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CITY OF EL CAJON

*City Council/Housing Authority/
Successor Agency to the Redevelopment Agency/
El Cajon Public Financing Authority*

AGENDA



June 23, 2015

**Honoring
and celebrating
the people
who make
El Cajon**

***The Valley
of
Opportunity***

Bill Wells
Mayor

Bob McClellan
Mayor Pro Tem

Tony Ambrose
Councilmember

Star Bales
Councilmember

Gary Kendrick
Councilmember

Douglas Williford
City Manager

Morgan Foley
City Attorney

Majed Al-Ghafry
Assistant City Manager

Belinda Hawley
City Clerk



AGENDA



June 23, 2015
3:00 p.m.

The Agenda contains a brief general description of each item to be considered and most items have a *RECOMMENDATION* from Staff or a Commission, which Council will consider when making a final decision.

Copies of written documentation relating to each item of business on the Agenda are on file in the City Clerk's Office and in the Agenda Book next to the podium in the Council Chambers.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM FOR EACH ITEM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE CITY CLERK if you wish to speak about an Item on the Agenda or under Public Comment.

CONVENE JOINT MEETING OF CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY AND EL CAJON PUBLIC FINANCING AUTHORITY

- **CALL TO ORDER:** Mayor Bill Wells
- **ROLL CALL:** City Clerk Belinda Hawley



PLEDGE OF ALLEGIANCE TO FLAG AND MOMENT OF SILENCE

- **POSTINGS:** The City Clerk posted Orders of Adjournment of the June 24, 2014, Public Financing Authority Meeting and the June 9, 2015, City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meeting, and the Agendas of the June 23, 2015, Meetings in accordance to State Law and Council/Authority/Successor Agency to the Redevelopment Agency Policy.

*Backup Information Available - Housing Authority and Successor Agency Items are identified.

El Cajon Public Financing Authority

AGENDA CHANGES:

CONSENT ITEMS: (1.1 – 1.2)

Consent Items are routine matters enacted by one motion according to the RECOMMENDATION listed below. With the concurrence of the El Cajon Public Financing Authority, a Director or person in attendance may request discussion of a *Consent Item* at this time.

*1.1 MINUTES OF EL CAJON PUBLIC FINANCING AUTHORITY MEETING

RECOMMENDATION: That the Public Financing Authority Board of Directors approve Minutes of the June 24, 2014, Meeting.

*1.2 ANNUAL MEETING OF THE PUBLIC FINANCING AUTHORITY (Report: Assistant to the Executive Director)

RECOMMENDATION: That the El Cajon Public Financing Authority Board of Directors accepts the annual report for Fiscal Year 2014-15 and authorize the appropriation of funds for the respective debt service payments to be included in the Fiscal Year 2015-16 Budget.

ADJOURNMENT: The Meeting of the El Cajon Public Financing Authority held this 23rd day of June 2015, is adjourned.

CONTINUE THE JOINT MEETING OF:

**City Council/Housing Authority/
Successor Agency to the
El Cajon Redevelopment Agency**

- **PRESENTATIONS:**
 - KaBOOM! Bill Beck Park Playground Build
 - El Cajon Historical Society - Essay Contest Winners
- **AGENDA CHANGES:**

CONSENT ITEMS: (1.1 – 1.12)

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.

***1.1 MINUTES OF CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY MEETINGS**

RECOMMENDATION: That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency approve Minutes of the June 9, 2015 Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

1.2 WARRANTS

RECOMMENDATION: That the City Council approve payment of Warrants as submitted by the Finance Department.

1.3 APPROVAL OF READING BY TITLE AND WAIVER OF READING IN FULL OF ORDINANCES ON AGENDA

RECOMMENDATION: That the City Council approve the reading by title and waive the reading in full of all Ordinances on the Agenda.

CONSENT ITEMS: (Continued)

- *1.4 ACCEPTANCE OF THE WASHINGTON AVENUE TRAFFIC MONITORING STATION PROJECT, PW 3517/BID NO. 028-15 (Report: Deputy Director of Public Works)**

RECOMMENDATION: That the City Council accept the project, authorize the City Clerk to record a Notice of Completion and release the bonds in accordance with the contract terms.

- *1.5 RESOLUTION: AWARD OF BID NO. 008-16, ROAD MAINTENANCE MATERIALS (Report: Purchasing Agent)**

RECOMMENDATION: That the City Council adopt the next RESOLUTION in order awarding the bid to the lowest responsive bidders, LDTCM, LLC dba East County Materials in the estimated amount of \$38,834.86, and Superior Ready Mix Concrete, L.P. in the estimated amount of \$41,718.25.

- *1.6 SUBDIVISION AGREEMENT AND FINAL MAP FOR TENTATIVE SUBDIVISION MAP (TSM) 642, MARY STREET, ENGINEERING JOB. NO. 3143 (Report: Assistant City Manager)**

RECOMMENDATION: That the City Council approve the Subdivision Agreement and Final Map for Tentative Subdivision Map (TSM) 642 at 801 Mary Street between June Way and Ann Street, authorizing execution of the Agreement.

- *1.7 CONTRACT AMENDMENT FOR RFP NO. 006-15, DISASTER RECOVERY SYSTEM (Report: Information Technology Manager)**

RECOMMENDATION: That the City Council authorizes the first amendment to the Professional Services Agreement with VPLS Solutions to increase the amount of the contract to \$169,780.95.

- *1.8 LAUNCH OF NEW EL CAJON WEBSITE (Report: Assistant to the City Manager)**

RECOMMENDATION: That the City Council receive and file the report.

CONSENT ITEMS: (Continued)

- *1.9 RESOLUTIONS: APPROVAL OF PLANS AND BID SPECIFICATIONS FOR CITY HALL AND COUNCIL CHAMBERS HVAC PROJECT, IFM3388/BID NO. 005-16 (Report: Assistant City Manager)**

RECOMMENDATION: That the City Council adopt the next RESOLUTIONS in order, to approve Plans and Bid Specifications for the City Hall and Council Chambers HVAC Project, IFM3388/Bid No. 005-16, and direct a Notice Inviting Sealed Bids to be opened on August 5, 2015.

- *1.10 ENTERPRISE LICENSE AGREEMENT WITH ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC. (ESRI) (Report: Assistant City Manager)**

RECOMMENDATION: That the City Council authorize the City Manager to execute a three (3) year Enterprise License Agreement with ESRI for the use of ESRI software products.

- *1.11 RESOLUTION: TENTATIVE AGREEMENT WITH THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (IAFF) LOCAL 4603 For 2015-2017 MEMORANDUM OF UNDERSTANDING (MOU) (Report: Director of Human Resources)**

RECOMMENDATION: That the City Council approve the tentative agreement reached with the International Association of Firefighters (IAFF) Local 4603 and authorize the City Manager to execute the final Memorandum of Understanding (MOU) implementing the terms outlined and adopt the next RESOLUTION in order if approved.

- *1.12 REVISION TO CITY COUNCIL POLICY A-29, COMPENSATION PLAN FOR EXECUTIVE AND UNREPRESENTED EMPLOYEES AND THE CITY ATTORNEY AND APPROVAL OF CLASS SPECIFICATIONS FOR POLICE RECRUIT AND WEED ABATEMENT INSPECTOR (Report: City Manager)**

RECOMMENDATION: That the City Council approve the changes to City Council Policy A-29 described in the Agenda Report and reflected on the attachment, as well as the classification specifications for Police Recruit and Weed Abatement Inspector.

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 agenda 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.

2. WRITTEN COMMUNICATIONS: None

3. PUBLIC HEARINGS:

***3.1 FISCAL YEAR 2015-16 ANNUAL CITY, HOUSING AUTHORITY, AND SUCCESSOR AGENCY BUDGETS (Report: City Manager)**

RECOMMENDATION: That the City Council, Housing Authority, and the City of El Cajon as Successor Agency to the former Redevelopment Agency:

- Open the Public Hearing and receive testimony
- Close the Public Hearing;

THEN

1. Acting as the City Council, adopt the next RESOLUTIONS in order titled:
 - *Resolution of the City of El Cajon Adopting the Fiscal Year 2015-16 Annual Budget.*
 - *Resolution Approving and Adopting the Annual Appropriations Limit for Fiscal Year 2015-16.*
2. Acting as the Housing Authority Board of Directors, adopt the next RESOLUTION in order titled:
 - *Resolution of the El Cajon Housing Authority Adopting the Fiscal Year 2015-16 Budget.*
3. Acting as the Successor Agency to the former Redevelopment Agency Board of Directors, adopt the next RESOLUTION in order titled:
 - *Resolution of the City Council of the City Of El Cajon as the Successor Agency to the former El Cajon Redevelopment Agency Adopting the Fiscal Year 2015-16 Budget.*

PUBLIC HEARINGS: (Continued)

***3.2 DELINQUENT REFUSE COLLECTION CHARGES
(Report: Assistant City Manager)**

RECOMMENDATION: That the City Council:

- Open the Public Hearing and receive testimony;
- Close the Public Hearing;

THEN

- Adopt the next RESOLUTIONS in order certifying the list of property owners as delinquent in the payment of their mandatory trash service bills; and,
- Authorize the City Clerk to record the amount owed as a lien on the property and forward a list to the County Tax Assessor for billing on the next property tax bill.

4. ADMINISTRATIVE REPORTS:

***4.1 DEVELOPMENT AND DISPOSITION AGREEMENT BETWEEN
EL CAJON HOTEL, LP AND THE CITY OF EL CAJON
(Report: City Manager)**

RECOMMENDATION: That the City Council:

- Move to Adopt the next RESOLUTION in order Approving Disposition and Development Agreement between El Cajon Hotel, LP and the City of El Cajon.

***4.2 RESOLUTIONS: APPROVAL OF PLANS AND SPECIFICATIONS FOR
PEDESTRIAN SAFETY GREENFIELD DRIVE, JOB PW3432,
BID NO. 006-16 (Report: Assistant City Manager)**

RECOMMENDATION: That the City Council adopt the next RESOLUTION in order to approve Plans and Specifications for Pedestrian Safety Greenfield Drive, PW3432, Bid No. 006-16, and direct a Notice Inviting Sealed Bids to be opened on August 20, 2015.

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ADMINISTRATIVE REPORTS: (Continued)

***4.3 SEWER BILLING STATUS REPORT AND CONTRACT WITH GLOBAL WATER (Report: Assistant City Manager/Director of Public Works)**

RECOMMENDATION: That the City Council:

- Review this Sewer Billing status report;
- Authorize the City Manager to execute the option to renew the agreement with Global Water Management, Inc. (Global) for sewer billing services in accordance with the original agreement, dated March 14, 2012;
- Authorize the City Manager, or designee, to reach a settlement for reduced compensation to Global for prior billing services.

***4.4 RESOLUTION: MAYOR AND CITY COUNCIL COMPENSATION REVIEW (Report: City Manager)**

RECOMMENDATION: That the City Council adopt the next RESOLUTION in order adjusting the Mayor and City Council Members' cafeteria compensation to \$1,000.00/month effective January 2016.

5. COMMISSION REPORTS: None

6. ACTIVITIES REPORTS OF MAYOR WELLS/COMMENTS

SANDAG (San Diego Association of Governments); SANDAG Public Safety Committee; League of California Cities, San Diego Division; Heartland; Fire Training JPA – Alternate; Indian Gaming Local Community Benefit Committee.

***6.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

***6.2 LEGISLATIVE REPORT**

ACTIVITIES REPORTS OF COUNCILMEMBERS

7.

COUNCILMEMBER GARY KENDRICK

Heartland Communications JPA; Heartland Fire Training JPA.

***7.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

8.

COUNCILMEMBER TONY AMBROSE

SANDAG (San Diego Association of Governments) - Alternate; SANDAG Public Safety Committee – Alternate Chamber of Commerce – Government Affairs; MTS (Metropolitan Transit System Board) - Alternate; East County Economic Development Council; METRO Commission/ Wastewater JPA.

***8.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

***8.2 SAN DIEGO EAST COUNTY BUSINESS INCUBATOR**

RECOMMENDATION: That the City Council make a contribution of \$10,000.00 to the San Diego East County Business Incubator.

9.

MAYOR PRO TEM BOB McCLELLAN

MTS (Metropolitan Transit System Board); Harry Griffen Park Joint Steering Committee; Heartland Communications JPA – Alternate.

***9.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

10.

COUNCILMEMBER STAR BALES

East County Economic Development Council - Alternate; METRO Commission/ Wastewater JPA – Alternate; Indian Gaming Local Community Benefit Committee – Alternate.

***10.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

11. JOINT COUNCILMEMBER REPORTS: None

12. GENERAL INFORMATION ITEMS FOR DISCUSSION: None

13. ORDINANCES: FIRST READING – None

14. ORDINANCES: SECOND READING AND ADOPTION – None

15. CLOSED SESSIONS:

RECOMMENDATION: That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency adjourn to Closed Sessions as follows:

15.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9:

Name of Case: Jacob Taylor v. City of El Cajon, et al.
San Diego Superior Court
Case No. 37-2014-00022841-CU-PA-CTL

15.2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9:

Name of Case: Raymond Goodlow v. City of El Cajon, et al.
United States District Court, Southern District of California
Case No. 13CV1524-DMS-NLS

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CLOSED SESSIONS: (Continued)

15.3 CONFERENCE WITH LABOR NEGOTIATOR pursuant to Government Code Section 54957.6.

Agency Designated
Representatives:

Jim Lynch, Director of Human Resources
Steve Berliner, Esq., Liebert Cassidy Whitmore
Frances Rogers, Esq., Liebert Cassidy Whitmore

Employee Organizations:

El Cajon Mid-Management and Professional
Employees Group
El Cajon Municipal Employees Association
El Cajon Police Officers Association
El Cajon Police Officers Association Management Group

16. RECONVENE TO OPEN SESSION:

City Attorney or Representative reports on action taken in Closed Session.

ADJOURNMENT: The Adjourned Regular Joint Meeting of the El Cajon City Council/El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 23rd day of June 2015, is adjourned to Tuesday, July 14, 2015, at 3:00 p.m.

GENERAL INFORMATION:

The following item(s) are informational and are not discussed unless the Council/Authority brings the items forward for discussion under Item No. 12 of the agenda.

***A. UNITED STATES DOJ JUSTICE ASSISTANCE GRANT (JAG) FY2015 APPLICATION (Report: Chief of Police)**



Upcoming Events in El Cajon City Council Meeting for June 23, 2015



June 24 - Cajon Classic Cruise Car Show - Bike Nite! This weekly event continues every Wednesday night through October 28, from 5:00 p.m. to 8:00 p.m., on East Main Street, between Magnolia and Claydelle Avenues. The **July 1** Classic Cruise theme will be **American Muscle**. The 2015 season of car shows is hosted by the Downtown Business Partners. For more information, please visit www.cajonclassiccruise.org or call (619) 334-3000.

June 25 - Ronald McDonald House Charities Annual Red Shoe Day from 6:30 a.m. to 9:30 a.m. Watch for volunteers standing on street corners throughout San Diego County, including El Cajon, holding a large **RED** shoe and collecting donations for Ronald McDonald House. Proceeds help in providing a home away from home for families with children being treated for serious, often life-threatening, conditions. For more information, go to www.redshoedaysd.com.

June 25 - The El Cajon Farmers' Market continues every Thursday in Downtown El Cajon, from 3:00 p.m. to 7:00 p.m., at the Prescott Promenade, 201 East Main Street. Enjoy fresh fruit, vegetables, bread, prepared hot food, music and more! Visit www.elcajonfarmersmarket.org.

June 26 - Dinner & a Concert with Scot Bruce and his Elvis Tribute! Enjoy all the great music and dancing at the Prescott Promenade from 6:00 p.m. to 8:00 p.m. On **July 3**, it's **Detroit Underground** with dance and soul music. The Promenade is located at 201 E. Main Street in Downtown El Cajon. For a complete line-up of concerts, please visit www.downtownec.com.

June 27 - The Rotary Club Of El Cajon Presents An Evening In The Tropics from 5:00 p.m. to 10:00 p.m. at the Water Conservation Garden on the campus of Cuyamaca College, 900 Rancho San Diego Parkway. Enjoy a tropical paradise, with South Sea island music, dancers, delicious food, and wonderful silent auction items. Tickets are \$80 each. For more information, please call (858) 408-1404, or visit www.elcajonrotary.org.

July 3 & 17 - Alternate Friday closures for El Cajon City offices. Please go to www.cityofelcajon.us for a full calendar of hours for City offices during 2015.

July 4 - Annual 4th of July Picnic & Fireworks at Kennedy Park. This annual event starts at 12:00 p.m. with food, at 1:00 p.m. there will be an inflatable, carnival games, prizes, kiddie train rides and more! Live musical entertainment begins at 3:00 p.m. and fireworks at 9:00 p.m. Kennedy Park is located at 1675 E. Madison Avenue. Arrive early for parking to find the best spot for your picnic and to view the fireworks!

July 14 & 28 - El Cajon City Council Meetings are at 3:00 p.m. and 7:00 p.m., as needed. The meetings are held in the City Council Chamber at 200 Civic Center Way. For more information and to view the full agenda online please visit www.cityofelcajon.us.

Recreation:

The Summer Recreation Guide is now available! The Recreation Guide is available online at www.elcajonrec.org or pick up a copy at any of the El Cajon recreation centers, local libraries and in the lobbies of City Hall and the El Cajon Police Station. For more information, call (619) 441-1516. Make it a great summer – register now!

MEETING OF THE EL CAJON PUBLIC FINANCING AUTHORITY



MINUTES

CITY OF EL CAJON EL CAJON, CALIFORNIA

June 24, 2014

A Meeting of the El Cajon Public Financing Authority held Tuesday, June 24, 2014, was called to order by Chair Bill Wells at 3:00 p.m. in the Council Chambers, 200 Civic Center Way, El Cajon, California.

ROLL CALL

Directors present:

Directors absent:

Vice Chair present:

Chair present:

Other Officers present:

Bales and McClellan

Ambrose

Kendrick

Wells

Hawley, Secretary

Foley, City Attorney/General Counsel

Williford, City Manager/Executive Director

Al-Ghafry, Assistant City Manager

PLEDGE OF ALLEGIANCE TO FLAG led by Mayor Wells and MOMENT OF SILENCE.

POSTINGS: The Secretary posted Orders of Adjournment of the June 25, 2013, Meeting and the Agenda of the June 24, 2014, meeting in accordance to State Law and Authority Policy.

AGENDA CHANGES: None

CONSENT ITEMS: (1.1 – 1.2)

**MOTION BY McCLELLAN, SECOND BY BALES, to APPROVE
Consent Items 1.1 to 1.2.**

**MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT.
(AMBROSE - Absent)**

**1.1 MINUTES OF EL CAJON PUBLIC FINANCING AUTHORITY
MEETING**

The Public Financing Authority Board of Directors approved Minutes of the June 25, 2013, Meeting.

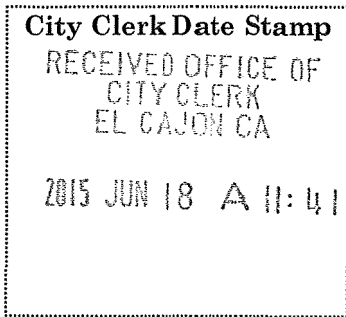
**1.2 ANNUAL MEETING OF THE PUBLIC FINANCING AUTHORITY
(Report: Assistant to the Executive Director)**

The Public Financing Authority Board of Directors accepted the annual report for Fiscal Year 2013-14 and authorized the appropriation of funds for the respective debt service payments to be included in the Fiscal Year 2014-15 Budget.

ADJOURNMENT: The Meeting of the El Cajon Public Financing Authority held this 24th day of June 2014, is adjourned at 3:04 p.m.

DRAFT

**BELINDA A. HAWLEY, CMC
Secretary
Public Financing Authority**



City of El Cajon PUBLIC FINANCING AUTHORITY Agenda Report

MEETING: June 23, 2015

ITEM NO: 1.2



TO: Chairperson Wells, Board Members
Ambrose, Bales, Kendrick and McClellan

FROM: Assistant to the Executive Director

SUBJECT: Annual Meeting of the Public Financing Authority

RECOMMENDATION: That the El Cajon Public Financing Authority Board of Directors accepts the annual report for Fiscal Year 2014-15 and authorize the appropriation of funds for the respective debt service payments to be included in the Fiscal Year 2015-16 Budget.

BACKGROUND: This report summarizes financial transactions pertaining to the Authority.

Per Resolution ECPFA-1 dated December 14, 2004, the Authority approved lease-financing documents for loan agreements with the U.S. Department of Housing and Urban Development (HUD), allowing the City to obtain Section 108 Loans from HUD, secured by future funds under the Community Development Block Grant (CDBG) program. Per the loan agreements, the East County Performing Arts Center was pledged as collateral through a lease-leaseback arrangement because the City cannot legally use public property as security for a loan.

The first Section 108 Loan provided financing for a portion of the construction costs of Fire Station 8. This loan was defeased in March 2010. The second Section 108 Loan provided funding to purchase a ladder truck for the Fire Department.

FIRE LADDER TRUCK

FY 2014-15

Due Date	Interest Due	Principal Due	Total P & I
8/1/2014	\$ 9,278.00	\$ 57,000.00	\$ 66,278.00
2/1/2015	\$ 7,799.00	\$ -	\$ 7,799.00
Total	\$ 17,077.00	\$ 57,000.00	\$ 74,077.00

FY 2015-16

Due Date	Interest Due	Principal Due	Total P & I
8/1/2015	\$ 7,798.95	\$ 57,000.00	\$ 64,798.95
2/1/2016	\$ 6,271.35	\$ -	\$ 6,271.35
Total	\$ 14,070.30	\$ 57,000.00	\$ 71,070.30

Per Resolution ECPFA-4 dated June 9, 2009, the Authority approved a Lease-Leaseback Agreement to provide security for the Authority's 2009 Revenue Bonds (Sales Tax-Supported Public Safety Financing Project). Under this Agreement, El Cajon City Hall is pledged as additional security for the bonds through a lease-leaseback arrangement. Essentially, City Hall is leased to the El Cajon Financing Authority and then leased back to the City of El Cajon.

REVENUE BONDS, 2009 SERIES A

FY 2014-15

Due Date	Interest Due	Principal Due	Total P & I
8/1/2014	\$ 312,500.00	\$ 7,415,000.00	\$ 7,727,500.00
2/1/2015	\$ 154,200.00	\$ -	\$ 154,200.00
Total	\$ 466,700.00	\$ 7,415,000.00	\$ 7,881,700.00

FY 2015-16

Due Date	Interest Due	Principal Due	Total P & I
8/1/2015	\$ 154,200.00	\$ 7,710,000.00	\$ 7,864,200.00
Total	\$ 154,200.00	\$ 7,710,000.00	\$ 7,864,200.00

FISCAL IMPACT: Each year, funds are appropriated by the Authority and included in the Annual Budget approved by the City Council to pay the principal and interest due per the established debt service schedules. CDBG is the funding source for the Section 108 Loan and revenue collected from the Proposition O sales tax is the funding source for the 2009 Revenue Bond obligations. The Section 108 Loan will be paid off in August of 2019, while the 2009 Revenue Bond obligations will be paid off this August.

