



CITY COUNCIL
HOUSING AUTHORITY AND
SUCCESSOR AGENCY TO THE EL CAJON
REDEVELOPMENT AGENCY

Council Chamber
200 Civic Center Way
El Cajon, CA 92020

Agenda

SEPTEMBER 28, 2021, 3:00 p.m.

Bill Wells, Mayor

Gary Kendrick, Mayor Pro Tem

Michelle Metschel, Councilmember

Steve Goble, Councilmember

Phil Ortiz, Councilmember

Graham Mitchell, City Manager

Vince DiMaggio, Assistant City Manager

Morgan Foley, City Attorney

Angela Cortez, City Clerk

CALL TO ORDER: Mayor Bill Wells

ROLL CALL: City Clerk Angela Cortez

PLEDGE OF ALLEGIANCE TO FLAG AND MOMENT OF SILENCE

POSTINGS: The City Clerk posted Orders of Adjournment of the September 14, 2021, Meeting and the Agenda of the September 28, 2021, Meetings in accordance to State Law and Council/Authority/Successor Agency to the Redevelopment Agency Policy.

PRESENTATIONS:

- **Commendation for Fire Rescue**
- **Proclamation for Fire Prevention Week**
- **Proclamation for Manufacturing Week**

AGENDA CHANGES:

CONSENT ITEMS:

Consent Items are routine matters enacted by one motion according to the RECOMMENDATION listed below. With the concurrence of the City Council, a Council Member or person in attendance may request discussion of a *Consent Item* at this time.

1. Minutes of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meeting

RECOMMENDATION:

That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency approves Minutes of the Re-districting Public Hearing of September 8, 2021, and the September 14, 2021, Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

2. Warrants

RECOMMENDATION:

That the City Council approves payment of Warrants as submitted by the Finance Department.

3. Approval of Reading Ordinances by Title Only

RECOMMENDATION:

That the City Council approves the reading by title and waives the reading in full of all Ordinances on the Agenda.

4. City of El Cajon Youth Sports Sponsorship

RECOMMENDATION:

That the City Council accepts, appropriates, and expends a sponsorship in the amount of \$7,500 from Raising Cane's for the Youth Sports Programs.

5. 2020 State Homeland Security Grant Program Funding

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, authorizing the City Manager or designee to accept and appropriate the FY 2020 State Homeland Security Grant funds in the amount of \$81,968, and to execute any grant documents and agreements necessary for the receipt and use of these funds.

6. 2021 Investment Policy Update

RECOMMENDATION:

That the City Council and Housing Authority, respectively, adopts the next Resolution, in order, adopting the City of El Cajon Investment Policy and delegating investment authorities to the Director of Finance/Authority Treasurer.

7. El Cajon Housing Authority Annual Report (Fiscal Year 2020-2021)

RECOMMENDATION:

That the City Council, acting as the El Cajon Housing Authority:

1. Approves the attached Annual Report; and
2. Authorizes the Executive Director to transmit it, in a form substantially as presented, to the California Department of Housing and Community Development as required by State law.

PUBLIC COMMENT:

At this time, any person may address a matter within the jurisdiction of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency that is not on the Agenda. Comments relating to items on today's docket are to be taken at the time the item is heard. State law prohibits discussion or action on items not on the Agenda; however, Council, Authority and Agency Members may briefly respond to statements or questions. An item may be placed on a future Agenda.

WRITTEN COMMUNICATIONS:

PUBLIC HEARINGS:

8. Public Hearing for the Consideration to Vacate a Walkway Easement on Mona Place

RECOMMENDATION:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing; and
3. Adopts the next Resolution, in order, to approve the vacation of a walkway easement between Mona Place and Benjamin Place, established by Council Resolution No. 7724 and recorded on May 23, 1966, Map No. 5738.

ADMINISTRATIVE REPORTS:

9. Youth League Utility Support Fiscal Year 2021/2022

RECOMMENDATION:

That the City Council approves the Recreation Council recommendation to provide utility support, in the amount of \$2,100 per league, to eight Executive Member youth leagues.

10. Public Safety Center Project Update - Solar PV and Battery Storage

RECOMMENDATION:

That the City Council receives the report from staff about the City's Solar Photovoltaic and Battery Storage Project as planned for the Public Safety Center.

11. Harry Griffen Park Joint Powers Authority

RECOMMENDATION:

That the City Council receives the report and provides feedback and direction regarding Harry Griffen Park Joint Powers Authority.

12. Update on Expenditures Related to the American Rescue Plan Act

RECOMMENDATION:

That the City Council receives the report and provides feedback.

COMMISSION REPORTS:

ACTIVITIES REPORTS/COMMENTS OF MAYOR WELLS

SANDAG (San Diego Association of Governments) Board of Directors; SANDAG – Audit Committee, San Diego Division; LAFCO.

13. Council Activity Report

ACTIVITIES REPORTS/COMMENTS OF COUNCILMEMBERS:

14. **COUNCILMEMBER STEVE GOBLE**

MTS (Metropolitan Transit System Board); East County Advanced Water Purification Joint Powers Authority Board; Chamber of Commerce – Government Affairs Committee; SANDAG – Board of Directors – Alternate; SANDAG Public Safety Committee – Alternate; METRO Commission/Wastewater JPA – Alternate.

15. **MAYOR PRO TEM GARY KENDRICK**
METRO Commission/Wastewater JPA; Heartland Communications; Heartland Fire Training JPA.

16. **COUNCILMEMBER MICHELLE METSCHEL**
Harry Griffen Park Joint Steering Committee; Heartland Communications – Alternate; Heartland Fire Training JPA – Alternate.

17. **COUNCILMEMBER PHIL ORTIZ**
League of California Cities, San Diego Division; East County Economic Development Council; MTS (Metropolitan Transit System Board) – Alternate; East County Advanced Water Purification Joint Powers Authority Board – Alternate; Chamber of Commerce – Government Affairs Committee – Alternate.

JOINT COUNCILMEMBER REPORTS:

GENERAL INFORMATION ITEMS FOR DISCUSSION:

ORDINANCES: FIRST READING

ORDINANCES: SECOND READING AND ADOPTION

CLOSED SESSIONS:

18. Closed Session - Conference with Legal Counsel - Anticipated Litigation - Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9: One potential case

ADJOURNMENT: The Adjourned Regular Joint Meeting of the El Cajon City Council/ El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 28th day of September 2021, is adjourned to Tuesday, September 28, 2021, at 7:00 p.m.



City Council
Agenda Report

Agenda Item 1.

DATE: September 28, 2021

TO: Honorable Mayor and City Councilmembers

FROM: Angela Cortez, City Clerk

SUBJECT: Minutes of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meeting

RECOMMENDATION:

That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency approves Minutes of the Re-districting Public Hearing of September 8, 2021, and the September 14, 2021, Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

Attachments

09-08-21DRAFT Re-district PH

09-14-21DRAFT minutes 3-PM

CITY OF EL CAJON REDISTRICTING MEETING



MINUTES

EL CAJON, CALIFORNIA

September 8, 2021

The Redistricting Meeting of the City of El Cajon, held Wednesday, September 8, 2021, was called to order by Mayor Pro Tem/Chair Kendrick at 6:31 p.m., in the Renette Recreation Center, 935 Emerald Avenue, El Cajon, California.

ROLL CALL

| | |
|-------------------------|--|
| Councilmembers present: | Goble, and Ortiz |
| Councilmembers absent: | Metschel |
| Mayor Pro Tem present: | Kendrick |
| Mayor absent: | Wells |
| Other Officers present: | Mitchell, City Manager Foley, City Attorney/General Counsel Cortez, City Clerk |

PLEDGE OF ALLEGIANCE TO FLAG led by Mayor Pro Tem Kendrick.

POSTINGS: The City Clerk posted the Agenda of the September 8, 2021, meeting on August 26, 2021.

Minutes of the City of El Cajon Public Hearing to receive community input regarding Redistricting.

MOTION BY GOBLE, SECOND BY ORTIZ, to APPROVE the Minutes of the July 14, 2021 Redistricting Meeting.

MOTION CARRIED BY UNANIMOUS VOTE OF THOSE PRESENT (METSCHER, WELLS – Absent).

PUBLIC HEARING:

1. Public Hearing to Receive Input from the Community Regarding Redistricting

RECOMMENDATION: That the City Council:

1. Receives the report from staff about the redistricting process;
2. Receives an overview about mapping tools;
3. Opens the Public Hearing and receives public testimony; and
4. Closes the Public Hearing.

DISCUSSION

Mayor Pro Tem Kendrick introduced the Assistant to the City Manager, David Richards, who introduced Arabic translator, Zaki Slevani for those requiring live translation.

Mr. Richards stated the requirements to adjust districts every 10 years, following the United States census, to ensure districts have substantially equal populations of voting-aged residents.

Mr. Richards introduced Consultant, Shannon Kelly from National Demographic Corporation to provide detailed information on the redistricting process.

Ms. Kelly reinforced the information provided on the initial Redistricting Public Hearing of July 14, 2021.

Ms. Kelly provided the following information:

- Census data should be released late in September or early October 2021;
- Final map to be adopted no later than April 17, 2022;
- Clarified that to be able to go through the redistricting process, the city must obtain the official census data from the Census Bureau;
- Using public testimony to identify communities of interest not easily counted in the census;
- Redistricting rules and goals;
- Provided information on gerrymandering;
- Shared information on Public Mapping Tools;
- Defined Communities of Interest, and communities of interest in El Cajon; and
- Shared a tutorial on using mapping tools.

Mayor Pro Tem Kendrick opened the Public Hearing.

PUBLIC HEARING: (Continued)

Lahib Alobaidy, an El Cajon resident, using Mr. Slevina to translate, spoke about boundaries considered as a community which are: South bordering – Broadway; East border - Jamacha Rd & North 2nd St.; North border – East West Chase Ave; and West border – North Johnson & Emerald Ave.

Yasmeen Obeid, Community Organizer – Majdal Center spoke about the multiple redistricting workshops held in the Center. Ms. Obeid defined their community as: Broadway to the North; North 2nd St. & Jamacha to the East and East and West Chase to the West.

Anna Holmes, resident of District 4, concerned about who will make the decision on redistricting. Ms. Holmes requested information be provided to seniors who are not computer savvy.

Councilmember Goble clarified that the City Council will make the decision on which map to adopt during City Council meetings, which are open to the public.

Shannon Kelly clarified that redistricting is decided on population size, not voting age.

Councilmember Goble requested that a notice of all council meetings regarding redistricting be posted on the redistricting website well in advance.

Mayor Pro Tem Kendrick encouraged public participation during council meetings.

Mr. Richards reminded the public that the City has offered presentations to communities of interest.

Jeanine Erikat, Partnership for the Advancement of New Americans, spoke about call in options to participate during the public hearings, the outreach by the city and the community of interest in the city. Ms. Erikat echoed the boundaries shared by Ms. Obeid.

Farida Erikat spoke of the community boundaries as stated by Ms. Obeid, and spoke of lack of resources.

Conversation ensued between Councilmember Goble and Ms. Erikat in regards to resources needed, and boundaries stated which divide districts as they are currently drawn. Mr. Goble added that request will be considered but redistricting rules must be followed.

Ramah Awad spoke of community connections that keep groups together to empower them.

Mohamed Erikat requested that communities are kept together and restated the boundaries as previously mentioned by Ms. Obeid.

PUBLIC HEARING: (Continued)

Dalal Erikat spoke of community boundaries as previously mentioned by Ms. Obeid.

Ahmad Zarzour using Mr. Slevina to translate, spoke of community boundaries as previously mentioned by Ms. Obeid.

Jasmeen Obeid returned to advocate for missing resources such as Arab speaking staff members in the City and translators.

Adjournment: Mayor Wells adjourned the Redistricting Meeting of the City of EI at 8:05 p.m.

ANGELA L. CORTEZ, CMC
City Clerk

JOINT MEETING OF THE EL CAJON CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY



MINUTES

CITY OF EL CAJON EL CAJON, CALIFORNIA

September 14, 2021

A Regular Joint Meeting of the El Cajon City Council/Housing Authority/ Successor Agency to the El Cajon Redevelopment Agency, held Tuesday, September 14, 2021, was called to order by Mayor/Chair Bill Wells at 3:00 p.m., in the Council Chambers, 200 Civic Center Way, El Cajon, California.

ROLL CALL

Council/Agencymembers present: Goble, Metschel, and Ortiz
Council/Agencymembers absent: None
Deputy Mayor/Vice Chair absent: Kendrick
Mayor/Chair present: Wells
Other Officers present: Mitchell, City Manager/Executive Director
DiMaggio, Assistant City Manager
Foley, City Attorney/General Counsel
Cortez, City Clerk/Secretary

PLEDGE OF ALLEGIANCE TO FLAG led by Mayor Wells and MOMENT OF SILENCE. (The Courts have concluded that sectarian prayer, as part of City Council Meetings, is not permitted under the Constitution).

POSTINGS: The City Clerk posted Orders of Adjournment of the August 10, 2021, and September 8, 2021 Re-Districting Public Hearing meetings and the Agenda of the September 14, 2021, meeting in accordance with State Law and El Cajon City/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Policy.

PRESENTATIONS:

- Presentation: Emergency Preparedness Month

City Manager Mitchell announced the Commendation for Fire Rescue was re-scheduled to the September 28, 2021, Meeting.

- Commendation for Fire Rescue

AGENDA CHANGES: None

CONSENT ITEMS: (1 – 10)

MOTION BY WELLS, SECOND BY ORTIZ, to APPROVE Consent Items 1 to 10.

MOTION CARRIED BY UNANIMOUS VOTE OF THOSE PRESENT (KENDRICK – Absent).

1. Minutes of El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meetings

Approves Minutes of the August 10, 2021, Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

2. Warrants

Approves payment of Warrants as submitted by the Finance Department.

3. Approval of Reading Ordinances by Title only

Approves the reading by title and waives the reading in full of all Ordinances on the Agenda.

4. January – March 2021 and April - June 2021 Quarterly Treasurer's Reports

Receives the Treasurer's Reports for the quarters ending March 31, 2021 and June 30, 2021.

CONSENT ITEMS: (Continued)

5. Summary Vacation of Easement for Sewer Pipeline Purposes

Adopts Resolution No. 065-21 to approve the summary vacation of an existing easement for sewer pipeline purposes granted by Golden Land Properties, Inc., recorded on October 8, 1956, as Document Number 141116.

