



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

Council Chamber  
200 Civic Center Way  
El Cajon, CA 92020

## Agenda DECEMBER 14, 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 November 9, 2021, Meetings and the Agenda of the December 14, 2021, Meeting in accordance to State Law and Council/Authority/Successor Agency to the Redevelopment Agency Policy.

**PRESENTATIONS:**

- **Presentation: American Camping Association Accreditation**
- **Commendation: Michael Black**

**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 November 4, 2021, and of the November 9, 2021, and November 16, 2021 Meetings 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. Fiscal Year 2020-21 El Cajon Housing Authority Annual Report (pursuant to California Health & Safety Code §34176.1)

RECOMMENDATION:

That the El Cajon Housing Authority reviews and accepts the Annual Report, substantially in the form as presented, for fiscal year ending June 30, 2021.

5. Minimum Wage Update to City Council Policy A-29

RECOMMENDATION:

That the City Council approves and authorizes the minimum wage updates in City Council A-29 Policy for the impacted non-represented part-time/seasonal/temporary classifications.

6. Term Expirations on City Commissions

RECOMMENDATION:

That the City Council approves the timeline for accepting applications and scheduling of interviews for candidates to serve on the City's Personnel Commission and Planning Commission.

Application Period: December 15, 2021 - January 18, 2022, at 5:00 p.m.

Interview and Appointment of Applicants: February 8, 2022, at 7:00 p.m.

7. July – September 2021 Quarterly Treasurer's Report

RECOMMENDATION:

That the City Council receives the Treasurer's Report for the quarter ending September 30, 2021.

8. 2021 Annual Pension Status Report

RECOMMENDATION:

That the City Council:

1. Receives the Annual Pension Status Report; and
2. Authorizes the deposit of the remaining General Fund Reserve for Unfunded Retirement Obligations balance (\$6.0 million) to Public Agency Retirement Services (PARS) Section 115 Trust.

9. Contract Amendment for Economic Development Strategy Services

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, to increase the Agreement for Professional Services with The Natelson Dale Group, Inc., for analysis of economic impacts of proposed San Diego County "Working Families" ordinance services in the not-to-exceed amount of \$35,000.

10. Agreement for Edible Food Recovery Program Services with Solana Center for Environmental Innovation

RECOMMENDATION:

That the City Council:

1. Authorizes the City Manager, or designee, to enter into an agreement with Solana Center for Environmental Innovation to meet the requirements of the state-mandated Edible Food Recovery Program (SB 1383) in a not-to-exceed amount of \$30,000 for a one-year term, with an option to renew up to four (4) additional one-year terms.
2. Increase appropriations, from General Fund reserves, in the Fiscal Year 2021-22 Public Works Administration (150000) Annual Budget by \$30,000.

**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:**

11. Zoning Code Update - Phase I

RECOMMENDATION:

That the City Council:

1. Opens the public hearing and receives testimony;
2. Closes the public hearing;
3. Moves to INTRODUCE the next ORDINANCE, in order, APPROVING Zoning Code Amendment No. 2021-0002; and
4. Requests that the City Clerk read the ORDINANCE by title only.

12. Third Amendment to FY 2020-21 One-Year Action Plan to Allocate Available CDBG Funds; and Fourth Amendment to FY 2019-20 One-Year Action Plan to Re-Allocate Available CDBG-CV (CDBG CARES Act) Funds

RECOMMENDATION:

Staff recommends that the City Council:

1. Opens the public hearing and accepts public testimony for the Third Amendment to FY 2020-21 One-Year Action Plan and Fourth Amendment to FY 2019-20 One-Year Action Plan;
2. Closes the public hearing;
3. Adopts the next Resolution, in order, amending the FY 2020-21 One-Year Action Plan to:
  - a. Allocate and appropriate \$510,000 in available CDBG funds from the unallocated fund balance to the ADA Concrete Improvements project; and
  - b. Make the necessary changes to the One-Year Action Plan, and submit all required documentation to the U.S. Department of Housing and Urban Development;
4. Adopts the next Resolution, in order, amending the FY 2019-20 One-Year Action Plan to:
  - a. Re-allocate \$240,691 in available CDBG-CV funds from completed projects to the Touchless Traffic Signal Pedestrian Push Button Installations project to address the long-term effects of the coronavirus pandemic; and
  - b. Make the necessary changes to the One-Year Action Plan, and submit all required documentation to the U.S. Department of Housing and Urban Development.

## **ADMINISTRATIVE REPORTS:**

13. Selection of Deputy Mayor

**RECOMMENDATION:**

That the City Council selects a Deputy Mayor according to the El Cajon Municipal Code.

14. City Council Action Plan Update

**RECOMMENDATION:**

That the City Council receives the report and provides feedback.

15. Temporary Overstaffing Police Officer Positions

**RECOMMENDATION:**

That the City Council authorizes temporarily overstaffing ten Police Officer positions in FY 2021-22.

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

**RECOMMENDATION:**

That the City Council receives the report and provides feedback.

17. Microenterprise Home Kitchen Operations - MEHKO

**RECOMMENDATION:**

That the City Council accepts the report and directs staff to send a letter to the County Board of Supervisors supporting or opposing the Microenterprise Home Kitchen Operations Authorization Ordinance.

18. Downtown El Cajon Business Partners' Annual Report

**RECOMMENDATION:**

That the City Council receives the annual 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.

19. Council Activity Report

20. City Council Assignments

RECOMMENDATION:

That the City Council approves City Council assignments (as identified in the report) to various boards and commissions representing El Cajon.

**ACTIVITIES REPORTS/COMMENTS OF COUNCILMEMBERS:**

21. **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.

22. **MAYOR PRO TEM GARY KENDRICK**

METRO Commission/Wastewater JPA; Heartland Communications; Heartland Fire Training JPA.

23. **COUNCILMEMBER MICHELLE METSCHEL**

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

24. **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:**

25. Safe Parking Program

RECOMMENDATION:

That the City Council directs staff to report back in 90 days with feedback on sites and partners that can provide a safe parking program in the City.

26. Consider Resolution Opposing the Proposed SANDAG Vehicle Miles Traveled (VMT) Tax

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, opposing the Vehicle Miles Traveled (VMT) tax.

**GENERAL INFORMATION ITEMS FOR DISCUSSION:**

**ORDINANCES: FIRST READING**

27. Amendment to Chapter 8.24 Garbage, Rubbish and Refuse Ordinance

**RECOMMENDATION:**

That the City Council considers the attached ordinance amending Chapter 8.24 (Garbage, Rubbish and Refuse) to comply with SB1383 as regulated by CalRecycle and, if approved, takes the following actions:

1. By Motion and Second, introduce the ordinance; and
2. Direct the City Clerk to read the title of the ordinance.

**ORDINANCES: SECOND READING AND ADOPTION**

**CLOSED SESSIONS:**

**ADJOURNMENT:** The Regular Joint Meeting of the El Cajon City Council/ El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 14th day of December 2021, is adjourned to Tuesday, January 11, 2022, at 3:00 p.m.



City Council  
Agenda Report

Agenda Item 1.

**DATE:** December 14, 2021

**TO:** Honorable Mayor and City Councilmembers

**FROM:**

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

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**RECOMMENDATION:**

That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency approves Minutes of the Re-districting Public Hearing of November 4, 2021, and of the November 9, 2021, and November 16, 2021 Meetings of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

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Attachments

11-04-21 Redistricting Draft Minutes

11-09-21 DRAFT Joint Special Meeting - 2:45PM

11-09-21 DRAFT minutes - 3PM

11-16-21 DRAFT Joint Special Meeting - 3PM



# CITY OF EL CAJON REDISTRICTING MEETING



## MINUTES

### EL CAJON, CALIFORNIA

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#### November 4, 2021

The Redistricting Meeting of the City of El Cajon, held Thursday, November 4, 2021, was called to order by Mayor Wells at 7:02 p.m., in the Kennedy Recreation Center, 1675 East Madison Avenue, El Cajon, California.

#### ROLL CALL

Councilmembers present:

Mayor Pro Tem present:

Mayor absent:

Other Officers present:

Goble, Metschel and Ortiz

Kendrick

Wells

Mitchell, City Manager

Foley, City Attorney/General Counsel

Cortez, City Clerk

#### PUBLIC HEARING:

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

RECOMMENDATION: That the City Council:

1. Receives a report from staff about the redistricting process;
2. Receives an overview about federal, state and local redistricting criteria;
3. Receives an overview of El Cajon's U.S. Census Data;
4. Opens the Public Hearing and receives testimony; and
5. Closes the Public Hearing.

#### DISCUSSION

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

Also, in attendance were two translators: Fraidoun Hashemi, who provided Pashtoo and Farsi translations, and Mohammad Sarferaz, who provided Dari translation services.

## **PUBLIC HEARING: (Continued)**

Mr. Richards provided detailed information of the redistricting process, and stated the public may submit maps for consideration until February 14, 2022 at noon.

Mayor Wells opened the Public Hearing.

Ramah Awad expressed disappointment with the Council's decision to not continue to work with the demographer to provide detailed information on maps submitted.

Mayor Wells requested that the Redistrict issue be agendaized on the next City Council meeting.

City Manager Mitchell clarified that the agenda for the November 9, 2021 had been posted, but would come up with a different solution to accommodate the request.

The following people expressed gratitude for the recommendation by the Mayor, and spoke in support of a map submitted by the Majdal Center:

1. Jeanine Erikat
2. Yasmeen Obeid
3. Ahman Hussain
4. Jalal Shakir Alhasan
5. Taima Alhabban
6. Ailaa Al-Tabutabare
7. Asma Khair Allah
8. Abeer Alkasab
9. Farida Erikat
10. Nadine Hassoun
11. Lana Alany
12. Selma Hassane
13. Mohamed Erekat
14. Alena Rafo
15. Asia Areigat
16. Hadeel Kareem
17. Mumtar Mommand
18. Mohammad Anmadi
19. Alikhan Zarfazai

The following requested housing assistance for new refugees:

1. Jalal Shakir Alhasan
2. Ehsanullah

City Manager Mitchell stated he would reach out to the Afghan Culture Community Center and the City Task Force to request assistance for those asking for housing information.

**Adjournment: Mayor Wells adjourned the Redistricting Meeting of the City of EI at 8:32 p.m.**

ANGELA L. CORTEZ, CMC  
City Clerk

D R A F T

# JOINT SPECIAL 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

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**November 9, 2021**

A Joint Special Meeting of the El Cajon City Council/Housing Authority/ Successor Agency to the El Cajon Redevelopment Agency, held Tuesday, November 9, 2021, was called to order by Mayor/Chair Bill Wells at 2:51p.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 present: 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).

## ADMINISTRATIVE REPORTS:

### 1. City of El Cajon Redistricting Process

#### RECOMMENDATION:

That the City Council approves reconsideration of its prior decision and considers employing additional demographer services of National Demographic Corporation (NDC).

#### DISCUSSION

City Manager Mitchell provided detailed information of the Item.

Jeanine Erikat spoke in support of utilizing NDC in the redistricting process.

Yasmeen Obeid spoke in support of utilizing NDC in the redistricting process.

Discussion ensued amongst Councilmembers and Staff regarding:

- Clarification that NDC was part of the redistricting process from the beginning, this Item adds additional services;
- Clarification that additional maps will be accepted, with or without the additional services from NDC; and
- Final map to be adopted by the City Council at the fourth redistricting meeting.

**MOTION BY GOBLE, SECOND BY KENDRICK, to EMPLOY the additional demographer services of National Demographic Corporation (NDC).**

**MOTION CARRIED BY UNANIMOUS VOTE.**

Adjournment: The Joint Special Meeting of the El Cajon City Council/El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 9<sup>th</sup> day of November, 2021 was adjourned at 3:06 p.m., to Tuesday, November 9, 2021 at 3:00 p.m.

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ANGELA L. CORTEZ, CMC  
City Clerk/Secretary

# 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

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#### November 9, 2021

An Adjourned Regular Joint Meeting of the El Cajon City Council/Housing Authority/ Successor Agency to the El Cajon Redevelopment Agency, held Tuesday, November 9, 2021, was called to order by Mayor/Chair Bill Wells at 3:06 p.m., in the Council Chambers, 200 Civic Center Way, El Cajon, California.

#### ROLL CALL

Council/Agencymembers present:  
Council/Agencymembers absent:  
Deputy Mayor/Vice Chair present:  
Mayor/Chair present:  
Other Officers present:

Goble, Metschel, and Ortiz  
None  
Kendrick  
Wells  
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).

Mayor Wells announced the upcoming State of City on December 14, 2021 at the Ronald Reagan Community Center. He stated more details will be available soon.

**POSTINGS:** The City Clerk posted Orders of Adjournment of the October 26, 2021, meetings and the Agenda of the November 9, 2021, meeting in accordance with State Law and El Cajon City/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Policy.

**PRESENTATIONS:**

- New Station Dog: Jax
- EDCO Recycling Awards
- We Are One Committee

**AGENDA CHANGES:** None

**CONSENT ITEMS: (1 – 11)**

**MOTION BY WELLS, SECOND BY KENDRICK, to APPROVE Consent Items 1 to 11.**

**MOTION CARRIED BY UNANIMOUS VOTE.**

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

Approves Minutes of the October 26, 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.

**CONSENT ITEMS: (Continued)**

4. Accept County of San Diego CDBG Funds - Broadway Creek Phase B

1. Authorizes the City Manager, or approved designee, to accept, appropriate, and expend \$482,713 from the County of San Diego's Community Development Block Grant program for Broadway Creek Restoration Phase B (WW3756); and
2. Authorizes the City Manager to amend Agreement No. 565034, and any subsequent amendments, between the City of El Cajon and the County of San Diego, for cooperative work on the Broadway Creek Restoration Phase B (WW3756).

5. Reassignment of Funding Sources for ADA Concrete Improvement Projects

That the City Council transfers TransNet funds and Community Development Block Grant (CDBG) funds between existing ADA Concrete Improvement Capital Projects (PW53020, PW53021).

6. New Classification Specification and Salary Setting for Management Assistant

That the City Council approves and authorizes the classification specification and salary setting for Management Assistant.

7. Wildfire Early Action Plan Grant Award

Adopts Resolution No. 086-21 to:

1. Authorize the City Manager, or approved designee, to accept grant funding as provided through the San Diego River Conservancy's Wildfire Early Action Plan Grant Program;
2. Authorize the City Manager, or approved designee, to execute the grant agreement and such other documents necessary, with the San Diego River Conservancy to accept any awards of grants; and
3. Accept, appropriate, and expend \$500,000 for the purposes of the Vegetation Management and Restoration Program.

8. Award of Bid No. 006-22 – Weed Abatement and Channel Clearing

1. Adopts Resolution No. 087-21 to Approve Plans and Specifications for Weed Abatement and Channel Clearing, Bid No. 006-22; and
2. Adopts Resolution No. 088-21 to Award the bid to the sole responsive, responsible bidder, Natures Image, Inc., in the amount of \$156,231.27 for the initial one-year term, with up to four additional one-year renewal options.



**CONSENT ITEMS: (Continued)**

9. Approval and Authorization of the Execution of a Caltrans Program Supplement Agreement for Madison Avenue Safety Improvements

Adopts Resolution No. 089-21 approving and authorizing the execution of Caltrans Program Supplement Agreement No. F056 Rev. 2 for the Madison Avenue Safety Improvements Project (Ref. HSIPL 5211(041)).

10. Event in the Right of Way - Holiday Lights on Main

Reviews and approves the submitted road closures and traffic control plan for the Holiday Lights on Main.

11. Disposal of Retired Property

Declares the listed property retired and authorizes disposal in accordance with policy.

**PUBLIC COMMENT:** None

**WRITTEN COMMUNICATIONS:** None

**PUBLIC HEARINGS:** None

**ADMINISTRATIVE REPORTS:**

12. State Redistricting Commission

**RECOMMENDATION:**

That the City Council provides direction on allocation of staff time, use of consulting services, and endorsement of alternative district maps.

**DISCUSSION**

City Manager Mitchell provided detailed information of the Item.

Discussion ensued among Council and Staff concerning the following:

- Proposed maps not favorable to the City of El Cajon; and
- Request for a special meeting to adopt a Resolution to oppose the maps proposed by the State of California.

No comments were received for the Item.

## ADMINISTRATIVE REPORTS: (Continued)

### 13. Relaxation of Certain Zoning Code Standards

#### RECOMMENDATION:

That the City Council considers whether to continue to relax certain zoning standards into 2022 and, if so, adopts the next Resolution, in order, affirming the continued relaxation of certain zoning code standards; the allowance of temporary signs; and allowing a no-fee temporary use permit; all until June 30, 2022.

#### DISCUSSION

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

Discussion ensued among Council and Staff concerning the following:

- Unanimous support from City Council for the Item; and
- Signage and date considerations of when the relaxation of certain code standards would expire.

An email from Hacienda Casa Blanca Mexican Restaurant owners, Cindy and Tony Gomez was received and forwarded by the City Clerk to the City Council, in support of the Item.

**MOTION BY GOBLE, SECOND BY METSCHEL, to ADOPT Resolution No. 090-21 to affirm the continued relaxation of certain zoning code standards; the allowance of temporary signs; and allowing a no-fee temporary use permit; all until December 31, 2022, at which time the Item will return to Council for further consideration.**

**MOTION CARRIED BY UNANIMOUS VOTE.**

**COMMISSION REPORTS:** None

#### ACTIVITIES REPORTS/COMMENTS OF MAYOR WELLS:

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

### 14. Council Activities Report/Comments

Report as submitted.

## ACTIVITIES REPORTS OF COUNCILMEMBERS:

15. 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.

In addition to the submitted report, Councilmember Goble added that he and Director of Parks & Recreation, Frank Carson attended an event at Heritage Park where the County of San Diego recognized the City of El Cajon's Dollar Days Program. He also requested the support of the Council to add an opposition Item for SANDAG's Vehicle Mileage Tax (VMT), on a future Council meeting.

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

### Council Activities Report/Comments.

In addition to the submitted report, Mayor Pro Tem Kendrick stated he attended an Afghan event. He added that he has received comments from local business owners on the success of Foodie Fest, and suggested hosting another event soon.

City Manager Mitchell stated that the City Council will soon receive a report on the Foodie Fest event, including the actual cost of the event. This will help determine if the City can support another similar event.

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

### Council Activities Report/Comments.

In addition to the submitted report, Councilmember Metschel stated she completed the Citizen's Police Academy and participated in a ride-along with the City of El Cajon Police Department.

**ACTIVITIES REPORTS OF COUNCILMEMBERS: (Continued)**

**18. 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 submitted.

**JOINT COUNCILMEMBER REPORTS:** None

**GENERAL INFORMATION ITEMS FOR DISCUSSION:** None

**ORDINANCES: FIRST READING -** None

**ORDINANCES: SECOND READING AND ADOPTION -** None

**CLOSED SESSIONS:**

**RECOMMENDATION:** That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency adjourned Closed Session as follows:

19. Closed Session - Conference with Legal Counsel - Existing Litigation - pursuant to paragraph (1) of subdivision (d) of Government Code section 54956.9: National Prescription Opiate Litigation, 1:17-md-2804 (N.D. Ohio)

**MOTION BY WELLS, SECOND BY KENDRICK, to ADJOURN to Closed Session at 4:28 p.m.**

**MOTION CARRIED BY UNANIMOUS VOTE.**

**RECONVENE TO OPEN SESSION AT 4:46 p.m.**

**CLOSED SESSIONS: (Continued)**

City Attorney Foley reported that Councilmember Goble disqualified himself and retired from Closed Session as a conflict of interest arose from owning more than \$2000 in stock in one of the defendants company, Johnson & Johnson.

Mr. Foley stated that a motion by Wells, Second by Ortiz, with a 4-0 Vote APPROVED to participate in a settlement of a Class Action matter involving three (3) distributor companies: McKesson Corporation, Cardinal Health Inc., and AmerisourceBergen.

**Adjournment: Mayor Wells adjourned the Adjourned Regular Joint Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 9<sup>th</sup> day of November, 2021, at 4:48 p.m., to Tuesday, December 14, 2021, at 3:00 p.m.**

ANGELA L. CORTEZ, CMC  
City Clerk/Secretary

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# JOINT SPECIAL 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

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**November 16, 2021**

A Joint Special Meeting of the El Cajon City Council/Housing Authority/ Successor Agency to the El Cajon Redevelopment Agency, held Tuesday, November 16, 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 present:

Kendrick

Mayor/Chair present:

Wells

Other Officers present:

Mitchell, City Manager/Executive Director  
DiMaggio, Assistant City Manager  
Foley, City Attorney/General Counsel  
Sangsanoy-Heng, Deputy 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).

**ADMINISTRATIVE REPORTS:**

1. 2020 California Citizens Redistricting Commission

**RECOMMENDATION:**

That the City Council adopts a resolution opposing the visualization maps of San Diego County released on October 13, 2021, and supporting the alternative maps prepared by the Escondido and Lakeside Chambers of Commerce.

**DISCUSSION**

City Manager Mitchell provided detailed information of the Item.

**MOTION BY ORTIZ, SECOND BY METSCHEL, to ADOPT Resolution No. 091-21 opposing the visualization maps of San Diego County released on October 13, 2021, and supporting the alternative maps prepared by the Escondido and Lakeside Chambers of Commerce.**

**MOTION CARRIED BY UNANIMOUS VOTE.**

Adjournment: The Joint Special Meeting of the El Cajon City Council/El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 16<sup>th</sup> day of November, 2021 was adjourned at 3:03 p.m., to Tuesday, December 14, 2021 at 3:00 p.m.

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ANGELA L. CORTEZ, CMC  
City Clerk/Secretary



## City Council Agenda Report

Agenda Item 4.

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Jamie Van Ravesteyn, Housing Manager  
**SUBJECT:** Fiscal Year 2020-21 El Cajon Housing Authority Annual Report (pursuant to California Health & Safety Code §34176.1)

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### RECOMMENDATION:

That the El Cajon Housing Authority reviews and accepts the Annual Report, substantially in the form as presented, for fiscal year ending June 30, 2021.

### BACKGROUND:

In 1971, the El Cajon City Council established the El Cajon Redevelopment Agency to oversee redevelopment activities in the City. Tax increment financing was the primary source of funding used to carry out redevelopment activities, and numerous projects (both housing and non-housing) were completed since that time. However, in 2011, the California Supreme Court upheld ABx1 26 effectively eliminating redevelopment agencies throughout the State.

Prior to the effective date of the dissolution, the City Council designated the El Cajon Housing Authority (“Housing Authority”) as the successor agency for all housing assets of the former Redevelopment Agency. Although no new tax increment financing for housing activities is available, the Housing Authority has accepted responsibility for the Low and Moderate Income Housing Asset Funds (“LMIHAF”) fund balance, the physical housing assets, and the housing loan portfolio which continues to generate income as loans are repaid and/or interest is earned.

The California Health & Safety Code (“HSC”) governs the activities and requirements of housing authorities for the use and reporting of LMIHAF funds. Following the conclusion of each fiscal year, two separate annual reports are required to be presented to the legislative body (the City Council), each of which includes different information.

The first report is presented to the City Council in September each year, and includes all the activities undertaken by the Housing Authority during the previous fiscal year as allowed under HSC §34312.3, such as acquisition or disposition of property for development, issuing revenue bonds, making loan commitments for development, etc. The report also includes information on compliance with affordability and rent limit requirements, budget and expenditures, and information on domestic violence tenancy terminations, among other things. This report was presented to the City Council on September 28, 2021, and is required to be submitted to the California Housing and



Community Development Department by October 1st of each year.

This second annual report is a requirement of housing successor agencies following the dissolution of redevelopment agencies and the enactment of Senate Bill 341 in October of 2013. SB 341 amended the Health & Safety Code, and provides legislative guidance on the requirements related to ongoing functions and continuing obligations for successor housing agencies. These sections include more restrictive limitations on and obligations related to expenditures of LMIHAF funds. The purpose of the report is to provide the governing body of the housing successor with an annual report on the housing assets and activities of the housing successor under Part 1.85, Division 24 of the California Health & Safety Code, in particular sections 34176 and 34176.1 (Dissolution Law). This report includes information on expenditures and assessments for compliance with those more restrictive provisions.

This report (Attachment 1) has been prepared pursuant to HSC §34176.1(f) and is dated December 14, 2021. It sets forth certain details of the activities of the Housing Authority during Fiscal Year 2020-21. The report is based upon information prepared by Housing Authority staff, and information contained within the independent financial audit of the Low and Moderate Income Housing Asset Fund for Fiscal Year 2020-21 pursuant to the audit conducted by Rogers, Anderson, Malody and Scott, LLP as required. This report is provided to the Housing Authority's governing body prior to December 31, 2021 (six months after the end of the Fiscal Year, as required).

**FISCAL IMPACT:**

No fiscal impact as a result of this action.

Prepared By: Jamie van Ravesteyn, Housing Manager

Reviewed By: Anthony Shute, Director of Community Development

Approved By: Graham Mitchell, City Manager

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Attachments

FY 2020-21 Housing Authority Annual Report

**EL CAJON HOUSING AUTHORITY ANNUAL REPORT**  
**REGARDING THE LOW AND MODERATE INCOME HOUSING**  
**ASSET FUND FOR FISCAL YEAR 2020-21**  
**PURSUANT TO**  
**CALIFORNIA HEALTH AND SAFETY CODE SECTION**  
**34176.1(f)**

This El Cajon Housing Authority Annual Report (Report) regarding the Low and Moderate Income Housing Asset Fund (LMIHAF) has been prepared pursuant to the California Health and Safety Code section 34176.1(f) and is dated as of December 14, 2021. This Report details the activities of the El Cajon Housing Authority (Housing Authority) during Fiscal Year 2020-21. The purpose of this Report is to provide the governing body of the Housing Authority with information on the housing assets and activities of the Housing Authority under Part 1.85, Division 24 of the California Health and Safety Code (HSC), in particular sections 34176 and 34176.1 (Dissolution Law).

The following is based upon information prepared by the Housing Authority staff and data from the independent financial audit of the Housing Authority Special Revenue Fund contained in the City of El Cajon Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2020-21 pursuant to the audit conducted by Rogers, Anderson, Malody & Scott, LLP. Furthermore, this Report conforms with and is organized into sections I through XI, inclusive, pursuant to HSC section 34176.1(f) of the Dissolution Law:

I. **Amount Deposited into LMIHAF:** This section provides the total amount of funds deposited into the LMIHAF during the previous Fiscal Year. Any amounts deposited for items listed on the Recognized Obligation Payment Schedule (ROPS) must be distinguished from the other amounts deposited.

II. **Ending Balance of LMIHAF:** This section provides a statement of the balance in the LMIHAF as of the close of the Fiscal Year. This balance is reported in the audited financial statements and includes assets such as cash, deferred interest and interest received, land held for sale and loans receivable, minus liabilities. Any amounts deposited for items listed on the ROPS must be distinguished from the other amounts deposited.

III. **Description of Expenditures from LMIHAF:** This section provides a description of the expenditures made from the LMIHAF during the Fiscal Year. The expenditures are to be categorized. LMIHAF monies may be spent on:

- Administrative costs up to \$200,000 per year adjusted for inflation, or 5% of the statutory

value of real property owned by the housing successor and the value of loans and grants receivable from the Housing Asset Transfer Form, whichever is greater.

- Homeless prevention and rapid rehousing services up to \$250,000 per year if the former redevelopment agency did not have any outstanding inclusionary housing or replacement housing production requirements.
- Affordable housing development assisting households earning up to 80% of Area Median Income (AMI), subject to specific income and age targets.

IV. **Statutory Value of Assets Owned by El Cajon Housing Authority:** This section provides the statutory value of real property owned by the El Cajon Housing Authority, the value of loans and grants receivables, and the sum of these two amounts.

V. **Description of Transfers:** This section describes transfers, if any, to another Housing Authority agency made in previous Fiscal Year(s), including whether the funds are unencumbered and the status of projects, if any, for which the transferred LMIHAF will be used. The sole purpose of the transfers must be for the development of transit priority projects, permanent supportive housing, housing for agricultural employees or special needs housing.

VI. **Project Descriptions:** This section describes any project for which the Housing Authority receives or holds property tax revenue pursuant to the ROPS and the status of that project.

VII. **Status of Compliance with HSC section 33334.16:** This section provides a status update on compliance with HSC section 33334.16 for interests in real property acquired by the former redevelopment agency prior to February 1, 2012. For interests in real property acquired on or after February 1, 2012, a status update is provided on the project.

VIII. **Description of Outstanding Obligations under HSC section 33413:** This section describes the outstanding inclusionary and replacement housing obligations, if any, under HSC section 33413 that remained outstanding prior to dissolution of the former redevelopment agency as of February 1, 2012 along with the Housing Authority's progress in meeting those prior obligations, if any, of the former redevelopment agency and the Housing Authority's plans to meet unmet obligations, if any.

IX. **Income Test:** This section provides the information required by HSC section 34176.1(a)(3)(B), or a description of expenditures by income restriction for the applicable five year compliance period, and whether the statutory thresholds have been met.

If any LMIHAF monies are spent on affordable housing development, it triggers a requirement to spend at least 30% of such expenses assisting extremely low-income households (30% of AMI) and no more than 20% on low-income households (between 60-80% of AMI) per five-year compliance period. The prior compliance period was from January 1, 2014 through June 30, 2019. The current five-year compliance period is July 1, 2019 through June 30, 2024.

Housing successors must report expenditures by category each year, but compliance with income proportionality limits is measured every five years. For example, a housing successor could spend all its funds in a single year on households earning between 60-80% of AMI, as long as it was 20% or less of the total expenditures during the five-year compliance period.

X. **Senior Housing Test:** This section provides the percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the Housing Authority, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the Housing Authority, its former redevelopment agency and its host jurisdiction within the same time period.

If more than 50% of the total aggregate number of rental units produced during the past 10 years are restricted to seniors, the Housing Authority may not spend more LMIHAF monies on senior rental housing. For this Report the ten-year period reviewed is July 1, 2011 to June 30, 2021.

XI. **Excess Surplus Test:** This section provides the amount of excess surplus in the LMIHAF, if any, and the length of time that the Housing Authority has had excess surplus, as well as the Housing Authority's plan for eliminating any excess surplus.

XII. **Homeownership Unit Inventory:** This section lists the homeownership units assisted by the former redevelopment agency or the Housing Authority that are subject to covenants or restrictions protecting the Housing Authority's investment, including: the total number of units; the number of units lost to the portfolio and the reason or reasons for those losses; the total amount of funds returned to the Housing Authority from repayments or other miscellaneous receipts; and whether the Housing Authority has contracted with any outside entity for the management of the units and if so, the identity of the entity.

This Report is to be provided to the Housing Authority's governing body (the El Cajon City Council) by December 31, 2021. In addition, this Report and the former redevelopment agency's pre-dissolution Implementation Plan are to be made available to the public on the City's website. Following is the website location where these documents are to be found:

<http://www.elcajon.gov/your-government/departments/community-development/successor-agency/projects>.

## I. AMOUNT DEPOSITED INTO LMIHAF

The following is the total amount of funds deposited into the LMIHAF during Fiscal Year 2020-21:

Category	Amount
Investment Earnings	\$ 96,705
Loan Repayments	\$ 290,876
Other Revenue (Interest on Loans, proceeds of sale of leasehold interest in Housing Authority-owned property, and miscellaneous reimbursements)	\$ 4,964,536
<b>Total Amounts Deposited</b>	<b>\$ 5,352,117</b>

Amounts deposited will be committed to funding new and existing projects in the coming fiscal year.

## II. ENDING BALANCE OF LMIHAF

At the close of the Fiscal Year 2020-21, the ending balance in the LMIHAF was \$ 18,229,783 (not including deferred interest or real property), of which zero dollars were held for items listed on the ROPS.

## III. DESCRIPTION OF EXPENDITURES FROM LMIHAF

The following is a description of LMIHAF expenditures by category for Fiscal Year 2020-21, including amounts drawn on development loans:

Category	Amount
Monitoring and Administrative Costs (SB 341 permits up to 5% of the total Housing Authority assets or \$890,749)	\$ 207,014
Homeless Prevention & Rapid Rehousing Services	\$ 74,306
Housing Development:	
Low Income Units	\$ 0
Very-Low Income Units	\$ 0
Extremely-Low Income Units (Lexington Square project)	\$693,080
Total Housing Development	<b>\$ 693,080</b>
<b>Total LMIHAF Expenditures Fiscal Year 2020-21</b>	<b>\$ 974,400</b>

## IV. STATUTORY VALUE OF ASSETS OWNED BY EL CAJON HOUSING AUTHORITY IN LMIHAF

Under the Dissolution Law and for purposes of this Report, the “statutory value of real property” means the value of properties formerly held by the former redevelopment agency as listed on the housing asset transfer schedule approved by the Department of Finance (DOF) as listed in such schedule under HSC section 34176(a)(2), the value of the properties transferred to the Housing Authority pursuant to HSC section 34181(f), and the purchase price of property purchased by the Housing Authority. Further, the value of loans and grants receivable is included in these reported assets held in the LMIHAF.

As of June 30, 2021, the statutory value of assets owned by the Housing Authority was:

<b>As of Fiscal Year End</b>	
Loan Receivables (Includes all development and First Time Homebuyer loans outstanding)	\$ 11,965,718
Real Property owned by the Housing Authority (A complete list of Housing Authority-owned properties is found in the Section VII table below)	\$ 5,849,269
<b>Total Statutory Value of Housing Authority Assets</b>	<b>\$ 17,814,987</b>

## V. DESCRIPTION OF TRANSFERS

The Housing Authority did not make any LMIHAF transfers to other Housing Authority(s) under HSC section 34176.1(c)(2) during the fiscal year.

## VI. PROJECT DESCRIPTIONS

There are no projects for which the Housing Authority receives or holds property tax revenue pursuant to the ROPS.

## VII. STATUS OF COMPLIANCE WITH HSC SECTION 33334.16

With respect to interests in real property acquired by the former redevelopment agency prior to February 1, 2012, the time periods described in HSC section 33334.16 shall be deemed to have commenced on the date that DOF approved the property as a housing asset in the LMIHAF. Thus, for any real property acquired by the former redevelopment agency now held by the Housing Authority in the LMIHAF, the Housing Authority must initiate activities consistent with the development of the real property for the purpose for which it was acquired within five years of the date the DOF approved such property as a housing asset. For the Housing Authority, the date of DOF's approval was August 23, 2012.

HSC section 33334.16 provides that the legislative body may extend the obligation of the Housing Authority to initiate development or dispose of former redevelopment agency property for one additional period not to exceed five (5) years. On August 8, 2017, prior to the expiration of the initial five-year period, the El Cajon City Council approved an additional five-year extension of the period to initiate development activities or dispose of the property described as the Lot Adjacent to 146 Ballantyne, as required by HSC sections 33334.16 and 34176.1(e).

HSC section 34176.1 provides that section 33334.16 does not apply to interests in real property acquired by the Housing Authority on or after February 1, 2012; however, this Report presents a status update on the projects related to such real property.

Address of Property	Date of DOF Approval or Acquisition	Deadline to Initiate Development Activity	Status of El Cajon Housing Authority Activity
131 and 151 Chambers (Solterra Sr. Residences)	8/23/2012	N/A	<b>Completed.</b> Construction of this 49-unit affordable housing development for seniors was completed in 2013 and presently in service. Subject to a Ground Lease and a Regulatory Agreement.
146 Ballantyne	8/23/2012	N/A	<b>Disposed.</b> In 2013, this property was sold to the El Cajon Senior Towers for parking and open space for the tenants. The proceeds were deposited into the LMIHAF.
Lot adjacent to 146 Ballantyne	8/23/2012	8/23/2022	<b>Vacant.</b> This is a remainder parcel (vacant) following a lot line adjustment and sale of the larger parcel to the El Cajon Senior Towers (above). On August 8, 2017, prior to the expiration of the initial five-year period, the El Cajon City Council approved an additional five-year extension of the period to initiate development activities or dispose of this property, as required by HSC sections 33334.16 and 34176.1(e). The City of El Cajon is exploring options for development and/or disposition of this site.
812 - 816 Grossmont Avenue	5/10/2013	N/A	<b>Completed.</b> Three single family properties were constructed in 2018. The properties were available for purchase in FY 2019-20 by households qualifying at or below 80% of AMI (low income). Additionally, funding assistance was provided through the Housing Authority's First Time Home Buyer loan program and San Diego Habitat for Humanity.

250 E. Lexington (Lexington Square Apartments)	8/23/2012	N/A	<p><b>Development Underway.</b> On February 11, 2020, the Authority Board approved the conditional termination of the existing DDA and regulatory documents, and approved the sale of the leasehold interest in the Lexington project to a new Developer/Operator. On June 19, 2020, the project was awarded a reservation of 9% Tax Credits from the California Tax Credit Allocation Committee (TCAC).</p> <p>The Developer/Operator also sought a new HUD 1<sup>st</sup> 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 for households 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"> <li>○ 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.</li> <li>○ 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.</li> </ul> <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>
Prescott Promenade - Parking Lot (adjacent to Lexington SquareApts)	6/27/2014	N/A	<p><b>Completed.</b> This property was developed as a shared-use parking lot which serves the adjacent Lexington Square Apartments and neighboring public/community facilities.</p>

### VIII. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO HSC SECTION 33413

The Housing Authority has no obligation remaining for replacement housing or inclusionary/production housing requirements, as described further below.

**Replacement Housing** (HSC section 33413(a)): As set forth in the 2009-14 El Cajon Redevelopment Agency Five Year Implementation Plan and Ten Year Housing Compliance Plan for the former redevelopment agency, adopted at a public hearing on June 23, 2009, the agency’s replacement obligations totaled 15 units (30 bedrooms) for moderate income households. The outstanding



replacement housing obligation was met with the completion of construction of the 49-unit Solterra Senior Residences development for very-low income seniors in 2013. The former redevelopment agency's Implementation Plan is posted on the City of El Cajon's website at <http://www.elcajon.gov/your-government/departments/community-development/successor-agency/projects>.

**Inclusionary/Production Housing.** On January 31, 2012, the Agency reported an outstanding affordable housing obligation of 46 units. The outstanding housing production obligation was met – with a surplus of 18 affordable units – with the completion of the following projects on or after February 1, 2012:

- Two (2) First-time Homebuyer loans for low-income households in 2012 (Birchwood Lane);
- Development of the 49-unit Solterra Senior Residences in 2013 (48 units restricted for very-low income and 1 unit restricted for moderate income);
- Recording of covenants to impose a requirement that 15% of the units (13 units) in the El Cajon Senior Towers be restricted to very-low income households through the sale of adjacent property at 146 Ballantyne in 2013; and
- The completed construction of the 70-unit Cornerstone Place project, for low income veterans and families. 69 of the 70 units are restricted to low income residents earning at or below 60% of AMI with 1 unit restricted for moderate income. Additionally, the Housing Authority and Developer agreed to record covenants to secure 6 of the units for residents at or below 40% of AMI restricted by both the Department of Housing Community and Development and TCAC (whichever is lower). The property's income and rent limit chart is published for each funding source to maintain and comply with the required set-asides.

## IX. INCOME TEST

HSC Section 34176.1(a)(3) states that the Housing Authority must require at least 30% of the LMIHAF to be expended for development of rental housing affordable to and occupied by households earning 30% or less of the AMI (\$36,350 for a family of 4), and no more than 20% for housing affordable to and occupied by households earning between 60-80% of the AMI (\$72,720 - \$97,000 for a family of 4), during any five year compliance period.

- 30% AMI Requirement:

As illustrated in Appendix A at the end of this report, in the last fiscal year the Housing Authority dedicated \$693,080 to the Lexington Square project for units with rental subsidies for households at or below 30% of AMI. This represents 48% of its total expenditures in the current compliance period, which satisfies the compliance requirement that at least 30% of LMIHAF expenditures were for development of housing affordable at or below 30% of AMI.

However, the Housing Authority failed to comply with the 30% of AMI requirement in the prior five-year compliance period, resulting in the Housing Authority having to ensure that 50% of the funds expended in each subsequent fiscal year are for the development of extremely-low income rental units, until the Housing Authority demonstrates compliance.

The Housing Authority dedicated \$693,080 (100% of its total expenditures in the last fiscal year) to the Lexington Square project for units with rental subsidies for households at or below 30% of AMI. This satisfied the compliance requirement that at least 50% of subsequent annual LMIHAF expenditures were for development of housing affordable at or below 30% of AMI.

However, the **cumulative** expenditures of both the prior period and the current period (referred to as the "extended compliance period in Appendix A) are still below the requirement that 30% of total expenditures are for housing affordable at or below 30% of AMI. Because the Housing Authority is **not in compliance** with this requirement, it must continue to ensure that 50% of funds expended in subsequent years meet the 30% AMI requirement.

The Housing Authority will continue monitoring compliance for the prior five-year period on a moving-forward basis, tracking future fiscal year expenditures for the extended compliance period until the 30% minimum threshold is met. In order to be in compliance, the Housing Authority will need to expend more than \$291,309 on development for housing affordable at or below 30% AMI, assuming no other expenditures on development are made.

60%-80% AMI Requirement:

Although the Housing Authority made no expenditures on development of housing affordable at 60% - 80% of AMI in the last fiscal year, for the current compliance period to date, expenditures in this category represent 48% of the total, which exceeds the 20% limitation. Therefore, the Housing Authority is **not currently in compliance**.

Failure to comply with the 60%-80% of the AMI requirement in any five-year compliance period will result in the Housing Authority not being able to expend any of the remaining funds on these income categories until in compliance. The Housing Authority expects to be in compliance before the end of the current five-year compliance period by targeting a majority of its expenditures to 30% AMI units.

While HSC section 34176.1(a)(3) does not establish an expenditure limit for households earning between 31-59% of the AMI, it is important to note that the Housing Authority has made significant contributions for the development of rental housing for these income levels.

## **X. SENIOR HOUSING TEST**

The Housing Authority is required to calculate the percentage of units of deed-restricted rental housing restricted to seniors and assisted by the Housing Authority, the former redevelopment agency and/or the City of El Cajon within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted by the Housing Authority, the former redevelopment agency and/or City of El Cajon within the same time period. If this percentage exceeds 50%, then the Housing Authority cannot expend future funds in the LMIHAF to assist additional senior housing units until the Housing Authority or the City of El Cajon assists and construction has commenced on a number of restricted rental units that is equal to 50% of the total amount of deed-restricted rental units.

The following provides the Housing Authority's Senior Housing Test for the 10-year period of 2011-12 to 2020-21:

Unit Category	2011-12 to 2020-21
# of Assisted Senior Rental Units	61
# of Total Assisted Rental Units	132
<b>Senior Housing Test Percentage</b>	<b>47%</b>

Based on the results of the above Test, the Housing Authority may expend funds in the LMIHAF to assist additional senior housing units, until the Housing Authority or the City of El Cajon assists, and construction has commenced, on a number of restricted rental units that is equal to 50% of the total amount of deed-restricted rental units.

## XI. EXCESS SURPLUS TEST

Excess Surplus is defined in HSC section 34176.1(d) as an unencumbered amount in the account that exceeds the greater of one million dollars (\$1,000,000) or the aggregate amount deposited into the account during the Housing Authority's preceding four fiscal years, whichever is greater. If an Excess Surplus exists, the Housing Authority will be required to, within the next three (3) fiscal years, encumber any excess surplus for the purposes allowed under Community Redevelopment Law, in compliance with HSC sections 34176.1(a)(3) or (c)(2). If the Housing Authority fails to comply with this requirement, the Housing Authority would be required to transfer the funds to the State of California Department of Housing and Community Development.

The following provides the Excess Surplus test for the preceding four fiscal years:

Activity	2017-2018	2018-19	2019-20	2020-21
Ending fund balance	\$14,396,008	\$14,331,514	\$14,142,943	\$18,229,783
Less unavailable amounts: Land Held for Resale, Commitments to Projects, & Loans Receivables	(\$11,480,047)	(\$11,776,368)	(\$12,093,877)	(\$15,775,220)
<b>Unencumbered LMIHAF</b>	\$2,915,961	\$2,555,146	\$2,049,066	\$2,454,563
Total deposits for last four years	\$3,136,753	\$1,972,528	\$2,046,189	\$7,233,287
Greater of \$1,000,000 or total deposits	\$3,136,753	\$1,972,528	\$2,046,189	\$7,233,287
<b>Computed excess surplus</b>	<b>\$0</b>	<b>\$582,618</b>	<b>\$2,877</b>	<b>\$0</b>

At Fiscal Year ending June 30, 2021, the LMIHAF has an Excess Surplus amount of \$0. The unencumbered amount in the LMIHAF of \$2,454,563 does not exceed the aggregate amount of \$7,233,287 deposited in the fund for the past four fiscal years. In FY 2020-21, the Housing Authority committed \$3.95 million for Project Based Rental Assistance ("PBRA") to 40 of the units at Lexington Square Apartments for households at or below extremely low income (30% AMI) over a period of 15 years, thus eliminating the excess surplus balances from both 2018-19 and 2019-20.

## XII. HOMEOWNERSHIP UNIT INVENTORY

The homeownership units assisted by the former redevelopment agency or the Housing Authority that are subject to covenants or restrictions protecting the Housing Authority's investment,

include:

- 1) Total number of homeownership units as of FY 2020-21: 69 units;
- 2) Total number of units lost/reason(s): 3 units lost in FY 2020-21 due to repayment of the loan;
- 3) Total amount of funds returned to the Housing Authority in FY 2020-21 from repayments or other miscellaneous receipts related to homeownership units: \$489,431;
- 4) The Housing Authority has not contracted with any outside entity for the management of the homeownership/loan portfolio units.

Appendix B provides an inventory of the Authority's outstanding homeownership loans.

**Appendix A. Expenditure Compliance**

**El Cajon Housing Authority**

**Compliance Period Expenditures (Current Period)**

Annual Expenditures	Annual Limits <sup>1</sup>		Expenditure Requirements (FY 2019-20 through FY 2023-24)		
	Admin/ Monitoring	Homeless Prevention	30% Minimum	No Limit	20% Maximum
			30% AMI	31-59% AMI	60-80% AMI
FY 2019-20	N/A	N/A	-	65,530	694,966
FY 2020-21	207,014	74,306	693,080	-	-
Annual Total	<b>207,014</b>	<b>74,306</b>	<b>693,080</b>	<b>65,530</b>	<b>694,966</b>
Percentage of Total	N/A	N/A	48%	5%	48%
SB 341 Limitation	\$764,794	\$250,000	>30%	N/A	<20%
<b>Compliant (Yes/No)</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>

**Compliance Period Expenditures (Prior Period)**

Prior FY's	Five-Year Period (1-1-14 through FY 2018-19)			
	30% AMI	31-59% AMI	60-80% AMI	
1/1/2014-6/30/14	-	-	60,135	
FY 2014-15	-	6,350	207,602	
FY 2015-16	-	18,405	11,516	
FY 2016-17	-	-	-	
FY 2017-18	-	874,796	-	
FY 2018-19	-	361,941	-	
<b>Compliance Period Total Expenditures</b>	<b>\$0</b>	<b>\$1,261,492</b>	<b>\$279,253</b>	
Percentage of Total	0%	82%	18%	
SB 341 Limitation	>30%	N/A	<20%	
<b>Compliant (Yes/No)</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	

**Extended Compliance Period Expenditures**

FY 2019-20 <sup>2</sup>	-	65,530	694,966	
FY 2020-21 <sup>2</sup>	693,080	-	-	
<b>Adjusted Compliance Period Total Expenditures</b>	<b>\$693,080</b>	<b>\$1,327,022</b>	<b>\$974,219</b>	
Percentage of Total	23%	44%	33%	
SB 341 Limitation	>30%	N/A	N/A	
<b>Compliant (Yes/No)</b>	<b>No</b>	<b>N/A</b>	<b>N/A</b>	

<sup>1</sup> The Admin/Monitoring and Homeless Prevention amounts are annual limits. Expenditures by income level are five-year limits.

<sup>2</sup> Additional report years are added to the prior 5-year compliance period in order to monitor if/when new expenditures are adequate to satisfy compliance thresholds on a cumulative basis.

Source: Low and Moderate Income Housing Fund Trial Balance Summary by Fund (6/30/21) and City Response to Data Request

Appendix B. Homeownership Loans Inventory									
El Cajon Housing Authority									
FYE 06/30/2021									
Fund	GL	Loan Account	Beginning Balance	Loans Disbursed	Loan Adjustments/ Write-offs	Misc	Loan Payments	Ending Balance	Comments
298	1141	FTHB0130R	\$ 25,000.00	\$ -	\$ -		\$ -	\$ 25,000.00	
298	1141	FTHB0204R	\$ 23,145.58	\$ -	\$ -		\$ -	\$ 23,145.58	
298	1141	FTHB0211R	\$ 14,230.00	\$ -	\$ -		\$ 4,500.00	\$ 9,730.00	
298	1141	FTHB0217R	\$ 23,771.51	\$ -	\$ -		\$ -	\$ 23,771.51	
298	1141	FTHB0308R	\$ 58,800.00	\$ -	\$ -		\$ -	\$ 58,800.00	
298	1141	FTHB0313R	\$ 60,000.00	\$ -	\$ -		\$ 300.00	\$ 59,700.00	
298	1141	FTHB0321R	\$ 53,380.00	\$ -	\$ -		\$ -	\$ 53,380.00	
298	1141	FTHB0322R	\$ 54,500.00	\$ -	\$ -		\$ 3,300.00	\$ 51,200.00	
298	1141	FTHB0328R	\$ 58,533.24	\$ -	\$ -		\$ -	\$ 58,533.24	
298	1141	FTHB0329R	\$ 65,000.00	\$ -	\$ -		\$ -	\$ 65,000.00	
298	1141	FTHB0338R	\$ 51,988.16	\$ -	\$ -		\$ -	\$ 51,988.16	
298	1141	FTHB0408R	\$ 30,000.00	\$ -	\$ -		\$ -	\$ 30,000.00	
298	1141	FTHB0412R	\$ 41,057.85	\$ -	\$ -		\$ -	\$ 41,057.85	
298	1141	FTHB0413R	\$ 39,801.16	\$ -	\$ -		\$ -	\$ 39,801.16	
298	1141	FTHB0502R	\$ 65,000.00	\$ -	\$ -		\$ -	\$ 65,000.00	
298	1141	FTHB0603R	\$ 141,500.00	\$ -	\$ -		\$ -	\$ 141,500.00	
298	1141	FTHB0606R	\$ 81,470.00	\$ -	\$ -		\$ -	\$ 81,470.00	
298	1141	FTHB0609R	\$ 61,770.00	\$ -	\$ -		\$ -	\$ 61,770.00	
298	1141	FTHB0612R	\$ 47,870.00	\$ -	\$ -		\$ 3,900.00	\$ 43,970.00	
298	1141	FTHB0621R	\$ 85,700.00	\$ -	\$ -		\$ -	\$ 85,700.00	
298	1141	FTHB0624R	\$ 76,970.00	\$ -	\$ -		\$ -	\$ 76,970.00	
298	1141	FTHB0625R	\$ 80,000.00	\$ -	\$ -		\$ -	\$ 80,000.00	
298	1141	FTHB0704R	\$ 74,000.00	\$ -	\$ -		\$ -	\$ 74,000.00	
298	1141	FTHB0707R	\$ 124,100.00	\$ -	\$ -		\$ -	\$ 124,100.00	
298	1141	FTHB0712R	\$ 77,000.00	\$ -	\$ -		\$ -	\$ 77,000.00	
298	1141	FTHB0713R	\$ 83,000.00	\$ -	\$ -		\$ -	\$ 83,000.00	
298	1141	FTHB0714R	\$ 77,000.00	\$ -	\$ -		\$ -	\$ 77,000.00	
298	1141	FTHB0715R	\$ 115,000.00	\$ -	\$ -		\$ -	\$ 115,000.00	
298	1141	FTHB0716R	\$ 94,668.02	\$ -	\$ -		\$ 94,668.02	\$ -	PAID 11/4/2020
298	1141	FTHB0719R	\$ 114,000.00	\$ -	\$ -		\$ -	\$ 114,000.00	
298	1141	FTHB0720R	\$ 94,233.01	\$ -	\$ -		\$ -	\$ 94,233.01	
298	1141	FTHB0724R	\$ 9,100.00	\$ -	\$ -		\$ 3,900.00	\$ 5,200.00	
298	1141	FTHB0803R	\$ 93,500.00	\$ -	\$ -		\$ -	\$ 93,500.00	
298	1141	FTHB0901R	\$ 68,210.74	\$ -	\$ -		\$ 900.00	\$ 67,310.74	
298	1141	FTHB0902R	\$ 68,190.49	\$ -	\$ -		\$ -	\$ 68,190.49	
298	1141	FTHB0905R	\$ 154,437.68	\$ -	\$ -		\$ 1,862.80	\$ 152,574.88	
298	1141	FTHB0911R	\$ 58,679.09	\$ -	\$ -		\$ -	\$ 58,679.09	
298	1141	FTHB0914R	\$ 56,900.00	\$ -	\$ -		\$ -	\$ 56,900.00	
298	1141	FTHB0915R	\$ 49,302.25	\$ -	\$ -		\$ -	\$ 49,302.25	
298	1141	FTHB1102R	\$ 160,456.42	\$ -	\$ -		\$ 2,325.00	\$ 158,131.42	
298	1141	FTHB1103R	\$ 131,700.00	\$ -	\$ -		\$ 4,000.00	\$ 127,700.00	
298	1141	FTHB1104R	\$ 104,950.00	\$ -	\$ -		\$ 3,468.16	\$ 101,481.84	
298	1141	FTHB1105R	\$ 191,500.00	\$ -	\$ -		\$ -	\$ 191,500.00	
298	1141	FTHB1106R	\$ 177,700.00	\$ -	\$ -		\$ -	\$ 177,700.00	
298	1141	FTHB1107R	\$ 25,600.00	\$ -	\$ -		\$ -	\$ 25,600.00	
298	1141	FTHB1108R	\$ 25,750.00	\$ -	\$ -		\$ -	\$ 25,750.00	
298	1141	FTHB1110R	\$ 25,600.00	\$ -	\$ -		\$ -	\$ 25,600.00	
298	1141	FTHB1111R	\$ 25,600.00	\$ -	\$ -		\$ -	\$ 25,600.00	
298	1141	FTHB1112R	\$ 164,600.00	\$ -	\$ -		\$ 2,400.00	\$ 162,200.00	
298	1141	FTHB1114R	\$ 25,400.00	\$ -	\$ -		\$ -	\$ 25,400.00	
298	1141	FTHB1115R	\$ 25,400.00	\$ -	\$ -		\$ -	\$ 25,400.00	
298	1141	FTHB1116R	\$ 25,535.00	\$ -	\$ -		\$ -	\$ 25,535.00	
298	1141	FTHB1117R	\$ 23,992.69	\$ -	\$ -		\$ -	\$ 23,992.69	
298	1141	FTHB1118R	\$ 121,557.00	\$ -	\$ -		\$ -	\$ 121,557.00	
298	1141	FTHB1119R	\$ 91,257.00	\$ -	\$ -		\$ 91,257.00	\$ -	PAID 5/24/2021
298	1141	FTHB1401R	\$ 50,000.00	\$ -	\$ -		\$ -	\$ 50,000.00	
298	1141	FTHB1804R	\$ 164,148.00	\$ -	\$ -		\$ -	\$ 164,148.00	
298	1141	FTHB1805R	\$ 189,821.00	\$ -	\$ -		\$ -	\$ 189,821.00	
298	1141	FTHB1917R	\$ 150,000.00	\$ -	\$ -		\$ -	\$ 150,000.00	
298	1141	FTHB218R	\$ 24,354.72	\$ -	\$ -		\$ -	\$ 24,354.72	
298	1141	PE95GOVE	\$ 25,149.86	\$ -	\$ -		\$ 3,259.77	\$ 21,890.09	
298	1141	PE95LUNA	\$ 31,735.00	\$ -	\$ -		\$ -	\$ 31,735.00	
298	1141	PE95MCFARL	\$ 67,235.00	\$ -	\$ -		\$ 67,235.00	\$ -	PAID 7/13/2020
298	1141	PE95MELTON	\$ 66,005.00	\$ -	\$ -		\$ -	\$ 66,005.00	
298	1141	PE95SCOTT	\$ 59,555.00	\$ -	\$ -		\$ -	\$ 59,555.00	
298	1141	PE95TURNER	\$ 10,800.00	\$ -	\$ -		\$ 3,600.00	\$ 7,200.00	
298	1141	SF-97-05	\$ 25,462.00	\$ -	\$ -		\$ -	\$ 25,462.00	
298	1141	SF-97-07R	\$ 31,791.00	\$ -	\$ -		\$ -	\$ 31,791.00	
298	1141	SF-98-06R	\$ 44,343.00	\$ -	\$ -		\$ -	\$ 44,343.00	
		TOTALS:	\$ 4,937,806.47	\$ -	\$ -	\$ -	\$ 290,875.75	\$ 4,646,930.72	



City Council  
Agenda Report

Agenda Item 5.

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Marisol Thorn, Director of Human Resources  
**SUBJECT:** Minimum Wage Update to City Council Policy A-29

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**RECOMMENDATION:**

That the City Council approves and authorizes the minimum wage updates in City Council A-29 Policy for the impacted non-represented part-time/seasonal/temporary classifications.

**BACKGROUND:**

Effective January 1, 2022, the California minimum wage rate for employers with twenty-six employees or more will be \$15.00 per hour. As a result, the City is required to update impacted non-represented part-time/seasonal/temporary classifications as outlined in the attached version of the updated City Council A-29 Policy.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT:**

N/A

**FISCAL IMPACT:**

There is no fiscal impact as these updates were already adopted in the City's 2021-2022 budget.

Prepared By: Marisol Thorn, Director of Human Resources

Reviewed By:

Approved By: Graham Mitchell, City Manager

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Attachments

A-29 Accepted Changes Version

**CITY OF EL CAJON  
CITY COUNCIL POLICY**

**SUBJECT:** Compensation Plan for Executive and Unrepresented Employees

**POLICY**  
A-29

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**PURPOSE**

To outline in one document the salary and benefits of employees who work in positions not represented by a recognized bargaining group.

**A. SALARY** – Effective pay period beginning on June 12, 2021

**REQUIRED EDUCATION FOR BASE HOURLY RATE:**

1. Required education for Unrepresented Management pay ranges  
Level II must possess one of the following:

- Master’s degree directly related to the position with the City, but not required by the classification specification applicable to position; or
- Current California registration certificate as a Professional Civil or Traffic Engineer which is directly related to the position, but not required by the classification specification applicable to the position; or
- Current California designation as a Certified Public Accountant which is directly related to the position, but not required by the classification specification applicable to the position.

2. Required education for Fire Division Chief pay ranges  
Level II must possess the following:

- Bachelor’s degree in any related field.

**EXECUTIVE MANAGEMENT CLASSIFICATION PAY RANGES ARE AS FOLLOWS:**

<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>SALARIED POSITIONS TO BE PAID AT EQUIVALENT HOURLY RATE</u>
Assistant City Manager	143.5	\$98.72 - \$120.27
City Clerk	121.2	\$56.91 - \$69.34
Director of Community Development	133.5	\$77.12 - \$93.96



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<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>SALARIED POSITIONS TO BE PAID AT EQUIVALENT HOURLY RATE</u>
Director of Finance/City Treasurer	132.3	\$74.86 - \$91.21
Director of Human Resources	129.9	\$70.56 - \$85.98
Director of Information Technology	131.6	\$73.58 - \$89.65
Director of Parks and Recreation	129.8	\$70.39 - \$85.76
Director of Public Works	132.8	\$75.80 - \$92.36
Fire Chief	139.4	\$89.21 - \$108.69
Police Chief	146.8	\$107.10 - \$130.50

**UNREPRESENTED MANAGEMENT CLASSIFICATION PAY RANGES ARE AS FOLLOWS:**

<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>SALARIED POSITIONS TO BE PAID AT EQUIVALENT HOURLY RATE</u>
Administrative Analyst I (City Manager and Human Resources)	89.4	\$25.96 - \$31.62
Administrative Analyst II (City Manager and Human Resources)	91.4	\$27.27 - \$33.23
Assistant to the City Manager I	113.0	\$46.48 - \$56.63
Assistant to the City Manager II	115.0	\$48.83 - \$59.50
Building Official I	119.5	\$54.58 - \$66.50
Building Official II	121.5	\$57.34 - \$69.86

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<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>SALARIED POSITIONS TO BE PAID AT EQUIVALENT HOURLY RATE</u>
City Engineer/Deputy Director of Public Works I	124.5	\$61.75 - \$75.24
City Engineer/Deputy Director of Public Works II	126.5	\$64.88 - \$79.04
Deputy City Clerk I	95.5	\$30.18 - \$36.77
Deputy City Clerk II	97.5	\$31.70 - \$38.63
Deputy Director of Community Development I	119.7	\$54.85 - \$66.83
Deputy Director of Community Development II	121.7	\$57.63 - \$70.21
Deputy Director of Public Works I	120.6	\$56.08 - \$68.33
Deputy Director of Public Works II	122.6	\$58.92 - \$71.79
Deputy Director – Special Projects <i>(can only be used for six months)</i>	124.6	\$61.90 - \$75.42
Financial Operations Manager I	121.2	\$56.91 - \$69.34
Financial Operations Manager II	123.2	\$59.79 - \$72.85
Fire Division Chief I	126.5	\$64.88 - \$79.04
Fire Division Chief II	128.5	\$68.16 - \$83.05
Human Resources Analyst I	101.0	\$34.56 - \$42.11
Human Resources Analyst II	103.0	\$36.31 - \$44.24

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<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>SALARIED POSITIONS TO BE PAID AT EQUIVALENT HOURLY RATE</u>
Information Technology Analyst I	99.4	\$33.23 - \$40.48
Information Technology Analyst II	101.4	\$34.91 - \$42.53
Management Analyst I (City Manager and Human Resources)	99.5	\$33.31 - \$40.58
Management Analyst II (City Manager and Human Resources)	101.5	\$34.99 - \$42.64
Network Administrator I	106.6	\$39.69 - \$48.36
Network Administrator II	108.6	\$41.70 - \$50.81
Parks and Recreation Manager I	112.9	\$46.37 - \$56.50
Parks and Recreation Manager II	114.9	\$48.72 - \$59.36
Planning Manager I	116.8	\$51.06 - \$62.21
Planning Manager II	118.8	\$53.64 - \$65.36
Senior Human Resources Analyst I	108.2	\$41.29 - \$50.31
Senior Human Resources Analyst II	110.2	\$43.38 - \$52.85
Senior Management Analyst I (City Manager and Finance)	108.2	\$41.29 - \$50.31
Senior Management Analyst II (City Manager and Finance)	110.2	\$43.38 - \$52.85
Senior Risk Management Analyst I	108.2	\$41.29 - \$50.31
Senior Risk Management Analyst II	110.2	\$43.38 - \$52.85

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**CONFIDENTIAL CLASSIFICATION PAY RANGES ARE AS FOLLOWS:**

<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>HOURLY RATE</u>
Confidential Secretary (CM, HR and Police Chief Administration)	87.0	\$24.46 - \$29.80
Executive Assistant to the City Manager/City Attorney	97.1	\$31.39 - \$38.25
Executive Assistant to the Police Chief	91.9	\$27.61 - \$33.64
Information Technology Specialist	92.2	\$27.81 - \$33.89
Senior Accounting Technician	87.3	\$24.64 - \$30.03

**UNREPRESENTED GENERAL CLASSIFICATION PAY RANGES ARE AS FOLLOWS:**

<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>HOURLY RATE</u>
Police Recruit	98.0	\$32.09 - \$39.10

**PART-TIME / SEASONAL/ TEMPORARY (PST) CLASSIFICATIONS ARE AS FOLLOWS:**

*PST classifications do not receive any benefits described in this policy with the exception of the City contribution to the appropriate retirement plan in lieu of CalPERS/Social Security and sick leave benefits required by Labor Code §233.*

**Retired Annuitants Only:** *The salary for a Retired Annuitant must be an hourly pay rate that falls within the regular salary schedule for the position being filled. Per California Public Employee Retirement Law, a Retired Annuitant cannot receive any other compensation or benefits in addition to the hourly pay rate. Without exception, a maximum of 960 hours may be worked within a fiscal year (July 1 to June 30). Nonpaid or volunteer hours cannot be used in order to exceed 960 hours in a fiscal year. A Retired Annuitant cannot accrue service credit or any additional retirement rights or benefits.*

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***All PST step increases are 2.5% unless noted otherwise.***

<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>HOURLY RATE</u>
Administrative Intern	72.9	\$17.27 - \$21.04
Public Safety Aide	67.0	\$15.00 - \$18.28
Retired Annuitant	-	<i>Hourly pay rate that falls within the regular salary schedule for the position being filled</i>

<u>CLASSIFICATION</u>	<u>RANGE</u>	<u>HOURLY RATE</u>
Weed Abatement Inspector	90.3	\$26.54 - \$32.33

***Effective January 1, 2022 (Recreation PSTs Only)***

*Increases are not automatic and reviewed on an annual basis.*

Job Class	Range @ 2.5%	Step A	Step A'	Step B	Step B'	Step C	
RS I	<b>67.2</b>	\$ 15.00	\$ 15.38	\$ 15.76	\$ 16.16	\$ 16.56	
RS II	<b>72.2</b>	\$ 16.97	\$ 17.40	\$ 17.83	\$ 18.28	\$ 18.74	
RS III	<b>77.2</b>	\$ 19.20	\$ 19.68	\$ 20.18	\$ 20.68	\$ 21.20	
RS IV	<b>82.2</b>	\$ 21.73	\$ 22.27	\$ 22.83	\$ 23.86	\$ 25.07	<b>80</b>
RS V	<b>88.9</b>	\$ 25.64	\$ 26.93	\$ 28.30	\$ 29.73	\$ 31.23	<b>88.9</b>
			<b>Step B</b>	<b>Step C</b>	<b>Step D</b>	<b>Step E</b>	<b>Range</b>

**B. HEALTH AND WELFARE BENEFITS**

1. Cafeteria Plan

The City's cafeteria plan allotment is for enrollment in any of the City's CalPERS' health plans or other eligible benefit programs (e.g., dental, vision, etc.). The cost of the premium for the City's health plan will be deducted from the employee's cafeteria plan allotment. If there is a difference, the employee will be responsible for the remainder of the premium amount to be paid through payroll deductions. Unused cafeteria plan allotment will be paid out as "cash in

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lieu”, up to a maximum of \$1,150 per month (excludes Police Recruit). For Police Recruit the maximum “cash in lieu” is \$287.50 per month. Cash in lieu payments are taxable income and not PERSable.