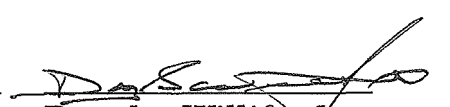
PREPARED BY:


Brett Channing
 ASSISTANT TO THE
 EXECUTIVE DIRECTOR

REVIEWED BY:


Clay Schoen
 TREASURER

APPROVED BY:


Douglas Williford
 EXECUTIVE DIRECTOR



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

MINUTES

**CITY OF EL CAJON
EL CAJON, CALIFORNIA**

June 9, 2015

A Regular Joint Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the Redevelopment Agency of the City of El Cajon, California held Tuesday, June 9, 2015, 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:
Council/Agencymembers absent:
Mayor Pro Tem/Vice Chair present:
Mayor/Chair present:
Other Officers present:

Bales and Kendrick
Ambrose
McClellan
Wells
Hawley, City Clerk/Secretary
Foley, City Attorney/General Counsel
Williford, City Manager/Executive Director
Al-Ghafry, Assistant City Manager

PLEDGE OF ALLEGIANCE TO FLAG led by Mayor Wells and MOMENT OF SILENCE.

POSTINGS: The City Clerk posted Orders of Adjournment of the May 26, 2015, meeting and the Agenda of the June 9, 2015, meeting in accordance to State Law and Council/Authority/Successor Agency to the Redevelopment Agency Policy.

PRESENTATIONS:

- **Fire Department ISO Reclassification Presentation**

AGENDA CHANGES: None

CONSENT ITEMS: (1.1 – 1.11)

MOTION BY MCCLELLAN, SECOND BY BALES, to APPROVE Consent Items 1.1 to 1.11, pulling Items 1.4 and 1.9, as requested by members of the public.

MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT. (AMBROSE – ABSENT)

1.1 MINUTES OF CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY

Approve Minutes of the May 26, 2015 Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

1.2 WARRANTS

Approve payment of Warrants as submitted by the Finance Department.

1.3 APPROVAL OF READING BY TITLE AND WAIVER OF READING IN FULL OF ORDINANCES ON AGENDA

Approve the reading by title and waive the reading in full of all Ordinances on the Agenda.

1.4 PULLED FOR DISCUSSION

CONSENT ITEMS: (Continued)

1.5 DESIGNATION OF VOTING DELEGATE AND ALTERNATE TO LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE, SEPTEMBER 30 – October 2, 2015 (Report: City Manager)

Designate Mayor Bill Wells as the Voting Delegate for the City of El Cajon, and City Manager, Douglas Williford, as the Alternate, for the League of California Cities Annual Conference.

1.6 RESOLUTION: AWARD OF BID NO. 003-16, JANITORIAL SUPPLIES (Report: Purchasing Agent)

- Reject all bids for Section II (Chemicals), due to the failure to receive any responsive bids (where the only two bids received failed to include the required Safety Data Sheets), and direct the Purchasing Agent to proceed with an open market purchase; and
- Adopt RESOLUTION NO. 046-15 and award the bid to the lowest responsive bidders Mission Janitorial Supplies for Section I (Paper Products) in the amount of \$14,899.26, and D2 Distributors, LLC for Section III (Accessories) in the amount of \$4,118.47.

1.7 ACCEPTANCE OF SEWER AND STORM DRAIN REPAIRS AND REPLACEMENT 2013, PW 3448 / Bid NO. 004-14 (Report: Deputy Director of Public Works)

Accept the project, authorize the City Clerk to record a Notice of Completion and release the bonds in accordance with the contract terms.

1.8 ACCEPTANCE OF THE UPGRADE OF REGULATORY AND WARNING SIGNS 2014, FEDERAL AID PROJECT HSIPL-5211(029), PW3492 / BID NO. 018-15 (Report: Deputy Director of Public Works)

Accept the project, authorize the City Clerk to record a Notice of Completion and release the bonds in accordance with the contract terms.

1.9 PULLED FOR DISCUSSION

CONSENT ITEMS: (Continued)

**1.10 RESOLUTION: JOINT EXERCISE OF POWERS OF AGREEMENT FOR THE DEVELOPMENT, MAINTENANCE AND OPERATIONS OF SPORTS FIELDS AT CUYAMACA ELEMENTARY SCHOOL
(Report: Director of Recreation)**

Adopt RESOLUTION NO. 048-15 approving the execution of the Joint Exercise of Powers of Agreement (JPA) for the development, maintenance and operations of sports fields at Cuyamaca Elementary School.

**1.11 RESOLUTION: REIMBURSEMENT OF PORTAL-TO-PORTAL TIME SPENT BY FIRE EMPLOYEES ASSIGNED TO EMERGENCY INCIDENTS
(Report: Fire Chief)**

Adopt RESOLUTION NO. 049-15, identifying the terms and conditions for Fire Department response away from their official duty station and assigned to an emergency incident and verifying the Fire Department's compensation practices for the purpose of qualifying for portal-to-portal reimbursement from the State Office of Emergency Services (OES).

CONSENT ITEMS PULLED FOR DISCUSSION:

**1.4 RESOLUTION: AWARD OF BID NO. 034-15, FIRE STATION #6 RENOVATION AND CITY HALL MODERNIZATION RE-BID
(Report: Purchasing Agent)**

RECOMMENDATION: That the City Council:

- Find the protest submitted by Good-Men Roofing and Construction, Inc. to merit revision of prior award recommendation;
- Find the protest submitted by NEI Contracting and Engineering, Inc. to be timely, but without merit; and
- Adopt the next RESOLUTION in order awarding the bid to the lowest responsive, responsible bidder, Good-Men Roofing and Construction, Inc., in the amount of \$1,269,303.00.

ITEM 1.4 (Continued)

DISCUSSION

Amanda Walters, representing NEI Contracting, Inc., opposed the recommended award of bid, indicating that Good-Men Roofing and Construction did not meet the proper licensing requirements.

Clay Schoen, Director of Finance, introduced the Purchasing Agent.

Nahid Razi, Purchasing Agent, discussed the bid process performed prior to the award of the bid to Good-Men Roofing and Construction, Inc.

City Attorney Foley added that Good-Men Roofing and Construction holds a Class B license and they have the ability to perform any of the specialty, licensed tasks.

James Morris, representing Good-Men Roofing and Construction, reiterated that a Class B contractor designation is valid to perform work as outlined in the bid, and his client fully intends to self-perform.

No one else came forward to speak.

MOTION BY WELLS, SECOND BY MCCELLAN, to ADOPT RESOLUTION NO. 045-15 awarding Bid No. 034-15 to the lowest responsive, responsible bidder, Good-Men Roofing and Construction, Inc., in the amount of \$1,269,303.00.

MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT. (AMBROSE – ABSENT)

**1.9 RESOLUTION: JOINT EXERCISE OF POWERS OF AGREEMENT FOR THE DEVELOPMENT, MAINTENANCE AND OPERATIONS OF SPORTS FIELDS AT ANZA ELEMENTARY SCHOOL
(Report: Director of Recreation)**

RECOMMENDATION: That the City Council adopts the next RESOLUTION in order approving the execution of the Joint Exercise of Powers of Agreement (JPA) for the development, maintenance and operations of sports fields at Anza Elementary School.

Ray Lutz spoke about the submission of written protests to the School District regarding the issue of school staff utilizing street parking, and indicated they have not received any response. There are many concerns about safety and traffic flow in the area of the school. If there are plans to change the playground or fields, he would like the plans to include off-street parking spaces for school employees.

ITEM 1.9 (Continued)

City Manager Williford commented that the City would continue to address this issue with the School District.

No one else came forward to speak.

MOTION BY MCCLELLAN, SECOND BY BALES, to ADOPT RESOLUTION NO. 047-15 approving the execution of the Joint Exercise of Powers of Agreement (JPA) for the development, maintenance and operations of sports fields at Anza Elementary School.

MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT. (AMBROSE – ABSENT)

PUBLIC COMMENT:

Michael Colwet stated that he recently moved into El Cajon and comments about the lack of trees in the City.

David Miyashiro, Superintendent of Cajon Valley Union School District, thanked **Council** for their participation at the talent show and TedX-Kids events.

Ray Lutz voiced concerns about the trees, which were cut down at the corner of Magnolia and Chase. He invited the public to attend Citizen's Oversight meetings held every Friday prior to a City Council meeting, at 3:00 p.m. at the library.

2. WRITTEN COMMUNICATIONS: None

3. PUBLIC HEARINGS: None

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4. ADMINISTRATIVE REPORTS:

4.1 EVALUATION OF DEVELOPMENT PROPOSALS FOR 100 FLETCHER PARKWAY (Report: City Manager)

RECOMMENDATION: That the City Council / Successor Agency Board appoint two of its members to a sub-committee, in conjunction with the City Manager, City Attorney and City broker, to evaluate and make recommendations for the purpose of choosing a development team to enter into an Exclusive Negotiating Agreement for the development of 100 Fletcher Parkway.

DISCUSSION

City Manager Williford provided a summary of the Item and requested the appointment of two Council Members to sit on a committee to interview the applicants.

Ray Lutz questioned the type of development that will acquire the space. He commented about the difficulty for pedestrians to be able to walk to the mall or to the downtown area from this location, and asked the City to consider including pedestrian access in the development of the project. He felt the location might be a good site for the Rock Church.

City Manager Williford indicated there have been proposals for hotels, stores, and restaurants, and that there have been no residential proposals.

No one else came forward to speak.

MOTION BY WELLS, SECOND BY MCCLELLAN, to APPOINT Councilmembers Kendrick and Ambrose to the sub-committee for evaluation of the proposed development plans.

MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT. (AMBROSE – ABSENT)

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4.2 AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT FOR THE EAST COUNTY PERFORMING ARTS CENTER – ARCHITECTS MOSHER DREW (Report: Assistant City Manager)

RECOMMENDATION: That the City Council authorize the City Manager to execute a first amendment to increase the contract amount of the existing Professional Services Agreement (PSA) between the City of El Cajon (City) and Architects Mosher Drew (Architect) to \$415,000, authorize up to a maximum of 25 percent contract amendments by the City Manager based on the amended contract amount and to extend the agreement to September 30, 2016.

DISCUSSION

City Manager Williford provided a summary of the report.

Ray Lutz commented there has been not enough public review on this project and felt the 25% contingency increase was a very high slush fund. He recommended the project should be put before the public for review and that **Council** should deny the Item.

Mayor Wells indicated that multiple meetings have been held, including sack-lunch meetings, and he feels comfortable proceeding with this action.

Councilmember Kendrick felt that the theater should not strictly be for performing arts, in order to be successful. He suggested showing classic movies from a digital projector, four to five times per year, as has been successful at other venues.

No one else came forward to speak.

MOTION BY KENDRICK, SECOND BY WELLS, to APPROVE Item 4.1 as recommended by Staff.

MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT. (AMBROSE – ABSENT)

5. COMMISSION REPORTS: None

6. ACTIVITIES REPORTS OF MAYOR WELLS/COMMENTS

SANDAG (San Diego Association of Governments); SANDAG Public Safety Committee – Chair; League of California Cities, San Diego Division; Heartland Fire Training JPA – Alternate; Indian Gaming Local Community Benefit Committee.

6.1 Council Activities Report/Comments

REPORT AS STATED.

ACTIVITIES REPORTS OF MAYOR WELLS/COMMENTS: (Continued)

6.2 LEGISLATIVE REPORT

NO ACTION TAKEN.

ACTIVITIES REPORTS OF COUNCILMEMBERS

7.

COUNCILMEMBER GARY KENDRICK

Heartland Communications JPA; Heartland Fire Training JPA.

7.1 Council Activities Report/Comments

REPORT AS STATED.

The following Item was considered ahead of Item 7.2:

11. JOINT COUNCILMEMBER REPORTS

11.1 SUPPORT FOR SB 151 - CHANGING TOBACCO SALES AGE LIMITS IN CALIFORNIA (Report: Mayor Pro Tem McClellan and Councilmember Kendrick)

RECOMMENDATION: That the City Council DIRECT Staff to transmit a letter to State Assemblyman Jones and Governor Brown regarding our support for SB 151.

DISCUSSION

Councilmember Kendrick introduced the Item, commenting on the need to protect the health of citizens.

The following spoke in support of the Item:

Linda Barbour

Barbara Gordon

Debra Kelly

Lisa Watkins-Bridges

Lorraine Gonzalez (submitted a flyer to Council)

Phyllis Hanson (submitted a card in support, but did not speak)

Lorenzo Higley

Katherine Webb

Ray Lutz

ITEM 11.1 (Continued)

The following spoke in opposition:

Jason Jackson
Eric Anderson

Mayor Pro Tem McClellan and **Councilmember Kendrick** spoke in support of the Item and discussed how smoking and lung cancer has affected their families.

Councilmember Bales spoke in support of the Item.

Mayor Wells commented about America losing its freedoms, and felt that adults should be able to make their own decisions.

No one else came forward to speak.

MOTION BY KENDRICK, SECOND BY MCCLELLAN, to DIRECT STAFF to transmit a letter to State Assemblyman Jones and Governor Brown regarding support for SB 151.

MOTION CARRIES.
(WELLS – No, AMBROSE - Absent)

Recess called at 4:58 p.m.
Meeting called back to Order at 5:12 p.m.

ACTIVITIES REPORTS OF COUNCILMEMBERS: (Continued)

7.2 RESPONSIBLE RETAIL STORES PROGRAM

RECOMMENDATION: That the City Council DIRECT the City manager to return to the City Council at an appropriate time with a detailed proposed program pertaining to responsible stores selling alcohol, modeled after our existing Crime Free programs.

DISCUSSION

Councilmember Kendrick introduced the Item.

Mayor Pro Tem McClellan spoke in support and indicated that sting operations will continue.

ITEM 7.2 (Continued)

No further comments made.

**MOTION BY KENDRICK, SECOND BY BALES, to APPROVE Item 7.2
as recommended by Staff.**

**MOTION CARRIES BY UNANIMOUS VOTE
OF THOSE PRESENT. (AMBROSE – ABSENT)**

8.

COUNCILMEMBER TONY AMBROSE

SANDAG – Alternate; SANDAG Public Safety Committee – Alternate; Chamber of Commerce – Government Affairs; MTS (Metropolitan Transit System Board) – Alternate; East County Economic Development Council; METRO Commission/Wastewater JPA.

8.1 Council Activities Report/Comments

9.

MAYOR PRO TEM BOB McCLELLAN

MTS (Metropolitan Transit System Board); Harry Griffen Park Joint Steering Committee; Heartland Communications JPA – Alternate.

9.1 Council Activities Report/Comments

REPORT AS STATED.

10.

COUNCILMEMBER STAR BALES

East County Economic Development Council – Alternate; METRO Commission/Wastewater JPA – Alternate; Indian Gaming Local Community Benefit Committee – Alternate.

10.1 Council Activities Report/Comments

REPORT AS STATED.

(NOTE: Item 11.1 was considered ahead of Item 7.2)

12. GENERAL INFORMATION ITEMS FOR DISCUSSION: None

13. ORDINANCES: FIRST READING – None

14. ORDINANCES: SECOND READING AND ADOPTION

RECOMMENDATION: That Mayor Wells requests the City Clerk to recite the title:

14.1 DESIGNATION OF FIRE HAZARD SEVERITY ZONES AND WILDLAND URBAN INTERFACE AREAS

City Clerk Hawley recites the title of the ordinance:

An Ordinance of the City Council of the City of El Cajon Adding A New Chapter 15.86 to the El Cajon Municipal Code, Designating Very High Fire Hazard Severity Zones and Wildland Urban Interface Areas Within Its Jurisdictional Boundaries

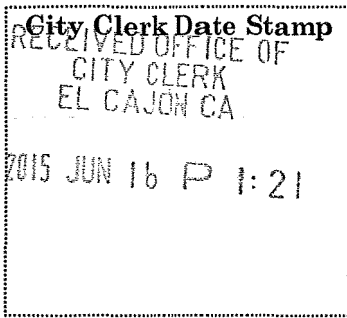
MOTION BY MCCLELLAN, SECOND BY BALES, to ADOPT Ordinance No. 5027.

MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT. (AMBROSE – ABSENT)

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**APPROVAL OF READING BY TITLE AND WAIVER OF READING
OF ORDINANCES ON THIS AGENDA**

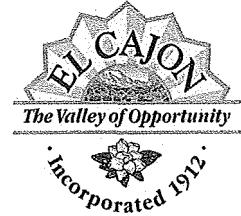
The City Council waives the reading of the full text of every ordinance contained in this agenda and approves the reading of the ordinance title only.



City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 1.4



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Deputy Director of Public Works

SUBJECT: Acceptance of the Washington Avenue Traffic Monitoring Station
Project, PW3517 / Bid Number 028-15

RECOMMENDATION: That the City Council accept the project, authorize the City Clerk to record a Notice of Completion and release the bonds in accordance with the contract terms.


BACKGROUND: On January 13, 2015, the contract was awarded by City Council Resolution No. 002-15 to Traffic Development Services, Inc. The project involved the installation of two (2) traffic monitoring stations on Washington Avenue between Granite Hills Drive and Jamacha Road. The traffic monitoring system provides real-time traffic data information, such as vehicular speed, traffic volume, and delay information on a 24-hour 365-day basis. This Indian Gaming grant project was fully funded by the Barona Band of Mission Indians and the Sycuan Band of the Kumeyaay Nation since Washington Avenue is a main access route to the Sycuan Casino.


FISCAL IMPACT: There is no fiscal impact as a result of this action. The total construction expenditure on this project is \$68,558.00.

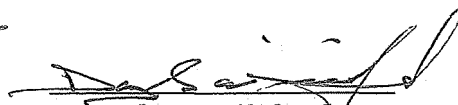
PREPARED BY:

REVIEWED BY:

APPROVED BY:


Dennis Davies *For*
DEPUTY DIRECTOR
OF PUBLIC WORKS


Majed Al-Ghafry
ASSISTANT
CITY MANAGER


Douglas Williford
CITY MANAGER

City Clerk Date Stamp

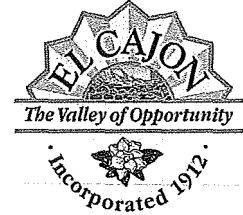
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City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 1.5



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Purchasing Agent

SUBJECT: Award of Bid No. 008-16, Road Maintenance Materials

RECOMMENDATION: That the City Council adopt the next resolution in order awarding the bid to the lowest responsive bidders, LDTCM, LLC dba East County Materials in the estimated amount of \$38,834.86, and Superior Ready Mix Concrete, L.P. in the estimated amount of \$41,718.25.

BACKGROUND: This annual purchase of road maintenance materials for the Public Works Department is contingent upon City Council's approval of the FY 2015-16 budget. Nine prospective bidders obtained bid packages, and two responses were received and opened at 2:00 p.m. on June 9, 2015, for the annual contract to supply road maintenance materials.

Items 1 through 8, per the Bid Summary attached, will be picked up from the vendor's plant by City crews using City vehicles. Due to costs associated with staff time and fuel expense, a haul distance penalty of \$0.10 per haul mile was added to the unit prices for evaluation purposes only. The distance of the vendor's plant will affect the unit price submitted as it is calculated using round trip distances for pick-up. Pricing is based upon estimated annual quantities; more or less may be used as needs dictate.

LDTCM, LLC dba East County Materials was the lowest, responsive bidder for items 1-2, 7, and 13. Superior Ready Mix Concrete, L.P. was the lowest, responsive bidder for items 3-6, 9, 11-12, and the sole bidder for items 8 and 10. In order to obtain the greatest value, it would be in the best interest of the City to split the Road Maintenance Materials award between these two vendors.

Purchasing, in concurrence with the Assistant City Manager, recommends award of the bid to the lowest, responsive bidders, LDTCM, LLC dba East County Materials and Superior Ready Mix Concrete, L.P. The summary of bids is attached and complete proposals are on file in Purchasing.

FISCAL IMPACT: Estimated amount of \$80,553.11. Sufficient funds are available for this purchase in Public Works' Street Operations, Wastewater Operations, and Parks divisions.