6. Award of Bid No. 001-22 – Pipeline Lining and Rehabilitation

Adopts Resolution No. 066-21 to Approve Plans and Specifications for Pipeline Lining and Rehabilitation, Bid No. 001-22; Find the protest submitted by Sancon Technologies, Inc., (STI) timely, but without merit; and Adopt Resolution No. 067-21 to award the bid to the lowest responsive, responsible bidder, Southwest Pipeline and Trenchless Corp., in the amount of \$2,349,190.

7. FY 2021 U.S. Department of Justice Byrne Memorial Justice Assistance Grant (JAG) Program Application.

Receives the FY 2021 JAG application as an informational item as required by the grant guidelines. If the Police Department is awarded the FY 2021 JAG Grant funding, City Council action will be needed to accept and appropriate the grant at that time.

8. Body Worn Cameras & Associated Equipment/Services Adjustment

Adopts Resolution No. 068-21 to provide for additional compensation to the contract for Axon Body Worn Cameras and associated equipment/services not to exceed the amount of \$15,000.

9. Lease Agreement with Heartland Communications Facility Authority for Leased Space at Fire Station 6

Adopts Resolution No. 069-21 to approve the Heartland Communications Facility Amended and Restated Lease, allowing Heartland Communications to use a portion of Fire Station 6 to provide regional dispatch and communication services.

CONSENT ITEMS: (Continued)

- 10. Time Extension of Tentative Subdivision Map (TSM) 670; 2000 and 2075 East Madison Avenue; Engineering Job No. 3562

Grants a one-year time extension for TSM 670 (2000 and 2075 East Madison Avenue) and sets the new expiration date to be September 24, 2022, in accordance with Municipal Code Section 16.12.110.

PUBLIC COMMENT:

Michael Harris spoke of a code compliance issue at his residence and requested assistance from the City Council for a situation he considers unfair.

Discussion ensued amongst Mr. Harris and the City Council. Mayor Wells requested that staff work with Mr. Harris for a possible resolution of the problem.

WRITTEN COMMUNICATIONS: None

PUBLIC HEARINGS: None

ADMINISTRATIVE REPORTS:

- 11. Opposition to a Proposed San Diego County Ordinance Named "Working Families Ordinance"

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, opposing the proposed San Diego County inappropriately named, "Working Families Ordinance."

DISCUSSION

City Manager Mitchell provided detailed information of the Item.

Discussion ensued among Council and Staff concerning the following:

- County taking liberties and pushing issues on the City of El Cajon;
- Prevailing wage;
- Companies moving out of town and leaving vacant properties; and
- Political attacks against the City of El Cajon.

ADMINISTRATIVE REPORTS: (Item 11 – Continued)

The following people spoke in opposition of the San Diego County Ordinance Named “Working Families Ordinance”:

1. Jordan Keglovits, representing Taylor Guitars
2. Barry Bardack
3. Rich Bergman, representing Gillespie Pilot Association
4. Denis Breslin, representing Gillespie Pilot Association
5. Robert Tschantz, representing Diversified Properties
6. Lee Chesnut, owner of Chesnut Properties, submitted an online comment

Conversation continued among Council and Staff concerning the following:

- Anger over the draft ordinance prepared and presented by Supervisor Terra Lawson Remer and Chair Nathan Fletcher;
- Policies attacking people of color;
- Losing business such as Amazon because of proposed ordinance; and
- Prevailing wage.

Mayor Wells challenged Supervisor Lawson Remer and Chair Fletcher to a debate regarding the proposed ordinance.

MOTION BY GOBLE, SECOND BY ORTIZ, to ADOPT Resolution No. 070-21, opposing the proposed San Diego County inappropriately named, “Working Families Ordinance.”

MOTION CARRIED BY UNANIMOUS VOTE OF THOSE PRESENT (KENDRICK – Absent).

Recess called at 4:15 p.m.
Meeting called back to order at 4:24 p.m.

12. Establishment of Policy of Voluntary Proof of Residency for Mayor and City Council Member Candidates

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, to establish a policy of voluntary disclosure of proof of residency for candidates seeking to hold the offices of Mayor and Council Member.

DISCUSSION

City Attorney Foley provided detailed information of the Item.

ADMINISTRATIVE REPORTS: (Item 12 – Continued)

Discussion ensued among Council and Staff regarding situations where, for safety reasons a candidate may not want to disclose an address to the public, i.e. a police officer running for City Council. City Attorney clarified that the information released by the City Clerk would be redacted as needed.

No comments were received for the Item.

MOTION BY METSCHEL, SECOND BY ORTIZ, to ADOPT Resolution No. 071-21, to establish a Policy of Voluntary Proof of Residency for Mayor and City Council Member Candidates.

MOTION CARRIED BY UNANIMOUS VOTE OF THOSE PRESENT (KENDRICK – Absent).

13. Update on City Council Priority - Communications, Outreach, and Engagement

RECOMMENDATION:

That the City Council receives the report and provides staff feedback to incorporate into the City's Outreach and Communications Plan.

DISCUSSION

Assistant to the City Manager, David Richards, provided detailed information of the Item.

Discussion ensued among Council and Staff concerning the following:

- Popularity of phone applications to report issues;
- Video updates on City projects; and
- Consideration and risks of using 'Nextdoor' app.

No comments were received for the Item.

14. Flashing Signs and Light Ropes

RECOMMENDATION:

That the City Council:

1. Discusses the subject matter in the report; and
2. Accepts the information provided in the report and takes no further action; or
3. Directs the Planning Commission to prepare amendments to Title 17 of the El Cajon Municipal Code; or
4. Provides alternative policy direction to staff.

ADMINISTRATIVE REPORTS: (Item 14 – Continued)

DISCUSSION

Director of Community Development, Anthony Shute, provided detailed information of the Item.

Discussion ensued among Council and Staff concerning the following:

- Flashing signs and light ropes are not a problem in the City;
- Blinking lights are allowed in the downtown area only;
- Flashing lights allowed during the holiday season;
- Request to have uniformity in the City; and
- No need to make modifications at this time.

No comments were received for the Item.

MOTION BY GOBLE, SECOND BY METSCHEL, to REQUEST the Planning Commission to discuss, evaluate and recommend changes to Title 17 of the El Cajon Municipal Code.

**MOTION FAILED BY A TIED VOTE,
(GOBLE, METSCHEL – YES, WELLS, ORTIS – NO.)**

City Attorney Foley stated the Item will be brought back to City Council to allow the absent member to break the tie.

15. Administration of Naloxone (Narcan) by City of El Cajon Staff

RECOMMENDATION:

That the City Council receives the report.

DISCUSSION

City Manager Mitchell provided detailed information of the Item.

Discussion ensued among Council and Staff concerning the following:

- Request for data of those who use this product; and
- Public education campaign.

No comments were received for the Item.

ADMINISTRATIVE REPORTS: (Continued)

16. Legislative Update

DISCUSSION

Assistant City Manager DiMaggio provided detailed information of the current Assembly and Senate bills of interest to the City.

No comments were received for the Item.

COMMISSION REPORTS: None

ACTIVITIES REPORTS/COMMENTS OF MAYOR WELLS:

SANDAG (San Diego Association of Governments) Board of Directors; SANDAG – Audit Committee; LAFCO.

17. Council Activities Report/Comments

Report as stated.

ACTIVITIES REPORTS OF COUNCILMEMBERS:

18. COUNCILMEMBER STEVE GOBLE
MTS (Metropolitan Transit System Board); East County Advanced Water Purification Joint Powers Authority Board; Chamber of Commerce – Government Affairs Committee; SANDAG – Board of Directors – Alternate; SANDAG Public Safety Committee – Alternate; METRO Commission/Wastewater JPA – Alternate.

Council Activities Report/Comments.

Report as stated.

19. MAYOR PRO TEM GARY KENDRICK
METRO Commission/Wastewater JPA; Heartland Communications; Heartland Fire Training JPA.

Council Activities Report/Comments.

Report as stated.

ACTIVITIES REPORTS OF COUNCILMEMBERS: (Continued)

20. COUNCILMEMBER MICHELLE METSCHEL
Harry Griffen Park Joint Steering Committee; Heartland Communications – Alternate; Heartland Fire Training JPA – Alternate.

Council Activities Report/Comments.

Report as stated.

21. COUNCILMEMBER PHIL ORTIZ
League of California Cities, San Diego Division; East County Economic Development Council; MTS (Metropolitan Transit System Board) – Alternate; East County Advanced Water Purification Joint Powers Authority Board – Alternate; Chamber of Commerce – Government Affairs Committee – Alternate.

Council Activities Report/Comments.

Report as stated.

JOINT COUNCILMEMBER REPORTS:

22. Veterans Memorial

RECOMMENDATION:

That the City Council provides feedback and directs staff to bring back a report on possible Veterans Memorial development options.

DISCUSSION

Councilmember Ortiz provided detailed information of the Item.

Discussion ensued among Council and Staff regarding the current Veterans' Memorial location and consideration for a more appropriate monument, cost and funding for the proposed project.

No comments were received for the Item.

MOTION BY ORTIZ, SECOND BY METSCHEL, to DIRECT staff to bring back a report on possible Veterans Memorial development options.

MOTION CARRIED BY UNANIMOUS VOTE OF THOSE PRESENT (KENDRICK – Absent).

GENERAL INFORMATION ITEMS FOR DISCUSSION: None

ORDINANCES: FIRST READING - None

ORDINANCES: SECOND READING AND ADOPTION - None

CLOSED SESSIONS:

23. Closed Session - Conference with Legal Counsel - Anticipated Litigation - Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9: One (1) potential case - Mercury Insurance Company as Subrogee of Colleen Murphy, has submitted a Claim for Damages alleging losses suffered following a rear-end collision involving a City vehicle and the claimant's insured

24. Closed Session - Conference with Legal Counsel - Anticipated Litigation - Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9: One (1) potential case - Colleen R. Murphy has submitted a Claim for Damages alleging losses suffered following a rear-end collision involving a City vehicle

25. Closed Session - Conference with Real Property Negotiators - pursuant to Government Code section 54956.8:

Properties

See attached list

Negotiating Party

County of San Diego

City Negotiators

City Manager

Assistant City Manager

City Attorney

Under negotiation: Price and terms for acquisition

MOTION BY GOBLE, SECOND BY ORTIZ, to ADJOURN to Closed Session at 5:28 p.m.

MOTION CARRIED BY UNANIMOUS VOTE OF THOSE PRESENT (KENDRICK – Absent).

CLOSED SESSIONS: (Continued)

RECONVENE TO OPEN SESSION AT 5:44 p.m.

City Attorney Foley reported the following actions:

- 23. Direction given to Legal Counsel
- 24. Direction given to the City's Legal Counsel
- 25. Direction given to City's negotiator

Adjournment: Mayor Wells adjourned the Regular Joint Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 14th day of September, 2021, at 5:45 p.m., to Tuesday, September 28, 2021, at 3:00 p.m.

ANGELA L. CORTEZ, CMC
City Clerk/Secretary

D R A F T



**City Council
Agenda Report**

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Frank Carson, Director of Parks & Recreation
SUBJECT: City of El Cajon Youth Sports Sponsorship

RECOMMENDATION:

That the City Council accepts, appropriates, and expends a sponsorship in the amount of \$7,500 from Raising Cane's for the Youth Sports Programs.

BACKGROUND:

In an effort to keep Youth Sports programs affordable and accessible, the City of El Cajon Parks and Recreation Department has created a Youth Sports Sponsorship Program. Staff is proud to announce that Raising Cane's has agreed to become a sponsor at the platinum level for \$7,500. The proceeds will be utilized to purchase sports shirts, jerseys and equipment for Basketball and Indoor Soccer allowing fees to remain affordable.

FISCAL IMPACT:

Sponsorship in the amount \$7,500 will be deposited in the Recreation Special Revenue Fund account (240000), expenditures will be taken from that same account. Additionally, appropriations will be increased accordingly for this account. The funding expenditures will pay for shirts, jerseys and sports equipment.

Prepared By: Adam Tronerud, Parks and Recreation Manager

Reviewed By: Frank Carson, Director of Parks & Recreation

Approved By: Graham Mitchell, City Manager



City Council
Agenda Report

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Steve Swaney, Fire Chief
SUBJECT: 2020 State Homeland Security Grant Program Funding

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, authorizing the City Manager or designee to accept and appropriate the FY 2020 State Homeland Security Grant funds in the amount of \$81,968, and to execute any grant documents and agreements necessary for the receipt and use of these funds.

BACKGROUND:

Since the terrorist attacks of September 11, 2001, there has been a heightened concern over the potential for an act of terrorism to occur again within the borders of the United States. The Federal Government, through the Department of Homeland Security, has provided communities throughout the country with hundreds of millions of dollars for the fight against terrorism.

The FY 2020 State Homeland Security grant funding will be utilized by both the Police and Fire Departments. The Police Department will receive \$18,787 in funding to purchase infrared thermal monoculars. The Fire Department will receive \$63,181 to purchase self-contained breathing apparatus and bottles, thermal imaging cameras, and mobile data computers. Actual items may change if modification is requested by the departments and approved by the granting agency.

FISCAL IMPACT:

This grant will provide \$81,968 to the Special Revenue Fund and will not impact the General Fund. No matching funds are required for this grant. These funds will be used by the Police and Fire Departments for the projects listed above or as modified in the grant workbook and approved by the granting agency.

Prepared By: Barbara Watkins, Management Analyst
Reviewed By: Steve Swaney, Fire Chief
Approved By: Graham Mitchell, City Manager

Attachments

Resolution
Notification of Fundign Letter

RESOLUTION NO. ___ - 21

RESOLUTION OF THE CITY OF EL CAJON
AUTHORIZING THE ACCEPTANCE OF THE
FY20 STATE HOMELAND SECURITY GRANT PROGRAM
(SHSGP) GRANT OF \$81,968 FOR TERRORISM PREPAREDNESS

WHEREAS, since the terrorist attacks of September 11, 2001, there has been a heightened concern over the potential for an act of terrorism to occur again within the borders of the United States, and the federal government, through the Department of Homeland Security (the "Department"), has provided communities throughout the Country with hundreds of millions of dollars for the fight against terrorism; and

WHEREAS, the Department's FY 2020 State Homeland Security Grant Program ("SHSGP") will provide to the City of El Cajon a total of \$81,968 in funds, which will be utilized by both the Police and Fire Departments as follows: (1) the Police Department will receive \$18,787 in funding to purchase infrared thermal monoculars; and (2) the Fire Department will receive \$63,181 to purchase self-contained breathing apparatus and bottles, thermal imaging cameras, and mobile data computers.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

Section 1. The above recitals are true and correct, and are the findings of the City Council.

