTS	318026	6/9/15	734.34



## WARRANT REGISTER #50

6/9/2015

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
DELTA DENTAL	DENTAL INS PREMIER - JUNE 2015	318027	6/9/15	14,631.97
DELTA DENTAL INSURANCE CO	PMI DENTAL INS - JUNE 2015	318028	6/9/15	2,899.38
DUNBAR ARMORED INC	ARMORED SERVICES / FINANCE	318029	6/9/15	597.05
E2 MANAGE TECH INC	2020 HOOVER UST	318030	6/9/15	7,108.26
EC CONSTRUCTORS INC	AQUATIC CENTER PROJECT	318031	6/9/15	224,442.24
EMERGENCY EQPT ENGINEERING	LEATHER GEAR / POLICE	318032	6/9/15	484.38
ENTERPRISE FLEET MANAGEMENT	ENTERPRISE FLEET MGMT	318033	6/9/15	12,962.20
EQUIFAX INFORMATION SVCS	BACKGROUND & CREDIT CHECKS / S8	318034	6/9/15	50.70
FEDEX	TRANSPORTATION CHARGES	318035	6/9/15	54.48
FORDYCE CONSTRUCTION INC	MORGAN TOWERS	318036	6/9/15	33,868.48
GARCIA, B	ED REIMBURSEMENT	318037	6/9/15	250.00
GOLDEN WEST COLLEGE	TUITION: BASIC SWAT ACADEMY CLASS	318038	6/9/15	798.00
GONZALES, G	SUBSISTENCE: BASIC SWAT ACADEMY CLASS	318039	6/9/15	1,280.00
GOVERNMENT FINANCE OFFICERS	MEMBERSHIP RENEWAL 4/01/15 - 3/31/16	318040	6/9/15	595.00
GRAINGER	MOP 65179. SUPPLIES FOR FIRE DEPT	318041	6/9/15	480.03
GREEN MECHANICAL CONTRACTORS	CALIBRATE REFRIGERANT MONITOR	318042	6/9/15	1,975.00
HARLAN, M	REFUND FOR HEALTH DEDUCTIONS	318043	6/9/15	230.67
HDL COREN & CONE	CONTRACT SVCS JAN - MAR 2015	318044	6/9/15	5,280.00
HEALTH NET	FULL NETWORK 57135A - JUNE 2015	318045	6/9/15	5,334.29
HEALTH NET	INSURANCE N5992A - JUNE 2015	318046	6/9/15	3,749.79
HEALTH NET	HEALTH NET INS - JUNE 2015	318047	6/9/15	1,595.84
HEALTH NET INC	INSURANCE R1192A - JUNE 2015	318048	6/9/15	65,552.60
HINDERLITER DE LLAMAS & ASSOC	CONTRACT SVCS SALES QTR 4 2014	318049	6/9/15	11,423.54
HONEYWELL INTERNATIONAL INC	BLOWER BELT / PW	318050	6/9/15	653.73
ICC SAN DIEGO AREA CHAPTER	ICC TRAINING / GRANTS - SALAZAR	318051	6/9/15	100.00
KAISER FOUNDATION HEALTH PLANS	INSURANCE ACTIVE - JUNE 2015	318052	6/9/15	173,095.24
KAISER FOUNDATION HEALTH PLANS	RETIREEES INS - JUNE 2015	318053	6/9/15	22,621.49
KAISER FOUNDATION HEALTH PLANS	RETIREEES INS - JUNE 2015	318054	6/9/15	10,757.69
KAISER FOUNDATION HEALTH PLANS	H S A INS JUNE 2015 GRP #104220-0005	318055	6/9/15	3,640.01
KNOX ATTORNEY SERVICE INC	INV 4109112/4109113 ATTN SVCS	318056	6/9/15	252.50
KNOX ATTORNEY SERVICE INC	BATEMAN OPPOSITION	318057	6/9/15	148.25
KNOX ATTORNEY SERVICE INC	RODRIGUEZ PITCHESS MOTION	318058	6/9/15	70.00
L B CIVIL CONSTRUCTION INC	A AVENUE GREEN ST	318059	6/9/15	324,930.21
L N CURTIS & SONS	ROUTINE ANNUAL SERVICE COMPRESSOR	318060	6/9/15	3,577.38
LEFORTS SMALL ENGINE REPAIR	RED MAX TRIMMER SPIN HEAD	318061	6/9/15	428.37
LINE X SAN DIEGO	WEATHERTECH FLOOR LINERS FOR 2015	318062	6/9/15	326.35
LOPEZ, E	SCHOLARSHIP AMERICAN MEDICAL RESPONSE	318063	6/9/15	1,000.00
MCDUGAL LOVE ECKIS	LIABILITY CLAIM COSTS	318064	6/9/15	4,018.53
MCDUGAL LOVE ECKIS	LIABILITY CLAIM COSTS	318065	6/9/15	3,631.63
MCDUGAL LOVE ECKIS	LIABILITY CLAIM COSTS	318066	6/9/15	418.25
MCKENNA LONG & ALDRIDGE	EC CONSTRUCTORS MATTER	318067	6/9/15	215.00
MENDOZA, S	ED REIMBURSEMENT	318068	6/9/15	129.00
MOSSY NISSAN	FILTERS / PW	318069	6/9/15	171.89
NATIONAL CREDIT REPORTING	CREDIT REPORTING / S8	318070	6/9/15	27.65
PADRE JANITORIAL SUPPLIES	JANITORIAL SUPPLIES / NUTRITON CENTER	318071	6/9/15	54.50
PENA, L	SCHOLARSHIP AMERICAN MEDICAL RESPONSE	318072	6/9/15	1,000.00
PORTILLO CONCRETE, INC.	HIGHLAND AVENUE SAFETY	318073	6/9/15	159,155.64
PORTILLO, C	SCHOLARSHIP AMERICAN MEDICAL RESPONSE	318074	6/9/15	1,000.00
PRADO OLYMPIC SHOOTING PARK	RANGE FEE - C BARAWED	318075	6/9/15	45.00



**WARRANT REGISTER #50  
6/9/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
PRADO OLYMPIC SHOOTING PARK	RANGE FEE - G GONZALES	318076	6/9/15	45.00
PRI MANAGEMENT GROUP	TUITION: MANAGING SOCIAL MEDIA	318077	6/9/15	195.00
PRO-EDGE KNIFE	KNIFE SHARPENING SVCS / NUTRITION	318078	6/9/15	46.00
RDO EQUIPMENT CO	NOBIN MOWER, BC1000XL SN 112/PW	318079	6/9/15	2,376.09
RELIANCE STANDARD	VOLUNTARY LIFE INSURANCE - JUNE 2015	318080	6/9/15	3,105.95
RICHARDS, R	REFUND: PARKING CITATION NC1150423026	318081	6/9/15	35.00
ROBERT HALF LEGAL	TEMP HELP- WEEK ENDING 05/22/15	318082	6/9/15	365.76
S & J BUILDERS & RESTORATION	CONCRETE PAD AT CASA DE SALUD	318083	6/9/15	2,972.23
S D COUNTY SHERIFF'S DEPT	SHERIFF'S RANGE USE / POLICE	318084	6/9/15	200.00
SAFRAN MORPHOTRUST	FINGERPRINT TEST SUBMISSION- APR 2015	318085	6/9/15	32.00
SAN DIEGO DAILY TRANSCRIPT	CITY OF NC INSERT BILLING	318086	6/9/15	8,000.00
SAN DIEGO GAS & ELECTRIC	1ST INSTALLMENT FY14-15 PROPERTY TAX	318087	6/9/15	514.00
SMART & FINAL	MOP 45756 MISC SUPPLIES - PD	318088	6/9/15	49.00
SMART SOURCE OF CALIFORNIA LLC	PRINTING OF BUDGET BOOKS FOR FY15	318089	6/9/15	2,831.82
SOUTH COAST EMERGENCY	GAUGE / PW	318090	6/9/15	786.21
STAPLES ADVANTAGE	MOP 45704. OFFICE SUPPLIES / CSD	318091	6/9/15	2,995.74
SYSCO SAN DIEGO INC	CONSUMABLES / NUTRITION CENTER	318092	6/9/15	3,942.17
THE BANK OF NEW YORK MELLON	CUSTODIAN FEES 10/01/14 - 12/31/14	318093	6/9/15	300.00
THE COUNSELING TEAM	OFFICER ASSISTANCE PROGRAM	318094	6/9/15	1,587.50
THE HOME DEPOT CREDIT SERVICES	SUPPLIES FOR CASA DE SALUD	318095	6/9/15	244.27
THE LINCOLN NATIONAL LIFE INS	LIFE & AD&D, STD, LTD INS JUNE 2015	318096	6/9/15	9,936.08
THOMSON WEST	ONLINE LEGAL RESEARCH	318097	6/9/15	814.72
TORRES, E	ZUMBA CLASSES FOR CITY EMPLOYEES	318098	6/9/15	56.00
TORREY PINES BANK	AQUATIC CENTER ESCROW	318099	6/9/15	11,812.76
URBAN FUTURES	SVCS FOR 2012 GO REFUNDING BONDS	318100	6/9/15	1,950.00
VULCAN MATERIALS COMPANY	3/4 IN CL2 BASE / PW	318101	6/9/15	384.61
WESLEY ANDERSON	INT CONF OF POLICE CHAPLAINS / ANDERSON	318102	6/9/15	286.00
WEST PAYMENT CENTER	CLEAR INVESTIGATIVE DATABASES / PD	318103	6/9/15	464.21
WEST PAYMENT CENTER	CA CODE UPDATE BOOKS	318104	6/9/15	109.04

**A/P Total 1,341,352.61**

<u>WIRED PAYMENTS</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
PUBLIC EMP RETIREMENT SYSTEM	SERVICE PERIOD 05/12/15 - 05/25/15	6082015	6/8/15	319,371.50

<u>PAYROLL</u>				
<u>Pay period</u>	<u>Start Date</u>	<u>End Date</u>	<u>Check Date</u>	<u>AMOUNT</u>
12	5/26/2015	6/8/2015	6/17/2015	854,599.04

**GRAND TOTAL \$ 2,515,323.15**

**Certification**

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.



MARK ROBERTS, FINANCE

LESLIE DEESE, CITY MANAGER

**FINANCE COMMITTEE**

RONALD J. MORRISON, MAYOR-CHAIRMAN

JERRY CANO, VICE-MAYOR

ALEJANDRA SOTELO-SOLIS, MEMBER

MCNA RIOS, MEMBER

ALBERT MENDIVIL, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 4<sup>th</sup> OF AUGUST, 2015.

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

ABSENT \_\_\_\_\_

The following page(s) contain the backup material for Agenda Item: Warrant Register #51 for the period of 06/10/15 through 06/16/15 in the amount of \$584,399.83 (Finance)



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Warrant Register #51 for the period of 06/10/15 through 06/16/15 in the amount of \$584,399.83  
(Finance)

**PREPARED BY:** K. Apaiategui

**DEPARTMENT:** Finance

**PHONE:** 619-336-4572

**APPROVED BY:**

**EXPLANATION:**

Per Government Section Code 37208, attached are the warrants issued for the period of 06/10/15 through 06/16/15.

Consistent with Department of Finance practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
D-Max Engineering	318135	66,306.13	Storm Water Services
Kimley Horn and Assoc	318157	146,187.97	Paradise Creek
STC Traffic Inc	318199	50,233.45	Citywide Data
Tristar Risk Management	330713	77,023.52	May 2015 WC Replenishment

**FINANCIAL STATEMENT:**

**APPROVED:** Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$584,399.83

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Ratification of warrants in the amount of \$584,399.83

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Warrant Register #51



**WARRANT REGISTER #51  
6/16/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
CHRISTENSEN & SPATH LLP	LEGAL / MORGAN SQUARE	318105	6/16/15	1,553.75
NBS	LANDSCAPE MAINTENANCE DISTRICT 1	318106	6/16/15	881.79
SDG&E	GAS & ELECTRIC UTILITIES SERVICES / S A	318107	6/16/15	503.71
THE LAW OFFICES OF EDWARD Z KOTKIN	LEGAL / 2013* OVERSIGHT BOARD FOR S A	318108	6/16/15	300.00
3M	3M CONVERSION STATIONS M812	318109	6/16/15	5,395.50
AIRGAS WEST	MOP#45714 MATERIALS / PW	318110	6/16/15	145.59
ALDEMCO	CONSUMABLES / NUTRITION	318111	6/16/15	3,789.62
ALL FRESH PRODUCTS	FOOD & CONSUMABLES / NUTRITION	318112	6/16/15	787.13
AMEDEE, W	REIMB - 90 DAY WEIGHT LOSS CHALLENGE	318113	6/16/15	376.66
ATKINS NORTH AMERICA INC	SEWER SERV. TAX ROLL	318114	6/16/15	9,720.00
BEAUCHAMP FAMILY COMMERCIAL	LEASE OF WAREHOUSE - JUNE 2015	318115	6/16/15	3,300.00
BEAUCHAMP FAMILY COMMERCIAL	LEASE OF WAREHOUSE - JULY 2015	318116	6/16/15	3,300.00
BNT TITLE COMPANY OF CA	TITLE REPORT - FILE #CA15113836	318117	6/16/15	650.00
BOOT WORLD	MOP#64096 WEARING APPAREL	318118	6/16/15	125.00
BROADWAY AUTO GLASS	WINDSHIELD TINT SHADE	318119	6/16/15	190.00
CAL UNIFORMS INC	CLASS A NAVY WOOL/BLEND JACKET	318120	6/16/15	540.99
CALIFORNIA COMMERCIAL SECURITY	MOP#45754 BUILDING STRUCTURES	318121	6/16/15	292.36
CALIFORNIA ELECTRIC SUPPLY	MOP#45698 ELECTRICAL MATERIALS	318122	6/16/15	1,431.53
CARDIAC SCIENCE CORPORATION	YELLOW BATTERY INTELLISENSE	318123	6/16/15	1,165.00
CHEN RYAN ASSOCIATES, INC.	STUDENT COORDINATION	318124	6/16/15	4,296.95
CHILDREN'S HOSPITAL	CHILD ABUSE EXAMS / PD	318125	6/16/15	2,616.00
CITY OF SAN DIEGO	TRANSPORTATION AND TREATMENT OF SEWER	318126	6/16/15	3,194.46
COMMERCIAL AQUATICS	POOL SERVICES AND REPAIRS	318127	6/16/15	719.85
COUNTY OF SAN DIEGO	BUILDING RECORDS	318128	6/16/15	30.00
COUNTY OF SAN DIEGO	RENEWAL EMT CERTIFICATIONS	318129	6/16/15	864.00
CYNTHIA TITGEN CONSULTING INC	RISK MGMT CONSULTANT SERVICES	318130	6/16/15	2,565.00
DANIELS TIRE SERVICE	MOP#76986 AUTO PARTS	318131	6/16/15	483.64
DATA TICKET INC	APPEALS, ON-LINE ACCESS / MAY 2015	318132	6/16/15	2,207.10
DAY WIRELESS SYSTEMS	MAINTENANCE / MAY 2015	318133	6/16/15	843.75
DEPARTMENT OF JUSTICE	NEW EMP FINGERPRINT TEST-APR 2015	318134	6/16/15	648.00
D-MAX ENGINEERING	STORMWATER SERVICES	318135	6/16/15	66,306.13
DOKKEN ENGINEERING	PLAZA BLVD. WIDENING	318136	6/16/15	2,228.30
DTSC ACCOUNTING UNIT	EXPENSE REIMB 1/1/2015 - 3/31/2015	318137	6/16/15	1,639.97
ECMS	TURNOUT INSPECTION AND REPAIR	318138	6/16/15	2,107.04
ECOLAB	SUPPLIES FOR DISHWASHER / NUTRITION	318139	6/16/15	92.35
EXPRESS PIPE AND SUPPLY CO INC	CITY-WIDE PLUMBING PARTS & MATERIALS	318140	6/16/15	184.73
FASTSIGNS	NO SMOKING SIGN	318141	6/16/15	88.29
FEDEX	PACKAGE DELIVERIES	318142	6/16/15	138.07
FERGUSON ENTERPRISES INC	MOP#45723 SEWER PIPE	318143	6/16/15	280.26
FIRST AMERICAN TITLE COMPANY	TITLE REPORTS	318144	6/16/15	750.00
GARCIA, A	REIMB: SHIPPING SUPPLIES	318145	6/16/15	56.38
GRAINGER	MOP#65179 ELECTRICAL MATERIALS	318146	6/16/15	411.49
HARLAN, M	RETIREE HEALTH BENEFITS - JUNE 2015	318147	6/16/15	500.00
HARRIS & ASSOCIATES INC	HIGHLAND AVENUE	318148	6/16/15	330.00
HEALTH & HUMAN	EMP ASSISTANCE PROGRAM-JUNE 2015	318149	6/16/15	773.28
HONEYWELL ANALYTICS INC	POSI CALIBRATION / FIRE	318150	6/16/15	600.00
HUNTER'S NURSERY INC	MOP#45719 HORTICULTURAL MATERIALS	318151	6/16/15	44.93
HYDRO SCAPE PRODUCTS INC	MOP#45720 PLANTING MATERIALS	318152	6/16/15	869.47
INNOVATIVE CONSTRUCTION	FIRE STATION 31	318154	6/16/15	73.50



**WARRANT REGISTER #51  
6/16/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
IRON MOUNTAIN	RECORDS MANAGEMENT & STORAGE	318155	6/16/15	155.84
JJJ ENTERPRISES	CITY WIDE FIRE AND SECURITY ALARM	318156	6/16/15	9,670.00
KIMLEY HORN AND ASSOC INC	PARADISE CREEK	318157	6/16/15	146,187.97
KNOX ATTORNEY SERVICE INC	FILING OF PITCHES OPPOSITION	318158	6/16/15	60.50
KONE	FLOOR DRAIN IN SHAFT	318159	6/16/15	206.71
KONICA MINOLTA	COPIER EQUIP LEASE - 5/01/15-5/31/15	318160	6/16/15	10,764.89
LASER SAVER INC	MOP 45725 TONER CARTRIDGE - FIRE	318161	6/16/15	272.35
LEADS ONLINE LLC	LEADS ONLINE TOTAL TRACK SYS SVC	318162	6/16/15	5,890.00
LIEBERT CASSIDY WHITMORE	FLSA AUDIT	318163	6/16/15	390.00
LOPEZ, T	INTERPRETATION SERVICES 06/02/15	318164	6/16/15	210.00
MACIAS, M	REIMB - PINE VALLEY, EVERY 15 MIN PROGRAM	318165	6/16/15	145.00
MELLADO DESIGNS	MEN'S BLACK POLO SHIRTS / NSD	318166	6/16/15	419.04
MELLADO DESIGNS	LADIES CS411 BLACK POLO SHIRTS / NSD	318167	6/16/15	345.60
METRO AUTO PARTS DISTRIBUTOR	SYNTHETIC OIL/WASHER FLUID	318168	6/16/15	1,140.07
MORA, S	ED REIMBURSEMENT	318169	6/16/15	150.00
MOSSY NISSAN	OIL/FILTERS/BRAKES/BELT FAN	318170	6/16/15	1,967.56
NATIONAL CITY CAR WASH	MOP#72454 AUTO PARTS	318171	6/16/15	503.99
NATIONAL CITY CHAMBER	NC TOURISM MARKETING FEE - APR 2015	318172	6/16/15	29,589.55
NATIONAL CITY TROPHY	MOP 66556 RECOGNITION PLAQUES	318173	6/16/15	370.60
NATIONAL STORMWATER CENTER	TUITION: STORMWATER CLASS	318174	6/16/15	2,322.00
NINYO & MOORE	AQUATIC CENTER	318175	6/16/15	9,537.75
PACIFIC AUTO REPAIR	SMOG CERTIFICATION & REPAIRS FOR CITY	318176	6/16/15	165.00
PADRE JANITORIAL SUPPLIES	JANITORIAL SUPPLIES / NUTRITON CENTER	318177	6/16/15	75.53
PERRY FORD	MOP#45703 AUTO EQUIPMENT	318178	6/16/15	1,086.52
PORTILLO CONCRETE, INC.	HIGHLAND AVENUE	318179	6/16/15	44,373.57
POWER HAWK TECHNOLOGIES INC	BATTERY CHARGER FOR POWER HAWK	318180	6/16/15	564.00
POWERSTRIDE BATTERY CO INC	MOP#67839 AUTO PARTS	318181	6/16/15	405.32
PRO BUILD	MOP#45707 SHOP SUPPLIES	318182	6/16/15	1,621.22
PRO-TECH INDUSTRIES	PROTECTIVE FINISH SILICONE LUBRICANT	318183	6/16/15	499.00
PRUDENTIAL OVERALL SUPPLY	MOP#45742 LAUNDRY	318184	6/16/15	468.50
RED WING SHOES STORE	SAFETY BOOTS / PARKS	318185	6/16/15	125.00
ROMERO'S ROOFING SERVICE INC	CITY-WIDE ROOF SERVICE & REPLACEMENT	318186	6/16/15	945.00
RON BAKER CHEVROLET	PARTS/ FLUID/ GEARS	318187	6/16/15	988.13
SAFDIE RABINES ARCHITECTS	NATIONAL CITY AQUATIC CENTER	318188	6/16/15	20,538.18
SAN DIEGO POLICE CHIEF'S	MEMBERSHIP RENEWAL - CHIEF M RODRIGUEZ	318189	6/16/15	350.00
SAN DIEGO RESTAURANT SUPPLY	CAN OPENER WITH BASE	318190	6/16/15	141.65
SAN DIEGO RETINA ASSOCIATES	LIABILITY CLAIM COSTS	318191	6/16/15	330.00
SIMMS, D	ED REIMBURSEMENT	318192	6/16/15	309.00
SMART SOURCE OF CALIFORNIA LLC	MOP 63845 LETTERHEAD IMPRINTS	318193	6/16/15	68.67
SMITH, B	EDUCATIONAL REIMBURSEMENT	318194	6/16/15	260.00
SOUTH BAY COMMUNITY SERVICES	CDBG FY 2015 SOUTH BAY COMMUNITY	318195	6/16/15	6,816.33
SOUTHERN CALIFORNIA SOIL	A AVENUE GREEN	318196	6/16/15	6,652.00
SPARKLETT'S	WATER / NUTRITION CENTER	318197	6/16/15	9.68
STAPLES ADVANTAGE	MOP 45704 OFFICE SUPPLIES - COMM SVC	318198	6/16/15	381.31
STC TRAFFIC INC	CITYWIDE DATA	318199	6/16/15	50,233.45
SUN BADGE COMPANY INC	P200 SUNTONESILTONE FLAT BADGE	318200	6/16/15	126.00
SYSCO SAN DIEGO INC	CONSUMABLES / NUTRITION CENTER	318201	6/16/15	5,243.12
T MAN TRAFFIC SUPPLY	MOP#76666 TRAFFIC CONTROL	318202	6/16/15	493.61
THE LIGHTHOUSE INC	MOP#45726 AUTO SUPPLIES	318203	6/16/15	307.75



**WARRANT REGISTER #51  
6/16/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
THE STAR NEWS	WATERFRONT ADVENTURE CENTER	318204	6/16/15	125.59
TURNER'S PORTABLE WELDING	FLAT BAR / LABOR	318205	6/16/15	1,164.45
U S BANK	CREDIT CARD EXP - CITY MGR	318206	6/16/15	171.00
U S HEALTHWORKS	PRE-EMPLOYMENT PHYSICAL	318207	6/16/15	306.00
UNION TRIBUNE PUB CO	LEGAL NOTICES ADVERTISING	318208	6/16/15	6,171.80
UNITED ROTARY BRUSH CORP	MOP#62683 AUTO PARTS	318209	6/16/15	265.78
URS CORPORATION	KIMBALL MORGAN NUTRICION	318210	6/16/15	1,660.00
VALLEY INDUSTRIAL SPECIALTIES	MOP#46453 PLUMBING MATERIALS	318211	6/16/15	30.99
VISION SERVICE PLAN	VISION SERVICE PLAN (CA) - JUNE 2015	318212	6/16/15	384.51
VISTA PAINT	MOP 68834 FLAT BASE PAINT - NSD	318213	6/16/15	436.24
WAXIE SANITARY SUPPLY	MISCELLANEOUS JANITORIAL SUPPLIES	318214	6/16/15	1,935.68
WESTFLEX INDUSTRIAL	MOP#63850 AUTO PARTS	318215	6/16/15	108.59
WHITE WHALE PROPERTIES INC	REFUND: PERMIT #73374, 1640 ORANGE ST	318216	6/16/15	133.70
WILLY'S ELECTRONIC SUPPLY	MOP#45763 MATERIALS	318217	6/16/15	213.45
			<b>A/P Total</b>	<b>507,376.31</b>
<b>WIRED PAYMENTS</b>				
TRISTAR RISK MANAGEMENT	MAY 2015 WC REPLENISHMENT	330713	6/11/15	77,023.52
	<b>GRAND TOTAL</b>			<b>\$ 584,399.83</b>

**Certification**

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.