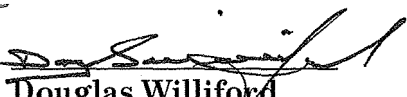
PREPARED BY:

REVIEWED BY:

APPROVED BY:


Nahid Razi
PURCHASING AGENT


Majed Al-Ghafry
ASSISTANT CITY
MANAGER


Douglas Williford
CITY MANAGER

BID SUMMARY
BID NO. 008-16, ROAD MAINTENANCE MATERIALS

#	Description	UOM	Qty	LDTCM, LLC		Superior Ready Mix Concrete			
				Unit Price	Haul Mile (Spec Cond #9) Rd Trip 19	Line Total	Unit Price	Haul Mile (Spec Cond #9) Rd Trip 15	Line Total
1	3/8" Fine Type III-F-PG-64-10	Ton	100	\$63.00	\$64.90	\$6,490.00	\$70.30	\$71.80	\$7,180.00
2	1/2" Fine Type III-D-PG-64-10	Ton	150	\$60.00	\$61.90	\$9,285.00	\$68.30	\$69.80	\$10,470.00
3	1/2" Medium Type III-C2-PG-64-10	Ton	175	\$60.00	\$61.90	\$10,832.50	\$54.90	\$56.40	\$9,870.00
4	1/2" Fine Type III-C3-PG-70-10	Ton	25	\$60.00	\$61.90	\$1,547.50	\$56.90	\$58.40	\$1,460.00
5	1/2" Medium Type III-C2-PG-70-10	Ton	150	\$60.00	\$61.90	\$9,285.00	\$56.90	\$58.40	\$8,760.00
6	3/8" Temporary Patching Material, Cold Mix SC-800	Ton	60	\$80.00	\$81.90	\$4,914.00	\$80.00	\$81.50	\$4,890.00
7	Sheet Mix	Ton	75	\$65.00	\$66.90	\$5,017.50	\$75.20	\$76.70	\$5,752.50
8	SS-1 Emulsion	Gal	150	no bid	no bid	no bid	\$3.30	\$4.80	\$720.00
9	Base Rock Aggregate, Class II, 3/4" Maximum	Ton	175	\$18.00		\$3,150.00	\$12.00		\$2,100.00
10	Plaster Sand	Ton	200	no bid	no bid	no bid	\$37.00		\$7,400.00
11	Decomposed Granite	Ton	150	\$15.00		\$2,250.00	\$9.00		\$1,350.00
12	Concrete Aggregate, 1" x #4	Ton	100	\$26.00		\$2,600.00	\$19.00		\$1,900.00
13	Pre-Mixed Portland Cement Concrete, Class 520-C-2500	Cu Yd	150	\$100.00		\$15,000.00	\$104.85		\$15,727.50
SUB-TOTAL (AWARD ITEMS)				Items 1-2,7,13		\$35,792.50	Items 3-6,8-12		\$38,450.00
TAX						\$3,042.36			\$3,268.25
TOTAL						\$38,834.86			\$41,718.25

RECOMMEND AWARD

RESOLUTION NO. -15

RESOLUTION AWARDING BID FOR
ROAD MAINTENANCE MATERIALS

(Bid No. 008-16)

WHEREAS, nine (9) prospective bidders obtained bid packages for the annual contract to supply for road maintenance materials used by the Public Works Department, and two (2) responses were received and opened on June 9, 2015; and

WHEREAS, the solicitation for bids provided that Items 1 through 8 will be picked up from the vendor's plant by City crews using City vehicles; accordingly, the bids for these items would include (for evaluation purposes only) a haul distance penalty of \$0.10 per haul mile, based on round trip distances; and

WHEREAS, pricing is further based upon estimated annual quantities; more or less may be used as needs dictate; and

WHEREAS, LDTCM, LLC dba East County Materials was the lowest, responsive, bidder for items 1-2, 7, and 13, and Superior Ready Mix Concrete, L.P. was the lowest, responsive, bidder for items 3-6, 9, 11-12, and the sole bidder for items 8 and 10; and

WHEREAS, in order to obtain the greatest value, the City may award the bid for maintenance materials to one or more vendors, for one or more of the items listed in the bid, whatever is in the best interest of the City; and

WHEREAS, Purchasing, in concurrence with the Assistant City Manager, recommends that, in the best interests of the City, the award should be divided between the two (2) lowest responsive bidders as set forth below, in combination, for the purchase of all of the 13 distinct items, identified in the bid, in order to obtain the greatest value to 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 hereby rejects all other bids except those herein mentioned, and awards the bid for Road Maintenance Materials to the lowest responsive bidders as follows in an estimated amount of \$80,553.11:

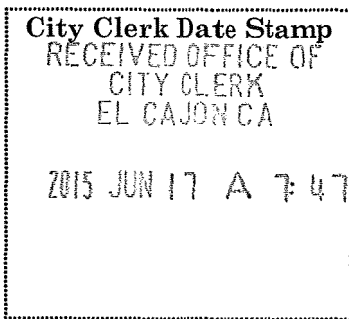
<u>Vendor</u>	<u>Item Number</u>	<u>Amount</u>
LDTCM, LLC dba East County Materials	1-2, 7, 13	\$ 38,834.86
Superior Ready Mix Concrete, L.P.	3-6, 8-12	\$ <u>41,718.25</u>
		\$ 80,553.11

(Continued on Page 2)

2. The Purchasing Agent is hereby authorized to issue purchase orders for said materials.

06/23/15 (Item 1.5)

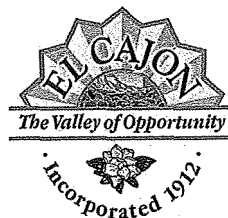
Bid 008-16 - Road Maintenance Materials (EC Mat & SRM) awd 061515



City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 1.6



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager

SUBJECT: Subdivision Agreement and Final Map for Tentative Subdivision Map (TSM) 642, Mary Street, Engineering Job No. 3143

RECOMMENDATION: That the City Council approve the Subdivision Agreement and Final Map for Tentative Subdivision Map (TSM) 642 at 801 Mary Street between June Way and Ann Street, authorizing execution of the Agreement.

BACKGROUND: On July 24, 2007, the City Council approved (TSM) 642 for a seventeen (17) lot subdivision with sixteen (16) single-family homes and a common use area, by Resolution No. 82-07, subject to conditions. The subdivision is located to the south of Mary Street between June Way and Ann Street.

All conditions have been satisfied or are guaranteed by the Subdivision Agreement. All fees and securities have been paid. Therefore, the Final Map is ready to be recorded.

FISCAL IMPACT: None. The property owner has paid all required fees.

PREPARED BY:

Majed Al-Ghafry
ASSISTANT
CITY MANAGER

APPROVED BY:

Douglas Williford
CITY MANAGER

SUBDIVISION AGREEMENT
(Public Improvements)
(Mary Street – APN 489-010-64)

THIS AGREEMENT entered into by and between the CITY OF EL CAJON, a California charter city and municipal corporation, hereinafter referred to as "City", and INLAND VALLEY INVESTMENTS, LLC, a California limited liability company, hereinafter referred to as "Developer";

WHEREAS, Developer, pursuant to the provisions of the Subdivision Map Act of the State of California and Title 16 of the El Cajon Municipal Code, contemplates the filing of Tentative Subdivision Map 642 ("TSM 642") prior to the completion of certain public improvements as shown on the official plans, specifications and detailed drawings on file with the City Engineer of City (the "Improvements"); and

WHEREAS, the City Engineer has estimated the cost of said Improvements to be the sum of Two Hundred Fifty-five Thousand Eight Hundred Eighty-one Dollars and No Cents (\$255,881.00); and

WHEREAS, Developer has or will post a bond or other form of surety (the "Improvement Security") by a surety company admitted in California and acceptable to City (the "Surety Insurer").

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. That in consideration of the approval of said TSM 642 prior to the completion of the Improvements for said project, Developer hereby covenants and agrees to install and construct the said Improvements in accordance with the official plans, and that said Improvements shall be completed within one year (1) year from the date of the recording of the subdivision map by the County Recorder of the County of San Diego.

2. Should Developer fail to complete said Improvements within the time set forth above, City, at its option, has the right to enter onto the property to complete said Improvements. Should the City exercise such option, it shall be at the expense of Developer, or the City may, in the alternative, hold Developer and the Surety Insurer liable for damages.

3. Developer agrees to furnish and City agrees to release the Improvement Security in accordance with Title 16 of the El Cajon Municipal Code to secure warranty, faithful performance, and payment of labor and materials for said construction and installation. Any surety bonds shall be issued by corporate sureties admitted to do business in California and approved by the City Attorney. The form of said bonds shall be substantially as set forth in Sections 66499.1 and 66499.2 of the Government Code of the State of California.

4. Developer further agrees to furnish the following surety bonds or cash deposits, if applicable to the project. Any such bonds shall be issued by corporate sureties authorized to do business in California and approved by the City Attorney:

- a. \$ -0- for Lot Staking
- b. \$ -0- for installation of Underground Utilities
- c. \$ -0- for any deposits or bonds identified in the Resolution approving this project not otherwise in this Agreement.

5. The City or any officer or employee thereof shall not be liable for any injury to persons or property occasioned by reason of the acts or omissions of Developer, its agents or employees in the performance of this Agreement. Developer further agrees to protect and hold harmless City, its elected and appointed officials, officers and employees, from any and all claims, demands, causes of action, liability or loss of any sort because of, or arising out of, acts or omissions of Developer, its agents or employees, in the performance of this Agreement, including claims, demands, causes of action, liability or loss because of, or arising out of, the design or construction of the Improvements, provided, however, that the approved Improvement Security shall not be required to cover the provisions of this paragraph. Said indemnification and agreement to hold harmless shall extend to injuries to persons and damages or taking of property resulting from the design or construction of said subdivision and the Improvements as provided herein, and to adjacent property owners as a consequence of and/or the diversion of waters from the design, construction or maintenance of drainage systems, streets and other improvements. Acceptance by the City of the Improvements shall not constitute an assumption by the City of any responsibility for such damage or taking.

City shall not be an insurer or surety for the design or construction of the subdivision pursuant to the approved improvement plans, nor shall any officer or employee thereof be liable or responsible for any accident, loss or damage happening or occurring during the construction of the work or Improvements as specified in this Agreement, except as it may be shown that said officers or employees specifically directed that said work or improvement be accomplished in a manner contrary to the wishes and desires of Developer, and Developer has filed a written objection with the City Engineer prior to commencing said work or improvement.

Provisions of this section shall remain in full force and effect for ten (10) years following substantial completion by the Developer of the Improvements.

[Remainder of page intentionally left blank]

6. Developer agrees to file with the City Clerk, at the time this executed agreement is submitted, a certificate of insurance by a company approved by the City Attorney in conformance with City Council policy.

IN WITNESS WHEREOF we have this day set our hands and seals.

Date: _____

CITY OF EL CAJON,
a California charter city and
municipal corporation.

INLAND VALLEY INVESTMENTS, LLC,
a California limited liability company.

By _____
Bill Wells, Mayor

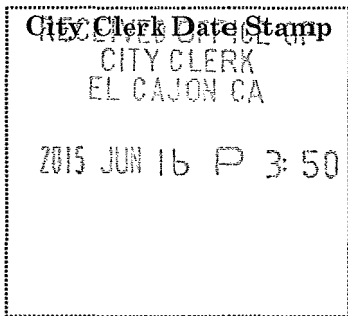
By _____
Daryl R. Priest, General Manager

ATTEST:

By _____
Belinda A. Hawley, CMC, City Clerk

APPROVED AS TO FORM:

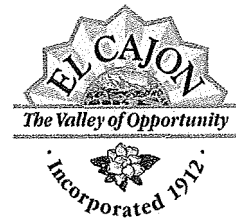
By _____
Morgan L. Foley, City Attorney



City of El Cajon Agenda Report

MEETING: 06/23/2015

ITEM NO: 1.7



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Ambrose, Bales, and Kendrick

FROM: Sara Diaz, Information Technology Manager

SUBJECT: Contract Amendment for RFP No. 006-15, Disaster Recovery System

RECOMMENDATION: That the City Council authorizes the first amendment to the Professional Services Agreement with VPLS Solutions to increase the amount of the contract to \$169,780.95.

BACKGROUND: When planning for City operations during a catastrophic event, it is critical that the City has continued access to network and computer services. Upon reviewing the current equipment versus the lists of servers and services the City needs to maintain operations, two critical needs were identified: redundant routing equipment and storage.

On July 22, 2014, Council awarded RFP No. 006-15 for the Disaster Recovery System to the sole responsive, responsible bidder, VPLS Solutions, in the amount of \$87,295.00. However, after recognizing the need for redundant routing equipment and storage at the Public Safety Center, the Information Technology Manager, in concurrence with the Assistant to the City Manager, requests an additional \$82,485.95 in order to procure these items. This requested amendment will bring the total contract amount to \$169,780.95.

FISCAL IMPACT: The contract amendment with VPLS Solutions is \$82,485.95, which includes three years of maintenance. Sufficient funds are available in the Fiscal Year 2014-2015 Information Technologies Capital Replacement Budget.

PREPARED BY:

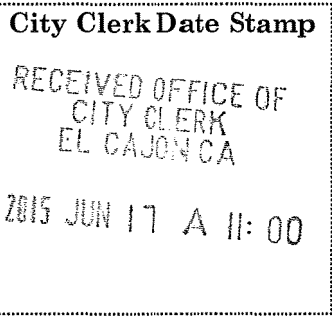
Sara Diaz
INFORMATION
TECHNOLOGY
MANAGER

REVIEWED BY:

Brett Channing
ASSISTANT TO THE
CITY MANAGER

APPROVED BY:

Douglas Williford
CITY MANAGER



MEETING: June 23, 2015

ITEM NO: 1.8

City of El Cajon Agenda Report



TO: Mayor Bill Wells, Mayor Pro Tem McClellan and Councilmembers Ambrose, Bales, Kendrick

FROM: Brett Channing, Assistant to the City Manager

SUBJECT: Launch of New El Cajon Website

RECOMMENDATION: That the City Council receive and file the report.

BACKGROUND: At the May 12, 2015, City Council Meeting, staff presented a draft of the City’s new website. Staff discussed the goals and purpose for creating a new website, how the new website was developed, and explained the many new features that it will have.

Some of these new features include:

- A simple, modern design, including two special designs for Police and Fire
- A City Calendar of events and meetings
- An “eNotification system” for immediate updates on the City
- A “Service Request” system, enabling citizens to submit requests for services or report issues in the community
- An “I Want To…” section, allowing website visitors to access important website pages quickly and effectively
- Online services (payments and forms), allowing submittals or payments by residents online
- An “In the Spotlight” section, highlighting important El Cajon information
- An “Emergency Notice” at the top of the page in the event of a major emergency

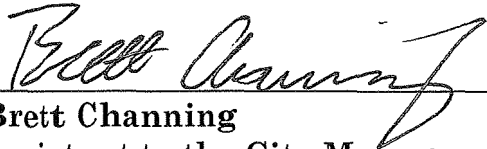
The new website continues the efforts set forth by the City Council to improve the City of El Cajon. It will be the face of the City, advancing El Cajon’s “brand” and showcasing the City as a professional, 21st Century business. Also, it will be a key part of how the City conducts business and will improve the efficiency in which these services are provided.

It is important to note that the new website will constantly be evolving. It will not remain static, but will change with new technologies and functionalities that emerge in the coming years.

With the support of the City Council, staff plans to launch the new website within the next few days. The City Council, staff, and media will be notified when the launch occurs.

FINANCIAL IMPACT: Funds for the development and hosting of the City Website by Vision Internet were approved in the Fiscal Year 2014-2015 IT Replacement Budget.

PREPARED BY:


Brett Channing
Assistant to the City Manager

APPROVED BY:


Douglas Williford
City Manager

RECEIVED OFFICE OF
CITY CLERK
City Clerk Date Stamp
EL CAJON CA
2015 JUN 17 A 7:47

MEETING: June 23, 2015
ITEM NO: 1.9

City of El Cajon Agenda Report



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager

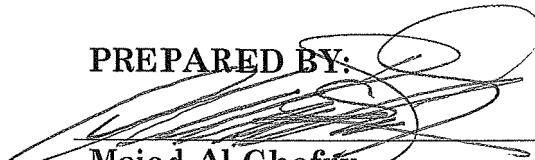
SUBJECT: Approval of Plans and Bid Specifications for City Hall and Council Chambers HVAC Project, IFM3388 / Bid Number 005-16


RECOMMENDATION: That the City Council: Adopt the next RESOLUTIONS in order, to approve Plans and Bid Specifications for the City Hall and Council Chambers HVAC Project, IFM3388 / Bid Number 005-16, and direct a Notice Inviting Sealed Bids to be opened on August 5, 2015.

BACKGROUND: In Fiscal Year 2012-2013, funds in the amount of \$135,000 were allocated for design work for a complete replacement to the City Hall and Council Chambers HVAC system. The work to be performed includes electrical, mechanical, and plumbing for the completion of the HVAC upgrade to both locations. The plans and specifications for the project are complete and are available for review at the City Clerk's Office. Walt Conwell Architects was selected from a list of pre-qualified architects. The evaluation matrix criteria were management skills and technical expertise credentials of project team, understanding of task and requirements, capability for timely response, compliance with contractual terms, overall quality and completeness of proposal and fee schedule.

CEQA: The proposed City Hall and Council Chambers HVAC Project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) according to Section 15301 (Class 1) (c) of the CEQA Guidelines. Section 15301 provides an exemption for the maintenance of public facilities.

FISCAL IMPACT: The estimated construction cost for this project is approximately \$1,250,000. The adopted project budget for Fiscal Year 2014-2015 includes sufficient General Funds to cover this work.

PREPARED BY:

Majed Al-Ghafry
ASSISTANT CITY MANAGER

APPROVED BY:

Douglas Williford
CITY MANAGER

RESOLUTION NO. -15

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR
CITY HALL AND COUNCIL CHAMBERS HVAC
(Bid No. 005-16, Job No. IFM3388)

WHEREAS, the City Engineer has submitted plans and specifications for the City Hall and Council Chambers HVAC project; and

WHEREAS, it appears to be in the best interests of the City of El Cajon that the plans and specifications for said project be approved.

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

1. That the plans and specifications submitted by the Deputy Director of Public Works for the City Hall and Council Chambers HVAC project are hereby approved and adopted as the official plans and specifications for said project.
2. Said plans and specifications are directed to be filed in the office of the Deputy Director of Public Works of the City of El Cajon.

06/23/15 (Item 1.9)

Bid 005-16 – CH & Chambers HVAC apr 061515

RESOLUTION NO. -15

RESOLUTION ORDERING THE WORK AND DIRECTING
PUBLICATION OF NOTICE INVITING BIDS FOR
CITY HALL AND COUNCIL CHAMBERS HVAC PROJECT

(Bid No. 005-16, Job No. IFM3388)

WHEREAS, plans and specifications have been submitted for the City Hall and Council Chambers HVAC project; and

WHEREAS, it appears to be in the best interests of the City that said work should be ordered to be performed.

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

1. That the City Council does hereby order that the City Hall and Council Chambers HVAC project be performed.

2. That August 5, 2015, at 2:00 P.M., in the office designated by the Purchasing Agent of the City of El Cajon, 200 Civic Center Way, El Cajon, California, is hereby fixed as the time and place for the opening of bids for said project.

3. The Purchasing Agent of the City of El Cajon is hereby directed to cause a Notice to Bidders to be published in the newspaper, in accordance with the provisions of law.

06/23/15 (Item 1.9)

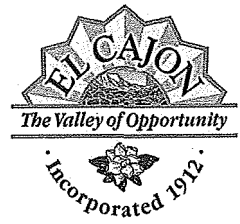
Bid 005-16 – CH & Chambers HVAC ntc 061515

City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 1.10

City Clerk Date Stamp
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CITY CLERK
EL CAJON CA
2015 JUN 15 A 8:49



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager

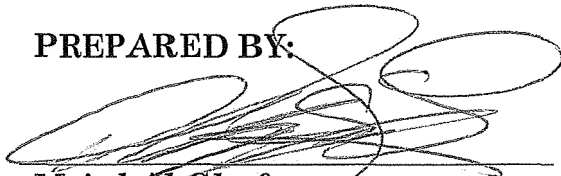
SUBJECT: Enterprise License Agreement with Environmental Systems
Research Institute, Inc. (ESRI)

RECOMMENDATION: That the City Council authorize the City Manager to execute a three (3) year Enterprise License Agreement with ESRI for the use of ESRI software products.

BACKGROUND: The City's License Agreement with ESRI for Geographic Information System (GIS) software will expire in July 2015. ESRI is considered the industry leader, and is used by nearly all large entities with GIS systems. ESRI products are currently used by the Police, Public Works, and Community Development departments under individual licensing agreements.

FISCAL IMPACT: The cost for the Enterprise License Agreement is \$50,000 per year and is included in the Fiscal Year 2015-16 budget.

PREPARED BY:



Majed Al-Ghafry
ASSISTANT CITY MANAGER

APPROVED BY:



Douglas Williford
CITY MANAGER



March 4, 2015

Mr. Tim Williams
City of El Cajon
200 Civic Center Way
El Cajon, CA 92020

Dear Tim,

The Esri Small Municipal and County Government Enterprise License Agreement (ELA) is a three-year agreement that will grant your organization access to Esri® term license software on an unlimited basis including maintenance on all software offered through the ELA for the term of the agreement. The ELA will be effective on the date executed and will require a firm, three-year commitment.

Based on Esri's work with several organizations similar to yours, we know there is significant potential to apply geographic information system (GIS) technology in many operational and technical areas within your organization. For this reason, we believe that your organization will greatly benefit from an enterprise license agreement.

An ELA will provide your organization with numerous benefits including:

- A lower cost per unit for licensed software
- Substantially reduced administrative and procurement expenses
- Maintenance on all Esri software deployed under this agreement
- Complete flexibility to deploy software products when and where needed

The following business terms and conditions will apply:

- All current departments, employees, and in-house contractors of the organization will be eligible to use the software and services included in the ELA.
- If your organization wishes to acquire and/or maintain any Esri software during the term of the agreement that is not included in the ELA, it may do so separately at the Esri pricing that is generally available for your organization for software and maintenance.
- The organization will establish a single point of contact for orders and deliveries and will be responsible for redistribution to eligible users.
- The organization will establish a Tier 1 support center to field calls from internal users of Esri software. The organization may designate individuals as specified in the ELA who may directly contact Esri for Tier 2 technical support.
- The organization will provide an annual report of installed Esri software to Esri.

- Esri software and updates that the organization is licensed to use will be automatically available for downloading.
- The organization will act as an Esri reference site and will permit Esri to publicize its use of Esri software and services.
- The fee and benefits offered in this ELA proposal are contingent upon your acceptance of Esri's Small Municipal and County Government ELA terms and conditions.
- Licenses are valid for the term of the ELA.

This program offer is valid for 90 days. To complete the agreement within this time frame, please contact me within the next seven days to work through any questions or concerns you may have. To expedite your acceptance of this ELA offer:

1. Sign and return the signature page of the ELA with a Purchase Order or issue a Purchase Order that references this ELA Quotation and includes the following statement on the face of the Purchase Order: **"THIS PURCHASE ORDER IS GOVERNED BY THE TERMS AND CONDITIONS OF THE ESRI SMALL MUNICIPAL AND COUNTY GOVERNMENT ELA, AND ADDITIONAL TERMS AND CONDITIONS IN THIS PURCHASE ORDER WILL NOT APPLY."** Have it signed by an authorized representative of the organization.
2. On the first page of the ELA, identify the central point of contact/agreement administrator. The agreement administrator is the party that will be the contact for management of the software, administration issues, and general operations. Information should include name, title (if applicable), address, phone number, and e-mail address.
3. In the purchase order, identify the "Ship to" and "Bill to" information for your organization.
4. Send the purchase order and agreement to the address, email or fax noted below:

Esri
 Attn: Customer Service SG-ELA
 380 New York Street
 Redlands, CA 92373-8100

e-mail: service@esri.com
 fax documents to: 909-307-3083

I appreciate the opportunity to present you with this proposal, and I believe it will bring great benefits to your organization.

Thank you very much for your consideration.

Best Regards,

Tammy Hook
 Esri Account Manager



Quotation # 20465334

Date: March 4, 2015

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.
380 New York St
Redlands, CA 92373-8100
Phone: (909) 793-2853 Fax: (909) 307-3025
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

Customer # 121700 Contract #

City of El Cajon
Public Works Dept
200 Civic Center Way
El Cajon, CA 92020

ATTENTION: Tim Williams
PHONE: 619-441-5553
FAX: 619-579-5254

To expedite your order, please attach a copy of this quotation to your purchase order.
Quote is valid from: 03/04/2015 To: 06/02/2015

Material	Qty	Description	Unit Price	Total
110037	1	Populations of 50,001 to 100,000 Small Government Term Enterprise License Agreement - Year One	50,000.00	50,000.00
110037	1	Populations of 50,001 to 100,000 Small Government Term Enterprise License Agreement - Year Two	50,000.00	50,000.00
110037	1	Populations of 50,001 to 100,000 Small Government Term Enterprise License Agreement - Year Three	50,000.00	50,000.00
			Item Total:	150,000.00
			Subtotal:	150,000.00
			Sales Tax:	0.00
			Estimated Shipping & Handling(Surface Delivery) :	0.00
			Contract Pricing Adjust:	0.00
			Total:	\$150,000.00

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Tammy Hook	Email: thook@esri.com	Phone: (909) 793-2853 x3949
<p>The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at www.esri.com/legal, which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.</p> <p><i>If sending remittance, please address to: Esri, File No. 54630, Los Angeles, Ca 90074-4630</i></p>		

HOOKT

This offer is limited to the terms and conditions incorporated and attached herein.