Section 2. The City Council hereby authorizes the acceptance and appropriation of the SHSGP funds from the Department in the amount of \$81,968, generally for the purposes set forth herein, provided, however, that the City Manager, or such person designated by the City Manager, is allowed to modify the specific use of SHSGP funds, with the approval of the Department.

Section 3. The City Council hereby further authorizes the City Manager, or such person designated by the City Manager, to execute any grant documents and agreements necessary for the receipt and use of these funds on behalf of the City of El Cajon, with such changes as may be approved by the City Manager, or such person designated by the City Manager, and to take all actions and to execute all documents necessary or appropriate to carry out the terms of the SHSGP grant.



County of San Diego Office of Emergency Services
5580 Overland Ave., Suite 100
San Diego, CA 92123 -1251
Phone: (858) 565-3490 Fax: (858) 565-3499
Email: OES_Finance@sdcounty.ca.gov



August 10, 2021

City of El Cajon
8054 Allison Avenue
La Mesa, CA 91942

SUBJECT: NOTIFICATION OF FEDERAL FUNDING AWARD
FY 2020 Homeland Security Grant Program (HSGP)
Subaward #2020-0095, Cal OES ID #073-00000

The purpose of this letter is to notify you that the County of San Diego Office of Emergency Services has approved your **FY2020 SHSP** award in the amount of **\$81,968** as listed below:

| | |
|--|---|
| Subrecipient Name: | City of El Cajon |
| Subrecipient DUNS: | 078727393 |
| Federal Award ID (FAIN) | EMW-2020-SS-00095-S01 |
| Federal Award Date: | 09/01/19 to 08/31/23 |
| Subaward Period of Performance: | 09/01/20 to 05/31/22 |
| Subrecipient Award Amount: | \$ 81,968 |
| Federal Award Project Description: | Implementation of homeland security management grant to support state, local, tribal and territorial efforts to prevent terrorism and other catastrophic events |
| Federal Awarding Agency: | US Department of Homeland Security |
| CFDA Number: | 97.067/Homeland Security Grant Program |
| Research & Development Award (Y/N): | No |
| Indirect Cost Rate: | N/A |
| Match Requirement: | N/A |

This grant award is subject to all provisions of Uniform Guidance (2 CFR Part 200), which can be accessed at www.ecfr.gov. Non-federal entities that expend \$750,000 or more annually in Federal Awards must have a single audit performed each year. Please forward a copy of your most current single audit report to the contact below.

Subrecipients are to comply with all applicable federal, state, and local Environmental Planning and Historic Preservation (EHP) requirements. Additionally, Aviation/Watercraft requests, Establish/Enhance Emergency Operations Center projects, projects requiring EHP review, and noncompetitive procurement requests require additional approvals. Subrecipients must obtain written approval for these activities prior to incurring any costs, in order to be reimbursed for any related costs under this Grant Subaward. Subrecipients are also required to obtain a performance bond prior to the purchase of any equipment item over \$250,000, including any aviation or watercraft financed with homeland security dollars. Performance bonds must be submitted to the contract below no later than the time of reimbursement.

Please complete and return the attached OES Grant Management Assessment Questionnaire, 2020 Grant Assurances and Signature Authorization Form, current procurement policies and salvage guidelines. A hard copy of the Grant Assurances and Signature Authorization Forms must be mailed.

[Unified San Diego County Emergency Services Organization](#)

CARLSBAD • CHULA VISTA • CORONADO • COUNTY OF SAN DIEGO • DEL MAR • EL CAJON • ENCINITAS • ESCONDIDO • IMPERIAL BEACH • LA MESA
LEMON GROVE • NATIONAL CITY • OCEANSIDE • POWAY • SAN DIEGO • SAN MARCOS • SANTEE • SOLANA BEACH • VISTA

Your performance period ends May 31, 2022. Please submit your reimbursement requests in a timely manner, no later than June 30, 2022.

For further assistance, please contact Kevin Preston at (858) 715-2214 or Kevin.Preston@sdcountry.ca.gov.

Sincerely,

**Kurian,
Martin**

Digitally signed by Kurian,
Martin
Date: 2021.08.12
09:28:57 -07'00'

Martin Kurian, Principal Administrative Analyst
County of San Diego, Office of Emergency Services

cc:

Attachments: OES Grant Management Assessment Questionnaire
2020 Grant Assurances
SHSP 2020 Approved FMFW



City Council
Agenda Report

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Clay Schoen, Director of Finance
SUBJECT: 2021 Investment Policy Update

RECOMMENDATION:

That the City Council and Housing Authority, respectively, adopts the next Resolution, in order, adopting the City of El Cajon Investment Policy and delegating investment authorities to the Director of Finance/Authority Treasurer.

BACKGROUND:

The City's investment policy requires that the policy be reviewed and adopted annually. The City's policy was first adopted by the City Council on May 15, 1996. In 2002, the National Association of Public Treasurers in the United States and Canada certified the City's investment policy as meeting their established standards. The policy has since been reviewed for update every year thereafter to ensure compliance and sound investment practices.

In preparing the update the City's investment advisor, Public Financial Management (PFM), was asked to review and provide comment. No changes are recommended with this update. The proposed investment policy is presented for consideration and approval.

FISCAL IMPACT:

Prudent investments provide for the safekeeping of funds and are an important revenue source.

Prepared By: Clay Schoen, Director of Finance

Reviewed By: N/A

Approved By: Graham Mitchell, City Manager

Attachments

Resolution - City

Resolution - ECHA

2021 Investment Policy Update

PFM Recommendations Memo

RESOLUTION NO. ___-21

A RESOLUTION ADOPTING THE
CITY OF EL CAJON
INVESTMENT POLICY AND
DELEGATING INVESTMENT AUTHORITY
TO THE DIRECTOR OF FINANCE

WHEREAS, the City of El Cajon Investment Policy is created for the purpose of establishing safekeeping of principal and prudent investment of City funds; and

WHEREAS, the policy has been updated to conform to state investment laws, enacted during the past year; and

WHEREAS, the policy has been prepared to standards promulgated by the Municipal Treasurers Association of the United States and Canada; and

WHEREAS, the investment policy has been reviewed by the City's investment advisors, Public Financial Management.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. The City Council hereby adopts the City of El Cajon Investment Policy, dated September, 2021.

2. The City Council hereby delegates, to the Director of Finance, the authority to invest and reinvest funds of the City, and to sell and exchange securities so purchased, for the period of September 1, 2021, to and including August 31, 2022.

RESOLUTION NO. ECHA-__

A RESOLUTION OF THE
EL CAJON HOUSING AUTHORITY
ADOPTING BY REFERENCE THE
CITY OF EL CAJON INVESTMENT POLICY AND
DELEGATING INVESTMENT AUTHORITY
TO THE TREASURER

WHEREAS, the City of El Cajon Investment Policy is created for the purpose of establishing safekeeping of principal and prudent investment of Housing Authority funds; and

WHEREAS, the policy has been updated to conform to state investment laws, enacted during the past year; and

WHEREAS, the policy has been prepared to standards promulgated by the Municipal Treasurers Association of the United States and Canada; and

WHEREAS, the investment policy has been reviewed by the City's investment advisors, Public Financial Management.

NOW THEREFORE, BE IT RESOLVED BY THE EL CAJON HOUSING AUTHORITY AS FOLLOWS:

1. The Housing Authority adopts by this reference the City of El Cajon Investment Policy, dated September, 2021, as the Investment Policy for the Housing Authority.

2. The Housing Authority hereby delegates, to the Treasurer, the authority to invest and reinvest funds of the El Cajon Housing Authority, and to sell and exchange securities so purchased, for the period of September 1, 2021, to and including August 31, 2022.

1. Purpose

This Statement is intended to provide guidelines for the prudent investment of the City's temporarily idle cash, and outline the policies for maximizing the efficiency of the City's cash management system. The investment goal is to enhance the economic condition of the City while insuring the safety of funds invested.

2. Scope

This investment policy applies to all financial assets of the City of El Cajon. Funds applicable are as accounted for in the City's Comprehensive Annual Financial Report and include:

- 2.1 Major Governmental Funds
- 2.2 Non-Major Governmental Funds
- 2.3 Enterprise Fund
- 2.4 Internal Service Funds
- 2.5 Agency Funds

Additionally, the City provides cash management and investment services for:

- 2.1 El Cajon Housing Authority
- 2.2 Heartland Fire Training Facility Authority Funds
- 2.3 Heartland Communication Facility Authority Funds
- 2.4 Successor Agency to the Former El Cajon Redevelopment Agency

3. Objective

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to obtain the highest yield on its investments consistent with the criteria established for safety and liquidity.

4. Policy

It is the policy of the City of El Cajon to invest public funds in a manner that will provide maximum security with the highest investment return while meeting the daily cash flow demands of the City.

The primary objectives, in priority order, of the City's investment activities shall be:

- 4.1 **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to reduce the potential for loss of principal, interest or combination of

the two. The City invests only in those instruments that are considered very safe.

4.2 Liquidity: The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated. Liquidity refers to the ability to convert an investment to cash promptly with minimum risk of losing some portion of principal or interest.

4.3 Yield: Yield is defined as the average annual return on an investment based on the interest rate, price, and length of time to maturity. The City attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met. The City's investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and cash flow characteristics of the portfolio.

5. **Prudence**

Investments will conform to all state and local statutes governing the investment of public funds. Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. The standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. Investment officers, acting in accordance with written procedures and the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

6. **Conscientious Investing**

The City has taken great lengths to protect its youth from the effects of alcohol, tobacco, and marijuana. Consistent with the continuation of that goal, no investment, otherwise authorized elsewhere in this policy, shall be made in a security of an organization operated for the primary purpose of the sale or distribution of these products.

7. **Authorized Investments**

The City is empowered by statute to invest in securities listed below.

Percentage holding limits listed in this section apply at the time the security is purchased. In the event a security held by the City is subject to a credit rating change that brings it below the minimum credit ratings specified in this policy, the Director of Finance/Treasurer should notify the City Council of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the change, prognosis for recovery or further rate drops, and the market price of the security.

Bond reserves and proceeds shall be invested in securities permitted by the applicable bond documents. If the bond documents are silent as to permitted investments, bond proceeds will be invested in securities permitted by this Policy:

- 7.1 Bank Deposits FDIC insured or fully collateralized demand deposit accounts, savings accounts, market rate accounts, time certificates of deposits (“TCDs”) and other types of bank deposits in financial institutions located in California. The amount on deposit in any financial institution shall not exceed the shareholder’s equity. To be eligible to receive City deposits, the financial institution must have received a minimum overall satisfactory rating, under the Community Redevelopment Act, for meeting the credit needs of California Communities in its most recent evaluation. Bank deposits are required to be collateralized as specified under Government Code Section 53630 et seq. The Director of Finance/Treasurer, at his/her discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. The City shall have a signed agreement with any depository accepting City funds per Government Code Section 53649. The maturity of TCDs may not exceed 1 year in maturity. There is no limit on the percentage of the portfolio that may be invested in bank deposits. However, a maximum of 20 percent of the portfolio may be invested in TCDs.
- 7.2 Negotiable Certificates of Deposit Negotiable certificates of deposit (NCDs) issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases are limited to institutions which have long-term debt rated in the rating category of “A” or its equivalent or better by a Nationally Recognized Statistical Rating Organization (“NRSRO”); and/or have short-term debt rated “A-1” or higher or its equivalent by a NRSRO. Purchases of Negotiable CDs may not exceed 30% of the City’s investment portfolio.
- 7.3 Placement Service Deposits Bank deposits placed with a private sector entity that assists in the placement of deposits with eligible financial

institutions located in the United States. The full amount of the principal and the interest that may be accrued during the maximum term of each deposit shall at all times be insured by federal deposit insurance. Placement Deposits shall meet all of the requirements of Government Code Section 53601.8. Purchases of Placement Service CDs may not exceed 30% of the City's investment portfolio.

- 7.4 Securities of the U.S. Government or its Agencies Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- 7.5 Treasury Bills and Notes U.S. Treasury Bills, Notes, Bonds or Certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- 7.6 Medium-Term Notes Medium-term notes are defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities rated in the rating category of "A" or its equivalent or better by a NRSRO. A maximum of 30 percent of the portfolio may be invested in this category.
- 7.7 Municipal Debt Registered treasury notes or bonds of this or any of the other 49 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of this state or any of the other 49 United States.

Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

Purchases are limited to securities rated in the rating category of "A" or its equivalent or better by a NRSRO. A maximum of 20 percent of the portfolio may be invested in this category. The amount invested with any one issuer shall not exceed 10 percent of the portfolio.

- 7.8 Supranationals. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the

International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and shall not exceed 30 percent of the portfolio.

- 7.9 Asset-Backed Securities. Asset-backed securities include mortgage pass-through securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable pass-through certificates, and consumer receivable-backed bonds. Purchases are limited to securities rated in a rating category of “AA” or its equivalent or better by a NRSRO. A maximum of 20 percent of the portfolio may be invested in this category.
- 7.10 Local Agency Investment Fund (LAIF) Investment of funds in the California State Pool (LAIF), subject to the State's maximum investment regulation.
- 7.11 Bankers' Acceptance Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as Bankers' Acceptances, which are eligible for purchase by the Federal Reserve System, the short term paper of which is rated in the highest category by a NRSRO. Purchases of Bankers' Acceptances may not exceed 180 days maturity or 30% of the City's investment portfolio.
- 7.12 Commercial Paper rated the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the conditions in either paragraph (1) or paragraph (2):
- (1) The corporation shall be organized and operating within the United States, shall have total assets in excess of five hundred million dollars (\$500,000,000), and shall issue debt, other than commercial paper, if any, that is rated in a rating category of “A” or its equivalent or higher by a NRSRO.
 - (2) The corporation shall be organized with the United States as a special purpose corporation, trust, or limited liability company, has program wide credit enhancements including, but not limited to, over collateralizations, letters of credit, or surety bond; has commercial paper that is rated “A-1” or higher, or its equivalent, by a NRSRO.