Any employee who is not enrolled in a City CalPERS health insurance plan, and does not provide proof of enrollment in another group health insurance plan (e.g., coverage under a spouse’s employer plan) within 30 days from the beginning of the new plan year will not be eligible to receive cash in lieu.

All benefitted employees must enroll in an available City health program unless they opt out. An employee may receive cash in lieu for opting out of the City’s health program if he/she:

- (1) Provides proof that the employee and all individuals for whom the employee intends to claim a personal exemption deduction for the taxable year or years that begin or end in or with the City’s plan year to which the opt out applies (“tax family”), have or will have minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year to which the opt out arrangement applies (“opt out period”); and
- (2) Signs an attestation that the employee and his/her tax family have or will have such minimal essential coverage for the opt out period. An employee must provide the attestation every plan year at open enrollment or within 30 days after the start of the plan year. The opt out payment cannot be made and the City will not in fact make payment if the employer knows or has reason to know that the employee or tax family member doesn’t have such alternative coverage, or if the conditions in this paragraph are not otherwise satisfied.

The City may modify health insurance benefits or cafeteria plan (including, as to both, but not limited to, plan benefits or structure, City or employee contributions and/or opt out amount or requirements) in order to avoid penalties or taxes under the ACA or other statutory scheme that may result from an interpretation of the ACA or other statutory scheme by the Internal Revenue Service or other federal agency (including, but not limited to, a revenue ruling, regulation or other guidance) or state agency, or a ruling by a court of competent jurisdiction.

From July 1, 2021 through December 31, 2021, the allotment for the cafeteria plan, excluding Police Recruit, shall be \$1,250 per month. Effective January 1, 2022, the amount will increase to \$1,300 per month. For Police Recruit, the cafeteria plan allotment shall be \$1,300 per

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month from July 1, 2021 through December 31, 2021, then will increase to \$1,350 per month effective January 1, 2022.

**2. Medical Insurance**

The City is continuing the CalPERS' Health Benefits program that was adopted on January 1, 1986. From the total cafeteria plan allotment, the City will pay to CalPERS the statutorily required minimum employer contribution per month toward the cost of any CalPERS' health plan that the employee chooses to enroll. The employee agrees to be liable for the difference between the total cost of the health plan chosen and the City's contribution if he/she elects to obtain coverage under the CalPERS' health program. This amount shall be included in the total amount of the City's contribution to the employee's Section 125 Cafeteria Plan.

Employees who elect not to be covered under the City's medical insurance plan must have on file with the City a signed waiver of medical benefits. Employees will be provided an opportunity to enroll in the City's medical insurance plan during the designated open enrollment period.

**3. Retirement Benefits**

All Executive, Unrepresented, and Confidential employees are members of the California Public Employees' Retirement System (CalPERS). Those employees who are "classic members" as defined under the Public Employees' Pension Reform Act of 2013 (PEPRA) pay the employee's share of the retirement cost (8% for Miscellaneous and 9% for Safety Employees), and receive the following contracted benefits:

<b>Miscellaneous Employees</b> <i>"Classic" Members</i>	<b>Safety Employees</b> <i>"Classic" Members Hired on or before March 10,</i>
A. 3% at 60 Benefit Formula (§21354.3)	A. 3% at 50 Benefit Formula (§21362.2)
B. Final Compensation: One Year (§20042)	B. Final Compensation: One Year (§20042)
C. Prior Service (§20055)	C. Prior Service (§20055)
D. [Reserved]	D. [Reserved]
E. Additional Service Credit 2 Years (§20903)	E. [Reserved]

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<b>Miscellaneous Employees</b> <i>"Classic" Members</i>	<b>Safety Employees</b> <i>"Classic" Members Hired on or before March 10,</i>
F. Unused Sick Leave Credit (§20965)	F. Unused Sick Leave Credit (§20965)
G. Military Service Credit as Public Service (§21024)	G. Military Service Credit as Public Service (§21024)
H. 2% Annual Cost of Living Allowance Increase (§21329)	H. 2% Annual Cost of Living Allowance Increase (§21329)
I. Pre-Retirement Death Benefits to Continue After Remarriage of Survivor (§21551)	I. Pre-Retirement Death Benefits to Continue After Remarriage of Survivor (§21551)
J. 1959 Survivor Benefit Level Four (§21574)	J. 1959 Survivor Benefit Level Three (§21573)
K. \$5,000 Retired Death Benefit (§21623.5)	K. \$500 Retired Death Benefit (§21620)
L. [Reserved]	L. Post-Retirement Survivor Allowance (§21624/26/28)
M. [Reserved]	M. Post-Retirement Survivor Allowance to Continue After Remarriage (§21635)
	<b>Local Safety Employees</b> <i>Hired on or after March 11, 2011</i>
	A. 3% at 55 Benefit Formula (§21362.2)
	B. Final Compensation: Three Years – Career Average (§20042)

Those employees who are "new members" as defined under the Public Employees' Pension Reform Act of 2013 (PEPRA) pay the employee contributions equal to 50% of normal cost (currently 6.25% for Miscellaneous and 12.25% for Safety Employees), and receive the above listed benefits with the exception of the following:

<b>Miscellaneous Employees</b> <i>"New" Members Hired on or after January 1, 2013</i>	<b>Safety Employees</b> <i>"New" Members Hired on or after January 1, 2013</i>
A. 2% at 62 Benefit Formula (§7522.20)	A. 2.7% at 57 Benefit Formula (§7522.25(d))
B. Final Compensation: Three Years – Career Average (§20037)	B. Final Compensation: Three Years – Career Average (§20037)



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***PST Employees:*** In lieu of enrollment in the CalPERS' retirement program, PST employees will be enrolled in an IRS §457 retirement plan. The City contributes 7.5% of the employee's salary to the IRS §457 plan in lieu of CalPERS and Social Security. PST employees who qualify for membership will be enrolled in the CalPERS retirement program and City contributions to the IRS §457 plan will terminate.

4. Deferred Compensation

All Executive, Unrepresented and Confidential employees are eligible to participate in any of the City's Internal Revenue Code Section 457 Deferred Compensation Plan(s). Participation is handled through payroll deductions.

The City shall contribute \$300 per month (\$3,600 per year) in deferred compensation on behalf of the Assistant City Manager to one of the City approved plans as selected by the Assistant City Manager. Amounts contributed by the City shall be to the benefit of the Assistant City Manager in accordance with the Deferred Compensation Plan participation agreement.

5. Disability Insurance

The City provides Executive Management employees and Unrepresented Management employees with fully paid short-term and long-term disability plans.

***Exclusion:*** Confidential employees, PST employees, and Police Recruit(s) participate in the State Disability Insurance (SDI) Program at their expense.

6. Life and Accidental Death & Dismemberment (AD&D) Insurance [Applies to City Attorney]

The City provides fully paid life insurance and AD&D to Executive and Unrepresented Management employees in the amount of one and one half times the employee's annual salary plus \$25,000.

The City provides fully paid life insurance and AD&D to Confidential and benefitted employees in the amount of \$25,000.

**CITY OF EL CAJON  
CITY COUNCIL POLICY**

**SUBJECT:** Compensation Plan for Executive and Unrepresented Employees

**POLICY**  
A-29

**REFERENCE:**

**EFFECTIVE**  
January 1, 2022

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**C. LEAVES**

1. Vacation Accrual

All Executive, Unrepresented and Confidential employees shall accrue vacation in accordance with the following schedule:

- a. 3.07 hours of vacation accrued and credited bi-weekly from the date of hire until completion of the 36<sup>th</sup> month;
- b. 4.60 hours of vacation accrued and credited bi-weekly following completion of the 36<sup>th</sup> month through the 108<sup>th</sup> month;
- c. 5.52 hours of vacation accrued and credited bi-weekly following completion of the 108<sup>th</sup> month through the 156<sup>th</sup> month;
- d. 6.14 hours of vacation accrued and credited bi-weekly following completion of the 156<sup>th</sup> month.

New hires in Executive and Unrepresented Management classifications may accrue vacation leave at a rate greater than the entry rate at the discretion of the City Manager. Vacation accrual shall be capped at 620 hours for all executive and unrepresented management employees, and 560 hours for all confidential employees. No employee shall accrue vacation beyond the established cap unless specifically authorized by the City Manager. Employees have the option of 100% cash reimbursement for unused paid vacation at any time provided that they have used at least 80 hours of vacation/administrative leave during the preceding year (26 pay periods).

2. Administrative Leave

Executive Management (excludes Police Chief, Fire Chief, and Fire Division Chief) employees receive eighty (80) hours administrative leave per year accrued as vacation leave. The Police Chief, Fire Chief and Fire Division receive one hundred forty (140) hours administrative leave per year accrued as vacation. Unrepresented Management employees receive sixty (60) hours administrative leave per year accrued as vacation leave.

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3. Holidays

Executive and Unrepresented Management and Confidential employees (excluding the City Attorney) receive the following paid holidays:

New Years' Day	January 1
Martin Luther King's Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Admissions Day*	September 9 (floating holiday)
Columbus Day*	Second Monday in October (floating holiday)
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25
New Year's Eve	December 31

*And every day proclaimed by the City Council as a public holiday.*

\*Two (2) floating holidays in lieu of celebrating Columbus Day and Admissions Day. City facilities shall remain open on both days.

Vacation shall accrue and be credited bi-weekly to compensate for the two floating holidays based on regularly scheduled work shift (permanent shift):

**5-8 Schedules:** 0.62 hours; **9/80 Schedules:** 0.69 hours; **4/10 Schedules:** 0.77 hours

City Hall will be closed between the observed Christmas Eve holiday in 2021 and the observed New Years' Day holiday in 2022. Employee who take this time off must use paid leave for December 27, 28, 29, 30.

An EMPLOYEE whose day off falls on an observed City holiday (e.g., Friday holiday) will accrue their regularly scheduled hours of vacation leave.

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4. Sick Leave

Executive, Unrepresented and Confidential employees accrue sick leave at the rate of 3.68 hours per bi-weekly pay period. Accrual is unlimited. Part-Time/Seasonal/Temporary employees accrue and use sick leave upon commencement of employment at the rate prescribed by Labor Code § 246. PST employees are entitled to no other leave benefits under this policy.

Sick leave with pay shall be granted to all EMPLOYEES covered by this Policy in accordance with this section. Sick leave shall not be considered as a right which an EMPLOYEE may use at his/her discretion, but shall be allowed only in case of necessity and actual personal sickness or disability or (2) to attend to an illness or injury, including time for scheduled doctor or dentist appointment, of a person who is in the relationships to the employee as described in the California Labor Code §233, which currently includes:

Child	Parent	Spouse
Grand Child	Foster Child	Adopted Child
Step Child	Legal Ward	Child of Domestic Partner
Step Parent	Legal Guardian	Adoptive Parent
Foster Parent	Sibling	Parent-in-Law
Grand Parent	Registered Domestic Partner	Child of Person Standing in Loco Parentis

a. Sick Leave Conversion Privileges

Any EMPLOYEE who has taken 40 hours sick leave or less during the calendar year ending December 30 of each year shall be entitled to either convert up to 40 hours of unused sick leave to vacation or receive a cash payment for up to 24 hours, based upon the current compensation rate on an hour-for-hour basis.

In no event may an EMPLOYEE select a combination of two options or reduce the accumulated sick leave balance below 192 hours. No prorations shall be made for EMPLOYEES terminating on or before December 30 of the calendar year.

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b. Unused Sick Leave at Retirement for Health Insurance

For employees hired before July 1, 2013, upon retirement from City employment within 120 days of separation, for service or disability, an employee may elect to use unused sick leave at its dollar value at retirement (hourly base rate plus any regularly recurring bi-weekly premium pay, i.e., differential pay for Master's Degrees) to pay health insurance premiums in retirement according to the following schedule:

10 through 14 years of service: 25% of the sick leave balance at retirement;

15 through 19 years of service: 50% of the sick leave balance at retirement;

20 + years of service: 75% of the sick leave balance at retirement.

This benefit will be in addition to the monthly contribution the City makes, as determined by PERS, to the Public Employees' Retirement System for retiree health insurance benefits. The supplemental benefits described above shall be used to pay health insurance premiums for the retiree and dependents, if applicable. However, if the employee is deceased before the funds are exhausted, the supplemental benefits shall cease and the remaining funds shall be the City's property.

The City elects to self-administer this plan at this time. The City will pay the annualized dollar equivalent of the Kaiser two-party health insurance premium once per year in January of each year.

This benefit may be used in combination with service credit for unused sick leave as described in Section C – Health and Welfare Benefits – Retirement Benefits.

5. Bereavement Leave

Up to twenty-four hours special leave with pay may be granted to Executive and Unrepresented Management and Confidential employees in order to discharge the customary obligations arising from the death of a relative who is a member of employee's household or a parent, step-parent, grandparent, sibling or child of the employee or the employee's spouse/domestic partner (not required to be a member of the household). Sixteen (16) additional hours to be charged to sick leave may be approved at the discretion of the City Manager.

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6. Military Leave

Any employee who is or becomes a member of the Armed Services, Militia or Organized Reserves of California or the United States shall be entitled to the leaves of absence and employment rights and privileges provided by the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Military and Veterans Code of the State of California.

7. Jury and Witness Leave

All Executive, Unrepresented and Confidential employees are entitled to be absent from duty when called to serve as a trial juror or as a witness called by a subpoena before a court of law. Under such circumstances, the EMPLOYEE is paid the difference between full salary and any payment received by them, except travel pay, for such duty.

8. Stand-by Time

The Fire Chief and Fire Division Chief shall receive eight (8) hours of vacation leave for every week he/she is required to participate in the back-up duty chief rotation for Heartland Fire & Rescue. For each holiday occurring during the assigned week, (Saturdays and Sundays are not considered holidays), an additional four (4) hours of vacation will be credited.

**D. UNIFORM AND EQUIPMENT ALLOWANCE**

The Police Chief, Fire Chief and Fire Division Chief receive an annual uniform and equipment allowance of \$675. Yearly distribution will be issued the second paycheck in July.

**Newly Hired Police Recruits:** The annual uniform and equipment allowance for newly hired Police Recruits shall be \$775 per year. The uniform allowance shall be prorated over the twelve month period beginning from the actual hire date to the following July 1st. Yearly distribution will be issued the second paycheck in July.

**E. TUITION AND BOOK REIMBURSEMENT**

The City provides an allowance of \$750 per fiscal year for Executive, Unrepresented and Confidential employees to use to defray the cost of attendance at seminars, workshops, conferences and/or classes, which promote professional growth. Executive and

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Unrepresented Management employees may use this allowance for lodging, meals, and other travel expenses.

Executive and Unrepresented Management employees may also use the allowance to cover the costs of membership fees for job related professional associations.

**F. OTHER CERTIFICATIONS AND SPECIAL COMPENSATION**

1. Notary Public Pay

Positions designated by the department director shall receive Notary Public Pay in the amount of \$75/month if he/she is a Notary Public in the State of California. The City shall also pay the cost of bonding of this employee while he/she is serving as Notary Public for the benefit of the City. Employees in designated positions shall perform notary services only as directed by his/her supervisor.

2. Bilingual Pay

Positions designated by the department director shall receive Bilingual Pay in the amount of \$120/month if he/she is certified by a language professional, designated by the City, as having suitable skills to provide translation service.

3. Automobile Allowance

Executive Management employees shall be provided a monthly automobile allowance of \$300 in exchange for making a vehicle available for his/her own use and for City-related business and/or functions during, before and after normal work hours. The Assistant City Manager shall be provided an additional \$100, to total a monthly automobile allowance of \$400.

4. Cellular Telephone Allowance

The Assistant City Manager shall receive as compensation the sum of \$120 per month for use as an allowance for his/her cellular telephone service.

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5. Technology Allowance

The Assistant City Manager shall be provided with an amount not to exceed \$2,500 every two years, beginning with the year of his/her initial appointment, for use to purchase technology equipment such as a personal laptop computer, etc. The payment shall be made upon submission of receipts documenting the purchase(s). The equipment purchased shall become the property of the Assistant City Manager.

6. Non-PERSable Stipend

A non-PERSable stipend of \$6,000/Police Chief, \$6,000/Fire Chief, and \$4,200/Fire Division Chief. One-half of stipend payment to be issued on the second paycheck in July 2021 and one-half issued on the first paycheck in December 2021.

**G. RELOCATION ALLOWANCE**

The City Manager may authorize an allowance up to \$10,000 for relocation expenses to the San Diego area.





City Council  
Agenda Report

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Angela Cortez, City Clerk  
**SUBJECT:** Term Expirations on City Commissions

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**RECOMMENDATION:**

That the City Council approves the timeline for accepting applications and scheduling of interviews for candidates to serve on the City's Personnel Commission and Planning Commission.

Application Period: December 15, 2021 - January 18, 2022, at 5:00 p.m.

Interview and Appointment of Applicants: February 8, 2022, at 7:00 p.m.

**BACKGROUND:**

The following Commissions/Committees have terms expiring as indicated below:

**Personnel Commission**

Vacancies: One (1) Commissioner

Duration: Four-Year Term to expire January 31, 2026

Requirements: Applicant must be a resident of the City and continue to reside in the City during the term of office.

\*Personnel Commissioner member will be appointed from a list of three persons nominated by employees in the Classified Service, except when an incumbent is to be renominated, then one name may be submitted.

Personnel Commissioners are required to file a Form 700 according to provisions of the Political Reform Act, the Fair Political Practices Commission, and the City's Conflict of Interest Code.

**Planning Commission**

Vacancies: One (1) Commissioner

Duration: Four-Year Term to expire January 31, 2026

Requirements: Applicant must be a resident of the City at the time of application and continue to

reside in the City during the term of office.

**Applications will be available on December 15, 2021, in the City Clerk's Office, and a downloadable, interactive application form will also be available on the City's website at [www.elcajon.gov/your-government/commissions](http://www.elcajon.gov/your-government/commissions).**

FISCAL IMPACT:

Members of the Personnel and Planning Commissions are compensated for meetings attended.

Prepared By: Angela Cortez, City Clerk

Reviewed By: N/A

Approved By: Graham Mitchell, City Manager

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City Council  
Agenda Report

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Clay Schoen, Director of Finance  
**SUBJECT:** July – September 2021 Quarterly Treasurer’s Report

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**RECOMMENDATION:**

That the City Council receives the Treasurer’s Report for the quarter ending September 30, 2021.

**BACKGROUND:**

Per the City’s investment policy, the latest quarterly Treasurer’s Report is presented for Council receipt and approval.

Investment Trends/Economy – The Federal Open Market Committee (FOMC) summarized its position on the economy with the following comments from their November 3, 2021 Monetary Policy release.

“With progress on vaccinations and strong policy support, indicators of economic activity and employment have continued to strengthen. The sectors most adversely affected by the pandemic have improved in recent months, but the summer’s rise in COVID-19 cases has slowed their recovery. Inflation is elevated, largely reflecting factors that are expected to be transitory. Supply and demand imbalances related to the pandemic and the reopening of the economy have contributed to sizable price increases in some sectors. Overall financial conditions remain accommodative, in part reflecting policy measures to support the economy and the flow of credit to U.S. households and businesses.

The path of the economy continues to depend on the course of the virus. Progress on vaccinations and an easing of supply constraints are expected to support continued gains in economic activity and employment as well as a reduction in inflation. Risks to the economic outlook remain.”

The October 28, 2021 release from the Bureau of Economic Analysis reported an increase in Gross Domestic Product in the third quarter of 2021 of a 2.0% annual rate. This is a decrease from the 6.7% growth rate reported for the second quarter. The report observed “A resurgence of COVID-19 cases resulted in new restrictions and delays in the reopening of establishments in some parts of the country.”

Citing the October 22, 2021 release from the Bureau of Labor Statistics, the national unemployment continued to improve in September to 4.8%. This is down 3.0% from the same

point last year. However, California and Nevada had the highest unemployment rates in the nation at 7.5% for September.

Perhaps the most concerning of the economic indicators is increased inflation. The Bureau of Labor Statistics reports a U.S. City average annual increase of 6.9% in the Consumer Price Index for October. While this is significantly higher than experienced in the last several years, the Federal Open Market Committee cited supply problems as the cause, and therefore expects this to be a temporary situation.

U.S. Treasuries – As of September 30, 2021, the yield was 0.28% for a 2-year Treasury and 0.97% for a 5-year Treasury. Compared to the prior year, the 2-year Treasuries increased 15 basis points and the 5-year Treasuries increased 69 basis points.

U.S. Government Agencies – At quarter end, the yield was 0.28% for a 2-year and 0.99% for a 5-year Federal Agency investment. The City’s investment portfolio, in large part, is comprised of U.S. Government Agency securities because they typically offer a slightly higher return than U.S. Treasuries.

LAIF and CAMP Pools –The quarter to date yield for the first quarter of fiscal year 2022 was 0.22% for the LAIF Pool, and the CAMP cash pool yielded 0.05% during the same period.

Outlook & Strategy –The current economic environment presents challenges to investing public funds. The current strategy is to maintain flexibility in order to maximize investment opportunities when they materialize. As they become available, and the City’s cash flow needs are met, investing funds in securities will continue with the City’s investment advisors, Public Financial Management (PFM). The CAMP pool is currently rated AAA. No rating is provided for LAIF, but it is expected it would also achieve an AAA rating.

Report Presentation – This report is presented in the following sections:

Operating Cash – The Union Bank Master Account is the City’s main checking account. The City also utilizes a merchant account with U.S. Bank for receiving credit card payments. Funds are automatically transferred daily from U.S. Bank to the City’s main checking account at Union Bank.

Operating Investments – The City’s operating investments are invested in CAMP portfolio investments (64.12%) earning 1.45% and LAIF (35.83%) earning 0.22%. The remainder in the CAMP investment pool (0.05%) earning 0.05%. The investment portfolio make-up of LAIF and CAMP are attached. In addition to maximizing yield, these investments provide for safety and liquidity in meeting the City’s operational needs.

Successor Agency Investments – The Successor Agency no longer holds operating investments. The Bank of New York Mellon is the Trustee, the required bond accounts have a combined market value of \$4,531,254.

#### FISCAL IMPACT:

Interest earned for the first quarter of the fiscal year, on a cash basis, was \$429,638.

Prepared By: Clay Schoen, Director of Finance

Reviewed By: N/A

Approved By: Graham Mitchell, City Manager

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#### Attachments

July - Sept 2021 Quarterly Treasurer's Report



# CITY OF EL CAJON TREASURER'S REPORT AS OF SEPTEMBER 30, 2021

Cash Basis

	Balance as of <u>September 30, 2021</u>	Quarter to Date		Fiscal Year to Date Interest Earnings	Market Value*
		Yield/Interest Rate	Interest Earnings		
<b><u>Operating Cash</u></b>					
UBOC Checking (Master)	\$ 2,710,021	0.25%	\$ 5,743	\$ 5,743	\$ 2,710,021
US Bank (Merchant Processing)	24,389	n/a	-	-	24,389
Worker's Compensation (Imprest Account)	125,000	n/a	-	-	125,000
POB Cost of Issuance Fund (US Bank)	2,436,480	n/a	-	-	2,436,480
PARS 115 TRUST (US Bank) <sup>(1)</sup>	2,030,256	n/a	(4,737)	(4,737)	2,030,256
Petty Cash	4,755	n/a	-	-	4,755
<b>Total Operating Cash</b>	<b>\$ 7,330,901</b>		<b>\$ 1,006</b>	<b>\$ 1,006</b>	<b>\$ 7,330,901</b>
<b><u>Operating Investments</u></b>					
LAIF <sup>(2)</sup> - City Pool	\$ 42,622,580	0.22%	\$ 29,378	\$ 29,378	\$ 42,617,195
CAMP <sup>(3)</sup> Cash Management	59,348	0.05%	43	43	59,348
CAMP Managed Portfolio	76,267,056	1.45%	399,177	399,177	77,003,810
<b>Total Operating Investments</b>	<b>\$ 118,948,984</b>		<b>\$ 428,598</b>	<b>\$ 428,598</b>	<b>\$ 119,680,353</b>
<b>Total Operating Cash and Investments</b>	<b>\$ 126,279,885</b>		<b>\$ 429,604</b>	<b>\$ 429,604</b>	<b>\$ 127,011,254</b>
<b><u>Successor Agency Investments</u></b>					
The Bank of New York Mellon Trust Co.:					
Bond Reserve Fund	1,305,974	0.01%	34	34	1,305,974
Bond Debt Service Fund	665,789	0.00%	-	-	665,789
Tax Allocation Refunding Bond Debt Service Fund	2,559,491	0.00%	-	-	2,559,491
Interest Ac Fund	-	0.00%	-	-	-
<b>Total Successor Agency</b>	<b>\$ 4,531,254</b>		<b>\$ 34</b>	<b>\$ 34</b>	<b>\$ 4,531,254</b>
<b>Grand Total Cash and Investments</b>	<b>\$ 130,811,139</b>		<b>\$ 429,638</b>	<b>\$ 429,638</b>	<b>\$ 131,542,508</b>

I certify that all investments under the management of the City are in compliance with the City's adopted investment policy, and I certify the City's investments plus projected revenues, are sufficiently liquid to meet the City's next six (6) months cash flow requirements per the adopted budget.

Clay Schoen, Director of Finance and Treasurer

October 30, 2021

Date

\*Source: Bank and Trustee Statements

Note (1): The PARS 115 Trust is an IRS-approved Section 115 Pension Rate Stabilization Program that the City participates in. The assets are held by US Bank with management and support provided by the Public Agency Retirement Services (PARS). The amounts in this account are restricted for use for the City's Pension System obligations.

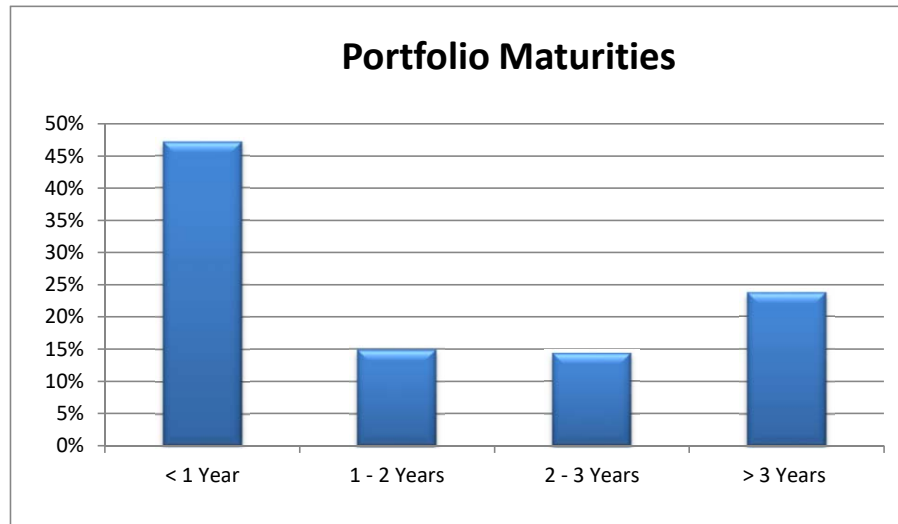
Note (2): The Local Agency Investment Fund (LAIF) is a voluntary investment alternative for California's local governments and special districts authorized by the California Government Code. LAIF is managed by the State Treasurer's Office with oversight by the Local Agency Investment Advisory Board. All securities in LAIF are purchased under the authority of Government Code Sections 16430 and 16480.8. LAIF is part of the State Treasurer's Pooled Money Investment Account (PMIA). The PMIA Investment Policy is guided by the goals of portfolio safety/diversification, liquidity, and yield.

Note (3): The California Asset Management Program (CAMP) is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies under California Government Code Section 53601(p). CAMP is directed by a Board of Trustees, which is made up of experienced local government finance directors and treasurers.

**CITY OF EL CAJON**  
**OPERATING INVESTMENTS PORTFOLIO MATURITIES BY DATE AND TYPE (AT PAR)**  
**AS OF SEPTEMBER 30, 2021**

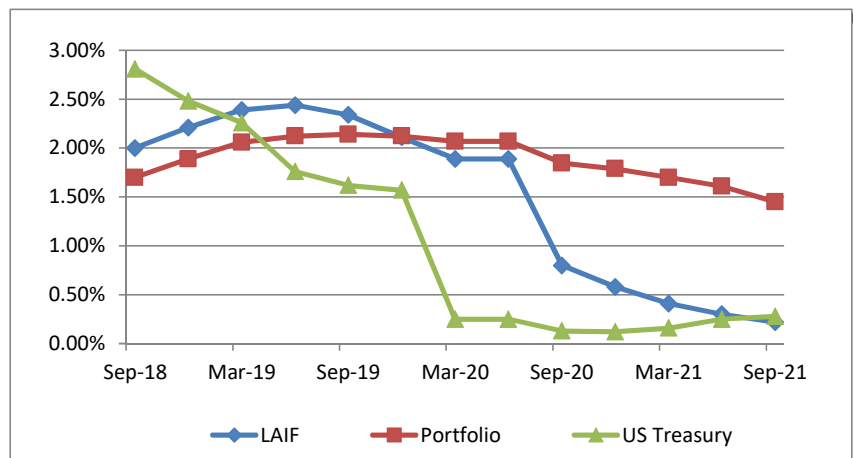
Type of Investment	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years
LAIF - City Pool	42,622,580	-	-	-
CAMP Cash Management	59,348	-	-	-
CAMP Managed Portfolio:				
FHLMC Notes	-	-	-	-
FMCC Global Notes	-	4,595,000	-	2,670,000
FNMA Benchmark/Global Notes	3,000,000	7,395,000	2,635,000	10,675,000
FHLB Notes/Global Bonds	1,815,000	-	2,650,000	-
US Treasury Notes	5,370,000	1,620,000	8,803,000	13,255,000
Corporate Bonds/Notes/CD	4,495,000	4,325,000	3,280,000	2,260,000
Municipal Bonds/Notes	-	160,000	-	-
<b>Totals</b>	<b>\$ 57,361,928</b>	<b>\$ 18,095,000</b>	<b>\$ 17,368,000</b>	<b>\$ 28,860,000</b>

<b>Portfolio Percentage</b>	<b>47.14%</b>	<b>14.87%</b>	<b>14.27%</b>	<b>23.72%</b>
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**QUARTERLY YIELD COMPARISONS**

Quarter Ending	LAIF (1)	Portfolio (2)	US Treasury (3)
Sep-18	2.00%	1.70%	2.81%
Dec-18	2.21%	1.89%	2.48%
Mar-19	2.39%	2.06%	2.26%
Jun-19	2.44%	2.12%	1.76%
Sep-19	2.34%	2.14%	1.62%
Dec-19	2.11%	2.12%	1.57%
Mar-20	1.89%	2.07%	0.25%
Jun-20	1.89%	2.07%	0.25%
Sep-20	0.80%	1.85%	0.13%
Dec-20	0.58%	1.79%	0.12%
Mar-21	0.41%	1.70%	0.16%
Jun-21	0.30%	1.61%	0.25%
Sep-21	0.22%	1.45%	0.28%



(1) per State Treasurer's Office, LAIF-PMIA Earnings Yield Rate (average quarterly return)

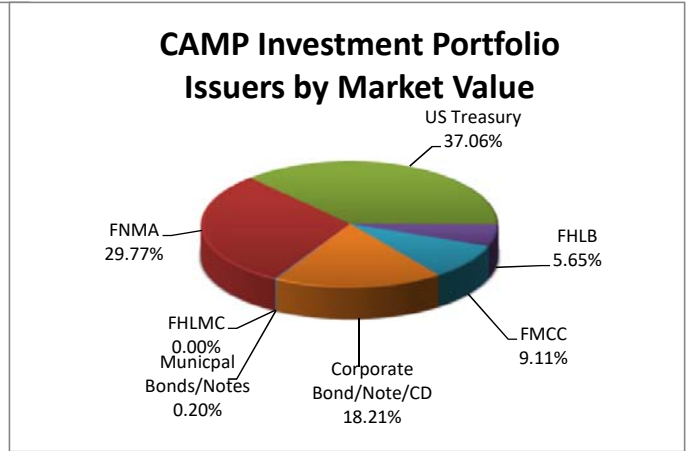
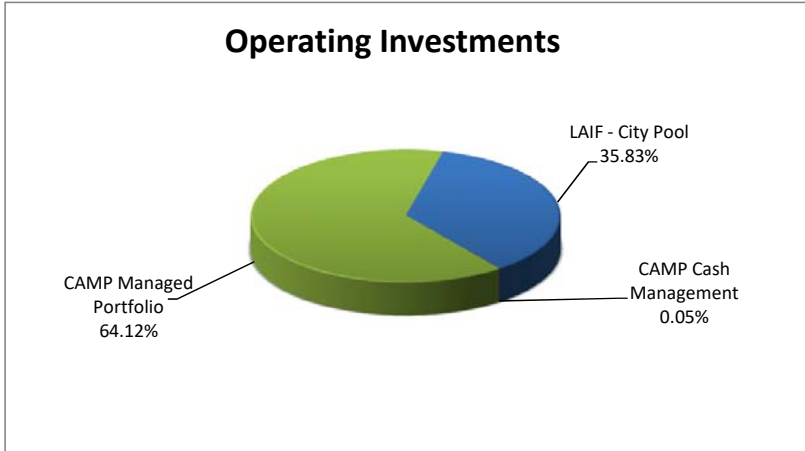
(2) per CAMP Portfolio report

(3) per U.S. Treasury 2-year daily yield curve rate



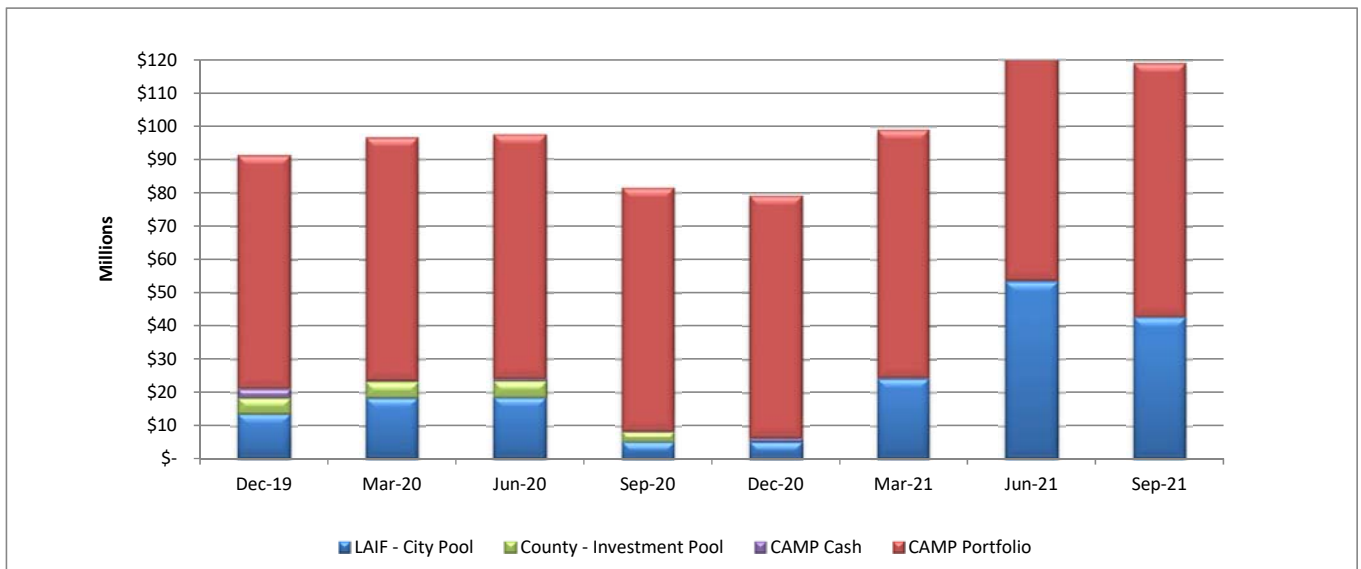
**CITY OF EL CAJON  
OPERATING INVESTMENTS COMPOSITION (AT COST)  
AS OF SEPTEMBER 30, 2021**

<u>Operating Investments</u>	<u>Type of Investment</u>	<u>Investment Amount</u>	<u>% of Total Investments</u>	<u>Prior Quarter Investment Amount</u>	<u>% Change From Prior Quarter</u>
LAIF - City Pool	(See attached graph)	\$ 42,622,580	35.83%	\$ 53,382,700	-20.16%
CAMP Cash Management	Cash Reserve Portfolio	59,348	0.05%	160,230	-62.96%
CAMP Managed Portfolio	Federal Agency & Corporate Bonds/Notes	76,267,056	64.12%	75,922,558	0.45%
<b>Total Operating Investments</b>		<b>\$ 118,948,984</b>	<b>100.00%</b>	<b>\$ 129,465,488</b>	<b>-8.12%</b>



**HISTORICAL COMPOSITION**

	<u>Quarter Ending</u>							
	<u>Dec-19</u>	<u>Mar-20</u>	<u>Jun-20</u>	<u>Sep-20</u>	<u>Dec-20</u>	<u>Mar-21</u>	<u>Jun-21</u>	<u>Sep-21</u>
LAIF - City Pool	\$ 13,547,960	\$ 18,407,896	\$ 18,534,148	\$ 5,195,793	\$ 5,232,722	\$ 24,189,968	\$ 53,382,700	\$ 42,622,580
County - Investment Pool	4,812,828	4,849,748	4,885,309	2,958,031	-	-	-	-
CAMP Cash	2,704,739	183,431	680,223	100,151	1,092,146	71,652	160,230	59,348
CAMP Portfolio	70,149,451	73,135,748	73,212,330	73,158,738	72,682,937	74,653,677	75,922,558	76,267,056
<b>Total</b>	<b>\$ 91,214,978</b>	<b>\$ 96,576,823</b>	<b>\$ 97,312,010</b>	<b>\$ 81,412,713</b>	<b>\$ 79,007,805</b>	<b>\$ 98,915,297</b>	<b>\$ 129,465,488</b>	<b>\$ 118,948,984</b>





# PMIA/LAIF Performance Report as of 10/19/21



## PMIA Average Monthly Effective Yields<sup>(1)</sup>

Sep	0.206
Aug	0.221
Jul	0.221

## Quarterly Performance Quarter Ended 09/30/21

LAIF Apportionment Rate <sup>(2)</sup> :	0.24
LAIF Earnings Ratio <sup>(2)</sup> :	0.00000661958813242
LAIF Fair Value Factor <sup>(1)</sup> :	0.999873661
PMIA Daily <sup>(1)</sup> :	0.20%
PMIA Quarter to Date <sup>(1)</sup> :	0.22%
PMIA Average Life <sup>(1)</sup> :	321

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 09/30/21 \$179.1 billion

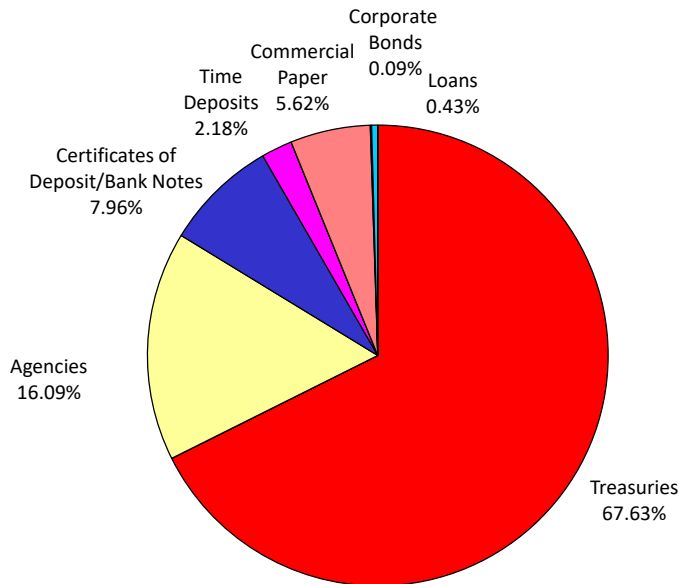


Chart does not include \$8,243,000.00 in mortgages, which equates to 0.004603%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller



## Account Statement - Transaction Summary

For the Month Ending **September 30, 2021**

### CITY OF EL CAJON - OPERATING FUNDS - 505-00

<b>CAMP Pool</b>	
Opening Market Value	130,705.65
Purchases	1,669,950.84
Redemptions	(1,741,308.87)
Unsettled Trades	0.00
Change in Value	0.00

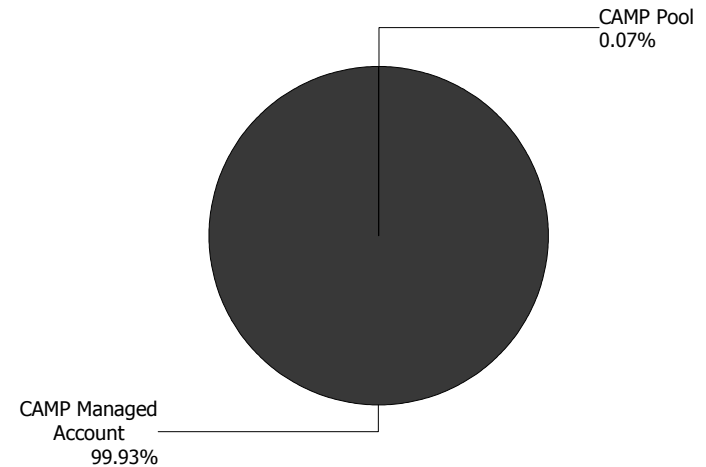
<b>Closing Market Value</b>	<b>\$59,347.62</b>
Cash Dividends and Income	6.72

<b>CAMP Managed Account</b>	
Opening Market Value	80,743,129.01
Purchases	1,727,422.44
Redemptions	(1,551,610.55)
Unsettled Trades	0.00
Change in Value	(299,820.51)

<b>Closing Market Value</b>	<b>\$80,619,120.39</b>
Cash Dividends and Income	132,622.71

<b>Asset Summary</b>		
	<b>September 30, 2021</b>	<b>August 31, 2021</b>
<b>CAMP Pool</b>	59,347.62	130,705.65
<b>CAMP Managed Account</b>	80,619,120.39	80,743,129.01
<b>Total</b>	<b>\$80,678,468.01</b>	<b>\$80,873,834.66</b>

### Asset Allocation





## Managed Account Summary Statement

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

Transaction Summary - Money Market		Transaction Summary - Managed Account		Account Total	
<b>Opening Market Value</b>	<b>\$130,705.65</b>	<b>Opening Market Value</b>	<b>\$80,743,129.01</b>	<b>Opening Market Value</b>	<b>\$80,873,834.66</b>
Purchases	1,669,950.84	Maturities/Calls	(400,000.00)		
Redemptions	(1,741,308.87)	Principal Dispositions	(1,151,610.55)		
		Principal Acquisitions	1,727,422.44		
		Unsettled Trades	0.00		
		Change in Current Value	(299,820.51)		
<b>Closing Market Value</b>	<b>\$59,347.62</b>	<b>Closing Market Value</b>	<b>\$80,619,120.39</b>	<b>Closing Market Value</b>	<b>\$80,678,468.01</b>
Dividend	6.72				

Earnings Reconciliation (Cash Basis) - Managed Account	
Interest/Dividends/Coupons Received	118,333.57
Less Purchased Interest Related to Interest/Coupons	(7,819.84)
Plus Net Realized Gains/Losses	22,108.98
<b>Total Cash Basis Earnings</b>	<b>\$132,622.71</b>

Cash Balance	
<b>Closing Cash Balance</b>	<b>\$0.00</b>

Earnings Reconciliation (Accrual Basis)	Managed Account	Total
Ending Amortized Value of Securities	79,613,242.17	79,672,589.79
Ending Accrued Interest	299,181.06	299,181.06
Plus Proceeds from Sales	1,154,354.06	2,895,662.93
Plus Proceeds of Maturities/Calls/Principal Payments	400,600.00	400,600.00
Plus Coupons/Dividends Received	114,990.06	114,990.06
Less Cost of New Purchases	(1,735,242.28)	(3,405,193.12)
Less Beginning Amortized Value of Securities	(79,420,049.35)	(79,550,755.00)
Less Beginning Accrued Interest	(297,742.92)	(297,742.92)
Dividends	0.00	6.72
<b>Total Accrual Basis Earnings</b>	<b>\$129,332.80</b>	<b>\$129,339.52</b>

Cash Transactions Summary- Managed Account	
Maturities/Calls	400,600.00
Sale Proceeds	1,154,354.06
Coupon/Interest/Dividend Income	114,990.06
Principal Payments	0.00
Security Purchases	(1,735,242.28)
Net Cash Contribution	65,298.16
Reconciling Transactions	0.00



## Portfolio Summary and Statistics

For the Month Ending **September 30, 2021**

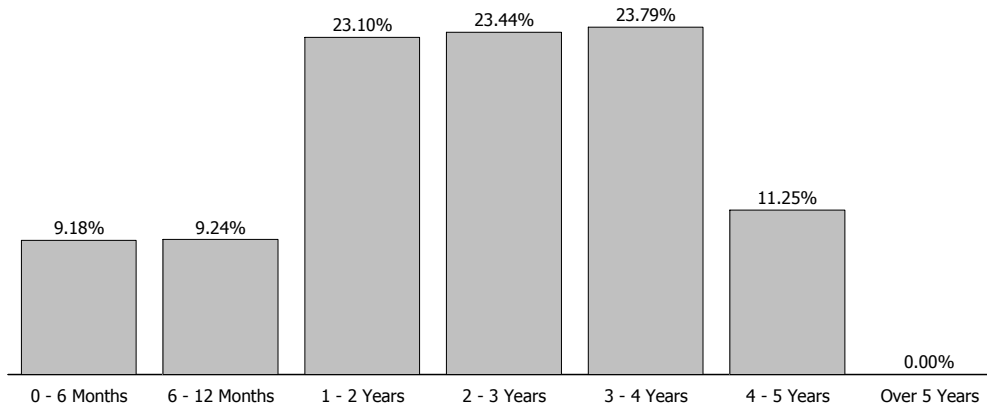
CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

### Account Summary

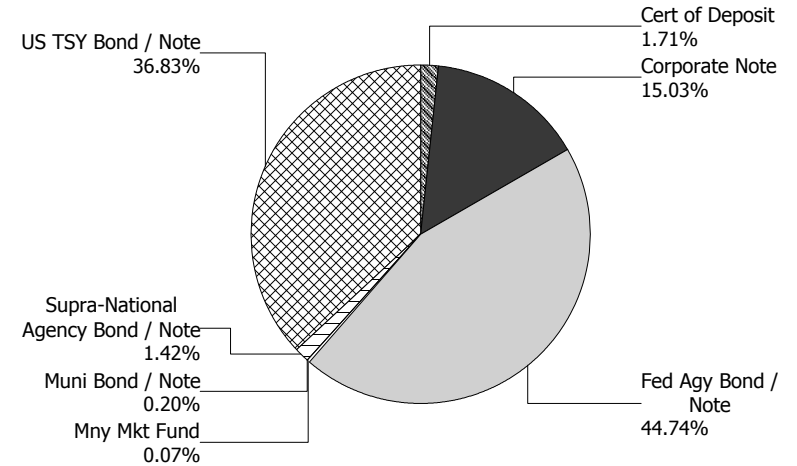
Description	Par Value	Market Value	Percent
U.S. Treasury Bond / Note	29,048,000.00	29,716,162.15	36.83
Supra-National Agency Bond / Note	1,150,000.00	1,148,161.15	1.42
Municipal Bond / Note	160,000.00	162,528.00	0.20
Federal Agency Bond / Note	35,435,000.00	36,087,155.15	44.74
Corporate Note	11,840,000.00	12,128,548.79	15.03
Certificate of Deposit	1,370,000.00	1,376,565.15	1.71
<b>Managed Account Sub-Total</b>	<b>79,003,000.00</b>	<b>80,619,120.39</b>	<b>99.93%</b>
Accrued Interest		299,181.06	
<b>Total Portfolio</b>	<b>79,003,000.00</b>	<b>80,918,301.45</b>	
CAMP Pool	59,347.62	59,347.62	0.07
<b>Total Investments</b>	<b>79,062,347.62</b>	<b>80,977,649.07</b>	<b>100.00%</b>

**Unsettled Trades** **0.00** **0.00**

### Maturity Distribution



### Sector Allocation



### Characteristics

Yield to Maturity at Cost	1.38%
Yield to Maturity at Market	0.47%
Weighted Average Days to Maturity	873



## Managed Account Issuer Summary

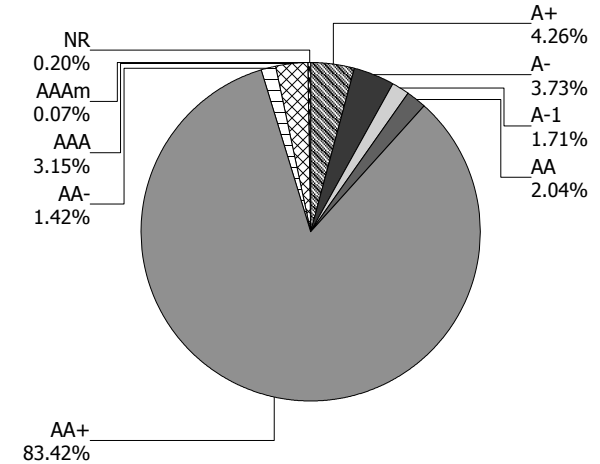
For the Month Ending **September 30, 2021**

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

### Issuer Summary

Issuer	Market Value of Holdings	Percent
AMAZON.COM INC	459,081.84	0.57
APPLE INC	1,497,354.07	1.86
BANK OF AMERICA CO	1,066,648.00	1.32
BLACKROCK INC	1,148,652.00	1.42
BRISTOL-MYERS SQUIBB CO	493,626.50	0.61
CALIFORNIA EARTHQUAKE AUTHORITY	162,528.00	0.20
CAMP Pool	59,347.62	0.07
FANNIE MAE	20,310,268.74	25.17
FEDERAL HOME LOAN BANKS	4,614,744.21	5.72
FREDDIE MAC	11,162,142.20	13.84
IBM CORP	1,007,398.00	1.25
INTER-AMERICAN DEVELOPMENT BANK	1,148,161.15	1.42
JOHNSON & JOHNSON	1,394,181.11	1.73
JP MORGAN CHASE & CO	935,330.52	1.16
PFIZER INC	1,054,883.00	1.31
SOCIETE GENERALE	769,230.45	0.95
SUMITOMO MITSUI FINANCIAL GROUP INC	607,334.70	0.75
TOYOTA MOTOR CORP	354,039.00	0.44
UNITED STATES TREASURY	29,716,162.15	36.84
US BANCORP	1,534,257.50	1.90
WAL-MART STORES INC	1,183,097.25	1.47
<b>Total</b>	<b>\$80,678,468.01</b>	<b>100.00%</b>

### Credit Quality (S&P Ratings)





**Managed Account Detail of Securities Held**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>												
US TREASURY NOTES DTD 01/03/2017 2.000% 12/31/2021		912828U81	1,730,000.00	AA+	Aaa	01/16/20	01/21/20	1,743,988.67	1.58	8,744.02	1,731,792.91	1,738,379.77
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022		912828W89	1,725,000.00	AA+	Aaa	01/16/20	01/21/20	1,736,522.46	1.56	88.86	1,727,606.96	1,740,363.20
US TREASURY NOTES DTD 06/30/2017 1.750% 06/30/2022		912828XW5	955,000.00	AA+	Aaa	11/30/17	11/30/17	940,413.87	2.10	4,223.54	952,628.56	966,937.50
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022		912828L57	960,000.00	AA+	Aaa	11/30/17	11/30/17	943,837.50	2.12	46.15	956,666.77	975,749.95
US TREASURY NOTES DTD 01/15/2020 1.500% 01/15/2023		912828Z29	1,070,000.00	AA+	Aaa	01/30/20	01/31/20	1,073,803.52	1.38	3,401.90	1,071,658.76	1,088,557.87
US TREASURY NOTES DTD 10/01/2018 2.875% 09/30/2023		9128285D8	550,000.00	AA+	Aaa	09/27/21	09/28/21	578,273.44	0.30	43.44	578,157.57	578,273.41
US TREASURY NOTES DTD 02/28/2019 2.375% 02/29/2024		9128286G0	4,568,000.00	AA+	Aaa	08/11/21	08/12/21	4,803,002.19	0.35	9,290.58	4,790,381.23	4,786,407.50
US TREASURY NOTES DTD 05/01/2017 2.000% 04/30/2024		912828X70	2,025,000.00	AA+	Aaa	06/20/19	06/24/19	2,048,888.67	1.75	16,948.37	2,037,699.28	2,107,265.63
US TREASURY NOTES DTD 07/31/2017 2.125% 07/31/2024		9128282N9	1,000,000.00	AA+	Aaa	08/01/19	08/02/19	1,020,390.63	1.70	3,580.16	1,011,552.83	1,046,250.00
US TREASURY NOTES DTD 08/15/2014 2.375% 08/15/2024		912828D56	1,210,000.00	AA+	Aaa	09/26/19	09/27/19	1,254,240.62	1.59	3,670.28	1,236,013.68	1,275,037.50
US TREASURY NOTES DTD 10/31/2019 1.500% 10/31/2024		912828YM6	2,840,000.00	AA+	Aaa	02/24/21	02/25/21	2,958,259.38	0.36	17,827.17	2,939,077.43	2,923,425.00
US TREASURY NOTES DTD 11/30/2017 2.125% 11/30/2024		9128283J7	1,735,000.00	AA+	Aaa	01/07/20	01/09/20	1,776,138.47	1.62	12,390.32	1,761,612.24	1,819,852.26
US TREASURY NOTES DTD 02/29/2020 1.125% 02/28/2025		912828ZC7	1,570,000.00	AA+	Aaa	03/30/21	03/31/21	1,601,706.64	0.60	1,512.53	1,597,626.90	1,596,003.13
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025		91282CAJ0	1,200,000.00	AA+	Aaa	08/20/21	08/23/21	1,182,000.00	0.63	256.91	1,182,477.88	1,175,625.00



**Managed Account Detail of Securities Held**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	1,575,000.00	AA+	Aaa	06/01/21	06/01/21	1,550,144.53	0.73	1,492.61	1,551,955.98	1,543,500.00
US TREASURY NOTES DTD 02/28/2019 2.500% 02/28/2026	9128286F2	1,000,000.00	AA+	Aaa	03/01/21	03/01/21	1,088,125.00	0.70	2,140.88	1,077,791.44	1,070,468.80
US TREASURY NOTES DTD 02/28/2021 0.500% 02/28/2026	91282CBQ3	1,635,000.00	AA+	Aaa	03/30/21	03/31/21	1,605,429.49	0.88	700.07	1,608,460.67	1,607,409.38
US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	500,000.00	AA+	Aaa	06/23/21	06/25/21	497,148.44	0.87	1,260.25	497,303.61	495,781.25
US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	1,200,000.00	AA+	Aaa	08/20/21	08/23/21	1,192,171.88	0.76	1,263.59	1,192,341.21	1,180,875.00
<b>Security Type Sub-Total</b>		<b>29,048,000.00</b>					<b>29,594,485.40</b>	<b>1.03</b>	<b>88,881.63</b>	<b>29,502,805.91</b>	<b>29,716,162.15</b>
<b>Supra-National Agency Bond / Note</b>											
INTER-AMERICAN DEVEL BK NOTES DTD 09/23/2021 0.500% 09/23/2024	4581X0DZ8	1,150,000.00	AAA	Aaa	09/15/21	09/23/21	1,149,149.00	0.52	127.78	1,149,155.21	1,148,161.15
<b>Security Type Sub-Total</b>		<b>1,150,000.00</b>					<b>1,149,149.00</b>	<b>0.52</b>	<b>127.78</b>	<b>1,149,155.21</b>	<b>1,148,161.15</b>
<b>Municipal Bond / Note</b>											
CA ST EARTHQUAKE AUTH TXBL REV BONDS DTD 11/24/2020 1.477% 07/01/2023	13017HAK2	160,000.00	NR	NR	11/13/20	11/24/20	160,000.00	1.48	590.80	160,000.00	162,528.00
<b>Security Type Sub-Total</b>		<b>160,000.00</b>					<b>160,000.00</b>	<b>1.48</b>	<b>590.80</b>	<b>160,000.00</b>	<b>162,528.00</b>
<b>Federal Agency Bond / Note</b>											
FEDERAL HOME LOAN BANKS NOTES DTD 10/12/2018 3.000% 10/12/2021	3130AF5B9	1,815,000.00	AA+	Aaa	10/31/18	10/31/18	1,814,419.20	3.01	25,561.25	1,814,994.07	1,816,640.76
FANNIE MAE NOTES DTD 01/09/2017 2.000% 01/05/2022	3135G0S38	1,000,000.00	AA+	Aaa	01/24/17	01/25/17	998,910.00	2.02	4,777.78	999,942.06	1,005,042.00





**Managed Account Detail of Securities Held**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Federal Agency Bond / Note</b>											
FANNIE MAE NOTES DTD 04/10/2017 1.875% 04/05/2022	3135G0T45	1,000,000.00	AA+	Aaa	05/30/17	05/31/17	1,000,380.00	1.87	9,166.67	1,000,039.93	1,009,085.00
FANNIE MAE NOTES DTD 04/10/2017 1.875% 04/05/2022	3135G0T45	1,000,000.00	AA+	Aaa	08/07/19	08/09/19	1,009,803.00	1.50	9,166.67	1,001,879.75	1,009,085.00
FANNIE MAE AGENCY NOTES DTD 10/06/2017 2.000% 10/05/2022	3135G0T78	1,450,000.00	AA+	Aaa	10/26/17	10/27/17	1,440,314.00	2.14	14,177.78	1,448,018.77	1,477,103.40
FANNIE MAE NOTES DTD 05/22/2020 0.250% 05/22/2023	3135G04Q3	1,200,000.00	AA+	Aaa	05/20/20	05/22/20	1,196,388.00	0.35	1,075.00	1,198,027.42	1,200,408.00
FREDDIE MAC NOTES DTD 06/11/2018 2.750% 06/19/2023	3137EAEN5	2,610,000.00	AA+	Aaa	01/02/19	01/03/19	2,628,531.00	2.58	20,336.25	2,617,125.56	2,722,190.85
FREDDIE MAC NOTES DTD 06/26/2020 0.250% 06/26/2023	3137EAES4	1,090,000.00	AA+	Aaa	06/24/20	06/26/20	1,086,817.20	0.35	719.10	1,088,160.08	1,090,202.74
FANNIE MAE NOTES DTD 07/10/2020 0.250% 07/10/2023	3135G05G4	1,530,000.00	AA+	Aaa	07/08/20	07/10/20	1,526,710.50	0.32	860.63	1,528,056.34	1,530,153.00
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	895,000.00	AA+	Aaa	08/19/20	08/21/20	894,087.10	0.28	229.97	894,424.66	894,756.56
FANNIE MAE NOTES DTD 09/14/2018 2.875% 09/12/2023	3135G0U43	1,390,000.00	AA+	Aaa	11/29/18	11/30/18	1,384,606.80	2.96	2,109.13	1,387,805.06	1,459,875.30
FANNIE MAE NOTES DTD 09/14/2018 2.875% 09/12/2023	3135G0U43	1,825,000.00	AA+	Aaa	10/31/18	10/31/18	1,807,315.75	3.09	2,769.19	1,817,924.31	1,916,742.75
FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAFA2	820,000.00	AA+	Aaa	12/02/20	12/04/20	819,188.20	0.28	666.25	819,411.35	818,324.74
FEDERAL HOME LOAN BANKS NOTES DTD 12/09/2013 3.375% 12/08/2023	3130A0F70	1,000,000.00	AA+	Aaa	01/28/19	01/29/19	1,027,730.00	2.76	10,593.75	1,012,473.81	1,065,945.00
FHLB BONDS DTD 02/15/2019 2.500% 02/13/2024	3130AFW94	1,650,000.00	AA+	Aaa	03/26/19	03/27/19	1,667,011.50	2.28	5,500.00	1,658,248.29	1,732,158.45
FANNIE MAE NOTES DTD 07/08/2019 1.750% 07/02/2024	3135G0V75	1,000,000.00	AA+	Aaa	08/05/19	08/06/19	1,006,430.00	1.61	4,326.39	1,003,606.11	1,034,286.00