  
\_\_\_\_\_  
MARK ROBERTS, FINANCE

\_\_\_\_\_  
LESLIE DEESE, CITY MANAGER

**FINANCE COMMITTEE**

\_\_\_\_\_  
RONALD J. MORRISON, MAYOR-CHAIRMAN

\_\_\_\_\_  
JERRY CANO, VICE-MAYOR

\_\_\_\_\_  
ALEJANDRA SOTELO-SOLIS, MEMBER

\_\_\_\_\_  
MONA RIOS, MEMBER

\_\_\_\_\_  
ALBERT MENDIVIL, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 4<sup>th</sup> OF AUGUST, 2015.

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

ABSENT \_\_\_\_\_

The following page(s) contain the backup material for Agenda Item: Warrant Register #52 for the period of 06/17/15 through 06/23/15 in the amount of \$2,099,803.33 (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Warrant Register #52 for the period of 06/17/15 through 06/23/15 in the amount of \$2,099,803.33  
(Finance)

**PREPARED BY:** K. Apalategui

**DEPARTMENT:** Finance

**PHONE:** 619-336-4572

**APPROVED BY:** 

**EXPLANATION:**

Per Government Section Code 37208, attached are the warrants issued for the period of 06/10/15 through 06/16/15.

Consistent with Department of Finance practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
Pal General Engineering	318266	76,332.05	Release Stop Payment
SDG&E	318275	73,643.01	Facilities Division Gas & Electric
Clauss Construction	318301	173,424.62	2010 & 2100 Hoover Ave
EC Constructors Inc	318302	112,907.04	Aquatic Center
LB Civil Construction Inc	318304	235,488.38	A Avenue Green
Public Emp Ret System	6192015	324,089.52	Service Period 5/26/15-6/08/15

**FINANCIAL STATEMENT:**

**APPROVED:**  Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$2,099,803.33

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Ratification of warrants in the amount of \$2,099,803.33

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Warrant Register #52



**WARRANT REGISTER #52  
6/23/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
ADAMSON POLICE PRODUCTS	SCA SUMMIT LEVEL IIIA BALLISTIC VEST	318218	6/23/15	3,161.00
AT&T MCI	AT&T PHONE SERVICE / 4/13/15-5/12/15	318219	6/23/15	8,104.31
AT&T MOBILITY	AT&T WIRELESS / 4/6/15-5/5/15	318220	6/23/15	400.51
AUSTIN DOORS	CITY-WIDE ROLL-UP DOORS & SERVICE	318221	6/23/15	2,417.80
BEST BEST & KRIEGER ATTN LAW	PERSONNEL ISSUES	318222	6/23/15	517.50
BMI	MUSIC PERFORMANCE 6/1/15-5/31/16	318223	6/23/15	601.20
BPI PLUMBING	CITY-WIDE PLUMBING SERVICE & REPAIRS	318224	6/23/15	468.43
BURKE WILLIAMS & SORENSEN LLP	PROFESSIONAL SVCS - NEGOTIATIONS	318225	6/23/15	6,372.00
CALIFORNIA COMMERCIAL SECURITY	CITY-WIDE ELECTRONIC DOOR & LOCKS	318226	6/23/15	1,052.74
CALIFORNIA ELECTRIC SUPPLY	MOP#45698 ELECTRICAL MATERIALS	318227	6/23/15	153.78
CARTEGRAPH SYSTEMS, INC	PERMIT LICENSE/TRACKING PER CC RESO	318228	6/23/15	2,271.75
CHRISTIANSEN, M	ED REIMBURSEMENT	318229	6/23/15	250.00
COMMERCIAL AQUATICS	POOL SERVICES / PW	318230	6/23/15	724.85
COUNTY OF SAN DIEGO	REGIONAL COMMUNICATIONS SYSTEM	318231	6/23/15	7,526.00
COUNTY OF SAN DIEGO	MAIL PROCESSING FOR FY15	318232	6/23/15	2,906.18
COX COMMUNICATIONS	COX INTERNET SERVICES FY15	318233	6/23/15	285.74
CULLIGAN	WATER SOFTNER / NUTRITION	318234	6/23/15	8.00
D MAX ENGINEERING INC	DEPOSIT #90077; SCANTIBODIES	318235	6/23/15	3,075.00
DANIELS TIRE SERVICE	MOP#76986 TIRES	318236	6/23/15	208.38
DEPARTMENT OF JUSTICE	NEW EMP FINGERPRINT TEST - MAY 2015	318237	6/23/15	64.00
EXPERIAN	CREDIT CHECKS / POLICE DEPT	318238	6/23/15	44.30
EXPRESS PIPE AND SUPPLY CO INC	CITY-WIDE PLUMBING PARTS & MATERIALS	318239	6/23/15	2,831.33
FEDEX	SENDING DOCUMENTS TO CALTRANS	318240	6/23/15	46.38
FERNANDEZ, K	REIMB: SANDAG/SANTEC MEETING	318241	6/23/15	40.55
FIRE ETC	REDBACK STATION PULL ON BOOTS	318242	6/23/15	267.05
GOLDEN RULE CREATIONS	EMBLEM DESCRIPTION-LETTERING	318243	6/23/15	614.57
GOVCONNECTION INC	CISCO CATALYST/POWER SUPPLY	318244	6/23/15	2,158.85
GRAINGER	MOP#65179 SMALL TOOLS	318245	6/23/15	237.00
GTC SYSTEMS INC	GTC NETWORK ENGINEERING SERVICES	318246	6/23/15	780.00
HARRIS & ASSOCIATES INC	DEPOSIT #90093; 1745 E 10TH ST PROJECT	318247	6/23/15	360.00
HONEYWELL INTERNATIONAL INC	CITY-WIDE HVAC MAINTENANCE FOR FY 2015	318248	6/23/15	1,000.00
HUERTA, R	REIMB / PRESCRIPTION SAFETY GLASSES	318249	6/23/15	164.86
HYDRO SCAPE PRODUCTS INC	MOP#45720 PLUMBING MATERIALS	318250	6/23/15	14.26
INDEPENDENT FORENSIC SERVICES	SART EXAMS / POLICE	318251	6/23/15	3,000.00
JJJ ENTERPRISES	CITY-WIDE FIRE AND SECURITY ALARM	318252	6/23/15	330.00
JOHN DEERE LANDSCAPES	MOP#69277 PLANTING MATERIALS	318253	6/23/15	486.00
JUDD ELECTRIC	CITY-WIDE ELECTRICAL REPAIRS	318254	6/23/15	2,951.45
LANGUAGE LINE SERVICES	INTERPRETATION SERVICES	318255	6/23/15	23.84
LASER SAVER INC	MOP 45725 TONER - CITY CLERK	318256	6/23/15	119.85
LOPEZ, T	INTERPRETATION SERVICES	318257	6/23/15	210.00
MAINTEX INC	CITY-WIDE JANITORIAL SUPPLIES	318258	6/23/15	789.85
MAN K9 INC	BASIC TRAINING, POLICE K9	318259	6/23/15	13,804.00
MASON'S SAW	MOP#45729 MATERIALS	318260	6/23/15	925.94
METRO FIRE & SAFETY	ANNUAL FIRE EXTINGUISHER SYSTEM	318261	6/23/15	237.49
MORPHOTRUST USA	IDENTIX ANNUAL MAINTENANCE	318262	6/23/15	1,143.00
ORIENTAL TRADING COMP LLC	RED/BLUE/WHITE ROLL TABLECLOTH	318263	6/23/15	470.10
ORKIN	CITY-WIDE PEST MAINTENANCE	318264	6/23/15	403.39
PACIFIC AUTO REPAIR	SMOG CERTIFICATION & REPAIRS	318265	6/23/15	999.44
PAL GENERAL ENGINEERING INC	RELEASE STOP PAYMENT/ COMMUNITY CORRIDOR	318266	6/23/15	76,332.05





## WARRANT REGISTER #52

6/23/2015

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
PRO BUIID	MOP#45707 MATERIALS	318267	6/23/15	2,065.19
PRO-EDGE KNIFE	KNIFE SHARPENING SERVICES / NUTRITION	318268	6/23/15	46.00
PRUDENTIAL OVERALL SUPPLY	MOP#45742 LAUNDRY	318269	6/23/15	248.88
RESCUE ROOTER	REFUND: PERMIT #73713; 1140 HOOVER AVE	318270	6/23/15	19.00
RUSS' BEE REMOVAL	BEE REMOVAL FROM CITY PROPERTY	318271	6/23/15	275.00
SABINE & MORRISON	LEGAL SERVICES - SIGN ORDINANCE	318272	6/23/15	8,761.00
SAFRAN MORPHOTRUST	NEW EMP FINGERPRINT TEST - MAY 2015	318273	6/23/15	4.00
SAM'S ALIGNMENT SERVICE	MOP#72442 AUTO EQUIPMENT	318274	6/23/15	395.49
SDG&E	FACILITIES DIVISION GAS & ELECTRIC	318275	6/23/15	73,634.01
SMART & FINAL	MOP 45756 MISC SUPPLIES - PD	318276	6/23/15	84.17
SO CAL CARPET & FLOOR COVERING	CITY-WIDE FLOORING INSTALLATION	318277	6/23/15	964.20
SOUTHERN CALIF TRUCK STOP	MOP#45758 GAS & OIL	318278	6/23/15	118.01
STAPLES ADVANTAGE	MOP#45704 SUPPLIES	318279	6/23/15	276.09
STARTECH COMPUTERS	MOP 61744 MISC SUPPLIES - MIS	318280	6/23/15	439.04
SUPERIOR READY MIX	TACK OIL, 3/8 SHEET & COLD MIX ASPHALTS	318281	6/23/15	894.24
SWEETWATER AUTHORITY	FACILITIES DIVISION WATER BILL FOR FY	318282	6/23/15	21,713.73
SWEETWATER HIGH SCHOOL ASB	EVERY 15 MINUTES PROGRAM	318283	6/23/15	98.00
SYSCO SAN DIEGO INC	CONSUMABLES FOR NUTRITION CENTER	318284	6/23/15	2,269.54
T MAN TRAFFIC SUPPLY	MOP#76666 TRAFFIC SUPPLY	318285	6/23/15	475.51
THE COUNSELING TEAM	OFFICER ASSISTANCE PROGRAM	318286	6/23/15	875.00
THE HOME DEPOT CREDIT SERVICES	MISC ITEMS FOR SERVICE DAY	318287	6/23/15	1,061.89
THE LIGHTHOUSE INC	MOP#45726 AUTO PARTS	318288	6/23/15	76.30
TOPECO PRODUCTS	MOP#63849 AUTO PARTS	318289	6/23/15	201.85
TRANE US INC	CITY-WIDE HVAC SERVICE AND REPAIRS	318290	6/23/15	3,996.00
U S BANK	CREDIT CARD EXPENSE - CITY MGR	318291	6/23/15	294.00
UNITED PARCEL SERVICE	UPS SHIPMENT	318292	6/23/15	0.41
UNITED ROTARY BRUSH CORP	MOP#62683 AUTO PARTS	318293	6/23/15	356.49
VALLEY INDUSTRIAL SPECIALTIES	MOP#46453 PLUMBING MATERIALS	318294	6/23/15	806.84
VERIZON WIRELESS	VERIZON WIRELESS / 4/22/15-5/21/15	318295	6/23/15	11,054.41
WAXIE SANITARY SUPPLY	MISCELLANEOUS JANITORIAL SUPPLIES	318296	6/23/15	2,120.11
WEST PAYMENT CENTER	CLEAR INVESTIGATIVE DATABASES	318297	6/23/15	464.21
WESTFLEX INDUSTRIAL	MOP#63850 AUTO PARTS	318298	6/23/15	6.85
WILLY'S ELECTRONIC SUPPLY	MOP#45763 MATERIALS	318299	6/23/15	139.38
KANE BALLMER & BERKMAN	LEGAL / RELATED / S A	318300	6/23/15	45.00
CLAUSS CONSTRUCTION	2010 AND 2100 HOOVER AVE	318301	6/23/15	173,424.62
EC CONSTRUCTORS INC	AQUATIC CENTER	318302	6/23/15	112,907.04
INNOVATIVE CONSTRUCTION	A AVENUE GREEN	318303	6/23/15	36,812.50
L B CIVIL CONSTRUCTION INC	A AVENUE GREEN	318304	6/23/15	235,488.38
TORREY PINES BANK	AQUATIC CENTER ESCROW	318305	6/23/15	5,942.50
			<b>A/P Total</b>	<b>850,209.60</b>
<b>WIRED PAYMENTS</b>				
PUBLIC EMP RETIREMENT SYSTEM	SERVICE PERIOD 05/26/15 - 06/08/15	6192015	6/19/15	324,089.52
<b>SECTION 8 HAPS</b>	<b>Start Date</b>	<b>End Date</b>		
	6/17/2015	6/23/2015		<b>3,352.00</b>
<b>PAYROLL</b>				
<b>Pay period</b>	<b>Start Date</b>	<b>End Date</b>	<b>Check Date</b>	
13	6/9/2015	6/22/2015	7/1/2015	<b>922,152.21</b>

**GRAND TOTAL****\$ 2,099,803.33**

**Certification**

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.

  
\_\_\_\_\_  
MARK ROBERTS, FINANCE

\_\_\_\_\_  
LESLIE DEESE, CITY MANAGER

**FINANCE COMMITTEE**

\_\_\_\_\_  
RONALD J. MORRISON, MAYOR-CHAIRMAN

\_\_\_\_\_  
JERRY CANO, VICE-MAYOR

\_\_\_\_\_  
ALEJANDRA SOTELO-SOLIS, MEMBER

\_\_\_\_\_  
MONA RIOS, MEMBER

\_\_\_\_\_  
ALBERT MENDIVIL, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 4<sup>th</sup> OF AUGUST, 2015.

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

ABSENT \_\_\_\_\_

The following page(s) contain the backup material for Agenda Item: Investment transactions for the month ended May 31, 2015 (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Investment transactions for the month ended May 31, 2015.

**PREPARED BY:** Ronald Gutlay

**PHONE:** 619-336-4346

**DEPARTMENT:** Finance

**APPROVED BY:** 

**EXPLANATION:**

In accordance with California Government Code Section 53646 and City of National City's investment policy section XIIA, a monthly report shall be submitted to the legislative body accounting for transactions made during the reporting period.

The attached listing reflects investment transactions of the City of National City's investment portfolio for the month ending May 31, 2015.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

NA

**APPROVED:**  Finance

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:**

**INTRODUCTION:**

**FINAL ADOPTION:**

**STAFF RECOMMENDATION:**

Accept and file the Investment Transaction Ledger for the month ended May 31, 2015.

**BOARD / COMMISSION RECOMMENDATION:**

NA

**ATTACHMENTS:**

Investment Transaction Ledger

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	05/03/2015	60934N807	652.50	Federated Govt Oblig Fund Inst.	1.000	0.01 %	652.50	0.00	652.50	0.00
Purchase	05/04/2015	60934N807	2.30	Federated Govt Oblig Fund Inst.	1.000	0.01 %	2.30	0.00	2.30	0.00
Purchase	05/06/2015	3135G0WJ8	450,000.00	FNMA Note 0.875% Due 5/21/2018	99.438	1.06 %	447,472.80	1,804.69	449,277.49	0.00
Purchase	05/06/2015	3137EADK2	450,000.00	FHLMC Note 1.25% Due 8/1/2019	99.144	1.46 %	446,149.35	1,484.38	447,633.73	0.00
Purchase	05/06/2015	3137EADM8	450,000.00	FHLMC Note 1.25% Due 10/2/2019	98.850	1.52 %	444,822.75	531.25	445,354.00	0.00
Purchase	05/06/2015	912828ST8	225,000.00	US Treasury Note 1.25% Due 4/30/2019	99.774	1.31 %	224,490.99	45.86	224,536.85	0.00
Purchase	05/11/2015	3133EEJ50	450,000.00	FFCB Note 1.03% Due 5/11/2018	99.810	1.09 %	449,145.00	0.00	449,145.00	0.00
Purchase	05/15/2015	60934N807	2,062.50	Federated Govt Oblig Fund Inst.	1.000	0.01 %	2,062.50	0.00	2,062.50	0.00
Purchase	05/16/2015	60934N807	2,812.50	Federated Govt Oblig Fund Inst.	1.000	0.01 %	2,812.50	0.00	2,812.50	0.00
Purchase	05/18/2015	60934N807	4,320.00	Federated Govt Oblig Fund Inst.	1.000	0.01 %	4,320.00	0.00	4,320.00	0.00
Purchase	05/18/2015	60934N807	540,000.00	Federated Govt Oblig Fund Inst.	1.000	0.01 %	540,000.00	0.00	540,000.00	0.00
Purchase	05/20/2015	60934N807	2,160.00	Federated Govt Oblig Fund Inst.	1.000	0.01 %	2,160.00	0.00	2,160.00	0.00
Purchase	05/21/2015	60934N807	1,968.75	Federated Govt Oblig Fund Inst.	1.000	0.01 %	1,968.75	0.00	1,968.75	0.00
Purchase	05/27/2015	60934N807	4,687.50	Federated Govt Oblig Fund Inst.	1.000	0.01 %	4,687.50	0.00	4,687.50	0.00
Purchase	05/29/2015	3130A4GJ5	50,000.00	FHLB Note 1.125% Due 4/25/2018	100.442	0.97 %	50,221.00	53.13	50,274.13	0.00
Purchase	05/29/2015	3133782M2	440,000.00	FHLB Note 1.5% Due 3/8/2019	100.729	1.30 %	443,207.60	1,485.00	444,692.60	0.00
Purchase	05/31/2015	60934N807	1,562.50	Federated Govt Oblig Fund Inst.	1.000	0.01 %	1,562.50	0.00	1,562.50	0.00
		<b>Subtotal</b>	<b>3,075,228.55</b>				<b>3,065,738.04</b>	<b>5,404.31</b>	<b>3,071,142.35</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>3,075,228.55</b>				<b>3,065,738.04</b>	<b>5,404.31</b>	<b>3,071,142.35</b>	<b>0.00</b>
<b>DISPOSITIONS</b>										
Sale	05/06/2015	60934N807	1,566,802.07	Federated Govt Oblig Fund Inst.	1.000	0.01 %	1,566,802.07	0.00	1,566,802.07	0.00
Sale	05/11/2015	60934N807	449,145.00	Federated Govt Oblig Fund Inst.	1.000	0.01 %	449,145.00	0.00	449,145.00	0.00
Sale	05/29/2015	60934N807	494,966.73	Federated Govt Oblig Fund Inst.	1.000	0.01 %	494,966.73	0.00	494,966.73	0.00
		<b>Subtotal</b>	<b>2,510,913.80</b>				<b>2,510,913.80</b>	<b>0.00</b>	<b>2,510,913.80</b>	<b>0.00</b>

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Maturity	05/18/2015	31331KLE8	540,000.00	FFCB Note 1.6% Due 5/18/2015	100.000		540,000.00	0.00	540,000.00	-14,277.60
	<b>Subtotal</b>		<b>540,000.00</b>				<b>540,000.00</b>	<b>0.00</b>	<b>540,000.00</b>	<b>-14,277.60</b>
Security Withdrawal	05/07/2015	60934N807	1,069.00	Federated Govt Oblig Fund Inst.	1.000		1,069.00	0.00	1,069.00	0.00
Security Withdrawal	05/31/2015	90SDCP\$00	8,000.00	County of San Diego Pooled Investment Pool	1.000		8,000.00	0.00	8,000.00	0.00
	<b>Subtotal</b>		<b>9,069.00</b>				<b>9,069.00</b>	<b>0.00</b>	<b>9,069.00</b>	<b>0.00</b>
			<b>3,059,982.80</b>				<b>3,059,982.80</b>	<b>0.00</b>	<b>3,059,982.80</b>	<b>-14,277.60</b>
<b>OTHER TRANSACTIONS</b>										
Interest	05/03/2015	037833AH3	290,000.00	Apple Inc Note 0.45% Due 5/3/2016	0.000		652.50	0.00	652.50	0.00
Interest	05/15/2015	91159HHD5	250,000.00	US Bancorp Callable Note Cont 4/15/2017 1.65% Due 5/15/2017	0.000		2,062.50	0.00	2,062.50	0.00
Interest	05/16/2015	31331J2S1	375,000.00	FFCB Note 1.5% Due 11/16/2015	0.000		2,812.50	0.00	2,812.50	0.00
Interest	05/18/2015	31331KLE8	540,000.00	FFCB Note 1.6% Due 5/18/2015	0.000		4,320.00	0.00	4,320.00	0.00
Interest	05/20/2015	36962G6K5	270,000.00	General Electric Capital Corp Note 1.6% Due 11/20/2017	0.000		2,160.00	0.00	2,160.00	0.00
Interest	05/21/2015	3135G0WJ8	450,000.00	FNMA Note 0.875% Due 5/21/2018	0.000		1,968.75	0.00	1,968.75	0.00
Interest	05/27/2015	3137EACT4	375,000.00	FHLMC Note 2.5% Due 5/27/2016	0.000		4,687.50	0.00	4,687.50	0.00
Interest	05/31/2015	912828SY7	500,000.00	US Treasury Note 0.625% Due 5/31/2017	0.000		1,562.50	0.00	1,562.50	0.00
	<b>Subtotal</b>		<b>3,050,000.00</b>				<b>20,226.25</b>	<b>0.00</b>	<b>20,226.25</b>	<b>0.00</b>
Dividend	05/04/2015	60934N807	2,062,016.32	Federated Govt Oblig Fund Inst.	0.000		2.30	0.00	2.30	0.00
	<b>Subtotal</b>		<b>2,062,016.32</b>				<b>2.30</b>	<b>0.00</b>	<b>2.30</b>	<b>0.00</b>
			<b>5,112,016.32</b>				<b>20,228.55</b>	<b>0.00</b>	<b>20,228.55</b>	<b>0.00</b>

The following page(s) contain the backup material for Agenda Item: Temporary Use Permit – 14th Annual 9/11 Remembrance Ceremony hosted by the National City Fire Department at 343 E. 16th Street on September 11, 2015 from 6:00 a.m. to 10:00 a.m. This is a city-sponsored event. (Neighborhood Services)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Temporary Use Permit – 14<sup>th</sup> Annual 9/11 Remembrance Ceremony hosted by the National City Fire Department at 343 E. 16<sup>th</sup> Street on September 11, 2015 from 6:00 a.m. to 10:00 a.m. This is a city-sponsored event.