Purchases of commercial paper may not exceed 25% of the City's investment portfolio.

- 7.13 Repurchase Agreements (Repos) A purchase of securities by the City pursuant to an agreement by which the seller will repurchase such securities on or before a specified date, or on demand of either party, and for a specified amount. Investments in repos will be used solely as short-term investments not to exceed 30 days or 30% of the City's investment portfolio. Prior to investing in repurchase agreements the City shall have properly executed a master repurchase agreement with each counterparty with which it enters into repurchase agreements.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities, as described in Section 6.4 and 6.5, will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the City's custodian bank versus payment or be handled under a tri-party repurchase agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, 102 percent of the total dollar value of the money invested by the City for the term of the investment. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a regular basis. Market Value must be calculated each time there is a substitution of collateral.

The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

The City may enter into Repurchase Agreements with (1) primary dealers in U.S. Government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York, and (2) California and non-California banking institutions having assets in excess of \$1 billion and in the highest short-term rating category as provided by a NRSRO.

- 7.14 Money Market Mutual Funds Mutual funds must consist of securities and obligations of the U.S. Treasury and agencies of the federal government, and repurchase agreements collateralized with U.S. Treasury and Federal Agency obligations. The management companies shall either (1) attain the highest ranking or the highest letters and numerical rating provided by not less than two of the three largest NRSRO, or (2) have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations as authorized above and with assets under management in excess of five

hundred million dollars (\$500,000,000). The purchase price of shares for beneficial interest purchase shall not include any commission and shall not exceed 15% of the City's surplus money, which may be invested.

- 7.15 County of San Diego Treasury (County Pool) Investment in the County of San Diego Treasury pool not to exceed 30% of the City's investment portfolio.
- 7.16 California Asset Management Trust Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in Government Code. Investment in the Trust's Cash Reserve Portfolio (pool) not to exceed 30% of the City's investment portfolio.
- 7.17 Other investments that are, or may become, legal investments through the State of California Government Code and with prior approval of the City Council.

8. Diversification and Maturity

The investment portfolio shall be diversified among security types, individual financial institutions or maturity segments. In addition to the percentage limitation specified in Section 6 above, the maximum amount of the portfolio the City may invest with any one non-governmental issuer is 10%. Percentage limitations apply at time of purchase.

This investment policy limits maturities to five years unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment. Bond reserve funds may be invested in securities exceeding five years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds.

9. Investment Reports

The Director of Finance/Treasurer shall submit a quarterly investment report to the City Manager and City Council as soon as practical but no later than 60 days after the close of the quarter, except at fiscal year-end when the report shall be submitted no later than 90 days after the close of the quarter. The report shall include performance, market sector and interest earnings, the state of the investment market, highlight changes since the last report, and discuss investment strategy. Reporting shall be on the basis of both cost and market. The report shall include:

- 9.1 A listing of individual securities held at the end of the reporting period by authorized investment category.

- 9.2 A listing of all investment types at par values, date of maturity, and the market value.
- 9.3 Quarterly historical data by investment category.
- 9.4 Pool investment portfolio make-up, by investment categories (BA's, CD's, Commercial Paper, Agencies, etc.).
- 9.5 Percentage of portfolio represented by each investment category.

The policy recognizes that reporting on a market basis will periodically cause market gains or losses to be reported. In most instances such gains or losses will not be realized since individual securities with specific maturities are purchased based upon projected cash flows and normally will not be liquidated prior to maturity.

The report shall state whether the investments comply with the investment policy, or manner in which the portfolio is not in compliance, and whether the City will be able to meet its needs for cash for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

10. **Internal Controls**

The Director of Finance/Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgment by management. The internal controls shall address the following points:

- 10.1 Control of Collusion - Collusion is a situation where two or more employees are working together to defraud their employer.
- 10.2 Separation of Duties - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- 10.3 Custodial Safekeeping - Securities purchased from any bank or dealer, including appropriate collateral, shall be placed and held by a third party custodian designated by the Director of Finance/Treasurer and evidenced by safekeeping receipts.
- 10.4 Avoidance of physical delivery securities - Book entry securities are much easier to transfer and account for since actual delivery of a document never

takes place. All security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis.

- 10.5 Clear Delegation of Authority - Subordinate staff members must have a clear understanding of their authority and responsibility to avoid improper actions.
- 10.6 Written Confirmation of Telephone Transactions for Investments and Wire Transfers - Due to the potential for error arising from telephone transactions, all telephone transactions shall be supported by written communications and approved by the appropriate person.
- 10.7 The Director of Finance/Treasurer shall establish an annual process of independent review by the external auditor. This review will provide internal control by assuring compliance with policies and procedures.
- 10.8 The Director of Finance/Treasurer shall establish a review process for government investment pools used by the City. At a minimum, the City shall maintain on file a copy of the pool's investment policy and its requirements for participation, including limitations on deposits or withdrawals. For any pools used by the City, the Director of Finance/Treasurer shall include a listing by report to the Board quarterly by percentage the amount the pool has invested by investment sector.

11. Use of Professional Investment Manager

The City has engaged an investment advisor to assist in its investment program. Investments made by the Investment Advisor will be under the direction of the Director of Finance/Treasurer and will conform to this policy and within limitations of the Government Code.

12. Authorized Financial Dealers and Institutions

For transactions executed by the City's Investment Advisor, the Investment Advisor shall select broker/dealers according to Investment Advisor's selection policy. The use of broker/dealers will conform to the Investment Advisor's approved list at the time of investment. For transactions executed directly by the City and not purchased from the issuer, the Director of Finance/Treasurer will maintain a list of financial institutions authorized to execute investment transactions.

13. Safekeeping and Custody

All security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all securities owned by the City shall be held in safekeeping by a third party bank trust department, acting as agent for the City under the terms of a custody agreement executed by the bank and by the City. The only exception to the foregoing shall be investments in: (i) depository accounts, (ii) LAIF, the county pool and other local government investment pools, and (iii) money market mutual funds, since the purchased securities are not deliverable. Evidence of each these investments will be held by the City.

14. Other Constraints

The City shall operate its investments within the many stated and self-imposed constraints. The City shall not leverage funds for investment purposes. It shall buy no stocks, shall not speculate, nor shall it deal in futures or options, or buy on the margin. Outside of participation in the State and County investment pools, the City shall not have any investments in exotic instruments such as inverse floaters, range notes, or mortgage-derived, interest-only strips, reverse repurchase agreements, or flexible repurchase agreements. The City will not purchase any security having an interest rate derived from an index, commodity price or other variable, i.e., securities commonly known as derivatives. The City may invest in floating rate securities.

15. Performance Standards – Yield

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs. The City may utilize either a passive or active management approach of portfolio assets. Accordingly, the City may from time to time sell securities that it owns in order to better reposition its portfolio assets in accordance with changes in cash flow schedules or market conditions. Given this strategy, the basis used by the Director of Finance/Treasurer to determine whether market yields are being achieved shall be to compare the City's portfolio yield to LAIF and two-year Treasury Note rates.

16. Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager any material financial interests in financial institutions that conduct business within their jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City.

17. Investment Procedures

The Director of Finance/Treasurer shall establish written investment policy procedures for the operation of the investment program consistent with this policy. The procedures include reference to: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance/Treasurer.

18. Delegation of Authority

Management responsibility for the investment program is hereby delegated for a one-year period to the Director of Finance/Treasurer who shall have full responsibility until the delegation of authority is revoked or expires for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials, and their procedures in the absence of the Director of Finance/Treasurer.

19. Investment Policy Adoption

The City's investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually by the City Council and any modifications made thereto must be approved by the City Council.



September 1, 2021

Memorandum

To: Clay Schoen, CPA, Director of Financer
City of El Cajon

From: Sarah Meacham, Managing Director
Richard Babbe, CCM, Senior Managing Consultant
PFM Asset Management LLC

Re: 2021 Investment Policy Review

As part of the City's annual review process, we reviewed the City of El Cajon's (the "City") Investment Policy (the "Policy"). The current Policy is comprehensive and in compliance with the current California Government Code (the "Code") statutes regulating the investment of public funds.

Although no changes are required, we wanted to make you aware of several changes to the Code that were enacted as part of Senate Bill 998 that took effect on January 1, 2021. The Bill's amendments to Code and their application to the Policy are summarized below. As revised, the Code:

- Allows local agencies that have more than \$100 million of investment assets to invest up to 40% of their assets in commercial paper (the existing limit is 25% for all agencies other than a county or a city and county). As the City meets the Code threshold for the higher holding limit, it is the City's option on whether to adopt the higher policy limit. Currently, the City makes only limited use of commercial paper.
- Eliminates the 10% limit on the outstanding commercial paper of any one issuer and establishes a combined 10% per issuer limit on commercial paper and corporate notes. No changes to the Policy are required, as the Policy does not reference the prior limit on the outstanding commercial paper of any one issuer and the Policy already has a 10% per issuer limit that applies across all corporate sectors.
- Allows local agencies to invest in securities issued or backed by the U.S. government that could result in zero or negative interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. As the Policy does not reference the Code section, we believe the Policy would permit the City to invest under this Code provision if market rates go negative. Consequently, no changes to the Policy are recommended.
- Allows federally recognized Indian tribes to invest and participate in investment JPAs. This provision does not apply to City.

Please let us know if you have any questions or if would like to discuss this memo in more detail.



City Council
Agenda Report

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Jamie Van Ravesteyn, Housing Manager
SUBJECT: El Cajon Housing Authority Annual Report (Fiscal Year 2020-2021)

RECOMMENDATION:

That the City Council, acting as the El Cajon Housing Authority:

1. Approves the attached Annual Report; and
2. Authorizes the Executive Director to transmit it, in a form substantially as presented, to the California Department of Housing and Community Development as required by State law.

BACKGROUND:

On March 9, 2011, the City Council adopted Resolution No. 32-11 establishing the El Cajon Housing Authority (Housing Authority). In accordance with Health and Safety Code sections 34328 and 34328.1, the Housing Authority must prepare and submit a report of its activities during the previous fiscal year by October 1st of each year. The annual report must be filed with the City Clerk and submitted to the California Department of Housing and Community Development (HCD). The Annual Report provides background on the Housing Authority's formation, assets, budget, and activities from July 1, 2020, through June 30, 2021.

Over the past year, the Housing Authority continued to focus on providing affordable housing for low-income households through the continuation of its existing first-time homebuyer program, sale of the leasehold interest and recording of a new Disposition and Development Agreement for the 100-unit Lexington Square Apartments (formerly Lexington Avenue Senior Apartments), provision of Project Based Rental Assistance ("PBRA") to 40 of the units at Lexington Square over the next 15 years, provision of rapid re-housing programs and associated services relative to homelessness, and working with developers to identify resources and possible sites for construction and/or rehabilitation of affordable housing.

The Annual Report also demonstrates compliance with the requirements of Health and Safety Code section 34312.3, which includes:

- Providing the minimum amount of housing units affordable to lower income households in housing projects assisted by the housing authority;
- Establishing base rents pursuant to Federal Section 8 requirements for lower income households; and
- Establishing maximum rental payments for lower income households pursuant to State and Federal requirements.

Based on existing documentation, the Housing Authority's properties meet all of these requirements, as they align with California Community Redevelopment Law requirements regarding affordable housing with the use of Low- and Moderate-Income Housing Funds of the former redevelopment agency.

In addition to the objectives and items enumerated above, the Annual Report includes a FY 2021-2022 Proposed Budget, reflecting anticipated expenses for expected Housing Authority activities and projects. Table 3 of the Annual Report displays revenue from various sources, expenditures, as well as displays the Proposed FY 2021-2022 Budget which was adopted by City Council in June 2021. Important information about the budget section of the annual report is found in the following paragraphs.

The Administration item reflects anticipated costs for overall administration of Housing Authority funds for activities unrelated to a specific project. This includes internal staff costs, records management and external costs, such as legal and consultant services.

Materials, Services and Supplies line item represents similar expenditures as those above, but in relation to a particular Housing Authority project (represented as an aggregate). The major costs in this category for FY 2021-22 reflect the City's participation in the Lexington Square Apartment project subsidies and for homeless programs.

The Capital Outlay item includes costs for anticipated projects such as land acquisition and construction. A proposed future project to be identified represents the majority of the projected expenditures. Once one or more specific projects are identified, they are brought to the El Cajon Housing Authority and City Council for approval.

The Annual Report also requires data on termination of tenancies and termination of Section 8 vouchers because of domestic violence in housing authority units, and a brief summary of steps taken by the Housing Authority to address termination of tenancies resulting from domestic violence. Between July 1, 2020, and June 30, 2021, none of the properties owned by the Housing Authority reported termination of tenancies for victims of domestic violence, nor has the Section 8 Division of the County of San Diego reported any such terminations.

FISCAL IMPACT:

No impact to the General Fund. In accordance with Health & Safety code section 34328.1(b), the Housing Authority may be required to reimburse HCD for the cost of processing the report. If this were to occur, the cost would be covered with Housing funds under Project/ Activity No. 298110-8395.

Prepared By: Jamie van Ravesteyn, Housing Manager

Reviewed By: Anthony Shute, Director of Community Development

Approved By: Graham Mitchell, City Manager

Attachments

FY 20-21 Housing Authority Annual Report



El Cajon Housing Authority

Annual Report

FY 2020-2021

SUMMARY

Pursuant to California Health & Safety Code (“HSC”) section 34328, all housing authorities must annually file a report of their activities for the preceding year (“Annual Report”) with their respective City or County Clerk and with the California Department of Housing and Community Development (“HCD”). This Annual Report covers all activities of the El Cajon Housing Authority (“Housing Authority”) that occurred during the Fiscal Year (“FY”) 2020-21, including housing unit compliance with affordability requirements, activities concerning existing debt obligations, as well as land transactions and development.

LEGAL AUTHORITY

The State legislature allows housing authorities to function as local entities with the primary responsibility of providing housing for very low and low income households. Housing authorities are distinct, autonomous, legal entities that derive their power from State legislature. Under HSC section 34200, the law provides the functioning of a local housing authority through a resolution of the local governing body.

In the case of the City of El Cajon (“City”), the City Council adopted Resolution No. 32-11 on March 9, 2011, to establish the Housing Authority by confirming and finding: (1) that unsanitary or unsafe inhabited dwellings exist in the City; or (2) that there is a shortage of safe and sanitary dwellings accommodations in the City available to persons of low income at affordable rents.