**Managed Account Detail of Securities Held**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Federal Agency Bond / Note</b>											
FANNIE MAE NOTES DTD 07/08/2019 1.750% 07/02/2024	3135G0V75	1,635,000.00	AA+	Aaa	07/18/19	07/19/19	1,623,211.65	1.90	7,073.64	1,628,454.53	1,691,057.61
FANNIE MAE NOTES DTD 01/10/2020 1.625% 01/07/2025	3135G0X24	1,745,000.00	AA+	Aaa	01/16/20	01/21/20	1,740,131.45	1.68	6,616.46	1,741,793.69	1,803,092.80
FREDDIE MAC NOTES DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	950,000.00	AA+	Aaa	03/30/20	03/31/20	993,833.00	0.54	1,939.58	980,306.12	978,289.10
FREDDIE MAC NOTES DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	1,120,000.00	AA+	Aaa	02/26/20	02/28/20	1,133,753.60	1.24	2,286.67	1,129,341.21	1,153,351.36
FREDDIE MAC NOTES DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	1,635,000.00	AA+	Aaa	03/03/20	03/05/20	1,680,845.40	0.92	3,338.13	1,666,240.91	1,683,687.03
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	1,300,000.00	AA+	Aaa	06/04/20	06/05/20	1,305,213.00	0.54	3,588.54	1,303,800.05	1,298,203.40
FANNIE MAE NOTES DTD 06/19/2020 0.500% 06/17/2025	3135G04Z3	1,200,000.00	AA+	Aaa	06/17/20	06/19/20	1,197,516.00	0.54	1,733.33	1,198,154.70	1,191,031.20
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	730,000.00	AA+	Aaa	07/21/20	07/23/20	726,364.60	0.48	532.29	727,231.60	718,820.78
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	1,120,000.00	AA+	Aaa	09/23/20	09/25/20	1,116,628.80	0.44	93.33	1,117,314.50	1,102,519.04
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	1,075,000.00	AA+	Aaa	01/04/21	01/05/21	1,079,719.25	0.41	2,150.00	1,079,000.81	1,059,260.93
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	1,650,000.00	AA+	Aaa	11/10/20	11/12/20	1,644,588.00	0.57	3,300.00	1,645,547.95	1,625,842.35
<b>Security Type Sub-Total</b>		<b>35,435,000.00</b>					<b>35,550,447.00</b>	<b>1.52</b>	<b>144,687.78</b>	<b>35,507,323.64</b>	<b>36,087,155.15</b>
<b>Corporate Note</b>											
IBM CORP BONDS DTD 01/27/2017 2.500% 01/27/2022	459200JO5	1,000,000.00	A-	A2	02/13/17	02/16/17	1,005,280.00	2.39	4,444.44	1,000,344.98	1,007,398.00
US BANCORP (CALLABLE) NOTE DTD 03/02/2012 3.000% 03/15/2022	91159HHC7	1,000,000.00	A+	A2	05/28/19	05/30/19	1,011,170.00	2.58	1,333.33	1,001,542.63	1,009,985.00



**Managed Account Detail of Securities Held**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Corporate Note</b>											
BLACKROCK INC CORP NOTES DTD 05/25/2012 3.375% 06/01/2022	09247XAJ0	1,125,000.00	AA-	Aa3	04/15/19	04/17/19	1,148,861.25	2.66	12,656.25	1,130,081.76	1,148,652.00
APPLE INC GLOBAL NOTES DTD 05/03/2013 2.400% 05/03/2023	037833AK6	1,035,000.00	AA+	Aa1	05/05/21	05/07/21	1,078,024.95	0.30	10,212.00	1,069,313.29	1,069,231.59
APPLE INC CORPORATE NOTES DTD 05/11/2020 0.750% 05/11/2023	037833DV9	425,000.00	AA+	Aa1	05/04/20	05/11/20	423,844.00	0.84	1,239.58	424,380.30	428,122.48
JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 05/18/2016 2.700% 05/18/2023	46625HRL6	740,000.00	A-	A2	09/11/19	09/13/19	751,314.60	2.26	7,381.50	744,704.12	764,986.10
WAL-MART STORES INC CORP NOTES DTD 06/27/2018 3.400% 06/26/2023	931142EK5	1,125,000.00	AA	Aa2	04/15/19	04/17/19	1,155,015.00	2.72	10,093.75	1,137,046.02	1,183,097.25
BANK OF AMERICA CORP NOTES DTD 07/23/2013 4.100% 07/24/2023	06053FAA7	1,000,000.00	A-	A2	03/15/19	03/19/19	1,041,710.00	3.07	7,630.56	1,017,361.66	1,066,648.00
PFIZER INC CORP NOTES DTD 03/11/2019 2.950% 03/15/2024	717081ES8	1,000,000.00	A+	A2	04/02/19	04/04/19	1,012,190.00	2.68	1,311.11	1,005,944.17	1,054,883.00
AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 0.450% 05/12/2024	023135BW5	460,000.00	AA	A1	05/10/21	05/12/21	459,328.40	0.50	799.25	459,415.41	459,081.84
US BANCORP NOTES (CALLABLE) DTD 07/29/2019 2.400% 07/30/2024	91159HHX1	500,000.00	A+	A2	08/01/19	08/05/19	503,300.00	2.26	2,033.33	501,846.45	524,272.50
JPMORGAN CHASE & CO CORPORATE NOTES (CAL DTD 09/16/2020 0.653% 09/16/2024	46647PBS4	170,000.00	A-	A2	09/09/20	09/16/20	170,000.00	0.65	46.25	170,000.00	170,344.42
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	345,000.00	A+	A1	05/20/20	05/26/20	348,370.65	1.58	828.00	347,406.77	354,039.00
JOHNSON & JOHNSON CORPORATE NOTES DTD 08/25/2020 0.550% 09/01/2025	478160CN2	1,415,000.00	AAA	Aaa	09/11/20	09/15/20	1,419,570.45	0.48	648.54	1,418,592.72	1,394,181.11



**Managed Account Detail of Securities Held**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Corporate Note</b>												
BRISTOL-MYERS SQUIBB CO CORPORATE NOTES	DTD 11/13/2020 0.750% 11/13/2025	110122DN5	500,000.00	A+	A2	06/23/21	06/25/21	495,715.00	0.95	1,437.50	495,977.13	493,626.50
<b>Security Type Sub-Total</b>			<b>11,840,000.00</b>					<b>12,023,694.30</b>	<b>1.90</b>	<b>62,095.39</b>	<b>11,923,957.41</b>	<b>12,128,548.79</b>
<b>Certificate of Deposit</b>												
SOCIETE GENERALE NY CERT DEPOS	DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	765,000.00	A-1	P-1	02/14/20	02/19/20	765,000.00	1.80	1,797.75	765,000.00	769,230.45
SUMITOMO MITSUI BANK NY CERT DEPOS	DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	605,000.00	A-1	P-1	07/14/20	07/14/20	605,000.00	0.70	999.93	605,000.00	607,334.70
<b>Security Type Sub-Total</b>			<b>1,370,000.00</b>					<b>1,370,000.00</b>	<b>1.31</b>	<b>2,797.68</b>	<b>1,370,000.00</b>	<b>1,376,565.15</b>
<b>Managed Account Sub-Total</b>			<b>79,003,000.00</b>					<b>79,847,775.70</b>	<b>1.38</b>	<b>299,181.06</b>	<b>79,613,242.17</b>	<b>80,619,120.39</b>
<b>Money Market Mutual Fund</b>												
CAMP Pool			59,347.62	AAA	NR			59,347.62		0.00	59,347.62	59,347.62
<b>Liquid Sub-Total</b>			<b>59,347.62</b>					<b>59,347.62</b>		<b>0.00</b>	<b>59,347.62</b>	<b>59,347.62</b>
<b>Securities Sub-Total</b>			<b>\$79,062,347.62</b>					<b>\$79,907,123.32</b>	<b>1.38%</b>	<b>\$299,181.06</b>	<b>\$79,672,589.79</b>	<b>\$80,678,468.01</b>
<b>Accrued Interest</b>												<b>\$299,181.06</b>
<b>Total Investments</b>												<b>\$80,977,649.07</b>



**Managed Account Fair Market Value & Analytics**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>YTM at Mkt</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES	DTD 01/03/2017 2.000% 12/31/2021	912828U81	1,730,000.00	JPM_CHAS		100.48	1,738,379.77	(5,608.90)	6,586.86	0.25	0.06
US TREASURY NOTES	DTD 03/31/2017 1.875% 03/31/2022	912828W89	1,725,000.00	RBC		100.89	1,740,363.20	3,840.74	12,756.24	0.50	0.09
US TREASURY NOTES	DTD 06/30/2017 1.750% 06/30/2022	912828XW5	955,000.00	MERRILL		101.25	966,937.50	26,523.63	14,308.94	0.75	0.08
US TREASURY NOTES	DTD 09/30/2015 1.750% 09/30/2022	912828L57	960,000.00	HSBC		101.64	975,749.95	31,912.45	19,083.18	1.00	0.11
US TREASURY NOTES	DTD 01/15/2020 1.500% 01/15/2023	912828Z29	1,070,000.00	RBC		101.73	1,088,557.87	14,754.35	16,899.11	1.28	0.15
US TREASURY NOTES	DTD 10/01/2018 2.875% 09/30/2023	9128285D8	550,000.00	WELLS_F		105.14	578,273.41	(0.03)	115.84	1.96	0.30
US TREASURY NOTES	DTD 02/28/2019 2.375% 02/29/2024	9128286G0	4,568,000.00	WELLS_F		104.78	4,786,407.50	(16,594.69)	(3,973.73)	2.36	0.39
US TREASURY NOTES	DTD 05/01/2017 2.000% 04/30/2024	912828X70	2,025,000.00	MORGAN_S		104.06	2,107,265.63	58,376.96	69,566.35	2.51	0.42
US TREASURY NOTES	DTD 07/31/2017 2.125% 07/31/2024	9128282N9	1,000,000.00	RBC		104.63	1,046,250.00	25,859.37	34,697.17	2.76	0.48
US TREASURY NOTES	DTD 08/15/2014 2.375% 08/15/2024	912828D56	1,210,000.00	MERRILL		105.38	1,275,037.50	20,796.88	39,023.82	2.79	0.49
US TREASURY NOTES	DTD 10/31/2019 1.500% 10/31/2024	912828YM6	2,840,000.00	GOLDMAN		102.94	2,923,425.00	(34,834.38)	(15,652.43)	3.01	0.54
US TREASURY NOTES	DTD 11/30/2017 2.125% 11/30/2024	9128283J7	1,735,000.00	MERRILL		104.89	1,819,852.26	43,713.79	58,240.02	3.06	0.56
US TREASURY NOTES	DTD 02/29/2020 1.125% 02/28/2025	912828ZC7	1,570,000.00	BNP_PAR		101.66	1,596,003.13	(5,703.51)	(1,623.77)	3.36	0.63
US TREASURY NOTES	DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,200,000.00	NOMURA		97.97	1,175,625.00	(6,375.00)	(6,852.88)	3.90	0.78
US TREASURY NOTES	DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	1,575,000.00	JPM_CHA		98.00	1,543,500.00	(6,644.53)	(8,455.98)	4.22	0.86
US TREASURY NOTES	DTD 02/28/2019 2.500% 02/28/2026	9128286F2	1,000,000.00	GOLDMAN		107.05	1,070,468.80	(17,656.20)	(7,322.64)	4.21	0.87
US TREASURY NOTES	DTD 02/28/2021 0.500% 02/28/2026	91282CBQ3	1,635,000.00	RBS		98.31	1,607,409.38	1,979.89	(1,051.29)	4.37	0.89



**Managed Account Fair Market Value & Analytics**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>YTM at Mkt</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY N/B NOTES		91282CCF6	500,000.00	MERRILL		99.16	495,781.25	(1,367.19)	(1,522.36)	4.58	0.94
DTD 05/31/2021 0.750% 05/31/2026											
US TREASURY N/B NOTES		91282CCP4	1,200,000.00	BARCLAY		98.41	1,180,875.00	(11,296.88)	(11,466.21)	4.76	0.96
DTD 07/31/2021 0.625% 07/31/2026											
<b>Security Type Sub-Total</b>			<b>29,048,000.00</b>				<b>29,716,162.15</b>	<b>121,676.75</b>	<b>213,356.24</b>	<b>2.65</b>	<b>0.49</b>
<b>Supra-National Agency Bond / Note</b>											
INTER-AMERICAN DEVEL BK NOTES		4581X0DZ8	1,150,000.00	JPM_CHA		99.84	1,148,161.15	(987.85)	(994.06)	2.96	0.55
DTD 09/23/2021 0.500% 09/23/2024											
<b>Security Type Sub-Total</b>			<b>1,150,000.00</b>				<b>1,148,161.15</b>	<b>(987.85)</b>	<b>(994.06)</b>	<b>2.96</b>	<b>0.55</b>
<b>Municipal Bond / Note</b>											
CA ST EARTHQUAKE AUTH TXBL REV BONDS		13017HAK2	160,000.00	CITIGRP		101.58	162,528.00	2,528.00	2,528.00	1.73	0.57
DTD 11/24/2020 1.477% 07/01/2023											
<b>Security Type Sub-Total</b>			<b>160,000.00</b>				<b>162,528.00</b>	<b>2,528.00</b>	<b>2,528.00</b>	<b>1.73</b>	<b>0.57</b>
<b>Federal Agency Bond / Note</b>											
FEDERAL HOME LOAN BANKS NOTES		3130AF5B9	1,815,000.00	MKTX		100.09	1,816,640.76	2,221.56	1,646.69	0.03	0.28
DTD 10/12/2018 3.000% 10/12/2021											
FANNIE MAE NOTES		3135G0S38	1,000,000.00	TD		100.50	1,005,042.00	6,132.00	5,099.94	0.26	0.09
DTD 01/09/2017 2.000% 01/05/2022											
FANNIE MAE NOTES		3135G0T45	1,000,000.00	GOLDMAN		100.91	1,009,085.00	8,705.00	9,045.07	0.51	0.11
DTD 04/10/2017 1.875% 04/05/2022											
FANNIE MAE NOTES		3135G0T45	1,000,000.00	TD		100.91	1,009,085.00	(718.00)	7,205.25	0.51	0.11
DTD 04/10/2017 1.875% 04/05/2022											
FANNIE MAE AGENCY NOTES		3135G0T78	1,450,000.00	NOMURA		101.87	1,477,103.40	36,789.40	29,084.63	1.00	0.15
DTD 10/06/2017 2.000% 10/05/2022											
FANNIE MAE NOTES		3135G04O3	1,200,000.00	CITIGRP		100.03	1,200,408.00	4,020.00	2,380.58	1.64	0.23
DTD 05/22/2020 0.250% 05/22/2023											



**Managed Account Fair Market Value & Analytics**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>YTM at Mkt</b>
<b>Federal Agency Bond / Note</b>											
FREDDIE MAC NOTES	DTD 06/11/2018 2.750% 06/19/2023	3137EAEN5	2,610,000.00	BARCLAYS		104.30	2,722,190.85	93,659.85	105,065.29	1.68	0.24
FREDDIE MAC NOTES	DTD 06/26/2020 0.250% 06/26/2023	3137EAES4	1,090,000.00	TD		100.02	1,090,202.74	3,385.54	2,042.66	1.74	0.24
FANNIE MAE NOTES	DTD 07/10/2020 0.250% 07/10/2023	3135G05G4	1,530,000.00	CITIGRP		100.01	1,530,153.00	3,442.50	2,096.66	1.77	0.24
FREDDIE MAC NOTES	DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	895,000.00	CITIGRP		99.97	894,756.56	669.46	331.90	1.90	0.26
FANNIE MAE NOTES	DTD 09/14/2018 2.875% 09/12/2023	3135G0U43	1,390,000.00	MORGAN_S		105.03	1,459,875.30	75,268.50	72,070.24	1.91	0.29
FANNIE MAE NOTES	DTD 09/14/2018 2.875% 09/12/2023	3135G0U43	1,825,000.00	TD		105.03	1,916,742.75	109,427.00	98,818.44	1.91	0.29
FREDDIE MAC NOTES	DTD 12/04/2020 0.250% 12/04/2023	3137EAFA2	820,000.00	CITIGRP		99.80	818,324.74	(863.46)	(1,086.61)	2.17	0.34
FEDERAL HOME LOAN BANKS NOTES	DTD 12/09/2013 3.375% 12/08/2023	3130A0F70	1,000,000.00	WELLS_FA		106.59	1,065,945.00	38,215.00	53,471.19	2.11	0.35
FHLB BONDS	DTD 02/15/2019 2.500% 02/13/2024	3130AFW94	1,650,000.00	MORGAN_S		104.98	1,732,158.45	65,146.95	73,910.16	2.31	0.39
FANNIE MAE NOTES	DTD 07/08/2019 1.750% 07/02/2024	3135G0V75	1,000,000.00	NOMURA		103.43	1,034,286.00	27,856.00	30,679.89	2.69	0.50
FANNIE MAE NOTES	DTD 07/08/2019 1.750% 07/02/2024	3135G0V75	1,635,000.00	JEFFERIE		103.43	1,691,057.61	67,845.96	62,603.08	2.69	0.50
FANNIE MAE NOTES	DTD 01/10/2020 1.625% 01/07/2025	3135G0X24	1,745,000.00	MIZUHO		103.33	1,803,092.80	62,961.35	61,299.11	3.19	0.60
FREDDIE MAC NOTES	DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	950,000.00	TD		102.98	978,289.10	(15,543.90)	(2,017.02)	3.29	0.61
FREDDIE MAC NOTES	DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	1,120,000.00	TD		102.98	1,153,351.36	19,597.76	24,010.15	3.29	0.61
FREDDIE MAC NOTES	DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	1,635,000.00	WELLS_F		102.98	1,683,687.03	2,841.63	17,446.12	3.29	0.61
FANNIE MAE NOTES	DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	1,300,000.00	KEYBANC		99.86	1,298,203.40	(7,009.60)	(5,596.65)	3.52	0.66
FANNIE MAE NOTES	DTD 06/19/2020 0.500% 06/17/2025	3135G04Z3	1,200,000.00	NOMURA		99.25	1,191,031.20	(6,484.80)	(7,123.50)	3.68	0.70



**Managed Account Fair Market Value & Analytics**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>YTM at Mkt</b>
<b>Federal Agency Bond / Note</b>											
FREDDIE MAC NOTES	DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	730,000.00	WELLS_F		98.47	718,820.78	(7,543.82)	(8,410.82)	3.78	0.78
FREDDIE MAC NOTES	DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	1,120,000.00	CITIGRP		98.44	1,102,519.04	(14,109.76)	(14,795.46)	3.95	0.77
FANNIE MAE NOTES	DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	1,075,000.00	WELLS_F		98.54	1,059,260.93	(20,458.32)	(19,739.88)	4.06	0.86
FANNIE MAE NOTES	DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	1,650,000.00	JEFFERI		98.54	1,625,842.35	(18,745.65)	(19,705.60)	4.06	0.86
<b>Security Type Sub-Total</b>			<b>35,435,000.00</b>				<b>36,087,155.15</b>	<b>536,708.15</b>	<b>579,831.51</b>	<b>2.29</b>	<b>0.42</b>

<b>Corporate Note</b>											
IBM CORP BONDS	DTD 01/27/2017 2.500% 01/27/2022	459200JO5	1,000,000.00	RBC		100.74	1,007,398.00	2,118.00	7,053.02	0.33	0.22
US BANCORP (CALLABLE) NOTE	DTD 03/02/2012 3.000% 03/15/2022	91159HHC7	1,000,000.00	CSFB	02/15/22	101.00	1,009,985.00	(1,185.00)	8,442.37	0.38	0.81
BLACKROCK INC CORP NOTES	DTD 05/25/2012 3.375% 06/01/2022	09247XAJ0	1,125,000.00	WELLS_FA		102.10	1,148,652.00	(209.25)	18,570.24	0.66	0.23
APPLE INC GLOBAL NOTES	DTD 05/03/2013 2.400% 05/03/2023	037833AK6	1,035,000.00	GOLDMAN		103.31	1,069,231.59	(8,793.36)	(81.70)	1.56	0.32
APPLE INC CORPORATE NOTES	DTD 05/11/2020 0.750% 05/11/2023	037833DV9	425,000.00	JPM_CHA		100.73	428,122.48	4,278.48	3,742.18	1.60	0.29
JPMORGAN CHASE & CO (CALLABLE) CORP NOTE	DTD 05/18/2016 2.700% 05/18/2023	46625HRL6	740,000.00	RBC	03/18/23	103.38	764,986.10	13,671.50	20,281.98	1.43	0.62
WAL-MART STORES INC CORP NOTES	DTD 06/27/2018 3.400% 06/26/2023	931142EK5	1,125,000.00	DEUTSCHE	05/26/23	105.16	1,183,097.25	28,082.25	46,051.23	1.61	0.42
BANK OF AMERICA CORP NOTES	DTD 07/23/2013 4.100% 07/24/2023	06053FAA7	1,000,000.00	MITSU		106.66	1,066,648.00	24,938.00	49,286.34	1.76	0.41
PFIZER INC CORP NOTES	DTD 03/11/2019 2.950% 03/15/2024	717081ES8	1,000,000.00	TD	02/15/24	105.49	1,054,883.00	42,693.00	48,938.83	2.31	0.69
AMAZON.COM INC CORPORATE NOTES	DTD 05/12/2021 0.450% 05/12/2024	023135BW5	460,000.00	JPM_CHA		99.80	459,081.84	(246.56)	(333.57)	2.60	0.53





**Managed Account Fair Market Value & Analytics**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>YTM at Mkt</b>
<b>Corporate Note</b>										
US BANCORP NOTES (CALLABLE) DTD 07/29/2019 2.400% 07/30/2024	91159HHX1	500,000.00	MKTX	06/28/24	104.85	524,272.50	20,972.50	22,426.05	2.66	0.67
JPMORGAN CHASE & CO CORPORATE NOTES (CAL) DTD 09/16/2020 0.653% 09/16/2024	46647PBS4	170,000.00	JPM_CHA	09/16/23	100.20	170,344.42	344.42	344.42	1.95	0.58
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	345,000.00	CITIGRP		102.62	354,039.00	5,668.35	6,632.23	3.28	1.01
JOHNSON & JOHNSON CORPORATE NOTES DTD 08/25/2020 0.550% 09/01/2025	478160CN2	1,415,000.00	GOLDMAN	08/01/25	98.53	1,394,181.11	(25,389.34)	(24,411.61)	3.80	0.93
BRISTOL-MYERS SQUIBB CO CORPORATE NOTES DTD 11/13/2020 0.750% 11/13/2025	110122DN5	500,000.00	MERRILL	10/13/25	98.73	493,626.50	(2,088.50)	(2,350.63)	3.97	1.07
<b>Security Type Sub-Total</b>		<b>11,840,000.00</b>				<b>12,128,548.79</b>	<b>104,854.49</b>	<b>204,591.38</b>	<b>1.85</b>	<b>0.56</b>
<b>Certificate of Deposit</b>										
SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	765,000.00	MERRILL		100.55	769,230.45	4,230.45	4,230.45	0.37	0.31
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	605,000.00	SMBC		100.39	607,334.70	2,334.70	2,334.70	0.78	0.19
<b>Security Type Sub-Total</b>		<b>1,370,000.00</b>				<b>1,376,565.15</b>	<b>6,565.15</b>	<b>6,565.15</b>	<b>0.55</b>	<b>0.26</b>
<b>Managed Account Sub-Total</b>		<b>79,003,000.00</b>				<b>80,619,120.39</b>	<b>771,344.69</b>	<b>1,005,878.22</b>	<b>2.34</b>	<b>0.47</b>
<b>Money Market Mutual Fund</b>										
CAMP Pool		59,347.62			1.00	59,347.62	0.00	0.00	0.00	
<b>Liquid Sub-Total</b>		<b>59,347.62</b>				<b>59,347.62</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	



**Managed Account Fair Market Value & Analytics**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

<b>Securities Sub-Total</b>	<b>\$79,062,347.62</b>	<b>\$80,678,468.01</b>	<b>\$771,344.69</b>	<b>\$1,005,878.22</b>	<b>2.34</b>	<b>0.47%</b>
<b>Accrued Interest</b>		<b>\$299,181.06</b>				
<b>Total Investments</b>		<b>\$80,977,649.07</b>				



**Managed Account Security Transactions & Interest**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)**

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>BUY</b>										
09/15/21	09/23/21	INTER-AMERICAN DEVEL BK NOTES DTD 09/23/2021 0.500% 09/23/2024	4581X0DZ8	1,150,000.00	(1,149,149.00)	0.00	(1,149,149.00)			
09/27/21	09/28/21	US TREASURY NOTES DTD 10/01/2018 2.875% 09/30/2023	9128285D8	550,000.00	(578,273.44)	(7,819.84)	(586,093.28)			
<b>Transaction Type Sub-Total</b>				<b>1,700,000.00</b>	<b>(1,727,422.44)</b>	<b>(7,819.84)</b>	<b>(1,735,242.28)</b>			
<b>INTEREST</b>										
09/01/21	09/01/21	JOHNSON & JOHNSON CORPORATE NOTES DTD 08/25/2020 0.550% 09/01/2025	478160CN2	1,415,000.00	0.00	3,891.25	3,891.25			
09/12/21	09/12/21	FANNIE MAE NOTES DTD 09/14/2018 2.875% 09/12/2023	3135G0U43	3,215,000.00	0.00	46,215.63	46,215.63			
09/15/21	09/15/21	US BANCORP (CALLABLE) NOTE DTD 03/02/2012 3.000% 03/15/2022	91159HHC7	1,000,000.00	0.00	15,000.00	15,000.00			
09/15/21	09/15/21	PFIZER INC CORP NOTES DTD 03/11/2019 2.950% 03/15/2024	717081ES8	1,000,000.00	0.00	14,750.00	14,750.00			
09/16/21	09/16/21	JPMORGAN CHASE & CO CORPORATE NOTES (CAL DTD 09/16/2020 0.653% 09/16/2024	46647PBS4	170,000.00	0.00	555.05	555.05			
09/23/21	09/23/21	FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	1,120,000.00	0.00	2,100.00	2,100.00			
09/30/21	09/30/21	US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	960,000.00	0.00	8,400.00	8,400.00			
09/30/21	09/30/21	US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	1,725,000.00	0.00	16,171.88	16,171.88			
09/30/21	09/30/21	US TREASURY NOTES DTD 10/01/2018 2.875% 09/30/2023	9128285D8	550,000.00	0.00	7,906.25	7,906.25			
<b>Transaction Type Sub-Total</b>				<b>11,155,000.00</b>	<b>0.00</b>	<b>114,990.06</b>	<b>114,990.06</b>			
<b>MATURITY</b>										
09/28/21	09/28/21	FREDDIE MAC NOTES (CALLED, OMD 9/28/23) DTD 09/28/2020 0.300% 09/28/2021	3134GWTLO	400,000.00	400,000.00	600.00	400,600.00	0.00	0.00	



**Managed Account Security Transactions & Interest**

For the Month Ending **September 30, 2021**

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Transaction Type					Principal	Accrued		Realized G/L	Realized G/L	Sale
Trade	Settle	Security Description	CUSIP	Par	Proceeds	Interest	Total	Cost	Amort Cost	Method
<b>Transaction Type Sub-Total</b>				<b>400,000.00</b>	<b>400,000.00</b>	<b>600.00</b>	<b>400,600.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>SELL</b>										
09/15/21	09/23/21	US TREASURY NOTES DTD 08/15/2014 2.375% 08/15/2024	912828D56	600,000.00	633,914.06	1,510.19	635,424.25	12,328.12	21,231.27	FIFO
09/15/21	09/23/21	US TREASURY NOTES DTD 08/15/2014 2.375% 08/15/2024	912828D56	490,000.00	517,696.49	1,233.32	518,929.81	9,780.86	17,081.68	FIFO
<b>Transaction Type Sub-Total</b>				<b>1,090,000.00</b>	<b>1,151,610.55</b>	<b>2,743.51</b>	<b>1,154,354.06</b>	<b>22,108.98</b>	<b>38,312.95</b>	
<b>Managed Account Sub-Total</b>					<b>(175,811.89)</b>	<b>110,513.73</b>	<b>(65,298.16)</b>	<b>22,108.98</b>	<b>38,312.95</b>	
<b>Total Security Transactions</b>					<b>(175,811.89)</b>	<b>\$110,513.73</b>	<b>(\$65,298.16)</b>	<b>\$22,108.98</b>	<b>\$38,312.95</b>	



**Account Statement**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00**

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
<b>CAMP Pool</b>					
<b>Opening Balance</b>					<b>130,705.65</b>
09/01/21	09/01/21	Purchase - Interest 478160CN2	1.00	3,891.25	134,596.90
09/13/21	09/13/21	Purchase - Interest 3135G0U43	1.00	46,215.63	180,812.53
09/15/21	09/15/21	Purchase - Interest 717081ES8	1.00	14,750.00	195,562.53
09/15/21	09/15/21	Purchase - Interest 91159HHC7	1.00	15,000.00	210,562.53
09/16/21	09/16/21	Purchase - Interest 46647PBS4	1.00	555.05	211,117.58
09/23/21	09/23/21	Purchase - Interest 3137EAEX3	1.00	2,100.00	213,217.58
09/23/21	09/23/21	Purchase - Interest 912828D56	1.00	2,743.51	215,961.09
09/23/21	09/23/21	Purchase - Principal 912828D56	1.00	1,151,610.55	1,367,571.64
09/23/21	09/23/21	Redemption - Principal 4581X0DZ8	1.00	(1,149,149.00)	218,422.64
09/24/21	09/24/21	IP Fees August 2021	1.00	(5,796.33)	212,626.31
09/24/21	09/24/21	U.S. Bank Fees July 2021	1.00	(270.26)	212,356.05
09/28/21	09/28/21	Purchase - Principal 3134GWTL0	1.00	400,600.00	612,956.05
09/28/21	09/28/21	Redemption - Principal 9128285D8	1.00	(578,273.44)	34,682.61
09/28/21	09/28/21	Redemption - Interest 9128285D8	1.00	(7,819.84)	26,862.77
09/30/21	09/30/21	Purchase - Interest 9128285D8	1.00	7,906.25	34,769.02
09/30/21	09/30/21	Purchase - Interest 912828L57	1.00	8,400.00	43,169.02
09/30/21	09/30/21	Purchase - Interest 912828W89	1.00	16,171.88	59,340.90
09/30/21	10/01/21	Accrual Income Div Reinvestment - Distributions	1.00	6.72	59,347.62



**Account Statement**

For the Month Ending **September 30, 2021**

**CITY OF EL CAJON - OPERATING FUNDS - 505-00**

<b>Trade Date</b>	<b>Settlement Date</b>	<b>Transaction Description</b>	<b>Share or Unit Price</b>	<b>Dollar Amount of Transaction</b>	<b>Total Shares Owned</b>
<b>Closing Balance</b>					<b>59,347.62</b>
	<b>Month of September</b>	<b>Fiscal YTD January-September</b>			
<b>Opening Balance</b>	130,705.65	1,092,146.22	<b>Closing Balance</b>	59,347.62	
<b>Purchases</b>	1,669,950.84	20,424,653.04	<b>Average Monthly Balance</b>	161,536.45	
<b>Redemptions (Excl. Checks)</b>	(1,741,308.87)	(21,457,451.64)	<b>Monthly Distribution Yield</b>	0.05%	
<b>Check Disbursements</b>	0.00	0.00			
<b>Closing Balance</b>	<b>59,347.62</b>	<b>59,347.62</b>			
<b>Cash Dividends and Income</b>	6.72	109.49			



## City Council Agenda Report

Agenda Item 8.

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Clay Schoen, Director of Finance  
**SUBJECT:** 2021 Annual Pension Status Report

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### RECOMMENDATION:

That the City Council:

1. Receives the Annual Pension Status Report; and
2. Authorizes the deposit of the remaining General Fund Reserve for Unfunded Retirement Obligations balance (\$6.0 million) to Public Agency Retirement Services (PARS) Section 115 Trust.

### BACKGROUND:

In October 2020, the City Council adopted the City of El Cajon Pension Funding Policy. One of the requirements of this policy is a review of the status of the City's retirement benefit plans. Specifically, the policy states:

*Addressing retirement costs is a dynamic process. CalPERS makes adjustments annually to a City's Normal Cost and Unfunded Accrued Liability (UAL). These changes require multi-year financial planning and for the City to make corresponding budgetary adjustments. The City shall therefore evaluate its pension liabilities each year.*

After the release of the most current CalPERS actuarial report, staff shall present a summary of each plan's funding status. New amortization levels shall be specifically addressed. This information shall be presented during a public City Council meeting, which shall include a summary of funding status, funding progress compared to prior years, as well as any recommended actions and/or budget adjustments to address areas of concern.

The City recently received updated actuarial valuations for each of its benefit plans (Safety and Miscellaneous) administered by CalPERS. As a result, an Annual Pension Status Report was prepared using this updated information, and is attached to this report. These actuarial valuations were completed as of June 30, 2020, and there are three significant subsequent events that could affect the conclusions that may be drawn regarding the plans' statuses.

Most significantly was the City's issuance of \$147.2 million of pension obligation bonds in the spring of 2021. This has a massive impact on funding status by significantly increasing plan assets, and can be measured to a point, but will not be captured in a complete actuarial valuation until the June 30, 2021 edition that will be released in the fall of 2022.

Also noteworthy is a higher than ordinary investment performance return for 2021. CalPERS' current investment target is 7.0%, but exceeded this target with returns of 21.3% for this past year. This too will significantly increase plan assets, but will also not be factored in until the June 30, 2021 valuation.

Lastly, the CalPERS Asset Liability Management program includes an action triggered by high investment returns that "automatically" reduces the discount rate. The CalPERS board ratified this action in November, and directed a reduction in the discount rate from 7.0% to 6.8%. This will have the effect of increasing the plans' liabilities. This change will be put into effect in future valuations, and will impact Fiscal Year 2023-24 contributions to the plan.

As part of this discussion, it was also contemplated that action may be required to address any issues raised. Specifically, the Policy states:

*The City seeks to maintain adequate levels of reserves in accordance with its stated reserve goals and adopted reserve policies. To the extent that the City has excess reserves, generates an operating surplus, generates savings from other pension related strategies, or receives significant one-time revenues, the City shall endeavor to apply a portion of such monies toward its unfunded retirement costs in the form of either Additional Discretionary Payments to CalPERS directly, or deposit funds in either a designated reserve or in its PARS Sec 115 Trust.*

The full extent of the impacts of the events subsequent to the most recent valuation will not be enumerated until future valuations. However, initial analysis suggests that the plans' funded status will be improved beyond the target of 90% established in the Pension Funding Policy. It is likely that a minor unfunded liability may remain, and it is believed that this liability will be manageable on a go-forward basis. Therefore, staff recommends that the funding assigned to the General Fund Reserve for Unfunded Retirement Obligations be placed fully in the irrevocable Public Agency Retirement Services (PARS) Section 115 Trust. This reserve's balance is currently \$8.0 million with \$2.0 million already deposited in the PARS trust. Since immediate use of this reserve is unnecessary, the use of the PARS trust allows for greater investment returns in the interim.

#### FISCAL IMPACT:

There is no direct fiscal impact as a result of the recommended action beyond those associated with the deposit of funding into the PARS trust. The status of the City's pension plans has been a significant influence on City finances for many years, and maintaining focus on this issue remains critical to the City's continued financial health.

Prepared By: Clay Schoen, Director of Finance

Reviewed By: N/A

Approved By: Graham Mitchell, City Manager

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#### Attachments

2021 Annual Pension Status Report



# City of El Cajon Annual Pension Status Report

(Source: June 30, 2020 CalPERS Plan Actuarial Valuations)

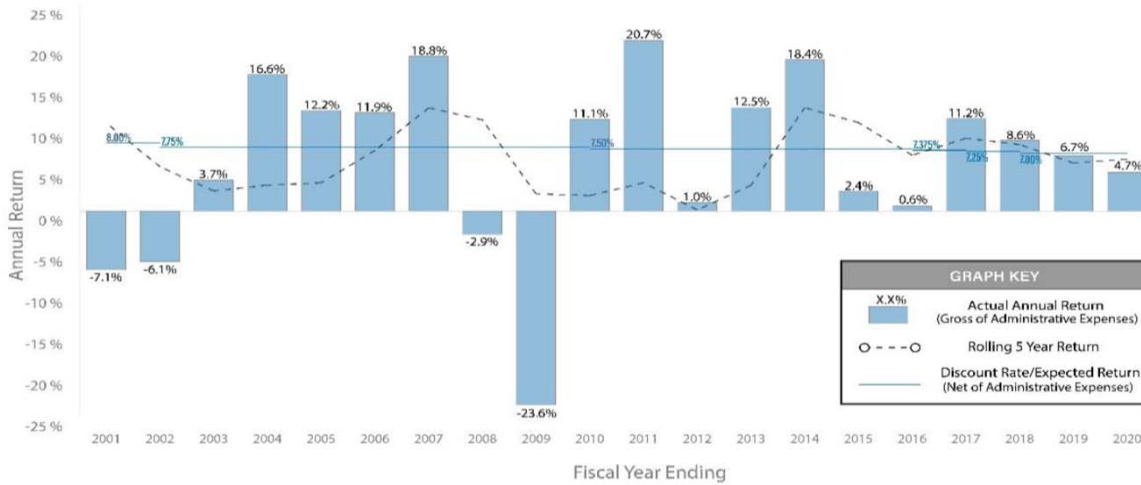
Valuation Date	Safety Plan			Miscellaneous Plan			Combined Plans			
	Plan Liability	Plan Assets	Status	Plan Liability	Plan Assets	Status	Total Liability	Total Assets	Unfunded	Status
June 30, 2020	\$ 357,827,615	\$ 214,546,056	60.0%	\$ 246,177,687	\$ 163,877,244	66.6%	\$ 604,005,302	\$ 378,423,300	\$ 225,582,002	62.7%
June 30, 2019	339,193,406	210,268,697	62.0%	239,685,601	161,538,723	67.4%	578,879,007	371,807,420	207,071,587	64.2%
June 30, 2018	329,637,443	202,843,543	61.5%	233,570,524	156,241,053	66.9%	563,207,967	359,084,596	204,123,371	63.8%
June 30, 2017	309,732,456	193,702,654	62.5%	218,395,632	149,048,480	68.2%	528,128,088	342,751,134	185,376,954	64.9%
June 30, 2016	293,743,734	180,039,340	61.3%	209,950,483	138,220,065	65.8%	503,694,217	318,259,405	185,434,812	63.2%
June 30, 2015	283,472,973	185,930,792	65.6%	201,489,297	141,996,648	70.5%	484,962,270	327,927,440	157,034,830	67.6%
June 30, 2014	273,024,740	188,098,614	68.9%	196,047,087	143,189,938	73.0%	469,071,827	331,288,552	137,783,275	70.6%
June 30, 2013	250,722,908	166,418,715	66.4%	179,006,378	125,744,840	70.2%	429,729,286	292,163,555	137,565,731	68.0%
June 30, 2012	243,043,472	153,654,487	63.2%	173,408,473	113,325,989	65.4%	416,451,945	266,980,476	149,471,469	64.1%
June 30, 2011	234,599,761	159,337,257	67.9%	166,665,778	116,255,217	69.8%	401,265,539	275,592,474	125,673,065	68.7%

### New Amortization Bases

Plan	Reason for Base	Date Est.	Amort. Period	Balance 6/30/20	Balance 6/30/21	Balance 6/30/22
Safety	Non-Investment (Gain)/Loss	6/30/2020	20	\$ 8,014,882	\$ 8,575,924	\$ 9,176,239
Safety	Investment (Gain)/Loss	6/30/2020	20	5,063,563	5,418,012	5,797,273
Miscellaneous	Non-Investment (Gain)/Loss	6/30/2020	20	1,058,730	1,132,841	1,212,140
Miscellaneous	Investment (Gain)/Loss	6/30/2020	20	3,802,189	4,068,342	4,353,126

### CalPERS Investment Returns

#### History of Investment Returns (2001 - 2020)



### Projected Contributions

	2022-23	Future Employer Contributions*			
		2023-24	2024-25	2025-26	2026-27
<b>Safety Plan</b>					
Normal Cost %	19.8%	19.4%	19.0%	18.7%	18.3%
UAL Payment \$	3,945,438	\$ 4,154,000	\$ 4,365,000	\$ 4,578,000	\$ 4,794,000
<b>Miscellaneous Plan</b>					
Normal Cost %	11.9%	11.4%	11.0%	10.6%	10.3%
UAL Payment \$	4,670,724	\$ 4,889,000	\$ 3,343,000	\$ 2,977,000	\$ 3,198,000

\*2022-23 are required amounts, remaining years projected



## City Council Agenda Report

**Agenda Item 9.**

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Mara Romano, Purchasing Agent  
**SUBJECT:** Contract Amendment for Economic Development Strategy Services

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### RECOMMENDATION:

That the City Council adopts the next Resolution, in order, to increase the Agreement for Professional Services with The Natelson Dale Group, Inc., for analysis of economic impacts of proposed San Diego County "Working Families" ordinance services in the not-to-exceed amount of \$35,000.

### BACKGROUND:

On March 1, 2021, the City Council held a priority/goal-setting workshop for strategic planning and visioning for the City, which resulted in City staff moving forward with preparing an economic development strategy.

On August 20, 2021, the City entered into a professional services contract for economic development strategic plan services in the amount of \$73,650 for a one-year term. The scope of services includes:

- Review and analysis of existing demographic and socioeconomic data, labor force characteristics, sales tax revenue, and other key economic data;
- Review and analysis of the primary strengths, weaknesses, opportunities, and threats that directly impact the economic competitiveness of the City;
- Market potentials analysis;
- Preparation of a customized, locally based economic development strategy setting forth goals and objectives for opportunities and solving the economic development challenges of the City, including recommending project and programs to implement goals set forth in the strategy; and
- Stakeholder/community engagement.

During the course of work, it was determined additional services would be required to support the objectives of the project, which requires preparation of an economic impact analysis of the San Diego's County proposed "Working Families" ordinance.

Staff is requesting to increase the contract by \$35,000 to provide for the above-mentioned additional service.

**FISCAL IMPACT:**

Approval of the \$35,000 increase will supplement the existing contract with The Natelson Dale Group, Inc. for a total contract amount of \$108,650. Sufficient funds are available in the Fiscal Year 2021-22 Economic Development Annual Budget (105000).

Prepared By: Mara Romano, Purchasing Agent

Reviewed By: Anthony Shute, Director of Community Development

Approved By: Graham Mitchell, City Manager

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**Attachments**

Resolution

RESOLUTION NO. \_\_-21

RESOLUTION OF THE CITY OF EL CAJON  
APPROVING AND AUTHORIZING THE EXECUTION OF  
AN AMENDMENT TO THE AGREEMENT FOR  
ECONOMIC DEVELOPMENT STRATEGY SERVICES  
WITH THE NATELSON DALE GROUP, INC.

WHEREAS, on March 1, 2021, the City Council held a priority/goal-setting workshop for strategic planning and visioning for the City, which resulted in City staff moving forward with preparation of an economic development strategy; and

WHEREAS, on August 20, 2021, the City of El Cajon (the "City") entered into a professional services agreement with The Natelson Dale Group, Inc. (the "Agreement") for economic development strategic plan services for a one-year term, in the not-to-exceed compensation amount of \$73,650; and

WHEREAS, the scope of services includes (1) review and analysis of existing demographic and socioeconomic data, labor force characteristics, sales tax revenue, and other key economic data; (2) review and analysis of the primary strengths, weaknesses, opportunities, and threats that directly impact the economic competitiveness of the City; (3) market potentials analysis; (4) preparation of a customized, locally based economic development strategy setting forth goals and objectives for opportunities and solving the economic development challenges of the City, including recommending project and programs to implement goals set forth in the strategy; and (5) stakeholder/community engagement; and

WHEREAS, during the course of work, it was determined additional services would be required to support the objectives of the project, which requires preparation of an economic impact analysis of the San Diego's County proposed living wage ordinance; and

WHEREAS, staff recommends increasing the total not-to-exceed compensation amount of the Agreement by \$35,000 to provide for the abovementioned additional services, which will increase the total not-to-exceed compensation amount of the Agreement to \$108,650; and

WHEREAS, sufficient funds are available in the Fiscal Year 2021-22 Economic Development Annual Budget; and

WHEREAS, the City Council believes it to be in the City's best interests to increase the compensation for the Agreement in the not-to-exceed amount of \$35,000 for analysis of economic impacts of proposed San Diego County Working Family Ordinance services, for a total compensation in the not-to-exceed amount of \$108,650.

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 approves amendment of the Agreement to provide for additional compensation in the not-to-exceed amount of \$35,000 for analysis of economic impacts of proposed San Diego County Working Family Ordinance services, for a total compensation amount not to exceed \$108,650.

Section 3. The City Council hereby authorizes the Mayor, or designee, to execute an amendment to the Agreement on behalf of the City of El Cajon, with such changes as may be approved by the City Manager, or designee, and to take all actions and to execute all documents, attachments to the Agreement, and other documents necessary or appropriate to carry out the terms of the Agreement.

12/14/21 CC Agenda  
Reso – The Natelson Dale Group PSA Amendment 120321



City Council  
Agenda Report

Agenda Item 10.

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Yazmin Arellano, Director of Public of Works  
**SUBJECT:** Agreement for Edible Food Recovery Program Services with Solana Center for Environmental Innovation

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**RECOMMENDATION:**

That the City Council:

1. Authorizes the City Manager, or designee, to enter into an agreement with Solana Center for Environmental Innovation to meet the requirements of the state-mandated Edible Food Recovery Program (SB 1383) in a not-to-exceed amount of \$30,000 for a one-year term, with an option to renew up to four (4) additional one-year terms.
2. Increase appropriations, from General Fund reserves, in the Fiscal Year 2021-22 Public Works Administration (150000) Annual Budget by \$30,000.

**BACKGROUND:**

To reduce food waste and help address food insecurity, SB 1383 requires that by 2025, California must recover 20% of edible food that would otherwise be sent to landfills to feed people in need. Jurisdictions are required to develop a robust edible food recovery infrastructure that links commercial edible food generators with food recovery organizations, like food banks and pantries, soup kitchens, and other local non-profits that distribute food to the needy.

To comply with the SB 1383 regulations and establish the Edible Food Recovery Program, staff requests assistance and expertise from the Solana Center for Environmental Innovation to complete the following requirements:

1. Identify a list (two tiers) of commercial edible food generators located within the City of El Cajon;
2. Create a list and post contact information for food recovery organizations that work within the City on the City's website, enabling commercial edible food generators to identify organizations that could potentially accept their food;
3. Provide annual education and outreach to tier one and tier two commercial edible food generators, haulers, facilities, edible food recovery organizations, City/County departments;
4. Monitor commercial edible food generators for compliance, including conducting inspections to verify they have established a contract or written agreement for food

recovery and that the generator is maintaining records of their food donation activities;  
and,

5. Assess the City's current food recovery capacity and plan for additional capacity to accommodate the amount of food that commercial edible food generators must send to food recovery programs.

**FISCAL IMPACT:**

For the initial one-year term, \$30,000 from General Fund reserves will be appropriated to Fiscal Year 2021-22 Public Works Administration (150000) Annual Budget.

Prepared By: Dennis Davies, Deputy Director of Public Works

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

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City Council  
Agenda Report

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Anthony Shute, Director of Community Development  
**SUBJECT:** Zoning Code Update - Phase I

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**RECOMMENDATION:**

That the City Council:

1. Opens the public hearing and receives testimony;
2. Closes the public hearing;
3. Moves to INTRODUCE the next ORDINANCE, in order, APPROVING Zoning Code Amendment No. 2021-0002; and
4. Requests that the City Clerk read the ORDINANCE by title only.

**PROJECT DESCRIPTION:**

Each year staff identifies potential technical cleanups during their routine administration of the Zoning Code. A list of cleanups, clarifications and revisions are then brought forward as an amendment to Title 17. Most are non-substantive technical cleanups, with a few minor substantive changes that staff has tentatively identified to fill gaps in current regulations or conform to changes in state law.

The 2021 Zoning Code Update will be conducted in two phases. Phase I will focus on small business incentives to support retention and growth in the post-COVID-19 economy. Other minor, non-substantive changes will also be included to improve clarity and consistency in the interpretation of the Zoning Code. Phase II will be more complex and will likely result in substantial changes stemming from new State laws and Housing Element programs. It is expected that Phase II will be brought before the City Council later next year.

**BACKGROUND:**

The Zoning Code was comprehensively revised and reorganized in 2010. Since then, substantive changes and minor technical clean-ups have occurred in subsequent years. On January 19, 2021, the Planning Commission received a planned scope of work for the Zoning Code update. At that meeting, the Commissioners discussed basic economic development initiatives and what changes could be anticipated. On November 16th, the Planning Commission heard proposed code changes at a public hearing and then recommended the changes for City Council approval.

**DISCUSSION**

The proposed changes are as follows:

### *Temporary Use Permits*

Some businesses and activities, by virtue of their nature are for short duration, and may be allowed in various zones with approval of a temporary use permit (TUP). One such activity is a construction laydown yard for public or private construction projects. Another longer-term temporary use is an amusement activity such as a circus. The definition has been refined to clarify that similar amusement uses are permissible.

### *Parking*

At times, vehicle back up space, maneuverability, landscaping, and storm water requirements constrain new development opportunities. Permitting vehicles to overhang and back up into landscape planters in commercial and residential zones will help to maximize limited land area. It will also reduce paving without compromising development standards or vehicle maneuvering.

### *Food Trucks*

The nature of food trucks is transitory. Food truck operators are more likely to be in one location for a short length of time, and may only return if the location proves successful. Currently, the Zoning Code requires food trucks to obtain an Administrative Zoning Permit (AZP). AZPs are typically for uses more permanent in nature, require more documentation, and cost \$350 to process. Staff believes that a limited duration TUP with bolstered performance standards is the appropriate entitlement for food trucks. TUPs require less documentation, are faster to process, and cost \$195.

### *Outdoor Merchandise Display*

Retail businesses are not permitted to display retail items outdoors with a few exceptions. The opportunity to display select items outside of a business could help increase visibility and boost retail sales. This concept appears to be successful in many pedestrian-oriented retail areas with appropriate limitations on display area and location. Staff proposes accessory outdoor display with performance standards for general retail sales. Separately regulated products (e.g. alcohol, tobacco, vape, hookah, adult entertainment, etc.) will not be included as general retail sales.

### *On-sale Alcoholic Beverage Sales in Specific Plan No. 19*

The Zoning Code allows for the on-sale of alcohol as a secondary and incidental use to a permitted principal use within the downtown boundaries, either by conditional or minor use permit depending on the zone. Besides a restaurant, principal uses include entertainment, participatory sporting activities, museums, theaters, performing arts center owned by a public agency, hotels, and similar type uses. The C-R zone primarily governs portions of downtown and Parkway Plaza including large shopping center properties along Fletcher Parkway. Staff proposes to allow on-sale alcohol as a secondary and incidental to an approved, principal use within Specific Plan No. 19 (Parkway Plaza Mall) subject to a minor use permit. This would be the same as allowed in the downtown area.

### *Freeway Oriented Uses*

On March 1, 2021, the City Council held a priority/goal-setting workshop for strategic planning and visioning for the City. Under Economic Development, the City Council asked staff to review the Downtown Master Plan (Specific Plan No. 182) to determine if there were any zoning policies that may inhibit development, including adjusting the master plan boundary for properties adjacent to Interstate 8.

In reviewing the Downtown Master Plan, staff observed that no new development occurred on properties abutting Interstate 8 or within its vicinity (north of Madison Ave.). There could be several reasons for this, including market conditions, existing zoning standards, or "lack of fit" - meaning this area does not have a place in the downtown. This information was presented to the City Council on April 27, 2021. The Council felt that the development potential of properties adjacent to the freeway might be increased if a freeway-oriented development option was available. The Council then initiated an amendment directing staff to include language that would allow select freeway-oriented uses that are not expressly prohibited in the plan on properties north of Madison Avenue.

### *Miscellaneous*

- Prohibit occupied RVs and trailers in all zones. Current code only prohibits in residential front yards.
- Align Specific Plan amendment initiation with Zoning Code amendment initiation.
- Remove AZP requirement for Large Family Daycare from residential land use table.
- Standardize parking requirements for vocational schools.
- Clarify that ordinary household pets are allowed at a residence regardless of zone.
- Clarify Planning Commission's role as an advisory body on legislative actions and permits requiring City Council action.
- Increase alcoholic beverage production tasting room area from 15% to 25%.

### *Summary*

The proposed 2021 Phase I amendments to the Zoning Code incorporate minor technical edits, modifications for clarity and consistency, and regulatory revisions to address ambiguity and streamline permitting processes. The items discussed above are the majority of the proposed changes.

### PLANNING COMMISSION RECOMMENDATION:

On November 16, 2021, the Planning Commission held a public hearing to consider the zoning code update. The Commission discussed the item, and voted 4-0 (Circo absent) to adopt Resolution No. 11058, recommending City Council approval of the project.

### FINDINGS:

*A. The proposed zoning amendment, including any changes proposed in the various land uses to be authorized, is compatible with the objectives, policies, general land uses, and programs specified in the general plan.*

The proposed changes to the Zoning Code further the goals of the General Plan by implementing reforms to reduce governmental constraints to development. Further, pursuant to Goal 10, the city "shall periodically revise its regulatory codes, ordinances and policies so that they may reflect current, upgraded standards of development and performance." The proposed changes ensure clarity and eliminate existing ambiguities within Zoning Code.

*B. The proposed zoning amendment is consistent with any applicable specific plan governing development of the subject property.*

The proposed zoning code amendment is applicable citywide. No zone changes are proposed as part of this project, and thus the proposed changes do not conflict with specific plans.

*C. It is in the public necessity and convenience and/or general welfare that the zoning*

*regulations governing the property be changed.* The proposed zoning code amendment is applicable citywide and is not property-specific. Further, the proposed changes provide clarity, consistency, and objective standards for new development, and overall, help streamline development review processes.

#### CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The proposed Zoning Code Amendment is exempt from the provisions of the California Environmental Quality Act (CEQA) according to the common sense exemption (CEQA Guidelines, section 15061(b)(3)). The common sense exemption applies where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The proposed amendment does not result in any development or changes to the physical environment and does not raise this project to a level of significance that warrants CEQA analysis.

#### PUBLIC NOTICE & INPUT:

Notice of this public hearing was published in the East County Gazette on October 28, 2021 in compliance with Government Code sections 65090, 65091, and 65092, as applicable. Additionally, as a public service, the notice was posted in the kiosk at City Hall and on the City's website under "Public Hearings/Public Notices." The notice was also mailed to the two public libraries in the City of El Cajon, located at 201 East Douglas Avenue and 576 Garfield Avenue.

**RECOMMENDATION:**

Staff recommends approval of Zoning Code Amendment No. 2021-0002 to address non-substantive technical cleanups in the land use regulations and some regulatory changes that staff has identified to fill gaps in current regulations and to provide clarity in the application of the Zoning Code.

Prepared By: Anthony Shute, Director of Community Development

Reviewed By: Vince DiMaggio, Assistant City Manager

Approved By: Graham Mitchell, City Manager

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**Attachments**

Draft Ordinance - Title 17

Summary and Description of Zoning Code Revisions

PC Resolution No. 11058

Public Hearing Notice

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND TITLE 17 OF THE  
EL CAJON MUNICIPAL CODE TO UPDATE THE CITY'S  
ZONING CODE INCLUDING ADOPTING ADDITIONAL  
OBJECTIVE STANDARDS FOR NEW DEVELOPMENT

WHEREAS, the City of El Cajon (the "City") has adopted a general plan (the "General Plan") for the purposes of providing guidance on the present and future development and redevelopment of the City; and

WHEREAS, the General Plan includes goals to reduce governmental constraints to the development of property, including Goal 10, which requires the City to periodically revise its regulatory codes, ordinances, and policies to reflect current and upgraded standards of development; and

WHEREAS, in implementing the goals of the General Plan the City has identified various changes to Title 17 of the El Cajon Municipal Code (the "Zoning Code"), which changes would provide clarity, consistency, and objective standards for development, as well as help to streamline multiple development review processes, thereby removing certain existing governmental constraints; and

WHEREAS, the proposed updates to the City's Zoning Code have been presented to the City's Planning Commission for its review and recommendation; and

WHEREAS, following a properly noticed public hearing, at which both verbal and written testimony were presented, the Planning Commission adopted its Resolution No. 11058, recommending approval of the proposed Zoning Code amendments presented to the City Council.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CAJON DOES ORDAIN AS FOLLOWS:

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

SECTION 2. The City Council finds that California Environmental Quality Act ("CEQA") common sense exemption in accordance with CEQA section 15061(b)(3) applies for the proposed project.

SECTION 3. Section 17.20.070 of Chapter 17.20 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 4. Section 17.20.070 is hereby added to Chapter 17.20 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.20.070 Commission action shall be final when recommending denial.**

The action of the planning commission in recommending denial of an application for an amendment shall be final and conclusive.

SECTION 5. Section 17.60.050 of Chapter 17.60 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 6. Section 17.60.050 is hereby added to Chapter 17.60 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.60.050 Authority to approve.**

The planning commission may recommend approval, conditional approval, or denial of a PUD to the city council. The city council's decision to approve, conditionally approve, or deny a proposed PUD is final.

SECTION 7. Section 17.70.030 of Chapter 17.70 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 8. Section 17.70.030 is hereby added to Chapter 17.70 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.70.030 Initiation.**

Specific plans and amendments thereto shall be adopted in the same manner as provided in this title for amendments to the Zoning Code and may be initiated by:

- A. Submittal of a completed application by the property owner, or the owner's agent; or
- B. Resolution of intention of the city council; or
- C. Resolution of intention of the planning commission; or
- D. City Council action.

SECTION 9. Section 17.75.020 of Chapter 17.75 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 10. Section 17.75.020 is hereby added to Chapter 17.75 of Title 17 of the El Cajon Municipal Code to read as follows:

### **17.75.020 Applicability.**

Some businesses and activities, intended by virtue of their nature to be established for a short duration, may be allowed in various zones with approval of a temporary use permit, as indicated in the land use tables in Chapters 17.140, 17.145, and 17.150. No temporary use permit is required for uses that have been authorized by conditional use permit. Temporary uses include the following:

- A. Seasonal outdoor businesses, such as Saint Valentine's Day flower booths, Christmas tree lots, and Halloween pumpkin lots.
- B. Outdoor sales events, such as parking lot sales and outdoor arts and craft shows. Businesses in the city are limited to two outdoor parking lot sales per year, unless additional sales are authorized by conditional use permit. A single vendor may have no more than two outdoor sales events in the city per year, regardless of location unless approved by a conditional use permit.
- C. Amusements, such as circuses, carnivals, and other similar activities conducted in the general commercial and regional commercial zones.
- D. Prefabricated storage containers used for short-term or seasonal storage.
- E. Construction laydown yards in commercial and industrial zones.
- F. Vehicle storage lot for short-term storage, of excess inventory of new and used automobiles, when the dealership is operated on property of at least two (2) acres in size within the city. The duration may not exceed two (2) years, with a maximum of one administratively-authorized extension.
- G. Food trucks and/or trailers subject to section 17.225.240.
- H. Other similar temporary uses, as determined by the director.

SECTION 11. The definition of "Ordinary household pet," in section 17.105.020 of Chapter 17.105 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 12. The definitions of "Freeway-oriented uses," and "Ordinary household pet," are hereby added to section 17.105.020 of Chapter 17.105 of Title 17 of the El Cajon Municipal Code, in their appropriate alphabetical sequences within section 17.105.020, to read as follows:

**"Freeway-oriented uses"** means those uses customarily sited immediately adjacent to freeways and designed to serve the traveling



public. These uses include lodging establishments, drive through services accessory to permitted land uses, automotive fueling stations, convenience markets, restaurants, and electrical vehicle charging stations.

**"Ordinary household pet"** means any animal, which is normally domesticated and customarily kept for personal use or enjoyment at a residence. For purposes of this code, ordinary household pets shall include, but not be limited to: domesticated dogs, cats, small mammals, birds, fish, reptiles, and rodents. Not included in this definition are wild animals, domesticated livestock, poultry, and those animals whose ownership is prohibited by the state of California, the United States government, or other portions of this code.

SECTION 13. Section 17.115.100 of Chapter 17.115 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 14. Section 17.115.100 is hereby added to Chapter 17.115 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.115.100 Outdoor uses.**

A. General regulations.

1. Except as specifically permitted in this title, all commercial uses and associated storage shall only be conducted within completely enclosed buildings. Exceptions exist for those uses that are customarily conducted outdoors, although such uses may require a conditional use permit or other permit approval as indicated in this title. Examples of uses that are customarily conducted outdoors in commercial zones include, but are not limited to: outdoor dining areas, vehicle sales lots, plant nurseries and garden centers, sports fields and courts, and outdoor amusements such as go-kart tracks and miniature golf.
2. Certain outdoor commercial, industrial and manufacturing uses such as plant nurseries, garden centers, and outdoor storage areas may require screening measures. The requirement for screening as well as the methods, materials, and appearance of required screening for outdoor uses are subject to the discretion and approval of the director of community development, or in the case of a conditional use permit, the planning commission. The director or commission may require decorative screening materials in visually prominent or visually sensitive areas.
3. Under no circumstances shall outdoor uses and activities be permitted which displace required off-street parking or

landscaping improvements. For outdoor use and outdoor storage regulations in the M and C-M zones, refer to section 17.150.050.

B. Outdoor vending machines.

1. Outdoor vending machines, as defined in Chapter 17.105 of this title, are permitted along the primary storefront (i.e., that elevation of the building that includes the primary business entrance) of the following principal land uses, when located outside the area governed by Specific Plan No. 182, and subject to the performance standards in subsection C below:
  - a. Automotive fueling stations
  - b. Convenience markets
  - c. Liquor stores
  - d. Markets (grocery store)
  - e. Motels
  - f. Pharmacies
  - g. Supermarkets (grocery store)
  - h. Transition service centers and/or emergency shelters

Where the "primary business entrance" is located at the corner of a building, outdoor vending machines will be permitted on the side of the business that fronts the street from which the business takes its address.

2. Notwithstanding subsection (B)(1) above, outdoor vending machines may be approved as an ancillary use to other uses, and within Specific Plan No. 182, where appropriate and compatible, (example: common recreation area of a residential project, or interior courtyard of a downtown motel), with approval of a Minor Conditional Use Permit, and subject to the performance standards listed in subsection C below, provided the outdoor vending machines are also sited in a location that prevents the machines from being visible from the public right-of-way. This requirement shall not be used to permit outdoor vending machines on the side or rear of a commercial establishment outside the view of employees within the business.

- C. Outdoor vending machine performance standards. When outdoor vending machines are permitted, they are subject to the following requirements:
1. Outdoor vending machines shall not obstruct pedestrian pathways, driving aisles, parking spaces, or any areas necessary for proper vehicular circulation or loading activities. A clear path of travel at least four feet wide must be provided around outdoor vending machines.
  2. Outdoor vending machines shall comply with the provisions of Title 24 of the California Code of Regulations (California Physical Access Laws).
  3. Outdoor vending machines shall comply with the requirements of the California Building and Fire Safety Codes.
  4. Outdoor vending machines shall not be located within four feet of the public right-of-way, or located in such a manner as to encourage or require customers to stand or park in the right-of-way in order to use the machine.
  5. The back of an outdoor vending machine may not be located more than 18 inches from an exterior wall of the primary structure on the lot.
  6. If exposed conduits or pipes are required (e.g., to supply the outdoor vending machine with power, coolant for refrigeration, or the product being dispensed), they shall be secured to the building and painted or otherwise screened to match the building exterior. Exposed conduits, pipes, and utility connections shall not bridge a span or gap greater than 18 inches.
  7. All outdoor vending machines shall be maintained in a clean and attractive condition. Any graffiti on an outdoor vending machine shall be removed within 24 hours. If the outdoor vending machine is removed, the area shall be cleaned and restored to its previous condition, including the removal of any abandoned pipes, conduits or other connecting hardware.
  8. In addition to the other requirements of this Chapter, the following criteria shall apply to outdoor vending machines:
    - a. Outdoor vending machines shall not block or visually obstruct the sales counter as viewed from outside the establishment.

- b. The area occupied by outdoor vending machines may not exceed 20% of the width of the building elevation along which they are located, nor shall the combined width of all vending machines at any one site exceed 30 feet.
  - c. Sign copy on an outdoor vending machine shall be limited to that which fits on the exterior panels of the machine and shall only advertise the actual product or service provided by the machine.
  - d. The provisions of this section shall not apply to any property in the M-U zone district. The approved specific plan associated with each M-U zoned property shall address outdoor vending machines on that property.
- D. Outdoor display of merchandise accessory to permitted on-site use. Any outdoor display must be in conjunction with a use operating within the building or tenant space and shall comply with the following requirements:
- 1. Display of merchandise must be located directly adjacent to the business operating sales.
  - 2. The aggregate display area shall not exceed 24 square feet.
  - 3. Merchandise must be located within 4 feet of the store front.
  - 4. Items shall be displayed only during the hours that the use conducted inside the building on the premises is open for business.
  - 5. No item, or any portion thereof, shall be displayed on public property unless an encroachment permit has first been obtained from Public Works.
  - 6. No item shall be displayed within required landscaping or required parking spaces.
  - 7. No item shall be displayed in a manner that causes a safety hazard; obstructs the entrance to any building; interferes with or impedes the flow of pedestrian or vehicle traffic; is unsightly or creates any other condition that is detrimental to the public health, safety or welfare or causes a public nuisance.
  - 8. Separately regulated products are not eligible for outdoor display. Separately regulated products include, but are not limited to: alcohol, automotive parts, and tobacco and paraphernalia.