**SMALL
ENTERPRISE LICENSE AGREEMENT
COUNTY AND MUNICIPALITY**

Authorized Distributor/Esri Use Only:
 Cust. Name _____
 Cust. # _____
 PO # _____
 Esri Agreement # _____

Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

This Small Enterprise License Agreement ("ELA") is by and between the organization listed on the signature page ("Licensee"); **Environmental Systems Research Institute, Inc. ("Esri")**; and, if Licensee is located outside the United States of America (USA), the Authorized Distributor listed on the signature page ("**Authorized Distributor**"). Authorized Distributor is authorized by Esri to provide access to Online Services and provide ELA Maintenance for Enterprise Products and other benefits, as described herein, to Licensee located outside the USA.

This ELA sets forth the terms for Licensee's use of Enterprise Products and incorporates by reference (i) the ELA Quotation and (ii) the License Agreement. Should there be any conflict between the terms and conditions of the documents that comprise this ELA, the order of precedence for the documents shall be as follows: (i) the ELA Quotation, (ii) Small Enterprise License Agreement, and (iii) the License Agreement. This ELA shall be governed by and construed in accordance with the laws of the state in which Licensee is located without reference to conflict of laws principles, and the USA federal law shall govern in matters of intellectual property. The modifications and additional rights granted in this ELA apply only to the Enterprise Products listed in Table A.

**Table A
List of Enterprise Products**

Unlimited Quantities

Desktop Software and Extensions

ArcGIS for Desktop Advanced
 ArcGIS for Desktop Standard
 ArcGIS for Desktop Basic
 ArcGIS for Desktop Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Desktop, ArcGIS Data Reviewer

Server Software and Extensions

ArcGIS for Server Workgroup and Enterprise (Advanced, Standard, and Basic)
 ArcGIS for Server Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Server, ArcGIS Image Extension for Server

Developer Tools

ArcGIS Engine
 ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Engine Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics
 ArcGIS Runtime Standard
 ArcGIS Runtime Standard Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Network Analyst

Limited Quantities

One (1) Annual Subscription to Esri Developer Network (EDN) Standard*
 One (1) Esri CityEngine Advanced Single Use License
 One (1) Esri CityEngine Advanced Concurrent Use License
 One (1) ArcGIS Online Subscription

Other Benefits

One (1) ArcGIS Online subscription with specified named users and credits as determined in the program description	Level 4
Number of Esri User Conference registrations provided annually	4
Number of Tier 1 Help Desk individuals authorized to call Esri	4
Maximum number of sets of backup media, if requested**	2
Virtual Campus Annual User License allowance	10,000
Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement (Discount does not apply to Small Enterprise Training Package.)	

*ELA Maintenance is not provided for these items.
 ** Additional sets of backup media may be purchased for a fee.

Licensee may accept this ELA by signing and returning it with an Ordering Document that matches the ELA Quotation and references this ELA. **ADDITIONAL OR CONFLICTING TERMS IN LICENSEE'S ORDERING DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS ELA WILL GOVERN.** Unless otherwise mutually agreed to, this ELA is effective as of the date of the last signature on the signature page ("Effective Date"), or if no date is provided with the signature, the date of Esri's receipt of Licensee's Ordering Document incorporating this ELA by reference.

This ELA supersedes any previous agreements, proposals, presentations, understandings, and arrangements between the parties relating to the licensing of the Enterprise Products. Except as provided in Article 4—Enterprise Product Updates, no modifications can be made to this ELA.

This ELA may be executed in duplicate by the parties. An executed separate signature page transmitted through electronic means, such as fax or e-mail, is valid and binding even if an original paper document bearing each party's original signature is not delivered.

Accepted and Agreed:

(Licensee)

By: _____

Authorized Signature

Printed Name: _____

Title: _____

Date: _____

LICENSEE CONTACT INFORMATION

Contact: _____

Telephone: _____

Address: _____

Fax: _____

City, State, Postal Code: _____

E-mail: _____

Country: _____

ELA Quotation Number (if applicable): _____

1.0—ADDITIONAL DEFINITIONS

In addition to the definitions provided in the License Agreement, the following definitions apply to this ELA:

"Deploy" means to redistribute and install the Enterprise Products and related Authorization Codes within Licensee's organization(s).

"ELA Maintenance" means Tier 2 Support, updates, and patches provided by Esri or its Authorized Distributor to Licensee for the Enterprise Products.

"ELA Quotation" means the Small Enterprise License Agreement offer letter and quotation provided separately by Esri or its Authorized Distributor to Licensee.

"ELA Fee" means the fee set forth in the ELA Quotation.

"Enterprise Products" means the Products identified in Table A—List of Enterprise Products and any updates to such list provided in writing by Esri or its Authorized Distributor.

"Incident" means a failure of the Software or Online Services to operate according to the Documentation where such failure substantially impacts operational or functional performance.

"License Agreement" means the applicable license agreement incorporated by this reference that is (i) found at <http://www.esri.com/legal/software-license>; composed of the General License Terms and Conditions (E204) and Exhibit 1, Scope of Use (E300); and available in the installation process requiring acceptance by electronic acknowledgment or (ii) a signed license agreement between Esri, Distributor (if applicable), and Licensee that supersedes such electronically acknowledged license agreement.

"Technical Support" means a process to attempt to resolve reported Incidents through error correction; patches; hot fixes; workarounds; replacement deliveries; or any other type of Enterprise Product corrections or modifications.

"Tier 1 Help Desk" means Licensee's point of contact from which all Tier 1 Support will be given to Licensee.

"Tier 1 Support" means the Technical Support provided by the Tier 1 Help Desk as the primary contact to Licensee in attempted resolution of reported Incidents.

"Tier 2 Support" means the Technical Support provided by Esri or its Authorized Distributor to the Tier 1 Help Desk when the Incident cannot be resolved through Tier 1

Support. Licensees located in the USA will receive Tier 2 Support from Esri. Licensees outside the USA will receive Tier 2 Support from an Authorized Distributor located in the Licensee's region.

2.0—ADDITIONAL GRANT OF LICENSE

2.1 Grant of License. Subject to the terms and conditions of this ELA, Esri grants to Licensee a personal, nonexclusive, nontransferable Term License solely to use, copy, and Deploy quantities of the Enterprise Products listed in Table A for the term provided in Section 3.1—Term (i) for which the applicable license fees have been paid and (ii) in accordance with the License Agreement.

2.2 Consultant Access. Esri grants Licensee the right to permit Licensee's consultants or contractors to use the Enterprise Products exclusively for Licensee's benefit. Licensee shall be solely responsible for compliance by consultants and contractors with this ELA and shall ensure that the consultant or contractor discontinues use of Enterprise Products upon completion of work for Licensee. Access to or use of Enterprise Products by consultants or contractors not exclusively for Licensee's benefit is prohibited. Licensee may not permit its consultants or contractors to install Software or Data on consultant, contractor, or third-party computers or remove Software or Data from Customer locations, except for the purpose of hosting the Software or Data on Contractor Servers for the benefit of Licensee.

3.0—TERM, TERMINATION, AND EXPIRATION

3.1 Term. The term of this ELA and all licenses hereunder shall commence on the Effective Date and continue for three (3) years, unless this ELA is terminated earlier as provided herein. Licensee is only authorized to use Deployed Enterprise Products during the term of this ELA. No indefinite term or perpetual license grants are provided with this ELA.

3.2 No Use upon Expiration or Termination. All Deployed Enterprise Product licenses and all ELA Maintenance, Virtual Campus access, and User Conference Registrations terminate on expiration or termination of this ELA.

3.3 Termination for a Material Breach. Either party may terminate this ELA for a material breach by the other party. The breaching party shall be given a period of ten (10) days from the date of written notice to cure any material breach.

3.4 Termination for Lack of Funds. For government or government-owned entities only, either party may terminate this ELA for Lack of Funds. Lack of Funds is the inability of Licensee to secure appropriation of funds through the legislative or governing body's approval process for annual payments due.

4.0—ENTERPRISE PRODUCT UPDATES

4.1 Future Updates. Esri and its Authorized Distributor reserve the right to update the list of Enterprise Products in Table A by providing written notice to Licensee. Licensee may continue to use all Enterprise Products that have been Deployed, but support and upgrades for deleted items may not be available. As new Enterprise Products are incorporated into the standard program, they will be offered to Licensee via written notice for incorporation into the Enterprise Products schedule at no additional charge. Licensee's use of new or updated Enterprise Products requires Licensee to adhere to applicable additional or revised terms and conditions of the License Agreement.

4.2 Product Life Cycle. During the term of this ELA, some Enterprise Products may be retired or may no longer be available for unlimited quantity Deployment. ELA Maintenance shall be subject to the individual Product Life Cycle Support Status and Product Life Cycle Support Policy, which can be found at <http://support.esri.com/en/content/productlifecycles>. Updates for Enterprise Products in the mature and retired phases may not be available; however, Licensee may continue to use Deployed Enterprise Products for the term of this ELA, but Licensee will not be able to Deploy retired Enterprise Products.

5.0—ELA MAINTENANCE

ELA Maintenance is included with the ELA Fee. ELA Maintenance includes standard maintenance benefits specified in either (i) the most current applicable Esri Standard Maintenance Program document (found at <http://www.esri.com/legal>) for USA-based Licensees or (ii) the applicable Authorized Distributor software maintenance policy as modified by this Article 5.0—ELA Maintenance. At Esri's sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Enterprise Products will receive ELA Maintenance. Licensee may acquire maintenance for other Software (non-Enterprise Products) outside this ELA.

a. Tier 1 Support Provided by Licensee

1. Licensee shall provide Tier 1 Support through the Tier 1 Help Desk to all Licensee's authorized users.
2. The Tier 1 Help Desk will use analysts fully trained in the Software they are supporting.
3. At a minimum, Tier 1 Support will include those activities that assist the user in resolving how-to and operational questions as well as questions on installation and troubleshooting procedures.
4. Tier 1 Support analysts will be the initial points of contact for all questions and Incidents. Tier 1 Support analysts shall obtain a full description of each reported Incident and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Incident. The analyst may also use any other information and databases that may be developed to satisfactorily resolve Incidents.
5. If the Tier 1 Help Desk cannot resolve the Incident, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk shall provide support in such a way as to minimize repeat calls and make solutions to problems available to Licensee.
6. Tier 1 Help Desk individuals identified by Licensee are the only individuals authorized to contact Tier 2 Support. Licensee may revise named individuals by written notice.

b. Tier 2 Support Provided by Esri or Its Authorized Distributor

1. Tier 2 Support shall log the calls received from Tier 1 Help Desk individuals.
2. Tier 2 Support shall review all information collected by and received from Tier 1 Help Desk individuals including preliminary documented troubleshooting provided by Tier 1 Help Desk when Tier 2 Support is required.
3. Tier 2 Support may request that Tier 1 Help Desk individuals provide verification of information, additional information, or answers to additional questions to supplement any preliminary information gathering or troubleshooting performed by Tier 1 Help Desk.

4. Tier 2 Support shall attempt to resolve the incidents submitted by Tier 1 Help Desk by assisting Tier 1 Help Desk individuals.
5. When the incident is resolved, Tier 2 Support shall communicate the information to Tier 1 Help Desk individuals, and Tier 1 Help Desk shall disseminate the resolution to the user.

6.0—ENDORSEMENT AND PUBLICITY

This ELA shall not be construed or interpreted as an exclusive dealings agreement or Licensee's endorsement of Esri or its Authorized Distributor. Licensee agrees that Esri and its Authorized Distributor may publicize the existence of this ELA upon execution.

7.0—ADMINISTRATIVE REQUIREMENTS

7.1 OEM Licenses. Under Esri's OEM or Solution OEM programs, OEM partners are authorized to embed or bundle portions of Esri products and services with their application or service. OEM partners' business model, licensing terms and conditions, and pricing are independent of this ELA. Licensee shall not seek any discount from the OEM partner or Esri based on the availability of Enterprise Products under this ELA. Licensee shall not decouple Esri products or services from the OEM partners' application or service.

7.2 Annual Report of Deployments. At each anniversary date and ninety (90) calendar days prior to the expiration date of this ELA, Licensee shall provide a written report detailing all Deployments to either (a) Esri if Licensee is located in the USA or (b) Authorized Distributor if Licensee is located outside the USA. The report will be subject to audit.

7.3 Renewal. Any follow-on ELA will be offered in accordance with then-current ELA pricing and license terms and conditions.

8.0—ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT

8.1 Orders, Delivery, and Deployment

- a. Licensee shall issue an Ordering Document upon execution of this ELA and annually thereafter in accordance with the ELA Quotation. Payment shall be due and payable within thirty (30) calendar days

of the anniversary date of the Effective Date, with the initial payment due within thirty (30) calendar days of execution of this ELA. Esri's Federal ID Number is 95-2775-732.

- b. Upon receipt of the initial Ordering Document from Licensee, Esri shall authorize download of the Enterprise Products to Licensee for its Deployment activities. If requested, Esri will ship backup media to the ship-to address identified on the Order, FOB Destination, with shipping charges prepaid. For those entities that avoid sales tax by downloading deliverables, request for delivery or receipt of tangible media may cause license fees to be subject to taxes. Licensee acknowledges that should such taxes become due, Esri has a right to invoice and Licensee agrees to pay any such sales or use tax associated with its receipt of tangible media.
- c. Esri shall provide Authorization Codes to activate the nondestructive copy protection program that enables the Enterprise Products to operate.
- d. Licensee shall Deploy, install, configure, and track the Deployment status of the Enterprise Products.

8.2 Order Requirements

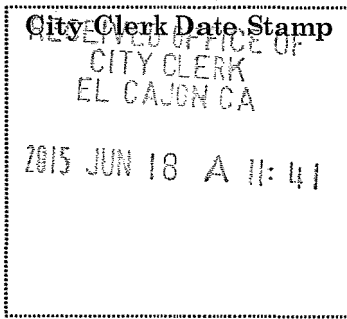
- a. All orders pertaining to this ELA shall be processed through Licensee's centralized point of contact.
- b. The following information shall be included in each Order (or Ordering Document):
 - (1) Licensee name; Esri customer number, if known; and bill-to and ship-to addresses
 - (2) Order number
 - (3) Applicable annual payment due

9.0—TRAINING

9.1 Training Description. Esri offers instructor-led training related to the use of its proprietary GIS software. Esri will provide to Licensee a fixed number of training days to use for Instructor-Led Training, as defined in this Small Enterprise Training Package, if purchased. Instructor-Led Training events occur at an Esri Learning Center or via the web in a cloud environment. The Esri software training course(s) to be conducted, location, schedule dates, and registration requirements are set forth in the *Esri Training* catalog located on Esri's Training website (<http://training.esri.com>). All courses are conducted in substantial conformity with course descriptions outlined on the Esri Training website. Esri reserves the right to modify course content when necessary due to software technical capabilities or limitations.

9.2 Unique Terms for the Small Enterprise Training Package

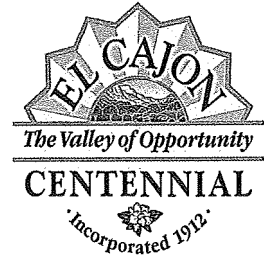
- a. To order training, Licensee must include training in the Ordering Document for the ELA or provide an Ordering Document as required and specified within the ELA that matches the Esri quotation.
- b. Where Licensee submits an additional Ordering Document to purchase training days for additional year(s), any unused training days will automatically roll over.
- c. An Ordering Document is required annually for each three (3)-year term. Failure to submit an annual Ordering Document will result in the forfeit of unused training days.
- d. Licensee must assign an individual within its organization to the role of Training Administrator to serve as liaison between Licensee's organization and Esri as well as internally manage and authorize allocated training days.
- e. The training days are available for a period of twelve (12) months, commencing on the Effective Date, and ending when all training days are consumed, whichever is sooner.
- f. Esri will invoice for outstanding training expenses where applicable.
- g. Training days are not transferable and not refundable for any other Esri products or services.



City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 1.11



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Ambrose, Bales Kendrick

FROM: Jim Lynch, Director of Human Resources

SUBJECT: Tentative Agreement with the International Association of Firefighters (IAFF) Local 4603 for 2015 – 2017 Memorandum of Understanding (MOU)

RECOMMENDATION: That the City Council approve the tentative agreement reached with the International Association of Firefighters (IAFF) Local 4603 and authorize the City Manager to execute the final Memorandum of Understanding (MOU) implementing the terms outlined and adopt the next resolution in order if approved.

BACKGROUND: A tentative agreement was reached within settlement authority for the IAFF Local 4603 as follows:

- (a) Two-year term - July 1, 2015, through June 30, 2017.
- (b) General salary increases of four percent (4.00%) in the first full pay period after July 1, 2015, and two and one quarter percent (2.25%) in the first full pay period after July 1, 2016.
- (c) \$50 per month increase in cafeteria plan contributions effective January 2016 and \$50 per month increase in cafeteria plan contributions effective January 2017.
- (d) Other minor operational, clean up and non-economic items.

The revised “markup” version of the MOU is available in the Human Resources Department for review.

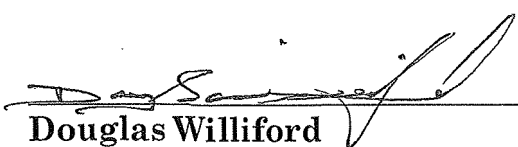
FISCAL IMPACT: This tentative agreement was reached within settlement authority provided by the City Council. The approximate first year additional cost will be \$356,000; the approximate second year additional cost will be \$216,000.

PREPARED BY:

APPROVED BY:



Jim Lynch
Director of Human Resources



Douglas Williford
City Manager

RESOLUTION NO. __-15

RESOLUTION APPROVING
MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF EL CAJON AND THE
THE INTERNATIONAL ASSOCIATION OF
FIREFIGHTERS (IAFF) LOCAL 4603 FOR THE
PERIOD OF JULY 1, 2015, THROUGH JUNE 30, 2017,
IN ACCORDANCE WITH GOVERNMENT CODE SECTION 3500
(MEYERS-MILIAS-BROWN ACT)

WHEREAS, the City Council has approved changes in the terms and conditions of employment of employees in the classifications represented by the International Association of Firefighters (IAFF) Local 4603 for the period from July 1, 2015, through June 30, 2017, as hereinafter set forth.

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

1. The City Council hereby approves the revised and updated Memorandum of Understanding By and Between the City of El Cajon and the International Association of Firefighters (IAFF) Local 4603 containing provisions for changes in the terms and conditions of employment for Fiscal Years 2015-17. A summary hereof of said Memorandum is attached hereto as Exhibit "A," and made a part hereof by this reference.

2. The City Council hereby finds that approval of the Memorandum satisfies the City's obligations regarding the Meet and Confer process in accordance with Government Code Section 3500 (Meyers-Milias-Brown Act).

06/23/15 (Item 3.1)

Employee Org – IAFF Local 4603 (Firefighters) MOU 061615

Exhibit "A"

Summary of Revised Terms and Conditions of International Association of Firefighters (IAFF) Local 4603 Memorandum of Understanding:

- (a) Two-year term - July 1, 2015, through June 30, 2017.
- (b) General salary increases of four percent (4.00%) in the first full pay period after July 1, 2015, and two and one quarter percent (2.25%) in the first full pay period after July 1, 2016.
- (c) \$50 per month increase in cafeteria plan contributions effective January 2016 and \$50 per month increase in cafeteria plan contributions effective January 2017.
- (g) Other minor operational, clean up and non-economic items.

RESOLUTION NO. __-15

RESOLUTION APPROVING
MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF EL CAJON AND THE
THE INTERNATIONAL ASSOCIATION OF
FIREFIGHTERS (IAFF) LOCAL 4603 FOR THE
PERIOD OF JULY 1, 2015, THROUGH JUNE 30, 2017,
IN ACCORDANCE WITH GOVERNMENT CODE SECTION 3500
(MEYERS-MILIAS-BROWN ACT)

WHEREAS, the City Council has approved changes in the terms and conditions of employment of employees in the classifications represented by the International Association of Firefighters (IAFF) Local 4603 for the period from July 1, 2015, through June 30, 2017, as hereinafter set forth.

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

1. The City Council hereby approves the revised and updated Memorandum of Understanding By and Between the City of El Cajon and the International Association of Firefighters (IAFF) Local 4603 containing provisions for changes in the terms and conditions of employment for Fiscal Years 2015-17. A summary hereof of said Memorandum is attached hereto as Exhibit "A," and made a part hereof by this reference.

2. The City Council hereby finds that approval of the Memorandum satisfies the City's obligations regarding the Meet and Confer process in accordance with Government Code Section 3500 (Meyers-Milias-Brown Act).

06/23/15 (Item 1.11)

Employee Org – IAFF Local 4603 (Firefighters) MOU 061615

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- (c) \$50 per month increase in cafeteria plan contributions effective January 2016 and \$50 per month increase in cafeteria plan contributions effective January 2017.
- (g) Other minor operational, clean up and non-economic items.

RECEIVED OFFICE OF
CITY CLERK

City Clerk Date Stamp

2015 JUN 18 A 8:55

City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 1.12



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Douglas Williford, City Manager

SUBJECT Revision to City Council Policy A-29, *Compensation Plan for Executive and Unrepresented Employees and the City Attorney* and Approval of Class Specifications for Police Recruit and Weed Abatement Inspector

RECOMMENDATION: That the City Council approve the changes to City Council Policy A-29 described below and reflected on the attachment, as well as the classification specifications for Police Recruit and Weed Abatement Inspector.

BACKGROUND: City Council Policy A-29 details the compensation for all employees not represented by any of the City's bargaining groups. The affected employees include all directors, confidential and other unrepresented employees, and part-time/seasonal/temporary (PST) employees. This year, the City Attorney, Weed Abatement Inspector and Police Recruit classifications have been added to the applicable provisions.

As proposed, all of the miscellaneous (non-safety) employees in this group and the Police Chief will receive a general salary increase of 2.5% effective the first full pay period after July 1, 2015. The affected Fire safety employees (i.e., the Fire Chief, Deputy Fire Chief, Fire Division Chief) will receive the same general salary increase as their Fire safety peers – i.e., 4.0% effective the first full pay period after July 1, 2015.