On January 24, 2012, the El Cajon Redevelopment Agency (“Agency”) adopted Resolution No. ECRA-427 to transfer title of the Agency’s housing real property assets and loans receivable before February 1, 2012, to the Housing Authority and transfer all remaining housing assets to same entity, including, but not limited to: recorded or unrecorded leases, Deeds of Trust, intangible assets, fixtures and equipment, agreements, contracts, promises to pay, receivables and any/all other unspecified assets. The Housing Authority then adopted Resolution No. ECHA-1 to appoint the officers of the Housing Authority; to accept the Agency’s housing real property assets and loans receivable before February 1, 2012; to accept transfer of all remaining housing assets, including, but not limited to: recorded or unrecorded leases, Deeds of Trust, intangible assets, fixtures and equipment, agreements, contracts, promises to pay, receivables and any/all other unspecified assets; and to authorize the Executive Director to pay enforceable obligations, and conduct day to day operations of the Housing Authority.

OBJECTIVES OF THE HOUSING AUTHORITY

Historically, the primary role of housing authorities has been to interact with the Department of Housing and Urban Development (“HUD”) on behalf of their communities, and to function as the administrator of “Section 8” funds, as defined by Section 8 of the United States Housing Act of 1937. A housing authority’s function under Section 8 entails determining applicants’ eligibility to receive Section 8 assistance, maintaining a waiting list of eligible participants,

contracting with property owners and ensuring that contracted rent prices are reasonable. The County of San Diego conducts this function on the behalf of the Housing Authority.

However, a housing authority also serves to meet the affordable housing needs of a wider range of residents than Section 8 alone. Unlike the former Agency, the Housing Authority is able to own and operate housing developments, subject to Article XXXIV of the California Constitution (“Article 34”) limitations, which alleviates the need to find prospective owners or operators for the units created. If political support permits, the Housing Authority is able to utilize eminent domain as a tool by which to assemble land for housing developments without the need to document blighting conditions.

The Housing Authority’s future goals and objectives are to:

- Increase, improve or preserve housing stock available to residents at a low and very low Area Median Income (“AMI”);
- Rehabilitate multi-family properties that exhibit unsafe or unhealthy characteristics;
- Increase the affordability of housing for low and very low income residents;
- Reduce overcrowding conditions in multi-family units;
- Fulfill obligations to produce and maintain affordable housing units pursuant to HSC section 33000 et. seq., with housing assets transferred from the Agency; and
- Generate ongoing revenues to achieve Housing Authority self-sustainability.

CONTENTS OF THE HOUSING AUTHORITY’S ANNUAL REPORT

This Annual Report has been developed to address the following requirements:

- To provide a complete report of activities during FY 2020-21;
- To prove compliance with the requirements of HSC section 34312.3; and
- To document terminations as required by HSC section 34328.1.

HOUSING AUTHORITY DEBT OBLIGATIONS

Pursuant to HSC section 34312.3, the Housing Authority must provide a complete report of its activities taken during the prior fiscal year, which includes bonds, loans and financing agreements for multifamily rental projects.

The Housing Authority was activated on March 9, 2011 and has not issued any bonds. Any future financing for the acquisition, construction, rehabilitation, or development of multi-family housing through the issuance of bonds, construction loans, mortgage loans, and/or financing agreements will be documented and provided in subsequent Annual Reports.

LAND TRANSACTIONS AND DEVELOPMENT ACTIVITIES

HSC section 34312.3 also requires that all prior year’s activities be reported, which include not only debt obligations but activities related to the development, rehabilitation, or finance of housing projects, including: purchase, sale, lease, ownership, operation, or management of housing projects assisted by the Housing Authority; conveyance of surplus lands to a developer for permitted purposes; and establishment of a special trust fund or account funded with bond-loan issuance proceeds or developer fees.

During FY 2020-21, the Housing Authority undertook the following land transaction or development activity:

| El Cajon Housing Authority Land Transactions and Development Activities | | | | Table 1-A |
|--|------------------|---|---|----------------------|
| Parcel # | Site Address | Type | Purpose | Status |
| 488-212-21-00 | 250 E. Lexington | Sale of the Leasehold Interest; Disposition and Development Agreement | <p>On February 11, 2020, the Housing Authority approved the termination of the existing Disposition and Development Agreement (Original DDA), and the sale of the leasehold interest and a new Disposition and Development Agreement (New DDA) for the 100-unit Lexington Avenue Senior Apartments. On June 19, 2020, the project was awarded a reservation of 9% Tax Credits from the California Tax Credit Allocation Committee (TCAC). The Developer/Operator also sought a new HUD 1st mortgage to fill the gap in financing. Escrow closed on December 15, 2020, for the transfer price of \$4.956 million. The Housing Authority committed \$3.95 million from the proceeds of the sale to provide Project Based Rental Assistance (“PBRA”) to 40 of the units at or below extremely low income (30% AMI) over a period of 15 years. The Developer/Operator anticipates \$9.5 million in rehabilitation hard costs, including improvements to unit interiors, corridors, common areas, exteriors, landscaping, fencing and overall security. Construction has begun and is underway. The unit mix has been designated as follows:</p> <ul style="list-style-type: none"> o Forty units are reserved for senior households at or below 30% of AMI (extremely low income levels), pursuant to the lesser of HCD and TCAC published AMI rent limits. o Sixty units are reserved for senior households at or below 60% of AMI (low income levels) (one unit is exempt for use by an on-site manager) pursuant to TCAC published AMI rent limits. <p>All existing tenants (“grandfathered units”) will continue to be charged rents according to the current rent levels with annual rent adjustments based on Consumer Price Index as outlined under the Original DDA, until the tenant vacates.</p> <p>The new project is now known as Lexington Square Apartments. The project will meet the 30% of AMI expenditure requirement as described in HSC 34176.1(a)(3)(A). The project will continue to be affordable through 2095.</p> | Development Underway |

HOUSING AUTHORITY ASSETS

Housing Authority assets include, but are not limited to: real property, recorded or unrecorded leases, Deeds of Trust, intangible assets, fixtures and equipment, agreements, contracts, promises to pay, receivables, transfers, and any/all other unspecified assets. All Real Property Assets owned and transferred to the Housing Authority are shown on Table 1-B and a summary of all Loans Receivable are shown on Table 1-C.

| El Cajon Housing Authority Real Property Assets (Properties owned and transferred to the Housing Authority) | | | | Table 1-B |
|--|---------------------------------------|---------------|--|-----------|
| Parcel # | Site Address | Date Acquired | Current Use | |
| 487-180-09-00 | 151 Chambers Street | 07/26/2007 | DDA - Solterra Sr. Residences | |
| 487-191-14-00 | 131 Chambers Street | 07/25/2008 | DDA - Solterra Sr. Residences | |
| 488-111-35-00 | Lot Adjacent to 146 Ballantyne Street | 08/24/1973 | Vacant/Open Space | |
| 488-212-21-00 | 250 E. Lexington Avenue | 07/01/1994 | DDA/Lease - Lexington Square Apartments | |
| 488-212-22-00 | Lexington Square parking lot | 06/27/2014 | DDA/Lease - Parking Lot for tenants and public | |

| El Cajon Housing Authority Loans Receivable (Loans transferred to the Housing Authority) | | | Table 1-C |
|---|------------------------|----------------------|-----------|
| Loan Receivable Type | # of Outstanding Loans | Value of 6/30/2021 | |
| Multi-Family Projects | 3 | \$ 6,006,250 | |
| Single Family Units | 66 | \$ 4,646,931 | |
| Total | 69 | \$ 10,653,181 | |

HOUSING UNIT COMPLIANCE

As set forth by HSC sections 34328 and 34328.1, housing authorities are required to:

- Prove compliance with the requirements of HSC section 34312.3 such as meeting the minimum number of housing units affordable to lower income households in projects assisted by the Housing Authority and establishing base rents and/or maximum rental payments for lower income households;
- To document any domestic violence tenancy terminations or Section 8 voucher terminations as required by HSC section 34328.1.

The following subsections provide a summary of the Housing Authority's progress toward the requirements listed above.

HOUSING UNIT AFFORDABILITY REQUIREMENT

Pursuant to HSC section 34312.3, not less than 20 percent of the units assisted by the Housing Authority, or 15 percent in targeted areas¹, as defined by section 103(b) (12) (A) of Title 26 of the United States Code, must be affordable to persons of low income. Of that percentage, not less than one-half must be available to persons of very-low income, if the housing development is financed by bonds². Nevertheless, the power to finance, own, build, and/or operate a housing development allows the Housing Authority to take on a more active role in the creation and maintenance of housing for low income families.

Table 1-D provides a summary of the multi-family real estate assets owned or managed by the Housing Authority, and the AMI levels that the units are categorized within. Table 1-D indicates that the affordability mix of the Housing Authority's projects, are meeting the established requirements within HSC section 34312.3, or the requirements of the funding sources at the time the assistance was provided.

| El Cajon Housing Authority Multi-Family Residential Real Estate Assets (Owned or managed by the Housing Authority) | | | | | | | Table 1-D |
|---|---------------------------------------|----------------------|-----------------------------|------------------------|-------------------------|-------------|-----------------|
| Project Name/Location | Project Type | EL (0-30% AMI) | VL & Low (30-60% AMI) | Low (60-80% AMI) | Mod (80-120% AMI) | Mkt Unit | Total No. Units |
| Solterra Sr. Residences | | --- | 48 | --- | 1 | --- | 49 |
| 131 Chambers Street | Senior Rental Units | | | | | | |
| 151 Chambers Street | Senior Rental Units | | | | | | |
| Cornerstone Place Apts. 230 S Sunshine Ave | Family and Veteran | --- | 69 | --- | --- | --- | 69 |
| Lexington Square Apts. 250 E. Lexington Avenue | Senior Rental Units (Ground Lease) | 40 | 60 | --- | --- | --- | 100 |
| El Cajon Senior Towers, L.P. 180 Ballantyne Street | Senior Rental Units | | 13 | --- | --- | --- | 13 |
| Total | | 40 | 190 | --- | 1 | --- | 231 |

BASE & MAXIMUM RENTS

HSC section 34312.3 establishes a set of guidelines to determine the base and maximum rents that a housing authority can charge for units reserved for lower income households. According to HSC section 34312.3, "rental payments shall not exceed the amount derived by multiplying 30 percent times 50 percent of the median adjusted gross income for the area, adjusted for family size, as determined pursuant to Section 8 of the United States Housing Act of 1937 (42 U. S. C. Sec. 1437f)." The Housing Authority does not have an adopted schedule of base rental payments; however, Table 2 below provides a calculation of the maximum rental payments that the Housing Authority can charge for affordable rental housing units. The Housing Authority monitors properties to ensure compliance of rental payments charged for

¹ CA Health & Safety Code Section 34312.3 (c)(1)(A)

² CA Health & Safety Code Section 34312.3 (2)(A)

its housing units and will make necessary adjustments to bring any rental payments that exceed the listed amounts in Table 2 into compliance.

| EL CAJON HOUSING AUTHORITY - 2020 | | | | | | | | | | Table 2 | |
|-----------------------------------|-------------------|----------------------|----------------------------|--------|-------------------------|----------------------|-------------------------|----------------------|-------------------------|------------------------|--|
| Affordable Rental Housing Limits | | | | | | | | | | | |
| San Diego County | | | | | | | | | | | |
| Area Median Income | | \$92,700 | Very Low Income | | | Low Income | | | Moderate Income | | |
| Change from 2019 | | +7.42% | | | | | | | | | |
| Median Income | Utility Allowance | HUD FMR ¹ | Number of Persons Bedrooms | | Qualifying Income Limit | Max Rent 30% X 50%* | Qualifying Income Limit | Max Rent 30% X 60%** | Qualifying Income Limit | Max Rent 30% X 110%*** | |
| | | | | | H&S Code 50053(b)(2) | H&S Code 50053(b)(3) | | H&S Code 50053(b)(4) | | | |
| \$64,900 | \$74 | \$1,478 | 1 | Studio | \$40,450 | \$811 | \$64,700 | \$974 | \$77,900 | \$1,948 | |
| \$74,150 | \$104 | \$1,642 | 2 | One | \$46,200 | \$927 | \$73,950 | \$1,112 | \$89,000 | \$2,225 | |
| \$83,450 | \$134 | \$2,124 | 3 | Two | \$52,000 | \$1,043 | \$83,200 | \$1,252 | \$100,150 | \$2,504 | |
| \$92,700 | \$164 | \$2,987 | 4 | Three | \$57,750 | \$1,159 | \$92,400 | \$1,391 | \$111,250 | \$2,781 | |
| \$100,100 | \$208 | \$3,677 | 5 | Four | \$62,400 | \$1,251 | \$99,800 | \$1,502 | \$120,150 | \$3,004 | |
| \$107,550 | \$238 | N/A | 6 | Five | \$67,000 | \$1,344 | \$107,200 | \$1,613 | \$129,050 | \$3,226 | |

¹Fair Market Rents

*Affordable Housing Cost for Very Low Income Households is the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate to the unit. Health and Safety Code section 50053(b)(2).

**Affordable Housing Cost for Lower Income Households is the product of 30 percent times 60 percent of the area median income adjusted for family size appropriate to the unit. Health and Safety Code section 50053(b)(3).

***Affordable Housing Cost for Moderate Income Households is not more than the product of 30 percent times 110 percent of the area median income adjusted for family size appropriate to the unit. Health and Safety Code section 50053(b)(4).

Utility Allowance reflects use of water service and gas for heating, cooking, and water heating in accordance with County of San Diego Section 8 Rental Assistance Program, effective 12/01/2020.

DOMESTIC VIOLENCE

State law requires that a housing authority annually report data related to domestic violence incidents in units owned or operated by the housing authority. Specifically, the report must include data on the following:

- Data on termination of tenancy and/or Section 8 vouchers' of victims of domestic violence in Housing Authority units.
- Summary of steps taken by the Housing Authority to address any termination of tenancies and/or Section 8 vouchers of victims of domestic violence.

Between July 1, 2020, and the end of the reporting year on June 30, 2021, no properties owned by the Housing Authority reported termination of any tenancies for victims of domestic violence. In addition, the Section 8 Division for the County of San Diego reported no terminations of Section 8 vouchers of victims of domestic violence during the reporting period, as the County does not own or operate any units in the City. In the future, information on any terminations of this kind will be limited to a summary of the number and non-specific information to protect the privacy of the parties involved.