SECTION 15. Section 17.140.160 of Chapter 17.140 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 16. Section 17.140.160 is hereby added to Chapter 17.140 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.140.160 Use of exterior yard areas.**

The following regulations shall apply to the use of all areas designated as front yard setback areas and all areas on corner lots, including reverse corner lots, designated as exterior side yard setback areas:

- A. The following classifications of objects and/or use shall be permitted, provided that they do not constitute a hazard to health or safety, are securely mounted or supported where required, and are properly maintained:
  - 1. Landscaping as defined in Chapter 17.195;
  - 2. Driveways and other paved parking areas not to exceed 50 percent of the required front yard setback area in single-family residential zones. However, single-family lots fronting on a cul-de-sac may exceed this limit, as necessary, to provide a paved driveway adequate in width to access garage parking;
  - 3. Patio furniture;
  - 4. Currently licensed automobiles, boats, trailers and unoccupied recreational vehicles, motorhomes, and campers may be parked or stored on designated paved parking areas. No automobile, boat, trailer, motor home or camper shall be repaired, dismantled or allowed to remain in a dismantled and/or inoperable condition for periods exceeding 72 hours in succession. No automobile, recreational vehicle, boat, motor home, trailer or camper may be parked on the required landscaped area, and in no case may such vehicles be used as habitation anywhere on the property;
  - 5. Building materials during periods of construction or remodeling on any lot or lots where a valid building permit has been issued and is in effect; and
  - 6. Subterranean shelters and storage rooms provided that there is no visual evidence of such facilities visible from the public right-of-way.

- B. A temporary shade structure, in compliance with section 17.225.160, shall be permitted, subject to approval of an administrative zoning permit.
- C. Notwithstanding the provisions of subsections (A) and (B) of this section, nothing shall be placed or permitted to remain in such a position or location as to interfere with sight distance necessary for the safe passage of pedestrians and/or vehicles and emergency units along the public ways or interfere with light and air reasonably necessary for structures used for human occupancy.

SECTION 17. Section 17.145.150 of Chapter 17.145 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 18. Section 17.145.150 is hereby added to Chapter 17.145 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.145.150 Commercial land use table.**

The following table lists uses that may be established in commercial zones. The abbreviations used in the land use table shall have the following meanings:

- A "A" means "adult entertainment permit"
- C "C" means "conditional use permit"
- D "D" means "director's determination"
- MC "MC" means "minor conditional use permit"
- MUP "MUP" means "minor use permit"
- P "P" means "permitted use"
- S "S" means "site development plan permit"
- T "T" means "temporary use permit"
- Z "Z" means "administrative zoning permit"
- X "X" means "not permitted"

In addition to the abbreviated terms listed above, the land use table incorporates endnotes, which are indicated by numerical designators in the final column of the table. The numerical designators correspond with written notes listed at the bottom of the table. The notes provide additional information and direct readers to other applicable sections of the El Cajon Municipal Code.

**Table 17.145.150  
Commercial Land Use Table**

	O-P	C-N	C-G	C-R	C-M	Notes
<b>Commercial Uses</b>						
Adult bookstore, adult theater, and other adult entertainment activities	X	X	A	A	X	1, 2
Alternative lending including payday loans, anticipatory loans, and auto title lending, excludes federal or state chartered banks, savings and loans, thrifts, and credit unions	X	X	C	C	X	1, 32, 33
Amusement parks including miniature golf, go-cart tracks, mechanized rides, etc.	X	C	C	C	C	
Animal grooming services	X	P	P	P	X	
Antique sales	X	P	P	P	X	
Appliance repair; large gas and electric appliances including heating and air conditioning systems, parts and supplies	X	X	X	X	P	1
Appliance sales; large gas and electric appliances including heating and air conditioning systems, parts and supplies	X	P	P	P	P	
Appliance sales and repair of small electrical appliances	X	P	P	P	P	1
Art galleries, commercial retail	X	P	P	P	X	
Artist studios and art restoration services	P	P	P	P	P	
Athletic clubs and fitness centers	X	P	P	P	X	28
Auction house	X	X	C	C	P	1
Auto parts and accessories; new parts	X	X	P	P	X	1
Auto parts and accessories; used parts, excludes dismantling	X	X	X	X	P	1, 3
Auto rental including the rental of moving vans, trucks and trailers	X	X	C	X	C	1
Auto sales, including: autos, motorcycles, light trucks, and recreational vehicles	X	X	C	C	C	4
Automotive body repair	X	X	C	X	C	1
Automotive service and repair	X	X	C	C	C	1
Automotive fueling station	X	C	C	C	C	5
Auto washing and detailing, full service carwash	X	X	C	X	X	1
Auto washing, self-service carwash	X	C	C	X	X	1

	O-P	C-N	C-G	C-R	C-M	Notes
Bail bonds office	P	P	P	P	P	1
Beauty salon, nail salon, barber shop, and day spa	P	P	P	P	X	6
Beauty supply and cosmetics sales	P	P	P	P	X	
Billboard sign	P	P	P	P	P	7
Blood banks and blood donation facilities	P	P	P	P	X	1
Blood plasma centers	C	X	X	X	X	1
Boat sales including ancillary service and repair	X	X	P	X	C	
Book store, including news copy and magazine sales	P	P	P	P	X	
Bowling alley	X	X	C	C	X	
Camera and photographic sales and related services	X	P	P	P	X	
Card room, non-gambling	P	P	P	P	X	3, 26
Carpet and drapery cleaning and repair services	X	X	X	X	P	
Cemetery, crematory, and mausoleum	C	C	C	C	C	
Child activity centers	X	P	P	P	X	
Circuses and carnivals	X	X	T	T	X	
Clothing and apparel store, new	X	P	P	P	X	
Clothing and costume rentals	X	P	P	P	X	
Clubs: youth clubs, professional organizations, union halls, fraternal organizations, and similar uses	C	C	C	C	X	
Cocktail lounge	X	C	C	C	X	8, 9
Community gardens	P	P	P	P	P	29
Consumer electronics retail sales with ancillary service	X	P	P	P	P	
Contract construction services	X	X	X	X	P	
Convenience market	X	P	P	P	X	8
Custodial and cleaning services including property management and building maintenance with associated vehicle, equipment, and supply storage	X	X	X	X	P	
Dance studio	X	P	P	P	X	
Day care facility	MUP	MUP	MUP	MUP	MUP	
Department store with general retail sales	X	P	P	P	X	
Drive-through service accessory to an authorized land use	S	S	S	S	S	1
Employment services	P	P	P	P	P	



	O-P	C-N	C-G	C-R	C-M	Notes
Equipment rental with outdoor storage or display	X	X	C	C	C	1
Equipment rental without outdoor storage or display	X	P	P	P	P	1
Escort service	X	X	P	X	X	3
Fabric store	X	P	P	P	X	
Farmers market	X	Z	Z	Z	X	34
Financial services and institutions	P	P	P	P	X	10
Firearm and ammunition sales, new and resale	X	P	P	P	X	3
Firing ranges, indoor ranges for fire arms or archery	X	X	C	C	C	1
Florist	P	P	P	P	X	
Food truck or trailer	X	T	T	T	T	36
Funeral parlor and mortuary	P	P	P	P	X	1
Furniture and home furnishing sales	X	P	P	P	P	
Game center and video arcade	X	X	P	P	X	3
General retail sales	X	P	P	P	X	
Gift shop, including novelties, souvenirs, greeting cards, etc.	X	P	P	P	X	
Gunsmith	X	P	P	P	X	1
Hardware store, indoor (includes building materials and related services)	X	P	P	P	P	1
Hardware store with outdoor storage or display (includes building materials and related services)	X	X	C	C	C	1
Headquarters office facility	P	X	P	P	P	
Heavy equipment sales including large trucks and tractor-trailer rigs	X	X	X	X	C	
Hobby shop	P	P	P	P	X	
Hotel and motel	X	X	C	C	X	
Household accessories including bedding, linens, kitchen supplies, etc.	X	P	P	P	X	
Kennel	X	X	X	X	C	
Kiosk, booth, and stand	X	Z	Z	Z	Z	11
Laundry and dry cleaning services, retail, including coin operated self-service laundry	X	P	P	P	X	
Liquor store	X	C	C	C	X	1, 8
Live entertainment	X	X	C	C	X	3
Locksmith and related services	X	P	P	P	P	
Manufactured housing sales including modular and mobile home sales	X	X	P	X	P	

	O-P	C-N	C-G	C-R	C-M	Notes
Market	X	P	P	P	X	
Massage establishments, steam bath, and sauna room	X	X	C	C	X	1, 3, 6, 12
Massage services permitted as an accessory use to a permitted primary use	P	P	P	P	X	3, 6, 12
Medical and dental office, laboratories, and clinics open to the general public including acupuncture, chiropractic, and other state licensed health care practices	P	P	P	P	X	
Medical and dental laboratory not open to the public	P	P	P	P	P	
Marijuana cultivation, delivery, dispensary, manufacturing and storage	X	X	X	X	X	
Modeling agency, talent agencies and entertainment booking services (office only)	P	P	P	P	X	
Motion picture theatre (indoor)	X	X	C	C	X	13
Music lessons conducted indoors	P	P	P	P	X	
Music store including the sale of musical instruments, sheet music, and recorded music	X	P	P	P	X	
Office, administrative, business and professional	P	P	P	P	P	
Office machine sales	X	P	P	P	P	
Optical goods including eye glasses, contact lenses, and eye exams	P	P	P	P	X	
Outdoor dining, accessory to authorized restaurant or cocktail lounge	X	Z	Z	Z	Z	14
Outdoor sales events at existing business developments	T	T	T	T	T	
Parcel delivery and postal services (office only, does not include U.S. Postal Service offices)	P	P	P	P	X	
Pawn shop or pawn broker	X	X	C	C	X	1, 3, 32, 33
Personal storage facility	X	X	C	X	C	15
Pest control services	X	X	X	X	P	
Pet supply stores including pet sales and pet adoption services with accessory indoor veterinary and grooming services	X	P	P	P	X	
Pharmacy	P	P	P	P	X	16

	O-P	C-N	C-G	C-R	C-M	Notes
Photocopying and other retail office services for the general public	P	P	P	P	X	
Photographic studio including ancillary photo finishing services	P	P	P	P	X	
Plant nursery	X	X	P	P	P	1
Pool hall or billiards parlor	X	X	C	C	X	3
Prefabricated storage containers used for short term storage	T	T	T	T	T	
Private security company with watch dogs	X	X	C	C	C	1, 3
Private security company without watch dogs	P	P	P	P	P	
Public assembly	X	X	C	C	C	
Recreational facility	MUP	MUP	MUP	MUP	MUP	
Resource recovery center	X	C	C	C	C	17
Restaurant	P	P	P	P	C	8, 9, 18
Restaurant, take-out only	P	P	P	P	C	19
Restaurant (full-service) with alcoholic beverage production use	P	X	C	C	X	8, 9
Seasonal outdoor businesses such as Christmas tree lots	T	T	T	T	T	
Secondhand merchandise store or kiosk including buying of gold, precious metals, gemstones, jewelry, or electronics	X	X	C	C	X	1, 3, 32, 33
Service and repair of consumer electronics	X	P	P	P	X	
Shoe sales and shoe repair	X	P	P	P	X	
Single room occupancy (SRO) housing	X	X	C	X	X	
Skilled nursing facility	C	C	C	C	C	1
Special training and schooling conducted indoors	P	P	P	P	P	
Special training and schooling conducted outdoors	X	X	X	X	MC	
Sporting goods, bicycles, and toy stores	X	P	P	P	X	
Supermarket	X	P	P	P	X	
Surplus store	X	P	P	P	X	1
Swap meet and flea market	X	X	X	C	X	1, 3
Tailoring, alteration, and sewing services	P	P	P	X	X	
Tattoo and body piercing studio	X	X	P	P	X	1
Thrift or resale shop	X	P	P	P	X	1, 3
Ticket sales office	P	P	P	P	X	

	O-P	C-N	C-G	C-R	C-M	Notes
Tobacco and smoke shop, electronic/vapor substance inhalation shop	C	C	C	C	X	1, 20
Tool and equipment repair and sharpening services excluding heavy equipment repair	X	X	P	P	X	1
Trailer and camper sales, non-motorized	X	X	P	X	P	
Travel agency	P	P	P	P	X	
Vehicle storage lot	T	X	T	T	T	
Veterinary and small animal hospital, indoors only	X	X	P	P	P	1
Video sales and rentals including video game sales and rentals	X	P	P	P	X	
Vocational and trade school (conducted indoors)	X	P	P	P	P	9
Vocational and trade school (conducted outdoors)	X	X	X	X	C	9
Volume discount store (including 99¢ and closeout stores)	X	X	P	P	X	1
Watch, clock, and jewelry sales and repair	P	P	P	P	X	
Other similar uses	D	D	D	D	D	21
<b>Light Industrial Uses</b>						
Contract construction services	X	X	X	X	P	
Direct selling organizations (baked goods, ice cream trucks, bottled water vendors, catering wagons, etc.)	X	X	X	X	P	
Food and beverage processing	X	X	X	X	P	
Heavy equipment service and repair	X	X	X	X	C	
Laundry services, industrial, including linen, diaper, and uniform cleaning, alteration and repair services	X	X	X	X	P	
Light manufacturing	X	X	X	X	P	
Microbrewery	X	X	C	C	C	35
Printing and publishing services, non-retail and excluding contact with the general public	X	X	P	P	P	
Recycling center for metal, cardboard, glass, e-waste, etc.	X	X	X	X	C	
Scientific and commercial testing laboratories including product research and development	X	X	X	X	P	

	O-P	C-N	C-G	C-R	C-M	Notes
Service and repair of light machinery including vending machines, office machines, large household appliances, etc.	X	X	X	X	P	
Service and repair of precision instruments including cameras, optical devices, medical devices and electronic testing equipment	X	X	X	X	P	
Warehousing and distribution	X	X	X	X	P	
Wholesale trade excluding explosives	X	X	X	X	P	
Other similar uses	D	D	D	D	D	21
<b>Transportation, Communication and Utilities</b>						
Ambulance service	C	C	C	C	P	1, 3
Bus passenger terminals, public or private charter	X	X	P	P	P	
Bus parking and maintenance facility	X	X	X	X	P	
Heliport	C	C	C	C	C	
Limousine service	X	X	X	X	P	3
Media production including broadcasting studios, and audio and video recording studios	X	P	P	P	P	
Parking lots and garages, short term	P	P	P	P	P	
Radio, and/or television broadcasting	P	P	P	P	P	22
Solid waste disposal facility	C	C	C	C	C	1
Taxicab terminal	X	X	P	P	P	
Towing services with vehicle storage	X	X	X	X	C	1, 3
Towing services without vehicle storage	X	X	C	X	C	1, 3
Trucking terminal for motor freight including parcel delivery service terminals	X	X	X	X	P	
Utilities, excluding sewage treatment	C	C	C	C	C	
Vehicle storage facility, long term, including lots and structures	X	X	X	X	MUP	1
Wireless communication facilities, freestanding	C	C	C	C	C	23
Wireless communication facilities, architecturally integrated or other stealth design	S	S	S	S	S	23
Other similar uses	D	D	D	D	D	21

	O-P	C-N	C-G	C-R	C-M	Notes
<b>Institutional and Charitable Uses</b>						
Botanical garden, and arboretum	P	P	P	P	X	
Educational institution	C	C	C	C	C	
Emergency shelters	X	X	C	C	S	1, 24
Governmental administrative offices (excluding services)	P	P	P	P	P	
Governmental operation center and service facilities	C	C	C	C	C	
Hospital	C	C	C	C	X	
Library, public	P	P	P	P	X	
Museum	P	P	P	P	X	
Non-profit welfare and charitable organizations and services	X	X	C	C	X	1, 27
Parks and playgrounds, public or private	X	P	P	P	P	
Amateur sports fields	X	MUP	MUP	MUP	MUP	
Religious facilities	C	P	P	P	C	9
Temporary feeding area	C	C	C	C	C	
Transition service center	X	X	C	C	P	1, 24
WIC center	P	P	P	P	X	1
Other similar uses	D	D	D	D	D	21
<b>Residential Uses</b>						
Caretaker's unit	P	P	P	P	P	25
Residential care facility	C	C	C	C	X	1

1. Prohibited in SP 182. However, automotive service and repair uses are permitted with approval of a CUP in the portion of SP 182 that is also a part of Special Development Area No. 10 and zoned C-M. Furthermore, for those properties within SP 182 and located north of Madison Avenue, freeway-oriented uses as defined in this title are permitted accordingly.
2. Subject to the provisions of Chapter 17.45 (adult entertainment establishments).
3. Requires a Special Operations License for uses as described in ECMC Chapter 5.16. For towing services, only police towing services require a Special Operations License.
4. Off-site outdoor automobile sales are subject to the provisions of section 17.225.190.
5. Subject to the provisions of Chapter 17.215 (automotive fueling stations).
6. Subject to the provisions of Chapter 5.40 of the El Cajon Municipal Code.
7. Subject to the provisions of section 17.190.270 (billboard signs).
8. Subject to the provisions of Chapter 17.210 (alcohol sales).
9. Subject to parking requirements listed in section 17.185.190.
10. "Check cashing only" services are prohibited in SP 182.
11. Subject to the provisions of Chapter 17.40 (Administrative Zoning Permit), section 17.130.250 (kiosks).
12. Subject to the provisions of section 17.225.070 (massage establishments and services)
13. Subject to the provisions of Chapter 17.230 (motion picture theaters).
14. Subject to the provisions of section 17.225.090 (outdoor dining areas).
15. Subject to the provisions of Chapter 17.235 (personal storage facilities).
16. The retail display area shall not exceed fifteen percent (15%) of the gross floor area in the O-P zone.
17. Subject to the provisions of section 17.225.100 (resource recovery centers).
18. Restaurant size may be limited in the C-M zone.
19. Subject to the provisions of section 17.225.130 (take-out only restaurants).
20. Subject to the provisions of Chapter 17.240 (tobacco, smoke shops, and electronic/vapor inhalation shops).

21. As determined by the director of community development.
22. Excludes wireless communications facilities as defined in Chapter 17.105.
23. Subject to the provisions of Chapter 17.245 (wireless communications facilities).
24. Subject to the provisions of section 17.225.180 (transition service centers and emergency shelters).
25. Only one caretaker's unit permitted per lot in association with an authorized primary use occupying the same property. Must be attached to the primary structure on the lot, if such a structure exists.
26. May only be operated as an ancillary use to 1) a bona fide non-profit club, society, professional organization, union hall, fraternal organization, and similar (non-profit) use, with a valid conditional use permit for the primary use, and 2) a restaurant. Subject to additional card room regulations listed in Chapter 5.28 (Card rooms) of Title 5 and Chapter 17.225 (Miscellaneous Special Uses and Regulations) of this Title. Non-profit status must be in place prior to application submittal, as applicable.
27. Non-profit medical and dental clinics are permitted uses. They do not require a CUP and are not prohibited in SP 182.
28. Subject to the parking requirements for places of assembly listed in Table 17.185.190.
29. Subject to the provisions of Chapter 17.205 (agriculture and animals).
30. Excludes businesses purchasing items as an accessory use to a primary retail sales use.
31. Subject to the provisions of section 17.225.200 (Alternative Lending).
32. Subject to the provisions of Chapter 17.250 (Secondhand Merchandise Stores and Pawn Shops).
33. Prohibited in the boundaries of SP 462.
34. Subject to the provisions of section 17.225.220 (Farmer's Market).
35. Subject to the provisions of section 17.225.230 (Microbrewery).
36. Subject to the provisions of Chapter 17.75 (Temporary Use Permit) and section 17.225.240 (Food trucks).

SECTION 19. Section 17.150.170 of Chapter 17.150 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 20. Section 17.150.170 is hereby added to Chapter 17.150 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.150.170 Manufacturing zone land use table.**

The following table lists uses that may be established in the manufacturing (M) zone. The abbreviations used in the land use table shall have the following meanings:

- A "A" means "adult entertainment permit"
- C "C" means "conditional use permit"
- D "D" means "director's determination"
- MC "MC" means "minor conditional use permit"
- MUP "MUP" means "minor use permit"
- P "P" means "permitted use"
- S "S" means "site development plan permit"
- T "T" means "temporary use permit"
- Z "Z" means "administrative zoning permit"
- X "X" means "not permitted"

In addition to the abbreviated terms listed above, the land use table incorporates endnotes, which are indicated by numerical designators in the final column of the table. The numerical designators correspond with written notes listed at the bottom of the table. The notes provide additional information and direct readers to other applicable sections of the El Cajon Municipal Code.

**Table 17.150.170  
Manufacturing Zone Land Use Table**

	<b>M</b>	<b>Notes</b>
Advertising and public relations office	P	
Agricultural processing, excluding animal slaughtering facility	P	
Aircraft and aviation equipment sales	P	
Alcoholic beverage production	P	12
Alcoholic beverage production with full-service restaurant	C	13
Animal slaughtering facility	C	
Ambulance service	P	1
Ammunition manufacturing	P	2, 14
Amusement park, including miniature golf, go-cart track, mechanized rides, etc.	C	1
Aircraft and flying accessory sales	P	3
Art studio and art restoration service, excluding art galleries	P	
Athletic field and courts	C	
Auction house, indoor	P	
Auction house, outdoor	C	
Auto dismantling, salvage, and junk dealer, including the sale of used auto parts	C	1
Bus terminal, bus parking and maintenance facility, public or private charter	P	
Carpet and drapery cleaning and repair service	P	
Cemetery, crematory, and mausoleum	C	
Chemical production and processing, excluding explosives	P	
Computer programming, including web design, software engineering and other intellectual design and consulting services based upon digital computer technology	P	
Concrete batch processing plant	C	
Contract construction service	P	14
Credit reporting office	P	
Custodial and cleaning service, including property management and maintenance with associated vehicle, equipment, and supply storage	P	
Data storage facilities and server rooms, including internet service provider	P	
Day care facility including adult day care with health services	MUP	
Direct selling organization, including baked goods, ice cream truck, bottled water vendor, and catering wagon	P	
Educational institutions	C	
Emergency shelter	S	8
Equipment rental, with or without outdoor storage or display	P	



	<b>M</b>	<b>Notes</b>
Firing range, indoor range for firearms or archery	C	
Firewood sales	C	
Flight school	P	
Food and beverage processing	P	
Food truck or trailer	T	16
Fuel storage and distribution, bulk fuel storage	P	
Funeral parlor and mortuary	C	
Governmental administrative office (not including services)	P	
Governmental operation center and service facility	C	
Hazardous waste treatment, storage, and transfer	C	
Headquarters office facility	P	
Heavy equipment sales, rental, and repair	P	
Heliport	C	
Insurance office	P	
Kennel	C	
Land development consulting offices, including: architecture, planning, engineering, and real estate services	P	
Laundry services, industrial, including linen, diaper, and uniform cleaning, alteration, and repair services	P	
Light manufacturing	P	3
Light rail terminal	P	
Limousine service	P	1
Machine shop service, including milling and lathing	P	
Mail order and internet based sales, excluding contact with the public	P	
Marine craft sales and service	P	
Media production, including broadcasting studio, and audio and video recording studio	P	
Media distribution	P	
Medical and dental laboratory	P	
Messenger service	P	
Metal industries, including steel manufacturing and smelting	P	
Marijuana cultivation, delivery, dispensary, manufacturing, and storage	X	
Mining activity, including barrow pits over three feet in depth	C	
News agency, including newspaper office and web-based news outlets	P	
Outdoor sales event at existing business developments	T	
Parking lot and structure	P	
Pest control service	P	
Petroleum refining and processing of petroleum products	C	
Photocopying, mailing, and other office services, excluding contact with the general public	P	

	<b>M</b>	<b>Notes</b>
Photographic service, excluding public contact	P	4
Prefabricated storage container used for permanent storage	C	
Prefabricated storage container used for short term storage	T	
Printing and publishing service	P	
Private security company with watch dogs	C	1
Private security company without watch dogs	P	1
Railroad facilities, including switching stations, maintenance yards, rail freight and passenger terminals	P	
Recreational facility—Commercial outdoors, including golf courses, driving ranges, radio controlled cars, skateboard parks, paintball facilities, and other similar uses	C	
Recycling center for metal, cardboard, glass, e-waste, etc.	C	
Religious facilities	C	
Resource recovery center	C	
Restaurant	C	5, 6, 7
Sawmill, including the processing and manufacturing of wood products	P	
Scientific and commercial laboratories, including research, development, and testing services	P	
Service and repair of light machinery, including vending machines, office machines, large household appliances, etc.	P	
Solid waste processing facility	C	
Special training and schooling (conducted indoors)	P	11
Special training and schooling (conducted outdoors)	MC	
Sports assembly including stadium, arena, racetrack and other large sporting venue	C	
Swimming pool, swimming school, and other aquatic recreation facilities	C	
Temporary feeding area	C	
Towing services with or without vehicle storage	C	1
Transition service center	P	8
Trucking terminal for motor freight, including parcel delivery service terminals	P	
Truck sales and service (including large commercial trucks, vans, buses, and recreational vehicles)	P	
United States Postal Service facilities; processing only	P	
Utilities, including sewage treatment facilities	C	
Vehicle storage facility - long term, including lots and structures	MUP	
Vehicle storage lot - temporary	T	
Veterinary service and animal hospital	C	
Vocational or trade school; indoor or outdoor	P	7
Warehousing, including wholesale trade and distribution and excluding explosives	P	

	<b>M</b>	<b>Notes</b>
Welding and metal fabrication	P	
Wireless communication facilities; freestanding	C	
Wireless communication facilities; architecturally integrated or other stealth design	S	15
Other similar uses	D	9
<b>Residential Uses</b>		
Caretaker's unit accessory to an authorized land use	P	10
Residential care facility	C	

1. Requires a special operations license as described in ECMC Chapter 5.16. For towing services, only police towing services require a special operations license.
2. Small arms ammunition only. Nothing larger than 30-caliber ammunition.
3. Light manufacturing describes a wide range of manufacturing uses as defined in Chapter 17.105.
4. Includes aerial photography, photo editing and finishing, service and repair of cameras and other optical devices.
5. Restaurants may be limited in size.
6. Subject to the provisions of Chapter 17.210 (alcohol sales).
7. Subject to the parking requirements listed in section 17.185.190.
8. Subject to the provisions of section 17.225.180 (transition service centers and emergency shelters).
9. As determined by the director of community development.
10. Only one caretaker's unit permitted per lot in association with an authorized primary use occupying the same property. Must be attached to the primary structure on the lot, if such a structure exists.
11. If the school provides instruction to persons under the age of 18, then a minor conditional use permit is required.
12. A tasting area, indoor and/or outdoor, not to exceed 25 percent of the gross floor area of the production space is permitted as an accessory use to an alcoholic beverage production manufacturer subject to Chapter 17.210 and section 17.225.210.
13. Subject to Chapter 17.210 Alcohol sales and deemed approved alcohol sales regulations.
14. Limited explosives storage allowed as accessory to an authorized primary use and subject to the Fire Code provisions and all local, state, and federal laws including the National Fire Protection Association.
15. Subject to the provisions of Chapter 17.245 (wireless communications facilities).
16. Subject to the provisions of Chapter 17.75 (Temporary Use Permit) and section 17.225.240 (Food trucks).

SECTION 21. Subsection (C) of section 17.165.210 of Chapter 17.165 of Title 17 of the EI Cajon Municipal Code is hereby repealed.

SECTION 22. Subsection (C) is hereby added to section 17.165.210 of Chapter 17.165 of Title 17 of the EI Cajon Municipal Code to read as follows:

**17.165.210 Processing a PRD—Preparation of site plan, building elevations and subdivision map.**

- C. Required Hearings. The proposed site plan and tentative map shall be considered at a public hearing by the planning commission, which shall recommend approval, conditional approval, or denial of the PRD to the city council. The city council shall hold a public hearing and make the final decision to approve, conditionally approve, or deny the project.

SECTION 23. Sections 17.185.030, 17.185.060, 17.185.190, and 17.185.220 of Chapter 17.185 of Title 17 of the El Cajon Municipal Code are hereby repealed.

SECTION 24. Sections 17.185.030, 17.185.060, 17.185.190, and 17.185.220 hereby added to Chapter 17.185 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.185.030 Minimum stall dimensions.**

- A. Outdoor, uncovered, parking stalls shall have minimum dimensions of 8.5 feet in width, by 18.5 feet in depth. Such parking spaces may overhang landscaped areas by no more than two feet inclusive of exterior setback area and the curb width separating the stall from the landscaped area. The parking spaces may not overhang required walkway or sidewalk width. The painted stripes that define required parking stalls shall have a minimum width of four (4) inches and parking stall width shall be measured from the center of such stripes.
- B. Indoor and covered parking stalls, including stalls in garages and carports, shall have minimum dimensions of 10 feet in width by 20 feet in depth. Nothing shall be permitted to encroach into the required covered parking area including stairways, work-benches, laundry facilities, water heaters, etc.
- C. Minimum dimensions of angled parking stalls shall be determined by the city traffic engineer and maintained on file in the community development department.
- D. Motorcycle parking stalls shall have minimum dimensions of five (5) feet in width and 10 feet in depth.
- E. Parking spaces designed for small or economy cars shall not be permitted in satisfaction of the parking requirements imposed by this title, but may be permitted for parking spaces in excess of the requirements listed in this title.

**17.185.060 Backup space.**

Standard, rectangular (90 degree) parking spaces shall provide at least 24 feet of unobstructed back up maneuvering space. Back up space may include overhang of up to two feet of landscape areas. Back up space requirements in parking areas with angled stalls shall be determined by the city traffic engineer and maintained on file in the community development department.

**17.185.190 Commercial zone parking requirements.**

The table below lists the minimum parking requirements for non-residential developments and uses.

**Table 17.185.190  
Commercial Zone Parking Requirements**

<b>Unique uses</b>	
Caretakers unit	Two (2) spaces in addition to any other parking required at the site
<b>Institutional uses, utilities, and places of assembly</b>	
Religious facilities, theatres, auditoriums, and similar places of assembly	One (1) space per every five (5) fixed seats, or one (1) space for every two hundred (200) square feet of gross floor area whichever is greater.
Public buildings including utilities and related facilities	As determined by CUP
Other uses not listed	As determined by the Director
<b>Commercial uses</b>	
General office uses and general retail commercial uses not specified elsewhere in this table	One (1) space per two hundred fifty (250) square feet of gross floor area up to ten thousand (10,000) square feet, plus one (1) space per three hundred (300) square feet of gross floor area for the next fifteen thousand (15,000) square feet, plus one (1) space per four hundred (400) square feet of gross floor area above twenty five thousand (25,000) square feet
Dance halls	One (1) space per fifty (50) square feet of dance floor, or one (1) space per three hundred (300) square feet of gross floor area, whichever is greater
Restaurants, cocktail lounges, and similar eating and drinking establishments	One (1) space per one hundred (100) square feet of gross floor area, except as follows: In shopping centers over two (2) acres in size, the parking requirement for restaurants is the same as for other general retail uses in that center; at an existing commercial property, the parking requirement for restaurants is the same as for other general retail uses.
Hospitals	One (1) space per bed.
Hotels and motels	One (1) space per room, plus one (1) space per three hundred (300) square feet of gross floor area dedicated to offices, restaurants and lounges located within the hotel or motel.
Automobile fueling station	See Chapter 17.215.
Outdoor venues such as swap meets, farmers markets, athletic fields, and other outdoor recreational facilities	One (1) space for every three (3) people anticipated at maximum attendance as indicated by the required conditional use permit.
Indoor recreational facilities such as bowling alleys, game centers,	One (1) space per two hundred (200) square feet of recreation area plus one (1) space per four

fitness centers, dance studios, and martial arts facilities	hundred (400) square feet of non-recreation area; accessory eating and drinking areas to be calculated separately at one (1) space per one hundred (100) square feet.
Outdoor sales areas	One (1) space per one thousand (1,000) square feet of outdoor sales and display. The parking requirement for outdoor sales areas at automobile sales establishments shall be determined at time of the conditional use permit
Transportation facilities (bus depots, trolley stations, etc.)	One (1) space per five (5) fixed seats or one (1) space per four hundred (400) square feet of gross floor area, whichever is greater
Commercial building additions for storage space only	See section 17.130.255

**17.185.220 M zone and C-M zone parking requirements.**

The table below lists the minimum parking requirements for developments in the M zone and C-M zone. The endnotes at the bottom of the table contain information that supplements the information contained in the table's matrix.

**Table 17.185.220  
M Zone and C-M Zone Parking Requirements**

Manufacturing and transportation uses	One (1) space per 600 square feet of gross floor area <sup>1</sup>
Warehousing and distribution	One (1) space per 1,000 square feet of gross floor area <sup>1,2</sup>
Trade and service uses	One (1) space per 300 square feet of gross floor area
Outdoor sales areas and outdoor storage	One (1) space per 1,000 square feet of outdoor sales or storage area
Large box retail	In the C-M zone, the parking requirement for large box retail establishments may be reduced to one (1) space per 500 feet of gross floor area.
Other uses not listed	As determined by the Director

<sup>1</sup> Includes accessory office space up to 25% of gross floor area. Office areas in excess of 25% shall provide parking at 1 space per 300 feet of additional office space.

<sup>2</sup> Warehouse developments must provide sufficient undeveloped, open space that is not a part of any required landscaping or setbacks to be reserved for potential parking area expansion to accommodate the parking requirement for a manufacturing or transportation use.  
 Parking for Mezzanines. The parking requirement for mezzanine areas shall be the same as the requirement for the other areas of a development.  
 Employee Compact Parking. In the C-M and M zones only, any use with fifty or more required parking spaces may designate an employee-only parking area with up to 40 percent of the required parking spaces reduced in size to 8.5 feet by 17 feet.

SECTION 25. Section 17.205.030 of Chapter 17.205 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 26. Section 17.205.030 is hereby added to Chapter 17.205 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.205.030 Ordinary household pets.**

The keeping of ordinary household pets shall be permitted at a residence, subject to the following regulations:

- A. Not more than four (4) ordinary household pets (dogs or cats) are permitted for each dwelling, together with offspring less than four (4) months of age.
- B. A fifth (5th) ordinary household pet may be authorized for an individual dwelling unit subject to the granting of an administrative zoning permit.

SECTION 27. Section 17.210.140 of Chapter 17.210 of Title 17 of the El Cajon Municipal Code is hereby repealed.

SECTION 28. Section 17.210.140 is hereby added to Chapter 17.210 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.210.140 Distance requirements—applicable to new on-sale alcoholic beverage establishments.**

- A. No new on-sale alcoholic beverage establishment shall be located within one thousand (1,000) feet of an existing on-sale alcoholic beverage establishment (except in the C-R zone) and/or within six hundred (600) feet of residentially zoned property, public or private schools, health care facilities, religious facilities, parks or playgrounds, and off-sale alcoholic beverage establishments, except:
  - 1. A restaurant with an ancillary bar with less total square footage than the restaurant eating area; or
  - 2. On-sale alcoholic beverage establishment with alcohol sales secondary and incidental to an approved, complementary, principal use within the boundaries of Specific Plan No. 19 or Specific Plan No. 182; or
  - 3. An alcoholic beverage manufacturer such as a craft brewery with an ancillary tasting room or craft brewery with a full-service restaurant.

- B. For purposes of this section, distances shall be measured between the closest property lines of the affected locations.
- C. For the purposes of this section, "secondary and incidental," shall mean that the sales of alcoholic beverage shall be limited to not more than twenty-five percent (25%) of the gross annual retail receipts generated by the use on the site, which shall be calculated on a quarterly basis, for the prior twelve (12) month period ending on the last day of the then concluding quarter of year, and shall further mean that sales of alcoholic beverages are not promoted or advertised in any signs, or the name of the business establishment.
- D. For the purposes of this section, "principal use," may include, but is not limited to, live entertainment, participatory sporting activities, museums, theaters, performing arts center owned by a public agency, hotels, or other, similar uses approved by the Director of Community Development, so long as the location of the sales of alcoholic beverages occurs on the same premises as the principal use, and the owner of the principal use is the owner of the liquor license.

SECTION 29. Sections 17.225.210, and 17.225.240 of Chapter 17.225 of Title 17 of the El Cajon Municipal Code are hereby repealed.

SECTION 30. Sections 17.225.210, and 17.225.240 are hereby added to Chapter 17.225 of Title 17 of the El Cajon Municipal Code to read as follows:

**17.225.210 Tasting rooms.**

A tasting area, indoor and/or outdoor, in association with an alcoholic beverage production use may be permitted subject to the following standards:

- A. The tasting area may not exceed 25 percent of the production gross floor area unless otherwise authorized by a conditional use permit.
- B. The tasting area may only sell product that is produced on-site.

**17.225.240 Food trucks.**

A food truck and/or trailer may be permitted with approval of a temporary use permit subject, but not limited, to the following standards:

- A. The applicant must obtain and maintain a County of San Diego Department of Environmental Health permit.
- B. The food truck or trailer operator must maintain a valid business license.



- C. The food truck or trailer and furnishings must be operated strictly within private property.
- D. No verbal solicitation of business is permitted.
- E. No amplified sound or loudspeakers are permitted.
- F. No selling or serving of alcoholic beverages is permitted.
- G. All associated equipment must be contained within the food truck or trailer.
- H. The area in and around the food truck or trailer must be maintained clean and free of litter at all times.
- I. A trash and recycling container must be provided for patrons in an area that does not impede pedestrian and vehicular traffic.
- J. Furnishings shall not constitute a hazard as determined by the Fire Marshal and Building Official.
- K. No obstruction for pedestrian, vehicular traffic or business access is permitted.
- L. Initial duration not to exceed one (1) year, with eligibility for annual extensions.
- M. Any deviation from the standards listed in this subsection shall require an administrative zoning permit in compliance with chapter 17.40.

12/14/21 CC Agenda – 1<sup>st</sup> Reading  
01/11/22 CC Agenda – 2<sup>nd</sup> Reading

Ord – Title 17 Zoning Code Update 120221

**Omnibus Zoning Code Update  
Summary of Changes**

<b>Chapter - Title</b>	<b>Section</b>	<b>Revisions</b>
<b>Administration, Interpretation, and Enforcement</b>		
Commission Action Shall Be Final When Denying Application	17.20.070	Clarify Planning Commission's role as an advisory body on legislative actions requiring City Council action.
<b>Planned Unit Development (PUD) Permit</b>		
Authority to approve	17.60.050	Reclassify Planning Commission PUD denials as recommendations.
<b>Temporary Use Permit</b>		
Applicability	17.75.020	Reconcile "Amusements..." use description with Commercial Land Use Table.
Applicability	17.75.020	Add "Construction laydown" as a temporary use in commercial and industrial zones.
Applicability	17.75.020	Add food trucks and/or trailers as a temporary use.
<b>Specific Plan</b>		
Initiation	17.70.030	Adds provision for initiation by City Council action.
<b>Definitions</b>		
Definitions	17.105.020	Add definition for "Freeway-oriented uses".
Definitions	17.105.020	Clarify that an "Ordinary household pet" may be kept at a residence outside of a residential zone.
<b>Performance Standards</b>		
Outdoor Uses	17.115.100	Add subsection to permit 25 square feet of accessory outdoor display subject to operating standards.
<b>Residential Zones</b>		
Use of Exterior Yard Areas	17.140.160	Clarify that stored vehicles may not be inhabited anywhere on the property.
<b>Commercial Zones</b>		
Commercial Land Use Table	17.145.150	Add "Circuses and carnivals" as a Temporary Use in Regional Commercial zone consistent with 17.75.020.

Commercial Land Use Table	17.145.150	Create separate “Food truck or trailer” land use category and permit as a Temporary Use in all commercial zones except Office Professional.
Commercial Land Use Table	17.145.150	Revise note 1 to allow for “freeway-oriented uses” within the Plan Area north of Madison Avenue.
<b>Industrial Zones</b>		
Manufacturing Zone Land Use Table	17.150.170	Add a land use category for “Food truck or trailer” and permit as a Temporary Use.
Manufacturing Zone Land Use Table	17.150.170	Revise note 12 to be consistent with 25% gross floor area tasting area limitations in Section 17.225.210.
<b>PRD (Planned Residential Development) Zone</b>		
Processing a PRD-Preparation of Site Plan, Building Elevations and Subdivision Map	17.165.210	Reclassify Planning Commission PRD denials as recommendations.
<b>Parking Standards</b>		
Minimum Stall Dimensions	17.185.030	Clarify that parking spaces may overhang two (2) feet of exterior yard landscaping.
Backup Space	17.185.060	Allow for backup space to include up to two (2) feet of landscape area.
Commercial Zone Parking Requirements	17.185.190	Replace the “Vocational or trade schools” land use category with “other uses not listed” subject to parking requirements determined by the Community Development Director.
M Zone and C-M Zone Parking Requirements	17.185.220	Correct table grammar.
M Zone and C-M Zone Parking Requirements	17.185.220	Replace “Vocational or trade schools” land use category with “other uses not listed” subject to parking requirements determined by the Community Development Director.

<b>Agriculture and Animals</b>		
Ordinary Household Pets	17.205.030	Clarify that pets may be kept at residences outside of residential zones.
<b>On-sale Alcohol Sales</b>		
Distance Standards Applicable to New or Modified On-sale Alcoholic Beverage Establishments	17.210.140	Allow on-sale alcoholic beverage sales secondary and incidental to an approved, complementary, principal use within Specific Plan No. 19 – Parkway Plaza Mall – similar to Specific Plan No. 182 for the Downtown.
<b>Tasting Rooms</b>		
Tasting room standards	17.225.210	Revise standards to allow for indoor and/or outdoor tasting areas up to 25% of the production gross floor area.
<b>Food Trucks &amp; Trailers</b>		
Food Trucks	17.225.240	Align food truck standards with temporary use permit process and allow for food trailers.

PLANNING COMMISSION RESOLUTION NO. 11058

A RESOLUTION RECOMMENDING CITY COUNCIL APPROVAL OF ZONING CODE AMENDMENT NO. 2021-0002. AN AMENDMENT TO TITLE 17 OF THE EL CAJON MUNICIPAL CODE FOR TEMPORARY USE PERMITS, OUTDOOR DISPLAY, PARKING STANDARDS AS WELL AS VARIOUS TECHNICAL CLEANUPS, REVISIONS, AND EDITS

WHEREAS, on January 19, 2021, the Planning Commission adopted Resolution, No. 11038 initiating an amendment to the Zoning Code with overall changes for minor technical edits, modifications for clarity and consistency, and regulatory revisions to address ambiguity and streamline development processes; and,

WHEREAS, the El Cajon Planning Commission duly advertised and held a public hearing on November 16, 2021, to consider initiating an amendment to the Zoning Code with overall changes for minor technical edits, modifications for clarity and consistency, and regulatory revisions to address ambiguity and streamline development processes; and,

WHEREAS, the Zoning Code requires regular maintenance to ensure that it is consistent and effective in regulating the use and development of land in the City, and staff has identified various modifications needed to improve clarity, consistency, and application of the Zoning Code; and,

WHEREAS, the El Cajon Planning Commission considered the proposed California Environmental Quality Act (CEQA) common sense exemption in accordance with CEQA section 15061(b)(3) for the proposed project; and,

WHEREAS, at the public hearing the Planning Commission received evidence through public testimony and comment, in the form of verbal and written communications and reports prepared and presented to the Planning Commission, including (but not limited to) evidence such as the following:

- A. The proposed changes to the Zoning Code further the goals of the General Plan by implementing reforms to reduce governmental constraints to the development. Further, pursuant to Goal 10, the city "shall periodically revise its regulatory codes, ordinances and policies so that they may reflect current, upgraded standards of development and performance." The proposed changes ensure clarity and eliminate existing ambiguities within Zoning Code.
- B. The proposed zoning code amendment is applicable citywide. No zone changes are proposed as part of this project, and thus the proposed changes do not conflict

with specific plans.

- C. The proposed zoning code amendment is applicable citywide and is not property-specific. Further, the proposed changes provide clarity, consistency, and objective standards for new development, and overall, help streamline multiple development review processes.

WHEREAS, after considering such evidence and facts the Planning Commission did consider Zoning Code Amendment No. 2021-0002 as presented at its meeting.

WHEREAS, the residential and commercial land use tables have been updated to reduce permit levels to facilitate investment in land use and site developments; and,

WHEREAS, El Cajon Municipal Code (ECMC) sections 17.20.070, 17.60.050, and 17.165.210 will be amended to clarify the Planning Commission role as an advisory body to the City Council; and,

WHEREAS, ECMC sections 17.75.020 and 17.145.150 will be amended to clarify that amusements are permissible temporary uses in general commercial and regional commercial zones; and,

WHEREAS, construction laydown yards will be added as permissible temporary use in ECMC section 17.75.020; and,

WHEREAS, food truck and trailer processes in ECMC sections 17.75.020, 17.145.150, 17.150.170, and 17.225.240, will be modified to require a temporary use permit in commercial zones for streamlining and clarity; and,

WHEREAS, ECMC section 17.70.030 will be amended to provide for initiation of a Specific Plan by City Council action; and,

WHEREAS, ECMC sections 17.105.020 and 17.145.150 will be amended to provide for freeway-oriented uses within Specific Plan No. 182; and,

WHEREAS, ECMC sections 17.105.020 and 17.205.030 will be amended to clarify that ordinary household pets may be kept at residences outside of residential zones; and

WHEREAS, standards for accessory commercial outdoor display of merchandise will be added to ECMC section 17.115.100; and,

WHEREAS, occupation of recreational vehicles will be prohibited in ECMC section 17.140.160; and,

WHEREAS, standards for tasting areas associated with permitted alcoholic beverage production in ECMC sections 17.150.170 and 17.225.210 will be modified; and,

WHEREAS, ECMC section 17.185.030 and 17.185.060 will be clarified to permit parked and reversing vehicles to overhang two feet of landscape area; and,

WHEREAS, parking standards in ECMC sections 17.185.190 and 17.185.220 for other uses not listed, including vocational and trade schools, will be subject to Director determination; and,

WHEREAS, miscellaneous grammatical corrections will be made to ECMC section 17.185.220; and,

WHEREAS, on-sale alcohol as a secondary and incidental use will be allowed within Specific Plan No. 19 with a minor use permit in ECMC section 17.210.140; and,

NOW, THEREFORE, BE IT RESOLVED by the El Cajon Planning Commission as follows:

Section 1. That the foregoing recitals are true and correct, and are findings of fact of the El Cajon Planning Commission in regard to Zoning Code Amendment No. 2021-0002.

Section 2. That based upon said findings of fact, the El Cajon Planning Commission hereby RECOMMENDS City Council APPROVAL of Zoning Code Amendment No. 2021-0002 included as Exhibit A.

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Planning Commission Resolution No. 11058

PASSED AND ADOPTED by the El Cajon Planning Commission at a regular meeting held November 16, 2021, by the following vote:

AYES:	MROZ, POLLACK-RUDE, SOTTILE, VALLES
NOES:	NONE
ABSENT:	CIRCO

  
\_\_\_\_\_  
Anthony SOTTILE, Chair

ATTEST:

  
\_\_\_\_\_  
Anthony SHUTE, Secretary





## NOTICE OF PUBLIC HEARING

The El Cajon Planning Commission will hold a public hearing at **7:00 p.m., Tuesday, November 16, 2021**, and the El Cajon City Council will hold a public hearing at **3:00 p.m., Tuesday, December 14, 2021**, in City Council Chambers, 200 Civic Center Way, El Cajon, CA to consider:

**AMENDMENT OF EL CAJON MUNICIPAL CODE – ZONING CODE OMNIBUS UPDATE (CITYWIDE)**. This is a City-initiated proposal to amend Title 17 (Zoning) of the El Cajon Municipal Code. The proposed amendments are to address the need for minor changes to provide clarification or correct inconsistencies as well as streamline permit processes. No development is authorized with this project.

Notable proposed changes to the Zoning Code include: modifications to length of temporary use permit approvals, allowances for construction laydown yards, modifications to parking stall overhang standards, Land Use Table modifications for Large Family Day Cares, clarification of requirements for keeping of ordinary household pets, modified standards and approval process for food trucks, allowances for limited outdoor merchandise display, modifications to parking standards, and modifications to on-sale alcohol standards, among other technical and minor changes for consistency.

The public is invited to attend and participate in these public hearings. The agenda reports for this project will be available 72 hours prior to the meeting for Planning Commission and City Council at <http://elcajon.gov/your-government/city-meetings-with-agendas-and-minutes-all>. In an effort to reduce the City's carbon footprint, paper copies will not be provided at the public hearings, but will be available at the Project Assistance Center, in the first floor lobby.

If you challenge the matter in court, you may be limited to raising only those issues you or someone else raised at the public hearings described in this notice or in written correspondence delivered to the Commission or Council at, or prior to, the public hearings. The City of El Cajon encourages the participation of disabled individuals in the services, activities, and programs provided by the City. Individuals with disabilities who require reasonable accommodation in order to participate in the public hearing should contact Planning at 619-441-1742. More information about planning and zoning in El Cajon is available at <http://www.elcajon.gov/your-government/departments/community-development/planning-division>.

If you have any questions, or wish any additional information, please contact Planning at 619-441-1742 or via email at [planning@elcajon.gov](mailto:planning@elcajon.gov) and reference "Zoning Code Amendment" in the subject line.



## City Council Agenda Report

**Agenda Item 12.**

**DATE:** December 14, 2021

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Deyanira Brito, Housing Specialist

**SUBJECT:** Third Amendment to FY 2020-21 One-Year Action Plan to Allocate Available CDBG Funds; and Fourth Amendment to FY 2019-20 One-Year Action Plan to Re-Allocate Available CDBG-CV (CDBG CARES Act) Funds

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### RECOMMENDATION:

Staff recommends that the City Council:

1. Opens the public hearing and accepts public testimony for the Third Amendment to FY 2020-21 One-Year Action Plan and Fourth Amendment to FY 2019-20 One-Year Action Plan;
2. Closes the public hearing;
3. Adopts the next Resolution, in order, amending the FY 2020-21 One-Year Action Plan to:
  - a. Allocate and appropriate \$510,000 in available CDBG funds from the unallocated fund balance to the ADA Concrete Improvements project; and
  - b. Make the necessary changes to the One-Year Action Plan, and submit all required documentation to the U.S. Department of Housing and Urban Development;
4. Adopts the next Resolution, in order, amending the FY 2019-20 One-Year Action Plan to:
  - a. Re-allocate \$240,691 in available CDBG-CV funds from completed projects to the Touchless Traffic Signal Pedestrian Push Button Installations project to address the long-term effects of the coronavirus pandemic; and
  - b. Make the necessary changes to the One-Year Action Plan, and submit all required documentation to the U.S. Department of Housing and Urban Development.

### BACKGROUND:

This public hearing requests City Council action and provides El Cajon citizens with the opportunity to comment on the proposed Third Amendment to FY 2020-21 One-Year Action plan to allocate and appropriate \$510,000 in available CDBG funds for the ADA Concrete Improvements project. City Council action and public comments are also requested on the proposed Fourth Amendment to the FY 2019-20 One-Year Action Plan related to CDBG CARES Act funding, in which \$240,691 in CDBG-CV funds, available for re-programming, will be re-allocated to a new Touchless Traffic Signal Pedestrian Push Button Installations project.

### Third Amendment to FY 2020-21 One-Year Action Plan (CDBG funds)

On January 12, 2021, in a noticed public hearing, the City Council authorized the sale of 1034 N. Magnolia Ave, El Cajon (property originally purchased with CDBG funds and leased to Crisis House for many years) for a total of \$1,060,000. At the same hearing, City Council allocated \$550,000 of the proceeds back to the Wells Park Comprehensive Improvements project.

Escrow closed on the sale of the property on March 3, 2021. The remaining balance of \$510,000 was deposited to the CDBG unallocated fund balance as program income until a new eligible project could be identified.

The Public Works Department has identified additional needs for ADA concrete improvements throughout the City in order to improve accessibility and to comply with ADA standards. Currently, about 69% of the City’s pedestrian curb ramps have been conformed to meet the latest ADA standards, however there are still 31% that require modification or reconstruction. The funds will be combined with two previous project allocations and used to continue and expand the number of ADA curb ramps and sidewalks improved throughout the City. The ADA Concrete Improvements project was allocated \$235,213 in FY 2019-20 and \$275,000 in FY 2020-21. Design work is underway and will be expanded to include additional intersections. The Public Works Department specifies that this project will be completed by June 2022, allowing the full expenditure of funds by the end of this fiscal year.

Staff recommends that \$510,000 in program income/unallocated fund balance available be allocated to the ADA Concrete Improvements project for continuation and expansion of ADA improvements throughout the City, as follows:

<b>Third Amendment to the FY 2020-21 One-Year Action Plan</b>			
<b>City Project Number</b>	<b>Project</b>	<b>Program Income Available</b>	<b>Proposed New/Re-Allocation</b>
CUNAL	CDBG Unallocated Fund Balance	\$510,000	-
C0926	ADA Concrete Improvements Project	-	\$510,000
<b>Total CDBG Allocation:</b>			<b>\$510,000</b>

Fourth Amendment to FY 2019-20 One-Year Action Plan (CDBG-CV funds)

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law. The CARES Act made additional Community Development Block Grant Coronavirus funds available from the U.S. Department of Housing and Urban Development (“HUD”) to prevent, prepare for, and respond to the short and long-term impacts of the coronavirus. The funds are limited to primarily serving low- and moderate-income residents. In April 2020, the City was allocated \$802,656, and in September 2020, the City was allocated an additional \$1,009,307, for a total of \$1,811,963 (referred to collectively as “CDBG-CV”).

In three public hearings dated May 12, 2020, January 12, 2021, and May 25, 2021, the City Council authorized allocations totaling \$672,362 for rental and utility assistance, \$285,294 for emergency shelter, \$545,000 for emergency hotel/motel stays programs, \$10,000 for home-delivered meals for seriously ill residents, and \$299,307 for the acquisition/rehab of a facility serving the homeless.

To date, CDBG-CV funds have been expended in the categories as follows:

<b>Summary of CDBG-CV Funds Allocations and Expenditures</b>				
<b>Project Category</b>	<b>Total Allocation</b>	<b>Total Expended</b>	<b>Total Remaining</b>	<b>Total Available for Re-Allocation</b>

Rental and Utility Assistance	\$672,362	\$434,103	\$238,259	\$238,259
Emergency Motel Stays / Emergency Scatter-Site Motel	\$545,000	\$142,568	\$402,432*	\$2,432
Emergency Shelter	\$285,294	\$185,294	\$100,000*	-
Home-Delivered Meals	\$10,000	\$3,332	\$6,668*	-
Acquisition/Rehabilitation of Facility Serving Homeless	\$299,307	\$0	\$299,307*	-
<b>Totals:</b>	<b>\$1,811,963</b>	<b>\$765,297</b>	<b>\$1,046,666</b>	<b>\$240,691</b>

(\*Continuing program, balance not available for re-allocation)

In February 2021, the County announced the availability of \$100 million for a massive new Emergency Rental Assistance Program (“ERAP”), for those affected by the pandemic, including El Cajon residents. In order to avoid the duplication of benefits between the programs, the City immediately suspended its rental and utility assistance programs pending the completion of the County’s ERAP. Then, in July 2021, County advised that ERAP would receive an additional \$98 million in federal and state American Rescue Plan Act (“ARPA”) funds to expand and continue the program. As of today, ERAP is still active and is able to pay up to 100% of 18 months of rent and utilities to all tenant-residents of the County of San Diego that are eligible, including El Cajon residents. The City’s program is now permanently suspended due to the County providing much deeper assistance, and to ensure prevention of duplication of benefits.

After payment of all outstanding expenses in the rental and utility assistance programs, \$238,259 is available for re-programming. A residual amount of funding remaining from the original emergency hotel/motel stays program that did not transfer over is available as well, for a total of \$2,432. As of July 2021, the total balance available for re-allocation is \$240,691. On August 10, 2021, the City Council directed staff to conduct additional research for other potential eligible projects for the use of the remaining funds, due to the availability of major assistance provided through the County of San Diego ERAP.

Staff surveyed best practices and ideas from other jurisdictions, and worked with Public Works staff to explore projects for the best use of the funds. Staff is recommending that \$240,691 in CDBG-CV funds be re-allocated to a new Touchless Traffic Signal Pedestrian Push Button Installations project. The Touchless Traffic Signal Pedestrian Push Button Installations project is proposed as a long-term measure to reduce the spread of COVID-19 and other transmissible diseases, and will provide additional emphasis on health and safety for the general public by removing physical contact with these surfaces. The funds will be used to purchase and install an estimated thirty-two (32) touchless controllers at traffic signal-controlled intersections in the public right-of-way within the eligible CDBG census tracts. The Public Works Department specifies that this project will be completed by fall 2022 or winter 2023.

Staff recommends approving the Fourth Amendment to FY 2019-20 One Year Action Plan re-allocating CDBG-CV funds from completed projects totaling \$240,691 to the Touchless Traffic Signal Pedestrian Push Button Installations project, as follows:

<b>Fourth Amendment to the FY 2019-20 One-Year Action Plan</b>
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City Project Number	Agency - Project/Program	Remaining FY 2019-20 Allocation	Available FY 2019-20 Allocation
C0754V	Interfaith Shelter Network - Rental/Utility Assistance	\$<8,660>	-
C0755V	CSA San Diego County - Rental/Utility Assistance	\$<9,766>	-
C0756V	Home Start, Inc. - Rental/Utility Assistance	\$<219,833>	-
C0757V	Home Start, Inc. - Hotel/Motel Vouchers	\$<2,432>	-
C0932V	Touchless Traffic Signal Pedestrian Push Button Installations	-	\$240,691
<b>Total CDBG-CV Funds Re-Allocated:</b>			<b>\$240,691</b>

To summarize, staff recommends that the City Council:

1. Allocate and appropriate \$510,000 in available CDBG funds from the unallocated fund balance to the ADA Concrete Improvements project; and
2. Re-allocate \$240,691 in CDBG-CV funds available from completed projects to the Touchless Traffic Signal Pedestrian Push Button Installations project to address the long-term effects of the coronavirus pandemic.

A Notice of this Public Hearing and Minimum 30-Day Public Review and Comment Period was published in the Daily Gazette, and posted online and in multiple locations, on November 18, 2021, providing citizens with the opportunity to comment and to participate in both the proposed Third Amendment to FY 2020-21 One-Year Action Plan and Fourth Amendment to FY 2019-20 One-Year Action Plan. The drafts of these amendments were also posted online on November 18, 2021. As of the date of publication of this Agenda Report, no comments have been received. All comments received through December 18, 2021, will be considered.

**FISCAL IMPACT:**

All CDBG and CDBG-CV grant allocations will be utilized to fund eligible projects and program costs pursuant to Federal law. There is no impact to the General Fund. This action increases the total CDBG appropriation for the FY 2020-2021 ADA Concrete Improvements project (C0926) in FY 2020-21 One-Year Action Plan by \$510,000 and re-allocates the existing CDBG-CV appropriation of \$240,691 to the new Touchless Traffic Signal Pedestrian Push Button Installations project (C0932V).

Prepared By: Deyanira Pelayo-Brito, Housing Specialist

Reviewed By: Anthony Shute, Director of Community Development

Approved By: Graham Mitchell, City Manager

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Attachments

Reso - 3rd Amendment to FY 20-21 One-Year Action Plan

Draft - Third Amendment to FY 2020-21 One-Year Action Plan  
Reso - 4th Amendment to FY19-20 One-Year Action Plan  
Draft - Fourth Amendment to FY 2019-20 One-Year Action Plan

RESOLUTION NO. \_\_\_-21

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF EL CAJON ADOPTING A THIRD AMENDMENT  
TO THE FY 2020-2021 ONE YEAR ACTION PLAN

WHEREAS, the City of El Cajon (the "City") receives Community Development Block Grant ("CDBG") entitlement grant funds from the U.S. Department of Housing and Urban Development ("HUD") annually; and

WHEREAS, on January 12, 2021, the City Council approved the sale of the property located at 1034 N. Magnolia Avenue, El Cajon and received \$1,060,000 from the net proceeds of the sale of the property in program income; and

WHEREAS, the City Council allocated a portion of the program income received in the amount of \$550,000 to the Wells Park Improvements project; and

WHEREAS, the City Council has considered and desires to allocate the remainder of the program income received in the amount of \$510,000, currently held in the CDBG unallocated fund balance, to the ADA Concrete Improvements project funds; and

WHEREAS, the City has made the proposed Third Amendment to the FY 2020-21 One-Year Action Plan available for public review for a minimum 30-day period between November 18, 2021 and December 18, 2021; and

WHEREAS, the City met the requirements set forth at 24 CFR 91, and found the CDBG allocations presented in the Third Amendment to the FY 2020-21 One-Year Action Plan to be consistent with goals and objectives of the Five Year Consolidated Plan and that reasonable benefits will accrue to the residents of the City of El Cajon.

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

1. The City Council of the City of El Cajon does hereby adopt the Third Amendment to the FY 2020-21 One-Year Action Plan to allocate CDBG funds for FY 2020-21 as follows:

<b>Third Amendment to the FY 2020-21 One Year Action Plan</b>			
<b>City Project</b>	<b>Project</b>	<b>Program Income Received</b>	<b>Proposed New/ Re- Allocation</b>
CUNAL	CDBG Unallocated Funds	\$510,000	
C0926	ADA Concrete Improvements		\$510,000
<b>Total CDBG Allocation:</b>			<b>\$510,000</b>

2. The City Manager, or such person designated by the City Manager, is hereby authorized to execute appropriate contracts and agreements for the use of the CDBG funds, consistent with City and federal policies and guidelines.

3. The City Council hereby adopts the Third Amendment to the One-Year Action Plan, with funding allocations as presented above, and authorizes the City Manager or designee to submit the One Year Action Plan, as amended, to HUD, and to make any necessary or needed corrections or adjustments to allocations as outlined above, or as required by HUD, and to execute all affiliated documents.

12/14/21 CC Agenda  
Reso – 3<sup>rd</sup> Amend FY20-21 One-Year Action Plan 120121





**CITY OF EL CAJON**

**THIRD AMENDMENT TO FY 2020-2021 ONE YEAR ACTION PLAN**

The City is proposing a third amendment to the FY 2020-2021 One Year Action Plan to allocate available CDBG funds totaling \$510,000 to City of El Cajon – Public Works Department. These funds will be used to assist in the construction of ADA curb ramps and sidewalks throughout the City, for the provision of CDBG-eligible services to improve accessibility to disabled residents and to comply with ADA. CDBG funds totaling \$510,000 will be allocated directly from the CDBG Unallocated Fund Balance. The public review and comment period begins Thursday, November 18, 2021 for a minimum 30-day period. A public hearing will be held on **Tuesday, December 14, 2021 at 3:00 P.M. in the El Cajon Council Chambers at 200 Civic Center Way, El Cajon, CA 92020.**

The following activities are recommended by staff for funding:

**Proposed CDBG Projects for FY 2020-2021:**

<b>Local Project No.</b>	<b>Agency Name Project Title</b>  Project Site Address (Brief description of project)	<b>Type of project and project eligibility according to 24 CFR section as shown.</b>  <b>Eligibility citations and type of allocation (loan/grant/CHDO set-aside funds).</b>	<b>Amount Recommended for Allocation</b>
C0926	<b>City of El Cajon ADA Concrete Improvements</b>  City-wide	03L – Sidewalks 570.201(c) – Capital Expenditure Grant L/M Clientele – 24 CFR 570.208(a)(2) (Presumed Benefit)	<b>\$510,000</b>

RESOLUTION NO. \_\_\_\_-21

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CAJON ADOPTING A FOURTH AMENDMENT TO THE FY 2019-20 ONE YEAR ACTION PLAN

WHEREAS, the City of El Cajon (the "City") has received Cares Act Community Development Block Grant ("CDBG-CV") entitlement grant funds from the U.S. Department of Housing and Urban Development ("HUD") for FY 2019-20, in the amount of \$1,811,963; and

WHEREAS, the City duly advertised and held a public hearing December 14, 2021, as required by HUD for public review and comment period, at which time the City considered public comments and the funding priorities identified to assist with coronavirus relief; and

WHEREAS, the City has made the proposed Fourth Amendment to the FY 2019-20 One-Year Action Plan available for public review for a minimum thirty-day period between November 18, 2021 and December 18, 2021; and

WHEREAS, the City has met the requirements set forth at 24 CFR 91, and found the CDBG allocations presented in the Fourth Amendment to the FY 2019-20 One-Year Action Plan to be consistent with the Five Year Consolidated Plan and that reasonable benefits will accrue to the residents of City of El Cajon.