In addition, the City Clerk, the Director of Human Resources and the Director of Recreation will receive additional market salary increases of 3.0% effective the first full pay period after July 1, 2015. Finally, all benefitted classifications/positions covered by this policy will receive a \$50 increase in cafeteria benefits effective January 2016.

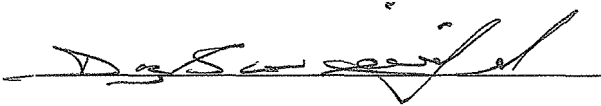
Some classifications, such as the Deputy City Manager/Director of Finance, Director of Public Works and Director of Community Development are included for purposes of the

City's Compensation Plan, but are not budgeted and will not be filled under the City's current organizational structure.

There are other minor, non-substantive changes to the policy reflected on the attached version. These include updates in the sick leave provision to comply with recent changes in California law, the revision of the classification formerly part of the Police Officer (non-sworn) series, now to be called "Police Recruit", which better reflects its non-sworn status. Also included is the new part-time/temporary classification of Weed Abatement Inspector.

FISCAL IMPACT: It is estimated that the cost of the increases identified above will be approximately \$115,000 in fiscal year 2015-16, including ancillary costs such as retirement.

PREPARED AND APPROVED BY:

A handwritten signature in black ink, appearing to read "Douglas Williford", is written over a horizontal line. The signature is stylized and cursive.

**Douglas Williford
CITY MANAGER**

**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29
REFERENCE:	EFFECTIVE 06/23/15
	PAGE 1 of 17

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 ending ~~7/18/2014~~ 7/17/2015

EXECUTIVE MANAGEMENT AND CONTRACT CLASSIFICATIONS ARE AS FOLLOWS:

<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	<u>ANNUAL SALARY</u>
Assistant City Manager	132.9 133.9	\$158,059.20 – \$192,587.20 162,011.20 - \$197,392.00
Police Chief	130.4 131.4	\$148,574.40 – \$181,022.40 152,297.60 - \$185,556.80
Fire Chief	128.1 129.7	\$140,358.40 – \$171,017.60 146,036.80 - \$177,944.00
Deputy City Manager / Director of Finance	126.1 127.1	\$133,598.40 – \$162,780.80 136,947.20 - \$166,836.80
Director of Public Works	124.2 125.2	\$127,483.20 – \$155,313.60 130,665.60 - \$159,203.20
Director of Finance/City Treasurer	123.7 124.7	\$125,923.20 – \$153,441.60 129,084.80 - \$157,268.80
Director of Community Development	120.9 121.9	\$117,520.00 – \$143,187.20 120,473.60 - \$146,764.80
City Attorney (Contract)	N/A	\$142,003.78 – \$145,553.87
Director of Human Resources	118.1 120.3	\$109,657.60 – \$133,598.40 115,772.80 - \$141,065.60
Director of Recreation	114.0 116.2	\$ 99,091.20 – \$120,723.20 104,644.80 - \$127,483.20

**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29
REFERENCE :	EFFECTIVE 06/23/15 PAGE 2 of 17

City Clerk	411.4113.6	\$ 92,934.40 - \$113,235.20 98,134.40 - \$119,558.40
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UNREPRESENTED GENERAL CLASSIFICATIONS ARE AS FOLLOWS:

<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	<u>ANNUAL SALARY</u>
Deputy Fire Chief	416.7118.3	\$ 105,955.20 - \$129,084.80 110,219.20 - \$134,264.00
Fire Division Chief	414.7116.3	\$ 100,838.40 - \$122,865.60 104,815.20 - \$127,795.20
Financial Operations Manager	414.6115.6	\$ 100,588.80 - \$122,553.60 ← 103,105.60 - \$125,611.20
Assistant to the City Manager	406.4107.4	\$ 82,139.20 - \$100,089.60 84,198.40 - \$102,585.60
Senior Human Resources Analyst	400.6101.6	\$ 71,177.60 - \$ 86,736.00 72,966.40 - \$ 88,899.20
Senior Management Analyst (Finance)	400.6101.6	\$ 71,177.60 - \$ 86,736.00 72,966.40 - \$ 88,899.20
Senior Risk Management Analyst	400.6101.6	\$ 71,177.60 - \$ 86,736.00 72,966.40 - \$ 88,899.20
Human Resources Analyst	93.494.4	\$ 59,592.00 - \$ 72,612.80 61,089.60 - \$ 74,422.40
Police Recruit	92.1	\$ 57,699.20 - \$ 70,304.00

CONFIDENTIAL CLASSIFICATIONS ARE AS FOLLOWS:

<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	<u>ANNUAL SALARY</u>
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**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29
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REFERENCE:	EFFECTIVE 06/23/15	PAGE 3 of 17
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Executive Assistant to the City Manager/City Attorney	90.5-91.5	\$ 55,473.60 - \$ 67,600.00 56,867.20 - \$69,284.80
Administrative Secretary (Human Resources and City Manager's Office)	80.481.5	\$ 43,222.40 - \$ 52,665.60 44,304.00 - \$53,996.80

~~**PART-TIME BENEFITTED CLASSIFICATIONS ARE AS FOLLOWS:**~~

~~**All benefits (including those described under Section C "Health and Welfare Benefits" and Section D "Leaves") will be pro-rated based on budgeted full-time equivalency (FTE).*~~

<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	<u>HOURLY SALARY</u>
Multi Media Technician	62.4	\$13.33 - \$16.24

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

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

<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	<u>HOURLY SALARY</u>
Administrative Intern	66.367.3	\$14.67 - \$17.88 15.04 - \$18.32
Emergency Medical Technician/BLS	60.861.8	\$12.81 - \$15.61 13.13 - 16.00
Maintenance Aide	54.555.5	\$10.96 - \$13.36 11.24 - \$13.69
Public Safety Background Investigator	94.195.1	\$29.15 - \$35.51 29.88 - \$36.40
Recreation Specialist I	48.749.7	\$ 9.50 - \$11.58 9.74 - \$11.87

**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29
REFERENCE:	EFFECTIVE 06/23/15
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Recreation Specialist II	57,658.6	\$11.84 - \$14.42 12.13 - \$14.78
Recreation Specialist III	66,467.4	\$14.71 - \$17.92 15.08 - \$18.37
Recreation Specialist IV	75,476.4	\$18.37 - \$22.38 18.83 - \$22.94
Recreation Specialist V	84,385.3	\$22.88 - \$27.88 23.46 - \$28.58
Weed Abatement Inspector	84.7	\$23.11-\$28.16

B. EDUCATIONAL INCENTIVE PROGRAM

Executive and unrepresented management employees (except the City Attorney) are eligible for five percent (5.0%) additional compensation when they possess any of the following:

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

Employees are not eligible to receive more than 5.0% additional compensation where the employee possesses more than one Master's degree and/or certification.

The Fire Chief, Deputy Fire Chief and Fire Division Chief are eligible for two and one half percent (2.5%) additional compensation when possessing an Associate's degree in Fire Science or a related field, or five percent (5.0%) additional compensation when possessing a Bachelor's degree in any field. This additional incentive is applicable to the Fire Chief, Deputy Fire Chief and Fire Division Chief only, and is not available to employees hired after July 1, 2001.

The Police Chief is eligible for the following educational incentives (not to exceed 13%):

1. Two and one half percent (2.5%) additional compensation when possessing an Associate's degree in Criminology, Police Science or a related field, or six percent (6.0%) additional compensation when possessing an Advanced P.O.S.T certificate.

**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29	
REFERENCE:	EFFECTIVE 06/23/15	PAGE 5 of 17

2. Two and one half percent (2.5%) additional compensation when possessing a P.O.S.T. Management Certificate and completion of one of the following:
 - (a) FBI Academy;
 - (b) P.O.S.T. Command College;
 - (c) Senior Management Institute for Police; or
 - (d) Other management classes/educational programs as approved by the City Manager.
3. Two and one half percent (2.5%) additional compensation when possessing a Bachelor's degree.
4. Three percent (3.0%) additional compensation when possessing a Master's degree or other advanced degree related to the position.

C. HEALTH AND WELFARE BENEFITS

1. Cafeteria Plan

The City provides an Internal Revenue Code Section 125 Cafeteria Benefit Plan. For calendar year 20132016, the amount of the cafeteria benefit allowance shall be \$900-1,000 per month (\$10,80012,000 per year). ~~Effective January 1, 2014, the cafeteria benefit allowance shall be \$950 per month (\$11,400 per year).~~ The allowance may be used to purchase health insurance available through the City's contract with CalPERS, dental and/or vision insurance, or the employee may elect to receive taxable cash.

If the total cost of benefits selected exceeds the allowance, the difference shall be deducted from the employee's salary as a "salary reduction" item, i.e., paid with pre-tax dollars. If the allowance exceeds the total cost of benefits selected, the difference shall be given to the employee as taxable cash.

The City also provides Health Care and Dependent Care Flexible Spending Accounts (FSAs) that allow employees to pay for specified out-of-pocket expenses on a pre-tax basis. Cafeteria plan amounts may be used to fund the FSAs up to the legal maximum.

2. Medical Insurance

The City is continuing the CalPERS' Health Benefits program that was adopted on January 1, 1986. From the total allotted under the cafeteria plan, 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

**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29
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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 at least once annually to enroll in the City's medical insurance plan.

3. Retirement Benefits

All executive, unrepresented management, and confidential employees and the City Attorney 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:

Miscellaneous Employees <i>("Classic" Members)</i>	Safety Employees <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]
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)

**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29
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L. [Reserved]	L. Post-Retirement Survivor Allowance (\$21624/26/28)
M. [Reserved]	M. Post-Retirement Survivor Allowance to Continue After Remarriage (\$21635)
	Local Safety Employees (Hired on or after March 11, 2011)
	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:

Miscellaneous Employees (“New” Members Hired on or after January 1, 2013)	Safety Employees (“New” Members Hired on or after January 1, 2013)
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)

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

4. Deferred Compensation

Employees are eligible to participate in any of the City’s Internal Revenue Code Section 457 Deferred Compensation Plans. The City offers two plans: one is administered by the International City/County Managers’ Association Retirement Corporation (ICMA-RC) and the other is administered by Nationwide Retirement Solutions. Participation is handled through payroll deductions.

The City shall contribute \$500 per month (\$6,000 per year) in deferred compensation on behalf of the City Attorney to one of the City approved plans as selected by the City Attorney. Amounts contributed by the City shall be to the benefit of the City Attorney in accordance with the Deferred Compensation Plan participation agreement.

**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29	
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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.

PST employees are not eligible to participate in the deferred compensation plans.

5. Disability Insurance

The City provides executive, ~~and~~ unrepresented management employees and the City Attorney with fully paid short-term and long-term disability plans.

Confidential and part-time benefitted employees 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 part-time benefitted employees in the amount of \$25,000.

D. LEAVES

1. Vacation Accrual

All executive, unrepresented management and confidential employees (excluding the City Attorney) 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 60th month;
- b. 4.60 hours of vacation accrued and credited bi-weekly following completion of the 60th month through the 132nd month;

**CITY OF EL CAJON
CITY COUNCIL POLICY**

SUBJECT: Compensation Plan for Executive and Unrepresented Employees, and the City Attorney	POLICY A-29	
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- c. 4.91 hours of vacation accrued and credited bi-weekly following completion of the 132nd month through the 144th month;
- d. 5.21 hours of vacation accrued and credited bi-weekly following completion of the 144th month through the 156th month;
- e. 5.52 hours of vacation accrued and credited bi-weekly following completion of the 156th month through the 168th month;
- f. 5.83 hours of vacation accrued and credited bi-weekly following completion of the 168th month through the 180th month;
- g. 6.14 hours of vacation accrued and credited bi-weekly following completion of the 180th month.

New hires in executive and unrepresented management classifications (excluding the City Attorney) may accrue vacation leave at a rate greater than the entry rate at the discretion of the City Manager.

~~Effective beginning on the first full pay period after July 1, 2013,~~ Vacation accrual shall be capped at 600 hours for all executive management employees, 540 hours for all unrepresented management employees, and 480 hours for confidential and ~~part-time benefitted~~ 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 employees (excluding the City Attorney) receive eighty (80) hours administrative leave per year accrued as vacation leave.

Unrepresented management employees receive sixty (60) hours administrative leave per year accrued as vacation leave.

3. Holidays

Executive and unrepresented management and confidential employees (excluding the City

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CITY COUNCIL POLICY**

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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. 0.62 hours of vacation shall accrue and be credited bi-weekly to compensate for the two floating holidays.

City Hall will be closed between the observed Christmas Eve holiday in 2015 and the observed New Years' Eve Day holiday in 2016. Use of paid leave will be required for the following dates: ~~Friday, December 26, 2014-2015 (8-9 hours), Monday, Tuesday, December 29, 2014-2015 (9 hours), and Tuesday, Wednesday, December 30, 2014-2015 (9 hours).~~

All EMPLOYEES working the 9/80 schedule will be required to use one hour of vacation leave for all observed holidays falling on nine hour work days. Payroll will automatically deduct the one hour from each employee's vacation leave. An EMPLOYEE working the 9/80 schedule whose day off falls on an observed City holiday (e.g., Friday holiday) will accrue eight hours of vacation leave.

4. Sick Leave

Executive, and unrepresented management and confidential employees (excluding the City Attorney) 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

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commencement of employment at the rate prescribed by Labor Code § 246. PST employees are entitled to no other leave benefits under this policy. ~~Accrual is unlimited.~~

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

~~Sick leave may be taken in case an employee's presence is required to care for relatives who are members of the employee's household or for parents and minor children (not required to be members of the household) due to injuries, illness or disability. This provision shall include time for scheduled doctor or dentist appointments.~~

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.

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

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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 (excluding the City Attorney) 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.

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.

**CITY OF EL CAJON
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~~Qualifying military leave shall be granted in accordance with the California Military & Veterans Code section 389 et seq. and the federal Uniformed Services Employment and Reemployment Rights Act ("USERRA"; 38 U.S.C. Section 4301 et seq.) An employee will be entitled to reinstatement after military service depending on several factors, including but not limited to, (1) whether the employee provided advance notice to the City of the military leave; (2) the length of the leave; and (3) after the leave, whether the employee reports to work, or submits a reemployment application, within applicable statutory notice provisions. Employees who are called to military service or who are being released from military service may contact the City's Human Resources Department regarding the requirements for their circumstances. Employees on military leave may be entitled to pay for the first thirty (30) days of military leave for any one military leave of absence or during any one fiscal year, subject to factors such as the type of leave taken and length of employment with the City. Employees who are called to military service may contact the City's Human Resources Department regarding the requirements for compensation in their circumstances. All employees entitled to military leave shall give the City Manager an opportunity within the limits of applicable statutes, military rules or regulations, to determine when such leave shall be taken. EMPLOYEES should forward a leave slip with orders attached to the Human Resources Department prior to date of military leave.~~

7. Jury and Witness Leave

All executive, unrepresented management and confidential employees (excluding the City Attorney) 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, Deputy 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.

E. UNIFORM AND EQUIPMENT ALLOWANCE

The Police Chief receives an annual uniform and equipment allowance of \$675. The Fire Chief, Deputy Fire Chief and Fire Division Chief receive an annual uniform and equipment allowance of \$350. The allowance is paid in the month of July.

**CITY OF EL CAJON
CITY COUNCIL POLICY**

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F. TUITION AND BOOK REIMBURSEMENT

The City provides an allowance of \$750 per fiscal year for executive and unrepresented management and confidential employees (excluding the City Attorney) to use to defray the cost of attendance at seminars, workshops, conferences and/or classes, which promote professional growth. Executive and unrepresented management employees may use this allowance for lodging, meals, and other travel expenses.

Executive and unrepresented management employees (excluding the City Attorney) may also use the allowance to cover the costs of membership fees for job related professional associations.

G. OTHER CERTIFICATIONS AND SPECIAL COMPENSATION

1. Notary Public Pay

The Executive Assistant to the City Attorney shall receive Notary Public Pay in the amount of \$60/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. The Executive Assistant to the City Attorney shall perform notary services only as directed by his/her supervisor.

2. Automobile Allowance

The Assistant City Manager shall be provided a monthly automobile allowance of \$400 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. By the Assistant City Manager making his/her personal vehicle available for use, he/she is not precluded from using City vehicles for City business, during, before and after the normal workday on occasion, when appropriate.

3. 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.

4. 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

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submission of receipts documenting the purchase(s). The equipment purchased shall become the property of the Assistant City Manager.

H. RELOCATION ALLOWANCE

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

CITY OF EL CAJON

POLICE RECRUIT

POSITION DESCRIPTION

Function:

Participate and successfully complete the Police Academy.

Class Characteristics:

Police Recruit is the entry-level position to Police Officer. Upon hire, Police Recruits attend the Police Academy and complete a Peace Officer Standards and Training (P.O.S.T.) certified academy.

Police Recruits are non-safety employees. After successfully completing the Police Academy, the Police Recruit will advance to the classification of Police Officer and become a safety member:

- Graduation from the police academy, and
- Subscribing to the oath or affirmation required by the California Constitution and administered by a duly empowered official of the City of El Cajon.

Representative Duties:

- Participate in all classroom and field activities while attending the police academy;
- Write/type reports and complete all assignments;
- Participate in daily physical training as required and directed by the police academy training staff;
- Successfully complete the training requirements of the police academy, and;
- Perform other related duties and physical training activities as assigned.

Contacts and Relationships:

- Build and maintain positive working relationships with co-workers, other City employees and the public using principles of good customer services;

QUALIFICATIONS GUIDELINES

Physical Condition:

Shall possess the physical, mental, and emotional ability to perform the essential duties of the position without the threat of hazard to themselves or others.

Experience:

None required.

Education:

Educational achievement equivalent to the completion of high school, preferably supplemented by additional college level courses in police science, administration of justice or a related field.

Abilities/Skills/Knowledge:

- Ability to learn, understand, and interpret laws, ordinances, and department policies, regulations, and training procedures;
- Ability to learn modern police procedures and techniques;
- Ability to analyze situations and adopt a quick, effective, and reasonable course of action;
- Ability to take and follow orders from supervisors;
- Ability to communicate effectively both orally and in writing;
- Ability to write clear, concise, complete, and accurate reports;
- Ability to remember facts and details of incidents;
- Ability to deal tactfully and courteously with the public;
- Ability to develop skills in the use of firearms and interrogation techniques;
- Ability to learn and utilize appropriate radio protocol;
- Driving skill;
- Physical endurance and agility;
- Personality and temperament required to calmly and effectively handle oneself and others in emergency situations, and;
- Ability to demonstrate sensitivity to other cultures and to understand contemporary social issues affecting the community.

Special Requirements:

Possession of or ability to obtain, prior to employment, a valid Class C California driver's license with a safe driving record.

Ability to obtain a Basic POST Certificate upon successful completion of the Police Academy.

City of El Cajon
Police Recruit

Possession of or ability to obtain an advanced first aid and CPR card prior to successful completion of the Police Academy.

Must be 21 years of age at the time of appointment.

CITY OF EL CAJON

Weed Abatement Inspector (Part-time/Seasonal/Temporary)

CLASSIFICATION DESCRIPTION

Function: Under general supervision, the Weed Abatement Inspector performs technical inspections to ensure compliance with local, state and federal codes and related ordinances pertaining to the prevention and control of vegetation and fire hazards; and performs related work as required.

Class Characteristics: This is a non-safety, non-benefitted and at-will position. The position within this classification is part-time, seasonal, and temporary. Employees are expected to be highly motivated and community orientated while operating under minimal supervision.

Representative Duties:

Duties include, but are not limited to the following:

- Under general direction, implement the weed and hazard abatement program.
- Answer various inquiries and respond to public complaints regarding potential code violations.
- Perform weed abatement inspections at private residential, industrial, vacant and commercial parcels within the City.
- Investigate complaints pertaining to violations of weed abatement and related fire safety laws and ordinances.
- Issue written notices of weed abatement ordinance violations and require correction thereof.
- Inspect and issue weed abatement notices; re-inspect to determine compliance has been achieved on all violations.
- Maintain records pertaining to inspections and actions taken.
- Prepare correspondence and written reports that are concise, thorough and grammatically correct.
- Operate telephone, radios, and office machines with proficiency.
- Utilize common computer software programs which include word processing, spreadsheets and database programs.

- Perform administrative duties as assigned.
- Exercise independent judgment and work with a minimum amount of supervision.

Contacts and Relationships: The employee interacts with the public, contractors/vendors and other City employees; maintains effective relations with the public and contractors/vendors through positive contacts to ensure public satisfaction with services rendered.

Working Conditions: Work is performed indoors and outdoors; indoors is typically in an office environment in a carpeted and air-conditioned office area, fluorescent lighting and moderate noise level. Outdoors is with exposure to a variety of weather conditions, exposure to traffic, noise, hazardous substances, physical barriers and to heavy equipment; work on slippery or uneven surfaces. Travel from site to site for inspection in a vehicle.

QUALIFICATION GUIDELINES

Physical Condition: Strength sufficient to occasionally lift, carry, push and/or pull objects up to 25 lbs. Stamina sufficient to work for long periods while maintaining concentration and decision making abilities. Sight in the normal vision range with or without correction to read typical business documents and computer screens, Hear in the normal range with or without correction. Remain standing or sitting for prolonged periods of time and occasionally walk long distances, climb up and down hillsides, steps or slopes, kneel, stoop or bend. Ability to work outside in inclement weather (rain, wind, humid and dry conditions).

Experience: Some experience in vegetation and hazard abatement programs. Knowledge of defensible space requirements is highly desirable.

Education: Educational achievement equivalent to graduation from high school or GED equivalent. Courses in fire prevention are highly desirable.

Knowledge/Skills/Abilities:

- Demonstrate knowledge of fire prevention methods, pertinent rules, laws and policies related to area of assignment.
- Satisfactorily participate in and complete specialized courses, seminars and/or in service training in order to maintain technical expertise as determined by the Department.
- Build and maintain positive working relationships with co-workers, contractors/vendors, and the general public using principles of good customer service.

City of El Cajon
Weed Abatement Inspector

- Demonstrate safe work methods and comply with safety regulations pertaining to the work assignment.
- Interpret, explain and enforce appropriate codes and ordinances pertaining to weed abatement.
- Drive City vehicles observing legal and defensive driving practices.
- Exhibit sound independent judgment within established guidelines.
- Understand and carry out oral and written instructions.
- Prepare written correspondence, reports, and records.
- Use the English language proficiently, including the appropriate use of spelling, grammar and punctuation.
- Effectively communicate orally and in writing.
- Use computers and other information technology devices.

Special Requirements: Minimum age is 18 years of age. A valid California Class C driver's license, which must be maintained throughout employment in this class, is required at time of appointment.