FINANCIAL STATEMENT/BUDGET

Table 3 presents the revenues and expenditures within the Housing Authority's actual budget for FY 2020-21 as well as the estimated proposed budget for FY 2021-22.

| El Cajon Housing Authority | | Table 3 | |
|--|--|----------------------------------|----------------------------|
| Schedule of Revenues and Expenditures and Changes in Fund Balances - Budgetary Basis | | | |
| | | Actual FY 2020-21 (Unaudited) | Proposed Budget FY 2021-22 |
| Beginning Fund Balance | | \$ 3,198,886 | \$ 7,576,602 |
| Revenues/Sources: | | | |
| Investment earnings | | 111,345 | - |
| Sale of Property | | 4,750,000 | - |
| Rental Income | | 5 | 1 |
| Other Revenues | | 1,335 | 420 |
| Loan Repayments & equity share | | 489,431 | 200,00 |
| Transfers in -In-Lieu Funds/ other financing sources | | - | 303,000 |
| Total Revenues | | 5,352,116 | 503,421 |
| Expenditure/Uses: | | | |
| Administration | | 207,014 | 392,871 |
| Material, services, and supplies | | 767,386 | 643,950 |
| Loan Disbursements | | - | 2,200,000 |
| Total Expenditures | | 974,400 | 3,236,821 |
| Excess (deficiency) of revenues over (under) expenditures | | 4,377,716 | (2, 733,400) |
| Ending Fund Balance | | \$ 7,576,602 | \$ 4,843,202 |

Source: City of El Cajon, Revenue & Expenditure Status Reports Fiscal Year 2020-21 & City of El Cajon Adopted Annual Budget Fiscal Year 2021-22

FUTURE HOUSING AUTHORITY ACTIVITIES

Future Housing Authority activities to meet goals and objectives will be directed to undertaking activities that meet HSC and supplementary/leveraged funding regulatory requirements, maximize existing and new financial resources for the continued production of affordable housing for low-income households, generate ongoing revenues through affordable housing production to ensure Housing Authority self-sustainability, improve the quality of affordable housing stock in El Cajon, and eliminate conditions that lead to blight in affordable housing developments in the City.

Specific activities that are anticipated or may be contemplated during FY 2021-22 include:

- **Revenue Generation:** Revenue generation continues to be essential for the Housing Authority from repayment of previous homebuyer and rehab loans, and residual receipts from multi-family projects.
- **250 E. Lexington Avenue (Lexington Square Apartments):** On December 15, 2020, escrow closed for the sale and acquisition of the leasehold interest and new disposition and development agreement for a 100-unit project (formerly Lexington Avenue Senior Apartments). Construction has begun and is underway for the FY 2021-22. The Housing Authority will continue to provide Project Based Rental Assistance ("PBRA") to 40 of the units at or below extremely low income (30% AMI) over a period of 15 years.
- **Community Housing Development Organizations (CHDOs):** On July 26, 2016, the City appropriated and allocated \$1 million of federal HOME funds to SDHFH

(certified CHDO) to acquire available property located at 585 Ballantyne and develop five (5) new units for affordable homebuyer housing. The project was completed and all five units were sold to qualified households in July of 2019. An RFP is anticipated to be issued in the fall of 2021 for potential ownership or rental project(s).

Specific activities related to Homeless Prevention and Rapid Re-housing programs are:

- **El Cajon Homeless Outreach Program:** In FY 2020-21, the Housing Authority entered into an agreement with Home Start, Inc. for the provision of the “El Cajon Homeless Outreach” program. This new rapid re-housing program provides increased outreach and housing location services for the City’s chronically homeless population, including assistance finding permanent housing solutions. These intensive services work closely with the Police Department, providing case management, connection to supportive services, housing search and placement, funds for short-term rental assistance, emergency motel stays, utility deposits, and other appropriate assistance and related services for the City’s homeless population. The program began in September 2020 and through June 30, 2021, has enrolled 469 persons (357 households), and has permanently re-housed 47 persons (24 households). Another 16 households were awaiting housing or were housed in temporary housing while waiting for permanent housing. A total of \$72,081 was expended in FY 20-21. The program will be extended and will continue through FY 21-22.
- **A Way Back Home:** In October 2020, the City partnered with The Salvation Army to fund the “A Way Back Home” program, which provides permanent rapid re-housing solutions by reuniting homeless individuals with their families. Through June 30, 2021, the program has re-housed 8 individuals with family supports. A total of \$2,387 was expended in FY 20-21. The program will be extended and will continue through FY 21-22.

Current revenue and asset limitations will be the greatest challenge for the Housing Authority in its quest for the production of affordable housing units and achievement of self-sustainability. As federal, state and local programs are being eliminated or reduced, there are fewer subsidies and financial resources available to make affordable projects economically feasible. This trend requires the Housing Authority to be strategic and deliberate in the types of projects for which it chooses to participate, or it must seek other viable alternatives to preserve or build housing that is affordable.



City Council Agenda Report

Agenda Item 8.

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Yazmin Arellano, Director of Public of Works
SUBJECT: Public Hearing for the Consideration to Vacate a Walkway Easement on Mona Place

RECOMMENDATION:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing; and
3. Adopts the next Resolution, in order, to approve the vacation of a walkway easement between Mona Place and Benjamin Place, established by Council Resolution No. 7724 and recorded on May 23, 1966, Map No. 5738.

BACKGROUND:

On May 16, 1966, the City Council approved Final Map 5738 for the development of the Baart Village Subdivision located south of Chase Avenue in the southwestern quadrant of the City. This map created a 4-ft wide walkway easement between Mona Place and Benjamin Place to serve as a connection between both cul-de-sac streets.

In August 2019, the City received a request from the adjacent property owners of the parcels upon which the walkway easement is located to vacate the easement due to concerns with liability, trash, safety, and ongoing maintenance. City staff evaluated this request and determined the walkway easement was no longer necessary for its intended purpose, as it only benefitted a handful of residences at the end of both cul-de-sacs.

On June 23, 2020, a public hearing was held in accordance with Public Streets, Highways, and Service Easements Vacation Law, section 8300 et seq. of the Streets and Highways Code of the State of California (Vacation Law). Discussion by City Council and staff concluded the following:

- Maintenance of the walkway easement was performed by both property owners at Mona Place and Benjamin Place;
- Understanding by both property owners of the public's right to access the easement;
- Confirmation that there have been no complaints to the Police Department or requests for service to the Public Works Department;
- City staff to contact all affected property owners to discuss their concerns; and
- Continue the public hearing to August 11, 2020.

On August 11, 2020, the public hearing was continued, and the following is a summary of the discussion:

- Confirmation there were no public utilities that go through the easement;
- Easement is owned by 1194 Mona Place and 1165 Benjamin Place;
- Easement owners are in favor of vacation of the easement;
- Easement was originally established as a benefit to the public;
- Both private property Homeowner's insurance covers liability issues at their expense;
- There are cost considerations that may be borne by both property owners to maintain the easement;
- Concern for liability to the City for injuries caused by trip and fall hazards; and
- Motion was made to postpone the vacation of the walkway easement for a period of one year to allow residents to develop a mutual consensus to maintain the easement.

Since this one-year time period, staff confirmed with the Police Department that there have not been any complaint calls for the walkway easement. Also, there were no requests to the Public Works Department for service.

Due to the concerns presented by the homeowners adjacent to the walkway, it is recommended that the vacation of this easement be approved by the City Council. Upon vacation of this easement, the two affected property owners would regain full control of the boundaries of their private property, and the City would no longer have responsibility for the easement.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

This item is exempt of the California Environmental Quality Act (CEQA).

FISCAL IMPACT:

Minor expenses such as advertising, recording of documents, and staff time are required to facilitate the process.

Prepared By: Mario Sanchez, City Traffic Engineer

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

Attachments

Resolution

Exhibit A legal description

RESOLUTION NO. __-21

RESOLUTION ORDERING
VACATION OF A WALKWAY EASEMENT AT
MONA PLACE AND BENJAMIN PLACE

WHEREAS, by Resolution No. 053-20, adopted on June 9, 2020, the City Council did declare its intention to order the vacation of a pedestrian walkway easement connecting two cul-de-sac streets, Mona Place and Benjamin Place (the "Easement"), pursuant to and under the provisions of the Public Street, Highways, and Service Easements Vacation Law, section 8300 *et seq.* of the Streets and Highways Code of the State of California (the "Vacation Law"); and

WHEREAS, on June 23, 2020 a public hearing was held in accordance with the Vacation Law, and after discussion the City Council continued the hearing to August 11, 2020; and

WHEREAS, at the continued public hearing on August 11, 2020, City Council postponed the proposed vacation for a period of one (1) year to allow residents to develop a mutual consensus to maintain the Easement; and

WHEREAS, staff has confirmed that, since August 11, 2020, neither the Police Department nor the Public Works Department have received any complaint calls or calls for service regarding the Easement; and

WHEREAS, although the Easement was originally intended for the enjoyment of both cul-de-sac streets, and although many of the surrounding residences are in favor of keeping the walkway open, upon vacation of the Easement the affected property owners would regain full control of the boundaries of their private property and the City would no longer have maintenance and control of the Easement, supporting a recommendation from staff that the vacation of the Easement should be approved; and

WHEREAS, after providing the necessary notices and conducting public hearings on June 23, 2020, August 11, 2020, and September 28, 2021, all as required by law, and after receiving all testimony, both oral and written, the City Council believes it to be in the best interests of the City to order the vacation of said Easement; and

WHEREAS, after the duly held public hearings on June 23, 2020, August 11, 2020, and September 28, 2021, the City Council hereby finds that the Easement no longer serves an important public service, and it is no longer necessary to retain the Easement herein described in Exhibit "A."

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. The foregoing recitals are true and correct and are the findings of the City Council.

2. The Easement is not identified in the City's General Plan; therefore the provisions of California Government Code section 65402 do not apply.

3. The City Council does hereby order the vacation of the Easement, which is more fully described in Exhibit "A," attached hereto and made a part hereof by this reference, pursuant to and under the provisions of the Vacation Law.

4. From and after the date this Resolution is recorded, said Easement herein vacated shall no longer constitute an easement.

5. The City Clerk is hereby directed to cause a certified copy of this Resolution to be recorded in the office of the County Recorder of San Diego County, California.

06/09/20 CC Agenda
06/23/20 CC Agenda
08/11/20 CC Agenda
09/28/21 CC Agenda
Reso - Ordering Vacation of Easement at Mona & Benjamin 092121

EXHIBIT "A"
LEGAL DESCRIPTION FOR VACATION OF WALKWAY EASEMENT

Tax Assessor Parcel No. 492-630-08
Address: 1194 Mona Place, El Cajon, CA

Tax Assessor Parcel No. 492-630-05
Address: 1185 Benjamin Place, El Cajon, CA

The City of El Cajon does hereby vacate a 4.00 feet walkway easement by Resolution of Vacation, Resolution No. _____, approved by the El Cajon City Council on _____, 2020.

That portion of Lots 32 & 49 of Baart Village Unit No. 2, in the City of El Cajon, County of San Diego, State of California, according to map thereof No. 5738, filed in the Office of the County Recorder of San Diego County, on May 23, 1966, more particularly described as follows:

The Southerly 4.00 feet of said Lots 32 & 49 of said Baart Village Unit No. 2, Map No. 5738.

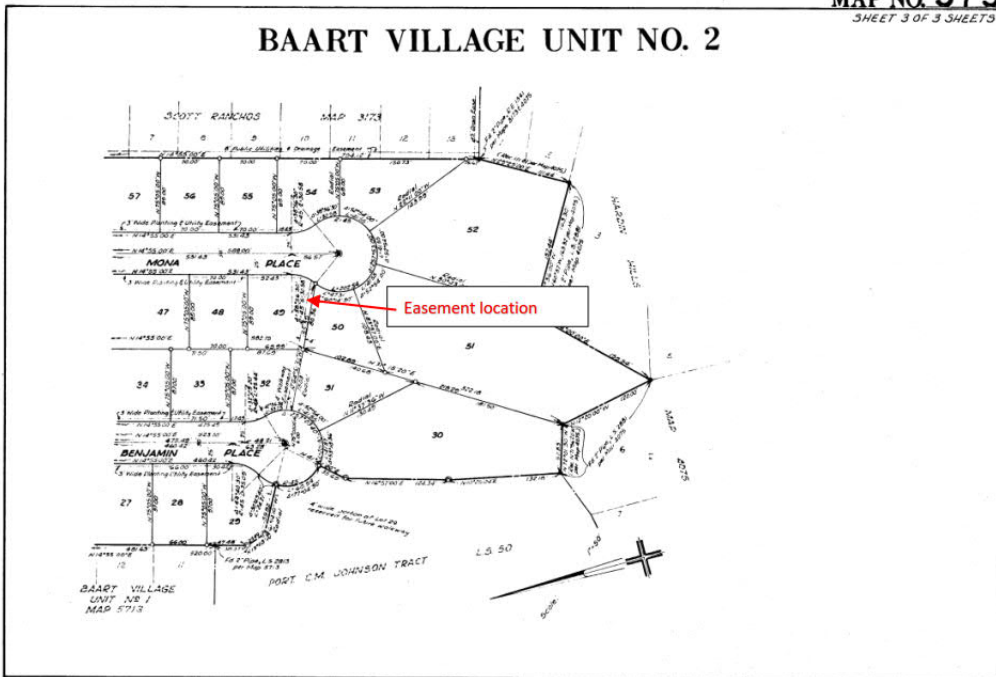
Yazmin Arellano, City Engineer
PLS 8910

EXHIBIT "A"
REQUEST TO VACATE PROPERTY EASEMENT (SIDEWALK) BETWEEN
BENJAMIN PLACE AND MONA PLACE



EXHIBIT "A"
REQUEST TO VACATE EASEMENT – MAP NO. 5738

MAP NO. 5738
SHEET 3 OF 3 SHEETS



MAP NO. 5738

BAART VILLAGE UNIT NO.2

SHEET 1 OF 3 SHEETS

TOWNSHIP OF AN INTEREST IN SAN LAND

We certify that we are the owners of the land described in this map and we consent to the preparation and publication of this map. The interest in the subject land herein is owned by DAN CONSTRUCTION CO. OF SAN DIEGO, a California Corporation.