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

1. The City Council of the City of El Cajon does hereby adopt the Fourth Amendment to the FY 2019-20 One-Year Action Plan to re-allocate CDBG-CV funds for FY 2019-20 as follows:

<b>Fourth Amendment to the FY 2020-21 One-Year Action Plan</b>			
<b>City Project Number</b>	<b>Agency - Project/Program</b>	<b>Reduction in FY 2019-20 Allocation</b>	<b>Increase in FY 2019-20 Allocation</b>
C0754V	Interfaith Shelter Network – Rental/Utility Assistance	\$ <8,660>	-
C0755V	CSA – Rental/Utility Assistance	\$ <9,766>	-
C0756V	Home Start, Inc. – Rental/Utility Assistance	\$ <219,833>	-
C0757V	Home Start, Inc. – Hotel/Motel Vouchers	\$ <2,432>	-
C0932V	City of El Cajon – Touchless Traffic Signal Pedestrian Push Button Installations	-	\$240,691
<b>Total CDBG-CV Funds Re-Allocated:</b>			<b>\$240,691</b>

2. The City Manager, or such person designated by the City Manager, is hereby authorized to execute appropriate contracts and agreements for the use of the CDBG-CV funds with the agencies as listed above consistent with City and federal policies and guidelines.

3. The City Council hereby adopts the Fourth Amendment to the One Year Action Plan, with funding allocations and as presented above, and authorizes the City Manager, or designee, to submit the One Year Action Plan, as amended, to HUD, and to make any necessary or needed corrections or adjustments to allocations as outlined above, or as required by HUD, and to execute all affiliated documents.

12/14/21 CC Agenda  
Reso – 4<sup>th</sup> Amend FY 19-20 Action Plan (Cares Act CDBG-CV) 120121



**CITY OF EL CAJON**

**FOURTH AMENDMENT TO FY 2019-2020 ONE YEAR ACTION PLAN (CDBG-CV FUNDS)**

The City is proposing a fourth amendment to the FY 2019-2020 One Year Action Plan to re-allocate available CDBG-CV funds totaling \$240,690.52 to City of El Cajon – Public Works Department. These funds will be used to assist in furnishing and installing new Touchless Pedestrian Push Buttons at thirty-two (32) traffic signal controlled intersections within the eligible CDBG census tracts to continue to prevent, prepare for and respond to the coronavirus pandemic. CDBG-CV funds totaling \$240,690.52 will be re-allocated directly from the CDBG-CV unused funds from the Rental and Utility Assistance programs and the Hotel/Motel Voucher program. The public review and comment period begins Thursday, November 18, 2021 for a minimum 30-day period. A public hearing will be held on **Tuesday, December 14, 2021 at 3:00 P.M. in the El Cajon Council Chambers at 200 Civic Center Way, El Cajon, CA 92020.**

The following activities are recommended by staff for funding:

**Proposed CDBG-CV Projects for FY 2019-2020:**

<b>Local Project No.</b>	<b>Agency Name Project Title</b>  Project Site Address (Brief description of project)	<b>Type of project and project eligibility according to 24 CFR section as shown.</b>  <b>Eligibility citations and type of allocation (loan/grant/CHDO set-aside funds).</b>	<b>Amount Recommended for Allocation</b>
C07XXV	<b>City of El Cajon Touchless Traffic Signal Pedestrian Push Button Installations</b>  Various locations	03K – Street Improvements 570.201(c) – Capital Expenditure Grant L/M Clientele – 24 CFR 570.208(a)(2) (Presumed Benefit)	<b>\$240,690.52</b>



City Council  
Agenda Report

**Agenda Item 13.**

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Graham Mitchell, City Manager  
**SUBJECT:** Selection of Deputy Mayor

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**RECOMMENDATION:**

That the City Council selects a Deputy Mayor according to the El Cajon Municipal Code.

**BACKGROUND:**

According to the provisions of Section 2.08.010 of the El Cajon Municipal Code, the City Council shall meet in December and choose one of its number as *Deputy Mayor*. The *Deputy Mayor* shall serve at the will of the majority of the City Council, or until the expiration of the normal term in December 2022.

The title "*deputy mayor*" shall be interchangeable for all purposes with the title "*mayor pro tempore*."

Prepared By: Angela Cortez, City Clerk  
Reviewed By: N/A  
Approved By: Graham Mitchell, City Manager

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City Council  
Agenda Report

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Graham Mitchell, City Manager  
**SUBJECT:** City Council Action Plan Update

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**RECOMMENDATION:**

That the City Council receives the report and provides feedback.

**BACKGROUND:**

On March 1, 2021, the City Council conducted a priority setting workshop. The workshop's purpose was to identify priorities and goals. This agreed-upon direction:

- Provides a clear message from the City Council to the community and staff of what the City Council aims to accomplish;
- Fosters consensus on policies and projects within the City Council;
- Assists staff in allocating staff time and other resources;
- Supports the City Council's proactive stance on accomplishing goals rather than reacting to issues; and
- Creates a more transparent and accountable government.

On March 23<sup>rd</sup>, the City Council approved a City Council Action Plan supporting the identified priorities from the March 1<sup>st</sup> workshop along with sixteen specific goals/objectives. This agenda report provides an update (attached) on the progress of the priorities and goals for City Council review. This agenda item helps prepare the City Council for the priority/goal-setting workshop scheduled for January 20, 2022.

Prepared By: Graham Mitchell, City Manager & Vince DiMaggio, Assistant City Manager

Reviewed By:

Approved By: N/A

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Attachments

City Council Priorities/Goals Update

## El Cajon City Council 2021/2022 Priorities Implementation Plan

Adopted: March 23, 2021 / Update: December 7, 2021

### Priority: Communication/Civic Engagement

Goal/Outcome	Lead Department(s)	Milestones/Tasks	Target Dates	Progress
<p>Refine City's communication/outreach/engagement plan, addressing what stakeholders want to receive and how to best communicate that information as well as strategies to increase civic engagement will all in the community</p>	<p>CM, P&amp;R, PW</p>	<p>Host several community focus groups aimed at receiving feedback from a wide-range of community members about communication and civic engagement</p>	<p>4/1/2021 – 6/3/2021</p>	<p><b>Complete</b> – staff met with the following groups:</p> <ul style="list-style-type: none"> <li>• Chaldean Radio – Middle Eastern / Chaldean</li> <li>• SD New Comers – Middle Eastern</li> <li>• El Cajon Collaborative – senior service providers</li> <li>• El Cajon Collaborative – Hispanic &amp; Middle Eastern residents</li> <li>• Chamber of Commerce – business community</li> <li>• Cajon Valley School District –district communications staff</li> </ul>
		<p>Council to receive a report on current communication efforts and feedback received from focus groups</p>	<p>8/10/2021</p>	<p><b>Complete</b> – report provided to the Council on September 14, 2021.</p>
		<p>Based on, Council to receive a report on proposed implementation plan</p>	<p>10/12/2021 1</p>	<p><b>In Progress</b> – implementation plan developed and will be presented in early 2022.</p>
		<p>Begin implementation of plan</p>	<p>11/1/2021</p>	<p><b>On-Going</b></p>
<p>Leverage technology and social media to promote the City, its events, and the community by relying on experiential marketing</p>	<p>P&amp;R, PD</p>	<p>Council to receive an update on use of social media as part of the 8/10/2021 report (see above)</p>	<p>8/10/2021</p>	<p><b>Complete</b> – report provided to the Council on September 14, 2021</p>
		<p>Implement feedback from City Council</p>	<p>8/11/2021</p>	<p><b>On-Going</b></p>

**Priority: Economic Development**

Goal/Outcome	Lead Department(s)	Milestones/Tasks	Target Dates	Progress
<p>Comprehensive Economic Development Strategic Plan to address opportunities, marketing, incentives, and priorities</p>	<p>CM, CD, PW, Fin</p>	<p>Present a “small business” economic development strategy to Council for consideration. Elements of this will include financial assistance for start-up businesses, exploration of additional business districts, and business incentives</p>	<p>5/30/2021</p>	<p><b>Complete</b> – report provided to Council on April 13, 2021. Direction to prepare an economic development study via a consultant was directed, which is now underway.</p>
		<p>Work with EC-EDC and other regional partners and perhaps present a Request for Qualifications to Council for a consultant to study market conditions and identify target businesses for the City to attract</p>	<p>9/14/2021</p>	<p><b>In Progress</b> – Natelson Dale Group working with EC-EDC and began work on the study on July 26, 2021. The consultant also expanded its scope to include analysis regarding impacts of the County’s Working Families Ordinance.</p>
		<p>Consider land purchases and/or partnership with large undeveloped and developed sites for development or redevelopment</p>	<p>Ongoing</p>	<p><b>Incomplete</b> – staff is waiting for results of consultant study to assist in other opportunities.</p>
<p>Analyze zoning policies that inhibit development with a focus on possible boundary changes of the Downtown Specific Plan</p>	<p>CD</p>	<p>Council to receive a report with an analysis and possible resolution of intent to initiate amendment of Specific Plan No. 182</p>	<p>4/27/2021</p>	<p><b>Complete</b> – report provided on April 27, 2021 regarding various amendment options to SP 182.</p>
		<p>Based on resolution of intent, present draft SP No. 182 amendments to the Planning Commission</p>	<p>6/1/2021</p>	<p><b>In Process</b> – the Council directed staff to present code modifications that would allow for select freeway oriented uses on properties north of Madison Ave. within the boundaries of SP 182. This is included in the Zoning Code Amendment scheduled for 12-14-21.</p>
		<p>Council to consider Planning Commission recommendations regarding any proposed amendments to SP No. 182</p>	<p>6/22/2021</p>	<p><b>In Process</b> – see above</p>



**Priority: Enhance Image of City by Focusing on City’s Entry Locations**

Goal/Outcome	Lead Department(s)	Milestones/Tasks	Target Dates	Progress
Develop and implement a landscape/ beautification plan around the City’s main entry locations	PW	Council to receive presentation for feedback regarding “big ideas” to consider implementing and methodology of selecting entryways	4/27/2021	<b>Complete</b> – report provided to Council on April 27, 2021 with feedback to proceed given.
		With feedback provided at 4/27/2021 meeting, Council to receive an implementation plan in the form of entryway capital improvement program	5/30/2021	<b>In Process</b> – staff is finalizing CIP scope. Phase 1 to be presented to Council during Mid-Year FY 2021-22 budget and Phase 2 to be included in the FY 2022-23 CIP.
		Implement program	6/1/2021 – 5/30/2022	<b>Incomplete</b> – pending CIP budget approvals.
Attract businesses near entry locations	CM	Identify properties near City entry locations that are suitable for development or redevelopment opportunities and create a property profile for each, along with zoning information and possible commercial uses	5/3/2021	<b>In Process</b> – this task is being specifically being addressed in the Natelson Dale Group study. Progress on this task is on hold until the completion of the study. Expected completion date of the study is first quarter 2022 with work commencing in mid-2022.
		Make contact with property owners of target properties to understand needs and long-term intentions to identify viable opportunities	7/2/2021	<b>Incomplete</b> – see above.
		Begin working with commercial real estate brokers and development community to promote viable sites for development	8/2/2021	<b>Incomplete</b> – see above.
		Keep the Council updated through regular memos	ongoing	<b>Incomplete</b> – see above.

**Priority: Homelessness**

Goal/Outcome	Lead Department(s)	Milestones/Tasks	Target Dates	Progress
Increase enforcement on drug dealers supplying vulnerable homeless population	PD	Council to receive presentation identifying current problem, enforcement efforts, and limitations (legal, State policy, and budgetary) along with options to consider	6/29/2021	<b>Complete</b> – staff provided briefings to Council members about possible challenges to program.
		Implement program determined by the Council	7/1/2021	<b>N/A</b>
		Council to receive a report on outcomes of the program	5/17/2022	<b>N/A</b>
Coordinate homeless services and housing with cities in the East County region so that all jurisdictions in the region share the responsibility of providing housing and services to individuals experiencing homelessness	CM, CD	Develop a Memorandum of Understanding (MOU) with East County jurisdictions that addresses shared emergency shelter, permanent supportive housing, and coordination of services	5/31/2021	<b>In Process</b> – staff has been meeting with County and neighboring city staff. A draft MOU is prepared with details being further considered.
		Council to consider MOU for approval	6/30/2021	<b>Incomplete</b> – staff aims to present the MOU in early 2022.
Continue to address and clean up homeless encampments and debris	CM, P&R, PW, PD	Begin power washing frequent encampment areas with vacation noticing. Council to receive proposed changes to the City’s Municipal Code providing staff with additional enforcement powers and the Council will be presented with a contract for power washing	7/13/2021	<b>Ongoing</b> – in 2021, 26 areas have been powerwashed by City staff. <b>Incomplete</b> – staff has not yet developed recommended Municipal Code language for Council consideration. City currently gives 24 hour notice and we have not encountered issues. This policy may not be needed.
		Expand contracted services to assist City with cleanup efforts	8/31/2021	<b>In Process</b> – City contracted with Urban Corps of SD to provide clean up service and staff is evaluating additional services to assist with powerwashing.

		Increase communication to the community, Council, and homeless community regarding efforts to assist in providing housing options and cleanup efforts; create a ride-along program for the public	ongoing	<b>Incomplete</b> – staff plans to prepare public information, including a two-page “FAQ” and a short animated video that addresses challenges faced by the community, legal barriers, programs implemented, and results achieved.
		Develop and present possible policies to the Council regarding vacant lot maintenance, including proactive code enforcement on vacant sites with encampments	ongoing	<b>Incomplete</b>

**Priority: Public Safety**

Goal/Outcome	Lead Department(s)	Milestones/Tasks	Target Dates	Progress
Implement technologies that could assist in the response and services provided by the City's Fire and Police Departments	IT, PD, FD	Council to approve El Cajon 2.0 Smart City Plan (which establishes a framework by which to consider technology initiatives)	5/25/2021	<b>Complete</b> – the El Cajon 2.0 Plan was approved on April 27, 2021 by the Council.
		Convene existing Police Department Tech & Innovations Group to consider business needs and technology through the lens of the El Cajon 2.0 Smart City Plan	6/30/2021	<b>Complete</b> – the Group meets quarterly.
		Establish a Heartland Fire Research & Development committee to identify needs and possible pilot programs	6/30/2021	<b>In Process</b> – Heartland Fire & Rescue is identifying appropriate personnel from each participating agency to form the committee. First meeting is expected in first quarter 2022.
		Council to receive a report on possible pilot programs for funding in the FY 2022/23 budget	5/30/2022	<b>In Process</b> – a Request for Innovation (RFI) titled “Technology as a Force Multiplier” was issued in July 2021, which resulted in up to four potential pilot projects with responsive vendors. One zero cost pilot has been completed. Staff is in negotiations with other vendors to determine scope and pilot costs.
Evaluate public safety staffing and equipment needs for the City as it grows	HR, PD, FD	Develop an analytics formula to forecast staffing and equipment demands from new residential and commercial properties and develop funding strategies to meet future demands	12/15/2021	<b>In Process</b> – staff is exploring alternative metrics to officers per 1,000 residents to have a clearer position on public safety staffing needs. We are hoping to rely on SDSU Capstone project students to assist in this analysis.
		Engage SDSU Masters in Public Administration students as part of a capstone project to compare El Cajon staffing with other	9/1/2021 – 3/30/2022	<b>Incomplete</b> – the SDSU capstone groups did not select an El Cajon project in 2021/22.

		communities in San Diego County, factoring in crime data, mental health issues, socio-economic characteristics, etc.		
		Council to receive a comprehensive report on analytics formulas and SDSU capstone project results	4/26/2022	<b>N/A</b>
Launch a human trafficking/safety education campaign	PD	Council to receive a presentation on human trafficking (regional trends, efforts made to combat, etc.)	10/12/2021	<b>In Process</b> – the community liaison with the District Attorney’s Office who will be providing the presentation is not available until 2022. The presentation will be scheduled in first quarter 2022.
		Using social media, share District Attorney resources about human trafficking	Ongoing	<b>Ongoing</b> – staff has posted social media information and will make a larger push on January 11, 2022 for National Day of Human Trafficking Awareness.
		Ensure that all City staff receive training on how to recognized human trafficking	12/31/2021	<b>Ongoing</b> – information/training has been provided to City staff.

**Priority: Miscellaneous**

Goal/Outcome	Lead Department(s)	Milestones/Tasks	Target Dates	Progress
Consider an Election Integrity Ordinance	Clerk	Present optional components of an election integrity ordinance for Council feedback	6/8/2021	<b>Complete</b> – report provided to Council on June 8, 2021.
		Relying on Council feedback, draft and present ordinance for adoption	9/14/2021	<b>Complete</b> – resolution approved by the Council on September 14, 2021.
Explore a process in which businesses can operate under modified zoning rules and explore policy opportunities to permanently relax regulations post-COVID-19	CD	Council to consider temporarily extending outdoor dining relaxed regulations until formal policy is developed later in 2021	4/27/2021	<b>Complete</b> – on November 9, 2021, the Council extended the policy through December 31, 2022.
		With input provided by Planning Commission, review zoning code for changes in concert with the State-mandated housing regulation changes and present for Council approval	9/28/2021	<b>In Process</b> – on July 27, 2021, the Council approved submittal of the Housing Element. HCD found issues with the document. Modifications will be provided to the Council in first quarter 2022.  Also, Phase I of the zoning code amendment will be presented to the Council on 12-14-21 and includes outdoor display opportunities for general retail, streamline permitting for food tracks, extended operating hours and use area for breweries, and reduced vehicle maneuvering requirements allowing for more developable area.
Explore modified sign regulations regarding flashing and/or lighted signs and window treatments	CD	Council to receive a report reviewing the City’s current sign/ design standards, along with options, in order to receive City Council feedback	4/27/2021	<b>Complete</b> – report provided to the Council on September 14, 2021.

		Based on feedback from Council, present proposed changes to the Planning Commission	6/21/2021	<b>N/A</b>
		Present recommendation from Planning Commission to the Council	7/27/2021	<b>N/A</b>
Promote mental wellbeing of City Staff	HR	Council to receive a presentation on 1) mental health in the workplace, 2) programs launched by the City, and 3) other ideas for the future	11/9/2021	<b>In Process</b> – a report will be provided in January or February 2022.
		Continue to implement programs	Ongoing	<b>Complete</b>



## City Council Agenda Report

**Agenda Item 15.**

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Graham Mitchell, City Manager  
**SUBJECT:** Temporary Overstaffing Police Officer Positions

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### RECOMMENDATION:

That the City Council authorizes temporarily overstaffing ten Police Officer positions in FY 2021-22.

### BACKGROUND:

The City of El Cajon's FY 2021-22 budget assumes 126 budgeted sworn officer positions, including 94 at the rank of police officer. With the rate of vacancies, due to retirements and resignations, the City is nearly always recruiting for Police Officer positions. The City is currently attempting to fill six vacancies. Typically, vacancies are filled with new Police Officer recruits.

The City relies on filling vacancies with new recruits because new recruits are easier to attract than lateral transfers from other police agencies. However, a lateral transfer is much less expensive for the City. To hire a new recruit, the City pays for a police academy. After the seven-month academy, new officers are not able to work on their own during a 5-month series of on-the-job training. Therefore, a new recruit is not fully able to perform the job of a Police Officer for one year, a period in which the City is paying the officer's salary.

Due to neighboring jurisdictions' recent policy decisions, the City has received many lateral applications for open police officer positions. These applicants come with high recommendations. It is not typical to receive so many applications for lateral transfers from one agency to another and staff suspects that this phenomenon will be a short-time occurrence.

Given the cost to train new recruits and the opportunity to secure trained and qualified staff from other police agencies, staff recommends that the City temporarily expand the number of budgeted Police Officers from 94 to 104 to accommodate hiring lateral officers. Under this scenario, as El Cajon Police Officers separate from the City, staffing levels will naturally return to the 94 budgeted number of Police Officers.

Having a temporary addition of ten officers will give the Police Department more capacity. Specifically, the temporary addition of officers will help the City reduce response times to both emergency and non-emergency calls, increase patrol and police visibility, and expand or create additional units to address contemporary public safety concerns.



**FISCAL IMPACT:**

The proposal to overstaff ten officers will cost an additional average of \$194,166 for each officer (an annual cost of nearly \$2 million). This annual added cost will decrease each year as the number of overstaffed positions shrink. Over the three-year period, staff estimates that overstaffing will cost approximately \$3.5 million. However, during this period of time, the City will save approximately \$1.5 million in police academy costs as well as overtime costs. This results in a net cost of under \$2 million over the three-year period. The City would be required to adjust its budget at the mid-year budget cycle and may need to rely on reserves for the first, and most expensive, year of the plan.

Prepared By: Graham Mitchell, City Manager

Reviewed By:

Approved By: Graham Mitchell, City Manager

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City Council  
Agenda Report

**DATE:** December 14, 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 September 28, 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):

<b>PROJECTS</b>	<b>APPROPRIATED</b>	<b>EXPENDED/ ENCUMBERED*</b>
<b>Assistance to Households &amp; Businesses</b>		
Street Beautification/Safety Projects	\$5,000,000	
Small Business Grant Program	\$5,000,000	\$2,828,000
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	\$645,000
Social Worker Response Team Pilot Program	\$500,000	
<i>Business License Assistance Program</i>	\$225,000	\$225,000
Economic Development Studies/Efforts	\$200,000	\$73,650
<i>El Cajon Foodie Fest</i>	\$150,000	\$220,000
<b>COVID-19 Response &amp; Mitigation</b>		
Reimbursement for Mitigation Efforts	\$1,000,000	
<i>Reduce Vaccine Barriers</i>	\$100,000	\$7,700
<b>Replace Revenue &amp; Reinvest in City Infrastructure</b>		
Solar/Battery Project	\$5,000,000	\$200,000

City Network/Cybersecurity/Video Equipment Upgrades	\$1,300,000	\$737,750
<b>Infrastructure</b>		
Expand Broadband/Fiber Network	\$2,300,000	\$161,250
<b>TOTAL</b>	<b>\$30,400,000</b>	<b>\$5,098,350</b>

\*as of December 7, 2021

Staff will provide an update on many of the projects during the presentation. Based on projects completed, staff believes that there could be up to \$200,000 that can be re-allocated for projects. Staff also recommends that a discussion about the Business Grant Program's focus is warranted. Staff suggests that the grant program shift from employee hiring and focus on one-time capital improvements or equipment purchases.

Staff recommends that during its discussion, the City Council consider other options for available funds. Staff can then analyze them to ensure they meet ARPA guidelines and can return with a future agenda item for a City Council decision. Alternatively, the City Council may wish to delay a decision on allocating funds until it completes its annual goal setting workshop and development of next year's action plan.

Prepared By: Graham Mitchell, City Manager

Reviewed By: N/A

Approved By: N/A

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## City Council Agenda Report

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Anthony Shute, Director of Community Development  
**SUBJECT:** Microenterprise Home Kitchen Operations - MEHKO

### RECOMMENDATION:

That the City Council accepts the report and directs staff to send a letter to the County Board of Supervisors supporting or opposing the Microenterprise Home Kitchen Operations Authorization Ordinance.

### BACKGROUND:

Assembly Bill (AB) 626 and AB 377 authorize the County of San Diego (County) to permit the operation of home based restaurants called Microenterprise Home Kitchen Operations (MEHKO) throughout the County. Permitted kitchens may prepare and sell food for on-site dining, take-out or delivery provided certain health and sanitation standards enforced by the County are observed. Should the County Board of Supervisors choose to participate, all cities within the County will be subject to the program without further ability to regulate the use. However, cities will be allowed to enforce potential nuisances such as traffic and parking, noise, sewer system impacts, odors, and signage.

On September 15, 2021, the County Board of Supervisors directed the County Department of Environmental Health and Quality (DEHQ) to engage in a public outreach program and prepare an ordinance authorizing MEHKOs for board consideration within 120 days.

On October 12, 2021, the City Council received an agenda report and staff presentation which identified potential concerns and recommended that the City Council direct staff to send a letter urging the board to “opt out” of the MEHKO program. After receiving a presentation from Director of the County of San Diego DEHQ, Heather Buonomo, and public comments on the item, the City Council directed staff to return with additional information and clarifications on MEHKOs.

### DISCUSSION

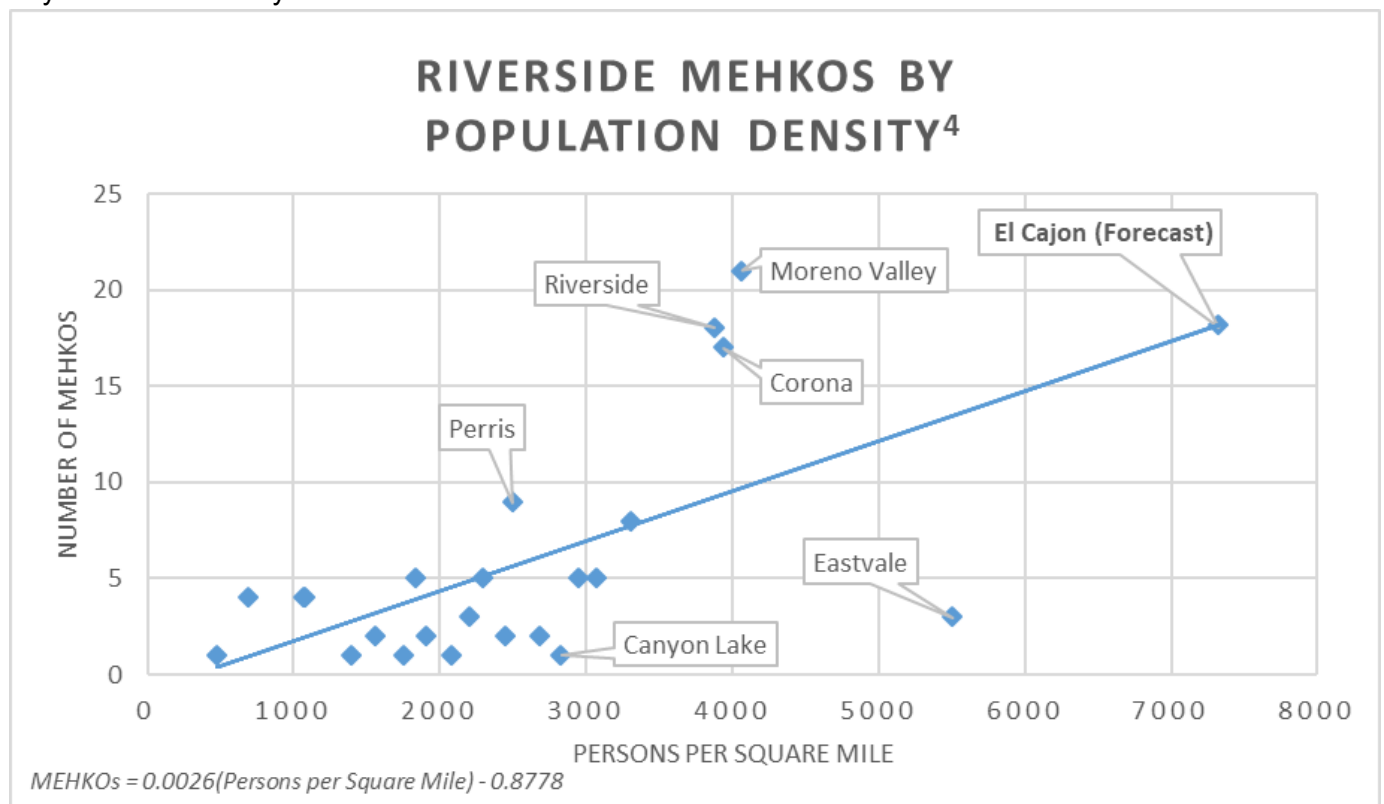
City Council discussion at the October 12<sup>th</sup> meeting referenced the experiences and outcomes of jurisdictions with adopted MEHKO ordinances. Consequently, City Staff examined outcomes in the County of Riverside, the first jurisdiction in the State to adopt a MEHKO ordinance on May 7, 2019, and its constituent cities.

The County of Riverside had 127 permitted MEHKOS according to the list published on the Riverside Department of Environmental Health (Riverside DEH) website on October 10, 2021. MEHKOs were most numerous in the Riverside County cities of Corona, Moreno Valley, Perris and Riverside. Of the 65 MEHKOs spread across these four (4) cities, Riverside DEH inspected and published reports for 48 MEHKOs, or 74% of the permitted total. These inspections resulted in only a single recorded health violation. Please see the following table.

<b>City</b>	<b>Pop.</b>	<b>Area<sup>1</sup></b>	<b>Pop. Density<sup>2</sup></b>	<b>Total MEHKOs</b>	<b>DEH Inspected</b>	<b>DEH Violations</b>	<b>MEHKO w/ Bus. Licenses</b>	<b>Current Complaints</b>
Corona	157,136	39.4	3988	17	16	1	4	0
Riverside	314,998	81.2	3879	18	15	0	10	0
Moreno Valley	208,634	51.3	4067	21	11	0	4	0
Perris	78,700	31.5	2498	9	6	0	2	0
<b>TOTALS</b>	<b>759,468</b>	<b>203.4</b>		<b>65</b>	<b>48</b>	<b>1</b>	<b>20</b>	<b>0</b>

None of the aforementioned cities reported any current code violations though City of Perris staff noted a previous case of a MEHKO cited for signage and encroachments that had been brought into compliance. City Staff also reviewed publicly available business license records in the course of its evaluation and was only able to confirm valid business licenses for 20 MEHKOs, representing 31% of the permitted total.

City Staff compared the number of permitted MEHKOs with the population density of each jurisdiction using Census Bureau data to estimate the number of MEHKOs which may come to operate in the City of El Cajon after a similar two (2) year implementation period. The trend line in the below graph, "Riverside MEHKOs by Population Density", projects 18 MEHKOs within the El Cajon City limits based on the Census reported population of 106,215 and land area of 14.5 square miles. Since the Riverside MEHKO program is just beginning, staff is unable to project the potential MEHKOs that may operate in El Cajon beyond the first two years.



The City Council also requested clarification on a number of miscellaneous MEHKO concerns raised in their October 12 deliberations. The conclusions that follow on these matters are a result of City staff's ongoing communications with County of San Diego staff and separate research:

- San Diego County Planning and Development Services will only enforce MEHKO nuisance issues in violation of their code within the unincorporated areas of the County - The County will provide no nuisance enforcement in the City.
- DEHQ may take enforcement action against MEHKOs operating without appropriate DEHQ MEHKO permits.
- Only home kitchen equipment is required for a MEHKO to operate. Grease traps and other commercial equipment are not required. DEHQ Frequently Asked Questions (FAQ) directs readers to the serving sewer agency or local city code enforcement for more information.
- Neither AB 626 nor AB 377 address the operation of a MEHKO in a residence subject to Covenants, Conditions, and Restrictions (CC&Rs) and governed by a Homeowners Association (HOA). The DEHQ FAQ encourages prospective operators to confirm HOA permission prior to application.
- DEHQ FAQ directs tenants to their lease agreements for restrictions regarding the operation of a MEHKO from their rental unit.
- As a “bona fide eating place,” a MEHKO may be eligible for a California Department of Alcoholic Beverage Control (ABC) on-sale license. MEHKO applications are typical on-sale license applications subject to standard ABC licensing procedures. ABC may not issue a retail license contrary to a valid zoning ordinance pursuant to California Business and Professions Code section 23790.

**RECOMMENDATION:**

Staff recommends that City Council accept the report and direct staff to send a letter to the County Board of Supervisors supporting or opposing the Microenterprise Home Kitchen Operations authorization ordinance.

Prepared By: Michael Viglione, Senior Planner

Reviewed By: Anthony Shute, Director of Community Development

Approved By: Graham Mitchell, City Manager

**Attachments**

October 12, 2021, Agenda Item 12 City Council Agenda Report without Attachments

San Diego County Department of Environmental Health and Quality Microenterprise Home Kitchen Operations (MEHKO) FAQs revised 11/09/2021

California Department of Alcoholic Beverage Control Micro-Enterprise Home Kitchens (MEHK's) FAQ



City Council  
Agenda Report

**DATE:** October 12, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Anthony Shute, Director of Community Development  
**SUBJECT:** Microenterprise Home Kitchen Operations - MEHKO

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**RECOMMENDATION:**

It is recommended that the City Council reviews the information provided in the report and directs staff to send a letter to the County recommending that the County Board of Supervisors “opt out” of the Microenterprise Home Kitchen Operations (MEHKO) program.

**BACKGROUND:**

On January 1, 2019, the California Homemade Food Act (AB 626) went into effect and opened the door for cooks to enter the food economy (catering or restaurant) from their place of residence. County legislators were given jurisdictional authority to adopt an ordinance and implement AB 626; however, several counties required further clarification on various sections of the bill. Subsequently, AB 377, MEHKO, “a clean-up bill,” was introduced to clarify and define language in AB 626. Specifically, it eliminated third party delivery (e.g. DoorDash, Postmates, etc.) restrictions for these kitchen operations. The legislation allows a MEHKO to operate in a single-family or multi-family home, whether the residence is occupied by the owner or renter. These kitchens can store, handle, and prepare food that may be sold to consumers on-site or via delivery, as long as they meet certain health and sanitation standards regulated by the County of San Diego.

Staff has been in conversation with San Diego County Department of Environmental Health Quality (DEHQ) staff to better understand the MEHKO program. The legislation allows the County to opt-in or opt-out of the program. Should the County Board opt-in, then all cities within the County are subject to the program and do not have any ability to regulate the use. A MEHKO is subject to an annual registration and inspection by the County DEHQ, but except for requiring a business license no other permits or approvals from the City of El Cajon would be allowed. A MEHKO is eligible for an alcohol license from Alcoholic Beverage Control (ABC) and if issued could serve alcohol with a meal to the public. There may also be an opportunity to address nuisance activity that may be created by a MEHKO.

On September 15, 2021, the County Board of Supervisors voted unanimously to direct County DEHQ to return within 120 days (which will be around January 12, 2022) with an ordinance authorizing MEHKO operations in San Diego County, conduct community/municipality outreach and collect public input, and to implement an educational program for MEHKOs that provides guidance on food safety and good neighbor components (traffic, parking, noise, and grease/food waste disposal).

## DISCUSSION

Prior to AB 626 and AB 377, there was no regulatory framework in place for selling food made in home kitchens, outside the Cottage Food Law, which permitted sales of only non-perishable items such as baked goods, potato chips, and preserves. The program is geared towards home cooks that are looking to supplement their income, or maybe want to experiment in the food business before deciding to ramp up production and rent a commercial kitchen. Advocates of the legislation state the MEHKO promotes the following:

- Creates economic opportunities for small-scale, home-cooking operations, which are primarily operated by women, immigrants, and people of color;
- Encourages existing “illegal” home food operations to become safer and legal;
- Enables family members to continue providing in-home care for developmentally disabled family members and older family members while still earning income;
- Creates a path to supplement family income for those hardest hit by the COVID-19 pandemic;
- Enables aspiring restaurateurs to try out and vet a menu while learning the basics of what it takes to run a small-scale retail food operation; and
- Provides additional food service options in remote locations.

The following provides some additional information related to the MEHKO program:

- The County DEH and the law states that only a permit from DEH would be required and the City would not be allowed to require any permits.
- The kitchen operator is limited to producing 30 meals per day or 60 meals per week, from earning more than \$50,000 in annual gross income, and from hiring more than one employee.
- Food must be cooked and served the same day, and can be consumed on-site, picked-up, or delivered.
- A city is prohibited from adopting any land use regulations regarding the operations, even if the County opts out.
- ABC may issue an alcohol license to the kitchen operator.

MEHKO raises concerns for City staff as it will create an additional need for enforcement due to conflicts between these potential uses and people residing in adjacent properties. The County DEH has indicated to City staff that enforcement of the above limitations will be challenging, if not completely impractical, due to a lack of staffing. Although staff recognizes the value of creating opportunities associated with these micro-enterprise kitchens, several concerns have been raised as noted below.

### City Staff Concerns

The City staff (Code Compliance, Building Safety, Planning, Fire and Public Works) have evaluated the State law and have identified the below concerns should the County opt-in to the MEHKO program.



- An inclusive “opt-in” program by the County eliminates the City’s ability to regulate the use of the property – another attack on the City’s local control.
- Exempting a MEHKO business from zoning standards would eliminate the ability to impose standards that ensure compatibility. As an example, home occupation standards place common sense limits on businesses that are appropriate for residential areas (e.g. limited operating hours; no employees other than those who reside on the property; or MEHKO operations that creates fumes, odors, vibrations, noise, changes residential character, or similar conflicts with compatibility). This exemption creates several conflicts with the City’s Home Occupation standards and results in an unfair business advantage for those businesses that have obtained the appropriate permits and made investments into properly zoned commercial areas.
- Although it is unlikely that a MEHKO would purchase commercial equipment due to the cost of both equipment and retrofit, there is a potential hazard to persons and properties if equipment is not installed and operated to specific safety standards. All restaurants who open a business or undergo a tenant improvement are subject to Uniform Building Standards, commercial installation standards, and the fire codes.
- Customers would be allowed to get delivery, take-out, or consume the meals on-site, creating a restaurant use in a residential neighborhood. These type of operations could significantly impact adjoining residences by creating parking and traffic issues, with the potential of lines of customers waiting for food.
- Impact to local wastewater as a result of the additional fats, oils, and grease that will be added to the wastewater system as a result of additional food preparation activities within the residence. Residential wastewater systems are not designed for commercial enterprise activity.
- The MEHKO business would only be subject to registration and an annual inspection by DEH. There would be no reporting or other accountability to the City for these operations. Based on the general description of a MEHKO business, enforcement of the listed standards would be difficult. If a food facility is not open to the general public or easily accessed by inspectors, staff would have a difficult time monitoring potential violations. Food that is prepared, cooked, and served in a private residence could not be monitored nor the number of meals served. In addition, investigation of reported violations would require a significant amount of resources and likely would be under the DEH. No local enforcement.

#### RECOMMENDATION:

For the reasons identified above, it is recommended that the City Council direct staff to send a letter to the County recommending that the San Diego County Board of Supervisors “opt-out” of the MEHKO program, by voting not to mandate participation in the program by County DEHQ and the cities of San Diego County. If the County Board of Supervisors adopts a MEHKO program thereby “opting in” then the staff will return with a proposed zoning code amendment that specifically addresses nuisance activity that may be created by MEHKO kitchen operations.

Although AB 626 and AB 377 restricts the ability of jurisdictions to limit where MEHKOS can operate, and exempts them from conditions other than those required of typical residences, the law does allow for the enforcement of nuisances. Traffic issues, smoke from wood-burning ovens, attracting rodents from improper grease and refuse storage, and other conditions creating a nuisance, can be sufficiently mitigated through El Cajon Municipal Code chapter 1.16, especially when such conditions are specifically identified as nuisances by ordinance.

Prepared By: Anthony Shute, Director of Community Development

Reviewed By: Vince DiMaggio, Assistant City Manager

Approved By: Graham Mitchell, City Manager

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#### Attachments

AB 626

AB 377

ECMC section 17.225.050

San Diego County MEHKO FAQs



# County of San Diego

## DEPARTMENT OF ENVIRONMENTAL HEALTH AND QUALITY

### FOOD AND HOUSING DIVISION

P.O. BOX 129261, SAN DIEGO, CA 92112-9261  
Phone: (858) 505-6900 | Fax: (858) 999-8920 | [www.sdcdehq.org](http://www.sdcdehq.org)



## Microenterprise Home Kitchen Operation (MEHKO) FAQs

\*NOTE: Some sections below will only be in effect if a local MEHKO program is adopted.

### General Info

#### 1. What does the new law do?

The new law establishes a “microenterprise home kitchen operation”, also referred to as MEHKO, as a new type of retail food facility to be operated by a resident in a private home. However, the law requires a County to opt into a local program in order for MEHKOs to be able to operate. The County Board of Supervisors will be the governing body that can make the decision as to whether to opt into a program for the entire county.

#### 2. When does the new law go into effect?

The new law was effective January 1, 2019. However, the new law gives the county “full discretion” to authorize the MEHKOs in their jurisdiction. Currently, no program has been authorized within San Diego County.

#### 3. What is a Microenterprise Home Kitchen Operation or MEHKO?

A MEHKO is a type of food service, like a mini restaurant, that is operated by a resident in a private home where food is stored, handled, and prepared that may be served to customers. Food must be prepared the day of service and can be eaten onsite or be delivered to the customer by the operator. Food may also be sold through an internet website or a phone based mobile app belonging to an Internet Food Service Intermediary, but delivery must be by the MEHKOs operator or an employee of the MEHKOs facility. Food products may not be sold to a wholesale or retail facility. Third party delivery apps such as UberEats, Postmates, or GrubHub etc. cannot be used by MEHKOs facilities unless as provided for in California Retail Food Code (CRFC) Section 114367.5.

A MEHKO does not include either of the following:

- A catering operation, as defined in CRFC Section 113739.1.
- A cottage food operation, as defined in CRFC Section 113758.

#### 4. Who is the “local enforcement agency” for MEHKOs in the San Diego region?

The local enforcement agency for food facilities, including MEHKOs, in the San Diego region is the County of San Diego Department of Environmental Health and Quality (DEHQ)

#### 5. What is meant by “private home”?

“Private home” means a dwelling, including an apartment or other leased space, where individuals reside. The MEHKO must be conducted within the primary residence. Second homes, vacation homes, or motor homes DO NOT qualify as a MEHKO.

#### 6. If a person is renting a private residence/apartment or lives in a Homeowner’s Association (HOA), can they still operate a MEHKO?

A person must check their lease agreement to see if there are any restrictions to operating a home-based business out of the residence/apartment. If you have an HOA, it is advised that you make sure that a MEHKO is allowed by your HOA before applying for a health permit.

- 7. What is the difference between a MEHKO and a Cottage Food Operation (CFO)?**  
 A CFO is restricted to preparing and selling only prepackaged, properly labeled, non-potentially hazardous foods that have been approved by the California Department of Public Health (CDPH) (<https://www.cdph.ca.gov/Programs/CEH/DFDCS/CDPH%20Document%20Library/FDB/FoodSafetyProgram/CottageFood/ApprovedCottageFoodsList.pdf>), which may be sold directly or indirectly to the consumer. CFOs may not allow on-site food consumption. A MEHKO is able to prepare and serve potentially hazardous foods and are able to provide onsite dining, pick-up, or delivery options to their customers.
- 8. Can a person operate both a Cottage Food Operation (CFO) and a MEHKO in their residential kitchen?**  
 No, the law does not allow a CFO and a MEHKO in the same residence. The definition of a MEHKO does not include a CFO [[California Health & Safety Code \(HSC\) section 113825\(b\)](#)].
- 9. Can a person operate multiple Cottage Food Operations (CFOs) or multiple MEHKOs in their residence?**  
 No. A cottage food operator is an individual who operates a cottage food operation in his or her private home and is the owner. ([HSC section 113758](#)). A MEHKO is a food facility that is operated by a resident in a private home where food is stored, handled and prepared ([HSC section 113825](#)). Both a CFO and MEHKO have limitations for the gross dollar amount allowed, number of employees, type of operation, allowed foods, etc. in a single residence. The law does not allow limits to be aggregated by multiple operations in the same residence.
- 10. Are multiple people living in the same residence allowed to each operate a Cottage Food Operation (CFO) or MEHKO in that residence?**  
 No. See Questions 8 and 9 above.

## **Application Process**

- 11. Is a permit required to operate a MEHKO?**  
 Yes, a health permit is required from the County of San Diego Department of Environmental Health and Quality (DEHQ), Food and Housing Division, prior to operating.
- 12. How does a person who wants to operate a MEHKO obtain a permit from DEHQ?**  
 If the MEHKO program is approved in San Diego County, a person (the operator) must complete a permit application package that includes a health permit application form and “Standard Operational Procedures” form and pay a permit fee. Once the application and procedures are reviewed and approved by DEHQ, an initial inspection will be scheduled and conducted at the private residence to verify compliance with state law. Once compliance is verified, the permit will be issued., Once MEHKOs are approved in San Diego County an application packet can be picked up at the Department of Environmental Health Office, located at 5500 Overland Ave, Suite 170 San Diego, CA 92123, or online at [www.sdcdehq.org](http://www.sdcdehq.org).
- 13. How long does the application process take for a MEHKO?**  
 The application process is determined by the level of detail and completeness of the application package. The standard application review time for MEHKOs is 20 calendar days if the application package is complete and the level of detail in the operational procedures is included to demonstrate compliance with the law. If the application must be sent back for revisions an additional 10 calendar days for review may be added.
- 14. Is approval from the DEHQ Plan Check Unit required prior to obtaining a MEHKO permit?**  
 Plan check approval is not required prior to obtaining a health permit to operate. However, if any remodel work is to be done at the residence in order to support the MEHKO, operators must contact their local Building Department to determine what, if any, approvals will be needed prior to starting construction.

**15. What fees are associated with operating a MEHKO?**

In order to operate a MEHKO, the initial health permit fee will need to be paid prior to starting the operation, and then the operator will be responsible for paying their annual permit fee in each subsequent year. Additional fees will be applied for any justified complaint response as well as for reinspections that are needed to ensure compliance with the CRFC. For a list of current fees, please refer to the current fee schedule found at [www.sdcdehq.org](http://www.sdcdehq.org).

**16. If an operator moves to a new residence, do they need to go through the application process again?**

Yes, DEHQ permits are non-transferable. If an operator moves to a new residence, they must go through the application process again.

**17. How does a customer determine if a MEHKO has an approved permit?**

A MEHKO is required to display their permit, or a legible copy, during hours of operation. Customers can also visit [www.SDFoodInfo.org](http://www.SDFoodInfo.org) to determine if a MEHKO has a valid permit.

**Operational Requirements**

**18. Does a person need any special training or certification to operate a MEHKO?**

The operator of the MEHKO needs to successfully pass an approved and accredited food safety manager course and any individual, other than the operator, who is involved with the preparation, storage, or service of food in a MEHKO must also obtain a food handler card from one of the schools approved by DEHQ. For a list of approved food safety manager and food handler courses, visit our website at [www.sdcountyfoodhandlers.org](http://www.sdcountyfoodhandlers.org).

**19. Can a MEHKO have employees?**

A MEHKO can have one full time equivalent employee who is an individual employed for the MEHKO; this does not include household family members.

**20. Are kids and pets allowed to be in a MEHKO?**

Yes, the law exempts a MEHKO from certain requirements of the CRFC. However, MEHKOs facilities are required to keep all kids and animals outside of the kitchen and dining areas during food service and preparation.

**21. Are there any meal or sales limitations for MEHKOs?**

Yes, food preparation is limited to 30 meals per day or 60 individual meals per week and gross annual sales cannot exceed \$50,000. Records of all sales must be kept so that compliance with this limitation can be verified. The law also allows for DEHQ to limit the number of individual meals prepared if the physical space available for food preparation, food storage, and equipment storage is not adequate to support the number of meals being prepared.

**22. Are there any restrictions to the type of food a MEHKO can serve?**

A MEHKO can prepare and sell food and beverages that have been approved by the local enforcement agency for same day on-site consumption or delivery **with the exception of** food or beverages that:

- Involve the production, service, or sale of raw milk or raw milk products
- Involve the service or sale of raw oysters
- Involve food processes that require a Hazard Analysis Critical Control Point (HACCP) Plan such as:
  - Smoking food as a method of food preservation
  - Curing food
  - Using food additives or adding components such as vinegar as a method of food preservation
  - Operating a molluscan shellfish life support system display tank used to store and display shellfish that are offered for human consumption
  - Using acidification or activity to prevent the growth of Clostridium botulinum

- Packaging potentially hazardous food using a Reduced-Oxygen Packaging method
- Preparing food by another method that is determined by the lead local agency to require a HACCP plan
- Involve the manufacturing of ice cream without a license from California Department of Food and Agriculture
- Contains alcohol without the appropriate liquor license from Alcohol Beverage Control (ABC)

**23. Can I keep leftovers to serve the next day, or prepare foods, including condiments, beverages, or sauces, in advance?**

Per the CRFC requirements, all food and beverages cannot be served the next day as part of the MEHKO operation. MEHKOs must prepare and serve all food and beverages on the same day.

**24. Can I package food or beverages at my MEHKO?**

Yes, a MEHKO may portion food into containers for same-day pick up or delivery service. However, MEHKOs cannot use reduced-oxygen packaging (such as vacuum packing) or seal their foods in cans, bottles, or jars.

**25. Can alcoholic beverages be sold from a MEHKO?**

MEHKOs must have a valid license from the California Department of Alcoholic Beverage Control (ABC) in order to sell, serve, provide, or allow alcohol to be consumed on-site at the MEHKO. This includes allowing patrons to bring their own alcohol. Contact ABC for more information: [www.abc.ca.gov](http://www.abc.ca.gov).

**26. Can homegrown fruits and vegetables be used in a MEHKO?**

Yes, however care should be taken to ensure all fruit and produce is grown and handled using best management practices associated with a community food producer and all produce must be thoroughly washed prior to use.

**27. Can a MEHKO add in cannabis, CBD, or Kava to the products they sell as part of their operation?**

Current restrictions imposed by the California Department of Public Health (CDPH) and the FDA prohibit a food facility from putting these ingredients into any food products that are offered to the public for consumption.

**28. Can a MEHKO operate as a caterer?**

Per the CRFC requirements, a MEHKO is prohibited from operating as a caterer or advertising any catering options as part of their permitted operation. Only permanent food facilities approved for operation) such as a restaurant, banquet facility or other approved commercial kitchen) or operators who have obtained a Catering permit at an approved commercial kitchen may operate as a caterer.

**29. Can a MEHKO support a mobile food facility or act as a commissary for a food truck?**

Per the CRFC requirements, MEHKOs may not sell to, operate as, or act as a commissary for a mobile food facility, such as a food truck or food cart.

**30. Can an operator of a MEHKO sell or give away food products at temporary community events or at Certified Farmer's Markets?**

An operator of a MEHKO cannot sell food products at a temporary community event or a Certified Farmer's Market. A MEHKO can only conduct food service directly to the public from the residential home or sold through an internet website or a phone based mobile app belonging to an Internet Food Service Intermediary. Internet Food Service Intermediaries must be registered with the California Department of Public Health.

**31. Can an operator of a MEHKO donate any leftover food?**

An operator of a MEHKO may donate food to a food bank or to any other nonprofit charitable organization as long as the food has been handled in compliance with food safety requirements. For more information on food donations, contact the DEHQ-FHD information specialist at (858) 505-6900, or one of the two San Diego Based Food Banks - Feeding San Diego at (858) 452-3663, or the San Diego Food Bank at (858) 527-1419.

### **32. Where can I advertise my MEHKO business?**

A MEHKO may advertise their business through an internet food service intermediary or other online platform such as social media, as well as through print media. The MEHKO must clearly identify San Diego County Department of Environmental Health and Quality, Food and Housing Division as the permit issuer, the permit number, and the following statement "Made in a Home Kitchen" in a conspicuous font and location within the advertisement. A MEHKO is prohibited from posting signage to advertise the business in front of the residence.

## **Inspection Process**

### **33. How often will a MEHKO be inspected?**

All MEHKOs will receive one annual routine inspection. The first inspection will occur before a permit is issued to ensure compliance with the law.

### **34. Can a MEHKO be inspected more frequently?**

State law prohibits conducting routine inspections of MEHKOs more than once a year. Additional inspections may be required in response to a complaint, if it is suspected that adulterated or otherwise unsafe food has been produced or served by the MEHKO, or if the MEHKO has violated state law (California Retail Food Code).

### **35. What areas of a private residence will be permitted and inspected as part of a MEHKO?**

The areas of a private residence that will be permitted and inspected as part of a MEHKO includes the kitchen, onsite customer eating area, food storage areas, bathroom (toilet room), janitorial or cleaning areas, and trash storage areas. Any utensils and equipment used in the MEHKO will also be inspected.

### **36. What records are required to be maintained for review by the local enforcement agency?**

An operator of a MEHKO must maintain the following documents onsite for review during an inspection:

- Written standard operating procedures that include a menu and hours of operation
- A valid permit issued by DEHQ, or a legible copy of the valid permit, must be displayed onsite at all times when the MEHKO is in operation
- A copy of a valid driver's license of the person delivering food on behalf of the MEHKO
- A copy of the most recent DEHQ inspection report
- Records of all receipts from the sales of food

### **37. Why isn't a letter grade posted at a MEHKO like it is at a permanent food facility or a mobile food facility?**

The law exempts a MEHKO from any local grading or placarding system. Their permit to operate must be retained on site, and on display, at all times. However, just like permanent food facilities and mobile food facilities, inspection report data and violation information relating to any inspections conducted at a permitted MEHKO can be found at [www.SDFoodInfo.org](http://www.SDFoodInfo.org).

## **Equipment Requirements**

### **38. Is commercial grade equipment required in a MEHKO?**

No, commercial equipment/appliances are not required as long as the equipment/appliances used in a MEHKO are kept clean, stored in a sanitary manner, and are in good working order.

### **39. Can a MEHKO use an open-air barbecue or an outdoor wood-burning oven?**

Yes, a MEHKO may use an open-air barbecue or an outdoor wood-burning oven as long as the barbecue or wood-burning oven is:

- Operated on the same premises and is within reasonable proximity to the MEHKO
- Cannot be accessed by the public
- Is not in a location that constitutes a fire hazard
- Meets the requirements of CRFC Section 114143

**40. Are restrooms required to be available for MEHKO customers?**

Yes, clean toilet facilities, in good condition, shall be available for the MEHKO operator, food handlers, and any employees at all times. If the MEHKO allows customers to consume food or beverages on site, the MEHKO must provide a restroom for those customers to use.

**Land Use**

**41. If there are complaints about odors, traffic, parking, and/or excessive noise, what agency should be notified?**

Any complaints involving nuisance concerns can be reported directly to the local city's Code Enforcement Department, or for MEHKOs in the unincorporated areas, to the County of San Diego Department of Planning & Development Services, Code Enforcement Program.

**42. Are there special requirements for disposing of fats, oils or grease that are produced in a MEHKO?**

Fats, oils and grease (sometimes known as FOG) are produced when cooking foods that contain fat, such as meat or dairy products, or are prepared using fat (for baking, sautéing, marinating, frying, etc.). They can cause blockages of residential and community plumbing and sewers and can result in sewage backups and overflows both inside and outside of residences. Please do not dispose of fats, oils and grease down the drain. For more information about how to properly dispose of fats, oils and grease, please contact your sewer agency or local city code enforcement for any additional restrictions on the disposal of fats, oils or grease.

**43. Are grease traps required for MEHKOs?**

State law (California Retail Food Code) prohibits requiring MEHKOs to install grease traps. Please see Question 42 above for proper disposal of fats, oils and grease.

For additional information, please visit  
the Department of Environmental Health's webpage at: <http://www.sdcdehq.org>

**If you have any questions that have not been answered in these FAQ's,  
or if additional clarification is needed, please contact the DEHQ-FHD Information  
Specialist at (858) 505-6900 or by email at [FHDUTYEH@sdcounty.ca.gov](mailto:FHDUTYEH@sdcounty.ca.gov).**



## DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

3927 Lennane Drive, Suite 100  
Sacramento, CA 95834  
(916) 419-2510



### Micro-Enterprise Home Kitchens (MEHK's) FAQ

AB 626 established "micro-enterprise home kitchens" (MEHKs) as a new category of retail food facilities. The Department has received a number of inquiries about whether MEHKs are eligible for licensure under the Alcoholic Beverage Control Act ("ABC Act") and what activities pertaining to alcohol are permitted in MEHKs. There are a number of factors that are considered when licensing any business for the sale or consumption of alcoholic beverages, and there are various restrictions on what licensed and unlicensed businesses are permitted to do. This FAQ endeavors to address several of the key issues, but this is not a comprehensive review or analysis of the law and any person seeking to sell or provide alcoholic beverages, or to allow the consumption of alcoholic beverages on the premises, should obtain independent legal advice.

#### Do I need a license from ABC?

The laws concerning the regulation of alcoholic beverages may be found in the ABC Act (starting with section 23000 of the Business and Professions Code). The circumstances under which a license is required to be obtained from ABC are very broad, and encompass all situations in which alcoholic beverages are sold. This includes the common circumstances whereby alcoholic beverages are sold for consideration (typically money), but also includes where the price of a meal (for example) includes alcoholic beverages or when a business allows customers to bring their own alcohol for consumption.

#### If I don't get a license from ABC can I let people bring their own alcohol?

No. As indicated above, if a business, such as a MEHK, provides a place for people to bring their own alcoholic beverages to consume in conjunction with a meal sold under the MEHK permit, a license is required from ABC.

#### What type of license do I need?

California law provides two types of licenses allowing for the consumption of alcoholic beverages on the licensed premises in connection with the operation of a restaurant. One license allows for the sale or consumption of beer and wine; the other allows for distilled spirits in addition to beer and wine.

#### Is a MEHK eligible for an ABC license?

Whenever an application for an ABC license is made, the Department conducts an investigation to determine if both the person and the location meet the necessary licensing requirements. There are a number of factors involved, so it is not possible to determine whether any particular person or location may be eligible to hold a license prior to the completion of the investigation or, often, an administrative hearing. However, in addition to other things, a business operating a restaurant, such as in the case of a MEHK, must minimally meet the requirements of operating a "bona fide eating place." The general

requirements for this may be found in Business and Professions Code section 23038. Some of the requirements are that the business be “kept open for the serving of meals to guests” in a regular and bona fide manner. In addition, the premises must have “suitable kitchen facilities” and “conveniences for cooking an assortment of foods which may be required for ordinary meals.” Given the statutory requirements for the operation of a MEHK, it is possible that such businesses may be eligible to hold a license issued by ABC. This does not mean, however, that every such business will be approved for such a license. As indicated, the Department will evaluate each application on a case-by-case basis.

If I obtain an ABC license, will there be any restrictions?

The ABC Act requires licensees and licensed locations to comply with many statutory provisions. In addition, if a MEHK is approved for an ABC license, the Department may include conditions that could restrict the operation of the business beyond those statutory requirements. If you do choose to obtain an ABC license, you need to understand that the premises is licensed all the time, 24/7/365. This means that you are required to comply with the laws applicable to licensed businesses at all times, in the same manner as other licensees and licensed locations (such as “regular” bars or restaurants). Even though MEHKs are operated in peoples’ homes, if an ABC license is obtained, they must comply with the laws applicable to the license issued. For example, if the MEHK is licensed to sell beer and wine, no distilled spirits are permitted on the premises (except for brandy, rum, or liqueurs used solely for cooking purposes) at any time. Similarly, no alcoholic beverages may be consumed on the licensed premises between the hours of 2 AM and 6 AM, or as otherwise limited by a condition on the license.

If I am not actually operating the business, do I still need to comply with the rules on my ABC license?

Yes. As indicated above, once licensed, the premises is subject to the laws governing the licensed business and location at all times, even if meals are not being offered or sold under the MEHK. As a consequence, if you license part of your residence so you can offer alcoholic beverages in conjunction with the meals sold and served under your MEHK permit, that licensed area will be subject to the license restrictions even when you return it to regular use as a residence.

What would happen if I don’t get a license but include alcohol or allow people to bring their own alcohol?

Either situation is a violation of several different laws, including, for example exercising privileges for which a license is required without holding a license (Business and Professions Code sections 23300 and 23355), operation of a “bottle club” (Business and Professions Code section 25604), or creating a public or private nuisance under the Unlawful Liquor Sale Abatement Law (Penal Code sections 11200 to 11207). Such violations could subject you to criminal prosecution, a civil action for damages, or loss of your permit to operate an MEHK.



City Council  
Agenda Report

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Graham Mitchell, City Manager  
**SUBJECT:** Downtown El Cajon Business Partners' Annual Report

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**RECOMMENDATION:**

That the City Council receives the annual report and provides feedback.

**BACKGROUND:**

On June 14, 2011, the City adopted a resolution reauthorizing assessments of certain properties and businesses within the downtown area. On December 13, 2011, the City approved a Management Agreement (attached) with the Downtown El Cajon Business Partners, Inc. (Partners) to operate the downtown district and to implement activities permitted with assessment proceeds. The Management Agreement requires the Partners to provide periodic reports. The following is a list of reports required to be submitted, along with due dates, and the information to be included in each report:

***Annual Report of the District*** (on or before April 1)  
*Current Fiscal Year*

1. Activities & improvements in the current fiscal year
2. Budget detailing actual and projected expenses and assessments received

*New Fiscal Year*

1. Activities & improvements proposed for ensuing fiscal year
2. Proposed anticipated Assessment revenue
3. Other info required by 1994 Law
4. Proposed budget for ensuing fiscal year

City Council approval of the budget is required.

***Financial Report from Previous Fiscal Year*** (September 15)

***Detailed Quarterly Reports of Activities & Improvements***

- Quarter Ending Sep 30 (*Oct 31*)
- Quarter Ending Dec 31 (*Jan 31*)
- Quarter Ending Mar 31 (*Apr 30*)
- Full FY Ending Report (*Jul 31*)

Attached is the FY 2021-22 Partners' Annual Report. The purpose of this agenda item is to review the annual report received. The annual report includes the following documents:

- FY 2021/22 Annual Report (prepared on November 15, 2021),
- Expenditures on Behalf of the City of El Cajon,
- List of Major Improvements, and
- Audited Financial Statements (June 30, 2021).

During the presentation of the agenda item, staff will present an overview of the Annual Report, including revenue received, expenditures made, and activities of the Partners.

Prepared By: Graham Mitchell, City Manager

Reviewed By: N/A

Approved By: N/A

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#### Attachments

Downtown Partners Annual Report (FY 2021-22)

Downtown Partners Financial Statements (FY 2020-21)

Management Agreement (Downtown Partners & City of El Cajon)

**Downtown El Cajon Business Partners Inc. dba;**



**Prepared by:**

John Collins Bookkeeper  
270 E. Douglas Ave, El Cajon, California 92020  
November 15, 2021

# Introduction

## Fiscal 2021/22 PBID Improvements and Activities Plan

### *El Cajon PBID Management District Plan*

As determined by the Downtown El Cajon Business Partners Management Plan for the existing district, the top priorities for improvements and activities within the El Cajon PBID are Environmental and Economic Enhancements. Based upon this finding, the following improvements and activities were performed and provided in the current fiscal year.

All of the services and activities detailed below are provided only within the boundaries of the PBID and provide special benefit to the properties in the boundary area (see attachment A: PBID Boundary Map). All benefits derived from the assessments outlined in this Management District Plan go only for services directly benefiting the properties in the PBID to increase commerce and fulfill the goals and objectives of the PBID.

### **ENVIRONMENTAL ENHANCEMENTS**

**Clean and Safe:** These services continue to be the top priority of the stakeholders. The Downtown El Cajon Business Partners has initiated an excellent program that provides a clean environment but also eliminates graffiti and manages the homeless and transient populations.

The 2021/22 Plan for Clean and Safe;

#### **Deployment and Visibility of Staff**

We have developed and deployed a team that cleans Monday through Friday throughout the district. The clean team has an ambassador that is also responsible for identifying homeless, graffiti and safety issues in that district and either responds directly or reports to the graffiti contractor or the police department for resolution of the issue.