Established: TBD

Revised: TBD

Reviewed by City Manager: TBD

Approved Personnel Commission: TBD

Approved City Council: TBD

City Clerk Date Stamp

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EL CAJON CA

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City of El Cajon Agenda Report

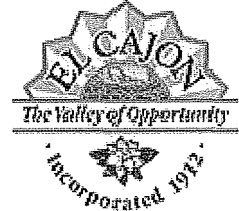
MEETING: 06/23/15

ITEM NO: 3.1

TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Ambrose, Bales, and Kendrick

FROM: Douglas Williford, City Manager

SUBJECT: Fiscal Year 2015-16 Annual City, Housing Authority, and Successor
Agency Budgets



RECOMMENDATION: That the City Council, Housing Authority, and the City of El Cajon as Successor Agency to the former Redevelopment Agency hold a joint public hearing to consider the Fiscal Year 2015-16 Proposed Budgets. After closing the public hearing:


1. Acting as the City Council, adopt resolutions titled:
 - *Resolution of the City of El Cajon Adopting the Fiscal Year 2015-16 Annual Budget.*
 - *Resolution Approving and Adopting the Annual Appropriations Limit for Fiscal Year 2015-16.*
2. Acting as the Housing Authority Board of Directors, adopt resolution titled:
 - *Resolution of the El Cajon Housing Authority Adopting the Fiscal Year 2015-16 Budget.*
3. Acting as the Successor Agency to the former Redevelopment Agency Board of Directors, adopt resolution titled:
 - *Resolution of the City Council of the City Of El Cajon as the Successor Agency to the former El Cajon Redevelopment Agency Adopting the Fiscal Year 2015-16 Budget.*

BACKGROUND: Presented for adoption are the Fiscal Year 2015-16 Budgets for the City, Housing Authority, and the Successor Agency to the former Redevelopment Agency. Prior to the regular City Council meeting on June 23, 2015, the City Council held an Advisory Meeting to review and discuss the budgets with staff and the community. After today's public hearing, it is requested that the Council/Board approve City, Housing Authority, and Successor Agency Resolutions to adopt the Fiscal Year 2015-16 Budgets and the City's Annual Appropriations Limit for Fiscal Year 2015-16.

The Successor Agency budget must also be approved by the Oversight Board. A Recognized Obligations Payment Schedule (ROPS) is also prepared by the Successor Agency for each six month period, presented to the Oversight Board for approval, and then submitted to the County Auditor-Controller and State Department of Finance for allocation of funding. The annual budget and ROPS for July-December 2015 was approved by the Oversight Board on February 18, 2015, and subsequently submitted to the County and State. The ROPS for January-June 2016 will be submitted to the Oversight Board for approval in September.

FISCAL IMPACT: Appropriations totaling \$173,458,020 will be established for City of El Cajon and Housing Authority funds in addition to \$12,292,600 for the Successor Agency of the former El Cajon Redevelopment Agency.

PREPARED BY:



Clay Schoen,
DIRECTOR OF FINANCE

APPROVED BY:



Douglas Williford
CITY MANAGER

RESOLUTION NO. -15

RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF EL CAJON ADOPTING THE
FISCAL YEAR 2015-2016 ANNUAL BUDGET

WHEREAS, the City Council of the City of El Cajon has held a special meeting on June 23, 2015, to review the proposed 2015-2016 annual budget, and to accept public comments to the proposed budget; and

WHEREAS, the annual budget includes all City grants and annual capital improvement budgets; and

WHEREAS, copies of the budget have been provided on the City's website, at various City Hall locations and made available to the public.

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

The City Council does hereby approve and adopt the City of El Cajon budget titled *City of El Cajon Annual Budget 2015-2016*, incorporated herein by reference.

06/23/15 (Item 3.1)

Budget – Adopt City FY 15-16 Budget 061515

RESOLUTION NO. ____-15

RESOLUTION APPROVING AND ADOPTING THE
ANNUAL APPROPRIATIONS LIMIT FOR
FISCAL YEAR 2015-2016

WHEREAS, Article XIII (B) of the State Constitution places various limitations on the appropriations of the state and local governments; and

WHEREAS, Article XIII (B) provides that the appropriations limit for the fiscal year 2015-2016 is calculated by adjusting the appropriations of the fiscal year 2014-2015 for changes in the price and population; and

WHEREAS, the information necessary for making these adjustments is attached in Exhibit "A", and made a part hereof; and

WHEREAS, the City of El Cajon has complied with all of the provisions of Article XIII (B) in determining the appropriations limit for fiscal year 2015-2016.

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

That the appropriations subject to limitations in fiscal year 2015-2016 shall be \$138,306,756 for the City of El Cajon.

06/23/15 (Item 3.1)

Budget – Annual Appropriations Limit for FY 15-16 060315

EXHIBIT "A"

DETERMINATION OF 2015-2016 APPROPRIATIONS LIMIT
CONSTITUTIONAL SPENDING LIMITS

Article XIII (B) of the California Constitution provides that the City's annual appropriations be subject to certain State limitations. This appropriations limit is often referred to as the Gann Limitation. The City's limitation is calculated each year and is established by a resolution of the City Council as a part of the Annual Operating Budget.

The Article XIII (B) limitation for Fiscal Year 2015-2016 is \$138,306,756. The Gann spending limitation is calculated by taking the prior year's limitation of \$130,862,313 and adjusting it by the growth factor in the California Per Capita Personal Income and change in the population within the County of San Diego.

The Article XIII (B) limitation is not a restricting factor for the City of El Cajon due to the population growth during the past several years.

Basic References:

- (1) City of El Cajon Resolution No. 68-14 (established 2014-2015 appropriations limit)
- (2) Article XIII (B), State Constitution, as implemented by SB 1352 of 1980 and amended by Proposition 111 and SB 88 of 1990
- (3) "Price and Population Data for Local Jurisdictions," Department of Finance, State of California, May 2015

Raw Data:

California per Capita Personal Income	Non-Residential New Construction	Population Growth County of San Diego	Population Growth City of El Cajon
3.82%	*	1.18%	.44%
APPROPRIATIONS LIMIT 2014-2015			\$130,862,313

Calculation:

2015-2016 $1.0382 \times 1.018 = 1.0568876 \times \$130,862,313$ \$138,306,756

* Unavailable at this time.

RESOLUTION NO. ECHA-

RESOLUTION OF THE EL CAJON HOUSING AUTHORITY
APPROVING THE FISCAL YEAR 2015-2016 BUDGET

WHEREAS, on February 1, 2012, the El Cajon Redevelopment Agency (the "Agency") was dissolved by operation of law as required by Assembly Bill 1X 26 ("AB 1X 26" or, the "Dissolution Act") and the California Supreme Court decision in *California Redevelopment Agency v. Matosantos*, upholding AB 1x 26; and

WHEREAS, prior to the dissolution of the Agency the City Council for the City of El Cajon (the "City Council") established the El Cajon Housing Authority (the "Housing Authority") in order to transfer the affordable housing functions of the Agency, to the Housing Authority; and

WHEREAS, prior to the dissolution of the Agency, and as allowed by AB 1X 26, the City Council and Agency designated the Authority as the successor to the housing assets and functions of the Agency under Resolution Nos. 8-12, ECRA-427, and ECHA-1 adopted on January 24, 2012, including the transfer of all real property interests owned, all contracts, covenants, and other properties and obligations, subject to the conditions in the Dissolution Act, such assets to be owned, leased, maintained, expended, sold transferred and otherwise disposed of by the Housing Authority as directed by law, including the Dissolution Act; and

WHEREAS, the Fiscal Year 2015-2016 El Cajon Housing Authority Budget contemplates the use of Low and Moderate Income Housing Asset Funds for enforceable obligations, as defined in the Dissolution Act, and eligible project management and monitoring costs subsequent approved in each Recognized Obligation Payment Schedule (each, a "ROPS") by the successor agency Oversight Board (as described in the Dissolution Act); and

WHEREAS, the Housing Authority anticipates the periodic return of Low- and Moderate-Income Housing Asset Funds through the repayment of outstanding Agency contracts, loans, other receivables, release of unencumbered reserve balances approved by the Oversight Board, or other sources borrowed or generated by the Authority.

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

1. The foregoing recitals are true and correct and constitute findings of the Housing Authority Board of Directors.
2. The Housing Authority Board of Directors hereby further finds and determines that the planning and administrative costs paid with Low and Moderate Housing Asset Funds or other funds as may be received, as described in the Low- and

Moderate-Income Housing Asset Fund Administration and Capital Improvement Budgets are necessary for the production, improvement or preservation of low- and moderate-income housing as required by subdivision (d) of section 33334.3 or 34200 et. seq. of the California Health and Safety Code.

3. The Housing Authority Board of Directors hereby further finds and determines that the acquisition of properties to be owned by the Authority, assistance to Low- and Moderate-Income Households and improvements to properties, including the California Dream First-Time Homebuyer Program, Greenovation Program improvements, and Housing Authority Development and Revitalization Projects (Phase 1 and Phase 2), are of benefit to the project area by helping to eliminate both physical and economic blight by producing and/or replacement of affordable housing units, renovating facilities with substandard, defective or obsolete design or construction, and to stimulate economic activity.

4. The Housing Authority Board of Directors hereby further finds and determines that no other reasonable means of financing the proposed activities are available to the community to fund these projects at this time.

5. The Fiscal Year 2015-2016 Low and Moderate-Income Housing Asset Fund Budget, including the Administration and Capital Improvement Budget included in the City of El Cajon fiscal year 2015-2016 annual budget, incorporated herein by reference, is hereby approved.

RESOLUTION NO. -15

RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EL CAJON
AS THE SUCCESSOR AGENCY TO THE
EL CAJON REDEVELOPMENT AGENCY
ADOPTING THE FISCAL YEAR 2015-2016 BUDGET

WHEREAS, the City of El Cajon formed the El Cajon Redevelopment Agency (the "Agency"), which has continuously engaged in redevelopment activities under the Community Redevelopment Law (Health and Safety Code sections 33000 *et seq.*) (the "Redevelopment Law"); and

WHEREAS, Assembly Bill 1X 26 (the "Dissolution Act") was enacted on June 28, 2011, to significantly modify the Redevelopment Law; and

WHEREAS, the Dissolution Act dissolved all redevelopment agencies in the state of California, including the El Cajon Redevelopment Agency, effective February 1, 2012; and

WHEREAS, Section 34173 of the Redevelopment Law, as amended by the Dissolution Act, provides that the City, as the agency authorizing the creation of the Agency, is the successor entity to the Agency upon its dissolution (the "Successor Agency"), and is responsible for those obligations set forth in section 34177 of the Redevelopment Law, which include collecting obligations to the Agency, disposing of assets, winding down the affairs of the Agency, and otherwise performing such functions as required under the Dissolution Act; and

WHEREAS, the Oversight Board of the Successor Agency to the El Cajon Redevelopment Agency adopted a Recognized Obligation Payment Schedule ("ROPS") for administrative expenditures for the period of July 1, 2015 through December 31, 2015 on February 18, 2015, and it is anticipated that a subsequent ROPS will be adopted by the Oversight Board for the period of January 1, 2016 through June 30, 2016; and

WHEREAS, in order for the Successor Agency to act as contemplated herein the Agency must adopt an operating budget for the Fiscal Year 2015-2016 of \$12,292,600 for the Successor Agency; and

WHEREAS, the proposed budget is based on the anticipated level of responsibilities transferred to the Successor Agency; and

WHEREAS, the absence of any particular contract or other obligation, from a ROPS does not in any way waive the legal rights of the City of El Cajon to challenge the purported validity of such contracts or obligations under the Dissolution Act.

(Continued on page 2)

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

Section 1. Recitals. The above recitals are true and correct.

Section 2. Approval of Budget. The City Council, solely in its capacity as the Successor Agency, hereby approves the operating budget of \$12,292,600 for the Fiscal Year 2015-2016.

Section 3. Appropriations. The appropriations listed in Exhibit "A," establishing the operating and project administrative budgets for the City of El Cajon as Successor Agency to the former El Cajon Redevelopment Agency, consistent with the ROPS for the period of July 1, 2015 through December 31, 2015, and as anticipated for approval by a subsequent ROPS for the period of January 1, 2016 through June 30, 2016, are to be made.

06/23/15 (Item 3.1)

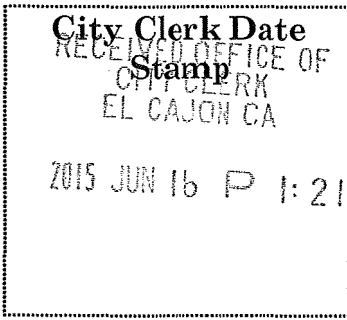
Budget – Adopt Successor Agency FY 15-16 Budget 060315

EXHIBIT "A"

SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY

ADOPTED BUDGET FISCAL YEAR 2015-16

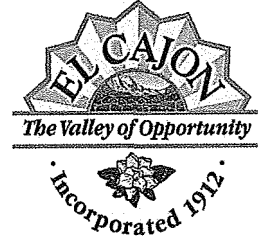
Activity/ Project	Activity/Project Name	ROPS 15-16A July-Dec 2015	ROPS 15-16B Jan-Jun 2016	Total Fiscal Year 2015-16
<u>Bond Proceeds</u>				
HA1501	Housing Authority Development & Revitalization Projects	\$ 692,000	\$ -	\$ 692,000
RDR0705S	Median Improvements	1,020,000	-	1,020,000
RD1502S	Fire Station 6 Renovation	1,670,000	-	1,670,000
RD1503S	Ronald Reagan Community Center Plaza	900,000	-	900,000
RD1504S	El Cajon Performing Arts Center Improvements	800,000	-	800,000
		\$ 5,082,000	\$ -	\$ 5,082,000
<u>Other Funds</u>				
RD0704S	Hazardous Materials Testing/Park & Ballantyne	\$ 81,000	\$ 3,000	\$ 84,000
RD0705S	Hazardous Materials Testing/Prescott Promenade	11,500	1,500	13,000
RD0706S	SW Corner/Environmental Testing	34,100	1,100	35,200
RD1017S	Johnson Avenue Corridor Revitalization Project	22,000	-	22,000
		\$ 148,600	\$ 5,600	\$ 154,200
<u>RPTTF - Non Administrative</u>				
0490000	Successor Agency Debt Service	\$ 2,371,920	\$ 2,363,080	\$ 4,735,000
RD0801S	Former Police Station (100 Fletcher Parkway)	1,505,000	545,000	2,050,000
RDR0703S	Civic Center Complex Revitalization Project	18,500	2,900	21,400
		\$ 3,895,420	\$ 2,910,980	\$ 6,806,400
<u>RPTTF - Administrative</u>				
0590110	Successor Agency Administration	\$ 125,000	\$ 125,000	\$ 250,000
FISCAL YEAR 2015-2016 BUDGET		\$ 9,251,020	\$ 3,041,580	\$ 12,292,600



City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 3.2



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager

SUBJECT: Delinquent Refuse Collection Charges

RECOMMENDATION: That the City Council

- **Open the Public Hearing and receive testimony;**
- **Close the Public Hearing;**
- **Adopt the next RESOLUTIONS in order certifying the list of property owners as delinquent in the payment of their mandatory trash service bills; and,**
- **Authorize the City Clerk to record the amount owed as a lien on the property and forward a list to the County Tax Assessor for billing on the next property tax bill.**

BACKGROUND:

On January 1, 1996, the City of El Cajon began mandatory trash service for all single-family residences in the City. The City's agreement with Waste Management (WM) allows WM to bill for regular service with the City accepting assignment of all delinquencies. This allows the City to use the enforcement power of a property lien, when necessary, to collect past due amounts. Based on the El Cajon Municipal Code, the City allows exemption from the mandatory service with sufficient proof of use of a city approved solid waste and recyclables collection alternative.

Of the approximate 14,000 active single-family accounts, 775 customers were sent a final notice of delinquency on May 15, 2015, asking them to pay a total of \$109,416.28. As of June 12, 2015, approximately 232 customers have paid, leaving a balance of 543 delinquent accounts for the City Council to consider.

FISCAL IMPACT: As of June 12, 2015, there are 543 delinquent accounts, totaling \$78,050.90. As the City collects a 15% franchise fee, the City's financial share of these delinquencies is approximately \$11,707.64.

PREPARED BY:

**Majed Al-Ghafry
ASSISTANT CITY MANAGER**

APPROVED BY:

**Douglas Williford
CITY MANAGER**

RESOLUTION NO. -15

RESOLUTION APPROVING REPORT AND ACCOUNT OF
DELINQUENT REFUSE COLLECTION SERVICE FEES AND
CHARGES; AND CONFIRMING ASSESSMENTS AS LIENS PURSUANT
TO CHAPTER 8.24 OF THE EL CAJON MUNICIPAL CODE

WHEREAS, pursuant to the provisions of Chapter 8.24 of the El Cajon Municipal Code, a public hearing was held on June 23, 2015, for the purpose of hearing objections or protests to a report and account of delinquent refuse collection service fees and charges; and

WHEREAS, protests and objections of the owners of the properties liable to be assessed for said delinquent charges have been heard and considered by said City Council, and said accounts have been approved as submitted.

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

1. In accordance with the provisions of Title 4, Division 3, Chapter 10, Section 38791 and Title 3, Division 2, Chapter 8, Section 25831 of the Government Code of the State of California, and Section 8.24.090 of Chapter 8.24 of the El Cajon Municipal Code, the report and account of delinquent refuse collection service fees and charges (Exhibit "A") considered at the hearing held on June 23, 2015, on file in the office of the City Clerk, is approved, and the unpaid amounts designated in said report and account shall be a charge to the owners of the properties on the next regular tax bill, and shall be liens upon the properties involved.

2. The sums herein assessed remaining unpaid after thirty days from the date of this resolution shall bear interest at the rate of 7% per annum, as set forth in Section 8.24.100 of Chapter 8.24 of the El Cajon Municipal Code.

3. The designation of said parcels is shown by Assessor's parcel numbers, and the initial amounts plus interest to be assessed and imposed as liens are designated thereafter on Exhibit "A," on file in the Office of the City Clerk.

4. Said liens shall be of no further force or effect upon the confirmation of the Tax Collector that said assessments have been added to the tax rolls.

5. The City Clerk is hereby directed to record a certified copy of this resolution and Exhibit "A" in the office of the County Recorder of San Diego County.

6. The City Clerk is hereby authorized to discharge and release any such lien when the claim under said lien has been fully satisfied.

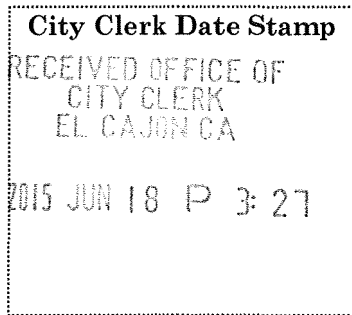
(Continued on Page 2)

7. The decision in your matter is final on this date, and by this notice, you have 90 calendar days from the date of the mailing of this notice to seek judicial review of this decision pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6, and El Cajon Municipal Code Chapter 1.32.

06/23/15 (Item 3.2)

RefuseLiens June 2015

**List of Delinquent Refuse Collection
Accounts is Available for Review in the
City Clerk's Office, 200 Civic Center Way,
El Cajon, CA 92020.
619-441-1763**



City of El Cajon Agenda Report

MEETING: 6/23/15

ITEM NO: 4.1



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick
FROM: City Manager Williford

SUBJECT: DEVELOPMENT AND DISPOSITION AGREEMENT BETWEEN EL CAJON HOTEL, LP AND THE CITY OF EL CAJON

RECOMMENDATION: That the City Council:

1. Move to ADOPT the next RESOLUTION in order APPROVING Disposition and Development Agreement between El Cajon Hotel, LP and the City of El Cajon.

BACKGROUND:

On October 22, 2013, the City Council approved an Exclusive Negotiating Agreement (ENA) with Excel Hotel Group (now El Cajon Hotel, LP) to acquire Successor Agency owned (now City owned) properties located at the northeast corner of Magnolia Avenue and Rea Avenue and to construct a 120 room four-star hotel on that site. The ENA provided an outline of negotiating points regarding the proposed terms of land acquisition and Transient Occupancy Tax (TOT) sharing.

Subsequently, on July 8, 2014, the City Council approved a Conditional Use Permit for the actual development project. This project includes the redevelopment of the properties in order to construct a new 88,000-square foot, four-story Marriott Courtyard Hotel with two retail commercial lease spaces, swimming pool, outdoor eating space, parking areas, landscaping, and lighting.

As was stated recently with the City’s agreements with both BMW and Tipton Honda, with the elimination of redevelopment and the re-allocation of property tax revenues between municipalities and the State of California, it has become important for both the public and private sectors to consider new and innovative strategies to promote redevelopment in order to realize significant public benefits in the form of increased revenues, additional employment opportunities for a wide range of trades and occupations, and the elimination of blight and optimum use of underutilized land in the City.

The development of the urban east county’s first true four star hotel by a renowned company such as Marriott, marks an economic turning point for the City of El Cajon. The development of the well regarded Courtyard brand will not only be visually iconic within our downtown, but will inevitably draw additional business investment into nearby areas. Major names, such as Marriott, BMW and Mercedes, and soon Kaiser Permanente, act as “business

multipliers” within communities. Their value is well beyond a simple measure of how many customers they bring into the City or exactly how much revenue they generate. Other businesses take notice of where such companies locate and will often make their own investment decisions based on where these types of companies are.

Proposed Agreement

In consideration for El Cajon Hotel, LP’s performance under the agreement and after extensive negotiations with El Cajon Hotel, LP, staff is now prepared to recommend to the City Council final approval of a Development and Disposition Agreement (DDA). The terms of the proposed DDA have changed somewhat from the ENA as described below, although the eventual financial effect on both the City and the developer will remain approximately the same as was outlined previously.

Specifically, the ENA proposed that the City would transfer the properties at a nominal cost (i.e. - \$10) to El Cajon Hotels, LP and then further proposed a ten year TOT sharing agreement beginning with 50% for each party for the first four years and a 75% - 25% TOT sharing, in favor of the City, for the next six years.

The proposed DDA now before the City Council instead calls for the developer to pay the City of El Cajon the full appraised value of the site (\$1,234,000) and an adjusted TOT sharing formula, as follows:

TOT sharing

Operating Years 1-5	100% El Cajon Hotel, LP	0% City
Operating Years 6-10	50% El Cajon Hotel, LP	50% City
Operating Year 11 and beyond	0% El Cajon Hotel, LP	100% City

The negotiated TOT sharing agreement is in order for the City to provide initial assistance in the economic growth and sustainability of the hotel, by allowing El Cajon Hotels, LP to reinvest City money into fixtures, furnishings and equipment (FFE) and operations by attracting highly qualified personnel.