**PREPARED BY:** | Vianey Rivera |

**DEPARTMENT:** Neighborhood Services Department

**PHONE:** |(619) 336-4364|

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

This is a request from the National City Fire Department to host the 14<sup>th</sup> Annual 9/11 Remembrance Ceremony at Fire Station #34 located at 343 E. 16<sup>th</sup> Street on September 11, 2015 from 6am to 10am.

This event will be in remembrance and salute to the emergency workers who made the supreme sacrifice on 9/11/2001. Breakfast will be served from 7:00 a.m. to 8:30 a.m. Retired FDNY Firefighter Brennan Savage and Jack Toale will be guest speakers. The NCFD and NCPD color guard will present the flag salute.

The applicant is requesting the street closures on “D “Avenue from 15<sup>th</sup> Street to 16<sup>th</sup> Street in front of the Fire Station from 6 a.m. to 10 a.m. in order to park fire apparatus.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

The City has incurred \$237.00 for processing the TUP, plus \$283.20 for Public Works.  
Total fees are \$520.20 |

**ENVIRONMENTAL REVIEW:**

| N/A |

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

| Approve the Application for a Temporary Use Permit subject to compliance with all conditions of approval. |

**BOARD / COMMISSION RECOMMENDATION:**

| N/A |

**ATTACHMENTS:**

| Application for a Temporary Use Permit with recommended approvals and conditions of approval. |



## EVENT INFORMATION

Type of Event:

- Public Concert  
 Parade  
 Motion Picture

- Fair  
 Demonstration  
 Grand Opening

- Festival  
 Circus  
 Other

- Community event  
 Block Party

Event Title: "9/11 BREAKFAST + Remembrance Ceremony"

Event Location: 343 E 16<sup>TH</sup> ST. NC FIRE STATION

Event Date(s): From 9/11/15 to 9/11/15

Actual Event Hours: 6:00 AM to 10:00 AM

Total Anticipated Attendance: 200 (50 Participants 150 Spectators)

Setup/assembly/construction Date: 9/11/15 Start time: 6:00 AM

Please describe the scope of your setup/assembly work (specific details): \_\_\_\_\_

Chairs, Speakers

Dismantle Date: 9/11/15 Completion Time: 11:00 AM

List any street(s) requiring closure as a result of this event. Include street name(s), day and time of closing and day and time of reopening.

"D" Ave between 15<sup>TH</sup> + 16<sup>TH</sup> ST.

## APPLICANT AND SPONSORING ORGANIZATION INFORMATION

Sponsoring Organization: NATIONAL CITY FIRE DEPT.

Chief Officer of Organization (Name) BRIAN KREPPS

Applicant (Name): DON MINER

Address: 1708 PINEHURST AVE

Daytime Phone: 760 715685 Evening Phone: SAME

Fax: \_\_\_\_\_ E-Mail: donm\_85@hotmail.com

Contact Person "on site" day of the event: Don Miner Cellular: 760 7156385

**NOTE: THIS PERSON MUST BE IN ATTENDANCE FOR THE DURATION OF THE EVENT AND IMMEDIATELY AVAILABLE TO CITY OFFICIALS**

## FEES/PROCEEDS/REPORTING

Is your organization a "Tax Exempt, nonprofit" organization?  YES  NO

Are admission, entry, vendor or participant fees required?  YES  NO

If YES, please explain the purpose and provide amount(s): \_\_\_\_\_

\$ \_\_\_\_\_ Estimated Gross Receipts including ticket, product and sponsorship sales from this event.

\$ \_\_\_\_\_ Estimated Expenses for this event.

\$ \_\_\_\_\_ What is the projected amount of revenue that the Nonprofit Organization will receive as a result of this event?

## OVERALL EVENT DESCRIPTION ROUTE MAP SITE DIAGRAM/SANITATION

Please provide a **DETAILED DESCRIPTION** of your event. Include details regarding any components of your event such as the use of vehicles, animals, rides or any other pertinent information about the event.

Annual Sept 11<sup>th</sup> Remembrance Ceremony. Flag Ceremony To Remember All The Emergency workers who died on Sept 11<sup>th</sup>, 2001

YES  NO If the event involves the sale of cars, will the cars come exclusively from National City car dealers?

If NO, list any additional dealers involved in the sale: \_\_\_\_\_

YES  NO Does the event involve the sale or use of alcoholic beverages?

YES  NO Will items or services be sold at the event? If yes, please describe: \_\_\_\_\_

# OVERALL EVENT DESCRIPTION CONTINUED

YES  NO Does the event involve a moving route of any kind along streets, sidewalks or highways? If YES, attach a detailed map of your proposed route indicate the direction of travel, and provide a written narrative to explain your route.

YES  NO Does the event involve a fixed venue site? If YES, attach a detailed site map showing all streets impacted by the event.

YES  NO Does the event involve the use of tents or canopies? If YES: Number of tent/canopies \_\_\_\_\_ Sizes \_\_\_\_\_  
NOTE: A separate Fire Department permit is required for tents or canopies.

YES  NO Will the event involve the use of the City or your stage or PA system?  
SPECIFY: CITY P.A. SYSTEM

In addition to the route map required above, please attach a diagram showing the overall layout and set-up locations for the following items:

Alcoholic and Nonalcoholic Concession and/or Beer Garden areas.  
 Food Concession and/or Food Preparation areas. Please describe how food will be served at the event: \_\_\_\_\_  
If you intend to cook food in the event area please specify the method:  
\_\_\_ GAS \_\_\_ ELECTRIC \_\_\_ CHARCOAL \_\_\_ OTHER (Specify): \_\_\_\_\_

Portable and/or Permanent Toilet Facilities  
Number of portable toilets: \_\_\_\_\_ (1 for every 250 people is required, unless the applicant can show that there are facilities in the immediate area available to the public during the event)

Tables # 10 and Chairs # 200

- Fencing, barriers and/or barricades
- Generator locations and/or source of electricity
- Canopies or tent locations (include tent/canopy dimensions)
- Booths, exhibits, displays or enclosures
- Scaffolding, bleachers, platforms, stages, grandstands or related structures
- Vehicles and/or trailers
- Other related event components not covered above
- Trash containers and dumpsters

(Note: You must properly dispose of waste and garbage throughout the term of your event and immediately upon conclusion of the event the area must be returned to a clean condition.) Number of trash cans: \_\_\_\_\_ Trash containers with lids: \_\_\_\_\_

Describe your plan for clean-up and removal of waste and garbage during and after the event:  
All Clean up will be in the Fire Station by Fire personnel.

**SAFETY SECURITY ACCESSIBILITY**

Please describe your procedures for both Crowd Control and Internal Security:

NCPD, NCFD

YES  NO Have you hired any Professional Security organization to handle security arrangements for this event? If YES, please list:

Security Organization: \_\_\_\_\_

Security Organization Address: \_\_\_\_\_

Security Director (Name): \_\_\_\_\_ Phone: \_\_\_\_\_

YES  NO Is this a night event? If YES, please state how the event and surrounding area will be illuminated to ensure safety of the participants and spectators:

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

Please indicate what arrangement you have made for providing First Aid Staffing and Equipment.

NCFD and Paramedics in the Fire Station

Please describe your Accessibility Plan for access at your event by individuals with disabilities:

Fire Station already set up

**PARKING PLAN/MITIGATION OF IMPACT**

Please provide a detailed description of your PARKING plan:

NCFD drill yard and surrounding streets

Please describe your plan for DISABLED PARKING:

SAME

Please describe your plans to notify all residents, businesses and churches impacted by the event:

NCPD

**NOTE: Neighborhood residents must be notified 72 hours in advance when events are scheduled in the City parks.**

**ENTERTAINMENT/ATTRACTIONS AND  
RELATED EVENT ACTIVITIES**

YES  NO Are there any musical entertainment features related to your event? If YES, please state the number of stages, number of bands and type of music. Number of Stages: \_\_\_\_\_ Number of Bands: \_\_\_\_\_ Type of Music: \_\_\_\_\_

YES  NO Will sound amplification be used? If YES, please indicate: Start time: \_\_\_\_\_ AM Finish Time \_\_\_\_\_ PM

YES  NO Will sound checks be conducted prior to the event? If YES, please indicate: Start time: \_\_\_\_\_ PM Finish Time \_\_\_\_\_ PM Please describe the sound equipment that will be used for your event: \_\_\_\_\_

YES  NO Fireworks, rockets, or other pyrotechnics? If YES, please describe: \_\_\_\_\_

YES  NO Any signs, banners, decorations, special lighting? If YES, please describe: \_\_\_\_\_

# City of National City

## PUBLIC PROPERTY USE HOLD HARMLESS AND INDEMNIFICATION AGREEMENT

Persons requesting use of City property, facilities or personnel are required to provide a minimum of \$1,000,000 combined single limit insurance for bodily injury and property damage which includes the City, its officials, agents and employees named as additional insured and to sign the Hold Harmless Agreement. Certificate of insurance must be attached to this permit.

Organization \_\_\_\_\_

Person In Charge of Activity \_\_\_\_\_

Address \_\_\_\_\_

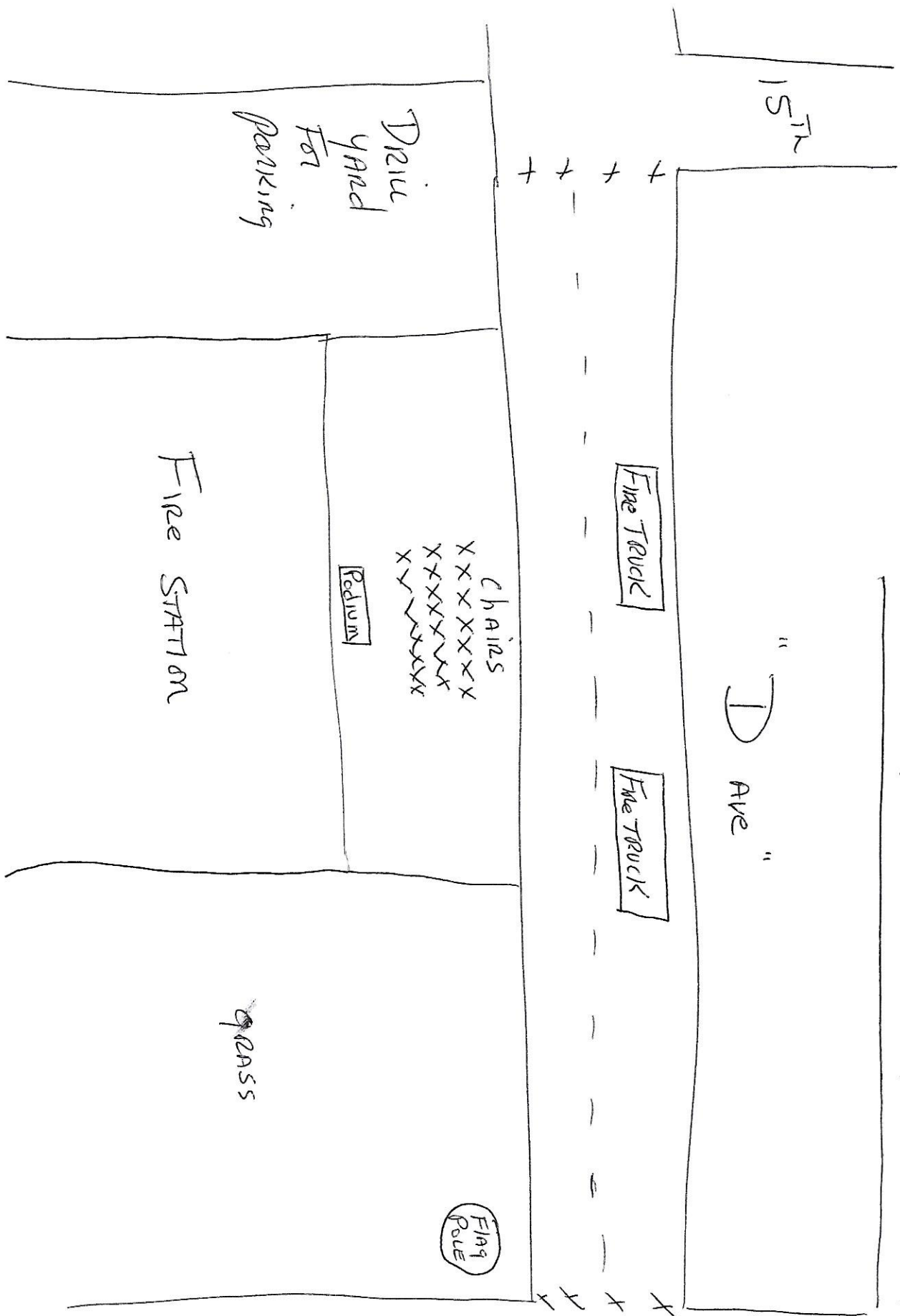
Telephone \_\_\_\_\_ Date(s) of Use \_\_\_\_\_

### HOLD HARMLESS AGREEMENT

As a condition of the issuance of a temporary use permit to conduct its activities on public or private property, the undersigned hereby agree(s) to defend, indemnify and hold harmless the City of National City and the Parking Authority and its officers, employees and agents from and against any and all claims, demands, costs, losses, liability or, for any personal injury, death or property damage, or both, or any litigation and other liability, including attorney fees and the costs of litigation, arising out of or related to the use of public property or the activity taken under the permit by the permittee or its agents, employees or contractors.

Signature of Applicant Official Title Date

SITE MAP FOR 2015 9/11 CEREMONY



**CITY OF NATIONAL CITY  
NEIGHBORHOOD SERVICES DIVISION  
APPLICATION FOR A TEMPORARY USE PERMIT  
RECOMMENDATIONS AND CONDITIONS**

SPONSORING ORGANIZATION: National City Fire Department  
EVENT: 14<sup>th</sup> Annual 9/11 Remembrance Ceremony  
DATE OF EVENT: September 11, 2015  
TIME OF EVENT: 6am to 10am

APPROVALS:

DEVELOPMENT SERVICES	YES [ x ]	NO [ ]	SEE CONDITIONS [ x ]
RISK MANAGER	YES [ x ]	NO [ ]	SEE CONDITIONS [ x ]
PUBLIC WORKS	YES [ x ]	NO [ ]	SEE CONDITIONS [ x ]
FINANCE	YES [ x ]	NO [ ]	SEE CONDITIONS [ x ]
FIRE	YES [ x ]	NO [ ]	SEE CONDITIONS [ x ]
POLICE	YES [ x ]	NO [ ]	SEE CONDITIONS [ x ]
CITY ATTORNEY	YES [ x ]	NO [ ]	SEE CONDITIONS [ x ]

---

CONDITIONS OF APPROVAL:

DEVELOPMENT SERVICES (619) 336-4318

Building: No comments.  
Planning: No comments.  
Engineering: *MTS needs to be notified of the closure for the ceremony.*

RISK MANAGER (619) 336-4370

Risk Management has no issues with this City sponsored event.

PUBLIC WORKS (619)366-4580

We have reviewed the application for subject Temporary Use Permit (TUP) and recommends approval subject to the conditions listed below.

Parks Division

Parks will drop off the PA Thursday September 10<sup>th</sup>

Facilities Division

Facilities will deliver 150 chairs and 10 tables on the 10<sup>th</sup> and pick up the following Monday.



Streets Division

\*Staff will barricade affected streets and remove them when the event is over.

\*Staff will post "No Parking" signs along affected streets before the event.

\* The cost to provide street personal support for this event is estimated to be.

OT Man hours	4 X \$48.86 = \$	195.44
Equipment	4 X \$76.36 = \$	76.36
No Parking	16 X \$0.45 = \$	7.20
Barricades	12 X \$0.35 = \$	4.20
		-----
Total		\$ 283.20

FINANCE

Finance has no involvement with this event.

FIRE (619) 336-4550

Stipulations required by the Fire Department for this event are as follows:

The Fire Department has no stipulations for this event

POLICE

The PD has no stipulations. PD will work on getting the Honor Guard for the event.

CITY ATTORNEY

I have no comments as this is a City program/application.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City reducing the property tax rate for the Library General Obligation Bond for Fiscal Year 2016 from 0.96 cents per \$100 of assessed valuation to 0.92 cents. (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City reducing the property tax rate for the Library General Obligation Bond for Fiscal Year 2016 from 0.96 cents per \$100 of assessed valuation to 0.92 cents.

**PREPARED BY:** Javier Carcamo, Financial Services Officer

**DEPARTMENT:** Finance

**PHONE:** 619-336-4331

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

In the special municipal election held on March 5, 2002, more than two-thirds of National City's eligible voters approved the issuance of General Obligation Bonds to fund the construction of the new National City Library. In April 2003, the City issued the General Obligation Bonds in the aggregate principal amount of \$6 million. Those bonds mature on August 1<sup>st</sup> of each of the years 2004 through 2028.

In 2012, the City refinanced the bonds to lower the interest rate on the bonds and to decrease the tax burden required for repayment. The amount of principal and interest to be paid each year is generated through the proceeds of property taxes received from the County of San Diego.

Each year, the City must establish the property tax rate that is needed to raise the revenue required to service its annual bonded indebtedness. For Fiscal Year 2016, the calculated property tax rate is 0.92 cents per \$100 of assessed value. This is a 4.17% reduction from the prior year rate of 0.96 cents and the 5<sup>th</sup> consecutive tax rate reduction since Fiscal Year 2011. The total tax rate reduction since Fiscal Year 2011 is approximately 35.21%.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

N/A

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:

**FINAL ADOPTION:**

**STAFF RECOMMENDATION:**

Approve and file

**BOARD / COMMISSION RECOMMENDATION:**

**ATTACHMENTS:**

1. Resolution
2. General Obligation Bond Tax Rate Computation for Fiscal Year 2016



RESOLUTION NO. 2015 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
REDUCING THE PROPERTY TAX RATE FOR THE LIBRARY  
GENERAL OBLIGATION BOND FOR FISCAL YEAR 2016 FROM  
0.96 CENTS PER \$100 OF ASSESSED VALUATION TO 0.92 CENTS

WHEREAS, in the special municipal election held on March 5, 2002, more than two-thirds of National City's eligible voters approved the issuance of General Obligation Bonds to fund the construction of the new National City Library; and

WHEREAS, in April 2003, the City issued the General Obligation Bonds in the aggregate principal amount of \$6 million, which mature on August 1<sup>st</sup> of each of the years 2004 through 2028; and

WHEREAS, the City refinanced the bonds in 2012 to lower the interest rate on the bonds and to decrease the tax burden required for repayment; and

WHEREAS, the amount of principal and interest to be paid each year is generated through the proceeds of property taxes received from the County of San Diego; and

WHEREAS, each year the City must establish the property tax rate that is needed to raise the revenue required to service its annual bonded indebtedness. For Fiscal Year 2016, the calculated property tax rate is 0.92 cents per \$100 of assessed value, a 4.17% reduction from the prior year rate of 0.96 cents, and the 5<sup>th</sup> consecutive tax rate reduction since Fiscal Year 2011.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby authorizes the reduction of the property tax rate for bonded indebtedness for Fiscal Year 2016 from to 0.96 cents (.0096%) per \$100 of assessed valuation to 0.92 cents (.0092%) per \$100 of assessed valuation.

PASSED and ADOPTED this 4th day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Claudia Gacitua Silva  
City Attorney

The following page(s) contain the backup material for Agenda Item: League of California Cities Annual Conference - Designation of Voting Delegate and Alternate(s). (City Manager)


**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** |

**ITEM TITLE:**

League of California Cities Annual Conference – Designation of Voting Delegate and Alternate(s)

**PREPARED BY:** Leslie Deese, City Manager | 

**DEPARTMENT:** City Manager

**PHONE:** | 619-336-4240 |

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

See attached Staff Report

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

If approved by Council, the travel costs and registration fees associated with this meeting would be charged to the appointed City Council members' training funds included in the FY 2015-16 preliminary budget.