#### **District split into premium and standard zones will remain the same**

The downtown core (the Premium Zone), those parcels fronting Main and Magnolia are receiving more intense and frequent service delivery where the demand is greater. The remaining parcels in the district (the Standard Zone) do not require the same level of service intensity and frequency as the downtown core.

#### **Deploy Security Ambassadors**

The management plan recommended that Ambassadors should also act as security escorts for visitors and stakeholders. Due to the extent of the of the homeless issue that we encountered we found that interacting in a significant way with the El Cajon Police Department was the best way to provide the highest level of security to our district. This program has resulted in a safer and more secure Downtown area and garnered a high level of cooperation and proactivity to the benefit of the district. We have also incorporated private security patrol seven nights a week from 10pm until 6am.

**Promotion of Services** – Equipment, shirts, vests and collateral material promote the Clean and Safe program currently. We will continue to send regular email communications to stakeholders promoting accomplishments and activities, once we have created a comprehensive email data base.

**Beautification:** Through the Clean & Safe Program, Downtown El Cajon Business Partner has improved the aesthetics of the downtown area by reducing graffiti, cleaning streets, and working effectively with law enforcement to reduce the public nuisance. We have also installed stringer lights to improve the night time aesthetics of the Downtown area. During the holidays we install wreaths that hang from the light poles.

## **ECONOMIC ENHANCEMENTS**

A comprehensive economic development program is included as a key component of the downtown PBID, to proactively work on filling office and retail vacancies with targeted businesses, combat the challenges associated with a prolonged economic downturn, compete with other commercial districts, and bring more visitors and shoppers to Downtown El Cajon.

**Business Retention and Recruitment:** The PBID will provide on an as-needed basis services for locating open office spaces or buildings for new businesses to lease or purchase and assistance with dealing with the City of El Cajon.

**Special Events:** The Special Events budget is reserved for opportunities to continue providing existing events downtown, (e.g. the Cajon Classic Cruise or Dinner & a Concert, Holiday Lights on Main), or to contribute to additional events like HauntFest on Main, America on Main, Mother Goose Parade. These special events improve commerce by drawing people downtown and introducing them to opportunities to dine, shop, or engage in commerce.

**Leadership and Policy:** The PBID will provide advocacy for Downtown business interests and will help the business community to speak with one clear voice. The PBID Management Plan offers flexibility to develop programs and policies to improve the overall quality of life and economic and cultural vitality of Downtown El Cajon.

## **MANAGEMENT**

We have hired promoter contractors for both the Cajon Classic Cruise and Concerts on the Promenade. We also use a contractor to administer the Clean and Safe program. Our managers spend a significant portion of their time producing events and also double as staff members not only managing the work but also creating, developing and monitoring the programs they manage. This minimizes administrative hours and ensures the lowest admin expense possible. The management team is responsible for providing the day-to-day operations of the PBID. PBID funds may be used to leverage additional monies from sponsorships, contracts, grants and earned income. Additional administrative costs will include; accounting and annual financial audit, insurance, program support costs including supplies, equipment and rent, County PBID assessment collection fee, estimated at 1% of assessments, and other administration costs associated with the overhead and administrative support of programs.

A 10% reserve fund is also budgeted to provide a contingency for unforeseen program needs and to provide a cushion for assessment delinquencies.

**2020/21 Actual Expenses:**

**\*\*\*Please note: 2020/21 Actual expenses for Environmental and Economic enhancements were low this year due to COVID-19 restrictions.\*\*\***

Services	Expense
Environmental Enhancements	\$ 186,799
Economic Enhancements	\$ 101,432
Management	\$ 55,150
<b>TOTAL Expenses</b>	<b>\$ 343,381</b>

**2021/22 Budget**

For fiscal 2021/22 there will be no increase in the PBID assessment as allowed in the Downtown Management Plan. The services and allocations are outlined below.

Services	Budget
Environmental Enhancements	\$250,000
Economic Enhancements	\$245,000
Management	\$60,000
Reserves	\$10,000
<b>TOTAL BUDGET</b>	<b>\$565,000</b>

**Assessments:** 2021/22 Annual assessments are calculated based upon each property's special benefit received from the identified services and activities and their relative cost. The assessments are based on lot square footage plus building square footage and whether they are in the Premium or Standard Zone. Properties with residential or non-profit ownership and uses will pay an adjusted rate. These parcels benefit fully from the Environmental Enhancements but not from the Economic Enhancements. The assessment rates per foot for 2021/22 are as follows:



Annual Assessments:	Assmt per SQ Foot
<b><u>Premium Zone:</u></b>	
Commercial/Govt	\$0.084
Residential/Non-Profits	\$0.054
<b><u>Standard Zone:</u></b>	
Commercial/Govt	\$0.067
Residential/Non-Profits	\$0.043

**Collection:** Assessments appear as a separate line item on the annual County of San Diego Property Tax bills and either paid in one lump sum or in two equal installments. As part of the collection process, the County retains 1% of the assessment funds and the remaining 99% will be distributed to the PBID to provide services.

**City Services:** The City Council, by accepting this report, confirms its intention to ensure existing level of services in the district equivalent to the level that is being provided elsewhere in the City.

**DOWNTOWN EL CAJON PBID  
DATABASE FOR FY2021-22**

<b>APN</b>	<b>Site Address</b>	<b>Assmt Code</b>	<b>Benefit Zone</b>	<b>Assessment</b>
488 111 33 00		Govt	1	\$645.86
487 321 12 00		Govt	2	\$528.48
487 121 76 00	*no Site Address*	Utility	2	\$4680.93
488 233 47 00	*no Site Address*	Utility	2	\$4166.54
487 321 31 00	*no Site Address*	Comm	2	\$707.70
488 072 45 00	100 Civic Center Way	Govt	2	\$24899.84
488 152 45 00	100 W Douglas Ave	Res	2	\$126.24
487 121 50 00	1002 W Main St	Comm	2	\$1988.94
488 191 01 00	101 E Main St	NP	1	\$1036.09
487 301 25 00	101 Richfield Ave	Comm	2	\$883.54
488 152 38 00	102 W Douglas Ave	Res	2	\$126.60
488 083 26 00	102-110 E Main St	Comm	1	\$1031.22
487 281 32 00	1033 W Main St	Comm	2	\$620.75
487 281 33 00	1033 W Main St	Comm	2	\$283.75
487 301 30 00	104 Richardson Ave	Comm	2	\$758.04
488 152 44 00	104 W Douglas Ave	Res	2	\$121.69
488 152 37 00	106 W Douglas Ave	Res	2	\$121.69
488 152 43 00	108 W Douglas Ave	Res	2	\$121.69
488 200 45 00	109 E Lexington Ave	Comm	2	\$923.04
487 121 41 00	1090 W Main St	Comm	2	\$1543.46
488 083 02 00	109-111 Rea Ave	Comm	1	\$741.23
487 281 28 00	1099 W Main St	Comm	2	\$1047.40
487 192 56 00	110 N Magnolia Ave	Comm	1	\$2609.31
488 152 36 00	110 W Douglas Ave	Res	2	\$121.69
483 330 32 00	112 E Madison Ave	Comm	2	\$652.36
488 152 42 00	112 W Douglas Ave	Res	2	\$121.69
487 262 09 00	1133 W Main St	Govt	2	\$1246.09
488 152 35 00	114 W Douglas Ave	Res	2	\$121.69
488 083 03 00	115 Rea Ave	Govt	2	\$536.24
488 191 02 00	115-117 E Main St	Comm	1	\$1112.69
488 152 41 00	116 W Douglas Ave	Res	2	\$121.69
488 083 09 00	116-118 E Main St	Comm	1	\$884.63
488 152 34 00	118 W Douglas Ave	Res	2	\$121.69
488 083 01 00	119-123 N Magnolia Ave	Comm	1	\$922.54
488 172 20 00	119-137 W Lexington Ave	Comm	2	\$1271.23

488 083 08 00	120 E Main St	Comm	1	\$358.06
488 152 40 00	120 W Douglas Ave	Res	2	\$121.69
488 072 44 00	120-128 Rea Ave	Comm	2	\$173.63
488 162 13 00	120-180 W Lexington Ave	Comm	2	\$673.13
488 152 33 00	122 W Douglas Ave	Res	2	\$121.69
488 191 03 00	123 E Main St	Comm	1	\$507.86
488 083 11 00	124 E Main St	Comm	1	\$358.06
488 152 39 00	124 W Douglas Ave	Res	2	\$126.60
487 192 55 00	124 W Main St #240	Comm	1	\$3469.41
488 152 32 00	126 W Douglas Ave	Res	2	\$126.60
483 330 33 00	126-128 E Madison Ave	Comm	2	\$530.10
488 200 02 00	127 E Lexington Ave	Comm	2	\$765.66
487 331 04 00	127 Van Houten Ave	Comm	2	\$251.06
488 152 31 00	128 W Douglas Ave	Res	2	\$126.60
488 083 12 00	130 E Main St	Comm	1	\$716.13
488 112 25 00	130 Roanoke Rd	Res	2	\$390.82
488 152 24 00	130 W Douglas Ave	Res	2	\$124.84
488 232 28 00	131 Avocado Ave	NP	2	\$532.88
488 191 04 00	131 E Main St	Comm	1	\$4786.57
488 191 09 00	131 N Magnolia Ave	NP	1	\$439.88
488 083 05 00	131 Rea Ave	Comm	2	\$572.90
488 152 30 00	132 W Douglas Ave	Res	2	\$121.69
488 151 21 00	132-144 S Orange Ave	Comm	2	\$1106.30
488 152 47 00	133 W Main St	Comm	1	\$3432.42
488 152 23 00	134 W Douglas Ave	Res	2	\$121.69
488 152 29 00	136 W Douglas Ave	Res	2	\$121.69
488 152 22 00	138 W Douglas Ave	Res	2	\$121.74
488 083 13 00	140 E Main St	Comm	1	\$716.13
488 152 28 00	140 W Douglas Ave	Res	2	\$121.69
487 172 70 00	140 W Park Ave #152	Comm	2	\$1786.71
488 152 21 00	142 W Douglas Ave	Res	2	\$121.74
488 191 05 00	143 E Main St	Comm	1	\$1196.94
488 152 27 00	144 W Douglas Ave	Res	2	\$121.69
488 083 36 00	144-148 E Main St	Comm	1	\$648.72
488 200 01 00	145 E Lexington Ave	Comm	2	\$744.09
488 191 15 00	145 S Magnolia Ave	NP	1	\$97.80
488 191 06 00	145-155 E Main St	Comm	1	\$879.32
488 111 14 00	146 Ballantyne St	Comm	1	\$562.29
488 152 20 00	146 W Douglas Ave	Res	2	\$121.74
488 191 16 00	147 S Magnolia Ave	NP	1	\$665.37
488 072 43 00	148 Rea Ave	Comm	2	\$5578.29
488 151 14 00	148 S Orange Ave	Comm	2	\$842.50
488 152 26 00	148 W Douglas Ave	Res	2	\$121.69

488 083 27 00	149 Rea Ave	Govt	2	\$1467.97
488 152 19 00	150 W Douglas Ave	Res	2	\$121.74
482 301 05 00	150 W Madison Ave	Comm	2	\$2196.09
488 231 17 00	151 Claydelle Ave	Comm	2	\$2224.20
488 231 18 00	151 Claydelle Ave	Comm	2	\$1213.20
488 231 19 00	151 Claydelle Ave	Comm	2	\$1213.20
488 151 12 00	151 S Sunshine Ave	Comm	2	\$1382.78
487 331 05 00	151 Van Houten Ave	Comm	2	\$3402.08
488 152 25 00	152 W Douglas Ave	Res	2	\$126.56
488 152 18 00	154 W Douglas Ave	Res	2	\$126.63
488 152 48 00	155 Main St	Comm	1	\$360.51
488 083 15 00	156 E Main St	Govt	1	\$183.49
488 083 16 00	156 E Main St	Govt	1	\$183.49
488 083 17 00	158 E Main St	Comm	1	\$682.43
488 191 07 00	161 E Main St	Comm	1	\$1378.08
487 172 27 00	164-168 W Park Ave	Comm	2	\$1244.40
488 191 08 00	165-169 E Main St	Comm	1	\$1473.36
487 262 04 00	166 S Marshall Ave	Govt	2	\$3435.04
488 010 23 00	166 Wells Ave	Comm	2	\$603.50
488 083 18 00	168 E Main St	Comm	1	\$379.12
488 010 13 00	172 Wells Ave	Res	2	\$487.47
488 083 19 00	172-174 E Main St	Comm	1	\$633.56
488 172 01 00	175 W Lexington Ave	Comm	2	\$966.24
488 152 49 00	175 W Main St	Comm	1	\$812.08
488 083 20 00	176-178 E Main St	Comm	1	\$591.44
488 083 24 00	181 Rea Ave	Comm	2	\$1144.79
488 083 21 00	182 E Main St	Comm	1	\$1348.00
482 302 06 00	185 W Madison Ave	Comm	2	\$1351.43
488 083 22 00	188 E Main St	Comm	1	\$454.95
488 191 14 00	190 E Douglas Ave	NP	2	\$1877.54
487 192 48 00	190 N Magnolia Ave	Comm	1	\$2637.61
488 083 23 00	194 E Main St	Comm	1	\$655.04
487 192 54 00	194 W Main St	Comm	1	\$2458.84
487 192 47 00	198 W Main St	Comm	1	\$27274.49
488 162 17 00	200 Magnolia Ave	Govt	1	\$3389.71
487 331 19 00	200-210 Van Houten Ave	Comm	2	\$1638.57
488 192 08 00	201 E Douglas Ave	Govt	1	\$5211.29
488 211 21 00	201 E Main St	Govt	2	\$1027.58
488 231 10 00	205 Claydelle Ave	Comm	2	\$1060.97
488 151 05 00	205 W Main St	Comm	1	\$602.39
488 161 17 00	208 W Lexington Ave	NP	2	\$587.36
488 231 12 00	211 Claydelle Ave	NP	2	\$587.04
488 171 16 00	215 W Lexington Ave	Comm	2	\$915.29

488 231 24 00	220 Avocado Ave	Res	2	\$613.64
487 192 50 00	220 W Main St	Comm	1	\$2995.00
488 211 07 00	221-225 E Main St	Comm	1	\$1120.77
482 301 09 00	222 W Madison Ave	Comm	2	\$1605.19
488 151 16 00	224 W Douglas Ave	Comm	2	\$532.46
487 171 50 00	225 W Madison Ave	Comm	2	\$5689.09
488 231 25 00	226 Avocado Ave	Comm	2	\$871.48
488 161 02 00	227-231 W Douglas Ave	Comm	2	\$378.11
488 211 06 00	229 E Main St	Comm	1	\$535.07
488 211 22 00	230 Douglas St	Govt	2	\$1732.18
488 231 23 00	230-292 Avocado Ave	Comm	2	\$6045.50
488 151 20 00	231 W Main St	Comm	1	\$2121.16
488 151 18 00	231 W Main St	Comm	1	\$721.09
487 173 37 00	234 N Magnolia Ave	Comm	1	\$2070.61
488 222 01 00	235 E Lexington Ave	Comm	2	\$951.61
488 211 05 00	237 E Main St	Comm	1	\$1965.47
488 151 02 00	237 W Main St	Comm	1	\$593.96
488 162 18 00	240 S Magnolia Ave	Comm	1	\$1637.31
488 211 04 00	245 E Main St	Comm	1	\$1276.14
488 211 15 00	250 E Douglas Ave	Comm	2	\$760.34
488 211 03 00	251 E Main St	Comm	1	\$319.23
488 161 01 00	255 W Douglas Ave	Comm	2	\$567.04
488 151 15 00	260 W Douglas Ave	Comm	2	\$623.45
488 211 01 00	261 E Main St	Comm	1	\$2005.66
488 211 02 00	261 E Main St	Comm	1	\$592.95
488 162 16 00	266 S Magnolia Ave	Comm	1	\$1661.75
488 221 31 00	269 E Lexington Ave	Comm	2	\$917.78
488 211 20 00	270 E Douglas Ave	Comm	2	\$1620.16
488 212 17 07	275 E Douglas Ave #101	Comm	2	\$161.69
488 212 17 08	275 E Douglas Ave #102	Comm	2	\$145.52
488 212 17 09	275 E Douglas Ave #103	Comm	2	\$247.35
488 212 17 14	275 E Douglas Ave #104	Comm	2	\$118.15
488 212 17 13	275 E Douglas Ave #105	Comm	2	\$159.60
488 212 17 10	275 E Douglas Ave #106	Comm	2	\$136.89
488 212 17 11	275 E Douglas Ave #107	Comm	2	\$145.52
488 212 17 12	275 E Douglas Ave #108	Comm	2	\$214.73
488 212 17 01	275 E Douglas Ave #109	Comm	2	\$134.80
488 212 17 02	275 E Douglas Ave #110	Comm	2	\$145.52
488 212 17 03	275 E Douglas Ave #111	Comm	2	\$136.89
488 212 17 16	275 E Douglas Ave #112	Comm	2	\$159.60
488 212 17 15	275 E Douglas Ave #113	Comm	2	\$118.15
488 212 17 04	275 E Douglas Ave #114	Comm	2	\$247.35
488 212 17 05	275 E Douglas Ave #115	Comm	2	\$145.52

488 212 17 06	275 E Douglas Ave #116	Comm	2	\$156.23
482 283 05 00	275 W Madison Ave	Comm	2	\$1609.04
488 221 32 00	277 E Lexington Ave	Comm	2	\$579.64
488 211 18 00	290 E Douglas Ave	Comm	2	\$703.52
488 162 15 00	290 S Magnolia Ave	Comm	1	\$1525.50
488 221 33 00	291 E Lexington Ave	Comm	2	\$852.48
488 151 17 00	291 W Main St	Comm	1	\$698.86
487 341 04 00	300-350 W Douglas Ave	Comm	2	\$1321.58
488 040 08 00	301 N Magnolia Ave	Comm	1	\$4880.26
487 341 05 00	301-345 W Main St	Comm	1	\$4676.38
488 231 22 00	303-305 E Main St	Comm	1	\$1239.23
488 111 06 00	306-312 Ballantyne St	Comm	2	\$599.73
488 221 30 00	309 Prescott Ave	NP	2	\$1362.90
488 222 21 00	311 Highland Ave	NP	2	\$2643.64
487 192 52 00	312 W Main St	Comm	1	\$3414.23
488 172 18 00	314 S Magnolia Ave	Comm	2	\$364.29
488 040 11 00	315-327 N Magnolia Ave	Comm	2	\$8429.04
488 231 03 00	321 E Main St	Comm	1	\$669.28
487 331 09 00	321-325 Van Houten Ave	Comm	2	\$1733.33
488 231 04 00	323 E Main St	Comm	1	\$265.72
487 172 67 00	326 N Magnolia Ave	Govt	1	\$1489.96
488 231 05 00	327-333 E Main St	Comm	1	\$863.56
487 172 75 00	330-360 N Magnolia Ave	Comm	1	\$3276.82
487 351 13 00	333 W Lexington Ave	Comm	2	\$624.26
482 283 06 00	337 W Madison Ave	Comm	2	\$1235.71
487 351 18 00	338 W Lexington Ave #214b	Comm	2	\$1851.27
488 241 41 00	343 E Lexington Ave	Comm	2	\$1938.55
488 231 26 00	343 E Main St	Comm	1	\$1301.41
488 040 14 00	345 Wells Ave	NP	1	\$4022.78
487 331 01 00	351 W Main St	Comm	1	\$880.16
488 040 02 00	353 E Park Ave	Comm	2	\$1455.71
482 283 09 00	359 W Madison Ave	Comm	2	\$1363.24
487 331 08 00	360 W Lexington Ave	Comm	2	\$569.73
488 040 13 00	367-389 N Magnolia	NP	2	\$7097.30
487 172 22 00	374 N Magnolia Ave	Comm	1	\$2806.79
482 283 08 00	375 W Madison Ave	Comm	2	\$1036.67
488 111 24 00	388 E Main St	Comm	1	\$1110.83
487 192 53 00	390 W Main St	Comm	1	\$6251.17
487 331 02 00	393 W Main St	Comm	1	\$836.18
487 172 49 00	396 N Magnolia Ave	Comm	1	\$2693.73
487 273 06 00	398 S Marshall Ave	Govt	2	\$4873.62
488 040 07 00	399 N Magnolia Ave	Comm	1	\$3038.30
487 331 35 00	401 W Main St	Comm	1	\$3526.62

488 010 24 00	405 N Magnolia Ave	Comm	1	\$1578.85
482 282 03 00	407 W Madison Ave	Comm	2	\$308.35
488 112 67 00	410 E Main St	Comm	1	\$1285.23
487 171 38 00	414 N Magnolia Ave	NP	1	\$2621.26
488 232 31 00	421 E Main St	Comm	1	\$1204.77
488 112 19 00	422 E Main St	Comm	1	\$719.02
488 232 03 00	423-437 E Main St	Comm	1	\$1457.52
487 331 22 00	425 W Main St	Comm	1	\$3004.36
487 331 23 00	435 W Main St	Comm	1	\$854.37
487 331 30 00	437-447 W Douglas Ave	Comm	2	\$684.65
487 160 07 00	444 W Main St	Comm	1	\$3130.30
488 232 04 00	445 E Main St	Comm	1	\$737.86
487 331 29 00	449-469 W Douglas Ave	Comm	2	\$1301.22
487 331 25 00	450-482 W Douglas Ave	Comm	2	\$1585.05
488 010 25 00	451-455 N Magnolia Ave	Comm	1	\$3472.27
487 171 37 00	456 N Magnolia Ave	Comm	1	\$4077.28
487 171 47 00	460 N Magnolia Ave	Comm	1	\$2199.77
488 010 38 00	461 N Magnolia Ave	Comm	1	\$2283.35
488 010 27 00	463-467 N Magnolia Ave	Comm	1	\$2004.31
487 160 04 00	464 W Main St	Comm	1	\$4636.86
488 010 40 00	471 N Magnolia Ave	Comm	1	\$4098.60
488 010 36 00	475 N Magnolia Ave	Comm	1	\$2332.80
487 160 05 00	476 W Main St	Comm	1	\$1190.11
482 302 02 00	480 N Magnolia Ave	Comm	1	\$2207.68
488 112 20 00	484-490 E Main St	Comm	1	\$815.57
487 331 24 00	489 W Main St	Comm	1	\$1630.49
482 302 01 00	490 N Magnolia Ave	Comm	1	\$2508.71
488 112 21 00	502 E Main St	Comm	1	\$1825.59
483 330 31 00	515 N Magnolia Ave	Comm	1	\$1693.26
488 112 22 00	518-536 E Main St	Comm	1	\$3100.99
488 112 43 00	522 E Main St	Res	2	\$1299.74
488 233 01 00	525 E Main St	Comm	1	\$4471.82
483 330 34 00	531-565 N Magnolia Ave	Comm	1	\$2204.15
487 321 29 00	533 W Main St	Comm	2	\$761.62
488 233 02 00	533-545 E Main St	Comm	1	\$1541.78
487 321 30 00	537 W Main St	Comm	2	\$606.60
482 301 10 00	550 Montrose Ct	Comm	2	\$12013.70
488 112 23 00	550-554 E Main St	Comm	1	\$1519.13
487 321 11 00	553-557 W Main St	Comm	2	\$626.82
482 301 11 00	555 Montrose Ct	Comm	2	\$4996.77
488 233 03 00	555 W Main St	Comm	1	\$518.14
487 122 40 00	556 W Main St	Comm	2	\$10062.34
488 112 24 00	562-566 E Main St	Comm	1	\$975.99

488 233 04 00	575 E Main St	Comm	1	\$730.62
487 321 33 00	601-607 W Main St	Comm	2	\$2829.25
487 321 34 00	613 W Main St	Comm	2	\$3180.27
488 113 10 00	620 E Main St	Comm	1	\$1899.92
487 321 27 00	623 W Main St	Comm	2	\$3145.83
488 233 05 00	665-669 E Main St	Comm	1	\$686.64
488 233 06 00	677 E Main St	Comm	1	\$627.50
488 233 08 00	689 E Main St	Comm	1	\$605.75
487 122 49 00	698 W Main St	NP	2	\$4460.87
487 122 48 00	698 W Main St	NP	2	\$4323.15
487 302 29 00	701 W Main St	Comm	2	\$1592.05
487 302 31 00	737-747 W Main St	Comm	2	\$2628.47
487 301 27 00	813 W Main St	Comm	2	\$444.03
487 301 26 00	821 W Main St	Comm	2	\$612.66
487 282 33 00	905 W Main St	Comm	2	\$803.68
487 282 32 00	907 W Main St	Comm	2	\$314.09
487 282 29 00	925 W Main St	Comm	2	\$428.67
487 282 27 00	935 W Main St	Comm	2	\$404.26
487 282 31 00	939 W Main St	Comm	2	\$283.75
488 232 29 00	Avocado Ave	Res	2	\$212.91
488 111 34 00	Ballantyne St	Comm	1	\$2055.19
488 191 11 00	Douglas Ave	Comm	2	\$1072.33
488 191 12 00	Douglas Ave	Comm	2	\$536.17
488 191 13 00	Douglas Ave	Comm	2	\$536.17
488 212 20 00	Douglas Ave	Govt	2	\$469.77
487 331 26 00	Douglas St	Comm	2	\$1132.32
488 192 09 00	E Douglas St	Govt	1	\$14151.72
488 212 22 00	E Douglas St	Govt	2	\$2671.74
488 111 30 00	E Main St	Govt	1	\$19088.00
488 111 28 00	E Main St	Govt	1	\$8210.08
488 212 19 00	Lexington Ave	Govt	2	\$528.48
488 111 32 00	Magnolia Ave N	Govt	1	\$23123.16
488 111 31 00	Magnolia Ave N	Govt	1	\$10361.93
488 072 38 00	Magnolia Ave N	Govt	1	\$4051.58
482 301 03 00	Magnolia Ave N	Comm	1	\$2458.84
482 301 06 00	Magnolia Ave N	Comm	1	\$2201.95
483 330 22 00	Magnolia Ave N	Comm	1	\$2112.40
487 121 24 00	Main St	Utility	2	\$9388.41
487 121 92 00	Main St	Utility	2	\$4726.90
487 121 25 00	Main St	Utility	2	\$2378.14
487 341 01 00	Main St	Comm	1	\$626.49
488 233 53 00	Main St	Comm	2	\$381.62
488 233 07 00	Main St E	Comm	1	\$518.14



487 331 03 00	Main St W	Comm	1	\$823.45
487 282 28 00	Main St W	Res	2	\$184.43
488 083 04 00	Rea Ave	Comm	2	\$337.00
487 192 51 00	Sunshine Ave N	Comm	1	\$1513.13
487 342 06 00	Sunshine St S	Comm	2	\$2730.44
488 233 51 00	Taft Ave	Comm	2	\$2994.64
488 152 50 00	W Main St	Comm	1	\$1981.73
487 281 31 00	W Main St	Comm	2	\$327.56
<b>Total</b>				<b>\$566,021.05</b>

PBID EXPENDITURES ON BEHALF OF THE CITY OF EL CAJON

RECEIVED FROM CITY IN DIRECT REVENUE                      \$80,963

AMERICA ON MAIN

\$25000 TO CITY

\$5000 FOR ENTERTAINMENT ON THE PROMENADE STAGE

HAUNTFEST

\$20000 TO CITY

\$5000 ENTERTAINMENT ON PROMENADE STAGE

\$5500 CANDY

MOTHER GOOSE

\$10000 TO PARADE

CAR SHOW AND CONCERT PERMITS AND INSURANCE

\$9938

TOTAL

\$80438

## MAJOR IMPROVEMENTS

CHRISTMAS TREE

LIGHTED WREATHS

FESTIVAL LIGHTING ON MAIN ST AND PROMENADE, PLUS

LIGHT CHANGES FOUR TIMES A YEAR

PERMANENT PROMENADE STAGE

DOWNTOWN EL CAJON BUSINESS  
PARTNERS, INC.

FINANCIAL STATEMENTS

JUNE 30, 2021

(AUDITED)



CASHUK, WISEMAN, GOLDBERG, BIRNBAUM, & SALEM, LLP  
Certified Public Accountants

DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.  
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Ma. Lolita Cremat, CPA  
Michael Selamet Kwee, CPA



Certified Public Accountants



OFFICE MANAGER

Tanya Davis

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Downtown El Cajon Business Partners, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Downtown El Cajon Business Partners, Inc. (a California nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Downtown El Cajon Business Partners, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Downtown El Cajon Business Partners, Inc. 2020 financial statements, and we expressed an unmodified opinion on those statements in our report dated November 13, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Cashuk, Wiseman, Koble, Birnbaum & Salem, LLP*

CASHUK, WISEMAN, GOLDBERG, BIRNBAUM AND SALEM, LLP

San Diego, California

September 22, 2021

**DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2021 with Comparative Totals for June 30, 2020**

	2021			
	Without Donor Restrictions	With Donor Restrictions	Total	2020 Total
<b><u>ASSETS</u></b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents (Note A)	\$ 688,524	\$ -	\$ 688,524	\$ 534,581
Accounts Receivable (Note A)	46,730	-	46,730	7,167
Prepaid Expenses	3,176	-	3,176	1,985
	738,430	-	738,430	543,733
<b>PROPERTY AND EQUIPMENT</b>				
Property and Equipment, net of accumulated depreciation of \$157,163 and \$143,391 in 2021 and 2020 (Notes A & C)	53,287	-	53,287	22,906
<b>OTHER ASSETS</b>				
Security Deposits	2,830	-	2,830	2,830
	<b>\$ 794,547</b>	<b>\$ -</b>	<b>\$ 794,547</b>	<b>\$ 569,469</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable and Accrued Expenses	\$ 18,137	\$ -	\$ 18,137	\$ 11,639
Accrued Recertification Fees (Note F)	27,800	-	27,800	22,800
	45,937	-	45,937	34,439
<b>NET ASSETS</b>				
Without Donor Restrictions (Note A)	748,610	-	748,610	535,030
With Donor Restrictions (Note A)	-	-	-	-
	748,610	-	748,610	535,030
	<b>\$ 794,547</b>	<b>\$ -</b>	<b>\$ 794,547</b>	<b>\$ 569,469</b>

The accompanying notes are an integral part of these financial statements.





**DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2021 with Comparative Totals for the Year Ended June 30, 2020

	2021			2020 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>REVENUE AND OTHER SUPPORT</b>				
Property Taxes	\$ 429,333	\$ -	\$ 429,333	\$ 432,038
In Lieu Payments	132,604	-	132,604	132,604
Event Sponsorship	2,500	-	2,500	12,850
Fundraisers and Other Event Revenues	4,761	-	4,761	10,829
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	569,198	-	569,198	588,321
<b>EXPENSES</b>				
Program Services				
Economic Enhancements	109,470	-	109,470	187,751
Environmental Enhancements	168,882	-	168,882	157,865
Management Services	77,266	-	77,266	109,588
<b>TOTAL EXPENSES</b>	355,618	-	355,618	455,204
Release of restrictions on net assets with donor restrictions	-	-	-	-
<b>INCREASE IN NET ASSETS</b>	213,580	-	213,580	133,117
<b>NET ASSETS - BEGINNING OF YEAR</b>	535,030	-	535,030	401,913
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 748,610</u>	<u>\$ -</u>	<u>\$ 748,610</u>	<u>\$ 535,030</u>

The accompanying notes are an integral part of these financial statements.



**DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2021 with Comparative Totals for the Year Ended June 30, 2020

EXPENSES	2021				2020 Total
	Program Services		Management Services	Total	
	Economic Enhancements	Environmental Enhancements			
Accounting	\$ -	\$ -	\$ 4,191	\$ 4,191	\$ 4,255
Advertising	-	-	-	-	1,155
Bad Debts	-	-	-	-	750
Bank Charges	-	-	197	197	110
Depreciation	2,665	9,160	1,947	13,772	26,181
Equipment Rental	1,581	3,837	3,958	9,376	9,696
Event Sponsorship	600	-	-	600	11,500
Insurance	4,765	-	2,856	7,621	3,949
Licenses and Fees	6,124	-	39	6,163	1,258
Marketing	10,057	-	5,944	16,001	11,072
Miscellaneous	-	-	-	-	32
Office	823	-	2,363	3,186	8,055
Outside Contract Services	74,511	154,876	36,000	265,387	348,249
Printing	166	-	178	344	395
Professional Services	-	-	3,886	3,886	1,471
Promotional	-	-	-	-	797
Recertification	-	-	5,000	5,000	5,000
Rent	-	-	9,000	9,000	9,000
Repair and Maintenance	-	-	-	-	69
Supplies	8,178	1,009	-	9,187	9,200
Telephone	-	-	1,707	1,707	3,010
<b>TOTAL EXPENSES</b>	<b>\$ 109,470</b>	<b>\$ 168,882</b>	<b>\$ 77,266</b>	<b>\$ 355,618</b>	<b>\$ 455,204</b>

The accompanying notes are an integral part of these financial statements.



**DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended June 30, 2021 with Comparative Totals for the Year Ended June 30, 2020

	2021			2020 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Increase (Decrease) in Net Assets	\$ 213,580	\$ -	\$ 213,580	\$ 133,117
Adjustments to Reconcile Net Income to Net Cash Provided(Used) by Operating Activities:				
Depreciation	13,772	-	13,772	26,181
Cash Provided(Used) by Changes in:				
Accounts Receivable	(39,563)	-	(39,563)	(4,536)
Prepaid Expenses	(1,191)	-	(1,191)	2,903
Accounts Payable & Accrued Expenses	6,498	-	6,498	3,525
Accrued Recertification Fees	5,000	-	5,000	5,000
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	198,096	-	198,096	166,190
<b>INVESTING ACTIVITIES</b>				
Purchases of Property & Equipment	(44,153)	-	(44,153)	(2,090)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	153,943	-	153,943	164,100
Cash and Cash Equivalents at Beginning of Year	534,581	-	534,581	370,481
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 688,524</u>	<u>\$ -</u>	<u>\$ 688,524</u>	<u>\$ 534,581</u>

The accompanying notes are an integral part of these financial statements.



DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

NOTE A-NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1. Downtown El Cajon Business Partners, Inc. dba Downtown El Cajon Promenade District (“The District”) was incorporated under the laws of the State of California on May 16, 2011. The District has adopted a June 30 fiscal year end for reporting requirements. The District was established as a Property Based Improvement District (PBID) under Article XIII(d) of the State Constitution. The purpose of a PBID is to allow a group of real property owners to assess themselves additional property taxes that is to be used to provide specific benefits for the properties and businesses located within the assessment district.

The District is governed by a board of real property owners pursuant to Section 36650 and 36651 of the Streets and Highway Code of the State of California.

2. Downtown El Cajon Business Partners, Inc. is a California nonprofit public benefit organization whose purpose is to create awareness about the downtown El Cajon, California area and its associated businesses with enhanced services including:
  - a. Economic Enhancements to keep and attract jobs, investment and new businesses to downtown El Cajon.
  - b. Environmental Enhancements to visually improve downtown El Cajon and provide added security.

3. Financial Statement Presentation-The District reports information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions-are part of the net assets that are not restricted by donor-imposed stipulations, and which are available, at the discretion of management and the Board of Directors for the District to utilize in any of its programs or supporting services.

Net Assets with Donor Restrictions-Net assets resulting from contributions and other inflows of assets whose use by the District is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the District pursuant to those stipulations. When such stipulations end or are fulfilled, such net assets with donor restrictions are reclassified to net assets with donor restrictions and reported in the statement of activities and changes in net assets. The District had no net assets with donor restrictions as of June 30, 2021.

4. Use of Estimates-The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.



DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

NOTE A-NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CON'T:

5. Cash & Cash Equivalents for purposes of the statement of cash flows, include cash on hand, cash in checking and savings accounts with banks. All short-term debt securities with a maturity of three months or less are considered cash equivalents.
6. Accounts Receivable consisted primarily of amounts due from the City of El Cajon. Management determined that all receivables at year end are collectable. No allowance for doubtful accounts was considered necessary at June 30, 2021 and 2020.
7. Revenue Recognition-Property Taxes represent assessments levied against property owners located within the district to provide the special benefits described in Note A2. The assessments are based on the square footage of the building and lots. The tax rates assessed are determined by the location of the real property within the district and the presumed benefits received, with those real properties receiving a greater benefit being charged a higher tax rate. Property tax revenue is recognized in the fiscal year that taxes are levied, provided that the taxes are received within 60 days of the end of the fiscal year. Property taxes received 60 days after year end or later are not considered available as a resource for the current year operations of the district and therefore are not recorded as revenue until collected. For the years ended June 30, 2021 and 2020, all levied property taxes were received within 60 days of the fiscal year end.

In Lieu Property Tax Payments represent payments received from the City of El Cajon, the County of San Diego and other state and federal governmental agencies on real estate owned by these governmental bodies within the District and that are not normally assessed property taxes on properties owned. The District records as revenue in the fiscal year earned. Any payments received in advance are recorded as deferred revenue until earned.

Event Sponsorship represents revenues received from special event sponsors and are recognized when earned.

Fundraisers and Other Event revenues represent revenues received from fund raising and special events and are recognized when earned.

8. Concentration of Cash and Credit Risk-The District maintains deposits in financial institutions that at times may exceed the insured amount of \$250,000 provided by the U.S. Federal Deposit Insurance Corporation (FDIC). At year end, the District's uninsured cash balance totaled \$452,211.
9. Leases that meet the criteria for capitalization are classified as capital leases. As of yearend, there were no such leases. Leases that do not meet such criteria are classified as operating leases and related rentals are charged to expense (Note E).



DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

NOTE A-NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CON'T:

10. Property and Equipment are recorded at cost, or if donated, at approximate value at the date of the gift. The District's policy is to capitalize fixed asset purchases in excess of \$500. The straight line method of depreciation is followed for financial reporting purposes and for federal income tax purposes. Depreciation is provided in amounts sufficient to relate the cost of assets to operations over their estimated service lives or the lives of the respective leases, whichever is shorter. Maintenance and repairs are charged to expense. Gains and losses on dispositions are credited or charged to earnings as incurred. Depreciation is provided at rates based on the following estimated useful lives:

Furniture and Equipment	3-7 years
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Depreciation expense for the years ended June 30, 2021 and 2020 totaled \$13,772 and \$26,181, respectively.

11. Advertising Costs-The District follows the policy of charging the costs of advertising to expense as incurred. Advertising expenses were \$-0- and \$1,155 for the years ended June 30, 2021 and 2020, respectively.
12. Functional Allocation of Expenses-Costs to provide various activities and programs have been summarized on a functional basis in the statement of functional expenses. Direct costs are allocated to the activities that incurred the costs. General and other certain costs are allocated among the programs that received the benefits.
13. Contributed Services-During the year ended June 30, 2021, the value of contributed services meeting the requirements for recognition in the financial statements were not material and have not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the district at its events, but these services do not meet the criteria for recognition as contributed services.
14. Fair Value of Financial Instruments-Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, "*Fair Value Measurements and Disclosures*", defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity.

Cash and Cash Equivalents, Accounts Receivable, Prepaid Expenses, Accounts Payable and Accrued Liabilities-The carrying amounts reported on the statement of financial position for these items are a reasonable estimate of fair value.



DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2021

NOTE B-INCOME TAXES:

The District is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code and state income taxes under Section 23701(d) of the California Revenue Taxation Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

The District adopted the provisions of FASB ASC Topic 740-10, "Income Taxes" regarding accounting for uncertain income tax positions. Management is not aware of any tax positions that are more likely than no to change in the next 12 months, or that would sustain an examination by applicable taxing authorities.

The District recognizes penalties and interest arising from uncertain tax positions as incurred in the statement of activities, which totaled \$0 and \$0, during the years ended June 30, 2021 and 2020, respectively.

The federal and state income tax returns of the District are subject to examination by the IRS and state taxing authorities, generally for three years after they are filed.

NOTE C-PROPERTY AND EQUIPMENT:

At June 30, 2021 and 2020, the District had the following property and equipment:

	2021	2020
Furniture & Equipment	\$ 210,450	\$ 166,297
Accumulated Depreciation	(157,163)	(143,391)
Net Property & Equipment	\$ 53,287	\$ 22,906

NOTE D-SUBSEQUENT EVENT:

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through September 22, 2021, the date the financial statements were available to be issued. There were no subsequent events that requiring adjustments to and disclosures in the financial statements as of and for the year ended June 30, 2021.



DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

NOTE E-COMMITMENTS AND CONTINGENCIES:

The District leases office facilities on a month-to-month basis. Rent expense for the year ended June 30, 2021 related to this arrangement totaled \$9,000. Additionally, the District leases office equipment, under a non-cancelable operating lease that expires in September 2021.

The future minimum lease payments are as follows:

Year ending June 30

2022	\$ <u>843</u>
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NOTE F-DISTRICT RECERTIFICATION/SIGNIFICANT EVENTS:

The El Cajon City Council adopted a resolution for the recertification of the El Cajon Property and Business Improvement District. The duration of the recertification is 10 years beginning on January 1, 2017. In five years, the Downtown El Cajon Business Partners and downtown property owners will undertake a review of the Management District Plan and PBID programs. Any new or increased assessments that are not consistent with the provisions of the current Management District Plan will require a new mail ballot process.

Management has estimated recertification costs to be as much as \$50,000, and is accruing \$5,000 per year toward these costs.

NOTE G-FAIR VALUE MEASUREMENTS:

FASB ASC Topic 820 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). In accordance with FASB ASC Topic 820, the following summarizes the fair value hierarchy:

Level 1 Inputs—Unadjusted quoted market prices for identical assets and liabilities in an active market that the Company has the ability to access.

Level 2 Inputs—Inputs other than the quoted prices in active markets that are observable either directly or indirectly.

Level 3 Inputs—Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.





DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

NOTE G-FAIR VALUE MEASUREMENTS-CON'T:

FASB ASC Topic 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

As of June 30, 2021, there were no assets and liabilities measured at fair value.

NOTE H-RETIREMENT PLAN:

The District currently does not sponsor a retirement plan or have any employees.

NOTE I-NET ASSETS WITHOUT DONOR RESTRICTIONS:

The District has several board policies that affect the presentation of board designations on net assets. As of June 30, 2021, the Board of Directors designated self-imposed restrictions on the use of net assets without donor restrictions for the district recertification (Note F) in the amounts of \$27,800.

NOTE J-LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects Downtown El Cajon Business Partners, Inc. financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of donor or self-imposed restrictions.

Cash and Cash Equivalents	\$ 688,524
Accounts Receivable	<u>46,730</u>
 Total Financial Assets	 735,254
 Subtract: Financial assets not available for general expenditures due to self-imposed restrictions.	  <u>27,800</u>
 Financial assets available to meet cash needs for general expenditures within one year.	  <u>\$ 707,454</u>



**MANAGEMENT AGREEMENT BETWEEN THE CITY OF EL CAJON  
AND THE DOWNTOWN EL CAJON BUSINESS PARTNERS, INC.  
FOR THE OPERATION AND ADMINISTRATION OF THE  
EL CAJON PROPERTY AND BUSINESS IMPROVEMENT DISTRICT**

This Agreement ("AGREEMENT") is made and entered into as of the date of execution by the City of El Cajon, a municipal corporation, hereinafter referred to as "CITY" and the Downtown El Cajon Business Partners, Inc., a California nonprofit, mutual benefit corporation, hereinafter referred to as "CORPORATION."

**RECITALS**

WHEREAS, pursuant to the Property and Business Improvement District Law of 1994 (the "1994 Law") commencing with Section 36600 of the California Streets and Highways Code, the City Council on June 14, 2011 established the El Cajon Property and Business Improvement District (hereinafter referred to as "District"); and

WHEREAS, the City Council has determined that management of the District is best served through a management agreement with a nonprofit organization; and

WHEREAS, on June 14, 2011, the El Cajon City Council adopted a Resolution reauthorizing the levying of assessments (the "Assessments") during Fiscal Year 2011-12 on certain properties and businesses within the District; and

WHEREAS, on December 13, 2011, the El Cajon City Council approved the incorporation documents for the establishment of the Downtown El Cajon Business Partners, Inc., as a non-profit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law.

WHEREAS, the CORPORATION has available personnel, resources and expertise to implement activities within the District which are permitted to be funded with proceeds of the Assessment; and

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, CITY and CORPORATION agree as follows:

**1.0 TERM OF THE AGREEMENT**

1.1 **Initial Term.** The term of this AGREEMENT shall be effective beginning the day, month and year of the execution of this document by the CITY and shall continue until June 30, 2012, unless earlier terminated or renewed in accordance with this AGREEMENT.

1.2 **Automatic Renewal.** Approval by the City Council of the Annual Report (defined in Section 2, hereof), including the proposed District budget, for each subsequent fiscal year shall automatically renew this Agreement with respect to such fiscal year; unless, however, the City or

CORPORATION provides written notice to the other, at least thirty (30) calendar days prior to the approval of the Annual Report by the City Council, of its intent to terminate the Agreement, with or without cause, or for any reason, in which case the Agreement shall terminate as of the end of the fiscal year in which the notice is given.

1.3 **Termination.** The CITY may suspend or terminate this Agreement immediately upon each breach of Sections 16 (Prohibited Interest). In addition, the CITY or CORPORATION, upon at least twenty (20) business days prior written notice, may terminate this Agreement on the grounds of breach of the Agreement; provided that the termination shall be deemed withdrawn and the Agreement reinstated if the alleged breach is cured during the 20 business day period.

1.4 Within thirty (30) calendar days after the effective date of any termination, the CITY shall reimburse CORPORATION for work which has been performed as of the termination date or which is in progress and cannot prematurely be terminated by virtue of contractual commitments. Unexpended and unencumbered funds provided to CORPORATION by the CITY pursuant to this AGREEMENT and all tangible assets purchased wholly with such funds shall be immediately returned to the CITY. It is the intent of the CORPORATION not to purchase assets using a combination of funds derived from the Assessments and other resources available to CORPORATION (a "Mixed Purchase"). In the event, however, that any Mixed Purchase shall be made, the CORPORATION shall provide the CITY with prior notice of the Mixed Purchase, and the CITY and CORPORATION shall agree, prior to the Mixed Purchase, on how such asset shall be allocated in the event of a termination of this AGREEMENT.

## **2.0 SERVICES TO BE RENDERED; ANNUAL REPORT; AND BUDGET**

2.1 CORPORATION shall use the funds provided by this AGREEMENT for marketing and promotions to increase shopping and dining in the downtown El Cajon area, and such other businesses located and operating within the boundaries of the District, as more specifically provided in this Section.

2.2 Pursuant to the 1994 Law, the CORPORATION shall organize, administer, operate and provide such activities, programs or events (the "Activities") and fund, finance, acquire, purchase, or construct such improvements (the "Improvements") within the boundaries of the District, solely and exclusively for the benefit of the assessed properties and businesses therein, as are set forth in the Annual Report of the District as approved by the City Council. A copy of the Annual Report is set forth in Exhibit "A" attached hereto and incorporated herein by reference. Any subsequent Annual Report approved by the City Council shall supersede the Annual Report submitted for the prior fiscal year.

2.3 Except as provided in Section 2.4 below, on or before April 30 of each calendar year the CORPORATION shall submit to the City Council, on a form approved by the CITY, an Annual Report setting forth the following:

2.3.1 Current Fiscal Year: (1) the Activities or Improvements performed by the CORPORATION during the current fiscal year; and (2) the budget for the District detailing actual and projected expenses incurred and Assessment revenues received.

2.3.2 New Fiscal Year: (1) the Activities or Improvements to be performed by the CORPORATION for the District during the ensuing fiscal year commencing on the following July 1st; (2) the proposed Assessment revenues anticipated for the ensuing fiscal year; (3) all other information required by the 1994 Law; and (4) the proposed budget for the District for the ensuing fiscal year listing the proposed expenditures and the amount designated for each proposed Activity or Improvement in such detail as may be required by the CITY.

2.3.3 Pursuant to the 1994 Law, the City Council may accept or modify the proposed Annual Report, including the budget. The CORPORATION agrees to carry out such Activities and Improvements as are contained in the Annual Report approved by the City Council, within the limitations set forth in the budget therein, in accordance with all applicable laws. The CORPORATION shall not spend any District funds except in accordance with the Annual Report approved by the City Council.

2.4 In any year when the CORPORATION proposes that the City Council increase the Assessment; expand the number of assessed businesses and properties; and/or modify the activities or improvements for the ensuing fiscal year, the Annual Report shall be submitted to the City on or before March 30 of the calendar year preceding the start of such ensuing fiscal year.

### **3.0 COLLECTION OF ASSESSMENTS.**

3.1 The CITY has approved the levy of assessments for a period of five (5) years. The CORPORATION understands and agrees that any renewal of the levy of Assessments by the CITY beyond five (5) years must be first approved by a vote of the assesseees, and, notwithstanding such voter approval, shall be in the sole discretion of the City Council. No provision of this AGREEMENT shall be construed as a promise, warranty or agreement by the CITY to approve a renewal of a levy Assessments against properties or businesses in the District. The CITY shall have no liability to the CORPORATION for the CITY's decision to not levy Assessments or in connection with the amounts of any Assessments levied.

### **4.0 DISBURSEMENT OF FUNDS; ANNUAL AUDIT REQUIREMENT AND QUARTERLY REPORTS**

4.1. So long as the CORPORATION is not in breach of this AGREEMENT, the CITY shall set aside and disburse all collected Assessments for Fiscal Year 2011-12 and each fiscal year thereafter on a monthly basis for funding the Activities and/or Improvements pursuant to this AGREEMENT; provided, however, that CITY may retain up to five thousand dollars (\$5,000) from the annual collected assessments for administration of the District, including but not limited to costs associated with conducting an agreed upon procedures review, as provided in this AGREEMENT. Disbursements shall be made in such manner as the parties representatives shall mutually agree upon in writing. The CORPORATION may expend any funds received pursuant to this Agreement only for the purposes authorized by the 1994 Law, and only in accordance with the Annual Report as approved by the CITY Council for the applicable fiscal year.

4.2 The CORPORATION shall establish and maintain on a current basis an adequate accrual accounting system in accordance with generally accepted accounting principles and standards as approved by the CITY. The system shall detail all revenues and expenditures of the CORPORATION under this AGREEMENT and meet the minimum fiscal and internal control requirements as reasonably determined by the CITY. Within forty-five (45) calendar days after the end of the District's fiscal year, the CORPORATION shall submit to the CITY a financial report, of the District's revenues, expenditures and completed Activities and/or Improvements for the preceding fiscal year. The CITY, at its sole discretion, shall have an agreed upon procedures review conducted of the CORPORATION's financial records.

4.3 In addition to all other reports required by law or ordinance, the CORPORATION shall prepare and submit to the CITY detailed quarterly reports of all Activities and Improvements undertaken by the CORPORATION for the benefit of the District. Reports for each calendar quarter ending September 30, December 31 and March 31 shall be completed and submitted no later than October 31, January 31, and April 30, respectively, and a report for the full year ending June 30 shall be submitted no later than July 31. Each report shall identify, for each Activity or Improvement authorized in the Annual Report, the amount of costs or expenses incurred, the amount of Assessments received, and the estimated revenues and expenditures for the remainder of the year. These quarterly reports are separate from the Annual Report of the CORPORATION.

## **5.0 PROJECT COORDINATION.**

5.1 The CITY's Assistant City Manager, or his or her designated representative, shall serve as the Contract Officer for the CITY and shall supervise and direct all actions to be performed by the CITY pursuant to this AGREEMENT.

5.2 The CORPORATION designates its President/Chairperson/Executive Director to be the contact person with regard to all actions to be taken on behalf of CORPORATION pursuant to this AGREEMENT.

## **6.0 LEGAL RESPONSIBILITIES.**

6.1 The CORPORATION shall keep itself informed of all local, State and Federal laws, ordinances and regulations which in any manner affect those employed or contracted by it or in any way affect the performance of its service pursuant to this AGREEMENT. The CORPORATION shall at all times observe and comply with all such laws, ordinances and regulations. The CITY, and its officers and employees, shall not be liable at law or in equity occasioned by failure of CORPORATION to comply with this section.

6.2 The CORPORATION shall obtain all permits, licenses, or other approvals required by CITY or other local, State or federal agency prior to commencing any Activities or undertaking any Improvements on its own behalf or on behalf of the District.

## **7.0 RELEASE OF INFORMATION.**

7.1 Except for such documents as are public records under the California Public Records Act, all information gained by CORPORATION in performance of this AGREEMENT shall be considered confidential and shall not be released by CORPORATION without the CITY's prior written authorization, which authorization will not be unreasonably withheld, delayed or conditioned. The CORPORATION, its officers, employees, agents or subcontractors, shall not without written authorization from the City Manager, which authorization will not be unreasonably withheld, delayed or conditioned, or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the CITY unless such information is subject to disclosure under the California Public Records Act. Response to a subpoena or court order shall not be considered "voluntary". The CORPORATION hereby acknowledges that the 1994 Law provides that all records in the possession of the CORPORATION, which relate to the District, are subject to the California Public Records Act.

7.2 The CORPORATION shall promptly notify CITY should CORPORATION, its officers, employees, agents or contractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or activities. The CITY retains the right, but has no obligation, to represent CORPORATION and/or be present at any deposition, hearing or similar proceeding. The CORPORATION agrees to cooperate fully with CITY and to provide CITY with the opportunity to review any response to discovery.

## **8.0 OWNERSHIP OF DOCUMENTS**

8.1 All work products (i.e., plans, studies, sketches, drawings, reports, etc.) as herein required to be prepared by or for the CORPORATION and paid for by the Assessments are the sole and exclusive property of the CITY. CITY grants CORPORATION a license to use the work product during the term of this AGREEMENT including any renewals. The CORPORATION shall furnish the originals of these documents when requested by the CITY. In the event this Agreement is terminated, all work products produced by the CORPORATION or its agents, employees and contractors pursuant to this AGREEMENT will be delivered within five (5) business days to the CITY. The CORPORATION will have the right to make one (1) copy of the work product for CORPORATION's records.

## **9.0 PROPERTY ACQUIRED WITH PUBLIC FUNDS TO REMAIN THE PROPERTY OF THE CITY**

9.1 The CITY shall be deemed the owner of and hold title to any property, whether real or personal in nature, acquired by the CORPORATION and reimbursed or paid for, in whole by the Assessments pursuant to this AGREEMENT ("City Property"). The CORPORATION shall maintain and keep accurate records, including evidence of title, and shall keep and maintain an inventory of all City Property. Upon termination of this AGREEMENT, the CORPORATION

shall immediately deliver evidence of title to the CITY for all City Property and shall arrange to have City Property delivered or disposed of in accordance with directions from the CITY. The CORPORATION shall not use any Assessments to acquire any real property or enter into any leasehold agreement without the express prior written approval of the CITY. The ownership of Mixed Purchase assets and how such assets shall be allocated in the event of a termination of this AGREEMENT shall be in accordance with Section 1.4.

## **10.0 TRADEMARKS AND COPYRIGHTS**

10.1 So long as the CORPORATION is not in breach of this AGREEMENT, the CITY hereby agrees to license to the CORPORATION the CITY's financial interests derived from any trademarks assigned by the U.S. Patent Trademark Office for the sole and exclusive purpose of benefiting the District as approved by the City Council.

10.2 The CORPORATION agrees that all copyrights that arise from the trademark or any other service will be vested in the CITY and CORPORATION relinquishes all claims to the copyrights in favor of CITY.

## **11.0 COVENANTS AGAINST CERTAIN ACTIVITIES AND USES**

11.1 The CORPORATION covenants, guarantees and warrants to CITY as follows:

(1) No Assessments shall be used in any manner, directly or indirectly, to pay, reimburse or offset any dues, application, membership or other fee of the CORPORATION, or other organization for or on behalf of any business or business owner.

(2) The CORPORATION shall use its best efforts in good faith to encourage the assessed businesses within the District to pay the Assessments when due, and CORPORATION shall not lobby for, support, encourage, advocate or represent any business seeking to defer or avoid payment of any Assessment.

(3) The CORPORATION shall not use Assessments, or claim reimbursement from Assessments, for any activities, costs or expenses for the purpose of or related to any lobbying activities with members of the El Cajon City Council or other officers of the CITY, whether or not on behalf of businesses within the District, or for any campaign activities or purposes related to any candidates for El Cajon Mayor or City Council or other elective office or any measures submitted to an election by the CITY or other public agency.

(4) The CORPORATION shall use its best efforts to assist and cooperate with CITY in certain activities, events, or other business promotional services, upon the written request of the City Manager of CITY.

## **12.0 STATUS OF CORPORATION**

12.1 The CORPORATION shall perform the Activities and/or Improvements provided for in the Annual Report attached hereto and incorporated herein by reference in a manner of CORPORATION's own choice, as an independent contractor and in pursuit of CORPORATION's independent calling, and not as an employee of the CITY. The personnel performing the services under this AGREEMENT on behalf of the CORPORATION shall at all times be under the CORPORATION's exclusive direction and control. Neither the CITY nor any of its officers, employees, agents, or volunteers shall have control over the conduct of the CORPORATION or any of the CORPORATION's officers, employees, or agents except as set forth in this AGREEMENT.

12.2 The CORPORATION shall be under control of the CITY only as to the result of the work to be accomplished pursuant to the Annual Report approved by the City Council. The CORPORATION shall confer with the CITY at a mutually agreed frequency and inform the CITY of incremental work/progress.

12.3 The CORPORATION shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the City. The CORPORATION shall not incur or have the power to incur any debt, obligation or liability whatsoever on behalf of or against City, or bind the CITY in any manner.

12.4 Neither the CORPORATION nor CORPORATION's employees shall be entitled in any manner to any employment benefits from the CITY, including but not limited to employer paid payroll taxes, Social Security, retirement benefits, health benefits, or any other benefits, as a result of this AGREEMENT. It is the intent of the parties that neither CORPORATION nor its employees or contractors are to be considered employees of CITY, whether "common law" or otherwise, and CORPORATION shall indemnify, defend and hold CITY harmless from any such obligations on the part of its officers, employees and agents.

## **13.0 SUBCONTRACTING**

13.1 If CORPORATION subcontracts any of the services to be performed pursuant to the Annual Report approved by the City Council, the CORPORATION will be fully responsible to the CITY for the acts and omissions of CORPORATION's subcontractor(s) and of the persons either directly or indirectly employed by the subcontractor(s), as CORPORATION is for the acts and omissions of persons directly employed or contracted by the CORPORATION. Nothing contained in this AGREEMENT will create any contractual relationship between any contractor or subcontractor of CORPORATION and CITY. The CORPORATION will be solely responsible for payment of contractors and subcontractors for services rendered. The CORPORATION will bind every contractor and subcontractor by the terms of this AGREEMENT applicable to CORPORATION's work unless specifically noted to the contrary in the contract or subcontract and preapproved in writing by the CITY Contract Officer.



#### **14.0 ASSIGNMENT**

14.1 The CORPORATION shall not assign this AGREEMENT, or any performance, right, obligation or part thereof, or any monies due hereunder, without the prior written consent of the CITY.

#### **15.0 COVENANT AGAINST CONTINGENT FEES**

15.1 The CORPORATION warrants that it has not employed or retained any company or person, other than a bona fide employee or independent contractor working for CORPORATION, to solicit or secure this AGREEMENT, and that CORPORATION has not paid or agreed to pay any company or person, other than a bona fide employee or independent contractor, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this AGREEMENT. For breach or violation of this warranty, the CITY shall have the right to terminate this AGREEMENT without liability or, at the CITY's discretion, to deduct from the AGREEMENT price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

#### **16.0 PROHIBITED INTEREST**

16.1 No officer, or employee of the City of El Cajon shall have any financial interest, direct or indirect, in this AGREEMENT, the proceeds thereof, CORPORATION, or CORPORATION's subcontractors for this project, during his/her tenure with the CITY or for one year thereafter. The CORPORATION hereby warrants and represents to the CITY that no officer or employee of the CITY has any interest, whether contractual, non-contractual, financial or otherwise, in this transaction, or in the business of CORPORATION or CORPORATION's subcontractors on this project. The CORPORATION further agrees to notify the CITY in the event any such interest is discovered whether or not such interest is prohibited by law or this AGREEMENT. Notwithstanding the provisions of this Section 16 CITY acknowledges that it shall have the exclusive right to appoint one member of the Board of Directors of CORPORATION and vote on the remaining Directors and such individual appointed by the CITY shall have a vote on all matters coming before the Board of Directors. Such actions shall not be deemed a prohibited interest.

#### **17.0 CONFLICT OF INTEREST**

17.1 The CITY will evaluate CORPORATION's duties pursuant to this Agreement to determine whether disclosure under the Political Reform Act and CITY's Conflict of Interest Code is required of CORPORATION or any of CORPORATION's employees, agents or contractors. The level of disclosure categories shall be set by the CITY and shall reasonably relate to the Scope of Services provided by CORPORATION under this AGREEMENT. Should it be determined that disclosure is required pursuant to ATTACHMENT B - CONFLICT OF INTEREST DETERMINATION, the CORPORATION or CORPORATION's affected employees, agents, or contractors will complete and file with the City Clerk those schedules specified by CITY and contained in the Statement of Economic Interests Form 700.

## **18.0 INDEMNITY - HOLD HARMLESS**

18.1 CORPORATION expressly warrants that the work to be performed pursuant to this AGREEMENT shall be performed in accordance with the Annual Report approved by the City Council. Where approval by the CITY or Contract Officer or other representative of the CITY is indicated, it is understood to be conceptual only and does not relieve the CORPORATION of responsibility for complying with all laws, codes and industry standards.

18.2 To the extent permitted by law, CORPORATION, through its duly authorized representative, agrees that CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "City Indemnitees") shall have no liability to CORPORATION or any other person for, and CORPORATION shall indemnify, protect and hold harmless City Indemnitees from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses, including reasonable attorneys' fees and disbursements (collectively "claims"), which City Indemnitees may suffer or incur or to which City Indemnitees may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss, incurred debt or otherwise occurring as a result of CORPORATION's negligent performance of any services under this AGREEMENT, or by the negligent or willful acts or omissions of CORPORATION, its agents, officers, directors or employees, committed in performing any of the services under this AGREEMENT.

18.3 CORPORATION's obligation herein does not extend to liabilities, claims, demands, causes of action, losses, damages or costs that arise out of the intentional wrongful acts, violations of law, breach of obligation hereunder, or negligence of the CITY or its elected and appointed boards, officials, officers, agents, employees and volunteers.

18.4 CORPORATION shall provide a defense to the City's Indemnitees, or at the CITY's option, reimburse the City's Indemnitees for all costs, reasonable attorneys' fees, expenses and liabilities (including judgment or portion thereof) incurred with respect to any litigation in which CORPORATION is obligated to indemnify, defend and hold harmless the CITY pursuant to this AGREEMENT.

18.5 This provision shall not be limited by any provision of insurance coverage CORPORATION may have in effect, or may be required to obtain and maintain, during the term of this AGREEMENT. This provision shall survive expiration or termination of this AGREEMENT.

## **19.0 INSURANCE**

19.1 Without limiting the indemnification obligations under Section 18 above, and prior to the effective date of this Agreement, the CORPORATION shall obtain and shall maintain in full force and effect throughout the term of this AGREEMENT policies of insurance of the type and with the limits defined below:

(1) Comprehensive General Liability Insurance, including general contractual liability, business automobile liability, products and completed operations liability, all of which shall include coverage for bodily injury and property damage, in insurable amounts of not less than one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000) aggregate.

(2) Director's and Officer's Liability (Errors and Omissions) Insurance with a minimum limit of One Million Dollars (\$1,000,000.00).

(3) Faithful Performance and Loss Prevention Insurance, covering loss from theft, embezzlement or misappropriation, with a limit of One Hundred Thousand Dollars (\$100,000.00).

19.2 The CITY shall be named as an additional insured on the required Comprehensive General Liability Insurance on a separate endorsement, and the endorsement shall contain the following language: "The City of El Cajon, and its elected and appointed officers, officials, and employees, are each added as an additional insured with respect to the activities and operations of the named insured performed under contract with the City of El Cajon. It is expressly agreed that any insurance maintained by the City of El Cajon shall apply in excess of and not in contribution with the insurance provided by this policy. This insurance shall not be canceled, limited or non-renewed for any reason until thirty (30) days after written notice has been given to the City of El Cajon."