The City will initially receive \$700,000 towards the sales price of the properties. In further efforts to assist El Cajon Hotels, LP in its initial stage of operations, it is proposed that the City finance \$534,000 of the purchase price over a period of 10 years. It is proposed that beginning with Operating Year 4 and for seven years ending with Operating Year 10, El Cajon Hotel, LP makes annual payments to the City to complete the full \$1.234 million cost of the land, as follows:

Operating Years 4-10 - \$78,574 per year (7 x \$78,574 = \$534,000 (@ 3% interest) outstanding balance.)


Interest would not begin to accrue until Operating Year 4.

This revised financial formula has been agreed to by El Cajon Hotel, LP and benefits the City by providing a significant upfront cash flow from the project more so than what would have occurred under the draft provisions of the ENA. While the amount paid by El Cajon Hotel, LP to the City is specific and guaranteed, the amount that will go to each party through the TOT sharing agreement is wholly dependent upon the performance of the hotel over time. In short, the more business the hotel generates, the more revenue that will accrue to both parties.

FISCAL IMPACT

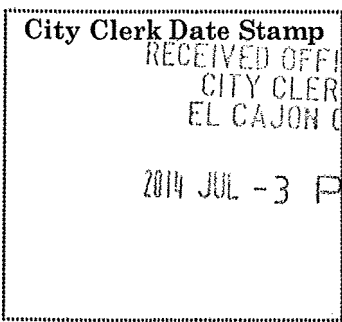
The City will receive payment of \$1,234,000 at 3 % interest for the value of the properties and will share Transient Occupancy Tax revenues with the developer in a manner as described in the staff report, based upon the actual performance of the hotel during Operating Years One through Ten.

PREPARED BY:



Douglas Williford
CITY MANAGER

Attachments: AGENDA Item 100, July 8, 2014, City Council Meeting
Letter – Excel Hotel Group, July 10, 2014



City of El Cajon Agenda Report

MEETING: July 8, 2014

ITEM NO: 100



**TO: Mayor Wells, Mayor Pro Tem Kendrick
Councilmembers Ambrose, Bales, McClellan**

FROM: Anthony Shute, Planning Manager

**SUBJECT: MARRIOTT COURTYARD HOTEL WITH REDUCED PARKING,
ON-SALE ALCOHOL SERVICE, AND OUTDOOR EATING AND
DRINKING – CONDITIONAL USE PERMIT NO. 2207**

RECOMMENDATION: That the City Council:

- Open the public hearing and receive testimony;
- Close the public hearing;

THEN:

- Move to ADOPT the next RESOLUTIONS in order APPROVING applicable CEQA Exemption and Conditional Use Permit No. 2207.

PLANNING COMMISSION DECISION:

On July 1, 2014, the Planning Commission adopted Resolution Nos. 10762 and 10763, recommending City Council approval of a proposed four-story hotel with reduced parking, on-sale alcohol service and outdoor eating and drinking.

Rather than provide the Council with a “cover” report to the July 1, 2014 Planning Commission report, the following format incorporates the same project information presented to the Planning Commission in a condensed manner to reduce redundancies. However, there are some minor refinements in this report to further clarify ordinance language.

PROJECT DESCRIPTION

This project includes the redevelopment of owned properties generally located at the northeast corner of North Magnolia and Rea Avenues. Specifically, the applicant proposes to demolish all existing on-site improvements, grade the site, then construct a new 88,000-square foot four-story hotel with two commercial lease spaces, parking areas, landscaping, and lighting. Furthermore, the project includes a request for a reduction in required parking, on-sale alcohol service, and outdoor eating and drinking areas.

On October 22, 2013, the City Council adopted Resolution No. 105-13 which authorized the City Manager to enter into an exclusive negotiation agreement (ENA) with Excel Hotel Group, for the development of a new hotel in El Cajon's downtown. That ENA will result in an agreement between the two parties for the Council's review and approval once the properties are transferred to the City at a later date. This type of agreement is primarily a fiscal economic development tool and not a "development agreement," whereby the developer will be obtaining vested rights to zoning or building codes. Such agreements are not uncommon and are widely used as an economic development incentive. Economic development incentives are tools used by state and local governments to retain or attract jobs and/or a tax base.

BACKGROUND

General Plan:	Special Development Area No. 9 (SDA No. 9)/Regional Commercial (RC)
Specific Plan:	Specific Plan No. 182
Zone:	Regional Commercial (R-N)
Other City Plan(s):	Redevelopment Plan
Regional and State Plan(s):	Gillespie Field Airport Land Use Compatibility Plan (ALUCP)
Notable State Law(s):	California Redevelopment

Project Site & Constraints

The 1.71-acre project site is currently comprised of three parcels owned by the El Cajon Successor Agency (former Redevelopment Agency) and improved with two vacant buildings, parking areas, and the City's visitor parking lot on Rea Avenue. A 30 foot wide drainage easement traverses the northerly project area, and the El Cajon Police Station parking lot and Civic Center Way border the project site on the north. The Applicant has an exclusive right to negotiate the purchase of the project site after the City acquires the property from the Successor Agency.

Surrounding Context

Properties surrounding the subject site are developed and zoned as follows:

Direction	Zones	Land Uses
North	C-R	Police Station & City employee parking lots
South	C-G	St. Madeleine Sophie's Center, Nail Salon & Weighorst Museum
East	C-R	City Hall & Centennial Plaza
West	C-R	24-HR Fitness, Ross, Panda Express, & Samoon Restaurant

General Plan

The project site is designated as Special Development Area No. 9 (SDA No. 9) and RC (Regional Commercial) on the General Plan Land Use Map. As described in the Land Use Element of the General Plan, SDA No. 9 is intended to include "a mixture of retail office, residential, governmental and cultural uses and activities."

Specific Plan No. 182

SP No. 182 (SP No. 182) is the implementing mechanism for SDA No. 9 and it is intended to create a mixed-use urban village in downtown El Cajon. It includes special development standards and design requirements for new developments and external

building renovations while emphasizing a pedestrian friendly environment. Furthermore, SP No. 182 provides for the reduction in standard parking requirements for mixed-use projects composed of retail, office, and/or residential development by conditional use permit. Moreover, a further reduction in required parking may be permitted if it can be shown that the proposed use will not result in a parking inadequacy in the downtown area.

Municipal Code

El Cajon Municipal Code (ECMC) Section 17.145.150 indicates hotels may be approved by a conditional use permit (CUP) in the C-R zone, and ECMC Section 17.210.130 requires a CUP for on-sale alcohol service. The CUP is intended to ensure compliance with applicable development standards, use restrictions, and compatibility with surrounding properties and land uses. A detailed discussion of applicable Municipal Code requirements is included below in the section of this report titled "Discussion."

Redevelopment Plan

The goals of the Redevelopment Project Area and Redevelopment Plan are to remove physical and economic blighting conditions and to ensure the continued economic viability of the commercial, industrial, and retail uses within the Project Area. The Plan allows for the financing of improvements within the Project Area in order to remove physical and economic blight and to provide affordable housing. This plan was last amended in 1987. However, the Redevelopment Agency of the City was dissolved on February 1, 2012, by Assembly Bill 1X 26 (AB 26). The City of El Cajon, serving as the successor agency, has assumed the former Agency's assets, rights, and obligations under California Community Redevelopment Law, subject to some limitations, and is winding down the former Agency's affairs. Although a plan and project area exists, there are currently no funding mechanisms in place to facilitate and expedite implementation of the Plan goals other than through the sale of the property by the City, to the Applicant, on terms that will assist in the redevelopment of the site.

Gillespie Field ALUCP

The Gillespie Field Airport Land Use Compatibility Plan (ALUCP) is a regional plan that governs the project site and the surrounding area. The ALUCP is a policy document designed to implement the primary objectives of the State Aeronautics Act and the California Airport Land Use Planning Handbook by promoting compatibility between Gillespie Field and the land uses that surround it. This plan provides compatibility policies and criteria applicable to the City of El Cajon and other affected local agencies in the design of new development.

The subject site is located within the Airport Influence Area (AIA) of Gillespie Field, and is therefore subject to the ALUCP. The applicant must obtain a notification from the FAA that the proposed project is not a hazard to flight safety. Furthermore, the City, on behalf of the applicant, will submit an application to the San Diego Regional Airport Authority requesting a Determination of Consistency finding. Limits on the heights of structures are the only restrictions on land uses within the AIA. Since the proposed project is 51-feet high, Airport Land Use Commission Determination of Consistency is required.

DISCUSSION

Architectural Design

Chapter 17.180 of the Zoning Code requires design creativity and visual interest through variations in exterior forms, materials, and colors. Additionally, Specific Plan No. 182 (SP No. 182) contains specific design standards for new and renovated projects on Main Street. However, new buildings may be designed to represent any era, as long as they fit seamlessly within the unity of the Downtown District. SP No. 182 regulations and guidelines specifically do not prescribe or require a particular architectural style or theme for the existing built environment. All building styles are allowed when the integrity and the character of the proposed architecture is compatible with the existing or historical perspective of El Cajon.

The hotel is part of an integrated mixed-use project in downtown El Cajon that incorporates a four-story 120 room hotel, two commercial lease spaces, and a 107-car parking lot. It is designed to enhance the existing downtown fabric by anchoring the Civic Center's western edge and framing North Magnolia Avenue. The project's design incorporates various building scales, colors, materials and themes. The hotel includes a bar, cafe, meeting room(s), outdoor swimming pool and courtyard, and two commercial suites.

The proposed architectural design features are recognizably Marriott. However the project's theme includes a one-story stand-alone commercial building at the corner of North Magnolia and Rea Avenues, and a second commercial space that is part of the hotel building at the corner of Civic Center Way and North Magnolia Avenue. These two commercial spaces have access from the adjacent public sidewalks.

The hotel's main entrance is on the east elevation facing Centennial Plaza and City Hall, and includes a porte cochere, and a decorative driveway surface. Vehicle access is by way of a two-way driveway from Rea Avenue that connects the hotel parking lot and from Civic Center Way through the adjacent City public parking lot on the north.

The proposed hotel's orientation strategically places the majority of the building mass toward Civic Center Way and City Hall where sufficient horizontal space exists for an appropriate building scale relationship to adjacent properties. This approach positions a small amount of building mass on North Magnolia and Rea Avenues, thereby creating a friendly pedestrian-scaled project.

The proposed parapet will screen all rooftop equipment from the surrounding public views. The color palette of reds, browns, tans, and aluminum finishes complement the modern appearance of the building. The proposed colored elevations have been included in the Planning Commissioner's binders and a building material color board will be displayed at the Planning Commission hearing.

Transportation / Parking

The project site's location and surrounding properties are served by the adjacent public transportation system, including the El Cajon Transit Station approximately ½ mile to the west. Public streets include North Magnolia Avenue which is a secondary roadway improved with four lanes and 10-foot wide sidewalks in the downtown area; Rea Avenue and Civic Center Way, which are improved with two lanes and five-foot wide

sidewalks. Furthermore, there are public parking lots and on-street parking immediately surrounding the project site. There are approximately 40 parking spaces available for public use on Rea Avenue; 120 parking spaces in the former City employee parking lot at Civic Center Way and North Magnolia Avenue; 83 spaces in the City Hall public parking lot to the north; 18 spaces in the alley between North Magnolia Avenue and Sulzfeld; 10 spaces on Sulzfeld; and, 405 in the Regional Courts public parking lot. The proposed hotel will provide 107 on-site parking spaces.

The proposed project's parking lot design includes the closure of multiple driveways on Rea Avenue which will allow for additional on-street parking. Moreover, the proposed circulation design connects the City Hall parking lot with the hotel parking lot via a two-way driveway, thereby enhancing connectivity and access to parking.

Available Public Parking

Location	Number of Spaces
City Hall/Police	83
Former Employee Lot	120
Rea Avenue	40
Sulzfeld & Alley	28
Regional Courts	405
Total	676

Sections VI.A.1 & VI.A.2 of SP No. 182 provide for the reduction of on-site parking requirements if it will not result in a parking inadequacy that is detrimental to adjacent uses. Furthermore, parking requirements for mixed-use developments may be reduced to 70 percent of the total number required by the Zoning Code. The proposed hotel would normally require 168 parking spaces based on standard parking requirements; 1 per room and 1 per 300 square feet for all other uses. A 70 percent reduction equals 118 parking spaces.

Hotel parking demands are based on an 80% occupancy factor, which for the proposed project will require a minimum of 96 spaces. Therefore, when the hotel is operating at occupancy, the hotel's parking lot would provide sufficient guest parking. However, the project includes commercial lease space, and there is a need for employee parking. Moreover, there is an existing commercial and civic daytime parking demand that uses the surrounding public parking spaces. This demand lessens in the late afternoon and evening hours. On most days, the City Hall public parking lot and on-street parking is near capacity, except for the former City employee parking lot (120 spaces), which is virtually vacant. Therefore, based on the number of available public parking spaces and existing parking demands, the proposed project's reduction in required parking will not result in a parking inadequacy in the downtown area.

Lighting

The project site plan includes freestanding light poles and building façade mounted lights. Section 17.130.150 of the Zoning Code requires that adequate lighting be provided to ensure pedestrian and vehicular safety, but not create a nuisance on adjacent properties. Lights must be of an appropriate size and intensity and must be directed downward and hooded to prevent casting glare upon adjacent properties. Additionally, lighting element details will need to be provided for all proposed exterior lights that are in concert with the overall theme of the project. The proposed resolution

recommends that a lighting plan be submitted to the Planning Division that clearly indicates the location of all on-site lighting and includes details that indicate how the lights are shielded, so as not to create a nuisance on any adjacent properties.

Development Standards

Typically, a proposed project would adhere to the development standards in the underlying zone, however, SP No. 182 allows for the modification of the underlying zone’s development standards by conditional use permit in order to achieve a downtown urban environment. See table below.

Development Standard	C-R Zone/ Specific Plan No. 182	Proposed
Setbacks from exterior, interior and rear property lines	Modified by CUP	None
Building Height	None; unless within 100 feet of residential	51 feet
Parking	1 per room 1 per 300 square feet for offices, restaurants, etc., or modified by CUP	On-site: 107
Landscaping	None	Deferred to Landscape Documentation Package Submittal

On-Sale Alcohol Service

The proposed hotel includes a café/restaurant and bar area with on-sale alcohol service. ECMC Chapter 17.210 *Alcohol Sales and Deemed Approved Alcohol Sales Regulations* include the requirements for on-sale service. ECMC Section 17.210.140 exempts hotels with on-sale alcohol sales as a secondary and incidental use in the downtown area from the sensitive land use spatial requirements. The project site and surrounding area is located in a police reporting district with a very high crime rate. However, ECMC Section 17.210.160 requires findings to be made for on-sale alcohol. In high crime rate districts, findings can be supported with appropriate safeguards in place as conditions of approval.

FINDINGS

A. The proposed project is consistent with applicable goals, policies, and programs of the General Plan and applicable Specific Plans.

The proposed project will redevelop existing underutilized properties located in the City’s downtown commercial district by furthering Redevelopment Plan goals with opportunities for local job creation and synergistic compatibility with surrounding urban uses. Furthermore, it will produce a modern hotel, meeting rooms, eating and drinking places, and commercial space that will add economic and visual quality to the existing built environment. Moreover, the project is consistent with SP No. 182 by creating a mixed-use urban development and it contributes to a pedestrian friendly environment.

B. The proposed project is consistent with all applicable use and development standards.

The downtown specific plan enables new urban developments by conditional use permit to ensure compatibility with the existing and planned downtown environment. The proposed project's urban style, street frontage design, available on-site parking, commercial uses and proposal to link with existing circulation patterns is consistent with downtown developments and fits within the regulatory framework of Specific Plan No. 182 and applicable Zoning Code development standards, if the site plan is amended to show bicycle parking at a ratio of 10% of the required parking, and all applicable requirements from other City Departments and Divisions, and the Helix Water District are noted on the amended site plan.

C. The proposed project will be operated in a manner that is compatible with existing and planned land uses in the vicinity of the proposed use.

The proposed project includes multiple uses that will contribute to the downtown environment and will be operated in a manner that is compatible with existing and planned land uses in the vicinity, if all activities are conducted within the thresholds of the Performance Standards listed in Zoning Code Section 17.115.130 and Section 17.210.150; if sufficient customer and employee parking is provided; and, if on-site lighting does not create a nuisance on adjacent properties. Moreover, for on-sale alcohol service, the applicant must adhere to operating characteristics required by local, state and federal laws, including but not limited to those of Alcohol Beverage Control and applicable sections of the Business and Profession Code.

D. The proposed project will not be detrimental to the public health, safety, and general welfare, including but not limited to matters of noise, smoke, dust, fumes, vibration, odors, and hazards or excessive concentrations of traffic.

Such impacts are not anticipated with the normal conduct of the proposed project in the Regional Commercial Zone. Moreover, the City has performance standards for those impacts, which are addressed through Code Compliance actions if complaints are received. Furthermore, there are no identified existing problems in the downtown area that may be exacerbated by on-sale alcohol service such as loitering, public drunkenness, and noise and littering. Moreover, alcohol related operational standards will be in place as conditions of approval to prevent any increase in the crime rate of the surrounding area.

E. The proposed project is in the best interest of public convenience and necessity.

The proposed project will redevelop existing underutilized properties in accordance with the City's regulatory framework and create a new development that will provide visitors to East County a convenient place to stay. Furthermore, it will provide new commercial space for complementary uses to the hotel and surrounding businesses.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The proposed project is subject to CEQA and is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) according to Section

15332, Class 32 (In-fill Development) of the CEQA Guidelines and meets the required criteria based on the following facts:

- A. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with the applicable zoning designation and regulations.*

The project and the adjacent properties are designated Special Development Area No. 9 (SDA No. 9) and RC (Regional Commercial) on the General Plan Land Use Map. The site's zone, C-R (Regional Commercial), is consistent with the General Plan designation, and the project implements General Plan policies that require sound design standards. Moreover, the project satisfies Zoning Code regulations in concert with other standards established by Specific Plan No. 182.

- B. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.*

The project site is located within the city limits, is 1.71 acres, and is surrounded by urban uses, including City Hall, the Police Station, and commercial developments.

- C. The project site has no value as habitat for endangered, rare or threatened species.*

The project site and the surrounding area have historically been used for various commercial and civic uses, and are void of natural vegetation. Furthermore, there is no record of endangered, rare, or threatened species in the general vicinity. Moreover, staff observed no protected or mitigable wildlife habitat on the subject site or in the general vicinity.

- D. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.*

The public circulation system has sufficient capacity to accommodate multiple modes of transportation, including bicycles, pedestrians and vehicles. The proposed project does not substantially add additional vehicle trips beyond the designed capacities of the surrounding existing streets, nor compromise the safety of other modal users. The adjacent roadways and intersections will operate at acceptable levels of service. Moreover, the project's parking demands are greatest in the off-peak hours. Furthermore, the project will be designed to satisfy all applicable storm water regulations because it meets the threshold established by the El Cajon Municipal Code Chapter 16.60 to be a priority project and is therefore subject to the Standard Urban Runoff Mitigation Plan requirements.

- E. The site can be adequately served by all required utilities and public services.*

All required utilities and public services are currently serving the project site as well as the surrounding area, and can adequately serve the project. Furthermore, none of the conditions in Section 15300.2, which provide exceptions for categorical exemptions, exist.

PUBLIC NOTICE & INPUT

Notice of this public hearing was mailed on June 19, 2014, to all property owners within 300 feet of the project site and to anyone who requested such notice in writing, 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.

FISCAL IMPACT: None.

PREPARED BY:




Anthony Shute
PLANNING
MANAGER

REVIEWED BY:



Majed Al-Ghafry
ASSISTANT
CITY MANAGER

APPROVED BY:



Douglas Williford
CITY MANAGER

ATTACHMENTS

1. Proposed Resolution APPROVING CEQA Exemption
2. Proposed Resolution APPROVING CUP No. 2207
 - Exhibit A: Standard Conditions of Development
 - Exhibit B: Public Works Dept. comments dated 05-28-14
 - Exhibit C: Building & Fire Safety Division, Building and Fire comments dated 06-04-14
 - Exhibit D: Helix Water District comments dated 06-05-14
 - Exhibit E: Cox Communications comments dated 05-20-14
3. Planning Commission Resolution No. 10762
4. Planning Commission Resolution No. 10763 without attachments
5. Draft Planning Commission Excerpt Minutes dated 07-01-14
6. Specific Plan No. 182 Section VI excerpt
7. Aerial Photograph of Subject Site
8. Public Hearing Notice
9. Application & Disclosure statement
10. Reduced site plan
11. Full-sized site plan & color photographs (*Council Binders*)



City Clerk



July 10, 2014

Excel Hotel Group
Attention: Neil Patel
10660 Scripps Ranch Blvd. #100
San Diego, CA 92131

Re: Conditional Use Permit No. 2207
El Cajon Courtyard Hotel Project

At its 7:00 p.m. meeting on July 8, 2014, the El Cajon City Council adopted the resolutions listed below, pertaining to the El Cajon Courtyard Hotel Project. Certified copies are enclosed for your records.

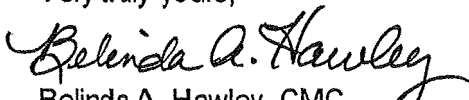
Resolution No. 077-14: A Resolution of the City Council of the City of El Cajon approving California Environmental Quality Act (CEQA) Categorical Exemption 15332 (In-Fill Development) for the El Cajon Courtyard Hotel Project

Resolution No. 078-14: A Resolution of the City Council of the City of El Cajon approving Conditional Use Permit No. 2207 for a Four-Story Hotel with Two Commercial Lease Spaces, a Reduction in Required Parking, On-Sale Alcohol Service, and Outdoor Eating and Drinking Areas in the C-R (Regional Commercial) Zone; APNs: 488-072-40-00, 488-082-12-00 & 488-082-18-00; General Plan Designation: Special Development Area No. 9 (SDA 9)/Regional Commercial (RC)

If you have any questions, please contact the Planning Division at (619) 441-1742 for further information.

The decision in your matter is final on this date, and by this notice, you have 90 calendar days from the date of the mailing of this notice to seek judicial review of this decision pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6, and El Cajon Municipal Code Chapter 1.32.