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Staff requests Council's designation of a voting delegate and up to two alternates to represent the City of National City during the 2015 League of California Cities Annual Conference.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Staff Report
2. League of California Cities' information dated May 29, 2015

Title: League of California Cities Annual Conference – Designation of Voting Delegate and Alternate(s)

The League of California Cities 2015 Annual Conference is scheduled for September 30-October 2 in San Jose. An important part of the Annual Conference is the Annual Business Meeting scheduled for noon on Friday, October 2 at the San Jose Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order for cities to cast a vote during the Business Meeting, each city's respective Council must designate a voting delegate. In the instance that the selected voting delegate is unable to serve in that capacity, the League of California Cities' bylaws afford each city the opportunity to appoint up to two alternate voting delegates.

According to the League's bylaws, the selection of the voting delegate and alternates must be performed through the official action of the City Council. Furthermore, the voting delegate and alternates must be registered to attend the conference. Eligible individuals who may be selected as the City's voting delegate include the Mayor, each City Council member, as well as any other City official selected by the City Council to serve in this capacity.

At this time, Staff respectfully requests the City Council consider appointing a voting delegate and one or two alternate voting delegates to vote on the City's behalf at the Annual Business Meeting of the League of California Cities on October 2, 2015.

Staff Recommendation: Staff respectfully requests Council's designation of a voting delegate and up to two alternates to represent the City of National City during the 2015 League of California Cities Annual Conference.

Fiscal Impact: The travel costs and registration fees associated with this meeting will be charged to the appointed City Council members training funds included in the 2015-16 preliminary budget.





1400 K Street, Suite 400 • Sacramento, California 95814  
Phone: 916.658.8200 Fax: 916.658.8240  
www.cacities.org

RECEIVED  
JUN 17 2015  
CITY OF NATIONAL CITY  
OFFICE

A handwritten signature in blue ink, appearing to be "D".

**Council Action Advised by July 31, 2015**

May 29, 2015

**TO: Mayors, City Managers and City Clerks**

**RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES  
League of California Cities Annual Conference – September 30 – October 2, San Jose**

The League's 2015 Annual Conference is scheduled for September 30 – October 2 in San Jose. An important part of the Annual Conference is the Annual Business Meeting (*at the General Assembly*), scheduled for noon on Friday, October 2, at the San Jose Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

**Please complete the attached Voting Delegate form and return it to the League's office no later than Friday, September 18, 2015. This will allow us time to establish voting delegate/alternate records prior to the conference.**

Please note the following procedures that are intended to ensure the integrity of the voting process at the Annual Business Meeting.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates must be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. To register for the conference, please go to our website: [www.cacities.org](http://www.cacities.org). In order to cast a vote, at least one voter must be present at the

Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.
- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the San Jose Convention Center, will be open at the following times: Wednesday, September 30, 8:00 a.m. – 6:00 p.m.; Thursday, October 1, 7:00 a.m. – 4:00 p.m.; and Friday, October 2, 7:30–10:00 a.m. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to the League office by Friday, September 18. If you have questions, please call Kayla Gibson at (916) 658-8247.

Attachments:

- 2015 Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

## Annual Conference Voting Procedures 2015 Annual Conference

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.



CITY: \_\_\_\_\_

2015 ANNUAL CONFERENCE  
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, September 18, 2015. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

**Please note:** Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

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

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

2. VOTING DELEGATE - ALTERNATE

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

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

3. VOTING DELEGATE - ALTERNATE

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

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

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: \_\_\_\_\_ E-mail \_\_\_\_\_

Mayor or City Clerk \_\_\_\_\_ Phone: \_\_\_\_\_  
(circle one) (signature)

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

Please complete and return by Friday, September 18, 2015

League of California Cities  
ATTN: Kayla Gibson  
1400 K Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

FAX: (916) 658-8240  
E-mail: kgibson@cacities.org  
(916) 658-8247

The following page(s) contain the backup material for Agenda Item: Notice of Decision – Planning Commission approval of a Conditional Use Permit for the expansion of the existing area approved for beer and wine sales at Royal Mandarin Restaurant located at 1132 East Plaza Blvd., Suite 205-208. (Applicant: Mario Woo) (Ca

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.**

**ITEM TITLE:**

Notice of Decision – Planning Commission approval of a Conditional Use Permit for the expansion of the existing area approved for beer and wine sales at Royal Mandarin Restaurant located at 1132 East Plaza Blvd., suite 205-208 (Applicant: Mario Woo) (Case File 2015-09 CUP)

**PREPARED BY:** *MR* Martin Reeder, AICP

**DEPARTMENT:** Planning

**PHONE:** 336-4313

**APPROVED BY:** 

**EXPLANATION:**

Royal Mandarin Restaurant is approximately 2,200 square feet in size and is located within South Bay Plaza. The restaurant was established in 1984, at which time it was approved for on-sale beer and wine sales (CUP-1984.11). The applicant is proposing to expand the restaurant into an adjacent suite, adding 2,300 square feet of floor area. The applicant wishes to modify the existing CUP to allow beer and wine sales in the new addition. The existing and proposed operating hours are 9:00 a.m. to 10:00 p.m. daily. No additional licenses are being added, this would solely be a modification to the existing ABC license.

Planning Commission conducted a public hearing on July 20, 2015. Commissioners asked questions regarding public notice, the community meeting, and business operations. The Commission voted to approve the Conditional Use Permit based on required findings and subject to Conditions of Approval.

The attached Planning Commission staff report describes the proposal in detail.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ Finance

**ACCOUNT NO.:**

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

Categorically Exempt pursuant to Class 1 Section 15301 (Existing Facilities)

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

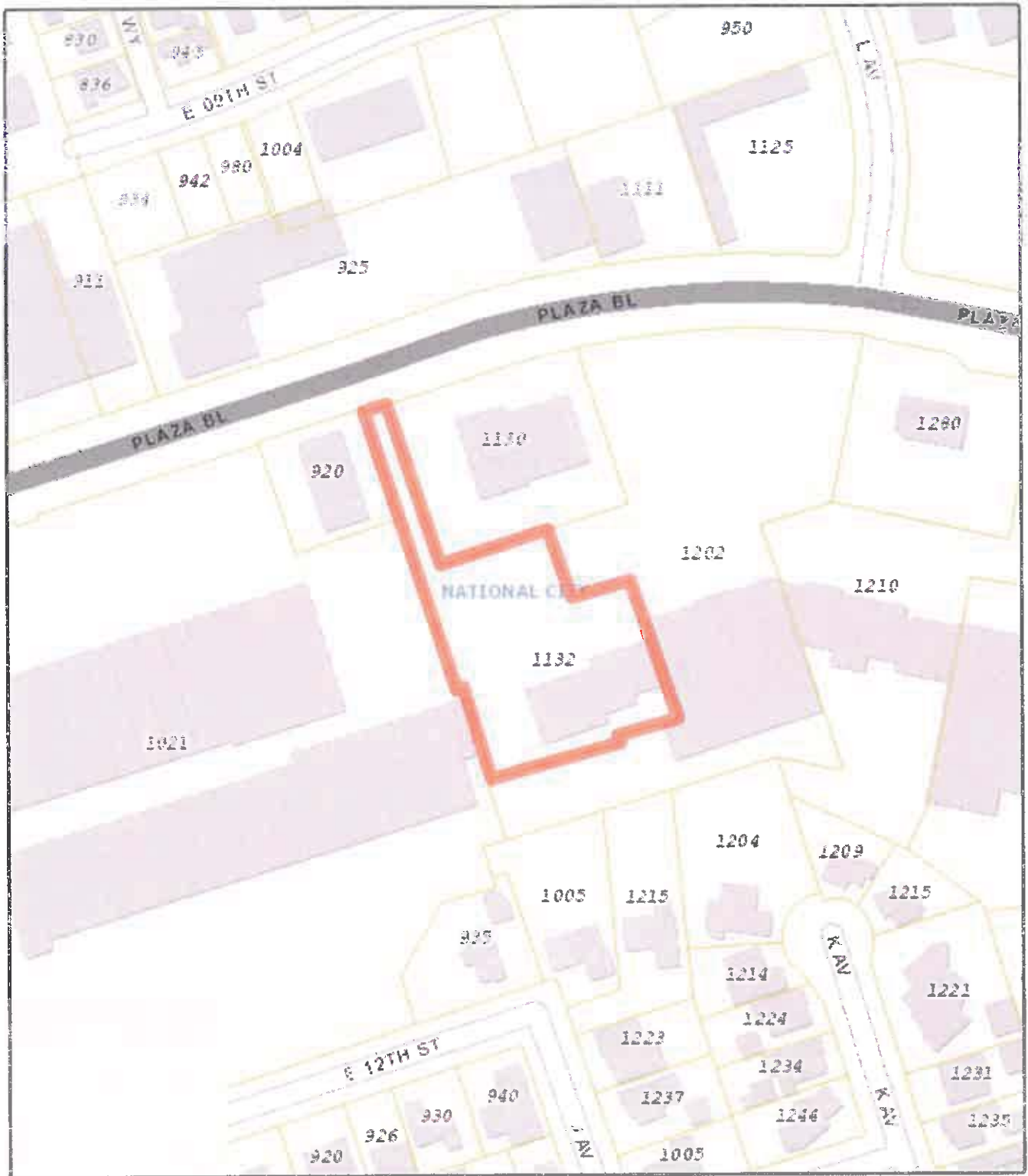
**BOARD / COMMISSION RECOMMENDATION:**

The Planning Commission approved the Conditional Use Permit.  
Ayes: Alvarado, Baca, Bush, DeLaPaz, Flores, Garcia, Yamane

**ATTACHMENTS:**

- |                                     |                           |
|-------------------------------------|---------------------------|
| 1. Location Map                     | 3. Resolution No. 2015-13 |
| 2. Planning Commission Staff Report | 4. Reduced Plans          |

1132 PLAZA BLVD



Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey or zoning verification. 1 inch = 160 feet 6/29/2015



CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

**PLANNING COMMISSION STAFF REPORT**

**Title:** CONDITIONAL USE PERMIT FOR THE EXPANSION OF THE EXISTING AREA APPROVED FOR BEER AND WINE SALES AT ROYAL MANDARIN RESTAURANT LOCATED AT 1132 EAST PLAZA BLVD., SUITE 205-208.

**Case File No.:** 2015-09 CUP

**Location:** South side of Plaza Blvd and "N" Ave in South Bay Plaza

**Assessor's Parcel No.:** 556-590-58

**Staff report by:** Martin Reeder – Principal Planner

**Applicant:** Mario Woo

**Property owner:** South Bay Plaza LLC

**Combined General Plan/  
Zoning designation:** MXD-2 (Major Mixed-Use District)

**Adjacent land use/zoning:**

- North:** Commercial across Plaza Blvd. / MXD-2
- East:** Commercial (Bay Plaza) across "L" Avenue / MXD-2
- South:** Residential / RS-2
- West:** Commercial (South Bay Plaza) / MXD-2

**Environmental review:** Categorically Exempt pursuant to Class 1, Section 15301 (Existing Facilities)

**Staff Recommendation:** Approve subject to Conditions of Approval



## **BACKGROUND**

### **Site Characteristics**

The project location is Royal Mandarin Restaurant at 1132 E. Plaza Blvd., in the Major Mixed-Use District (MXD-2) zone. The existing restaurant is approximately 2,200 square feet in size and is located within the South Bay Plaza shopping center. The area is mostly adjacent to other commercial uses including to the north across Plaza, and within South Bay Plaza Shopping Center to the east and west. Single-family residential uses are located to the south in the Single-Family Residential (RS-2) zone, atop a large embankment.

### **History**

Royal Mandarin Restaurant was established in 1984, at which time the restaurant received an alcohol license for on-sale beer and wine from the California Department of Alcoholic Beverage Control (ABC), which was approved by the City through a Conditional Use Permit (CUP-1984-11).

### **Proposed Use**

The applicant is proposing to expand the restaurant into an adjacent suite, adding 2,300 square feet of floor area. The applicant wishes to modify the existing CUP to allow beer and wine sales in the new addition. No change to the existing sales hours is proposed. The restaurant is open from 9:00 a.m. to 10:00 p.m. daily. No live entertainment exists or is proposed.

### **Analysis**

Section 18.30.050 of the National City Land Use Code allows for on-site alcohol sales with an approved Conditional Use Permit (CUP). The expansion of the restaurant triggers the need for a CUP for alcohol sales in the additional area.

### **Community Meeting**

Pursuant to Section 18.30.050 (C), a community meeting was held Wednesday, July 8, 2015 at 5:30 pm at the subject restaurant. A sign-in sheet, minutes, and meeting advertisement are attached. According to the sign-in sheet, two people were in attendance at the meeting, both of which are representatives of the Institute for Public Strategies. The applicants made a presentation related to the remodel of the restaurant. No objections were noted by the attendees of the community meeting.

### **Alcohol Sales Concentration/Location**

Per ABC, there are currently eleven other on-sale permits issued in this census tract (117) besides Royal Mandarin Restaurant. These permits are:

<b>Name</b>	<b>Address</b>	<b>License Type*</b>
Trophy Lounge	999 National City Blvd.	48
Golden Chopsticks	1430 E. Plaza Blvd.	41
Thomas H. Crosby VFW	1401 Highland Ave.	52
Chuck E Cheese	1143 Highland Ave	41

Karina's	1705 Highland Ave.	41
Panda Palace	1105 E. Plaza Blvd.	41
Ginza Sushi	925 E. Plaza Blvd.	41
Lai Thai	1430 E. Plaza Blvd.	41
American Legion Post 255	35 E. 18 <sup>th</sup> St.	52
Wingstop	932 Highland Ave	41
Café La Maze	1441 Highland Ave.	47

- \* Type 41 - On-Sale Beer and Wine for Bona Fide Public Eating Place
- Type 47 - On-Sale General for Bona Fide Public Eating Place
- Type 48 - On-Sale General for Public Premises
- Type 52 - Veterans' Club

Of the eleven other licenses, eight are restaurants. Two of the remaining licenses are private licenses (VFW and American Foreign Legion), and the last a bar. The subject use is consistent with other on-sale businesses, all of which are consistent with the MXD-2 zone. Golden Chopsticks underwent a similar enlargement in 2013, which also involved modifying an existing CUP for alcohol sales.

Census tract 117 includes the area of the City between East 8<sup>th</sup> and 18<sup>th</sup> Street, and between National City Blvd. and Palm Avenue. The attached census tract map shows the location of the subject tract. ABC recommends a total of seven on-sale alcohol permits be issued in this census tract, where twelve exist.

Chapter 18.030.050 (D) requires a 660-foot distance from sensitive uses such as schools. However, restaurants with greater than 30% of their area devoted to seating (as applies in this case) are exempt from these distance requirements. There are no schools or churches within 660 ft. The nearest school is Central School, an elementary school located over 1,000 feet away.

**Police Department comments**

Crime statistics provided by the Police Department (PD) indicate that the reporting area (Beat 21) had a 2014 crime rate of 415.2%, above the 120% considered to be a high crime area.

Consistent with recent policy, PD provided a Risk Assessment report on the property. The assessment assigns points based on the type of business, license concentration, and calls for service (among others) and ranks the business according to potential risk (low, medium, or high). In this case, Royal Mandarin received 11 points, which would indicate a low risk. The Risk Assessment is attached.

**Institute for Public Strategies (IPS) comments**

IPS did not have concerns related to the expansion of the existing business, although the license over-concentration in the census tract was mentioned. No sensitive areas or uses were noted. IPS recommended that existing Conditions of Approval are maintained and that staff and management attend Responsible Beverage Sales and Service training. Both are included as new Conditions of Approval.

### **Conditions of Approval**

Standard Conditions of Approval have been included with this permit, as well as conditions specific to on-sale alcohol sales per Council policy (alcohol incidental to food, hours of operation, RBSS training, etc.). Engineering and Fire Department comments have also been included as conditions. In addition, all previous conditions of approval stated in City Council Resolution 14,442 would still be in effect.

### **Traffic**

The expansion is into an existing commercial space, which was already analyzed for traffic impacts when it was constructed. In addition, because the sale of alcohol would be accessory to the sale of food, no measurable increase in traffic is expected. Plaza Blvd. in this location has a level of service (LOS) of B on a scale of A to F. The arterial street has a capacity of 40,000 average daily trips (ADT). The current ADT is 17,300; therefore, it is not expected that alcohol sales would result in an increase in ADT such that the LOS would be affected. 2030 numbers, as stated in the General Plan, continue to show an LOS of B, with an ADT amount of 20,300. Furthermore, there is no stated trip generation rate for adding alcohol sales as an accessory use to a restaurant.

### **CEQA**

The project is not considered a project under CEQA (California Environmental Quality Act); no new development is proposed and the proposed use is identical to other commercial uses, which are permitted by right in the mixed-use zones. Given that there is no calculable increase in traffic and no other impacts are anticipated, staff is of the opinion that the project would not result in any physical changes to the environment.

### **Summary**

Royal Mandarin Restaurant has been in business at this location and serving beer and wine as an accessory use since 1984. No concerns have been noted regarding business operations or associated crime in that timeframe. Although the census tract in which the restaurant is located is over-concentrated with regard to on-sale alcohol licenses, no additional licenses are being added, solely a modification to the existing ABC license.

### **OPTIONS**

1. Approve 2015-09 CUP subject to the conditions listed below, based on attached findings; or
2. Deny 2015-09 CUP based on findings to be determined by the Planning Commission; or
3. Continue the item in order to obtain additional information.

## **ATTACHMENTS**

1. Recommended Findings for Approval
2. Recommended Conditions
3. Location Map
4. Census Tract Map and Police Beat Map
5. Community Meeting Information (Advertisement, sign-in sheet, and minutes)
6. Public Hearing Notice (Sent to 308 property owners and occupants)
7. Notice of Exemption
8. Site Photos
9. City Council Resolution 14,442
10. Applicant's Plans (Exhibit A, case file no. 2015-09 CUP, dated 4/23/2015)

A handwritten signature in blue ink, appearing to read "Martin Reeder", with a long horizontal flourish extending to the right.

**MARTIN REEDER, AICP**  
Principal Planner

## **RECOMMENDED FINDINGS FOR APPROVAL**

2015-09 CUP, 1132 E. Plaza Blvd.

1. That the proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, since alcohol sales for on-site consumption are a conditionally-allowed use in the Major Mixed-Use District Zone.
2. That the proposed use is consistent with the General Plan and any applicable specific plans, since alcohol sales are permitted, subject to a Conditional Use Permit, by the Land Use Code, which is consistent with the General Plan; and since alcohol sales for on-site consumption are a conditionally-allowed use in the Major Mixed-Use District Zone.
3. That the design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, since the proposed use is an accessory use to a proposed restaurant use in an existing commercial area and the sale of beer and wine is not expected to appreciably increase traffic on National City Blvd. based on the current capacity and traffic numbers.
4. That the site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, since the proposed use is an existing accessory use to the restaurant use in an existing commercial area, and the 2,300 square-foot expansion of alcohol sales into an existing commercial suite is not expected to increase the demand for parking on the property.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, since the proposed use will be compatible with other nearby businesses; and since the proposed use will be subject to conditions that limit the sale of alcohol and restrict the hours that it will be available.
6. That the proposed project has been reviewed in compliance with the California Environmental Quality Act, since staff has already determined that the proposed use is not a project per the Act.
7. That the proposed use is deemed essential and desirable to the public convenience and welfare, since it will contribute to the continued viability of a restaurant, an established and allowed use in the Major Mixed-Use District Zone.
8. That based on findings 1 through 7 above, public convenience and necessity will be served by a proposed use of the property for the retail sales of alcoholic beverages pursuant to law.

## RECOMMENDED CONDITIONS OF APPROVAL

2015-09 CUP, 1132 E. Plaza Blvd.

### General

1. This Conditional Use Permit authorizes the 2,300 square-foot expansion of an existing restaurant, with beer and wine sales, located at 1132 East Plaza Boulevard. Unless specifically modified by this resolution or subsequent Codes, all previous Conditions of Approval as stated in City Council Resolution 14,442 are still in effect. Plans submitted for permits associated with this project shall conform with Exhibit A, case file no. 2015-09 CUP, dated 4/23/2015.
2. Within four (4) days of approval, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the County Clerk and submitted to the National City Planning Department.
3. This permit shall become null and void if not exercised within one year after adoption of the Resolution of approval unless extended according to procedures specified in the Municipal Code.
4. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
5. This Conditional Use Permit may be revoked if the operator is found to be in violation of Conditions of Approval.
6. Before this Conditional Use Permit shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the Conditional Use Permit. The applicant shall also submit evidence to the satisfaction of the Executive Director that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the Conditional Use Permit are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Executive Director prior to recordation.

### Building

7. Plans submitted for tenant improvements must comply with the 2013 edition of the California Building, Electrical, Green, Plumbing, and Mechanical Codes.

### Engineering

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13. A fire alarm and fire sprinkler system will be required for this facility.

14. The fire suppression cooking hood system shall be monitored by fire alarm per California Fire Code.

15. Identification signs shall be posted for all utilities such as electricity, natural gas, fire sprinkler system, fire alarm control room, etc. Contact the National City Fire Department for direction and a copy of requirements.