19.3 Before CORPORATION shall employ any person or persons in the performance of the AGREEMENT, CORPORATION shall procure a policy of workers' compensation insurance at the statutory limits as required by the Labor Code of the State of California, or shall obtain a certificate of self insurance from the Department of Industrial Relations.

19.4 CORPORATION shall furnish certificates of said insurance and policy endorsements to the Contract Officer prior to commencement of work under this AGREEMENT. Failure on the part of CORPORATION to procure or maintain in full force the required insurance shall constitute a material breach of contract under which the CITY may terminate this AGREEMENT pursuant to Paragraph 1.3 above.

19.5 Any deductibles or self-insured retentions must be declared to the CITY. At the CITY's option, CORPORATION shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

19.6 CORPORATION hereby grants to CITY a waiver of any right to subrogation, which any insurer of said CORPORATION may acquire against the CITY by virtue of the payment of any loss under such insurance. This provision applies regardless of whether or not the CITY has requested or received a waiver of subrogation endorsement from the insurer.

## 20.0 DISPUTES

20.1 If a dispute should arise regarding the performance of this AGREEMENT, the following procedures shall be used to address the dispute:

a. If the dispute is not resolved informally, then, within five (5) business days thereafter, CORPORATION shall prepare a written position statement containing the party's full position and a recommended method of resolution and shall deliver the position statement to the Contract Officer.

b. Within five (5) business days of receipt of the position statement, the Contract Officer shall prepare a response statement containing the responding party's full position and a recommended method of resolution.

c. After the exchange of statements, if the dispute is not thereafter resolved, CORPORATION and the Contract Officer shall deliver the statements to the City Manager for a determination.

20.2 If the dispute remains unresolved, and the parties have exhausted the procedures of this section, the parties will then seek resolution by mediation or such other remedies available to them by law.

## 21.0 GENERAL PROVISIONS

21.1 **Accounting Records.** The CORPORATION shall keep complete and accurate records of the revenues and direct expenses pertaining to the District. The CORPORATION shall keep such records on a generally recognized accounting basis. All records will be clearly identifiable. The CORPORATION will allow the CITY's Contract Officer, or authorized representative, during normal business hours with two (2) business days advance notice, to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this AGREEMENT. The CORPORATION will allow inspection of all work, data, documents, proceedings, and activities related to the AGREEMENT for a period of three (3) years from the date of final payment under this AGREEMENT.

21.2 **Governing Law.** This AGREEMENT and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this AGREEMENT shall be held exclusively in a state court in the County of San Diego. CORPORATION hereby waives the right to remove any action from San Diego County as is otherwise permitted by California Code of Civil Procedure section 394.

21.3 **Business License.** CORPORATION is required to obtain and maintain a City Business License during the duration of this AGREEMENT.

## **22.0 CORPORATION OFFICE; NOTICES**

22.1 The CORPORATION warrants and agrees to establish and maintain its principal offices within the boundaries of the District during the entire period in which this AGREEMENT remains in effect.

22.2 All notices, requests, demands, or other communications under this AGREEMENT shall be in writing. Notice shall be sufficiently given for all purposes by: (i) personal delivery to the recipient, effective upon delivery; (ii) first-class mail, postage pre-paid, to the address of the recipient given below, effective three business days after deposit in a U.S. Postal Service mailbox or depository; or (iii) overnight delivery by commercial carrier, charges pre-paid, effective upon date of delivery confirmed by carrier. The addresses to which any notice shall be given for each of the parties are as follows:

- a. The address of the CITY, and the proper person to receive any notice on the CITY's behalf, is:

City of El Cajon  
City Manager's Office  
200 Civic Center Way  
El Cajon, CA 92020-3916  
Attn.: Nancy Palm, Assistant City Manager  
Tel. No.: (619) 441-1716; Email: npalm@cityofelcajon.us

- b. The address of CORPORATION, and the proper person to receive any notice on the CORPORATION's behalf, is:

Downtown El Cajon Business Partners, Inc.  
124 W. Main Street, Ste. 120  
El Cajon, CA 92020  
Tel. No.: (619) 444-4476; Email:

22.3 The address for purposes of notice may be amended by either party upon giving written notice of such change to the other party in any manner described above.

## **23.0 PROFESSIONAL CORPORATION'S CERTIFICATION OF AWARENESS OF IMMIGRATION REFORM AND CONTROL ACT OF 1986**

23.1 CORPORATION certifies that CORPORATION is aware of the requirements of the Immigration Reform and Control Act of 1986 (8 USC 1101-1525) and has complied and will comply with these requirements, including but not limited to verifying the eligibility for employment of all employees, agents and contractors that are included in this AGREEMENT.

## **24.0 DISCRIMINATION AND HARRASSMENT PROHIBITED**

24.1 The CORPORATION shall comply with all applicable local, state and federal laws and regulations prohibiting discrimination and harassment.

## **25.0 ADDITIONAL PROVISIONS**

25.1 **Consequential Damages.** Neither party shall be liable to the other for consequential damages, including, without limitation, loss of use or loss of profits, incurred by one another or their subsidiaries or successors, regardless of whether such damages are caused by breach of contract, willful misconduct, negligent act or omission, or other wrongful act of either of them.

25.2 **Rights Cumulative.** All rights, options, and remedies of the CITY contained in this AGREEMENT shall be construed and held to be cumulative, and no one of the same shall be exclusive of any other, and the CITY shall have the right to pursue any one of all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this AGREEMENT.

25.3 **Waiver.** No waiver by either party of a breach by the other party of any of the terms, covenants, or conditions of this AGREEMENT shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. No waiver of any default of either party hereunder shall be implied from any omission by the other party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect default other than as specified in said waiver.

25.4 **Severability.** In the event that any part of this AGREEMENT is found to be illegal or unenforceable under the law as it is now or hereafter in effect, either party will be excused from performance of such portion or portions of this AGREEMENT as shall be found to be illegal or unenforceable without affecting the remaining provisions of this AGREEMENT.

25.5 **Integration.** This AGREEMENT, along with any exhibits, appendices, addendums, schedules, and amendments hereto, encompasses the entire agreement of the parties, and supersedes all previous understandings and agreements between the parties, whether oral or written. The parties hereby acknowledge and represent, by affixing their hands and seals hereto, that said parties have not relied on any representation, assertion, guarantee, warranty, collateral contract or other assurance, except those set out in this AGREEMENT, made by or on behalf of any other party or any other person or entity whatsoever, prior to the execution of this AGREEMENT. The parties hereby waive all rights and remedies, at law or in equity, arising or which may arise as the result of a party's reliance on such representation, assertion, guarantee, warranty, collateral contract or other assurance, provided that nothing herein contained shall be construed as a restriction or limitation of said party's right to remedies associated with the gross negligence, willful misconduct or fraud of any person or party taking place prior to, or contemporaneously with, the execution of this AGREEMENT.

25.6 **Time of the Essence.** Time is expressly of essence with respect to this AGREEMENT.

26.7 **Amendments.** No amendment or modification of the terms or conditions of this Agreement shall be valid unless in writing and signed by the parties hereto.

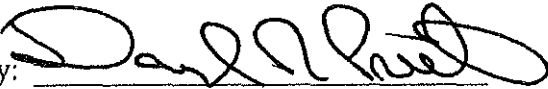
26.8 **Recitals.** The recitals set forth at the beginning of this Agreement of any matters or facts shall be conclusive proof of the truthfulness thereof and the terms and conditions set forth in the recitals, if any, shall be deemed a part of the Agreement.

26.0 **SIGNATURES.** Each signatory and party hereto hereby warrants and represents to the other party that it has legal authority and capacity and direction from its principal to enter into this AGREEMENT, and that all resolutions or other actions have been taken so as to enable it to enter into this AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the day and year appearing below their signature.

**CORPORATION:**


Downtown El Cajon Business Partners, Inc.  
a California non-profit mutual benefit corporation

By:   
Daryl R. Priest  
Chairperson, Board of Directors

Date: 1-25-2012

**CITY:**

City of El Cajon  
a Municipal corporation

By:   
Rob Turner  
Acting City Manager

Date: 1/25/12

ATTACHMENT A – FISCAL YEAR 2011-12 ANNUAL REPORT  
ATTACHMENT B – CORPORATION CONFLICT OF INTEREST DETERMINATION

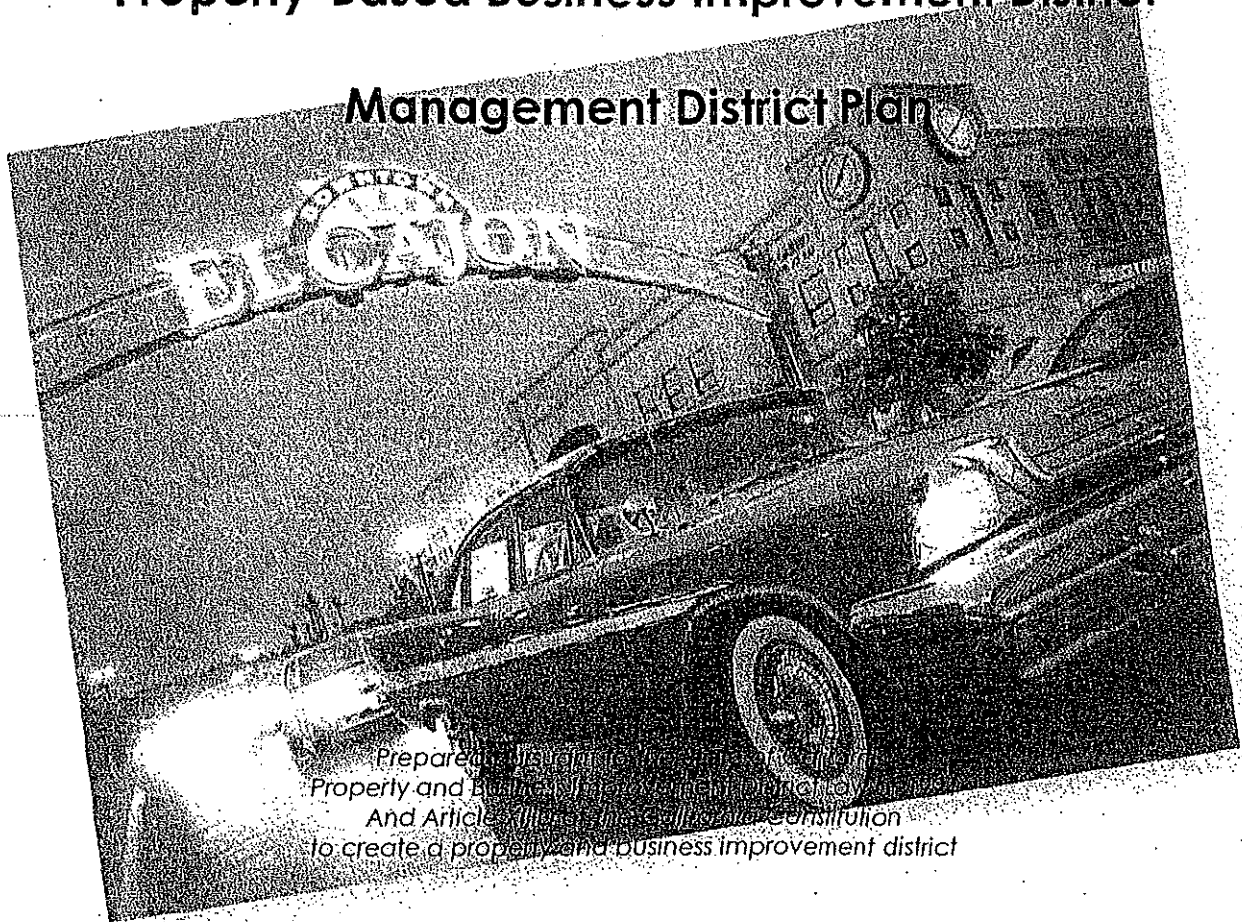
**ATTACHMENT A**  
**FISCAL YEAR 2011-12 ANNUAL REPORT**



**FINAL**

**Downtown El Cajon  
Property-Based Business Improvement District**

**Management District Plan**



*Prepared Pursuant to Ordinance No. 1000  
Property and Business Improvement Districts  
And Article XIII of the City Charter  
to create a property and business improvement district*

**Prepared by:**

Kristin Lowell, Inc.

and

Progressive Urban Management Associates, Inc.

El Cajon, California

March 2011

**Downtown El Cajon  
Property-Based Business Improvement District  
Management District Plan**

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**ATTACHMENTS:**

***PBID Boundary Map  
Engineer's Report***

## Executive Summary

First established in 1996 and recertified in 2001 and 2006, the Downtown El Cajon PBID has provided security, maintenance and marketing services that are above and beyond the baseline level service the City provides. The PBID is a self-imposed assessment district designed to improve and convey special benefits to properties within the central business district of downtown El Cajon. In order for the PBID to continue providing these services beyond 2011, downtown property owners need to approve and recertify the PBID.

**Location:** The PBID boundary includes those parcels that are considered the downtown business core and extends along Main Street to the transit center. It roughly includes parcels along Magnolia Avenue from the freeway to Lexington Avenue, Main Street from the MTS transit center to Lincoln Avenue, and all parcels from Wells to Ballantyne to Lexington to Van Houten. The PBID Boundary is segregated into two benefit zones based on the level of services provided and the benefits received. The premium zone is the primary core of downtown and consists of all parcels fronting Main Street from Ballantyne to El Cajon Boulevard and along Magnolia Avenue from the freeway to Lexington Avenue. A map of the proposed PBID boundaries is attached.

**Improvements and Activities Provided (See Section 1):** The district will finance improvements and activities that will stabilize and improve the downtown environment and experience for workers, visitors and residents.

- ◆ **Environmental Enhancements:** Continuation of the Ambassador/Clean and Safe program that has successfully provided a cleaner and safer environment for downtown pedestrians. The Ambassadors also provide hospitality and concierge services, as well as staffing for special events. It will continue to connect street populations to the appropriate social service organizations, and the maintenance teams will continue sidewalk steam cleaning, and litter removal. It will also provide any street beautification projects to improve the overall experience in downtown.
- ◆ **Economic Enhancements:** Activities to support the growth and vitality of existing businesses, attract new businesses, and enhance the image of Downtown El Cajon as a destination for consumer and investment revenues. This may include the continuation of funding special events including the car shows, Concerts on the Green and other events, marketing and promotions to improve downtown's image and encourage sales of goods and services in downtown.

**Budget:** Total PBID budget for 2012 is \$560,000, as follows. This budget is 20% less than the 2011 PBID budget.

Services	Budget
Environmental Enhancements	\$250,000
Economic Enhancements	\$150,000
Management	\$150,000
Reserve Fund	\$10,000
<b>TOTAL BUDGET</b>	<b>\$560,000</b>

**Method of Financing:** Levy of assessments upon real property that specially benefit from the proposed services and activities.

**Assessments (See Section 3):** Annual assessments are calculated based upon each property's special benefit received from the identified services and activities and their relative cost. The assessments are based on lot square footage plus building square footage and whether they are in the Premium or Standard Zone. Properties with residential or non-profit ownership and uses will pay an adjusted rate. These parcels benefit fully from the Environmental Enhancements but not from the Economic Enhancements. The assessment rates per foot for 2012 are as follows:

Annual Assessments:	Assmt per Foot
<b>Premium Zone:</b>	
Commercial/Govt	\$0.0818
Residential/Non-Profits	\$0.0526
<b>Standard Zone:</b>	
Commercial/Govt	\$0.0654
Residential/Non-Profits	\$0.0421

**Assessment Adjustments:** Based upon the Consumer Price Index and program costs, the assessments may increase up to 5% per year. The determination of the annual assessment rates will be subject to the review and approval of the board of directors of the PBID Owner's Association.

**Collection:** Assessments will appear as a separate line item on the annual County of San Diego Property Tax bills and either paid in one lump sum or in two equal installments. As part of the collection process, the County will retain 1% of the assessment funds and the remaining 99% will be distributed to the PBID to provide services.

**City Services:** The City Council, by adopting this plan, will confirm its intention to ensure an existing level of services in the district equivalent to the level that is being provided elsewhere in the City.

**District Formation:** PBID formation requires submission of petitions from property owners representing more than 50% of total assessments. Following a public hearing, if ballots, weighted by assessments, submitted in opposition to the assessment do not exceed the ballots submitted in favor of the assessments, the City Council may authorize the levy of assessments.

**Duration:** Per state law, the PBID will have a five year life commencing January 1, 2012 and terminating December 31, 2016 unless the property owners within the PBID elect to renew the District.

**Governance (See Section 5):** The PBID will have a governing board, the Owners Association, pursuant to Section 36650 and 36651 of the Streets and Highways Code that will annually review the PBID budgets and policies within the limitations of the Management District Plan and file annual reports with the City Council. For the Downtown El Cajon PBID, a new 501(c)6 or 501(c)3 California non-profit corporation shall be formed to serve as the PBID Owner's Association.

## Section 1: PBID Improvements and Activity Plan

### **El Cajon PBID Management District Plan**

As determined by a steering committee and surveys from property and business owners within the existing district, the top priorities for improvements and activities within the El Cajon PBID are Environmental and Economic Enhancements. Based upon this finding, the following improvements and activities may be funded by the PBID and provided during each of the 5 years of District operation. Every year the Owner's Association will determine which of the services to provide, as discussed below.

All of the services and activities detailed below are provided only within the boundaries of the PBID and provide special benefit to the properties in the boundary area (see attachment A: PBID Boundary Map). All benefits derived from the assessments outlined in this Management District Plan go only for services directly benefiting the properties in the PBID to increase commerce and fulfill the goals and objectives of the PBID.

### **ENVIRONMENTAL ENHANCEMENTS**

**Clean and Safe:** These services were the top priority the stakeholders wanted the PBID to continue funding. Since the PBID has provided these services for almost ten years it needs to evolve in order to continually demonstrate benefit and ongoing value. In order to better understand how the existing program could be improved, Block by Block, a national Clean and Safe service provider that specializes in urban PBIDs (including downtown Oakland, Santa Monica and Long Beach), provided an on-site analysis of how the current clean and safe program could be delivered more efficiently and effectively.

Recommendations for areas of improvement:

- **Deployment and Visibility of Staff** – The existing staff schedule covers services approximately 18 hours per day typically from 6am until midnight, seven days a week. Block by Block's experience is that a more concentrated street level presence is more relevant to stakeholders. In order to accomplish this they recommend modifying the deployment schedule until 8pm, six days a week except for Wednesday and Friday nights during the spring/summer when the car show and concerts on the green occur each week.
- **District Size** - The PBID district is large and the staff works to provide a consistent frequency of services throughout. The services should be delivered into two service zones or zones of benefit. The downtown core (the Premium Zone), those parcels fronting Main and Magnolia should receive more intense and frequent service delivery where the demand is greater. The remaining parcels in the district (the Standard Zone) do not require the same level of service intensity and frequency as the downtown core.
- **Incorporate Flexibility** – Adjusting staff schedules on an as needed basis to meet

- isolated needs provides the flexibility to address the concerns and issues as they arise. Flexibility allows the programs to be delivered more efficiently and effectively.
- Security Patrol – The existing evening Ambassador program circulates throughout the district in the El Cajon Ambassador truck where a more visible security patrol may be more effective during the evening hours. The recommendation is for during the evening shift to use a magnetic strip with "Security Patrol" that covers the truck door panel for a more visible security presence on the street.
  - Security Ambassadors – The Ambassadors should also act as security escorts for visitors and stakeholders, in which the Security Ambassador could come to a business and provide a walking or driving escort during evening hours.
  - Promotion of Services – Outside of equipment or staff there is no visible presence on the street promoting the Ambassador program. Other ways to promote this valuable service is to increase signage on kiosks or wayfinding, regular email communications to stakeholders promoting accomplishments and activities, and messaging campaigns to educate the public about securing their valuables, cigarette litter or other safety/maintenance messages that add value.

In light of that, their analysis found several areas that are positive and only need to be enhanced upon to demonstrate a larger benefit to stakeholders:

- The downtown core is clean and well maintained,
- The Ambassadors and maintenance teams are highly responsive to needs, and
- The documentation is excellent with regard to services being delivered on a parcel by parcel basis.

Based upon the Block by Block evaluation, the PBID Management Plan recommends resources for a Clean and Safe program with total annual resources estimated at \$300,000. The range of service frequencies that could be expected from this level of investment are provided below. Actual deployment will depend upon the demand for services and will be subject to oversight from the Owner's Association and staff.

Program	Premium Zone	Standard Zone
Safety Ambassadors	54 hours per week	42 hours per week
Maintenance Team	62 hours per week	50 hours per week
Operations Manager	22 hours per week	18 hours per week

**PBID Boundary and Benefit Zones:** The PBID boundary includes those parcels that are considered the downtown business core and extends along Main Street to the transit center. It roughly includes parcels along Magnolia Avenue from the freeway to Lexington Avenue, Main Street from the MTS transit center to Lincoln Avenue, and all parcels from Wells to Ballantyne to Lexington to Van Houten (see the attached

boundary map).

Block by Block's recommendation is for the clean and safe services to be deployed in two benefit zones within the PBID:

- **Premium Zone:** The Premium Zone includes areas of highest pedestrian activity where demands for clean and safe services are greatest. The premium zone is the primary core of downtown and consists of all parcels fronting Main Street from Ballantyne to El Cajon Boulevard and along Magnolia Avenue from the freeway to Lexington Avenue. The service plan anticipates that service deployment frequencies within the Premium Zone will be approximately 25% higher than the remainder of the PBID – from the number of ambassadors to the frequency of sidewalk cleaning, and are reflected in the assessment rates.
- **Standard Zone:** The Standard Zone contains the remaining areas of the PBID boundary that have less pedestrian activity, and demands for clean and safe services are generally lower. Service frequencies within the Standard Zone are expected to be less than the services in the Premium Zone, and are reflected in the assessment rates.

**Beautification:** In addition to the Clean and Safe program, PBID Environmental Enhancements include funds to invest in highly visible improvements that will add to the attractiveness of public spaces throughout downtown. Beautification improvements may include:

- Cosmetic capital improvements, including street furniture, information kiosks, pedestrian lighting and other amenities.
- Wayfinding and directional signage to help visitors navigate through downtown.
- Public art.
- Landscaping, planters and other green elements.
- Seasonal holiday decorations and banners.
- Other beautification improvements as determined year-to-year by the PBID Owner's Association.

## **ECONOMIC ENHANCEMENTS**

A comprehensive economic development program is included as a key component of the downtown PBID, to proactively work on filling office and retail vacancies with targeted businesses, combat the challenges associated with a prolonged economic downturn, compete with other commercial districts, and bring more visitors and shoppers to Downtown El Cajon. A portion of the funds for this program are to hire an economic development coordinator that will work with property owners, real estate professionals, and civic leaders to promote the advantages of downtown as a business location. Based upon "best practices" from other PBIDs in downtown markets throughout the country, five primary program activities are proposed:



**Business Retention and Recruitment:** The PBID will provide funds dedicated to business development, including business retention and recruitment programs which will provide a primary one-stop point of contact for all business prospects looking to locate and/or grow in downtown El Cajon. Comprehensive marketing information on downtown will be researched, packaged and maintained. Specialized research will identify specific target business groups and niches that are most likely to locate within downtown.

**Image and Marketing:** PBID funds will be used to build a strong marketing program as part of an overall effort to economically enhance Downtown El Cajon. Image and marketing efforts will aim to support business retention and recruitment efforts as well as encourage both locals and visitors to explore downtown.

Traditional and non-traditional marketing activities and products will be explored including an interactive website and electronic communications tools, stronger public and media relations efforts to communicate ongoing positive changes in the downtown marketplace, social media, and printed products including periodic market reports and updates, maps and brochures that provide users with information about the amenities downtown has to offer. In addition, programming and events to activate downtown will be developed as part of an overall image and marketing campaign.

**Special Events:** The Special Events budget is reserved for opportunities to continue providing existing events downtown, e.g. the car show or concerts on the green, or to add additional events that present themselves during the life of the district. These special events improve commerce by drawing people downtown and introducing them to opportunities to dine, shop, or engage in commerce.

**Parking Initiatives:** The PBID will work in concert with the City staff to explore options for improving parking management and mobility options to and within Downtown. Options include identifying employee parking and transit options, creating parking promotions for consumers and funding studies to evaluate increasing the parking supply.

**Leadership and Policy:** The PBID will provide advocacy for Downtown business interests and will help the business community to speak with one clear voice. The PBID Management Plan offers flexibility to develop programs and policies to improve the overall quality of life and economic and cultural vitality of Downtown El Cajon.

## **MANAGEMENT**

Like any business, the PBID will require a professional staff to properly manage programs, communicate with stakeholders and provide leadership. The PBID supports a professional staff that delivers programs and advocates on behalf of the properties in downtown El Cajon. The PBID advocacy services will provide direction on policies and issues that affect the central business district.

Management services may include compensation for an Executive Director, an administrative assistant or any other staff member, or subcontractor the Owner's Association deems necessary to manage the PBID programs. The management team is responsible for providing the day-to-day operations of the PBID. PBID funds may be used to leverage additional monies from sponsorships, contracts, grants and earned income. Additional administrative costs will include; accounting and annual financial audit, insurance, program support costs including supplies, equipment and rent, County PBID assessment collection fee, estimated at 1% of assessments, and other administration costs associated with the overhead and administrative support of programs.

A 5% reserve fund is also budgeted to provide a contingency for unforeseen program needs and to provide a cushion for assessment delinquencies.

## Section 2: PBID Operating Budget

### 2012 Operating Budget

The following table outlines the PBID maximum assessment operating budget for 2012.

Services	Budget
Environmental Enhancements	\$250,000
Economic Enhancements	\$150,000
Management	\$150,000
Reserve Fund	\$10,000
<b>TOTAL BUDGET</b>	<b>\$560,000</b>

Note: The 2012 PBID budget is 20% less than the 2011 PBID budget.

### 5-Year Operating Budget

The following table illustrates the PBID's operating budget for the 5-year life term based upon the following assumptions:

- Based upon the Consumer Price Index and program costs, the assessments may increase up to 5% per year. The determination of the annual assessment rates will be subject to the review and approval of the board of directors of the PBID Owner's Association. The table below shows the budget for the next five years with the maximum 5% annual increase.

Description	2012	2013	2014	2015	2016
Environmental Enhancements	\$250,000	\$262,500	\$275,625	\$289,406	\$303,877
Economic Enhancements	\$150,000	\$157,500	\$165,375	\$173,644	\$182,326
<b>Subtotal Activities</b>	<b>\$400,000</b>	<b>\$420,000</b>	<b>\$441,000</b>	<b>\$463,050</b>	<b>\$486,203</b>
Management	\$150,000	\$157,500	\$165,375	\$173,644	\$182,326
Reserve Fund	\$10,000	\$10,500	\$11,025	\$11,576	\$12,155
<b>Subtotal Management &amp; Reserve</b>	<b>\$160,000</b>	<b>\$168,000</b>	<b>\$176,400</b>	<b>\$185,220</b>	<b>\$194,481</b>
<b>TOTAL BUDGET</b>	<b>\$560,000</b>	<b>\$588,000</b>	<b>\$617,400</b>	<b>\$648,270</b>	<b>\$680,684</b>

**Bond Issuance:** No bonds will be issued to finance services or activities.

## Section 3: Assessment Methodology

### **General**

This Management District Plan provides for the levy of assessments for the purpose of providing services and activities that specially benefit real property in the PBID. These assessments are not taxes for the general benefit of the City, but are assessments for the services and activities which provide special benefits upon the property located within the boundary of the newly established District.

### **Assessment Factors**

El Cajon property owners and business owners have emphasized that the assessment formula for the El Cajon PBID be fair, balanced and have a direct relationship to special benefits received. The State enabling legislation also states, "Assessments levied on real property...shall be levied on the basis of the estimated benefit to the real property within the...district."

While all the PBID services will only be provided to the benefiting parcels in the district, the recommended assessment methodology for the Downtown El Cajon PBID is to spread the cost of the improvements and activities to lot square footage plus building square footage. The lot square footage plus the building square footage acknowledges both the short term and long term benefits to each parcel. By adding the lot and building square footages together effectively places more emphasis and benefit to the ground floor since the majority of the PBID services are delivered at the street level.

**Lot square footage** is relevant to the highest and best use of a property and will reflect the long term value implications of the improvement district. Lot square footage is defined as the total amount of area within the borders of the parcel. The borders of a parcel are defined on the County Assessor parcel maps.

**Gross building square footage** is relevant to the interim use of a property and is utilized to measure short and mid-term value impacts. It also acknowledges the benefits from the services to the buildings, including tenants, residents and employees. The gross building square footage is defined as the total building square footage as determined by the outside measurements of a building. The gross building square footage is taken from either the County of San Diego Assessor's records or the City of El Cajon's building records.

### **Assessment Calculation**

As previously discussed in Exhibit B the budget is determined and segregated into the two benefit zones based upon each Zone's demand for service. In addition to the

benefit zones, we further define the benefit to two land use categories; commercial/government, and residential/non-profit all of which receive varying levels of benefit from the PBID services (further defined below).

To calculate the annual assessment for each parcel is to divide the budget amount for each service by the appropriate lot and building square footages within each benefit zone. The table below indicates the assessment rates per lot plus building square foot per benefit zone and land use category.

<b>Annual Assessments:</b>	<b>Assmt per Foot</b>
<b>Premium Zone:</b>	
Commercial/Govt	\$0.0818
Residential/Non-Profits	\$0.0526
<b>Standard Zone:</b>	
Commercial/Govt	\$0.0654
Residential/Non-Profits	\$0.0421

For example, to calculate the assessment for a commercial parcel in the Premium Zone with a 10,000 square foot lot plus a 5,000 square foot building: The lot square footage + the building square footage x Premium Zone commercial assessment rate = the total annual parcel assessment.

$$(10,000 + 5,000 \times \$0.0818 = \$1,227.00 \text{ annual parcel assessment})$$

The assessment for each parcel is calculated the same as the example above, respective of each benefit zone, land use and assessment rate.

### **Land Use Considerations**

The methodology provides the following treatments for property used exclusively for residential and non-profit:

- **Treatment of Residential and Non-Profit Property:** Residential and non-profit uses will fully benefit from Environmental Enhancement services and will pay a full share of these services. However, the services identified under the Economic Enhancements are aimed at promoting and encouraging commerce in the downtown area, which typically are not the primary goals of residential or non-profit parcels. Therefore, these parcels will not receive special benefit from Economic Enhancements and thus will not be assessed for those services.

### **Time and Manner for Collecting Assessments**

As provided by state law, the El Cajon PBID assessment will appear as a separate line item on the annual County of San Diego property tax bills and either paid in one lump sum or in two equal installments. Laws for enforcement and collection of property taxes also apply to the PBID assessment.

**Disestablishment**

State law provides for the disestablishment of a PBID pursuant to an annual process. The 30-day period begins each year on the anniversary day that the City Council first establishes the District. Within this annual 30-day period, if the owners of real property who pay more than 50 percent of the assessments levied submit a written petition for disestablishment, the PBID may be dissolved by the City Council. The City Council must hold a public hearing on the proposed disestablishment before voting on whether or not to disestablish the district.

**Duration**

The PBID will have a five year term commencing January 1, 2012 and terminating December 31, 2016 unless the property owners within the PBID elect to renew the District. Any major modifications or new or increased assessments during the term of the district that are not consistent with the provisions of original Management District Plan will require a new mail ballot process.

## **Section 4: Public Sector Participation**

### **Existing City Services**

The City Council, by adopting this plan, will confirm its intention to ensure an existing level of services in the district equivalent to the level that is being provided elsewhere in the City. See the attached Baseline Services Agreement from the City of El Cajon.

Assessment funds will pay for services that are above and beyond those services provided by the City.

### **Public Property Assessments**

The City of El Cajon and any other government owned parcels within the PBID boundary will pay their assessment based on the special benefits conferred to those parcels. Government parcels receive full benefits from both the Environmental and Economic Enhancement services and will be assessed their fair share and calculated for the special benefits received.

## **Section 5: PBID Governance**

### **City Council Approval**

Following the submission of petitions from property owners representing more than 50% of the assessments to be paid, the City Council, upon holding a public hearing on the proposed PBID at City Council Chambers during a specified City Council meeting, may elect to recertify the PBID. The PBID is recertified by a City Council resolution, including the levy of an assessment on property, if the assessment is first approved by parcel owners in a balloting process.

### **PBID Governance**

For the Downtown El Cajon PBID, a new 501(c)6 or 501(c)3 California non-profit corporation shall be formed to serve as the PBID Owner's Association.

The role of the proposed Owner's Association is consistent with similar PBIDs throughout California and the nation. The Owner's Association will determine budgets, assessment rates and monitor service delivery. As part of the Management Plan, the Owner's Association can decide to either employ its own staff and/or contract with service providers and other partner organizations, in order to:

- Reduce overall administrative costs of the PBID.
- Leverage PBID funds with other resources and capabilities provided by program partners such as the City of El Cajon, El Cajon Community Development Corporation and others.
- Minimize the potential for duplication of enhanced services and activities.
- Ensure that the PBID is represented by a unified property owner voice, thereby maximizing downtown's influence in policies and civic affairs.

Pursuant to the State of California PBID legislation the PBID Owner's Association will be subject to disclosure and notification guidelines set by the Ralph M. Brown Act and California Public Records Act.

**PBID Owner's Association Board of Directors:** The Owner's Association will establish a board of directors consisting of a majority of property owners to develop recommendations for budgets, assessment rates and policies for the use of PBID funds that are consistent with this Management Plan. The Owner's Association board of directors is envisioned to meet monthly and will have nine to eleven members appointed by ballot of all property owners from a slate developed by the Nominating Committee of the Owner's Association. The Owner's Association board of directors must include representation from all geographic areas and major use types found in downtown.



Suggested representation includes:

- A minimum of 6 property owners
- Up to one business owner who is not a property owner
- One representative from the City of El Cajon who shall be the city manager or his/her designee
- One member of the County or his/her designee

By-laws will be developed by the Owner's Association. The by-laws from the former Downtown El Cajon, Inc., the original Owner's Association established in 1996, will provide the framework for the new organization and these by-laws will be updated accordingly.

## Section 6: Implementation Timeline

The El Cajon PBID will have a five year life from January 1, 2012 to December 31, 2016.

In order for the PBID to meet the start-up date of January 1, 2012, the formation needs to be no later than the following schedule:

March:	Gather petition signatures
Mid May:	City Council adopts Resolution of Intention Ballots are mailed (pursuant to Prop 218)
Early July:	Ballot tally and final Public Hearing City Council adopts Resolution of Establishment
Fall 2011:	Initiate Administrative Contract with Owners Association Owners Association starts implementation plan
January 1, 2012:	Begin PBID operations

## Section 7: Assessment Roll

The following table lists the assessment roll for 2012.

APN	Owner Name	Site Address	Benefit Zone	Parcel Assmt
482 301 05 00	150 West Madison L L C	150 W Madison Ave	2	\$2,131.17
487 331 05 00	151 L L C	151 Van Houten Ave	2	\$3,301.51
487 331 26 00	151 L L C	Douglas St	2	\$1,098.85
487 172 75 00	330-360 N Magnolia Llc	330-360 N Magnolia Ave	1	\$3,179.95
488 231 26 00	A M J Properties Llc	343 E Main St	1	\$1,262.94
488 231 04 00	Agostini James A	323 E Main St	1	\$257.87
488 231 05 00	Agostini James A	327-333 E Main St	1	\$838.03
487 341 05 00	Ahlam & Thomas Meram	301-345 W Main St	1	\$4,538.13
487 192 48 00	Ahn Family 2007 Trust 06-12-07	190 N Magnolia Ave	1	\$2,559.64
488 083 17 00	Alma R Vasic Trust	158 E Main St	1	\$662.25
488 212 17 14	Alspaugh, George A & Dorris Y	275 E Douglas Ave #104	2	\$114.66
482 301 03 00	Anderson Keith R 2003 12-23	Magnolia Ave N	1	\$2,386.15
482 302 01 00	Anderson Keith R 2003 12-23-03	490 N Magnolia Ave	1	\$2,434.55
488 212 17 09	Austin, Albert J & Maureen Mccall	275 E Douglas Ave #103	2	\$240.05
488 231 23 00	Avocado Professional Group	230-292 Avocado Ave	2	\$5,866.79
488 241 41 00	B R R B Investment L L C	343 E Lexington Ave	2	\$1,881.25
488 212 17 04	Bacal, Dan & Robin	275 E Douglas Ave #114	2	\$240.05
488 212 17 15	Bain, Richard G.	275 E Douglas Ave #113	2	\$114.66
487 302 29 00	Bal Investment L L C	701 W Main St	2	\$1,544.99
488 151 02 00	Bert & Bob Investment Company	237 W Main St	1	\$576.40
488 151 17 00	Bert & Bob Investment Company	291 W Main St	1	\$678.19
488 083 08 00	Borrelli, Ralph A. Jr.	120 E Main St	1	\$347.48
488 083 11 00	Borrelli, Ralph A. Jr.	124 E Main St	1	\$347.48
488 083 12 00	Borrelli, Ralph A. Jr.	130 E Main St	1	\$694.95
488 083 13 00	Borrelli, Ralph A. Jr.	140 E Main St	1	\$694.95
487 172 27 00	Brewer Trust	164-168 W Park Ave	2	\$1,207.62
488 211 05 00	Brooks Doctor Trust	237 E Main St	1	\$1,907.36
488 212 17 03	Bruffat Jeffrey&Allison	275 E Douglas Ave #111	2	\$132.84
488 212 17 02	Buchenau, Thomas & Susan	275 E Douglas Ave #110	2	\$141.21
488 212 17 01	Buchenau, Thomas & Susan	275 E Douglas Ave #109	2	\$130.81
488 161 01 00	Buffo Intervivos Trust	255 W Douglas Ave	2	\$550.27
487 122 48 00	Calvary Chapel Of El Cajon	698 W Main St	2	\$4,642.87
487 122 49 00	Calvary Chapel Of El Cajon	698 W Main St	2	\$4,790.77
488 152 39 00	Carlen D Kelly Trust	124 W Douglas Ave	2	\$135.96
488 231 17 00	Carroll Willie & Neva	151 Claydelle Ave	2	\$2,158.45
488 231 18 00	Carroll Willie & Neva	151 Claydelle Ave	2	\$1,177.33
488 231 19 00	Carroll Willie & Neva	151 Claydelle Ave	2	\$1,177.33
488 231 24 00	Carroll Willie & Neva	220 Avocado Ave	2	\$659.03
487 171 38 00	Chaldean American Association	414 N Magnolia Ave	1	\$2,815.11
488 111 24 00	Chanda Family Trust 05-06-10	388 E Main St	1	\$1,078.00
487 302 31 00	Chapman Diane Living Trust 03-24-04	737-747 W Main St	2	\$2,550.76
487 121 50 00	Chasro Enterprises	1002 W Main St	2	\$1,930.14
488 152 24 00	Chen John	130 W Douglas Ave	2	\$134.06
488 222 21 00	Christ Church Of El Cajon	311 Highland Ave	2	\$2,839.15
488 221 30 00	Christ Temple Apostolic Church	309 Prescott Ave	2	\$1,463.69
487 172 67 00	City Of El Cajon	326 N Magnolia Ave	1	\$1,445.91
487 321 12 00	City Of El Cajon		2	\$512.86
488 072 42 00	City Of El Cajon	E Park Ave	2	\$24,163.74
488 111 28 00	City Of El Cajon	E Main St	1	\$7,967.36

APN	Owner Name	Site Address	Benefit Zone	Parcel Assmt
488 111 30 00	City Of El Cajon	E Main St	1	\$18,523.72
488 192 09 00	City Of El Cajon	E Douglas St	1	\$13,733.36
488 211 22 00	City Of El Cajon	230 Douglas St	2	\$1,680.97
488 152 34 00	Clark Samuel	118 W Douglas Ave	2	\$130.70
487 281 31 00	Clifton Mark A	W Main St	2	\$317.88
487 281 32 00	Clifton Mark A	1033 W Main St	2	\$602.40
487 281 33 00	Clifton Mark A	W Main St	2	\$275.37
487 172 49 00	Collins Family Trust	396 N Magnolia Ave	1	\$2,614.09
488 212 17 05	Collins Family Trust	275 E Douglas Ave #115	2	\$141.21
488 233 06 00	Colson Edward E III II-02-95	677 E Main St	1	\$608.94
488 233 07 00	Colson Edward E III II-02-95	Main St E	1	\$502.82
488 083 14 00	Conrad Conrad G	144-148 E Main St	1	\$632.82
488 212 17 13	Constantino Rachel A	275 E Douglas Ave #105	2	\$154.88
487 192 55 00	Corners Plaza Llc	124 W Main St #240	1	\$3,366.85
487 331 29 00	Correia, John E. Tr	449-469 W Douglas Ave	2	\$1,262.76
487 331 19 00	Corydon & Kathleen Dwight	200-210 Van Houten Ave	2	\$1,590.12
488 211 07 00	Corydon & Kathleen Dwight	221-225 E Main St	1	\$1,087.64
488 111 31 00	County of San Diego	Magnolia Ave N	1	\$17,308.53
488 111 32 00	County of San Diego	Magnolia Ave N	1	\$22,439.58
488 162 17 00	County of San Diego	200 Magnolia Ave	1	\$3,289.50
488 192 08 00	County of San Diego	Prescott Ave	1	\$5,057.22
487 321 27 00	Cunningham Investments Llc	623 W Main St	2	\$3,052.83
488 211 15 00	David & Solveig Bassham	250 E Douglas Ave	2	\$737.86
488 152 18 00	David Fori	154 W Douglas Ave	2	\$136.00
488 191 04 00	Davila Oscar C	131 E Main St	1	\$4,645.07
488 191 11 00	Davila Oscar C	Douglas Ave	2	\$1,040.63
488 191 12 00	Davila Oscar C	Douglas Ave	2	\$520.32
488 191 13 00	Davila Oscar C	Douglas Ave	2	\$520.32
488 010 25 00	Dedrick, Ted R.	451-455 N Magnolia Ave	1	\$3,369.63
488 233 08 00	Dietsch M Monica	689 E Main St	1	\$587.85
488 211 04 00	Digrigoli Santo & Silvana	245 E Main St	1	\$1,238.41
488 151 14 00	Douglas Executive Suites Llc	148 S Orange Ave	2	\$817.59
488 151 16 00	Douglas Executive Suites Llc	224 W Douglas Ave	2	\$516.72
487 192 56 00	Downtown El Cajon Brewing Co	110 N Magnolia Ave	1	\$2,532.17
488 231 10 00	Dwight Corydon G & Kathleen E	205 Claydelle Ave	2	\$1,029.61
488 083 04 00	Eddie Verdugo	Rea Ave	2	\$327.04
488 083 09 00	Eddie Verdugo	116-118 E Main St	1	\$858.47
488 072 38 00	El Cajon Redevelopment Agency	Magnolia Ave N	1	\$3,931.81
488 072 40 00	El Cajon Redevelopment Agency	148 Rea Ave	2	\$1,851.95
488 082 12 00	El Cajon Redevelopment Agency	120-128 Rea Ave	2	\$1,006.29
488 082 18 00	El Cajon Redevelopment Agency	141 N Magnolia Ave	1	\$3,651.45
488 083 03 00	El Cajon Redevelopment Agency	115 Rea Ave	2	\$520.38
488 083 15 00	El Cajon Redevelopment Agency	156 E Main St	1	\$178.07
488 083 16 00	El Cajon Redevelopment Agency	156 E Main St	1	\$178.07
488 083 27 00	El Cajon Redevelopment Agency	149 Rea Ave	2	\$1,424.57
488 111 14 00	El Cajon Redevelopment Agency	146 Ballantyne St	1	\$545.66
488 111 33 00	El Cajon Redevelopment Agency		1	\$1,994.44
488 211 21 00	El Cajon Redevelopment Agency	201 E Main St	2	\$997.20
488 212 19 00	El Cajon Redevelopment Agency	Lexington Ave	2	\$512.86
488 212 20 00	El Cajon Redevelopment Agency	Douglas Ave	2	\$455.89
488 212 22 00	El Cajon Redevelopment Agency	E Douglas St	2	\$2,592.75
487 122 40 00	El Cajon Storage Llc	556 W Main St	2	\$9,764.88
488 010 27 00	El Verano Llc	463-467 N Magnolia Ave	1	\$1,945.05
488 111 06 00	Elias & Khadra Totah	306-312 Ballantyne St	2	\$582.00

APN	Owner Name	Site Address	Benefit Zone	Parcel Assmt
488 233 02 00	Eloise & Edwina Foster	533-545 E Main St	1	\$1,496.20
488 233 03 00	Eloise & Edwina Foster	555 W Main St	1	\$502.82
488 200 02 00	Evans Robert & Marilyn	127 E Lexington Ave	2	\$743.03
483 330 32 00	Faiez & Sena Kattoula	112 E Madison Ave	2	\$633.08
488 112 19 00	Family Karavantes Trust	422 E Main St	1	\$697.77
488 112 20 00	Family Karavantes Trust	484-490 E Main St	1	\$791.46
487 321 11 00	Family Siragusa Trust	553-557 W Main St	2	\$608.29
488 211 06 00	Favro Ili Frank J & Theresa M	229 E Main St	1	\$519.25
488 152 22 00	Federal Natl Mtg Assn Fnma	138 W Douglas Ave	2	\$130.74
488 083 18 00	Fenton, Michael H.	168 E Main St	1	\$367.92
488 083 19 00	Fenton, Michael H.	172-174 E Main St	1	\$614.83
487 321 29 00	Firas Miskina Maykl Allos L L C	533 W Main St	2	\$739.10
487 321 30 00	Firas Miskina Maykl Allos L L C	537 W Main St	2	\$588.67
487 321 31 00	Firas Miskina Maykl Allos L L C	*no Site Address*	2	\$686.78
488 191 14 00	First Baptist Church Of El Cajon	190 E Douglas Ave	2	\$2,016.38
488 231 03 00	Freer, Graham & Diane	321 E Main St	1	\$649.50
487 281 28 00	George A Pearson	1099 W Main St	2	\$1,016.43
488 112 21 00	George Hody	502 E Main St	1	\$1,771.63
488 222 01 00	Ginkel Bypass 07-22-88	235 E Lexington Ave	2	\$923.47
487 341 04 00	Goertz Family Revocable Trust	300-350 W Douglas Ave	2	\$1,282.51
488 191 06 00	Goldman, Ricci L. & Nancy L.	145-155 E Main St	1	\$853.32
487 282 33 00	Goodwin-Donnella R	905 W Main St	2	\$779.92
488 233 05 00	Goward Shirley A	665-669 E Main St	1	\$666.34
487 331 23 00	Green Apple Investments Inc	435 W Main St	1	\$829.12
488 010 36 00	Greg A. Kopoulos Trust	475 N Magnolia Ave	1	\$2,263.83
488 152 38 00	Gubala Robert D & Kimberly A	102 W Douglas Ave	2	\$135.96
487 171 37 00	Gurrara Family Trust	456 N Magnolia Ave	1	\$3,956.74
488 152 26 00	Gutierrez Rick&Sarah	148 W Douglas Ave	2	\$130.70
487 121 41 00	H R F Of San Diego L L C	1090 W Main St	2	\$1,497.83
488 461 17 00	Harvest Time Assembly Of God Church	208 W Lexington Ave	2	\$630.79
487 282 32 00	Hawes Jonathan W	907 W Main St	2	\$304.80
482 301 11 00	Hb Montrose LLC	555 Montrose Ct	2	\$4,849.05
487 171 50 00	Helix Properties L P	225 W Madison Ave	2	\$5,520.91
482 283 09 00	Hellwig Peter K & Kathryn	359 W Madison Ave #200	2	\$1,322.93
488 171 16 00	Hoban Thomas & Anitas	215 W Lexington Ave	2	\$888.23
487 192 53 00	Hoffman Mark H	390 W Main St	1	\$6,066.38
488 212 17 12	Howard A. Kitay	275 E Douglas Ave #108	2	\$208.39
488 112 22 00	J & J Properties A Llc Trust	518-536 E Main St	1	\$3,009.32
488 112 23 00	J & J Properties A Llc Trust	550-554 E Main St	1	\$1,474.22
488 112 43 00	J & J Properties A Llc Trust	522 E Main St	2	\$1,395.86
488 040 11 00	J B M M D Lic (Aka Motoworld)	315-327 N Magnolia Ave	2	\$8,179.86
487 331 02 00	Jack In The Box % Wong Family Trust	393 W Main St	1	\$811.46
487 331 03 00	Jack In The Box % Wong Family Trust	Main St W	1	\$799.12
487 331 04 00	Jack In The Box % Wong Family Trust	127 Van Houten Ave	2	\$243.64
488 152 33 00	Jadee & Rod Gonzales	122 W Douglas Ave	2	\$130.70
487 331 22 00	Jala Inc	425 W Main St	1	\$2,915.54
488 083 24 00	James & Constance Knapp	181 Rea Ave	2	\$1,110.95
488 212 17 11	Jarboe, John C & Sharon S	275 E Douglas Ave #107	2	\$141.21
482 283 08 00	Jenkins Enterprises Of Nevada L L C	375 W Madison Ave	2	\$1,006.03
488 211 18 00	Jlcw Llc	290 E Douglas Ave	2	\$682.72
488 010 13 00	John C Grier	172 Wells Ave	2	\$523.51
487 351 13 00	John Dyer	333 W Lexington Ave	2	\$605.80
483 330 31 00	Johnnys Shell	515 N Magnolia Ave	1	\$1,643.20
487 331 25 00	Johnson Family Trust	450-482 W Douglas Ave	2	\$1,538.19

APN	Owner Name	Site Address	Benefit Zone	Parcel Assmt
488 112 25 00	Joseph & Sandra Dominguez	130 Roanoke Rd	2	\$419.73
487 331 35 00	Kapetanios Properties ll L L C\	401 W Main St	1	\$3,422.36
487 160 05 00	Kazemi Aalam Revocable Trust 06-08-09\	476 W Main St	1	\$1,154.93
488 233 01 00	Kramer Family Trust	525 E Main St	1	\$4,339.62
482 283 06 00	Krause Steven & Toby	337 W Madison Ave	2	\$1,199.18
488 232 28 00	L H Avocado Inc	131 Avocado Ave	2	\$572.30
488 232 29 00	L H Avocado Inc	Avocado Ave	2	\$228.66
488 152 27 00	Landry Richard	144 W Douglas Ave	2	\$130.70
487 351 18 00	Lexington 338 Associates Ltd	338 W Lexington Ave	2	\$1,796.55
487 331 09 00	Lottes Family Trust	321-325 Van Houten Ave	2	\$1,682.08
488 152 41 00	Lovas Tonya	116 W Douglas Ave	2	\$130.70
488 221 31 00	M D T Investments L P	269 E Lexington Ave	2	\$890.65
488 221 32 00	M D T Investments L P	277 E Lexington Ave	2	\$562.50
488 221 33 00	M D T Investments L P	291 E Lexington Ave	2	\$827.27
488 212 17 08	M Dale & Shelly Mills	275 E Douglas Ave #102	2	\$141.21
482 301 09 00	Madison Avenue Investments	222 W Madison Ave	2	\$1,557.74
483 330 33 00	Madison Avenue Property Lic	126-128 E Madison Ave	2	\$514.43
488 191 03 00	Malikyar, Daoud M Trust	123 E Main St	1	\$492.85
488 191 05 00	Malikyar, Daoud M. & Nadia	143 E Main St	1	\$1,161.55
488 083 20 00	Marrujo Gabriel F	176-178 E Main St	1	\$573.95
488 083 21 00	Marrujo Guadalupe	182 E Main St	1	\$1,308.15
488 083 22 00	Marrujo Guadalupe	188 E Main St	1	\$441.50
488 083 23 00	Marrujo Guadalupe	194 E Main St	1	\$635.68
488 010 40 00	Mehul Hospitality Lic	471 N Magnolia Ave	1	\$3,977.43
488 211 20 00	Mench, Leland E. li	270 E Douglas Ave	2	\$1,572.26
488 152 44 00	Mersereau Alan	104 W Douglas Ave	2	\$130.70
488 152 37 00	Messmore John&Ashley	106 W Douglas Ave	2	\$130.70
488 113 10 00	Michael Kelly Trust	620 E Main St	1	\$1,843.75
488 083 26 00	Mission Sq. Shopping Ctr	102-110 E Main St	1	\$1,000.73
482 301 06 00	Mobil Oil Corp	Magnolia Ave N	1	\$2,136.86
488 152 20 00	Moore-Kochlacs Peter G & Emma C	146 W Douglas Ave	2	\$130.74
488 040 07 00	Morraine E Stangl Trust	399 N Magnolia Ave	1	\$2,948.49
488 233 51 00	Moss Gerald R & Judy Y	Taft Ave	2	\$2,906.12
488 233 53 00	Moss Gerald R & Judy Y	Main St	2	\$370.34
482 301 10 00	Motel 6 Operating L P	550 Montrose Ct	2	\$11,658.55
488 191 08 00	Naraghi Investment Group L L C	165-169 E Main St	1	\$1,429.81
488 172 18 00	Naylor Family Trust	314 S Magnolia Ave	2	\$353.52
487 331 01 00	Norman E Cayugan	351 W Main St	1	\$854.14
487 341 01 00	Norman E Cayugan	Main St	1	\$607.96
488 040 08 00	North Island Federal Credit Union	301 N Magnolia Ave	1	\$4,735.99
488 010 38 00	Northgate Hospitality	461 N Magnolia Ave	1	\$2,215.84
488 083 05 00	Olaf Wieghorst Museum Foundation	131 Rea Ave	2	\$555.96
488 152 31 00	Olazabal Manuel A R&Reyna Tammy S	128 W Douglas Ave	2	\$135.96
487 331 24 00	Orkin Inc.	489 W Main St	1	\$1,582.29
488 152 28 00	Pacheco Gabriel	140 W Douglas Ave	2	\$130.70
488 233 47 00	Pacific Bell	*no Site Address*	2	\$4,043.36
488 231 25 00	Paul J & Laurel M Morello	226 Avocado Ave	2	\$845.72
488 010 23 00	Pearson, Bobbi J Family	166 Wells Ave	2	\$585.66
488 151 21 00	Pedersen Family 2001 Trust	132-144 S Orange Ave	2	\$1,073.60
488 152 45 00	Peters Evelyn L	100 W Douglas Ave	2	\$135.58
488 162 16 00	Pfuhl, John W Trust	266 S Magnolia Ave	1	\$1,612.62
488 152 43 00	Phan Kim	108 W Douglas Ave	2	\$130.70
488 211 03 00	Polyk Lisajeanne	251 E Main St	1	\$309.79
488 152 30 00	Premier Wireless Service	132 W Douglas Ave	2	\$130.70

APN	Owner Name	Site Address	Benefit Zone	Parcel Assmt
488 152 47 00	Promenade Square L L C	133 W Main St	1	\$3,330.96
488 152 48 00	Promenade Square L L C	155 Main St	1	\$349.85
488 152 49 00	Promenade Square L L C	175 W Main St	1	\$788.08
488 152 50 00	Promenade Square L L C	W Main St	1	\$1,923.14
488 200 45 00	Promising Futures Inc	109 E Lexington Ave	2	\$895.76
488 232 03 00	Quin Yvonne	423-437 E Main St	1	\$1,414.44
488 232 04 00	Quin Yvonne	445 E Main St	1	\$716.05
488 152 29 00	Reddick Bonnie L	136 W Douglas Ave	2	\$130.70
488 211 01 00	Refoua Maurice	261 E Main St	1	\$1,946.36
488 211 02 00	Refoua Maurice & Mois	261 E Main St	1	\$575.42
488 212 17 07	Robert E. Lewis Trust	275 E Douglas Ave #101	2	\$156.91
488 083 01 00	Robert Shamoun	119-123 N Magnolia Ave	1	\$895.26
488 212 17 06	Robinson, Russel K & Mary A	275 E Douglas Ave #116	2	\$151.61
487 173 37 00	Rogers, Galen E.	234 N Magnolia Ave	1	\$2,009.40
488 040 02 00	Romero Rose M Trust	353 E Park Ave	2	\$1,412.67
488 152 25 00	Root David L	152 W Douglas Ave	2	\$135.91
487 192 47 00	Rs Partners LP	198 W Main St	1	\$26,317.10
487 192 51 00	Rs Partners LP	Sunshine Ave N	1	\$1,468.40
487 192 54 00	Rs Partners LP	194 W Main St	1	\$2,811.29
482 302 02 00	Rubin Mark & Michelle	480 N Magnolia Ave	1	\$2,142.42
487 282 27 00	Rus Florin-Gabriel	935 W Main St	2	\$392.31
487 282 28 00	Rus Florin-Gabriel	Main St W	2	\$198.07
487 282 29 00	Rus Florin-Gabriel	925 W Main St	2	\$415.99
487 282 31 00	Rus Florin-Gabriel	939 W Main St	2	\$275.37
488 111 34 00	Russ & Lucy John Mcmillian	Ballantyne St	1	\$626.77
488 152 32 00	Sadler Robert M	126 W Douglas Ave	2	\$135.96
487 160 07 00	Sagart Shawn	444 W Main St	1	\$3,037.77
488 083 02 00	Saint Madeleine Sophies Cntr.	109-111 Rea Ave	1	\$719.32
488 152 19 00	Salgado Richard & Luz J	150 W Douglas Ave	2	\$130.74
487 192 52 00	San Diego Credit Union	312 W Main St	1	\$3,313.30
487 121 24 00	San Diego Gas & Electric	Main St	2	\$9,110.87
487 121 25 00	San Diego Gas & Electric	Main St	2	\$2,307.84
487 121 76 00	San Diego Gas & Electric	*no Site Address*	2	\$4,542.55
487 121 92 00	San Diego Gas & Electric	Main St	2	\$4,587.16
487 262 04 00	San Diego Metropolitan Transit	166 S Marshall Ave	2	\$3,333.49
487 262 09 00	San Diego Metropolitan Transit	1133 W Main St	2	\$1,209.25
487 273 06 00	San Diego Metropolitan Transit	398 S Marshall Ave	2	\$4,729.55
488 152 35 00	Sanchez Ricardo J&Ali Sundus I	114 W Douglas Ave	2	\$130.70
487 301 27 00	Saul & Maria Bejarano	813 W Main St	2	\$430.90
482 282 03 00	Sawa Shlaimon T & Layla	407 W Madison Ave	2	\$299.24
488 162 18 00	Schreck Charles E & Erma L Trust	240 S Magnolia Ave	1	\$1,588.91
487 171 47 00	Security Title Insurance	460 N Magnolia Ave	1	\$2,134.74
488 040 13 00	Shadow Mountain Community Church Inc	367-389 Wells Ave	2	\$7,622.18
488 040 14 00	Shadow Mountain Community Church Inc	345 Wells Ave	1	\$4,320.28
487 160 04 00	Shawn Sagart	464 W Main St	1	\$4,499.79
488 152 21 00	Sherlock Karl J	142 W Douglas Ave	2	\$130.74
488 162 13 00	Shorridge Terry & Mary	120-180 W Lexington Ave	2	\$653.22
487 301 25 00	Sidjam L L C	101 Richfield Ave	2	\$857.43
487 331 08 00	Silva Sai A Family Trust	360 W Lexington Ave	2	\$552.89
488 191 02 00	Silverman Family Trust	115-117 E Main St	1	\$1,079.80
487 331 30 00	Slagill Roger S	437-447 W Douglas Ave	2	\$664.41
488 200 01 00	Smith Andrew A & Gaile H	145 E Lexington Ave	2	\$722.10
487 301 30 00	Sotcher Co	104 Richardson Ave	2	\$735.63
488 162 15 00	Southern Calif. Developent Corp. Of Voa Inc	290 S Magnolia Ave	1	\$1,480.41

APN	Owner Name	Site Address	Benefit Zone	Parcel Assmt
488 152 36 00	Spencer Emmanuel D	110 W Douglas Ave	2	\$130.70
483 330 22 00	Spread The Word L P	Magnolia Ave N	1	\$2,049.95
483 330 34 00	Spread The Word Lp	531-565 N Magnolia Ave	1	\$2,138.99
488 152 23 00	Steeps Sheridan D	134 W Douglas Ave	2	\$130.70
488 151 05 00	Storrs Lic	205 E Main St	1	\$584.58
488 151 18 00	Storrs Lic	231 W Main St	1	\$699.78
488 151 20 00	Storrs Lic	231 W Main St	1	\$2,058.45
487 342 06 00	Sunshine Partners	Sunshine St S	2	\$2,649.72
487 192 50 00	Swaroop Second Family L P	220 W Main St	1	\$2,906.46
488 151 15 00	Sweeney Family Trust	260 W Douglas Ave	2	\$605.02
488 151 12 00	Sweetwood James R & Darlene S	151 S Sunshine Ave	2	\$1,341.90
488 112 24 00	Tahili Investments L L C	562-566 E Main St	1	\$947.13
488 152 40 00	Talton Jacinda N	120 W Douglas Ave	2	\$130.70
488 161 02 00	Terry Arbaugh Trust	227-231 W Douglas Ave	2	\$366.94
482 302 06 00	The Copley Press Inc	185 W Madison Ave	2	\$1,311.48
488 191 01 00	The Salvation Army	101 E Main St	1	\$1,112.71
488 112 67 00	The Southland Corp.	410 E Main St	1	\$1,247.24
488 191 07 00	Tres Caminos L P	161 E Main St	1	\$1,337.34
488 233 04 00	U S Credit Bancorp Inc	575 E Main St	1	\$709.02
487 301 26 00	U S Financial L P	821 W Main St	2	\$594.55
488 191 09 00	Unarius Educational Foundation	131 N Magnolia Ave	1	\$472.41
488 191 15 00	Unarius Educational Foundation	145 S Magnolia Ave	1	\$105.03
488 191 16 00	Unarius Educational Foundation	147 S Magnolia Ave	1	\$714.58
488 212 17 16	Valle De Oro Financial	275 E Douglas Ave #112	2	\$154.88
488 231 12 00	Valley Congregation Of Jehovahs Witness	211 Claydelle Ave	2	\$630.45
487 172 22 00	Vision Five L L L P	374 N Magnolia Ave	1	\$2,723.81
488 152 42 00	Warner Gradon G	112 W Douglas Ave	2	\$130.70
487 321 34 00	Webster E&L Family Limited Partnership	613 W Main St	2	\$3,086.25
487 321 33 00	Webster Eddie M&Linda S Family Trust	601-607 W Main St	2	\$2,745.61
488 212 17 10	Wenbourne, Thomas E & Deborah L	275 E Douglas Ave #106	2	\$132.84
482 283 05 00	Wilson Renae L 01-27-06	275 W Madison Ave	2	\$1,561.47
488 172 20 00	Wokuluk Gary J	119-137 W Lexington Ave	2	\$1,233.65
488 010 24 00	Wong Family Trust	405 N Magnolia Ave	1	\$1,532.17
488 232 31 00	Yousif Othman & Basima	421 E Main St	1	\$1,169.16
487 172 70 00	Zeman Victor W&Sarah C Family Trust	140 W Park Ave #152	2	\$1,733.89
488 172 01 00	Zions First National Bank	175 W Lexington Ave	2	\$937.68
488 231 22 00	Zouhar, Edward & Emile	303-305 E Main St	1	\$1,202.60
<b>Grand Total</b>				<b>\$560,000</b>



## ATTACHMENT B

### CONFLICT OF INTEREST DETERMINATION

CORPORATION shall at all times comply with the terms of the Political Reform Act and the local conflict of interest ordinance. CORPORATION shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the City in which the CORPORATION has a financial interest as defined in Government Code Section 87103. CORPORATION represents that it has no knowledge of any financial interests which would require it to disqualify itself from any matter on which it might perform services for the City.