DAN CONSTRUCTION CO. OF SAN DIEGO, a California Corporation

STEWART TITLE COMPANY OF SOUTHERN CALIFORNIA, a California Corporation as Trustee

BEING A SUBDIVISION OF

This portion of Tract "B" of the RANCHO EL CAJON, designated as C. M. Johnson Tract on Licensed Surveyor's Map No. 25, filed in the office of the County Recorder of San Diego County, February 25, 1894, being in the County of San Diego, State of California, as delineated on sheets 1 & 2 of this map.

CERTIFICATE OF REGISTERED ENGINEER ON SURVEY

CERTIFICATE OF CITY ENGINEER

CERTIFICATE OF CITY AUDITOR AND CITY TREASURER

COUNTY CLERK'S CERTIFICATE OF DEPOSIT

CERTIFICATE OF SUITABILITY OF PURPOSE

APPROVAL OF BOARD OF SUPERVISORS

APPROVAL OF MAP BY CITY COUNCIL

COUNTY RECORDER'S FILING CERTIFICATE

EXHIBIT A
LEGAL DESCRIPTION FOR VACATION OF WALKWAY EASEMENT

Tax Assessor Parcel No. 492-26-008
Address: 1194 Mona Place, El Cajon, CA 92020

Tax Assessor Parcel No. 492-63-005
Address: 1185 Benjamin Place, El Cajon, CA 92020

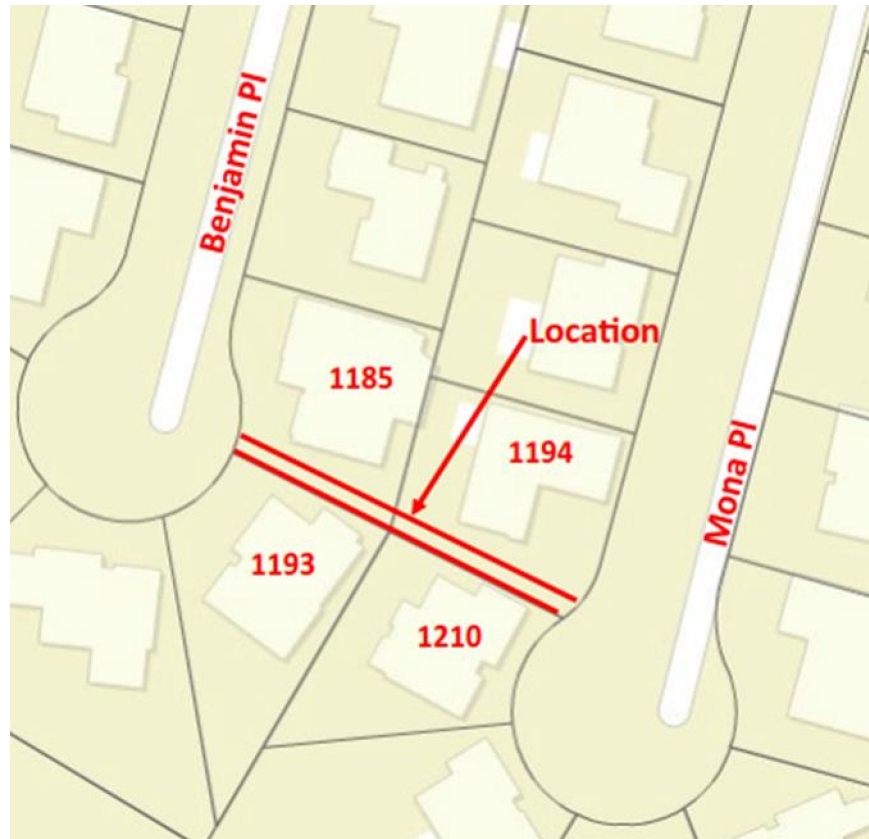
The City of El Cajon does hereby vacate a 4.00 feet walkway easement by Resolution of Vacation, Resolution No._____, approved by the El Cajon City Council on _____, 2021.

That portion of Lots 32 & 49 of Baart Village Unit No. 2, in the City of El Cajon, County of San Diego, State of California, according to map thereof No. 5738, filed in the Office of the County Recorder of San Diego County, on May 23, 1966, more particularly described as follows:

The Southerly 4.00 feet of said Lots 32 & 49 of said Baart Village Unit No. 2, Map No. 5738.

Ms. Yazmin Arellano, Director of Public Works
PLS 8910

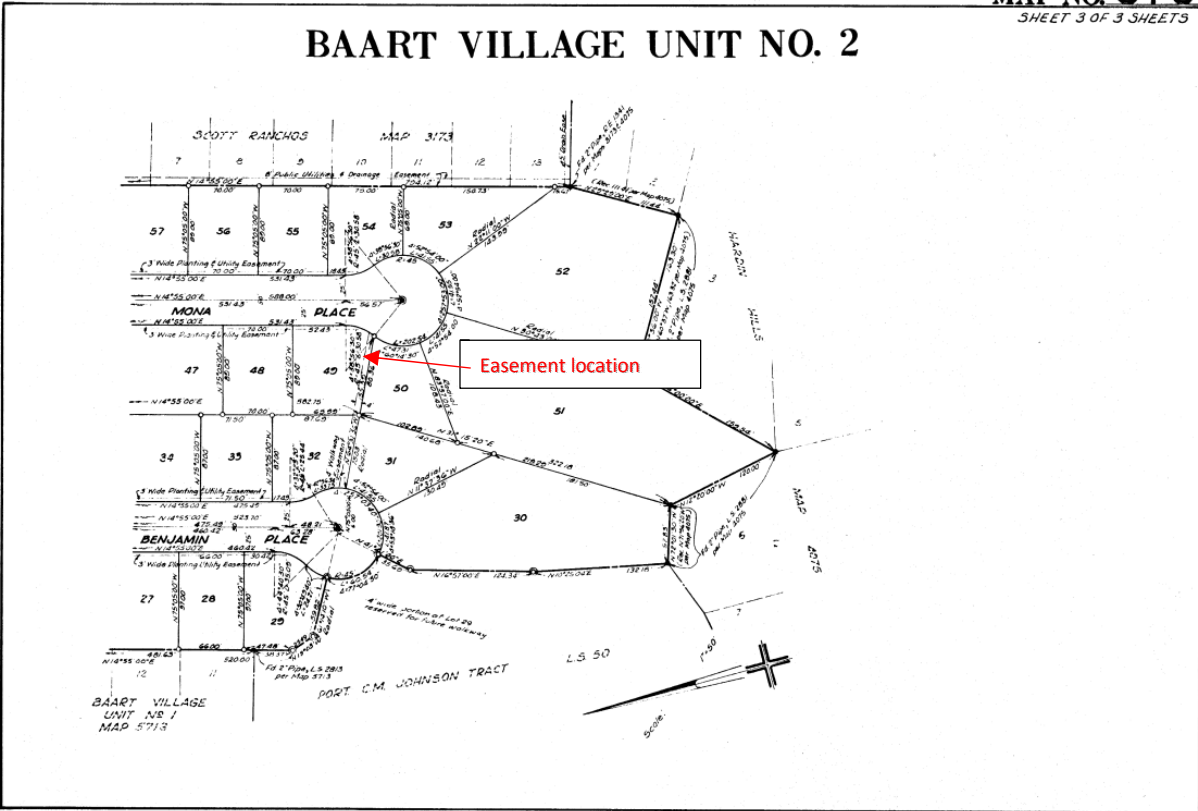
EXHIBIT A
REQUEST TO VACATE PROPERTY EASEMENT (SIDEWALK) BETWEEN
BENJAMIN PLACE AND MONA PLACE



**EXHIBIT A
REQUEST TO VACATE EASEMENT MAP NO. 5738**

MAP NO. 5738
SHEET 3 OF 3 SHEETS

BAART VILLAGE UNIT NO. 2



MAP NO. 5738
SHEET 1 OF 3 SHEETS

BAART VILLAGE UNIT NO.2

OWNER OF AN INTEREST IN SAID LAND

We certify that we are the owners of or are interested in the land subdivided by this map and we consent to the preparation and recording of this map. We declare to the public Benjamin Place, Moava Place and the portion of Choke Avenue shown, named, and named easements and the portion of 29 designated portion of lot 29 reserved for future roadway, as shown on said map.

DANE CONSTRUCTION CO. OF SAN DIEGO, a California Corporation
 Vice President: *[Signature]* Secretary: *[Signature]*

STEWART TITLE COMPANY OF SOUTHERN CALIFORNIA, a California Corporation as Trustee
 Trustee: *[Signature]* Secretary: *[Signature]*

BECING A SUBDIVISION OF

That portion of Tract "E" of the RANCHO EL CAJON, designated as C.M. Johnson Tract on Licensed Surveyor's Map No. 50, filed in the office of the County Recorder of San Diego County, California, February 20, 1954, being in the County of San Diego, State of California, as delineated on sheets 2 & 3 of this map.

ACKNOWLEDGMENT

STATE OF CALIFORNIA
 County of San Diego

On this 19th day of May, 1966, before me Arthur Grant, a Notary Public in and for said County and State, personally appeared **Robert L. Bell**, known to me to be the **President** and **SALES MANAGER**, known to me to be the **Secretary** of the Corporation that executed the above certificate, and known to me to be the person who executed the above certificate on behalf of the Corporation herein named, and acknowledged to me that such corporation executed said certificate pursuant to its by-laws or a resolution of the Board of Directors.

In WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in said County and State, on this date.

My commission expires **June 15, 1968**

ACKNOWLEDGMENT

STATE OF CALIFORNIA
 County of San Diego

On this 19th day of May, 1966, before me **THE UNDERSIGNER**, a Notary Public in and for said County and State, personally appeared **Arthur Grant**, known to me to be the **President** and **SALES MANAGER**, known to me to be the **Secretary** of the Corporation that executed the above certificate, and known to me to be the person who executed the above certificate on behalf of the Corporation herein named, and acknowledged to me that such corporation executed said certificate pursuant to its by-laws or a resolution of the Board of Directors.

In WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in said County and State, on this date.

My commission expires **June 15, 1968**

STEWART TITLE COMPANY OF SOUTHERN CALIFORNIA
 By *[Signature]*
 Notary Public

STEWART TITLE COMPANY OF SOUTHERN CALIFORNIA
 By *[Signature]*
 Notary Public

CERTIFICATE OF COUNTY RECORDER, COUNTY SHERIFF, AND CLERK OF SUPERIOR COURT

ALL duly qualified County Officers of the County of San Diego, certify that this map and the easements or bonds which may be used in part, shown by lines of color, against the Tract or Subdivision in any part thereof shown on attached map and deed has in this position been filed in the office of the County Recorder, County Sheriff, and Clerk of Superior Court, in the County of San Diego, State of California, on this 19th day of May, 1966.

CERTIFICATE OF REGISTERED ENGINEER OR SURVEYOR

I, **WILLIAM H. BARNES**, a Registered Civil Engineer, certify that the Subdivision as shown by lines of color on the map, and the easements or bonds which may be used in part, shown by lines of color, against the Tract or Subdivision in any part thereof, are in compliance with the requirements of the laws of the State of California, and that I am satisfied that the map is correct.

CERTIFICATE OF CITY ENGINEER

I, **WILLIAM H. BARNES**, a Registered Civil Engineer, certify that I have examined this map, that the Subdivision is substantially the same as it appeared on the tentative map and any approved alterations thereof, that all the provisions of the Subdivision Map Act and City Ordinance No. 416, as amended, have been complied with, and that I am satisfied that the map is correct.

CERTIFICATE OF CITY AUDITOR AND CITY TREASURER

I, **WILLIAM H. BARNES**, City Auditor and City Treasurer of the City of El Cajon, certify that there are no unpaid taxes listed under any improvement act or improvement bond act of the State of California, shown by the books of this office which have not yet become against the Tract or Subdivision in any part thereof, and the names of persons in possession of said map and the names of persons who have not yet become against the Tract or Subdivision in any part thereof.

COUNTY CLERK'S CERTIFICATE OF DEPOSIT

I, **WILLIAM H. BARNES**, Clerk of the Board of Superior Courts, certify that the original of the map, and the easements or bonds which may be used in part, shown by lines of color, against the Tract or Subdivision in any part thereof, are in compliance with the requirements of the laws of the State of California, and that I am satisfied that the map is correct.

CERTIFICATE OF SUITABILITY OF PURPOSE

We, the undersigned, certify that we have carefully examined each of the lots of the above map, and we find said Subdivision to be suitable for the purposes designated.

PLANNING COMMISSION APPROVAL

Approved after examination of the Subdivision and map thereof by the Planning Commission of the City of El Cajon, California, on this 19th day of May, 1966.

APPROVAL OF MAP BY CITY COUNCIL

I, **WILLIAM H. BARNES**, City Clerk of the City of El Cajon, certify that the City Council of the City of El Cajon has approved this map, has accepted on behalf of the public, Benjamin Place, Moava Place, and the portion of Choke Avenue shown, named, and named easements in accordance with the laws of the State of California, and that I am satisfied that the map is correct.

COUNTY RECORDER'S FILING CERTIFICATE

I, **WILLIAM H. BARNES**, Recorder of the County of San Diego, certify that I have received for registration the map filed in the office of **WILLIAM H. BARNES**, County Recorder, on this 19th day of May, 1966, at 10:00 o'clock P.M. Fee: \$7.00

WEC 2065-2



City Council Agenda Report

Agenda Item 9.

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Frank Carson, Director of Parks & Recreation
SUBJECT: Youth League Utility Support Fiscal Year 2021/2022

RECOMMENDATION:

That the City Council approves the Recreation Council recommendation to provide utility support, in the amount of \$2,100 per league, to eight Executive Member youth leagues.

BACKGROUND:

As per City Council Policy E-8, Youth Sport League Utility Support Program, youth leagues will receive financial support for their utility use in accordance with the established eligibility requirements.

- The league must be a non-profit organization and play on a field located within the City limits of El Cajon.
- The league must work in close cooperation with the El Cajon Recreation Council and be represented at 75% of the monthly Recreation Council meetings.
- Leagues must have an Executive Member status per the Recreation Council By-Laws.