### Planning

16. The sale of alcoholic beverages shall be limited to between the hours of 9:00 a.m. and 10:00 p.m. seven days a week.

17. All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.

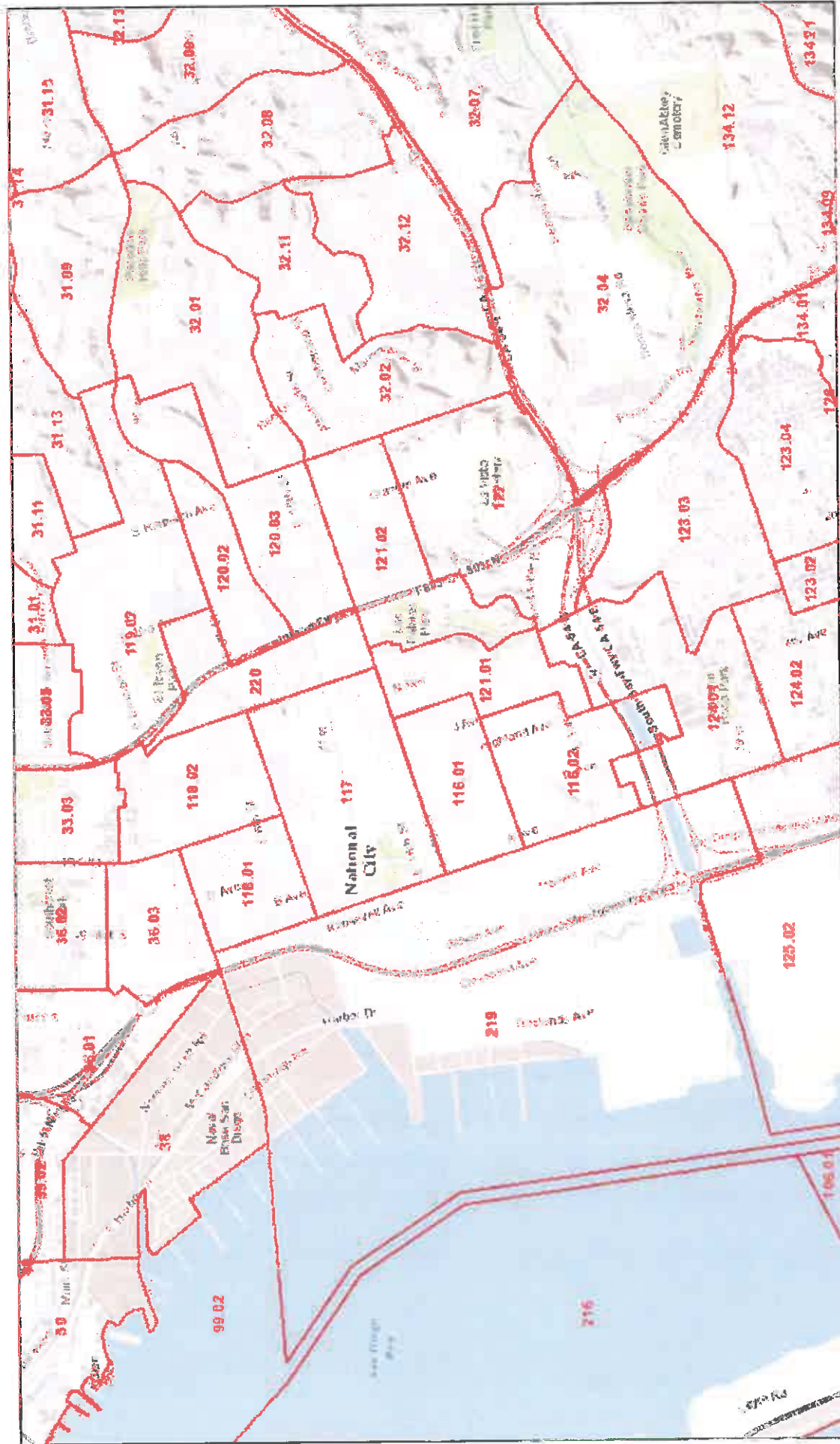
18. The sale of alcohol shall not exceed the sale of food. With the annual renewal of the City business license, the business proprietor shall submit a statement clearly indicating total alcoholic beverage sales and total food sales. Said statement shall be subject to audit and verification by employees of the City, who are authorized to examine, audit and inspect such books and records of the license, as may be necessary in their judgment to verify that the sale of alcohol does not exceed the sale of food. All information obtained by an investigation of records shall remain confidential.

19. Alcohol shall be available only in conjunction with the purchase of food.

20. Exterior advertising and signs of all types, promoting or indicating the availability of alcoholic beverages, including advertising/signs directed to the exterior from within, are prohibited. Interior displays of alcoholic beverages and signs, which are clearly visible to the exterior, shall constitute a violation of this condition.

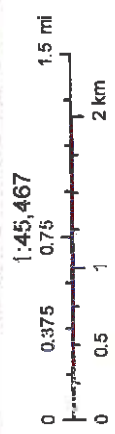
### Police

21. Permittee shall comply with all regulatory provisions of the Business and Professions Code that pertain to the sale, display and marketing or merchandising of alcoholic beverages.



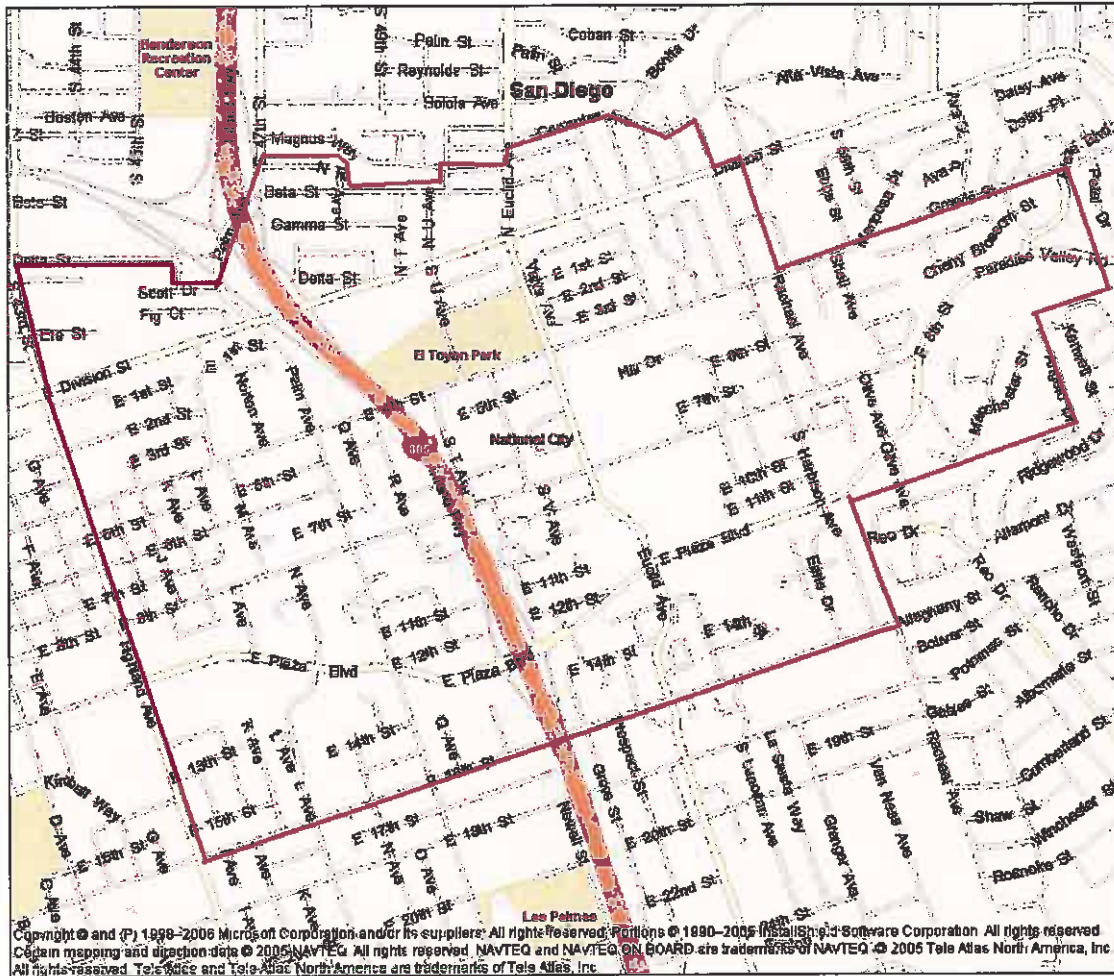
August 25, 2014

□ Census Tracts 2010



Sources: Esri, HERE, DeLorme, TomTom, Intermap, Increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), Swisstopo, Mapbox India, © OpenStreetMap contributors, and the GIS User Community





## City of National City Beat 21

Source: Microsoft Mappoint  
NCPD CAU, 4/18/07



# Royal Mandarin

1132 E. Plaza Blvd.#205  
National City, CA 91950

Telephone: (619) 477-4151

Dear Our Neighbors

To better serving for our customers, the Royal Mandarin Restaurant will be remodel and expand our facility that includes Kitchen and Dining area (expansion to our next suite). The new expansion will have fully ADA accessible restrooms for Men and Women, new Drink Service Bar Counter and expand seating area. Beside our full authentic delicious Chinese food menu, we also serve beer and wine to our customers.

For complying to National city requirement of CUP (Condition Use Permit) we are sending you this letter to notify our neighbors for purpose of re instate our beer and wine license.

We will hold a community meeting on **Wednesday July 8 of 2015** from **5:30 pm – 6:30 pm**

During this time, you can ask any questions regarding to our remodeling and expansion, expect project completion, or operation of our restaurant...etc. or you can express any your concerns may have.

This meeting will be held at:  
1132 E. Plaza Blvd.#205  
National City, CA 91950



You can contact us at (619) 477-4151 for any questions regarding to this meeting

Best Regards

Mario Woo (Owner)

Meeting of July 8, 2015  
5:30 – 6:30 PM  
CUP Community Meeting

**Meeting Location:**  
1132 E. Plaza Blvd. #205  
National City, CA 91950

**Employees Present:**  
Mario Woo (Owner)  
Andy Woo (Manager)

**Community Members Present:**  
Jovita Juarez  
Richard Pruuss

**Questions Asked:**

- Reason for meeting – allow community members to ask questions regarding remodel/ expansion relating to beer and wine for customers
- Approximate remodel completion date – Hoping for the end of August 2015

**Topics Discussed:**

- Controlling binge drinking and serving minors – restaurant has never had an issue violating the above and will continue to serve with the highest integrity inside this family restaurant
- Not many residential communities in the vicinity, but rather commercial buildings
- Good business reputation relating to beer and wine license
- Fast paced, high volume restaurant and business model
- The two individuals who attended the meeting stated that they were there to see if there were any other community members who would show up and listen to what they had to say
- Besides the two who wanted to hear others input, no other new arrivals
- Restaurant will not have a full service bar
- The family restaurant environment keeps the alcohol levels to a tolerable level
- Community members excited for the expansion and eager to witness the completed project

**Objections:**

- None

Meeting adjourned at 5:55 PM

# Sign In Sheet 7/8/2015

	Name	Phone
1	Richard Peress	609-476-9100 x 127
2	Jovita Juarez	(619) 227-4588
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CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

NOTICE OF PUBLIC HEARING

CONDITIONAL USE PERMIT FOR THE EXPANSION OF THE  
EXISTING AREA APPROVED FOR BEER AND WINE SALES  
AT ROYAL MANDARIN RESTAURANT LOCATED  
AT 1132 EAST PLAZA BLVD., SUITE 205-208  
CASE FILE NO.: 2015-09 CUP  
APN: 556-590-58

The National City Planning Commission will hold a public hearing after the hour of 6:00 p.m. **Monday, July 20, 2015**, in the City Council Chambers, Civic Center, 1243 National City Boulevard, National City, California, on the proposed request. (Applicant: Mario Woo)

The applicant is proposing to expand the restaurant into an adjacent suite, adding 2,300 square feet. The applicant wishes to expand the existing alcohol sales into the additional area.

Information is available for review at the City's Planning Department, Civic Center. Members of the public are invited to comment. Written comments should be received by the Planning Department on or before 12:00 p.m., **July 20, 2015**, who can be contacted at 619-336-4310 or [planning@nationalcityca.gov](mailto:planning@nationalcityca.gov)

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing.

NATIONAL CITY PLANNING DEPARTMENTS

*For* BRAD RAULSTON  
Executive Director



CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

**NOTICE OF EXEMPTION**

TO: County Clerk  
County of San Diego  
P.O. Box 1750  
1600 Pacific Highway, Room 260  
San Diego, CA 92112

**Project Title:** 2015-09 CUP

**Project Location:** 1422 East Plaza Blvd. Suite 205-208, National City, CA 91950

**Contact Person:** Martin Reeder

**Telephone Number:** (619) 336-4313

**Description of Nature, Purpose and Beneficiaries of Project:**

Conditional Use Permit application for a 2,300 square-foot internal expansion of an existing alcohol-licensed restaurant in an existing commercial center.

**Applicant:**

Mario Woo  
1001 "L" Avenue  
National City, CA 91950

**Telephone Number:**

(619) 339-7572

**Exempt Status:**

Categorical Exemption. Class 1 Section 15301 (Existing Facilities)

**Reasons why project is exempt:**

The project will result in no changes to the physical environment, since the proposal involves the expansion of an existing restaurant into actively leased commercial space. The restaurant with accessory alcohol sales is an approved use in the respective mixed-use zone. No external construction or additional approvals are involved.

Date:

MARTIN REEDER, AICP  
Principal Planner

2015-09 CUP – Royal Mandarin – Site Photos



Existing restaurant looking south



Proposed expansion area to west of existing restaurant

OCT 5 1984

RESOLUTION APPROVING CONDITIONAL USE PERMIT  
TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES AS  
AN INCIDENTAL USE (Type 41 Liquor License)  
IN CONJUNCTION WITH A BONA FIDE PUBLIC EATING  
PLACE AT 1132 EAST PLAZA BOULEVARD  
(CUP No. 1984-11)

NATIONAL CITY, CALIF.

The City Council of the City of National City does hereby find, determine, order and resolve as follows:

1) Upon recommendation of the Planning Commission that the owner of a bona fide eating place at the 1132 East Plaza Boulevard, be granted a Conditional Use Permit upon the conditions hereinafter stated.

2) That the City Council has received the recommendation of the Planning Commission, and after full and complete consideration of said recommendation hereby grants the bona fide eating place at 1132 East Plaza Boulevard a Conditional Use Permit subject to the following terms and conditions:

1. Alcoholic beverage sales shall be incidental to food service.
2. There shall be no bar or counter over which the on-sale alcoholic beverages shall be served to the public.
3. All live entertainment and dancing shall be prohibited.
4. There shall be no sale of alcoholic beverages after midnight.

PASSED and ADOPTED this 2nd day of October, 1984.



MAYOR

ATTEST:



CITY CLERK



Passed and adopted by the Council of the City of National City, California,  
on ..October 2, 1984..... by the following vote, to-wit:

Ayes: Councilmen ..Cooper, Dalla, Van Deventer, Waters.....

Nays: Councilmen ..None.....

Absent: Councilmen ..None.....

Abstain: Councilmen ..Morgan.....

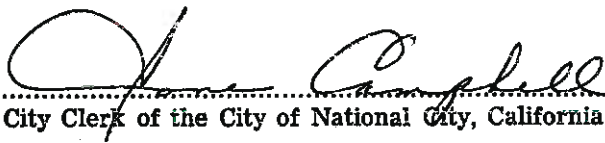
AUTHENTICATED BY: KILE MORGAN  
Mayor of the City of National City, California

.....  
IONE CAMPBELL  
City Clerk of the City of National City, California

(Seal) By: .....  
Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and cor-  
rect copy of RESOLUTION NO. ..14,442.... of the City of National City,  
Calif., passed and adopted by the Council of said City on ..October 2, 1984

.....

(Seal)   
City Clerk of the City of National City, California

By: .....  
Deputy

**RESOLUTION NO. 2015-13**

**A RESOLUTION OF THE PLANNING COMMISSION OF  
THE CITY OF NATIONAL CITY, CALIFORNIA, APPROVING A  
CONDITIONAL USE PERMIT FOR THE EXPANSION OF THE  
EXISTING AREA APPROVED FOR BEER AND WINE SALES  
AT ROYAL MANDARIN RESTAURANT LOCATED AT  
1132 EAST PLAZA BLVD., SUITE 205-208.  
CASE FILE NO. 2015-09 CUP  
APN: 556-590-58**

**WHEREAS**, the Planning Commission of the City of National City considered a Conditional Use Permit for the expansion of the existing area approved for beer and wine at Royal Mandarin Restaurant located at 1132 East Plaza Blvd., suite 205-208 at a duly advertised public hearing held on July 20, 2015, at which time oral and documentary evidence was presented; and,

**WHEREAS**, at said public hearings the Planning Commission considered the staff report contained in Case File No. 2015-09 CUP maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and,

**WHEREAS**, this action is taken pursuant to all applicable procedures required by State law and City law; and,

**WHEREAS**, the action recited herein is found to be essential for the preservation of public health, safety, and general welfare.

**NOW, THEREFORE, BE IT RESOLVED** by the Planning Commission of the City of National City, California, that the testimony and evidence presented to the Planning Commission at the public hearing held on July 20, 2015, support the following findings:

- 1. That the proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, since alcohol sales for on-site consumption are a conditionally-allowed use in the Major Mixed-Use District Zone.**
- 2. That the proposed use is consistent with the General Plan and any applicable specific plans, since alcohol sales are permitted, subject to a Conditional Use Permit, by the Land Use Code, which is consistent with the General Plan; and since alcohol sales for on-site consumption are a conditionally-allowed use in the Major Mixed-Use District Zone.**
- 3. That the design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, since the proposed use is an accessory use to a proposed restaurant use in an existing commercial area and the sale of beer and wine is not expected to**

appreciably increase traffic on National City Blvd. based on the current capacity and traffic numbers.

4. That the site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, since the proposed use is an existing accessory use to the restaurant use in an existing commercial area, and the 2,300 square-foot expansion of alcohol sales into an existing commercial suite is not expected to increase the demand for parking on the property.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, since the proposed use will be compatible with other nearby businesses; and since the proposed use will be subject to conditions that limit the sale of alcohol and restrict the hours that it will be available.
6. That the proposed project has been reviewed in compliance with the California Environmental Quality Act, since staff has already determined that the proposed use is not a project per the Act.
7. That the proposed use is deemed essential and desirable to the public convenience and welfare, since it will contribute to the continued viability of a restaurant, an established and allowed use in the Major Mixed-Use District Zone.
8. That based on findings 1 through 7 above, public convenience and necessity will be served by a proposed use of the property for the retail sales of alcoholic beverages pursuant to law.

BE IT FURTHER RESOLVED that the application for Conditional Use Permit is approved subject to the following conditions:

#### General

1. This Conditional Use Permit authorizes the 2,300 square-foot expansion of an existing restaurant, with beer and wine sales, located at 1132 East Plaza Boulevard. Unless specifically modified by this resolution or subsequent Codes, all previous Conditions of Approval as stated in City Council Resolution 14,442 are still in effect. Plans submitted for permits associated with this project shall conform with Exhibit A, case file no. 2015-09 CUP, dated 4/23/2015.
2. Within four (4) days of approval, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the County Clerk and submitted to the National City Planning Department.
3. This permit shall become null and void if not exercised within one year after adoption of the Resolution of approval unless extended according to procedures specified in the Municipal Code.

4. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
5. This Conditional Use Permit may be revoked if the operator is found to be in violation of Conditions of Approval.
6. Before this Conditional Use Permit shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the Conditional Use Permit. The applicant shall also submit evidence to the satisfaction of the Executive Director that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the Conditional Use Permit are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Executive Director prior to recordation.

#### Building

7. Plans submitted for tenant improvements must comply with the 2013 edition of the California Building, Electrical, Green, Plumbing, and Mechanical Codes.

#### Engineering

8. Plans submitted for tenant improvements shall show the location of existing and proposed grease traps.
9. Plans submitted for tenant improvements shall show the number of existing and proposed seats.
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11. Plans submitted for improvements must comply with the 2013 editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA), and the current edition of the California Code of Regulations.
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20. Exterior advertising and signs of all types, promoting or indicating the availability of alcoholic beverages, including advertising/signs directed to the exterior from within, are prohibited. Interior displays of alcoholic beverages and signs, which are clearly visible to the exterior, shall constitute a violation of this condition.

**Police**

Permittee shall comply with all regulatory provisions of the Business and Professions Code that pertain to the sale, display and marketing or merchandising of alcoholic beverages.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted forthwith to the applicant and to the City Council.

BE IT FINALLY RESOLVED that this Resolution shall become effective and final on the day following the City Council meeting where the Planning Commission resolution is set for review, unless an appeal in writing is filed with the City Clerk prior to 5:00 p.m. on the day of that City Council meeting. The City Council may, at that meeting, appeal the decision of the Planning Commission and set the matter for public hearing.

**CERTIFICATION:**

This certifies that the Resolution was adopted by the Planning Commission at their meeting of July 20, 2015, by the following vote:

**AYES:** Alvarado, Baca, Bush, DelaPaz, Flores, Garcia, Yamane

**NAYS:**

**ABSENT:**

**ABSTAIN:**

  
\_\_\_\_\_  
**CHAIRPERSON**

# TENANT IMPROVEMENT for ROYAL MANDARIN RESTAURANT

1132 E. PLAZA BLVD #205, NATIONAL CITY, CA 91502

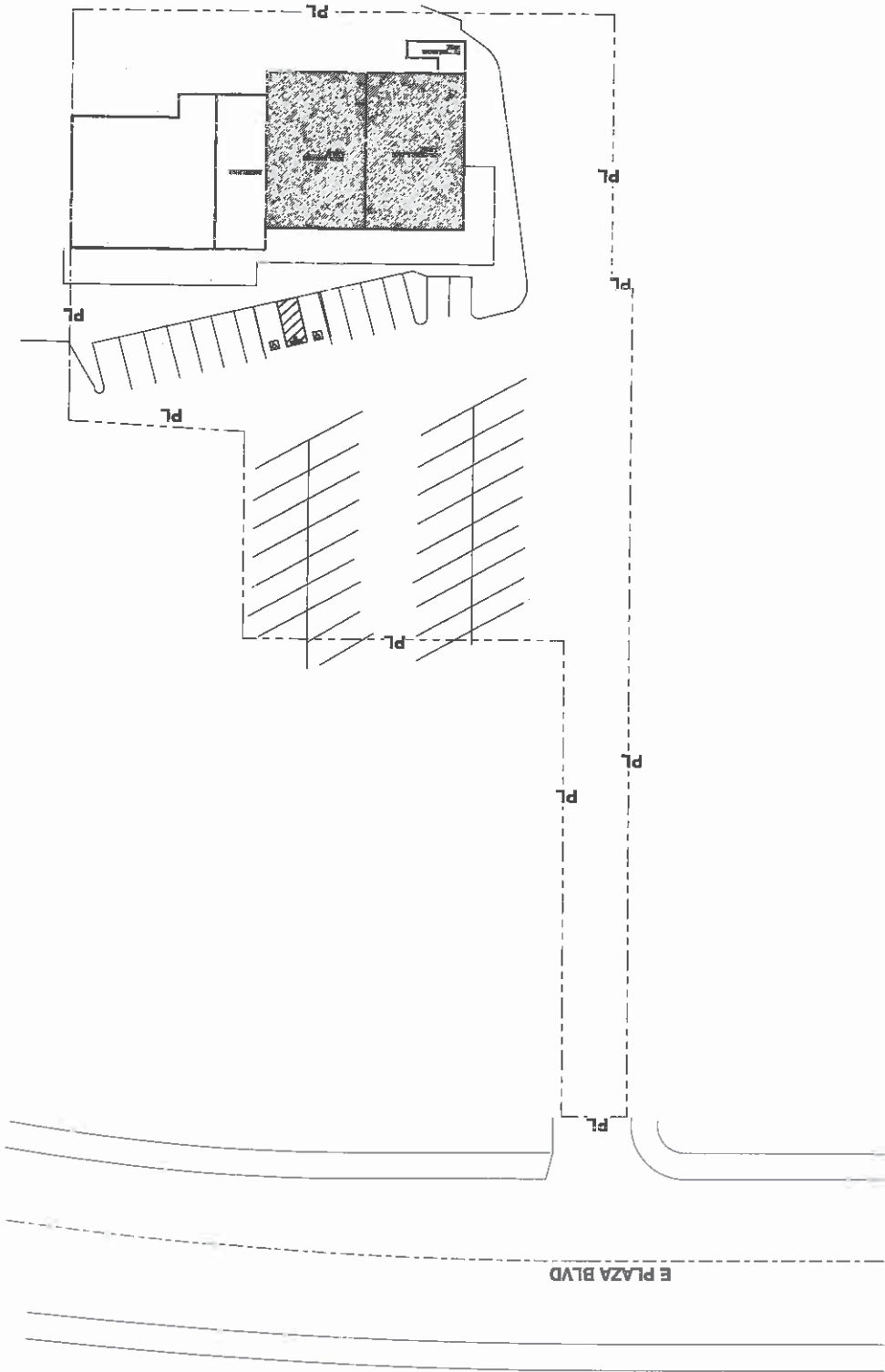
EXHIBIT: A  
CASE FILE NO.: 4733/15  
DATE: 2-05-09

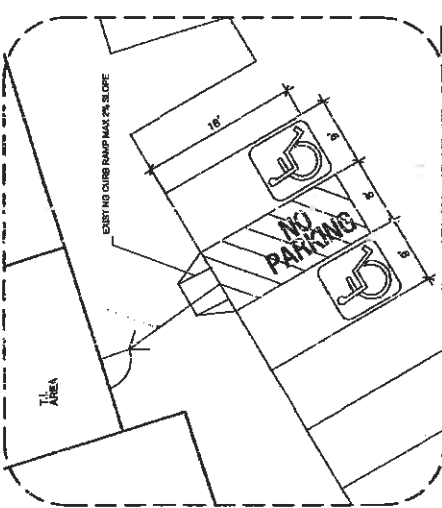
## BUILDING CODE DATA

TYPE OF CONSTRUCTION: V-8  
BUILDING CLASSIFICATION: L-10  
PROPOSED: RESTAURANT  
OCCUPANCY GROUP: A3  
NUMBER OF STORIES: 1  
OCCUPANCY LOAD: 150  
SEPARATE SOILAGE FOOTING OF TENANT SPACES: 4,000  
ADDITION STORAGE (E-ED RFP): 220  
TOTAL (RFP): 4,220  
CONVEYOR VS CODES: 2018 California Building Code  
2018 California Mechanical Code  
2018 California Fire Code  
2018 California P.E. Code

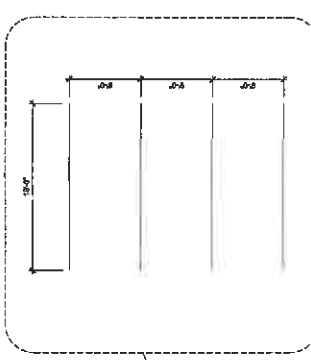
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**ENLARGED SITE PLAN**  
N.T.S.