“CONSULTANT<sup>1</sup>” means an individual who, pursuant to a contract with a state or local agency:

(A) Makes a governmental decision whether to:

1. Approve a rate, rule or regulation;
2. Adopt or enforce a law;
3. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
4. Authorize the City to enter into, modify, or renew a contract provided it is the type of contract that requires City approval;
5. Grant City approval to a contract that requires City approval and to which the City is a party, or to the specifications for such a contract;
6. Grant City approval to a plan, design, report, study, or similar item;
7. Adopt, or grant City approval of, policies, standards, or guidelines for the City, or for any subdivision thereof; or

(B) Serves in a staff capacity with the City and in that capacity participates in making a governmental decision as defined in Regulation 18702.2 or performs the same or substantially all the same duties for the City that would otherwise be performed by an individual holding a position specified in the City’s Conflict of Interest Code.

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<sup>1</sup> The City’s Conflict of Interest Code and the Political Reform Act refer to “consultants,” not “contractors.” The City’s professional services agreements might refer to the hired professional as a “contractor,” not a “consultant,” in which case the Conflict of Interest Code may still apply. The Conflict of Interest Code, however, does not cover public works contractors.

**DISCLOSURE DETERMINATION:**

- 1. CORPORATION will not be "making a government decision" or "serving in a staff capacity" as defined in Sections A and B above. No disclosure required.
- 2. CORPORATION will be "making a government decision" or "serving in a staff capacity" as defined in Sections A and B above. As a result, CORPORATION shall file, with the City Clerk of the City of El Cajon in a timely manner as required by law, a Statement of Economic Interest (Form 700) as required by the City of El Cajon Conflict of Interest Code, and the Fair Political Practices Commission, to meet the requirements of the Political Reform Act. \*

Signature Nancy Palm Date 1/25/12  
Name NANCY PALM Department CITY MANAGER'S OFFICE  
City Attorney Approval of Determination [Signature]  
City Manager Approval of Determination [Signature]

\*CORPORATION's disclosure of investments, real property, income, loans, business positions and gifts, shall be limited to those reasonably related to the project for which CORPORATION has been hired by the CITY. The scope of disclosure for CORPORATION is attached hereto as Attachment B-1.

**ATTACHMENT B-1**

**CONFLICT OF INTEREST SCOPE OF DISCLOSURE**

(For use in preparing California Form 700)

Investments: "Investment" means a financial interest in any business entity engaged in the business of sales, marketing and promotion benefitting Business Improvement Districts pursuant to the California Parking and Business Improvement District Law of 1989 and/or 1994, respectively.

Real Property: "Real property" interests are limited to real property in the city of El Cajon, wherever located.

Sources of Income: "Sources of income" means income (including loans, business positions, and gifts) of CORPORATION, in excess of \$500 or more during the reporting period from sources that are business entities engaged in the business of providing sales, marketing and/or promotion support of Business Improvement Districts.



City Council  
Agenda Report

**DATE:** December 14, 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:

November 16, 2021 – Special City Council Meeting  
November 17, 2021 – Home Start Walk and Rally Event  
November 25, 2021 – Served food at Salvation Army  
November 25, 2021 – KUSI Interview  
December 5, 2021 – KUSI Interview  
December 6, 2021 – Mark Larson Show  
December 14, 2021 – City Council Meeting(s)  
December 14, 2021 – State of the City Event

I am available to answer questions.

Submitted By: Bill Wells, Mayor

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City Council  
Agenda Report

Agenda Item 20.

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Bill Wells, Mayor  
**SUBJECT:** City Council Assignments

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**RECOMMENDATION:**

That the City Council approves City Council assignments (as identified in the report) to various boards and commissions representing El Cajon.

**BACKGROUND:**

The City Council represents the community and region on various boards and commissions. The following table includes proposed assignments:

<b>Board/Commission</b>	<b>Primary</b>	<b>Alternate</b>
SANDAG Board of Directors	Bill Wells	Steve Goble
SANDAG Public Safety Committee	N/A	Steve Goble
SANDAG Audit Committee	Bill Wells	N/A
MTS	Steve Goble	Phil Ortiz
METRO Commission/Wastewater JPA	Gary Kendrick	Steve Goble
East County Advanced Purification JPA	Steve Goble	Phil Ortiz
League of California Cities, San Diego Division	Phil Ortiz	Graham Mitchell
Heartland Communications	Gary Kendrick	Michelle Metschel
Heartland Fire Training JPA	Gary Kendrick	Michelle Metschel
Chamber of Commerce - Gov't Affairs Committee	Steve Goble	Phil Ortiz
East County Economic Development Council	Phil Ortiz	N/A
Harry Griffen Park Joint Steering Committee	Michelle Metschel	N/A

Note that I was elected by the East County Mayors to represent East San Diego County on the San Diego Local Agency Formation Commission (LAFCO).

Prepared By: Graham Mitchell, City Manager  
Reviewed By: N/A  
Approved By: N/A

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## City Council Agenda Report

**Agenda Item 21.**

**DATE:** December 14, 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.

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**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:

- November 8 - Meeting with Majdal Center via Zoom
- November 9 - Email Karina @ Home Start to contact Mr. Mueller
- November 9 - Email Jeremy D regarding County's Working Family Ordinance
- November 10 - Lunch w/ Steve and Carl from EDCO
- November 11 - Ribbon Cutting for FITCO2
- November 11 - Speak at Veterans' Day Ceremony
- November 12, 2021 - Attend Zoom meeting of ECHTF
- November 12, 2021 - Email Bonnie at EC Homeless Task Force
- November 15, 2021 - Attend mtg with Allen at East County AWP
- November 15, 2021 - Email Ramah A. re: map demographic tool
- November 15, 2021 - Email Rich R re: his potential claim
- November 15, 2021 - Email Josh F. re: freeway noise mitigation referral
- November 16, 2021 – Attend Special City Council Meeting
- November 16, 2021 - Attend Assoc of Genl Contractors Award Luncheon
- November 16, 2021 - Meeting w/ City Mgr, Councilmember Metschel
- November 16, 2021 - Email Joe @ SDGE re: GHG impact of natural gas

November 17, 2021 - Attend Home Start event  
November 17, 2021 - Volunteer yardwork at Villa Novia Senior Park  
November 17, 2021 - Meeting with Danean, Susan, Scott re: Safe Parking idea  
November 17, 2021 - Email with City Atty re: AWP contract  
November 18, 2021 - Attend MTS Board Meeting  
November 18, 2021 - Attend East County AWP Board meeting  
November 19, 2021 - Volunteer yardwork at Villa Novia Senior Park  
November 19, 2021 - Attend Natl Black Contractors Assn graduation event  
November 24, 2021 - Meeting w/Eric A. re: what's going on in City  
November 17, 2021 - Attend City tree lighting event  
November 29, 2021 - Email Tom W re: sewer charge calculation  
November 29, 2021 - Email Steve S @ EDCO re: VMT tax  
December 1, 2021 - Email to City Mgr of SANDAG Plan analysis  
December 2, 2021 - Phone call with Jeremy D. County WFO  
December 2, 2021 - Email to Danean re: students living in cars  
December 2, 2021 - Speak at County Map Redistricting hearing  
December 3, 2021 - Email to staff re: status of emergency cabins  
December 3, 2021 - Phone calls to Home Start, ECTLC, and staff for help for Krystal  
December 4, 2021 - Attend El Cajon Rock Church Toys for Joy event  
December 4, 2021 - Phone Call with Noori Barka re: County redistricting  
December 7, 2021 - Attend Chamber Gov't Affairs Meeting  
December 9, 2021 - Ribbon Cutting Off The Shelf Games  
December 13, 2021 - Meeting w/City Manager  
December 14, 2021 - Attend City Council Meeting  
December 14, 2021 - Attend State of the City Address

I am available to answer questions.

Submitted By: Steve Goble, Councilmember

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City Council  
Agenda Report

Agenda Item 22.

**DATE:** December 14, 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:

November 16, 2021 – Attend Special City Council Meeting  
December 2, 2021 – Metro Wastewater JPA  
December 14, 2021 – Attend City Council Meeting(s)

I am available to answer questions.

Submitted By: Gary Kendrick, Mayor Pro Tem

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City Council  
Agenda Report

**DATE:** December 14, 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.

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**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:

November 12, 2021 – Attend East County Homeless Task Force Zoom meeting

November 16, 2021 – Special City Council Meeting

November 17, 2021 – Assist resident with County Security Deposit program issue.

November 29, 2021 – Attend East County Homeless Task Force Zoom meeting with County reps

December 4, 2021 – Update plans for Dec. 18 event at ECTLC

December 10, 2021 – Attend East County Homeless Task Force Zoom Meeting

December 11, 2021 - Attend Toys for Joy Event

December 14, 2021 – Attend City Council Meeting(s)

December 14, 2021 - Attend State of the City

I am available to answer questions.

Submitted By: Michelle Metschel, Councilmember

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City Council  
Agenda Report

Agenda Item 24.

**DATE:** December 14, 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.

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**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:

November 16, 2021 – Special City Council Meeting  
November 17, 2021 – East County Economic Development Council Board Meeting  
November 26, 2021 – Ribbon Cutting Ceremony – TOOR Knives  
December 4, 2021 – Toys for Joy – Cajon Valley Middle School  
December 9, 2021 – Ribbon Cutting Ceremony – Off the Shelf Games  
December 14, 2021 – City Council Meeting(s)  
December 14, 2021 – State of the City Event

I am available to answer questions.

Submitted By: Phil Ortiz, Councilmember

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**City Council  
Agenda Report**

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Steve Goble, Councilmember & Michelle Metschel, Councilmember  
**SUBJECT:** Safe Parking Program

---

**RECOMMENDATION:**

That the City Council directs staff to report back in 90 days with feedback on sites and partners that can provide a safe parking program in the City.

**BACKGROUND:**

For many years, the City of El Cajon has been a leader in creative solutions to address homelessness. From contracting for its own Housing Navigator to providing travel funds for those wishing to reunite with friends and family, the City has developed fruitful relationships with many community partner organizations to meet homeless needs in our community.

One area the City has not yet tested is the concept of a pre-screened, secure, overnight safe parking area. For a variety of reasons, some people are living out of their cars. This condition could be due to loss of a job, escaping domestic violence, loss of permanent housing, and other situations. Some occurrences involve multiple individuals living in a vehicle, including children.

In the same way we have seen success through the use of contracted social service providers, there may be an opportunity to do the same with a safe parking program. A safe parking program would require several community partners to participate in order to operate the program effectively. Some considerations include the location of the site and its compatibility with the surrounding area, operating hours, security, maximum number of vehicles on-site, visitor policy, type of vehicles allowed, code of conduct while on-site, screening criteria, and more. Certainly, a wrap-around service by an experienced provider would be essential and required for all tenants. Besides on-site amenities, other benefits might include funds restricted for minor automotive repairs or fuel cards if those are barriers to success such as employment, healthcare, or schooling.

Several community partners have expressed interest in working together, and we would like City staff to investigate whether this program could operate effectively in the City.

**Prepared By:** Steve Goble, Councilmember & Michelle Metschel, Councilmember  
**Reviewed By:** N/A  
**Approved By:** N/A

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City Council  
Agenda Report

DATE: December 14, 2021  
TO: Honorable Mayor and City Councilmembers  
FROM: Steve Goble, Councilmember; Bill Wells, Mayor  
SUBJECT: Consider Resolution Opposing the Proposed SANDAG Vehicle Miles Traveled (VMT) Tax

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RECOMMENDATION:

That the City Council adopts the next Resolution, in order, opposing the Vehicle Miles Traveled (VMT) tax.

BACKGROUND:

Both SANDAG and the State of California are undertaking simultaneous efforts to enact a Vehicle Miles Traveled (VMT) tax. A VMT tax is designed so that drivers pay for the number of miles they travel with the revenue generated used for road repair, construction, and maintenance. Currently, the state (and Federal) government tax each gallon of gasoline for this purpose, with California having the highest per gallon gasoline tax in the country.

The State's version of the VMT tax would charge drivers \$0.02/mile and is currently in its pilot program stage. If the pilot program is successful, the State could attempt to implement the VMT by 2030. There has been no confirmation as to whether the VMT tax would be added to or would replace the current gas tax. There remains a significant amount of skepticism about the willingness of the State to repeal the gas tax and therefore there is a real possibility that drivers will face both taxes.

SANDAG's purpose in initially pursuing a VMT tax is directly related to implementing its proposed Regional Transportation Plan (RTP). The RTP, which focuses on promoting alternative forms of transportation, including a massive investment in commuter alternatives, is dependent on the VMT as the single largest revenue source to implement the RTP, along with several other tax increases and new taxes phased in over a period of years. SANDAG initially proposed a VMT tax would "piggy-back" an additional \$0.02/mile onto the State's VMT tax. SANDAG has been criticized for the heavy tax burden the RTP has, along with the likelihood that the taxes associated with the implementation of the RTP will be *in addition to*, and not replacing, the existing tax structure in the County.

On December 3, 2021, the SANDAG Board, in a significant reversal, directed staff to examine other revenue sources to fund the RTP. The decision was the result of strong opposition to the VMT tax from across the political spectrum. This direction will likely necessitate a substantial reappraisal of how the RTP is funded and may result in a major revision to the RTP itself - which, taken as a whole, has also been the subject of significant opposition. As of the date of

this agenda report, a vote on the RTP by the SANDAG Board is scheduled for Friday, December 10, 2021.

The VMT is a highly regressive tax. This fact is becoming more and more apparent to various stakeholders across the County. Without a discount or other adjustment, the VMT tax will disproportionately impact lower income individuals who are dependent upon their car for commuting to work, dropping off and picking up children from school and other activities, or those who work out of their vehicle, such as landscapers.

While it is important that the County have a cogent transportation strategy, the VMT, along with other elements of the RTP, are ill-conceived, economically damaging to the communities that SANDAG is ostensibly trying to help, and a malignant form of double taxation.

The cities of Vista and Escondido have passed resolutions opposing the VMT tax, and we ask our colleagues to join us by adopting a resolution in opposition to the VMT tax, as well.

Prepared By: Steve Goble, Councilmember; Bill Wells, Mayor

Reviewed By: Vince DiMaggio, Assistant City Manager

Approved By: Graham Mitchell, City Manager

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#### Attachments

Resolution

RESOLUTION NO. \_\_\_\_-21

RESOLUTION OF THE CITY COUNCIL FOR THE  
CITY OF EL CAJON, CALIFORNIA, OPPOSING  
THE VEHICLE MILES TRAVELED (VMT) TAX  
PROPOSED BY THE STATE OF CALIFORNIA AND  
SAN DIEGO ASSOCIATION OF GOVERNMENTS

WHEREAS, the State of California (the "State") and San Diego Association of Governments ("SANDAG") are undertaking simultaneous efforts to enact a Vehicle Miles Traveled ("VMT") tax designed to tax vehicle drivers for the number of miles traveled, with the revenue generated to be used for road repair, construction, and maintenance; and

WHEREAS, there are currently state (and federal) government taxes on each gallon of gasoline for this purpose, and the State has the highest per gallon gasoline tax in the United States; and

WHEREAS, the State's version of the VMT tax, currently in its pilot program stage, but anticipated to be implemented by 2030, would charge drivers \$0.02/mile, and there has been no indication whether the VMT tax would be added to, or would replace the current gas tax; and

WHEREAS, SANDAG's purpose in pursuing a VMT tax is directly related to implementing their proposed Regional Transportation Plan ("RTP"), which focuses on promoting alternative forms of transportation, including a massive investment in commuter alternatives, and is dependent on the VMT as the single largest revenue source to implement the RTP; and

WHEREAS, presently, SANDAG's proposed VMT tax would "piggy-back" an additional \$0.02/mile onto the State's VMT tax, totaling \$0.04/mile; and

WHEREAS, the VMT is a highly regressive tax that will disproportionately impact lower income individuals who are dependent upon their car for commuting to work, dropping off and picking up children from school and other activities, or those who work out of their vehicle, such as landscapers.

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

Section 1. The City Council of the City of El Cajon hereby opposes the Vehicle Miles Traveled Taxes currently proposed by both the State and SANDAG.

Section 2. The City Council finds that the proposed VMT taxes will disproportionately impact lower income individuals who are dependent upon their vehicles for commuting to work, dropping off and picking up children from school and other activities, or those who work out of their vehicle, such as landscapers. In making this

determination the City Council estimates that on the average a vehicle is driven 300 miles each week by residents of the City of El Cajon, used for commuting to work, performing work duties, transporting children to schools, shopping, and other activities, and that the combined taxes paid each year for each driver in El Cajon would amount to over \$600.

Section 3. BE IT FURTHER RESOLVED that the City Council of the City of El Cajon calls on the State and SANDAG to reject the VMT tax, and calls on all municipal jurisdictions and residents of San Diego County to work to stop this proposal.

12/14/21 CC Agenda  
Reso – Opposing Proposed SANDAG Vehicle Miles Traveled (VMT) Tax 120321



City Council  
Agenda Report

Agenda Item 27.

**DATE:** December 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Yazmin Arellano, Director of Public of Works  
**SUBJECT:** Amendment to Chapter 8.24 Garbage, Rubbish and Refuse Ordinance

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**RECOMMENDATION:**

That the City Council considers the attached ordinance amending Chapter 8.24 (Garbage, Rubbish and Refuse) to comply with SB1383 as regulated by CalRecycle and, if approved, takes the following actions:

1. By Motion and Second, introduce the ordinance; and
2. Direct the City Clerk to read the title of the ordinance.

**BACKGROUND:**

The legislature of the State of California through the enactment of the California Integrated Waste Management Act of 1989, (AB 939), (the "Act" codified at Public Resources Code §§ 40000 et seq.), established a solid waste management process which requires cities and other local jurisdictions to implement plans for source reduction, reuse, and recycling as integrated waste management practices for solid waste attributed to sources within their respective jurisdictions.

The Act provides that aspects of solid waste handling of local concern include, but are not limited to, frequency of collection, means of collection and transportation, level of services, charges and fees, and nature, location and extent of providing solid waste services. The Act encompasses mandates including AB 341 and AB 1826, as well as the newly adopted Short-Lived Climate Pollutants mandate, SB 1383.

SB 1383 builds on existing legislation, including AB 341 and AB 1826. The stated purpose of SB 1383 is to reduce organic waste disposal, recover edible food waste from the waste stream, and reduce methane emissions. The goal of SB 1383 is to reduce greenhouse gas emissions to 40% below 1990 levels by year 2030. To achieve this, the target is to reduce organic waste that ends up in the landfill 50% by year 2020, and 70% by year 2025. In addition to reducing landfilled organics by 75%, the State is requiring agencies to recover edible food (currently thrown away by commercial food generators) by as much as 20% through actions such as establishing edible food recovery programs. To achieve the reduction of landfilled waste, and to increase recovery, the State has mandated the following:

1. Provide organics collection services to all residents, multi-family complexes and businesses;
2. Establish edible food recovery programs;



3. Conduct education and outreach to the community;
4. Procure recyclable and recovered organics products; and
5. Monitor compliance and conduct enforcement.

The proposed ordinance maintains the same structure as the existing code, but adds and addresses the required elements of SB 1383, including:

- Collection Services: Trash, recyclable and organic collection services for all commercial, multi-family and residential accounts are required unless a commercial waiver is granted;
- Commercial Edible Food Generators: These generators are required to recover the maximum amount of edible food that would otherwise be disposed in the waste stream and implement related programs. These generators shall maintain records and provide City staff with access to the records;
- Food Recovery Organizations: Shall maintain records and provide City staff with access to the records;
- Inspections and Investigations: City representatives are authorized to conduct inspections and investigations to conform compliance. Regulated entities shall provide access to their facilities and cooperate with City staff during the process; and
- Enforcement: Violation of any provision of the ordinance shall be a misdemeanor that may be enforced by the City in any manner authorized by law, including but not limited to an administrative citation, criminal citation, nuisance abatement action, or civil action.

On May 12, 2020, the City Council unanimously approved a Collection Services Franchise Agreement for the Provision of Residential and Commercial Garbage, Recyclable Materials and Organics Waste Collection Services between the City and EDCO Disposal Corporation. The agreement went into effect on January 1, 2021. The proposed ordinance contains the necessary provisions to ensure that residents and property owners, as well as the City's franchisee, EDCO, comply with the state law requirements concerning solid waste including the mandates in SB 1383.

#### CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The proposed Municipal Code amendment is exempt from the provisions of the California Environmental Quality Act ("CEQA") according to the common sense exemption (CEQA Guidelines, section 15061(b)(3)). The common sense exemption applies where it can be seen with certainty that there is no possibility the activity in question may have a significant effect on the environment. The proposed amendment does not result in any development or changes to the physical environment and does not raise this project to a level of significance that warrants CEQA analysis.

#### FISCAL IMPACT:

All Code Requirements of this revision are incorporated into the City's existing Franchise Agreement with EDCO, except for the food recovery program. The food recovery program is currently under development, and a separate item will be presented to the City Council to address this program's cost.

Prepared By: Dennis Davies, Deputy Director of Public Works

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

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#### Attachments

Draft Ordinance - Amend - ECMC 8.24

ORDINANCE NO. \_

AN ORDINANCE TO AMEND CHAPTER 8.24 OF THE  
EL CAJON MUNICIPAL CODE TO FURTHER REGULATE  
THE DISPOSAL OF ORGANIC WASTE FROM  
RESIDENTIAL AND COMMERCIAL SOURCES

WHEREAS, the California Integrated Waste Management Act of 1989 (California Public Resources Code sections 40000 *et seq.*, the "Act") was adopted in order to address the statewide concern of increasing solid waste generated in the state while at the same time recognizing decreasing resources for disposal through landfills; and

WHEREAS, the Act is an effort to create a coherent state policy to ensure that solid waste in the state is managed in an effective and environmentally sound manner; and

WHEREAS, the Act declares that both state and local agencies share in the responsibility for solid waste management; and

WHEREAS, the Act has been amended since 1989 to establish more meaningful approaches to solid waste disposal by requiring reduction, recycling, and reuse of solid waste in ways to reduce what goes to landfills; and

WHEREAS, the Act and such regulations promulgated to implement and enforce the Act have been modified since 1989, requiring local agencies having control of the collection and disposal of solid waste to make adequate provision for solid waste handling, both within their respective jurisdictions and in regional needs by diverting solid waste previously sent to landfills to be reduced by 75% through source reduction, recycling, or composting, as early as 2020; and

WHEREAS, City of El Cajon (the "City") has responded to the Act by adopting and, when necessary, amending Chapter 8.24 of the El Cajon Municipal Code ("Chapter 8.24") to maintain both consistency and conformity with the Act as amended from time-to-time, and to achieve its diversion goals; and

WHEREAS, in order continue efforts to achieve state-mandated diversion goals, the City finds it necessary to make additional amendments to Chapter 8.24 with this ordinance to address procedures for diverting organic waste generated from commercial operations and from households.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CAJON DOES ORDAIN AS FOLLOWS:

SECTION 1. Chapter 8.24 of Title 8 of the El Cajon Municipal Code is hereby repealed in its entirety.

SECTION 2. A new Chapter 8.24 is hereby added to Title 8 of the El Cajon Municipal Code to read as follows:

## **Chapter 8.24 GARBAGE, RUBBISH AND REFUSE**

### **8.24.010 Purpose and intent.**

- A. The storage, accumulation, collection and disposal of garbage, trash, rubbish, debris, and other discarded matter, goods, and materials is a matter of great public concern, in that improper control of such matters creates a public nuisance, can lead to air pollution, fire hazards, illegal dumping, insect breeding and rat infestation, and other conditions affecting the health, welfare, and safety of the residents and businesses of this and surrounding cities. The periodic collection of garbage, rubbish, and other refuse from all residences and places of business in the city benefits all occupants of residences and businesses within the city and, therefore, the collection of garbage and refuse for single-family residences, multi-family residences, commercial establishments generating garbage or rubbish (each as defined in section 8.24.020), restaurants, eating houses, boarding houses, or other building or facility where meals are furnished and generating garbage (as defined in section 8.24.020), in the city shall be a mandatory service, and all property owners are made liable for the payment of such fees for the mandatory service as may be from time to time approved by the city council. The regulations provided in this chapter are designated to eliminate such problems.
- B. The city council shall have the authority to make other reasonable rules and regulations concerning individual collection, disposal, and hauling of solid waste over city streets by private persons, or relating to the operation of a transfer station.

### **8.24.020 Definitions.**

For the purposes of this chapter the following words and phrases shall have the meanings respectively ascribed to them by this section:

- A. "Act" means the California Integrated Waste Management Act of 1989 (sometimes referred to as "AB 939"), Public Resources Code Division 30 (§ 40000 and following as it may be amended from time to time), including but not limited to, AB 341 (Chapter 476, Statutes of 2011), SB 1016 (Chapter 343, Statutes of 2008) AB 1826 (Chapter 727, Statutes of 2014), and SB 1383 (Chapter 395, Statutes of 2016), and as implemented by the regulations of the California Department of Resources Recycling and Recovery (CalRecycle).
- B. "Commercial business" or "commercial" means a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, industrial facility, or a multifamily residential dwelling, or as otherwise defined in 14 CCR section 18982(a)(6). A multi-family residential dwelling that consists of

fewer than five (5) units is not a commercial business for purposes of this chapter.

- C. "Commercial edible food generator" includes a tier one or a tier two commercial edible food generator as defined in 14 CCR section 18982(a)(73) and (74).
- D. "Construction and demolition debris" means commonly used or discarded materials nonhazardous in nature and generally not considered water soluble, removed from construction, remodeling, repair, demolition, or renovation operations on any pavement, house, commercial building, or other structure, or from landscaping. Such materials include, but are not limited to, dirt, sand, rock, gravel, bricks, plaster, gypsum wallboard, aluminum, glass, asphalt material, plastics, roofing material, cardboard, carpeting, cinder blocks, composite lumber, concrete, copper, electrical wire, fiberglass, formica, granite, iron, lead, linoleum, marble, plaster plant debris, pressboard, porcelain, steel, stucco, tile, vinyl, wood, masonry, rocks, trees, remnants of new materials, including paper, plastic, carpet scraps, wood scraps, scrap metal, building materials, packaging and rubble resulting from construction, remodeling, renovation, repair and demolition operations on pavement, houses, commercial buildings and other structures.
- E. "Contractor" means the person or persons with whom the city council has entered into written agreement for the collection, transportation and disposal of refuse within the city.
- F. "Edible food" means food intended for human consumption, or as otherwise defined in 14 CCR section 18982(a)(18). For the purposes of this ordinance or as otherwise defined in 14 CCR section 18982(a)(18), "edible food" is not solid waste if it is recovered and not discarded. Nothing in this Chapter or in 14 CCR, Division 7, Chapter 12 requires or authorizes the recovery of edible food that does not meet the food safety requirements of the California Retail Food Code (Part 7 of Division 104 of the California Health and Safety Code) as amended from time to time.
- G. "Exempt waste" means biohazardous or biomedical waste, hazardous waste, medical waste, regulated radioactive waste, waste that is volatile, corrosive, or infectious, waste treatment or processing sludge, contaminated soil and dirt, contaminated concrete, contaminated asphalt, automobiles, automobile parts, boats, boat parts, boat trailers, internal combustion engines, lead-acid batteries, any matter or materials which are not acceptable for disposal at a solid waste landfill as defined in the Act and subsequent legislation, and those wastes under the control of the Nuclear Regulatory Commission.

- H. "Food recovery organization" means an entity that engages in the collection or receipt of edible food from commercial edible food generators and distributes that edible food recovery either directly or through other entities or as otherwise defined in 14 CCR section 18982(a)(25), including, but not limited to:
1. A food bank as defined in section 113783 of the California Health and Safety Code;
  2. A nonprofit charitable organization as defined in section 113841 of the California Health and Safety Code; and
  3. A nonprofit charitable temporary food facility as defined in section 113842 of the California Health and Safety Code.
- I. "Food recovery service" means a person or entity that collects and transports edible food from a commercial edible food generator to a food recovery organization or other entities for food recovery, or as otherwise defined in 14 CCR section 18982(a)(26).
- J. "Food service provider" means an entity primarily engaged in providing food services to institutional, governmental, commercial, or industrial locations of others based on contractual arrangements with these types of organizations, or as otherwise defined in 14 CCR section 18982(a)(27).
- K. "Food waste" mean food scraps and trimmings and other putrescible waste that result from food production, preparation, cooking, storage, consumption or handling. Food waste includes but is not limited to: meat, fish and dairy waste; fruit and vegetable waste; grain waste; and food contaminated paper products. Food waste does not include exempt waste.
- L. "Garbage" means all putrescible and non-putrescible solid, semi-solid and associated liquid waste. Garbage does not include recyclable material, organic waste, large items, or exempt waste.
- M. "High Diversion Organic Waste Processing Facility" means a facility that is in compliance with the reporting requirements of 14 CCR section 18815.5(d) and meets or exceeds an annual average mixed waste organic content recovery rate of 50 percent between January 1, 2022 and December 31, 2024, and 75 percent after January 1, 2025, as calculated pursuant to 14 CCR section 18815.5(e) for organic waste received from the "mixed waste organic collection stream" as defined in 14 CCR section 17402(a)(11.5); or, as otherwise defined in 14 CCR section 18982(a)(33).
- N. "Large Event" means an event, including, but not limited to, a sporting event or a flea market, that charges an admission price, or is operated

by a local agency, and serves an average of more than 2,000 individuals per day of operation of the event, at a location that includes, but is not limited to, a public, nonprofit, or privately owned park, parking lot, golf course, street system, or other open space when being used for an event.

- O. "Large Venue" means a permanent venue facility that annually seats or serves an average of more than 2,000 individuals within the grounds of the facility per day of operation of the venue facility. For purposes of this chapter and implementation of 14 CCR, Division 7, Chapter 12, a venue facility includes, but is not limited to, a public, nonprofit, or privately owned or operated stadium, amphitheater, arena, hall, amusement park, conference or civic center, zoo, aquarium, airport, racetrack, horse track, performing arts center, fairground, museum, theater, or other public attraction facility. For purposes of this chapter and implementation of 14 CCR, Division 7, Chapter 12, a site under common ownership or control that includes more than one large venue that is contiguous with other large venues in the site, is a single large venue.
- P. "Mandatory collection service" means that the collection of solid waste by the contractor shall be mandatory for all single-family homes, mobile homes, duplexes, multi-family residential complexes, commercial establishments (generating solid waste), restaurants, bars, nightclubs, eating houses, boarding houses, or other buildings or facilities where meals are furnished and generating solid waste.
- Q. "Multi-family residential dwelling" means of, from, or pertaining to residential premises with five (5) or more dwelling units. Multi-Family premises do not include hotels, motels, or other transient occupancy facilities, which are considered commercial businesses.
- R. "Organic waste" means solid wastes containing material originated from living organisms and their metabolic waste products, including but not limited to food waste, green material, landscape and pruning waste, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges or as otherwise defined in 14 CCR section 18982(a)(46).
- S. "Organic waste generator" means a person or entity that is responsible for the initial creation of organic waste, or as otherwise defined in 14 CCR section 18982(a)(48) of SB 1383.
- T. "Organic waste processing facility" means any facility selected by the city's contractor that is designed, approved by the city, or specifically designated by the city, operated and legally permitted for the purpose of receiving and processing organic waste.

- U. "Prohibited container contaminants" means: (i) discarded materials placed in the designated recycling container that are not identified as acceptable source separated recyclable materials for the city's designated recycling container; (ii) discarded materials placed in the designated organic waste container that are not identified as acceptable source separated organic waste for the city's designated organic waste container; and (iii) discarded materials placed in the garbage container that are acceptable source separated recyclable materials and/or source separated organic wastes to be placed in city's designated organic waste container and/or designated recycling container.
- V. "Property" means each address or unit located on a parcel, each of which shall be responsible for providing and maintaining its own solid waste receptacles and contract with the contractor for the collection of solid waste, except as otherwise provided in this Chapter.
- W. "Recovered organic waste products" means products made from California, landfill-diverted recovered organic waste processed in a permitted or otherwise authorized facility, or as otherwise defined in 14 CCR section 18982(a)(60).
- X. "Recyclable material" means those materials that may be capable of being recycled using available processes and markets and which would otherwise be processed or disposed of as garbage. Recyclable materials may be sorted, cleaned, treated or reconstituted and returned to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace. When mandatory recycling programs are in place, and for the purposes of this chapter, designated recyclable materials shall include the following:
1. "Glass bottles and jars" means food and beverage glass containers including container glass covered by the California deposit law and excluding household and kitchen containers such as drinking glasses, cups, cooking and serving dishes.
  2. "Metal" means recoverable aluminum, tin, and bimetal materials such as used beverage containers, siding, and other recyclable manufactured metal items.
  3. "Newspaper" means materials printed on newsprint.
  4. "Office paper" means waste paper grades of white and colored ledgers. Examples include forms, copy paper, stationery, and other papers that are generally associated with desk activity.
  5. "Plastic beverage bottles" means plastic containers with narrow necks, or mouth openings smaller than the diameter of



the container bottles used for containing milk, juice, soft drinks or water intended for human consumption; to be distinguished from nonfood bottles such as those containing motor oil, detergent or other household products.

6. "Cardboard" means uncoated paperboard, such as cereal boxes, food and snack boxes, or uncoated old corrugated containers.
- Y. "Residential premises" shall mean any property that is used for residential housing purposes and has four (4) or fewer distinct living units.
- Z. "Responsible occupant" means and includes the owner, tenant, person in possession of, the inhabitant of, or a person who has the care and control of real property.
- AA. "SB 1383" means Senate Bill 1383 of 2016 approved by the Governor on September 19, 2016, which added sections 39730.5, 39730.6, 39730.7, and 39730.8 to the California Health and Safety Code, and added Chapter 13.1 (commencing with section 42652) to the Act.
- BB. "Self-hauler" means a generator that collects solid waste at their premises or place of business for the purpose of hauling those materials in their own vehicles to a permitted solid waste facility in compliance with the requirements of this chapter.
- CC. "Solid waste" means all putrescible and nonputrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, construction and demolition wastes, abandoned vehicles and parts thereof, tires, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes all as provided in section 40191 of the Act, as may be amended from time to time.
- DD. "Tier one commercial edible food generator" means a commercial edible food generator that is one of the following:
  1. Supermarkets with gross annual sales of \$2,000,000 or more;
  2. Grocery store with a total facility size equal to or greater than 10,000 square feet;
  3. Food service provider;
  4. Wholesale food vendor; or

5. Food Distributor.

EE. "Tier two commercial edible food generator" means a commercial edible food generator that is one of the following:

1. Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet;
2. Hotel with an on-site food facility and 200 or more rooms;
3. Health facility with an on-site food facility and 100 or more beds;
4. Large Venue;
5. Large Event;
6. A state agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet;  
or
7. A local education agency facility with an on-site food facility.

**8.24.030 Receptacles—Combining garbage—Recovering containers.**

- A. All organic waste generators as defined in the Act shall be required to source-separate their organic waste, place containers of organic waste in appropriate locations, and subscribe to service or self-haul the organic waste, all according to the requirements in this chapter and the Act.
- B. Every person owning, managing or controlling any property which is used for residential, business, or commercial purposes and which generates solid waste shall maintain at all times, in a place easily accessible to the solid waste contractor and where it will not be a public nuisance or in any degree offensive, a receptacle of suitable material or metal-lined box with suitable bail or handles and covers provided by the city's contractor, and having a capacity of not more than ninety-six gallons, in which shall be placed all garbage, recyclable material, and organic waste accumulating on the premises; provided, however, that persons living in the same apartment house using a single garbage, recyclable material, or organic waste receptacle in common, and persons residing in properties in the R-E-20 and R-E-40 zones, may utilize waste bins provided by the city's contractor in excess of ninety-six gallons so long as the containers are neither stored nor maintained in the required front yard setback portions of the property (except that the containers may be placed at the curb or in an alley for a scheduled collection in compliance with

section 8.24.160); and provided further, however, that any business or commercial customer may use waste bins provided by the city's contractor in excess of ninety-six gallons. Notwithstanding anything in this subdivision to the contrary, single-family residential customers may utilize bins provided by the city's contractor in excess of ninety-six gallons for a period of not to exceed ninety days in the aggregate during any twelve-month period.

- C. Garbage shall be drained prior to placement in the receptacle for collection.
- D. Any person owning, managing, or controlling any property which is used for business, or commercial purposes and where food is handled commercially shall keep all organic waste containers secured to prevent access by unauthorized persons, animals, wind, rain, insects, and rodents. If the containers are accessible at any time to unauthorized persons, the containers shall be kept locked to prevent access by anyone other than authorized persons or the contractor. All containers shall be supplied by the contractor.
- E. The solid waste contractor shall replace the lid and, where required, the lock on each garbage, recyclable material, or organic waste container after emptying it.
- F. In lieu of the requirements in subsection B of this section, businesses and commercial entities may use bins with a capacity of approximately one cubic yard up to and including six cubic yards, designed, or intended to be, mechanically dumped into a loader packer type truck and supplied by the contractor. Such containers shall be covered at all times, and after emptying same contractor shall place the container in the same location with the lids closed and, where required, the locks fastened.
- G. All recyclable materials shall be separated from garbage and organic waste and placed in receptacles provided by the contractor.
- H. Any person owning, managing or controlling any property located in the downtown area and within the boundaries of Specific Plan No. 182, which is used for multi-family residential, business, or commercial purposes shall keep all containers secured to prevent access by unauthorized persons, animals, wind, rain, insects, and rodents. If the containers are accessible at any time to unauthorized persons, the containers shall be kept locked to prevent access by anyone other than authorized persons or the contractor. Containers shall be supplied by the contractor. Specific Plan No. 182 is generally bounded by Madison Avenue on the north, Ballantyne Street / Avocado Avenue on the east, Lexington Avenue and W. Main Street on the south, and Chambers Street and W. Douglas on the west. Specific Plan No. 182 is shown on Attachment A, a copy of which is

attached to the ordinance codified in this section and on file in the office of the City Clerk.

- I. Notwithstanding anything to the contrary contained in subsection B of this section, multi-family residential complexes of greater than three units shall utilize containers supplied by the contractor which are sufficient to provide service to the complex in the amount of not less than one-half of one yard per dwelling unit per week. Such containers shall be covered at all times, and after emptying same contractor shall place the container in the same location with the lids closed and, where required, the locks fastened. In the event that the city council determines that a multi-family residential complex receiving container service requires more frequent collection service than is required by the minimum standards as set forth in this subsection I for sanitation or health reasons, the city council may impose more frequent collection service requirements upon the residents of such complex by resolution adopted following a public hearing.

#### **8.24.035 Residential Organic Waste Generator Requirements.**

In compliance with SB 1383, residential premises shall comply with the following requirements except residential premises that meet the self-hauler requirements in section 8.24.060 of this chapter:

- A. Subscribe to city's organic waste collection services for all organic waste generated as described in the section below. The city shall have the right to review the number and size of a generator's containers to evaluate adequacy of capacity provided for each type of collection service for proper separation of materials and containment of materials; and, the responsible occupant of residential premises shall adjust its service level for its collection services as requested by the city. Responsible occupants may additionally manage their organic waste by preventing or reducing their organic waste, managing organic waste on site, and/or using a community composting site pursuant to 14 CCR section 18984.9(c).
- B. Participate in the city's organic waste collection service(s) by placing designated materials in designated containers as described below, and shall not place prohibited container contaminants in collection containers.
- C. Place (1) source separated green container organic waste, including food waste, in the designated organic waste container; (2) source separated recyclable materials in the designated recycling container; and (3) garbage in the designated garbage. Generators shall not place materials designated for the garbage container into the organics waste container or recycling container.

### **8.24.038 Commercial Organic Waste Generator Requirements.**

Commercial businesses, including multi-family residential dwellings, shall:

- A. Subscribe to the city's three-container collection services and comply with requirements of those services as described below, except Commercial businesses that meet the self-hauler requirements in section 8.24.060 of this chapter. The city shall have the right to review the number and size of a generator's containers and frequency of collection to evaluate adequacy of capacity provided for each type of collection service for proper separation of materials and containment of materials. Commercial businesses found out of compliance with this chapter shall adjust their service level for their collection services as requested by the city.
- B. Except commercial businesses that meet the self-hauler requirements in section 8.24.060, participate in the city's organic waste collection service(s) by placing designated materials in designated containers as follows: (1) Generator shall place source separated green container organic waste, including food waste, in the designated organic waste container; source separated recyclable materials in the designated recycling container; and garbage in the designated garbage; and (2) generators shall not place materials designated for the garbage container into the organic waste container or recycling container.
- C. Supply and allow access to adequate number, size and location of collection containers with sufficient labels or colors (conforming with requirements described in subsection (D), below) for employees, contractors, tenants, and customers, consistent with the city's collection service or, if self-hauling, in accordance with the instructions of the commercial business to support its compliance with its self-haul program, in accordance with section 8.24.060.
- D. Except for multi-family residential dwellings, provide containers for the collection of source separated green container organic waste and source separated recyclable materials in all indoor and outdoor areas where disposal containers are provided for customers, for materials generated by that business. Such containers do not need to be provided in restrooms. If a commercial business does not generate any of the materials that would be collected in one type of container, then the business does not have to provide that particular container in all areas where disposal containers are provided for customers. Pursuant to 14 CCR section 18984.9(b), the containers provided by the business shall have either:

1. A body or lid that is gray or black for collection of garbage, blue for collection of recyclable materials, and green for collection of organic waste; or
2. Container labels that include language or graphic images, or both, indicating the primary material accepted and the primary materials prohibited in that container, or containers with imprinted text or graphic images that indicate the primary materials accepted and primary materials prohibited in the container.

A Commercial Business is not required to replace functional containers, including containers purchased prior to January 1, 2022, that do not comply with the requirements of the subsection prior to the end of the useful life of those containers, or prior to January 1, 2036, whichever comes first. The container labeling requirements are required on new containers commencing January 1, 2022.

- E. Multi-family residential dwellings are not required to comply with container placement requirements or labeling requirement in this section.
- F. Except for multi-family residential dwellings, to the extent practical through education, training, inspection, and/or other measures, prohibit employees from placing materials in a container not designated for those materials in accordance with the city's collection service or, if self-hauling, in accordance with the instructions of the commercial business to further comply with its self-haul program, in accordance with section 8.24.060.
- G. Except for multi-family residential dwellings, periodically inspect organic waste, recycling, and garbage containers for contamination and inform employees if containers are contaminated and of the requirements to keep contaminants out of those containers pursuant to 14 CCR section 18984.9(b)(3).
- H. Annually provide information to employees, contractors, tenants, and customers about organic waste recovery requirements and about proper sorting of source separated organic waste and source separated recyclable materials.
- I. Provide education information before or within fourteen (14) days of occupation of the premises to new tenants that describes requirements to keep source separated organic waste and source separated recyclable materials separate from garbage (when applicable) and the location of containers and the rules governing their use at each property.

- J. Provide or arrange access for the city or its representative to their properties during all inspections conducted in accordance with section 8.24.060 to confirm compliance with the requirements of this chapter.
- K. If a commercial business elects to self-haul, meet the self-hauler requirements in section 8.24.060.
- L. Nothing in this section prohibits a generator from preventing or reducing waste generation, managing organic waste on site, or using a community composting site pursuant to 14 CCR section 18984.9(c).
- M. Commercial businesses that are tier one or tier two commercial edible food generators shall comply with food recovery requirements, pursuant to section 8.24.263.

#### **8.24.040 Power of city council to contract for disposal.**

The city council shall have the power to let contracts for the accumulation and disposal of solid waste as provided for in this chapter and may, as a condition for granting such contract, require a bond from the contractor in an amount determined by the council for the faithful performance of such agreement. In case the contractor shall fail or refuse to conform to the conditions of such agreement and this chapter, the city council, at its option and after a hearing of which the contractor shall have ten days written notice, may terminate such agreement and let the contract to another contractor deemed more capable of carrying out the terms of such agreement. In letting contracts for solid waste collection, transportation, processing, and disposal, the city council shall not be required to let the same to the lowest bidder, but shall be free to let such contract to the contractor deemed best suited to comply with the terms of this chapter and such agreement.

#### **8.24.050 Collection charges—Generally.**

The collection of all solid waste in the city shall be a mandatory service provided by the contractor for all single-family homes, mobile homes, duplexes, multi-family residential complexes, commercial establishments (generating solid waste), restaurants, eating houses, boarding houses, or other buildings or facilities where meals are furnished and generating solid waste, unless otherwise excepted. Accounts shall be the responsibility of the owner or occupant of each property. Responsible occupants shall be billed periodically by the contractor for services rendered, at such rates as the city council may approve from time to time.

#### **8.24.060 Collection charges—Exceptions.**

- A. The responsible occupant of any property subject to the mandatory collection service requirements of this chapter may apply in writing to the contractor for an exception. Such exception may be granted with

sufficient proof of use of a city approved garbage, recyclable materials, or organic waste collection alternative. The contractor's determination to grant or deny a request for exception shall be made within ten days of receipt of the request. All exceptions shall be subject to monthly renewal, and the contractor shall provide a written report to the city, not later than the 15<sup>th</sup> day of each month, setting for the names and addresses of customers who have been approved for an exception involving recyclables and organics, the length of the exception, and the reasons for the exception. Those who have been granted exceptions may from time to time be required to provide sufficient proof of use of such acceptable alternative method. Upon denial or conditional approval by the contractor, any applicant dissatisfied with such decision may appeal same to the city manager. A decision by the city manager can be appealed to the city council. Appeal to both the city manager and the city council must be filed in writing with the city clerk within fifteen days after notice of such decision. The decision of the city council shall be final and conclusive.

- B. Self-haulers granted an exemption shall source separate all recyclable materials and organic waste (materials that the city otherwise requires generators to separate for collection in the city's organics and recycling collection program) generated on-site from solid waste in a manner consistent with 14 CCR sections 18984.1 and 18984.2, or shall haul organic waste to a high diversion organic waste processing facility as specified in 14 CCR section 18984.3.
- C. Self-haulers shall haul their source separated recyclable materials to a facility that recovers those materials; and haul their source separated organic waste to a solid waste facility, operation, activity, or property that processes or recovers source separated organic waste. Alternatively, self-haulers may haul organic waste to a high diversion organic waste processing facility.

Self-haulers that are commercial businesses (including multi-family residential dwellings) shall keep a record of the amount of organic waste delivered to each solid waste facility, operation, activity, or property that processes or recovers organic waste; this record shall be subject to inspection by the city. The records shall include the following information: (1) delivery receipts and weight tickets from the entity accepting the waste; and the amount of material in cubic yards or tons transported by the generator to each entity.

If the material is transported to an entity that does not have scales on-site, or employs scales incapable of weighing the self-hauler's vehicle in a manner that allows it to determine the weight of materials received, the self-hauler is not required to record the weight of material but shall keep a record of the entities that received the organic waste.



#### **8.24.070 Liability for charges.**

The obligation to pay the charges provided in this chapter shall be upon the legal owner of the property serviced. Nothing in this section shall prohibit arrangements under which a responsible occupant of the property is billed and makes payments on behalf of the owner. However, no such arrangement shall relieve the owner of their ultimate obligation to pay for services rendered.

#### **8.24.080 Failure to pay contractor for refuse collection.**

- A. An account is deemed delinquent if payment for collection services has not been received within fifteen days after the due date of the invoice for which service was rendered. Upon determination of delinquency, the contractor may give written notice to the delinquent account holder that the bill is now overdue and payable in full and shall attempt to collect payment through all available means, within thirty days of the date of such notice.
- B. Provided adequate arrangements for payment have not been made between the contractor and delinquent account holder within five business days of the end of the earliest unpaid billing period, the contractor may assign the total unpaid bill amount to the city for collection. The assignment shall provide all pertinent data including the name and address of the residence owner billed, address and parcel number of the property billed, dates of the period of service unpaid, amount due and certification that the billing procedures pursuant to subsection A of this section have been fulfilled.
- C. The delinquent bill presented by the contractor to the delinquent account holder pursuant to subsection A of this section shall include a written notice warning that nonpayment within five business days of the earliest unpaid period may result in assignment of the debt to the city for collection, may include collection charges and may result in the recordation of a lien against the property for which service was rendered.
- D. Upon receipt of assignment of the debt, the city shall advise the debtor in writing of the assignment, that a minimum fee of ten percent of the bill amount is imposed in all collection cases filed with the city, that an additional lien fee will be charged in all cases where the filing of a lien is necessary, and that thirty days notice is given to permit payment of the debt to the city to avoid payment of the lien fee and to avoid a special assessment against said property in the amount of all aforesaid fees and charges.
- E. Originally billed amounts, which are collected by the city, shall be paid to the contractor on a quarterly basis. All fees and lien charges collected shall be retained by the city.

**8.24.090 Special assessment collection.**

- A. The city may initiate proceedings to make delinquent refuse collection service fees and collection charges a special assessment against properties for which such debts were assigned to the city for collection.
- B. A report of delinquent charges shall be transmitted to the city council, which shall fix a time, date and place for hearing the report and any protests or objections thereto.
- C. The city council shall cause notice of hearing to be mailed to the owner of real property to which service was rendered not less than ten days prior to the date of hearing. At the time fixed for said hearing, the city council shall hear any objections of the owner liable to be assessed for delinquent accounts. The city council may make such revisions to the report as it deems just and, if satisfied with the correctness of the report as submitted or revised, shall confirm or reject it by resolution. The decision of the city council on the report and on all protests or objections thereto are final and conclusive.
- D. Upon confirmation of the report by the city council, the amounts so approved shall be charged to the property owner on the next regular tax bill and shall be a lien upon the property involved. The city council shall cause the same to be recorded on the assessment roll and, thereafter, such assessment shall constitute a special assessment and lien upon the property.

**8.24.100 Interest on unpaid assessments.**

All such assessments remaining unpaid after thirty days from the date of confirmation of the assessment by the city council shall bear interest at the rate of seven percent per year from and after such date.

**8.24.110 Collection charges—Unusual accumulations—Collections in certain places.**

For unusual accumulations of rubbish or garbage, and for collection in places not otherwise provided for in this chapter, rates may be charged as shall be agreed upon by the garbage contractor and the responsible occupant of the property.

**8.24.120 Collection charges—Requirement to pay.**

No person having garbage or rubbish collected and disposed of as provided in this chapter shall willfully neglect or refuse to pay to the contractor the rates agreed upon for such service, subject to the maximum charges fixed in the contract with the city.

**8.24.130 Solid waste generated off site—Placement in city waste containers prohibited.**

City waste containers are placed in city parks and other public areas for the use of the public to control trash, litter and garbage, which is generated at their respective location. Such waste containers are not to be used as disposal sites for trash or rubbish which is generated off site. It is unlawful for any person to place, dump, deposit or throw away solid waste, recyclables, yard waste, or other refuse or debris of any kind or character whatsoever in city waste containers if such was generated at a location other than where the waste container is located.

**8.24.140 Solid waste—Disposal on private property prohibited—Exception.**

It is unlawful for any person to place, dump, deposit or throw away any solid waste, recyclables, yard waste or other refuse or debris of any kind or character whatsoever, upon any private property adjacent to or abutting upon any public highway, or public place, or upon any private property whatsoever, within the city unless such person first obtains the permission of the owner of such property to do so. It is unlawful for such person to deposit or place such materials in any waste container owned or used by the owner of such property unless such person first obtains the permission of the owner to do so. It is further unlawful for such persons to co-mingle their solid waste materials with that of another thereby avoiding payment for solid waste and recycling services under the franchise.

**8.24.150 Disputes resolved by city council.**

In all cases where a dispute arises as to the rate charged or to be charged for any service provided for in this chapter, the matter shall be referred to the city council, which, upon due investigation, shall determine and fix such prices as it shall deem just and equitable. The determination of the city council shall be final and conclusive.

**8.24.160 Schedule for collections.**

All garbage and rubbish shall be collected from businesses and residences and all other collection points at least once a week, except for those businesses utilizing one and one-half- or three-cubic-yard containers supplied by the contractor, which collection shall be a minimum of once a week.

No container or receptacle shall be placed out at the curb or alley prior to four p.m. on the day prior to scheduled collection, and all containers shall be removed prior to noon on the day following the collection day.

**8.24.170 Collection from parks and playgrounds.**

The garbage and rubbish contractor shall collect the garbage and rubbish from receptacles at public parks and playgrounds immediately after each holiday and other days when such parks and playgrounds have extraordinary use. Otherwise such collections shall be made twice a week, one of which days shall be Monday. Said collection shall be performed without charge to the city.

**8.24.180 Requirements as to construction of collection equipment.**

No person shall remove any garbage or carry it through the streets and highways except in carts, trucks or trailers having metallic or metal-lined beds or metal tanks or metal containers with proper covers so that the garbage shall not be offensive. The garbage shall be protected from the wind and rain, and shall be loaded in such a manner that none of it shall fall, drop or spill upon the ground. The rubbish contractor shall provide solid lined beds with proper covers for rubbish.

**8.24.190 Methods of disposal by garbage contractor.**

All garbage and rubbish gathered and collected by the contractor shall be destroyed or otherwise disposed of by such contractor in a manner satisfactory to the city council.

**8.24.200 Burying or burning garbage and rubbish.**

No person shall bury any garbage or rubbish in any yard or open space within the city. The burning of garbage and rubbish is prohibited, except when done in accordance with Chapter 8.04 of this code, and with all other applicable statutes, ordinances and regulations.

**8.24.210 Unauthorized collectors.**

At such time as there is in force a contract entered into by the city with any contractor for the disposal of garbage and rubbish of the city or its inhabitants, it is unlawful for any person other than the contractor, or its agents and employees, to collect any garbage or rubbish for hire within the city.

**8.24.220 Powers and duties of health officer.**

The city health officer is empowered to inspect all wagons, carts, trucks or other vehicles used in the collection and disposal of garbage and rubbish, and to see that the same are kept clean and sanitary. The health officer shall also inspect all places where garbage or rubbish is deposited. It shall be the duty of the health officer to ensure compliance with all provisions of this chapter and all other health ordinances of the city.

#### **8.24.230 Provisions applicable to recyclable material.**

All provisions of this chapter applicable to the collection, accumulation and disposal of garbage and rubbish shall apply to recyclable material, including collection charges.

A surcharge may be imposed upon any contractor failing to comply with the mandatory recycling provisions of this chapter. To facilitate the county's enforcement of the mandatory recycling program, the city has adopted, by resolution, the surcharges as set forth by the county. Such surcharges shall be collected by the county of San Diego. The current surcharge structure shall be on file with the city clerk and shall be in such amounts as the county may establish.

#### **8.24.240 Waste generators and designated recyclable materials.**

Waste generators and designated recyclables to be diverted are specified below for the purpose of implementing the city's mandatory recycling program.

- A. Residential recyclables: aluminum, tins and bi-metal cans, glass bottles and jars, white goods (appliances), newspaper, yard wastes, plastic beverage bottles.
- B. Commercial Recyclables.
  - 1. Office Buildings. Office buildings of more than twenty thousand square feet used for commercial, governmental, or educational purposes: aluminum, newspaper, corrugated cardboard, office paper.
  - 2. Hospitality Facilities. All restaurants and taverns, and hotels and motels with eating and drinking establishments: aluminum, plastic beverage bottles, corrugated cardboard, tin and bi-metal cans, glass jars and bottles, white goods (appliances).
- C. Industrial Recyclables: Industrial service loads consisting of ninety percent or more of any one of the following materials: dirt, asphalt, sand, land clearing brush, concrete, rock.

#### **8.24.250 Preparation of designated recyclable materials for collection.**

For designated recyclable materials generated within the city, the responsible occupant shall:

- A. Separate all designated recyclable materials from other solid waste.

- B. Group together all designated recyclable materials and place the group for collection as provided in this code, or as the contractor may designate to expedite collection of designated recyclable material.
- C. Use the collection containers for designated recyclable material provided by the contractor.
- D. A responsible occupant is not prohibited from using alternative collection and disposal methods which are not in conflict with the provisions of this code.

**8.24.260 Scavenging of recyclable material prohibited.**

Recyclable material (as defined in section 8.24.020(X) once placed at curbside or any designated pickup location, shall become the property of the city or its duly authorized contractor. It is unlawful for any person other than a representative of the city or its contractor to move, remove, interfere with, disturb, or tamper with said materials or their containers.

**8.24.263 Commercial Edible Food Generator Requirements.**

- A. Tier one commercial edible food generators must comply with the requirements of this section beginning January 1, 2022, and tier two commercial edible food generators must comply with the requirements of this section beginning January 1, 2024, pursuant to 14 CCR section 18991.3.

Large venue or large event operators not providing food services, but allowing for food to be provided by others, shall require food facilities operating at the large venue or large event to comply with the requirements of this section, beginning January 1, 2024.

Commercial edible food generators shall comply with the following requirements:

1. Arrange to recover the maximum amount of edible food that would otherwise be disposed.
2. Contract with, or enter into a written agreement with, food recovery organizations or food recovery services for: (a) the collection of edible food for food recovery; or, (b) acceptance of the edible food that the commercial edible food generator self-hauls to the food recovery organization for food recovery.
3. Shall not intentionally spoil edible food that is capable of being recovered by a food recovery organization or a food recovery service.

4. Allow the city's designated enforcement entity to access the premises and review records pursuant to 14 CCR section 18991.4.

Keep records that include the following information, or as otherwise specified in 14 CCR section 18991.4: (a) A list of each food recovery service or organization that collects or receives its edible food pursuant to a contract or written agreement established under 14 CCR section 18991.3(b);(b) A copy of all contracts or written agreements established under 14 CCR section 18991.3(b); and (c) A record of the following information for each of those food recovery services or food recovery organizations:

- (i) The name, address and contact information of the food recovery service or food recovery organization;
- (ii) The types of food that will be collected by or self-hauled to the food recovery service or food recovery organization;
- (iii) The established frequency that food will be collected or self-hauled; and
- (iv) The quantity of food, measured in pounds recovered per month, collected or self-hauled to a food recovery service or food recovery organization for food recovery.

- B. Nothing in this chapter shall be construed to limit or conflict with the protections provided by the California Good Samaritan Food Donation Act of 2017, the Federal Good Samaritan Act, or share table and school food donation guidance pursuant to Article 13 (commencing with section 49580) to Chapter 9 of Part 27 of Division 4 of Title 2 of the California Education Code, and to amend section 114079 of the California Health and Safety Code, relating to food safety, as amended, supplemented, superseded and replaced from time to time).

#### **8.24.265 Requirements for Food Recovery Organizations and Services**

- A. Food recovery services collecting or receiving edible food directly from commercial edible food generators, via a contract or written agreement established under 14 CCR section 18991.3(b), shall maintain the following records, or as otherwise specified by 14 CCR section 18991.5(a)(1):
  1. The name, address, and contact information for each commercial edible food generator from which the service collects edible food;

2. The quantity in pounds of edible food collected from each commercial edible food generator per month;
  3. The quantity in pounds of edible food transported to each food recovery organization per month; and
  4. The name, address, and contact information for each food recovery organization that the food recovery service transports edible food to for food recovery.
- B. Food recovery organizations collecting or receiving edible food directly from commercial edible food generators, under a contract or written agreement established under 14 CCR section 18991.3(b), shall maintain the following records, or as otherwise specified by 14 CCR section 18991.5(a)(2):
1. The name, address, and contact information for each commercial edible food generator from which the organization receives edible food;
  2. The quantity in pounds of edible food received from each commercial edible food generator per month; and
  3. The name, address, and contact information for each food recovery service that the organization receives edible food from for food recovery.
- C. Food recovery organizations and food recovery services that have their primary address physically located in the city and contract with or have written agreements with one or more commercial edible food generators pursuant to 14 CCR section 18991.3(b) shall, not later than each April 30<sup>th</sup>, report to the city the total pounds of edible food recovered in the previous calendar year from the tier one and tier two commercial edible food generators with which they have established a contract or written agreement pursuant to 14 CCR section 18991.3(b).
- D. In order to support edible food recovery capacity planning assessments or other studies conducted by the county, city, any special district that provides solid waste collection services, or its designated entity, food recovery services and food recovery organizations operating in the city shall provide information and consultation to the city, upon request, regarding existing, or proposed new or expanded, food recovery capacity that could be accessed by the city and its commercial edible food generators. A food recovery service or food recovery organization contacted by the city shall respond to such request for information within 60 days, unless a shorter timeframe is otherwise specified by the city.



#### **8.24.268 Requirements for Haulers and Facility Operators.**

- A. The city's contractor providing residential, commercial, or industrial organic waste collection services to generators within the city's boundaries shall meet the following minimum requirements and standards as a condition of approval of a contract, agreement, or other authorization with the city to collect organic waste:
1. Through written notice to the city annually on or before February 15 identify the facilities to which they will transport organic waste including facilities for source separated recyclable materials and source separated organic waste;
  2. Transport source separated recyclable materials and source separated organic waste to a facility, operation, activity, or property that recovers organic waste as defined in 14 CCR, Division 7, Chapter 12, Article 2;
  3. Obtain approval from the city to haul organic waste, unless it is transporting source separated organic waste to a community composting site or lawfully transporting Construction and Demolition Debris in a manner that complies with 14 CCR section 18989.1, and section 8.24.060; and
  4. Such other additional reports as may be required by agreement between the contractor and the city.

The city's contractor authorized to collect organic waste shall comply with education, equipment, signage, container labeling, container color, contamination monitoring, reporting, and other requirements contained within its franchise agreement, permit, license, or other agreement entered into with city.

- B. Facility operators and community composting operations shall provide the following information, as applicable:
1. Owners of facilities, operations, and activities that recover organic waste, including, but not limited to, compost facilities, in-vessel digestion facilities, and publicly-owned treatment works shall, upon city request, provide information regarding available and potential new or expanded capacity at their facilities, operations, and activities, including information about throughput and permitted capacity necessary for planning purposes. Entities contacted by the city shall respond within 60 days.
  2. Community composting operators, upon the city's request, shall provide information to the city to support Organic Waste

capacity planning, including, but not limited to, an estimate of the amount of organic waste anticipated to be handled at the community composting operation. Entities contacted by the city shall respond within 60 days.

#### **8.24.270 Penalty for violation.**

Any person violating any provision of this chapter is guilty of a misdemeanor or an infraction in accordance with section 1.24.010 of this code.

#### **8.24.275 Inspections and Investigations by the city.**

- A. The city's representatives, its contractor, and any entity designated by the city, are authorized to conduct inspections and investigations, at random or otherwise, of any collection container, collection vehicle loads, or transfer, processing, or disposal facility for materials collected from generators, or source separated materials to confirm compliance with this chapter by organic waste generators, commercial businesses (including multi-family residential dwellings), property owners, commercial edible food generators, haulers, self-haulers, food recovery services, and food recovery organizations, subject to applicable laws. This section does not allow the city to enter the interior of a private residential property for inspection. For the purposes of inspecting commercial business containers for compliance with this ordinance, city, its contractor, or designee, may conduct container inspections for prohibited container contaminants using remote monitoring.
- B. Each regulated entity shall provide or arrange for access during all inspections (with the exception of residential property interiors) and shall cooperate with the city's employee or its contractor or other designated entity during such inspections and investigations. Such inspections and investigations may include confirmation of proper placement of materials in containers, edible food recovery activities, records, or any other requirement of this chapter described herein. Failure to provide or arrange for: (i) access to an entity's premises; (ii) access to records for any Inspection or investigation is a violation of this ordinance and may result in penalties described.
- C. Any records obtained by the city during its inspections, remote monitoring, and other reviews shall be subject to the requirements and applicable disclosure exemptions of the California Public Records Act as set forth in Government Code section 6250 et seq., and any common law applicable thereto.
- D. City representatives, its contractor, and any designated entity, are authorized to conduct any inspections, remote monitoring, or other

investigations as reasonably necessary to further the goals of this chapter, subject to applicable laws.

**8.24.280 Public nuisance.**

The violation of any provision of this chapter is deemed to be a public nuisance and may be abated in accordance with Chapter 1.16 of this code.

SECTION 3. This ordinance shall go into effect thirty (30) days following its passage and adoption.

12/14/21 CC Agenda – 1<sup>st</sup> Reading  
01/11/22 CC Agenda – 2<sup>nd</sup> Reading

Ord - Amend ECMC 8.24 Garbage Rubbish Refuse 120221