At the Recreation Council meeting on July 15, 2021, the Recreation Council unanimously approved the following leagues for utility support for Fiscal Year 2021/2022:

| | |
|---------------------------------|------------------------------------|
| East County ASA | American Youth Soccer Organization |
| Emerald Pony League | El Cajon Western Little League |
| Singing Hills Little League | El Cajon Youth Football |
| El Cajon National Little League | Fletcher Hills Little League |

FISCAL IMPACT:

Funds to cover utility use by youth leagues are included in the Recreation Department budget for Fiscal Year 2021/2022.

Prepared By: Julie Alon
Reviewed By: Frank Carson, Director of Parks & Recreation
Approved By: Graham Mitchell, City Manager



City Council
Agenda Report

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Yazmin Arellano, Director of Public of Works
SUBJECT: Public Safety Center Project Update - Solar PV and Battery Storage

RECOMMENDATION:

That the City Council receives the report from staff about the City's Solar Photovoltaic and Battery Storage Project as planned for the Public Safety Center.

BACKGROUND:

In 2019, the City Council approved a renewable energy project for public safety facilities, specifically solar photovoltaic panels ("Solar PV") and battery energy storage systems ("BESS"). Project improvements are focused around the Public Safety Center (PSC), located adjacent to City Hall, and intend to deploy around 500kW of Solar PV and 1MWh of BESS. For scale, approximately 1,000 Solar PV panels will be installed around the subject facility in both carport and rooftop applications; the stored battery energy is equivalent to providing ample power for approximately 250 residential homes for four (4) hours.

Planned renewable energy improvements from the project will offset power usage at the PSC facility by nearly forty percent (40%), which results in an expected annual return of \$250,000. Estimating a simple rate of return yields a return on investment equal to 7.7%. Moreover, if future energy efficiency enhancements are implemented at the subject building or energy costs increase at a higher rate than expected, this may result in further energy offsets and financial gains for the system.

In combination with the financing approved for the project, the City has reserved a rebate through the Self-Generation Incentive Program (SGIP) to offset the cost of the battery storage or BESS components. The rebate is estimated at \$264,075, amounting to approximately 35% of the equipment costs. Funds returned through the program are in addition to the budgeted amount and may be used to provide additional energy efficiency improvements onsite or at alternate public safety facilities.

Lastly, the purchase of BESS for the project has already been completed, and delivery of the systems is expected to occur in early December. The Solar PV component of the overall project will be bid formally through a competitive process, which is likely to occur in late October.

Prepared By: Jeffrey Manchester, Deputy Director of Public Works / City Engineer

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager



City Council
Agenda Report

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Frank Carson, Director of Parks & Recreation
SUBJECT: Harry Griffen Park Joint Powers Authority

RECOMMENDATION:

That the City Council receives the report and provides feedback and direction regarding Harry Griffen Park Joint Powers Authority.

BACKGROUND:

The City of El Cajon belongs to the Harry Griffen Park Joint Powers Authority, along with the City of La Mesa, Helix Water District, the County of San Diego, and the Grossmont Union High School District. Among other things, the JPA agreement specifies the percentage of funding each agency provides for the maintenance of Harry Griffen Park. The park land is fully within the City of La Mesa and the property is owned by Helix Water District.

At its August 31, 2021 JPA Board meeting, the board of directors discussed the current cost sharing formula. Board member Scalzitti (from the Helix Water District) proposed El Cajon contributes 35% of the funding, instead of its current 15% funding contribution. The JPA Board requested that the El Cajon City Council consider this amended contribution. The agenda report provides background information about the Harry Griffen Park JPA, suggests several options the City Council may wish to consider, and makes a recommendation for City Council consideration.

Helix Water District first approached the City of El Cajon July 19, 1974 in a letter seeking support for the Grossmont Reservoir Property. At that time, staff's assessment was the park would provide limited park access to the El Cajon community as it was perceived to be, "over the hill toward San Diego and La Mesa," providing recreational opportunities to limited amounts of El Cajon residents. The first JPA was formed in 1979 where it was decided the City of La Mesa would provide 100% support of all maintenance to the park site.

The second amendment to the JPA was in 1981 and funding contributions shifted to:

- 35% City of La Mesa
- 35% City of El Cajon
- 20% County of San Diego
- 10% Helix Water District

Subsequent amendments had the City of El Cajon contributing 40% and 30% for different years. The original understanding among the five members was that since Helix Water District originally developed all of the land with proposition funding, they would not have to provide such a high financial contribution in the beginning phases of the JPA. It should be noted that from 1996 to 2004, the City of El Cajon did not make any payments as a funding contributor and La Mesa paid El Cajon's share during that time period.

El Cajon again agreed to contribute financially when the eighth amendment to the JPA was adopted in 2004 at the current contribution levels:

- 40% City of La Mesa
- 35% Helix Water District
- 15% City of El Cajon
- 10% County of San Diego

Since the May 2, 2017 Harry Griffen Park JPA Board Meeting, this item has been proposed by the member of the Helix Water District to the JPA for funding contribution changes and at each subsequent JPA Board Meeting. After the 2018 JPA Meeting, City of La Mesa staff disseminated permit data from the previous year (permits issued for park rentals and picnic and gazebo rentals). Approximately 15% of those permits were issued to El Cajon residents.

Staff also notes that during its creation of the *El Cajon 2030: Connecting People with Parks* Plan, from January 2019 to April 2019, there were 18 community meetings hosted throughout the City with over 800 surveys completed in five languages. Not one survey identified Harry Griffen Park as a park frequented.

Staff suggests that there are three options for the City Council to consider:

1. Maintain the funding contribution support of 15%,
2. Increase the City's contribution incrementally over time, or
3. Direct staff to explore withdrawing from the JPA.

Staff recommends that the City Council consider maintaining the current funding level of 15% and directing Councilmember Metschel (the City's JPA Board member) to make a motion at the next JPA Board meeting that if a JPA member wishes to modify the contribution levels, that the JPA board member have approval from their respective board prior to making the motion.

FISCAL IMPACT:

\$81,000 is currently funded in account #101000-8530 in FY 21-22 budget for Harry Griffen Park Joint Powers Authority.

Prepared By: Frank Carson, Director of Parks & Recreation

Reviewed By: Vince DiMaggio, Assistant City Manager

Approved By: Graham Mitchell, City Manager



City Council
Agenda Report

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Graham Mitchell, City Manager
SUBJECT: Update on Expenditures Related to the American Rescue Plan Act

RECOMMENDATION:

That the City Council receives the report and provides feedback.

BACKGROUND:

The City Council received the last American Rescue Plan Act (ARPA) update on August 10, 2021. This agenda item provides the latest update on ARPA spending and progress toward projects identified by the City Council on June 22, 2021.

The following table identifies the appropriated projects, the amount of funding allocated for each project, and the amount of funds expended or encumbered (items that are italicized are completed):

| PROJECTS | APPROPRIATED | EXPENDED/ ENCUMBERED* |
|--|------------------|--------------------------|
| Assistance to Households & Businesses | | |
| Street Beautification/Safety Projects | \$5,000,000 | |
| Small Business Grant Program | \$5,000,000 | \$2,655,256 |
| Cool Zones/Evacuation Site Upgrades at Recreation Centers | \$3,000,000 | |
| Public Improvements (Economic Development) | \$3,000,000 | |
| Park Amenities | \$2,925,000 | |
| "Dollar Days" Recreation Program | \$700,000 | \$232,455 |
| Social Worker Response Team Pilot Program | \$500,000 | |
| Business License Assistance Program | \$225,000 | \$225,000 |
| Economic Development Studies/Efforts | \$200,000 | \$73,650 |
| El Cajon Foodie Fest | \$150,000 | \$65,000 |
| COVID-19 Response & Mitigation | | |
| Reimbursement for Mitigation Efforts | \$1,000,000 | |
| <i>Reduce Vaccine Barriers</i> | <i>\$100,000</i> | <i>\$7,700</i> |
| Replace Revenue & Reinvest in City Infrastructure | | |
| Solar/Battery Project | \$5,000,000 | |

| | | |
|---|---------------------|--------------------|
| City Network/Cybersecurity/Video Equipment Upgrades | \$1,300,000 | \$17,000 |
| Infrastructure | | |
| Expand Broadband/Fiber Network | \$2,300,000 | |
| TOTAL | \$30,400,000 | \$3,276,061 |

*as of September 22, 2021

Staff will provide an update on many of the projects during today's presentation.

Prepared By: Graham Mitchell, City Manager

Reviewed By: N/A

Approved By: N/A



**City Council
Agenda Report**

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Mayor Wells
SUBJECT: Council Activity Report

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- September 16, 2021 – KUSI Interview
- September 17, 2021 – Coin Toss Grossmont High School Homecoming
- September 19, 2021 – Chaldean Festival
- September 19, 2021 – KPRZ Radio Interview
- September 22-24, 2021 – League of California Cities Annual Conference
- September 28, 2021 - Attending City Council Meeting(s)

I am available to answer questions.

Submitted By: Bill Wells, Mayor



City Council
Agenda Report

Agenda Item 14.

DATE: September 28, 2021

TO: Honorable Mayor and City Councilmembers

FROM: Councilmember Goble

SUBJECT: COUNCILMEMBER STEVE GOBLE

MTS (Metropolitan Transit System Board); East County Advanced Water Purification Joint Powers Authority Board; Chamber of Commerce – Government Affairs Committee; SANDAG – Board of Directors – Alternate; SANDAG Public Safety Committee – Alternate; METRO Commission/Wastewater JPA – Alternate.

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

September 9, 2021 - Emails with City Atty re: Chamber representation
September 9, 2021 - Emails with CalTrans re: cleanup on Magnolia onramp
September 9, 2021 - Phone Call with MTS CEO re: bus stops
September 9, 2021 - Phone Call/ Emails with Jeremy D re: County ordinance
September 10, 2021 - Email to City Mgr re: Monoclonal Antibodies site
September 10, 2021 - Emails w/Zeb at The Rock re: Afghan refugee assistance
September 12, 2021 - Email with Sherry re: Octoberfest participation
September 14, 2021 - Tour of East County AWP w/Congresswoman Jacobs
September 14, 2021 - Meeting with Allen C @ AWP re: board meeting
September 14, 2021 - Emails with Pat H re: opposing COVID lockdowns
September 14, 2021 - Emails with Dennis M re: opposing COVID lockdowns
September 15, 2021 - Lunch w/Humbert C re: happenings in City
September 16, 2021 - Email to City Mgr introducing developer interested in City
September 16, 2021 - Emails with Judith S re: opposing Vehicle Miles Traveled tax
September 16, 2021 - Emails with Supervisor Lawson-Remer's office re: County ordinance
September 16, 2021 - Emails with James Sly @ East County EDC re: County ordinance

September 16, 2021 - Attend East County AWP meeting
September 17, 2021 - Attend Police Officer Assn's benefit event
September 17, 2021 - Attend SANDAG Public Safety Committee Meeting
September 18, 2021 - Attend Chamber's Taste of East County event
September 19, 2021 - Attend Chaldean Festival
September 20, 2021 - Interview with Union-Tribune, East County Californian
September 21, 2021 - Lunch with Vince Ortiz re: Chamber follow-up
September 22, 2021 - Attend Sharp Healthcare COVID Forum
September 24, 2021 - Attend SANDAG Board of Directors meeting
September 24, 2021 - Attend German American Club Oktoberfest Opening
September 25, 2021 - Attend and Speak at Meridian Church Tiny Cabin Event
September 27, 2021 - Meeting with City Manager
September 28, 2021 - Attend City Council Meeting(s)

I am available to answer questions.

Submitted By: Steve Goble, Councilmember



City Council
Agenda Report

Agenda Item 15.

DATE: September 28, 2021
TO: Honorable Mayor and City Councilmembers
FROM: Mayor Pro Tem Kendrick
SUBJECT: MAYOR PRO TEM GARY KENDRICK
METRO Commission/Wastewater JPA; Heartland Communications;
Heartland Fire Training JPA.

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

September 8, 2021 – Redistricting Workshop
September 9, 2021 – Heartland Fire Training Meeting
September 28, 2021 - Attending City Council Meeting(s)

I am available to answer questions.

Submitted By: Gary Kendrick, Mayor Pro Tem



City Council
Agenda Report

DATE: September 28, 2021

TO: Honorable Mayor and City Councilmembers

FROM: Councilmember Metschel

SUBJECT: COUNCILMEMBER MICHELLE METSCHEL

Harry Griffen Park Joint Steering Committee; Heartland Communications – Alternate; Heartland Fire Training JPA – Alternate.

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

September 18, 2021 - Movie with the children at ECTLC

September 25, 2021 - Attended Emergency Sleeping Cabins opening at Meridian Baptist Church

September 28, 2021 - Attend City Council Meeting(s)

I am available to answer questions.

Submitted By: Michelle Metschel, Councilmember



City Council
Agenda Report

Agenda Item 17.

DATE: September 28, 2021

TO: Honorable Mayor and City Councilmembers

FROM: Councilmember Ortiz

SUBJECT: COUNCILMEMBER PHIL ORTIZ

League of California Cities, San Diego Division; East County Economic Development Council; MTS (Metropolitan Transit System Board) – Alternate; East County Advanced Water Purification Joint Powers Authority Board – Alternate; Chamber of Commerce – Government Affairs Committee – Alternate.

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

September 15, 2021 - East County Economic Development Council Meeting

September 16, 2021 - MTS Board Meeting

September 16, 2021 - Meeting with Black Contractors Association

September 18, 2021 - Lincoln Reagan Dinner, Republican Party

September 19, 2021 - Chaldean American Festival

September 21-24, 2021 - League of CA Cities Annual Conference, Sacramento

September 25, 2021 - East County Magazine Awards Dinner

September 26, 2021 - PublicSq Launch Event

September 28, 2021 - East County Chamber of Commerce Government Affairs Committee

September 28, 2021 - City Council Meeting(s)

I am available to answer questions.

Submitted By: Phil Ortiz, Councilmember



City Council
Agenda Report

DATE: September 28, 2021
TO: City Clerk
FROM: City Attorney/General Legal Counsel
SUBJECT: Closed Session - Conference with Legal Counsel - Anticipated Litigation -
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of
Government Code section 54956.9: One potential case

RECOMMENDATION:

That the following Closed Session be scheduled for the Joint City Council / Housing Authority / Successor Agency to the El Cajon Redevelopment Agency meeting on Tuesday, September 28, 2021, at 3:00 p.m.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION - Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9:

Number of potential cases: 1

MORGAN L. FOLEY
City Attorney / General Legal Counsel

MLF:hms