DIST. CONC. AND TRASH ENCLOSURE INTERIOR SURFACE SHALL BE PAINTED AND SEALED TO WASHABLE (PAINTED)

EXISTING TRASH ENCLOSURE CONC. BLOCK WALL TO BE REPAIRED AND SEALED TO WASHABLE (PAINTED)

RESERVE INTERCEPTION

EXISTING PARKING

EXISTING BUILDING

EXISTING PARKING AREA

EXISTING PARKING AREA

EXISTING PARKING AREA

EXISTING BUILDING

HIGHLAND AVE

"L" AVE

PLAZA BLVD



**SITE PLAN**  
N.T.S.

ASDRA  
 TOTAL AREA  
 4,670 SQ. FT.  
 4,670 / 1,000 = 4.67 ≈ 1

**TRASH ENCLOSURE NOTE**  
 INTERIOR WALL SURFACES OF TRASH ENCLOSURE SHALL BE COVERED WITH EXT. FLOOR PLASTER TO A SMOOTH FINISH. PLASTER SHALL BE PAINTED AND SEALED SO THAT ALL INTERIOR WALL ARE WASHABLE.

I, the undersigned, responsible for this project, have reviewed the site plan and drawings and hereby certify that they comply with all applicable requirements to the extent required by law.

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

I am the design professional responsible for this project. I have inspected the site plan and drawings and hereby certify that they comply with all applicable requirements to the extent required by law.

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

If the Building Inspector determines non-compliance with any current accessibility requirements, the undersigned hereby certifies that the undersigned will comply with all applicable requirements to the extent required by law.

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

It is the responsibility of the applicant to provide all necessary information to the Building Department for their review. Plans must clearly show all existing and proposed conditions affected by the proposed project. Any other information not shown on the drawings is the responsibility of the applicant. The undersigned hereby certifies that the information provided is true and correct to the best of their knowledge and belief.

ROYAL MANDARIN

Revision Date: \_\_\_\_\_  
 Drawing Date: \_\_\_\_\_  
 Sheet Title: \_\_\_\_\_  
 Scale: \_\_\_\_\_  
 Job Number: \_\_\_\_\_  
 Sheet Number: \_\_\_\_\_

FLAOR  
 DBR  
 PLANNING  
 DELTA  
 DESIGN





The following page(s) contain the backup material for Agenda Item: Notice of Decision – Planning Commission approval of a Zone Variance to allow a parking space in the front yard setback for a single-family home located at 1926 “E” Avenue. (Applicant: Victor Castillo) (Case File 2015-05 Z) (Planning)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO. :**

**ITEM TITLE:**

Notice of Decision – Planning Commission approval of a Zone Variance to allow a parking space in the front yard setback for a single-family home located at 1926 “E” Avenue. (Applicant: Victor Castillo) (Case File 2015-05 Z)

**PREPARED BY:**  Martin Reeder, AICP

**PHONE:** 336-4313

**DEPARTMENT:** Planning

**APPROVED BY:** 

**EXPLANATION:**

The 2,490 square-foot lot is located on the west side of “E” Avenue, north of East 20<sup>th</sup> Street in the RM-3 (Very High Density Multi-Unit Residential) zone. The property is roughly 33 feet wide and 77 feet deep and developed with a 916 square-foot three bedroom house. The existing house is built at or close to the side setbacks – five feet on the south and less on the north. The home has a front setback of almost 17 feet. There is no covered or other parking on site. The applicant is requesting to be able to park in their front yard as there is no possibility of vehicular access to the rear of the site and street parking is at a premium at this location. Parking in the front yard would necessitate a driveway and curb cut to be installed.

Planning Commission conducted a public hearing on July 20, 2015. Commissioners asked questions regarding parking districts, street parking, conditions of approval, and fencing. The Commission voted to approve the Variance based on required findings and subject to Conditions of Approval.

The attached Planning Commission staff report describes the proposal in detail.

**FINANCIAL STATEMENT:**

**ACCOUNT NO. :**

**APPROVED:** \_\_\_\_\_ Finance

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

Not a project per CEQA

**ORDINANCE: INTRODUCTION:**

**FINAL ADOPTION:**

**STAFF RECOMMENDATION:**

Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**BOARD / COMMISSION RECOMMENDATION:**

The Planning Commission approved the Zone Variance.

Ayes: Alvarado, Baca, Bush, DeLaPaz, Flores, Garcia.

Nays: Yamane

**ATTACHMENTS:**

- |                                     |                           |
|-------------------------------------|---------------------------|
| 1. Location Map                     | 3. Resolution No. 2015-12 |
| 2. Planning Commission Staff Report | 4. Reduced Plans          |

1926 E AVE



Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey or zoning verification.

1 inch = 57 feet  
7/8/2015



CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

**PLANNING COMMISSION STAFF REPORT**

**Title:** PUBLIC HEARING - ZONE VARIANCE TO ALLOW A PARKING SPACE IN THE FRONT YARD SETBACK FOR A SINGLE-FAMILY HOME LOCATED AT 1926 "E" AVENUE.

**Case File No.:** 2015-05 Z

**Location:** West side of "E" Avenue north of 20<sup>th</sup> Street

**Assessor's Parcel No.:** 560-251-09

**Staff Report By:** Martin Reeder, AICP – Principal Planner

**Applicant:** Victor Castillo

**Owner:** Erick Diaz

**Zoning Designation:** Very High Density Multi-Unit Residential (RM-3)

**Adjacent Land Use/Zoning:**

- North:** Single/multi-unit residential use / RM-3
- East:** Single/multi-unit residential use across E Ave. / RM-3
- South:** Single/multi-unit residential use across 20<sup>th</sup> St. / RS-2 (Small Lot Residential)
- West:** Single and multi-unit residential use / RM-3

**Environmental Review:** Not a project per CEQA

**Staff Recommendation:** Approve

## **BACKGROUND**

### **Site Characteristics**

The 2,490 square-foot lot is located on the west side of "E" Avenue, north of East 20<sup>th</sup> Street in the RM-3 (Very High Density Multi-Unit Residential) zone. The property is roughly 33 feet wide and 77 feet deep. The property is developed with a 916 square-foot three bedroom house, which spans the entire lot. The existing house is built at or close to the side setbacks – five feet on the south and less on the north. The home has a front setback of almost 17 feet. There is no covered or other parking on site.

The front of the lot is currently used to store a vehicle, including a temporary vehicle cover. Vehicles have to jump the curb in order to access the property and the access gate swings outward over the sidewalk (public right-of-way). All these things are prohibited by the Municipal Code.

### **Proposed Use**

Since the property has no parking on site, the applicant is requesting to be able to park in their front yard. There is no possibility of vehicular access to the rear of the site and street parking is at a premium at this location, although there is no available permit parking district in this area. Parking in the front yard would necessitate a driveway and curb cut to be installed.

### **Analysis**

The Land Use Code (LUC) prohibits parking in a street setback – the front yard setback in this case. The required front yard setback in the RM-3 zone is 10 feet. The subject property has almost 17 feet between the house and the property line; therefore, there is only 7 feet for a parking space where 18 feet is required (the minimum dimensions for a standard parking space are 9 feet by 18 feet).

The property has a rough dimension of 33 by 77 feet and a size of approximately 2,500 square feet. The minimum lot width required by the Subdivision Ordinance is 50 feet and the minimum lot size required by the Land Use Code is 5,000 square feet. Therefore, the property is restricted due to its size. Almost all other lots on this street in the same block exceed the minimum lot size. The next smallest lot is 5,000 square feet in size. Another contributing factor is the location of the existing house, which spans almost the entirety of the lot. The reduced north side setback was approved through a building permit many years ago. The south side setback is approximately five feet, the minimum required in the RM-3 zone.

Three specific findings must be made in order to approve a Zone Variance request. The first is that the lot is affected by special circumstances, including size, shape, or

topography, that deprive the lot of the ability to develop per the LUC as others in the area have. In this case the property is less than half the minimum lot size required in the zone, which restricts the normal buildable area afforded standard-shaped lots. Given the location of the existing house, there is no room to locate a parking area – covered or otherwise – on the lot without encroaching into the required front yard setback.

The second finding is that granting of the Variance does not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and zone in which such property is situated. In this case there are multiple properties in the same neighborhood in the same zone which have parking areas in the front of lot. Being that this is a multiple-family residential zone, several developments have parking areas directly adjacent to the sidewalk.

The third finding is that the Variance does not authorize a use that is not otherwise allowed in the zone. In this case a single-family home is required to have at least two parking spaces per the Land Use Code, where there are none. Parking in and of itself is required and allowed in all zones throughout the City.

#### **Conditions of Approval**

Comments were received from the Engineering Department related to drainage, visibility, and permitting for a new driveway. The comments are included as Conditions of Approval. A condition is also included that requires the removal of temporary structures (vehicle cover/awning), which are not permitted by the Land Use Code.

Approval of this Zone Variance would not result in any construction other than a driveway apron and fencing, items that would either not require a permit (fencing) or would normally be allowed anyway (driveway apron). As such, this proposal is not considered a project under the California Environmental Quality Act (CEQA). Furthermore, approval of the Variance would ensure that existing violations of the Municipal Code (curb jumping, right-of-way encroachment) are abated.

#### **Summary**

Because of special circumstances applicable to the property, including the small size of the lot, there is no room to install a parking space on the property without encroaching into the required front yard setback. In addition, allowing parking on site and in the front yard will alleviate on-street parking issues. Granting of the Variance would not be a privilege inconsistent with other properties in the area as there are multiple lots in this block with front yard parking. The proposal is consistent with all required findings of approval and would be consistent with all other regulations.

## OPTIONS

1. Approve 2015-05 Z subject to the conditions listed below, based on attached findings; or
2. Deny 2015-05 Z based on findings to be determined by the Planning Commission; or
3. Continue the item to a specific date in order to obtain additional information.

## ATTACHMENTS

1. Recommended Findings for Approval
2. Recommended Conditions
3. Location Map
4. Public Hearing Notice (Sent to 45 property owners)
5. Site Photos
6. Applicant's Plans (Exhibit A, case file no. 2015-05 CUP, dated 3/19/2015)

A handwritten signature in blue ink, appearing to read "Martin Reeder", with a long horizontal stroke extending to the right.

MARTIN REEDER, AICP  
Principal Planner



## **RECOMMENDED FINDINGS FOR APPROVAL**

2015-05 Z, 1926 "E" Avenue

1. Because of special circumstances applicable to the property, including size, shape, or topography, the strict application of Title 18 of the Municipal Code (Zoning) deprives such property of privileges enjoyed by other properties in the vicinity and under the identical zone classification, since the property is less than half the minimum lot size required in the zone, which restricts the normal buildable area afforded standard-shaped lots, and given the location of the existing house, there is no room to locate a parking area – covered or otherwise – on the lot without encroaching into the required front yard setback.
2. The requested Variance is subject to such conditions which will assure that the adjustment authorized will not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and zone in which such property is situated, since there are multiple properties in the same neighborhood in the same zone which have parking areas in the front of lot, and since conditions ensure that appropriate permits will be submitted for construction of the driveway to meet City standards.
3. The Variance does not authorize a use or activity which is not otherwise expressly authorized by the zoning regulations governing the parcel of property, since a single-family home is required to have at least two parking spaces per the Land Use Code, where there are none, and that parking in and of itself is required and allowed in all zones throughout the City.

## RECOMMENDED CONDITIONS OF APPROVAL

2015-05 Z, 1926 "E" Avenue

### General

1. This Zone Variance authorizes a parking space to be located in the front yard setback of single-family residential located at 1926 "E" Avenue. Plans submitted for approvals shall show the location of the parking space in substantial conformance with Exhibit A, Case File No. 2015-05 CUP, dated 3/19/2015.
2. Within four (4) days of approval, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. **Checks shall be made payable to the County Clerk** and submitted to the National City Planning Department.
3. This permit shall become null and void if not exercised within one year after adoption of the Resolution of approval unless extended according to procedures specified in Section 18.12.040 of the Municipal Code.
4. Before this Zone Variance shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. **Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the Zone Variance.** The applicant shall also submit evidence to the satisfaction of the Planning Department that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the Zone Variance are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Executive Director prior to recordation.

### Engineering

5. If the existing driveway is reconstructed, drainage shall be directed away from the foundation of the existing structure.
6. The maximum height of fences and walls within the front yard setback is four feet. The height of existing fencing or walls that exceed this dimension shall be reduced to four feet less for visibility and pedestrian safety purposes.
7. The existing gate used for vehicular access swings out across the sidewalk, which is prohibited. The gate shall be reconfigured or reconstructed so that it does not swing into the public right-of-way.
8. A driveway permit shall be obtained from the National City Engineering Division. The cost is \$297.
9. A plan review and inspection fee of \$500 shall be posted with the National City Engineering Division.

10. All vehicular access to the property shall utilize a City-approved driveway apron and driveway. Driving a vehicle over the curb to access the property is a violation of National City Municipal Code Section 7.18.130, violation of which may result in citations or other legal remedies.

Planning

11. Temporary vehicle covers or other similar structures are not permitted. Any existing structures of this kind shall be removed immediately.



CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

NOTICE OF PUBLIC HEARING

ZONE VARIANCE TO ALLOW A PARKING SPACE IN THE FRONT YARD SETBACK  
FOR A SINGLE-FAMILY HOME LOCATED AT 1926 "E" AVENUE.

CASE FILE NO.: 2015-05 Z

APN: 560-251-09


The National City Planning Commission will hold a public hearing after the hour of 6:00 p.m. **Monday, July 20, 2015**, in the City Council Chambers, Civic Center, 1243 National City Boulevard, National City, California, on the proposed request. (Applicant: Victor Castillo)

The applicant is requesting to be able to park in their front yard, which would necessitate a driveway and curb cut to be installed. There is no possibility of vehicular access to the rear of the site.

Information is available for review at the City's Planning Division, Civic Center. Members of the public are invited to comment. Written comments should be received by the Planning Department on or before 12:00 p.m., **July 20, 2015**, who can be contacted at 619-336-4310 or [planning@nationalcityca.gov](mailto:planning@nationalcityca.gov)

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing.

NATIONAL CITY PLANNING

  
BRAD RAULSTON  
Executive Director

**2015-05 Z – 1926 "E" Ave. – Site Photos**



**Front of existing house looking west**



**Fencing along east property line looking southwest**

**RESOLUTION 2015-12**

**A RESOLUTION OF THE PLANNING COMMISSION  
OF THE CITY OF NATIONAL CITY, CALIFORNIA,  
APPROVING A ZONE VARIANCE TO ALLOW A PARKING SPACE  
IN THE FRONT YARD SETBACK FOR A SINGLE-FAMILY HOME  
LOCATED AT 1926 "E" AVENUE.  
APPLICANT: VICTOR CASTILLO  
CASE FILE NO. 2015-05 Z**

**WHEREAS**, the Planning Commission of the City of National City considered a Zone Variance to allow a parking space in the front yard setback for a single-family home located at 1926 "E" Avenue at a duly advertised public hearing held on July 20, 2015, at which time oral and documentary evidence was presented; and,

**WHEREAS**, at said public hearings the Planning Commission considered the staff report contained in Case File No. 2015-05 Z, which is maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and,

**WHEREAS**, this action is taken pursuant to all applicable procedures required by State law and City law; and,

**WHEREAS**, the action recited herein is found to be essential for the preservation of public health, safety, and general welfare.

**NOW, THEREFORE, BE IT RESOLVED** by the Planning Commission of the City of National City, California, that the testimony and evidence presented to the Planning Commission at the public hearing held on July 20, 2015, support the following findings:

- 1.** Because of special circumstances applicable to the property, including size, shape, or topography, the strict application of Title 18 of the Municipal Code (Zoning) deprives such property of privileges enjoyed by other properties in the vicinity and under the identical zone classification, since the property is less than half the minimum lot size required in the zone, which restricts the normal buildable area afforded standard-shaped lots, and given the location of the existing house, there is no room to locate a parking area – covered or otherwise – on the lot without encroaching into the required front yard setback.
- 2.** The requested Variance is subject to such conditions which will assure that the adjustment authorized will not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and zone in which such property is situated, since there are multiple properties in the same neighborhood in the same zone which have parking areas in the front of lot, and since conditions ensure that appropriate permits will be submitted for construction of the driveway to meet City standards.
- 3.** The Variance does not authorize a use or activity which is not otherwise expressly authorized by the zoning regulations governing the parcel of property, since a

single-family home is required to have at least two parking spaces per the Land Use Code, where there are none, and that parking in and of itself is required and allowed in all zones throughout the City.

BE IT FURTHER RESOLVED that the application for Zone Variance is approved subject to the following conditions:

#### General

1. This Zone Variance authorizes a parking space to be located in the front yard setback of single-family residential located at 1926 "E" Avenue. Plans submitted for approvals shall show the location of the parking space in substantial conformance with Exhibit A, Case File No. 2015-05 CUP, dated 3/19/2015.
2. Within four (4) days of approval, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. **Checks shall be made payable to the County Clerk** and submitted to the National City Planning Department.
3. This permit shall become null and void if not exercised within one year after adoption of the Resolution of approval unless extended according to procedures specified in Section 18.12.040 of the Municipal Code.
4. Before this Zone Variance shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. **Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the Zone Variance.** The applicant shall also submit evidence to the satisfaction of the Planning Department that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the Zone Variance are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Executive Director prior to recordation.

#### Engineering

5. If the existing driveway is reconstructed, drainage shall be directed away from the foundation of the existing structure.
6. The maximum height of fences and walls within the front yard setback is four feet. The height of existing fencing or walls that exceed this dimension shall be reduced to four feet less for visibility and pedestrian safety purposes.
7. The existing gate used for vehicular access swings out across the sidewalk, which is prohibited. The gate shall be reconfigured or reconstructed so that it does not swing into the public right-of-way.
8. A driveway permit shall be obtained from the National City Engineering Division. The cost is \$297.
9. A plan review and inspection fee of \$500 shall be posted with the National City Engineering Division.

10. All vehicular access to the property shall utilize a City-approved driveway apron and driveway. Driving a vehicle over the curb to access the property is a violation of National City Municipal Code Section 7.18.130, violation of which may result in citations or other legal remedies.

**Planning**

11. Temporary vehicle covers or other similar structures are not permitted. Any existing structures of this kind shall be removed immediately.

**BE IT FURTHER RESOLVED** that copies of this Resolution be transmitted forthwith to the applicant and to the City Council.

**BE IT FINALLY RESOLVED** that this Resolution shall become effective and final on the day following the City Council meeting where the Planning Commission resolution is set for review, unless an appeal in writing is filed with the City Clerk prior to 5:00 p.m. on the day of that City Council meeting. The City Council may, at that meeting, appeal the decision of the Planning Commission and set the matter for public hearing.

**CERTIFICATION:**

This certifies that the Resolution was adopted by the Planning Commission at their meeting of July 20, 2015, by the following vote:

**AYES:** Alvarado, Baca, Bush, DelaPaz, Garcia, Flores

**NAYS:** Yamane

**ABSENT:**

**ABSTAIN:**

  
\_\_\_\_\_  
**CHAIRPERSON**



JOB NAME: CONDITIONAL USE PERMIT FOR  
 Mt. ERIC DIAZ  
 1926 E. AVENUE  
 NATIONAL CITY, CA 91950

**A-1**

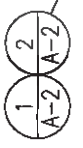
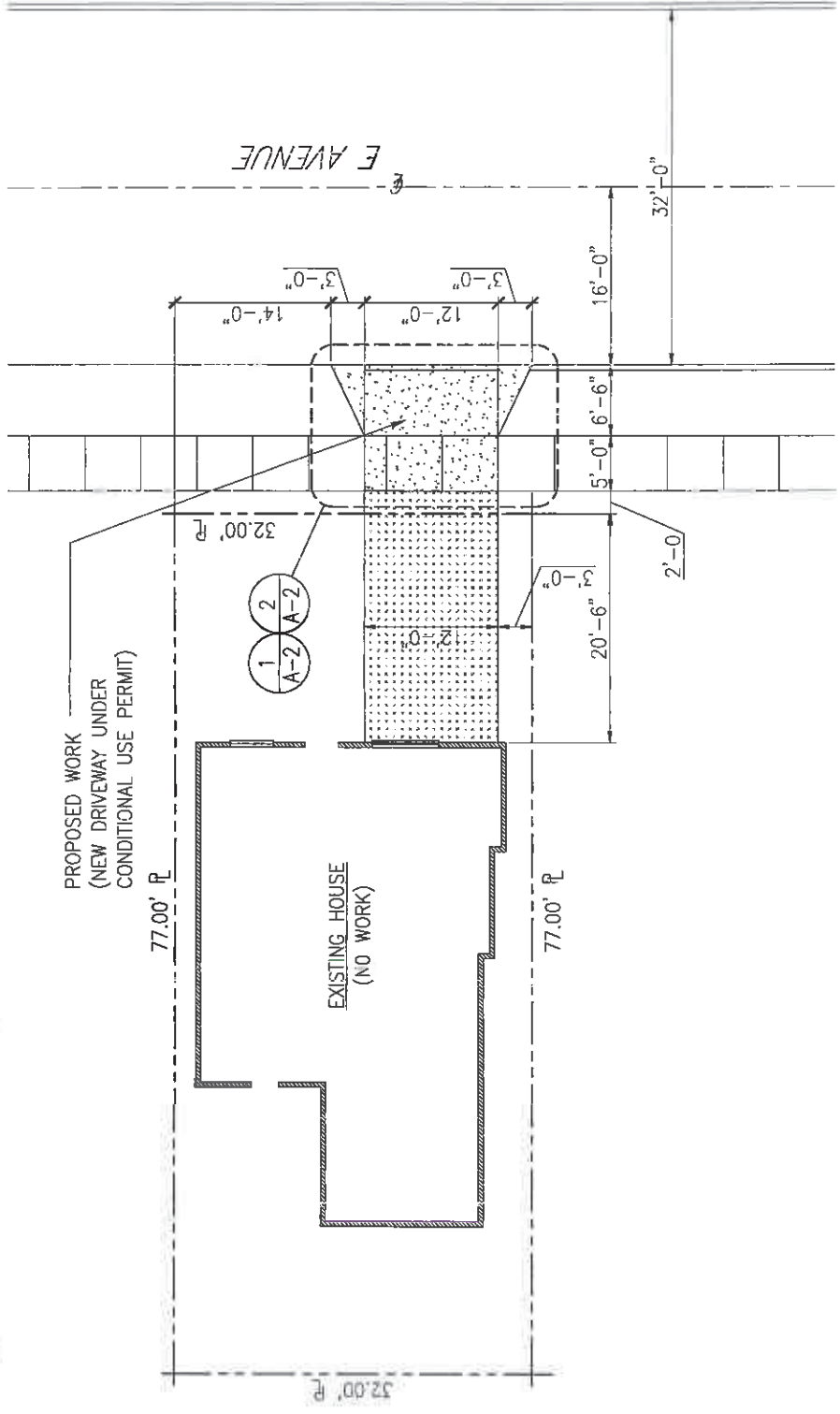
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 JOB NO: \_\_\_\_\_

REVISIONS  
 # DATE NOTE  
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**SITE PLAN**

SCALE: 1" = 10'-0"



The following page(s) contain the backup material for Agenda Item: Resolution of the Community Development Commission-Housing Authority of the City of National City authorizing the Executive Director to execute a Subordination Agreement with Casa Familiar, Inc. subordinating the Deed of Trust that secures a HOME Investme

**CITY OF NATIONAL CITY, CALIFORNIA  
COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** August 4, 2015

**AGENDA ITEM NO.** \_\_\_\_\_

**ITEM TITLE:**

Resolution of the Community Development Commission-Housing Authority of the City of National City authorizing the Executive Director to execute a Subordination Agreement with Casa Familiar, Inc. subordinating the Deed of Trust that secures a HOME Investment Partnership Program loan for \$835,000 on restricted rental units located at 305 East Fifth Street in National City for the purpose of refinancing existing debt.

**PREPARED BY:** Carlos Aguirre, Community Dev. Prog. Mgr.

**DEPARTMENT:** Housing, Grants, & Asset Management

**PHONE:** 619 336-4391

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

Casa Familiar, Inc., a non-profit public benefit corporation, organized under the laws of the State of California ("Borrower") is the owner of a 10-unit multifamily rental housing project ("Project") located at 305 East Fifth Street in National City. In 2009, the Community Development Commission of the City of National City made a loan for \$835,000 from the HOME Investment Partnerships Program to assist in the substantial rehabilitation of the Project. The Borrower desires to refinance existing debt of \$654,000 on the Project through a new mortgage for the principal amount of \$1,245,000 from Western Alliance Bank ("Lender"). Since the debt of other projects owned by the Borrower in the amount of \$591,000 is included in the principal amount of the new loan, the lien under the Lender's Deed of Trust on the Project for the new mortgage will not exceed the existing debt of the project (\$654,000). In order to provide the loan, the Lender requires the subordination of the Deed of Trust that secures the HOME funds. The new loan will effectively lower the interest rate from 7.5% to 4.5%.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

There is no fiscal impact to the CDC-HA.

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:**  **INTRODUCTION:**  **FINAL ADOPTION:**

**STAFF RECOMMENDATION:**

Staff recommends the adoption of a resolution to execute the Subordination Agreement.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Subordination Agreement
2. Deed of Trust
3. Promissory Note

RECORDING REQUESTED BY AND  
WHEN RECORDED, RETURN TO:

<p><b>TORREY PINES BANK, A DIVISION OF WESTERN ALLIANCE BANK</b> 12220 El Camino Real, Suite 200 San Diego, CA 92130 Attn: Real Estate Department Loan No. 3530163945</p>	
---	--

SPACE ABOVE FOR RECORDER'S USE ONLY]

### SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("**Agreement**") is entered into as of July 7, 2015, by and between CASA FAMILIAR, INC., a California non-profit public benefit corporation ("**Borrower**") and Community Development Commission-Housing Authority of the City of National City ("**Subordinate Lender**"), in favor of Western Alliance Bank, an Arizona corporation ("**Lender**").

### RECITALS

A. Subject to the terms and provisions of that certain deed of trust dated October 1, 2009, executed by Borrower in favor of Subordinate Lender, recorded in the official records of San Diego County on October 12, 2009 as document number 2009-0564364 ("**Subordinate Lender's Deed of Trust**"), Borrower granted to Subordinate Lender a security interest in and to the property described in Exhibit A attached hereto and incorporated herein (which property, together with all improvements now or hereafter located on the property, is hereinafter collectively referred to as the "**Property**") to secure Borrower's obligations to Subordinate Lender (the "**Subordinated Debt**").

B. Borrower has or will execute a deed of trust, security agreement and fixture filing and an assignment of rents and leases ("**Lender's Deed of Trust**") securing, among other things, a loan agreement between Borrower and Lender dated July 7, 2015 (the "**Loan Agreement**") and promissory note (the "**Note**") in the original principal amount of \$1,245,000.00 dated July 7, 2015, in favor of Lender (the "**Loan**"). Lender's Deed of Trust is being recorded in the official records of San Diego County concurrently herewith. The Loan Agreement, the Note, Lender's Deed of Trust and all other documents and instruments made or given in connection with or to evidence or secure Lender's Loan shall be referred to herein as the "**Loan Documents**".

C. As a condition to Lender making the Loan (the "**Senior Debt**"), Lender requires that Lender's Deed of Trust be unconditionally and at all times remain a lien or charge upon the Property, prior and superior to all the rights of Subordinate Lender under the Subordinate Lender's Deed of Trust and that Subordinate Lender specifically and unconditionally subordinates the Subordinate Lender's Deed of Trust to the lien or charge of Lender's Deed of Trust.

## AGREEMENT

**1. Subordination.** Lender's Deed of Trust securing the Note in favor of Lender, and any modifications, renewals or extensions thereof up to a maximum Loan amount of \$654,000.00, shall unconditionally be and at all times remain a lien or charge on the Property prior and superior to Subordinate Lender's Deed of Trust. The principal amount of the Subordinated Debt secured by the Property shall not exceed \$835,000.00.

**2. Lien Subordination.** Subordinate Lender unconditionally waives, relinquishes and subordinates all of Subordinate Lender's right, title and interest in and to the Property to the lien or charge of Lender's Deed of Trust and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made by Lender and specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

**3. Payment Subordination.** The right of payment of any and all of the Subordinated Debt is hereby made subordinate and junior to the payment of principal, interest, and all other amounts of the Senior Debt, as set forth herein. Provided, however, as long as no Event of Default under the Loan has occurred and is continuing, Subordinate Lender may receive and retain monthly payments payable pursuant to the Subordinate Lender's loan documents with Borrower.

**4. Rights Upon Insolvency.** In the event of (1) any insolvency, bankruptcy, receivership, liquidation, reorganization, arrangement, assignment for the benefit of creditors, or other similar proceeding relative to the Borrower, its creditors or its property (as defined in the Loan Agreement), or (2) any proceeding for the voluntary or involuntary liquidation, dissolution or other winding up of the Borrower whether or not involving insolvency or bankruptcy proceedings, then:

- a. the principal amount of, and all interest on, and all other amounts in respect of, the Senior Debt (including interest thereon accruing after the commencement of any such proceeding, whether or not such interest shall be allowed in such proceeding) shall be paid in full before any payment or distribution of any character, whether in cash, securities or other property, shall be made in respect of the Subordinated Debt; and
- b. any payment or distribution of any character, whether in cash, securities or other property, which would otherwise (but for the terms hereof) be payable or deliverable in respect of Subordinated Debt (including any payment or distribution in respect of the Subordinated Debt by reason of any other indebtedness of the Borrower being subordinated to the Subordinated Debt), shall be paid or delivered directly to the Lender, or its representatives, until the principal, interest, and all other amounts of the Senior Debt have been paid in full and the Subordinate Lender or any other holder of the Subordinated Debt irrevocably authorizes, empowers and directs all receivers, trustees, liquidators, conservators and others having authority in the premises to effect all such payments and deliveries.

**5. Rights Upon Senior Event of Default.** At any time that Lender notifies Subordinate Lender that an event of default is outstanding under the Senior Debt, the Borrower shall not make, and the Subordinate Leader shall not receive, accept or retain, any payments of principal or interest or other amount on account of the Subordinated Debt.

**6. Borrower Obligations.** The Borrower agrees that if any note or other obligation of the Borrower not evidencing Senior Debt, or any portion thereof, shall become due and payable before its maturity date for any reason, the Borrower will give prompt written notice of such occurrence to the Lender.

**7. Rights of Lender.**

- a. Subordinate Lender acknowledges and agrees that Lender is under no obligation to, nor has Lender represented that it will, ensure the application of any Loan proceeds it disburses are used for the purposes set forth in the Loan Documents, and the absence of such obligation shall not defeat the subordination herein made in whole or in part.
- b. So long as any of the Senior Debt shall remain unpaid, the Lender may at all times exercise any and all powers and rights which it now has or may hereafter acquire under the Loan Documents or any of the collateral subject to the Loan Documents without having to obtain any consent or approval of the Subordinate Lender and without any accountability to the Subordinate Lender, nor shall it have any liability to the Subordinate Lender for any action taken or failure to act with respect to this Agreement, the Loan Documents or the aforesaid collateral. Notwithstanding the foregoing:
  - i. In the event of an Event of Default under the Loan solely as a result of the existence of an Event of Default on the Subordinated Debt (a "Cross Default"). Lender hereby agrees, for the benefit of Subordinate Lender only, to delay the commencement of foreclosure proceedings or otherwise enforcing its remedies under the Loan Documents as a result of such default until after the ninetieth (90th) day following such default, so long as Subordinate Lender is diligently and in good faith pursuing its remedies under the Subordinate Lender's Loan Documents or a resolution of the default with Borrowers during said ninety (90) day period; provided, however, that the foregoing forbearance shall automatically terminate and be of no further force or effect in the event another Event of Default under the Senior Debt (other than Cross Default) has occurred and is continuing. The provisions of this Section 9(b)(i) shall be solely for the benefit of Subordinate Lender (and not for the benefit of Borrower). Nothing contained in this Section 9(b)(i) shall be deemed or construed to limit or affect in any manner any of Lender's rights or remedies under the Loan Documents with respect to any default other than the Cross Default (whether or not the Cross Default then exists and whether or not Subordinate Lender is then pursuing its remedies under the Subordinate Lender's Loan Documents or a resolution of the default under the Subordinate Lender's Loan Documents with Borrower).
  - ii. In the event of an Event of Default on the Loan, Lender will provide to Subordinate Lender a copy of any related notice of default delivered to Borrower and such notice shall be sent to Subordinate Lender in the manner provided for in Section 13. In the event of an Event of Default under Subordinate Lender's Loan Documents, Subordinate Lender will provide to Lender a copy of any related notice of default delivered to Borrower and such notice shall be sent to Lender in the manner provided for in Section 13. If the notice delivered by Lender relates to a default by Borrower in its obligation to pay money under the Loan Documents (a "Monetary Default"), Lender agrees that Subordinate Lender shall have the right, but not the obligation, to cure such Monetary Default. If the notice delivered by Lender relates to a default by Borrower with respect to its failure to perform any of its other obligations (other than an obligation to pay money) under the Loan Documents (a "Non-Monetary Default"), Lender agrees that Subordinate Lender shall have the right, but not the obligation, to cure such Non-Monetary Default. Lender shall accept performance by Subordinate

Lender of any of the obligations Borrower within the time periods set forth in the Loan Documents for Borrower's performance as though performed by Borrower.

**8. Constructive Trust.** If, notwithstanding the provisions of this Agreement, any payment or distribution of any character (whether in cash, securities or other property) is received by the Subordinate Lender in contravention of the terms of this Agreement, such payment or distribution shall not be commingled with any asset of the Subordinate Lender, but shall be held in trust for the benefit of, and shall be paid over or delivered and transferred to, the Lender, or its representatives or agents, for application to the payment of all Senior Debt remaining unpaid, until all principal, interest (including interest thereon accruing after the commencement of any proceedings described herein), and all other amounts of the Senior Debt have been paid in full.

**9. Modification.** The terms of this Agreement, the subordination effectuated hereby, and the rights of the Lender and the obligations of the Subordinate Lender arising hereunder, shall not be affected, modified or impaired in any manner or to any extent by: (i) any amendment or modification of or supplement to the Loan Documents or any other instrument or document executed or delivered pursuant thereto; (ii) the lack of validity, legality or enforceability of any of such documents; (iii) any exercise or non-exercise of any right, power or remedy under or in respect of the Senior Debt or any of such instruments or documents referred to in clause (i) above or arising at law; or (iv) any waiver, consent, release, indulgence, extension, renewal, modification, delay or other action, in action or omission in respect of the Senior Debt or any of the instruments or documents referred to in clause (i) above, whether or not the Subordinate Lender shall have had notice or knowledge of any of the foregoing and whether or not it shall have consented thereto.

**10. Notices.** All notice, consents, approvals, requests, demands, instruments or other communications to be made, given or furnished pursuant to, under or by virtue of their Agreement (each, a "Notice") shall be in writing and shall be deemed given or furnished if addressed to the party intended to receive the same at the address or such party as set forth below (i) upon receipt when personally delivered at such address, (ii) three business days after the same is deposited in the United States mail as first class registered or certified mail, return receipt requested, postage prepaid, or (iii) one business day after the date of delivery of such notice to a nationwide, reputable commercial courier service:

If to Lender:	TORREY PINES BANK, a Division of Western Alliance Bank, an Arizona corporation 550 West C Street, Suite 100 San Diego, CA 92101 Attention: Ciro Villa
If to Subordinate Lender:	Community Development Commission-Housing Authority of the City of National City 1243 National City Blvd. National City, CA 91950
If to Borrower	CASA FAMILIAR, INC. 1901 Del Sur Blvd. San Ysidro, CA 92173

Any party may change the address to which any notice is to be delivered to any other address within the United States of America by furnishing written notice of such change at least 15 days prior to the effective date of such change to the other parties in the manner set forth above, but no such notice of change shall be effective unless and until received by such other parties. Notices may be given on behalf of any party by its attorneys.

**11. Miscellaneous.** This Agreement may not be amended or modified orally but may be amended or modified only in writing, signed by all parties hereto. No waiver of any term or provision of this Agreement shall be effective unless it is in writing, making specific reference to this Agreement and signed by the party against whom such waiver is sought to be enforced. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and shall supersede and cancel any prior agreements regarding the subordination of Subordinate Lender's Deed of Trust to Lender's Deed of Trust, including, without limitation, those provisions, if any, contained in Subordinate Lender's deed of trust which provide for the subordination of the deed of trust to a deed or deeds of trust or to a mortgage or mortgages. This Agreement shall be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns, and, without further reference, shall pass to and may be relied on and enforced by any transferee or subsequent holder of the Senior Debt and the Subordinated Debt. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

**12. Definitions.** Terms used in this Agreement and not defined herein shall have the respective meanings ascribed to them in the Loan Agreement. The recitals hereto shall be a part of this Agreement.

**13. Termination.** This Agreement shall terminate upon the final and indefeasible payment in full of the principal amount of, and all interest and premium on, and all other amounts in respect of, the Senior Debt.

**14. Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute and be construed as one and the same instrument.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED AND OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT HERETO.

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



**BORROWER:**

CASA FAMILIAR, INC., a California non-profit corporation

By: Andrea S. Skorepa  
Andrea S. Skorepa

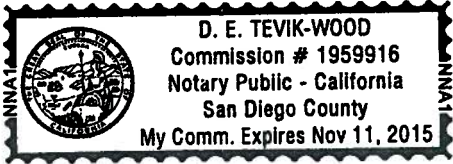
Its: President/CEO

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

STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF SAN DIEGO )

On this 21<sup>st</sup> day of July, 2015, before me, D. E. Tevik-Wood,  
Notary Public, personally appeared ANDREA S. SKOREPA,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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



WITNESS my hand and official seal.  
D. E. Tevik-Wood





**EXHIBIT "A"**

**PROPERTY LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF NATIONAL CITY, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 1, 2 AND 3 AND THE NORTH HALF OF LOT 4 IN BLOCK 4 OF 3.D. O'CONNELL'S SUBDIVISION OF THE EAST HALF OF THE 10 ACRE TRACT 6, IN QUARTER SECTION 155 OF RANCHO DE LA NACION, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 468, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JANUARY 24, 1888.

**RECORDATION REQUESTED BY:**

**WHEN RECORDED MAIL TO:**

Western Alliance Bank, an Arizona corporation  
San Diego Downtown Office  
550 W. "C" Street, Suite 100  
San Diego, CA 92101

**SEND TAX NOTICES TO:**

CASA FAMILIAR, INC., a California nonprofit public  
benefit corporation  
1901 Del Sur Blvd.  
San Ysidro, CA 92173

**FOR RECORDER'S USE ONLY**

**DEED OF TRUST**

**MAXIMUM LIEN.** The lien of this Deed of Trust shall not exceed at any one time \$654,000.00.

**THIS DEED OF TRUST** is dated July 7, 2015, among CASA FAMILIAR, INC., a California nonprofit public benefit corporation, whose address is 1901 Del Sur Blvd., San Ysidro, CA 92173 ("Trustor"); Western Alliance Bank, an Arizona corporation, whose address is San Diego Downtown Office, 550 W. "C" Street, Suite 100, San Diego, CA 92101 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Western Alliance Bank, an Arizona corporation, whose address is 550 W. "C" Street Suite 100, San Diego, CA 92101 (referred to below as "Trustee").

**CONVEYANCE AND GRANT.** For valuable consideration, Trustor irrevocably grants, transfers and assigns to Trustee in trust, with power of sale, for the benefit of Lender as Beneficiary, all of Trustor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (**the "Real Property"**) located in San Diego County, State of California:

**Lots 1, 2 and 3 and the north half of Lot 4 in Block 4 of 3.D. O'Connell's Subdivision of the east half of the 10 acre tract 6, in quarter section 155 of Rancho De La Nacion, in the City of National City, County of San Diego, State of California, according to Map thereof No. 468, filed in the Office of the County Recorder of San Diego County, January 24, 1888.**

**The Real Property or its address is commonly known as 304 East 5th Street, National City, CA 91950. The Assessor's Parcel Number for the Real Property is 556-214-01-00.**

Trustor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Trustor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. This is an absolute assignment of Rents made in connection with an obligation secured by real property pursuant to California Civil Code Section 2938. In addition, Trustor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

**THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF THE TRUSTOR UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Deed of Trust, Trustor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Trustor's obligations under the Note, this Deed of Trust, and the Related Documents.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Trustor agrees that Trustor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Trustor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

**Duty to Maintain.** Trustor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance With Environmental Laws.** Trustor represents and warrants to Lender that: (1) During the period of Trustor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Trustor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any

## DEED OF TRUST (Continued)

Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Trustor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Trustor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Trustor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Trustor or to any other person. The representations and warranties contained herein are based on Trustor's due diligence in investigating the Property for Hazardous Substances. Trustor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Trustor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Trustor's ownership or interest in the Property, whether or not the same was or should have been known to Trustor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Trustor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Trustor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Trustor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Trustor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Trustor's compliance with the terms and conditions of this Deed of Trust.

**Compliance with Governmental Requirements.** Trustor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Trustor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Trustor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Trustor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Duty to Protect.** Trustor agrees neither to abandon or leave unattended the Property. Trustor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Trustor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Trustor. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

**Payment.** Trustor shall pay when due (and in all events at least ten (10) days prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Trustor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

**Right to Contest.** Trustor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Trustor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Trustor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Trustor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Trustor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

**Evidence of Payment.** Trustor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

**Notice of Construction.** Trustor shall notify Lender at least fifteen (15) days before any work is commenced, any services are

**DEED OF TRUST  
(Continued)**

furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$1,000.00. Trustor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Trustor can and will pay the cost of such improvements.

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Deed of Trust.

**Maintenance of Insurance.** Trustor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Trustor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Trustor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Notwithstanding the foregoing, in no event shall Trustor be required to provide hazard insurance in excess of the replacement value of the improvements on the Real Property. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Trustor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Trustor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Trustor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

**Application of Proceeds.** Trustor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$1,000.00. Lender may make proof of loss if Trustor fails to do so within fifteen (15) days of the casualty. If in Lender's sole judgment Lender's security interest in the Property has been impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If the proceeds are to be applied to restoration and repair, Trustor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Trustor from the proceeds for the reasonable cost of repair or restoration if Trustor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Trustor as Trustor's interests may appear.

**Trustor's Report on Insurance.** Upon request of Lender, however not more than once a year, Trustor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Trustor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Trustor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Trustor's failure to discharge or pay when due any amounts Trustor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Trustor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Trustor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Deed of Trust:

**Title.** Trustor warrants that: (a) Trustor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Trustor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Trustor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Trustor's title or the interest of Trustee or Lender under this Deed of Trust, Trustor shall defend the action at Trustor's expense. Trustor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Trustor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Trustor warrants that the Property and Trustor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Trustor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Trustor's Indebtedness shall be paid in full.

## DEED OF TRUST (Continued)

**CONDEMNATION.** The following provisions relating to eminent domain and inverse condemnation proceedings are a part of this Deed of Trust:

**Proceedings.** If any eminent domain or inverse condemnation proceeding is commenced affecting the Property, Trustor shall promptly notify Lender in writing, and Trustor shall promptly take such steps as may be necessary to pursue or defend the action and obtain the award. Trustor may be the nominal party in any such proceeding, but Lender shall be entitled, at its election, to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Trustor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

**Application of Net Proceeds.** If any award is made or settlement entered into in any condemnation proceedings affecting all or any part of the Property or by any proceeding or purchase in lieu of condemnation, Lender may at its election, and to the extent permitted by law, require that all or any portion of the award or settlement be applied to the Indebtedness and to the repayment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation proceedings.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

**Current Taxes, Fees and Charges.** Upon request by Lender, Trustor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Trustor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Trustor which Trustor is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Trustor.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Trustor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Trustor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. Trustor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Trustor shall not remove, sever or detach the Personal Property from the Property. Upon default, Trustor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Trustor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Trustor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

**FURTHER ASSURANCES; ATTORNEY-IN-FACT.** The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Trustor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Trustor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Trustor. Unless prohibited by law or Lender agrees to the contrary in writing, Trustor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Attorney-in-Fact.** If Trustor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Trustor and at Trustor's expense. For such purposes, Trustor hereby irrevocably appoints Lender as Trustor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

**FULL PERFORMANCE.** If Trustor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Trustor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Trustor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Lender may charge Trustor a reasonable reconveyance fee at the time of reconveyance.

**EVENTS OF DEFAULT.** Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

**Payment Default.** Trustor fails to make any payment when due under the Indebtedness.

**Other Defaults.** Trustor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of



## DEED OF TRUST (Continued)

Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Trustor.

**Compliance Default.** Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

**Default on Other Payments.** Failure of Trustor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

**Environmental Default.** Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

**Default in Favor of Third Parties.** Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Deed of Trust or any of the Related Documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Trustor or on Trustor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Insolvency.** The dissolution or termination of Trustor's existence as a going business, the insolvency of Trustor, the appointment of a receiver for any part of Trustor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Trustor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Trustor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Trustor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Trustor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Trustor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Breach of Other Agreement.** Any breach by Trustor under the terms of any other agreement between Trustor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Trustor to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Trustor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Right to Cure.** If any default, other than a default in payment, is curable and if Trustor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Trustor, after Lender sends written notice to Trustor demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**RIGHTS AND REMEDIES ON DEFAULT.** If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

**Election of Remedies.** Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Trustor under this Deed of Trust, after Trustor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

**Foreclosure by Sale.** Upon an Event of Default under this Deed of Trust, Beneficiary may declare the entire Indebtedness secured by this Deed of Trust immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note, other documents requested by Trustee, and all documents evidencing expenditures secured hereby. After the lapse of such time as may then be required by law following the recordation of the notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place fixed by it in the notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement in accordance with applicable law. Trustee shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary may purchase at such sale. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

**Judicial Foreclosure.** With respect to all or any part of the Real Property, Lender shall have the right in lieu of foreclosure by power of

**DEED OF TRUST  
(Continued)**

sale to foreclose by judicial foreclosure in accordance with and to the full extent provided by California law.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code, including without limitation the right to recover any deficiency in the manner and to the full extent provided by California law.

**Collect Rents.** Lender shall have the right, without notice to Trustor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Trustor irrevocably designates Lender as Trustor's attorney-in-fact to endorse instruments received in payment thereof in the name of Trustor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Tenancy at Sufferance.** If Trustor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Trustor, Trustor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

**Other Remedies.** Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

**Notice of Sale.** Lender shall give Trustor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

**Sale of the Property.** To the extent permitted by applicable law, Trustor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Trustor also will pay any court costs, in addition to all other sums provided by law.

**Rights of Trustee.** Trustee shall have all of the rights and duties of Lender as set forth in this section.

**POWERS AND OBLIGATIONS OF TRUSTEE.** The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

**Powers of Trustee.** In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Trustor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

**Obligations to Notify.** Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Trustor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

**Trustee.** Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

**Successor Trustee.** Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of San Diego County, State of California. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Trustor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for

**DEED OF TRUST  
(Continued)**

substitution.

**Acceptance by Trustee.** Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

**NOTICES.** Any notice required to be given under this Deed of Trust shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. Trustor requests that copies of any notices of default and sale be directed to Trustor's address shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Trustor agrees to keep Lender informed at all times of Trustor's current address. Unless otherwise provided or required by law, if there is more than one Trustor, any notice given by Lender to any Trustor is deemed to be notice given to all Trustors.

**STATEMENT OF OBLIGATION FEE.** Lender may collect a fee, not to exceed the maximum amount permitted by law, for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

**DEED OF TRUST ADDITIONAL PROVISION. Default.** The following additional default shall constitute an Event of Default under this Deed of Trust:

**Environmental Default.** Failure of Trustor or any other party to comply with or perform when due, any term, obligation, covenant or condition contained in any environmental agreement executed in connection with any loan, including, without limitation, the Loan.

**MISCELLANEOUS PROVISIONS.** The following additional miscellaneous provisions are a part of this Deed of Trust:

**Waiver of Jury Trial; Judicial Reference.** Trustor hereby waives to the fullest extent permitted by Law, the right to Trial by Jury in any action, proceeding or counterclaim, whether in contract, tort or otherwise, relating directly or indirectly to the Loan evidenced by the Note, this Deed of Trust and any security instrument or any acts or omissions of Lender, its officers, employees, directors or agents in connection therewith. If any legal proceeding is filed in a court and the preceding jury waiver is not enforceable in such action or proceeding, Trustor and Lender agree that such dispute will be determined by a general reference proceeding in accordance with California Code of Civil Procedure sections 638 through 645.1, with the exception of: (i) non-judicial foreclosure of any security interests in real or personal property, (ii) exercise of self-help remedies (including, without limitation, set-off), (iii) appointment of a receiver and (iv) temporary, provisional or ancillary remedies (including, without limitation, writs of attachment, writs of possession, temporary restraining orders or preliminary injunctions). This Deed of Trust does not limit the right of any party to exercise or oppose any of the rights and remedies described in clauses (i) - (iv) and any such exercise or opposition does not waive the right of any party to a reference proceeding pursuant to this Deed of Trust. The parties intend this agreement for a general reference to be specifically enforceable in accordance with California Code of Civil Procedure section 638. Upon the written request of any party, the parties shall select a single referee, who shall be a retired judge or justice, and the matter will be decided by the referee, not a jury. If the parties do not agree upon a referee within 10 days of such written request, then, any party may request the Court to appoint a referee pursuant to California Code of Civil Procedure section 640(b). A request for appointment of a referee may be heard on an ex parte or expedited basis, and the parties agree that irreparable harm would result if ex parte relief is not granted. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter, except when any party so requests, a court reporter will be used and the transcript will be provided to all parties at the requesting party's expense. The referee's fees shall ultimately be borne by the party who does not prevail, as determined by the referee. The referee may require one or more prehearing conferences. The parties hereto shall be entitled to discovery, and the referee shall oversee discovery in accordance with the rules of discovery, and may enforce all discovery orders in the same manner as any trial court judge in proceedings at law in the state of California. The referee shall apply the rules of evidence applicable to proceedings at law in the state of California and shall determine all issues in accordance with applicable state and federal law. The referee shall be empowered to enter equitable as well as legal relief and rule on any motion which would be authorized in a trial, including, without limitation, motions for default judgment or summary judgment. The referee shall report his decision, which report shall also include findings of fact and conclusions of law.

**Waiver of Right of Redemption.** Notwithstanding any of the provisions to the contrary contained in this Deed of Trust, Trustor hereby waives any and all rights of redemption from sale under any order or judgment of foreclosure on Trustor's behalf and on behalf of each and every person, except judgment creditors of Trustor, acquiring any interest in or title to the property subsequent to the date of this Deed of Trust.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Deed of Trust:

**Amendments.** This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** If the Property is used for purposes other than Trustor's residence, Trustor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Trustor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Caption Headings.** Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

**Merger.** There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Governing Law.** This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of California.

## DEED OF TRUST (Continued)

**Choice of Venue.** If there is a lawsuit, Trustor agrees upon Lender's request to submit to the jurisdiction of the courts of San Diego County, State of California.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Trustor, shall constitute a waiver of any of Lender's rights or of any of Trustor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

**Successors and Assigns.** Subject to any limitations stated in this Deed of Trust on transfer of Trustor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Trustor, Lender, without notice to Trustor, may deal with Trustor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Trustor from the obligations of this Deed of Trust or liability under the Indebtedness.

**Time is of the Essence.** Time is of the essence in the performance of this Deed of Trust.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Beneficiary.** The word "Beneficiary" means Western Alliance Bank, an Arizona corporation, and its successors and assigns.

**Borrower.** The word "Borrower" means CASA FAMILIAR, INC., a California nonprofit public benefit corporation and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Deed of Trust.** The words "Deed of Trust" mean this Deed of Trust among Trustor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

**Default.** The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., Chapters 6.5 through 7.7 of Division 20 of the California Health and Safety Code, Section 25100, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

**Guaranty.** The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Trustor's obligations or expenses incurred by Trustee or Lender to enforce Trustor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

**Lender.** The word "Lender" means Western Alliance Bank, an Arizona corporation, its successors and assigns.

**Note.** The word "Note" means the promissory note dated July 7, 2015, in the original principal amount of **\$1,245,000.00** from Trustor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. **NOTICE TO TRUSTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or

DEED OF TRUST (Continued)

hereafter owned by Trustor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness; except that the words do not mean any guaranty or environmental agreement, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future leases, rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property together with the cash proceeds of the Rents.

Trustee. The word "Trustee" means Western Alliance Bank, an Arizona corporation, whose address is 550 W. "C" Street Suite 100, San Diego, CA 92101 and any substitute or successor trustees.

Trustor. The word "Trustor" means CASA FAMILIAR, INC., a California nonprofit public benefit corporation.

TRUSTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND TRUSTOR AGREES TO ITS TERMS, INCLUDING THE VARIABLE RATE PROVISIONS OF THE NOTE SECURED BY THIS DEED OF TRUST.

TRUSTOR:

CASA FAMILIAR, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

By: Andrea S. Skorepa, President/CEO of CASA FAMILIAR, INC., a California nonprofit public benefit corporation

CERTIFICATE OF ACKNOWLEDGMENT

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

STATE OF California )
COUNTY OF San Diego ) SS

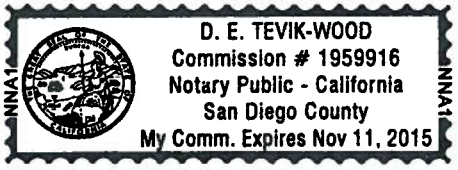
On July 21, 2015 before me, D.E. Tevik-Wood, Notary Public (here insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature [Handwritten Signature]



(Seal)

**DEED OF TRUST  
(Continued)**

**(DO NOT RECORD)  
REQUEST FOR FULL RECONVEYANCE**  
(To be used only when obligations have been paid in full)

To: \_\_\_\_\_, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

\_\_\_\_\_  
**Date:** \_\_\_\_\_ **Beneficiary:** \_\_\_\_\_  
**By:** \_\_\_\_\_  
**Its:** \_\_\_\_\_

# PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$1,245,000.00	07-07-2015	08-04-2025	3530163945	6940		3512	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** CASA FAMILIAR, INC., a California nonprofit public benefit corporation  
1901 Del Sur Blvd.  
San Ysidro, CA 92173

**Lender:** Western Alliance Bank, an Arizona corporation  
San Diego Downtown Office  
550 W. "C" Street, Suite 100  
San Diego, CA 92101  
(619) 233-2500

**Principal Amount: \$1,245,000.00**

**Date of Note: July 7, 2015**

**PROMISE TO PAY.** CASA FAMILIAR, INC., a California nonprofit public benefit corporation ("Borrower") promises to pay to Western Alliance Bank, an Arizona corporation ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Million Two Hundred Forty-five Thousand & 00/100 Dollars (\$1,245,000.00), together with interest on the unpaid principal balance from August 4, 2015, until paid in full.

**PAYMENT.** Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in accordance with the following payment schedule:

Beginning September 4, 2015, and on the 4th day of each and every month thereafter through August 4, 2020, Borrower will pay fixed monthly principal and interest payments of \$6,432.14, the amount of which was derived by amortizing the principal balance of this Note over thirty (30) years at a fixed interest rate of 4.500%.

On August 4, 2020, the interest rate for the fixed monthly principal and interest payments for the next five (5) years shall be adjusted by applying the then current Index (as defined below) plus two and three-quarters percentage points (2.75%), adjusted if necessary for the minimum and maximum rate limitations for this Loan, to the then outstanding principal balance, amortized over twenty-five (25) years, with the first adjusted fixed monthly principal and interest payment due on September 4, 2020, and subsequent monthly payments due on the 4th day of each and every month thereafter until August 4, 2025, at which time the entire amount of outstanding principal and interest, together with any other unpaid amount under the Note, shall be due and payable.

Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any late charges; and then to any unpaid collection costs. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**VARIABLE INTEREST RATE.** The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the 5 year LIBOR/Swap rate for the relevant Interest Period determined two business days prior to such Interest Period. Lender's LIBOR/Swap rate is to be strictly interpreted and is not intended to serve any other purpose other than providing an index to determine the interest rate used herein. Lender's LIBOR/swap rate may not necessarily be the same as the quoted offer side in the Eurodollar time deposit market by any particular institution or service applicable to any interest period. As used herein, Lender's LIBOR/Swap rate shall mean the rate per annum quoted by Lender as Lender's 5 year LIBOR/Swap rate based upon the LIBOR/Swap rate as quoted for U.S. Dollars by Bloomberg or other comparable pricing services selected by Lender (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each five years from the date of the Note. Interest Rate will be fixed for the first five years from the date of the Note, then will adjust every five years thereafter for the remaining term of the Loan. Borrower understands that Lender may make loans based on other rates as well. **The Index currently is 1.644% per annum.** Interest on the unpaid principal balance of this Note will be calculated as described in the "INTEREST CALCULATION METHOD" paragraph using a rate of 2.750 percentage points over the Index, adjusted if necessary for any minimum and maximum rate limitations described below, resulting in an initial rate of 4.500%. **NOTICE:** Under no circumstances will the interest rate on this Note be less than 4.500% per annum or more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in this Note.

**PREPAYMENT.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. **All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Western Alliance Bank, an Arizona corporation; San Diego Downtown Office; 550 W. "C" Street, Suite 100; San Diego, CA 92101.**

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$10.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, the interest rate on this Note shall, if permitted under applicable law, immediately increase by adding an additional 5.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**Environmental Default.** Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with any loan.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party

of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Change In Ownership.** Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Cure Provisions.** If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. Borrower also will pay any court costs, in addition to all other sums provided by law.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of California.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of San Diego County, State of California.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** Borrower acknowledges this Note is secured by the following collateral described in the security instruments listed herein:

(A) a Deed of Trust dated July 7, 2015, to a trustee in favor of Lender on real property described as "Real Property located at 119-121 West Hall Avenue, San Ysidro, CA 92173" and located in San Diego County, State of California. That agreement contains the following due on sale provision: Lender may, at Lender's option, declare immediately due and payable all sums secured by the Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Borrower is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Borrower. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

(B) an Assignment of All Rents to Lender on real property described as "Real Property located at 119-121 West Hall Avenue, San Ysidro, CA 92173" and located in San Diego County, State of California.

(C) a Deed of Trust dated July 7, 2015, to a trustee in favor of Lender on real property described as "Real Property located at 145-149 West San Ysidro Blvd., San Ysidro, CA 92173" and located in San Diego County, State of California. That agreement contains the following due on sale provision: Lender may, at Lender's option, declare immediately due and payable all sums secured by the Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Borrower is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Borrower. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

(D) an Assignment of All Rents to Lender on real property described as "Real Property located at 145-149 West San Ysidro Blvd., San Ysidro, CA 92173" and located in San Diego County, State of California.

(E) a Deed of Trust dated July 7, 2015, to a trustee in favor of Lender on real property described as "Real Property located at 304 East 5th Street, National City, CA 91950" and located in San Diego County, State of California. That agreement contains the following due on sale provision: Lender may, at Lender's option, declare immediately due and payable all sums secured by the Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Borrower is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Borrower. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

(F) an Assignment of All Rents to Lender on real property described as "Real Property located at 304 East 5th Street, National City, CA 91950" and located in San Diego County, State of California.

(G) fixtures described in a Commercial Security Agreement dated July 7, 2015.

**DISHONORED ITEM FEE.** Borrower will pay a fee to Lender, in an amount determined by Lender from time to time, if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

**PREPAYMENT FEE.** In the event the loan is prepaid within years one through three and six through eight from the date of the Note, Borrower shall pay Lender a prepayment fee as follows:

Prepayment Fee within the 1st year - 3.00% of the outstanding principal balance at the time of prepayment  
Prepayment Fee within the 2nd year - 2.00% of the outstanding principal balance at the time of prepayment  
Prepayment Fee within the 3rd year - 1.00% of the outstanding principal balance at the time of prepayment  
Prepayment Fee within the 6th year - 3.00% of the outstanding principal balance at the time of prepayment  
Prepayment Fee within the 7th year - 2.00% of the outstanding principal balance at the time of prepayment  
Prepayment Fee within the 8th year - 1.00% of the outstanding principal balance at the time of prepayment  
No prepayment penalty will be assessed in years four, five, nine and ten from the date of the Note.

**BORROWER ACKNOWLEDGES AND AGREES THAT BORROWER HAS NO RIGHT TO PREPAY THE INDEBTEDNESS EVIDENCED BY THIS NOTE, IN WHOLE OR IN PART, WITHOUT PAYMENT OF THE PREPAYMENT FEE IN ACCORDANCE WITH THE PROVISIONS AND CONDITIONS OF THIS NOTE. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, BORROWER SHALL PAY THE PREPAYMENT FEE UPON THE PREPAYMENT OF THE INDEBTEDNESS ON ACCELERATION (UPON DEFAULT OR OTHERWISE) PURSUANT TO THE PROVISIONS AND CONDITIONS OF THIS NOTE. BORROWER HEREBY EXPRESSLY WAIVES ANY AND ALL RIGHTS AND BENEFITS BORROWER MAY HAVE UNDER CALIFORNIA CIVIL CODE SECTION 2954.10, OR ANY SUCCESSOR STATUTE. BORROWER ACKNOWLEDGES AND AGREES THAT LENDER HAS MADE THE LOAN EVIDENCED BY THIS NOTE IN RELIANCE ON THE AGREEMENTS AND WAIVERS OF BORROWER AND THAT LENDER WOULD NOT HAVE MADE THE LOAN WITHOUT SUCH AGREEMENTS AND WAIVERS OF BORROWER.**

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive any applicable statute of limitations, presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker,



guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

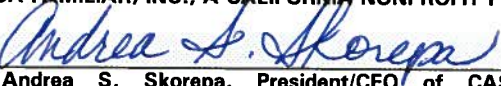
**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

**CASA FAMILIAR, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION**

By:



**Andrea S. Skorepa, President/CEO of CASA FAMILIAR, INC., a California nonprofit public benefit corporation**

RESOLUTION NO. 2015 – 32

RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION-HOUSING  
AUTHORITY OF THE CITY OF NATIONAL CITY AUTHORIZING  
THE EXECUTIVE DIRECTOR TO EXECUTE A SUBORDINATION AGREEMENT WITH  
CASA FAMILIAR, INC. SUBORDINATING THE DEED OF TRUST THAT SECURES  
A HOME INVESTMENT PARTNERSHIP PROGRAM LOAN FOR \$835,000  
ON RESTRICTED RENTAL UNITS LOCATED AT 305 EAST FIFTH STREET  
IN NATIONAL CITY FOR THE PURPOSE OF REFINANCING EXISTING DEBT

WHEREAS, Casa Familiar, Inc., a non-profit public benefit corporation, organized under the laws of the State of California (“Borrower”) is the owner of a 10-unit multifamily rental housing project (“Project”) located at 305 East Fifth Street in National City; and

WHEREAS, in 2009, the Community Development Commission of the City of National City made a loan for \$835,000 from the HOME Investment Partnerships Program to assist in the substantial rehabilitation of the Project; and

WHEREAS, the Borrower desires to refinance existing debt of \$654,000 on the Project through a new mortgage for the principal amount of \$1,245,000 from Western Alliance Bank (“Lender”); and

WHEREAS, since the debt of other projects owned by the Borrower in the amount of \$591,000 is included in the principal amount of the new loan, the lien under the Lender’s Deed of Trust on the Project for the new mortgage will not exceed the existing debt of the Project (\$654,000); and

WHEREAS, In order to provide the loan, the Lender requires the subordination of the Deed of Trust that secures the HOME funds.

NOW, THEREFORE, BE IT RESOLVED that the Community Development Commission-Housing Authority of the City of National City hereby authorizes the Executive Director to execute a Subordination Agreement and any other Escrow related documents as necessary. After being recorded by the County of San Diego, said Subordination Agreement will be on file in the office of the City Clerk.

PASSED and ADOPTED this 4<sup>th</sup> day of August, 2015.

\_\_\_\_\_  
Ron Morrison, Chairman

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Leslie Deese, Secretary

\_\_\_\_\_  
Claudia Gacitua Silva  
CDC General Counsel