Very truly yours,

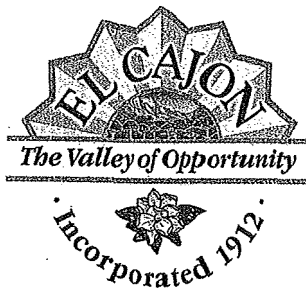

Belinda A. Hawley, CMC
City Clerk

Enclosures

cc: Robert F. Tuttle Architect, Inc.
Community Development
Public Works

7/8/14 (Item 100)

City of El Cajon • 200 Civic Center Way • El Cajon, CA 92020
(619) 441-1763 • Fax (619) 441-1537
www.cityofelcajon.us



City Clerk

July 10, 2014

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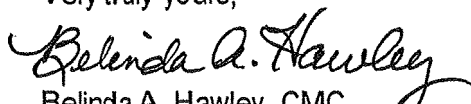
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Belinda A. Hawley, CMC
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Enclosures

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RESOLUTION NO. -15

RESOLUTION AUTHORIZING THE SALE OF
REAL PROPERTY LOCATED ALONG THE NORTH SIDE
OF REA STREET AND THE NORTHEAST CORNER OF
MAGNOLIA AVENUE AND REA STREET, EL CAJON, AND
AUTHORIZING THE EXECUTION AND DELIVERY OF A DISPOSITION AND
DEVELOPMENT AGREEMENT AND SUCH OTHER DOCUMENTS NECESSARY
FOR THE SALE OF THE PROPERTY TO
EL CAJON HOTEL LP, A CALIFORNIA LIMITED PARTNERSHIP
(APNS 488-072-40-00, 488-082-18-00 AND 488-082-12-00)

WHEREAS, the City of El Cajon (the "City") is the owner of approximately 1.71 acres of real property located along the north side of Rea Street and the northeast corner of Magnolia Avenue and Rea Street, El Cajon, California (the "Property"), having acquired the Property from the Successor Agency to the El Cajon Redevelopment Agency for redevelopment activities, and more specifically, for a quality, four-star hotel; and

WHEREAS, the City has entered into an exclusive negotiation agreement (the "ENA") with Excel Hotel Group ("Excel"), in order to negotiate the transfer of the Property to Excel or its developer entity for the purpose of developing a 120- room Courtyard by Marriott Hotel (the "Hotel") on the Property; and

WHEREAS, the City and the Excel's developer entity, El Cajon Hotel LP, a California limited partnership (the "Developer") have negotiated a Disposition and Development Agreement for the purposes of transferring the Property from the City to the Developer for good and valuable consideration, at a fair market value price, and upon terms and conditions intended to result in the successful development, furnishing, and operation of the Hotel for a minimum of fifteen (15) years; and

WHEREAS, on or about July 1, 2014, the El Cajon Planning Commission adopted Resolution Nos. 10762 and 10763, approving Conditional Use Permit No. 2207 for the development and operation of the Hotel, and finding the project exempt from environmental review in accordance with the California Environmental Quality Act (CEQA) and Title 14, section 15332 of the California Code of Regulations; and

WHEREAS, on or about July 8, 2014, the El Cajon City Council similarly adopted Resolution Nos. 077-14 and 078-14, approving Conditional Use Permit No. 2207 for the development and operation of the Hotel, and finding the Project exempt from environmental review in accordance with CEQA and Title 14, section 15332 of the California Code of Regulations; and

WHEREAS, City Council Policy B-3 provides a policy for the sale of surplus real property not needed for City use, in order to put the property to a productive use and restore it to the tax rolls.

(Continued on Page 2)

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

1. The foregoing recitals are true and correct.
2. The sale, for redevelopment purposes, of the surplus 1.71 acres of real property located along the north side of Rea Street and the northeast corner of Magnolia Avenue and Rea Street, in the city of El Cajon, California, to El Cajon Hotel LP, a California limited partnership, for the design, construction and operation, for a minimum of fifteen (15) years, of a 120-room, full-service Courtyard by Marriott Hotel, all subject to that certain Disposition and Development Agreement (the "Agreement") at a price of \$1,234,000.00 (the "Purchase Price"), and in the form as presented at this meeting, with such changes as may be approved by the City Manager, is hereby authorized and approved.
3. The Mayor or, in his absence, the Mayor Pro Tem, is hereby authorized to execute the Agreement, and the Mayor, the Mayor Pro Tem, and the City Manager, on behalf of the City, are each hereby authorized to execute any and all contracts, escrow instructions, deeds, and other documents contemplated by the Agreement, including documents necessary for approval following the close of escrow, (the "Transactional Documents"), all for the sale and transfer of the Property to the Developer, upon the full execution and delivery of the Agreement by the Developer, and in such forms as approved by the City Attorney or any Assistant City Attorney. The City Clerk is hereby authorized to attest to the signatures of the Mayor, the Mayor Pro Tem, and the City Manager in executing the Agreement and the Transactional Documents.

06/23/15 (Item #4.1)

Sale of Surplus Real Property (hotel site) 061715

DISPOSITION AND DEVELOPMENT AGREEMENT

By and Between

**THE CITY OF EL CAJON
a charter city and municipal corporation**

And

EL CAJON HOTEL LP, a California limited partnership

Dated as of _____, 2015

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ATTACHMENTS

Attachment No. 1	Property Map
Attachment No. 2	Legal Description
Attachment No. 3	Schedule of Performance
Attachment No. 4	Project Budget
Attachment No. 5	Release of Construction Covenants
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Attachment No. 7	Grant Deed
Attachment No. 8	Operating Covenant
Attachment No. 9	Parking Easement

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (the “Agreement”) is made and entered into as of _____, 2015 (the “Effective Date”), by and between the **CITY OF EL CAJON**, a charter city and municipal corporation (the “City”), and **EL CAJON HOTEL LP, a California limited partnership** (the “Developer”) (the City and the Developer are collectively reference in this Agreement herein as the “Parties”), with reference to the following:

RECITALS

A. The City owns fee title to approximately 1.71 acres of real property located along the north side of Rea Street and the northeast corner of Magnolia Avenue and Rea Street, in the City of El Cajon, County of San Diego, State of California (the “Property”).

B. The City acquired the Property from the Successor Agency to the Redevelopment Agency for the City of El Cajon on January 12, 2015, pursuant to Grant Deeds conveying title to the City by the City of El Cajon in its capacity as Successor Agency to the El Cajon Redevelopment Agency recorded at Document Nos. 2015-0011752, 2015-0011753, and 2015-0011754 in the official records of the County of San Diego.

C. The Parties intend, in this Agreement, to set forth the terms and conditions relating to (i) the City’s sale of the Property to Developer and (ii) Developer’s design, construction, and operation, for a minimum of fifteen (15) years, on the Property of an approximately 120 room, select service Courtyard by Marriott Hotel (or a Permitted Replacement Hotel, defined herein).

D. On or about July 1, 2014, the El Cajon Planning Commission adopted Resolution Nos. 10762 and 10763, approving Conditional Use Permit No. 2207 for the development and operation of the Project, and finding the Project exempt from environmental review in accordance with the California Environmental Quality Act (CEQA) and Title 14, section 15332 of the California Code of Regulations.

E. On or about July 8, 2014, the El Cajon City Council similarly adopted Resolution Nos. 077-14 and 078-14, approving Conditional Use Permit No. 2207 for the development and operation of the Project, and finding the Project exempt from environmental review in accordance with CEQA and Title 14, section 15332 of the California Code of Regulations.

F. This Agreement and the Developer’s development of the Project are in the vital and best interest of the City and the health, safety, morals and welfare of its residents, and in accord with the goals, objectives and public purposes and provisions of applicable state and local laws and requirements under which the redevelopment of the City’s downtown commercial area, in which the Project is located, has been undertaken.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions herein contained, City and Developer hereto agree as follows:

1. The Property

The Property is designated on the “Property Map” which is attached hereto as Attachment No. 1, and described in the “Legal Description,” which is attached hereto as Attachment No. 2, both of which are incorporated herein by reference. The Property is comprised of five parcels of property approximately 1.71 acres in size, located along the north side of Rea Street and the northeast corner of Magnolia Avenue and Rea Street, in the City of El Cajon, California.

2. Parties to the Agreement

2.1 City. The City is the City of El Cajon, its City Council, Planning Commission, departments, elected officials, employees, and any successor to its rights, powers and responsibilities. The principal office of the City is located at 200 Civic Center Way, El Cajon, California 92020.

2.2 Developer. The Developer is El Cajon Hotel LP, a California limited partnership whose principal office and mailing address of the Developer for the purposes of this Agreement is 10660 Scripps Ranch Boulevard, Suite #100, San Diego, 92131, Attention: Neil Patel.

The Developer represents and warrants to the City as follows:

(a) The Developer is a duly established California limited partnership and has duly authorized, executed and delivered this Agreement and any and all other agreements and documents required to be executed and delivered by the Developer in order to carry out, give effect to, and consummate the transactions contemplated by this Agreement.

(b) The Developer does not have any material contingent obligations or any material contractual agreements which could materially adversely affect the ability of the Developer to carry out its obligations hereunder.

(c) There are no material pending or, so far as is known to the Developer, threatened, legal proceedings to which the Developer is or may be made a party or to which any of its property is or may become subject, which have not been fully disclosed in the documentation submitted to the City, which could materially adversely affect the ability of the Developer to carry out its obligations hereunder.

(d) There is no action or proceeding pending or, to the Developer’s best knowledge, threatened, relating to the dissolution or liquidation of the Developer, and there is no action or proceeding pending or, to the Developer’s best knowledge, threatened by or against the Developer, which could affect the validity and enforceability of the terms of this Agreement, or materially and adversely affect the ability of the Developer to carry out its obligations hereunder.

(e) The Developer has performed, and will perform, all of its obligations to be performed at or prior to this date, or subsequent to this date, in accordance with the “Schedule of Performance,” which is attached hereto as Attachment No. 3 and incorporated herein, and is not in default hereunder.

Each of the foregoing items (a) to (e), inclusive, shall be deemed to be ongoing representations and warranties; however, provided the Developer gives the notice required by the following sentence, a legal proceeding commenced after the date hereof shall not constitute a breach of item (c) above. The Developer shall advise the City in writing if there is any material change pertaining to any matters set forth or referenced in the foregoing items (a) to (e), inclusive.

2.3 Prohibition Against Change in Ownership, Management and Control. The qualifications and identity of the Developer are of particular interest and concern to the City. It is because of these qualifications and identities that the City has entered into this Agreement with the Developer. Consequently, except as expressly set forth in this Section 2.3, no person, whether a voluntary or involuntary successor in interest of the Developer, shall acquire any rights or powers under this Agreement nor shall the Developer assign or transfer all or any part of this Agreement or any rights hereunder without the prior written approval of the City. Written approval of the City shall also be required prior to any and all changes whatsoever in the identity of the person in control of the Developer, including any change in, or addition of, general partners of the Developer. Any purported transfer, voluntary, involuntary, or by operation of law, except with the prior written consent of the City in accordance with this Section 2.3, shall constitute a default of Developer and shall confer no rights whatsoever upon any purported assignee or transferee.

Notwithstanding any other provision of this Agreement to the contrary, City approval of an assignment of this Agreement or conveyance of the Property, the Project, or any part thereof, shall not be required in connection with paragraphs (a) through (c) below and shall not be unreasonably withheld, conditioned or delayed in connection with (d) below:

- (a) Any transfer by the Developer to a “Related Person or Entity” (as defined below).
- (b) A transfer consisting of the conveyance or dedication of any portion of the Property to the City or other appropriate governmental agency or public utilities, where the granting of such easements permits or facilitates the development of the Property and the Project.
- (c) A transfer by the Developer to an entity that is not a Related Person or Entity, but which is approved by Marriott International Franchising, LLC, for continued operation as a Courtyard by Marriott or other Permitted Replacement Hotel.
- (d) Any transfer for (i) financing purposes to the holder of a mortgage; (ii) any refinancing or permanent financing of the mortgage; (iii) any transfer to any person or entity pursuant to foreclosure or deed in lieu of foreclosure of any such mortgage referred to in clauses (i) or (ii).

In the event of a transfer by Developer not requiring the City’s prior approval, Developer nevertheless agrees that at least thirty (30) days prior to such transfer, Developer shall give written notice to the City of such transfer. In the case of a transfer pursuant to subparagraph

(a) above, Developer agrees that at least thirty (30) days prior to such transfer it shall provide satisfactory evidence that the transferee has assumed or upon the effective date of transfer will assume in writing through an assignment and assumption agreement, in a form reasonably acceptable to the City, all of the obligations of the Developer under this Agreement which remain unperformed as of such transfer or which arise from and after the date of transfer.

As used in this Agreement, a “Related Person or Entity” shall mean an entity in which Developer or any entity which controls, is controlled by or under with common control by Developer, provided, however, that such Related Person or Entity shall demonstrate that such person or entity has been approved in writing by Marriott International Franchising, LLC, to operate the Project thereon.

2.4 City Consideration of Proposed Transfer; Release of Transferor Upon Permitted or Approved Transfer. If the Developer desires to cause a transfer of any of its interests in this Agreement or the Property and such transfer requires the City’s approval under Section 2.3, Developer shall request in writing to the City that it consent to such transfer, which consent shall not be unreasonably delayed or withheld. A transfer shall be conditioned upon: (i) the proposed assignee expressly assuming, in writing, the unexecuted obligations hereunder of the transferor/assignor, as applicable, as to times following the effective date of the assignment and (ii) the proposed assignee demonstrating to the reasonable satisfaction of the City that such person or entity has adequate financial capacity to complete the development and/or operation of the Project on the Property.

Notwithstanding any other provision set forth in this Agreement to the contrary, upon the effective date of a permitted or approved transfer, and provided that the transferor/assignor shall have delivered to the City an executed assignment and assumption agreement in a form reasonably acceptable to City legal counsel, the transferor/assignor shall be released from all further liabilities and obligations hereunder and the Operating Covenant that have been so transferred and assigned.

2.5 Successors and Assigns. All of the terms, covenants and conditions of this Agreement shall run with the Property and be binding upon the Developer and the City and their permitted successors and assigns. Whenever the term “Developer” or “City” is used in this Agreement, such term shall include any other permitted successors and assigns.

3. Definitions

3.1 Defined Terms. As used in this Agreement, capitalized terms are defined where first used or as set forth in this Section 3.1. Capitalized terms used in an attachment attached hereto and not defined therein shall also have the meanings set forth in this Section 3.1.

“Building Permit” means all permits issued by City and required for commencement of construction of the Project.

“Business Day” means a weekday on which El Cajon City Hall is open to conduct the public’s business.

“City” means the City of El Cajon, California.

“Construction Contract” has the meaning set forth in Section 6.7(e).

“County” means the County of San Diego, California.

“Developer” has the meaning set forth in the opening paragraph of this Agreement.

“Developer Title Policy” has the meaning set forth in Section 6.8(b).

“Director” means the Assistant City Manager and Director of the El Cajon Public Works Department, or an individual designated as the Director by the Assistant City Manager and Director of the El Cajon Public Works Department.

“Escrow” means the escrow through which the Property Closing is conducted.

“Escrow Agent” means Chicago Title Company.

“Governmental Requirements” means all laws, ordinances, statutes, codes, rules, regulations, orders and decrees, of the United States, the State of California, the County of San Diego, the City and of any other political subdivision, agency or instrumentality exercising jurisdiction over City, Developer, or the Project.

“Hazardous Materials” means any substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government, including, but not limited to, any material or substance that is (i) defined as a “hazardous waste,” “acutely hazardous waste,” “extremely hazardous waste,” or “restricted hazardous waste” under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Sections 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) asbestos, (vii) polychlorinated byphenyls, (viii) listed under Article 9 or defined as “hazardous” or “extremely hazardous” pursuant to Article 11 of Title 22 of the California Code of Regulations, Chapter 20, (ix) designated as “hazardous substances” pursuant to Section 311 of the Clean Water Act (33 U.S.C. Section 1317), (x) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903), (xi) defined as “hazardous substances” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., (xii) methyl-tertiary butyl ether, (xiii) perchlorate or (xiv) any other substance, whether in the form of a solid, liquid, gas or any other form whatsoever, which by any Governmental Requirements either requires special handling in its use, transportation, generation, collection, storage, handling, treatment or disposal, or is defined as “hazardous” or harmful to the environment. For purposes hereof, “Hazardous Materials” excludes materials and substances in quantities as are commonly used in

the construction and operation of a hotel, provided that such materials and substances are used in accordance with all applicable laws.

“Hotel” means the proposed, approximately 120 room Courtyard by Marriott Hotel (or a Permitted Replacement Hotel) that is the subject of this Project.

“Indemnitees” means the City, its subdivisions, departments, and its respective elected and appointed officers, officials, members, employees, representatives, agents, volunteers, predecessors, and successors.

“Official Records” means the Official Records of the County.

“Operator” means the Developer or its designee.

“Operating Covenant Termination Date” means fifteen (15) years from the date the Release of Construction Covenants is issued or required to be issued.

“Outside Closing Date” means the time frame identified in the Schedule of Performance (Attachment No. 3) for closing escrow on the sale of the Project Site, but in no event more than eighteen (18) months from the Effective Date of this DDA.

“Parking Easement” means an easement granting Developer a perpetual easement for the parking of 20 vehicles over property owned by the City along the east side of Magnolia Avenue, north of Civic Center Way (the “Parking Lot”), in the form and substance of Attachment No. 9.

“Permitted Replacement Hotel” means (i) any successor name for "Courtyard by Marriott" utilized by Marriott International Franchising, L.L.C. if it drops the "Courtyard by Marriott" brand for another brand, or (ii) another hotel franchisor’s brand comparable to "Courtyard by Marriott."

“Project” means the Developer’s acquisition of the Property, the design and construction of an approximately 120 room, select service Courtyard by Marriott Hotel (or a Permitted Replacement Hotel), and the continuous operation of the Hotel, its amenities, and ancillary services, on the Property by Operator for a minimum of fifteen (15) years, in accordance with this Agreement, including, without limitation, in accordance with the Scope of Development and the Final Construction Documents.

“Project Budget” means the preliminary budget materials attached hereto and incorporated herein as Attachment No. 4.

“Project Costs” means all costs of any nature incurred in connection with the planning, design, and development of the Project.

“Property” means that certain real property depicted in Attachment No. 1, which is attached hereto and incorporated herein by this reference.

“Property Closing” means closing of the conveyance, and delivery of possession, of the Property to Developer pursuant thereto.

“Public Improvements” means all on- and off-site improvements that (i) are required to be constructed to serve the Project and (ii) will be dedicated to the City of El Cajon upon Developer’s completion thereof. The Public Improvements are described in the Scope of Development.

“Release of Construction Covenants” means a release document substantially in the form attached hereto and incorporated herein as Attachment No. 5 to be executed by City and recorded in the Official Records upon Developer’s completion of the Project, as described in Section 7.14.

“Schedule of Performance” means the Schedule of Performance attached hereto and incorporated herein as Attachment No. 3.

“Scope of Development” means the Scope of Development attached hereto and incorporated herein as Attachment No. 6.

“Specific Plan” means a specific plan, as defined in California Government Code sections 65450 *et seq.*, and Chapter 17.70 of the El Cajon Municipal Code, which is applicable to the Property and which is required by Section 16 of this Agreement. The Specific Plan may be supplemental and in addition to, or may be a part of, any existing specific plans applicable to the Property.

“Title Company” means Chicago Title Company, or such other title insurance company as may be agreed to by Developer and Executive Director.

4. Transient Occupancy Tax (“TOT”) Rebate Sharing Program

4.1 Authority. The City is authorized to collect TOT revenue from hotels and motels throughout the City pursuant to Revenue and Taxation Code section 7280 and Chapter 3.44 of the El Cajon Municipal Code. Such taxes are used for the general benefit and operations of the City of El Cajon.

4.2 Purpose. The City wishes to provide economic incentives for the Project’s development because providing such incentives encourages the development of hotel projects which might not be otherwise viable and existence of quality hotels in the City furthers the economic climate for business and citizens in the City and also guarantees new TOT revenue in excess of amounts made available in the form of incentives. Accordingly, the City finds that the successful initiation and continued operation of the Hotel can better be accomplished through a mechanism whereby the Operator’s success can result in a financial return on its investment in capital items such as fixtures, furnishings, equipment (“FFE”), and non-capital items such as the recruitment of qualified and quality personnel to operate, maintain, and clean the Hotel’s FFE, especially during the initial start-up period of operations. By expending resources initially on FFE and personnel (not the acquisition and development of the Property), with the opportunity for reimbursement through successful operations, it is believed that the Operator will meet the City’s objectives in increasing economic development throughout the city of El Cajon.

4.3 Operator’s Collection and Remittance of TOT. The specific and timely performance of all obligations of Developer to pay TOT under the El Cajon Municipal Code is a

material part of this Agreement, and this Agreement shall not alter any provision of the El Cajon Municipal Code or the California Revenue and Taxation Code pertaining to TOT, and all such taxes shall be due and payable at all times according to law. Nothing in this Agreement shall relieve Developer of its obligations to file all returns and other reports in a timely manner, and to remit the full amount of TOT due and payable to the City pursuant to Chapter 3.44 et seq. of the El Cajon Municipal Code. The failure of Developer to make all TOT payments lawfully due and payable under the law shall render this Agreement null and void, provided that City shall have first given Developer written notice of such failure and 60 days opportunity to cure. Thereafter, in the event such failure has not been cured in full, the City shall be under no obligation to thereafter share TOT revenue as specified in Section 4.4 of this Agreement.

4.4 TOT Rebate Sharing Agreement.

(a) During Years 1 through 5 of the Operating Covenant, Developer will annually receive 100 percent of the net TOT revenue collected by the Operator and received by the City from operation of the Hotel during each respective year.

(b) During Years 6 through 10 of the Operating Covenant, Developer will annually receive 50 percent and the City will receive 50 percent of the net TOT revenue collected by the Operator and received by the City from operation of the Hotel during each respective year.

(c) Upon conclusion of Year 10 of the Operating Covenant, and each year thereafter, all TOT collected by the Operator from operation of the Hotel shall be remitted to and retained by the City, and neither Developer or Operator shall have right to any TOT rebate.

The City shall remit to Developer its share of the TOT received by the City within 21 days following written request therefor from Developer, which Developer may not make more than quarterly.

5. Project Budget and Construction Contract

5.1 Developer's Evidence of Financing.

(a) The anticipated sources and uses of funds for the development of the Project are set forth in the Project Budget (Attachment No. 4). At or prior to the Property Closing, and as a condition precedent to the City's obligation to transfer the Property to Developer, the Developer shall submit to the Director a copy of the fee-based construction contract or guaranteed maximum price construction contract between Developer and its general contractor for all of the improvements required to be constructed by Developer hereunder, certified by Developer to be a true and correct copy thereof.

(b) In lieu of a corporate surety bond or bonds or other security instrument, with the Developer's contractor or contractors as principal, in a penal sum not less than one hundred percent (100%) of the amount of the cost of constructing the Project guaranteeing completion of construction and the payment of wages for services engaged and bills contracted

for materials, supplies, and equipment used in the performance of the work, and protecting the Developer from any liability, losses, or damages arising therefrom, the Director shall have the right to inspect, at reasonable times and reasonable places but with at least three (3) business days prior written notice, Developer's current schedule of values (each, a "Schedule" and together the "Schedules") delivered to Developer's construction lender (the "Lender") related to Developer's construction loan to ensure the City that the Project Budget remains reasonably appropriate for the development of the Improvements. If the Director determines, in his reasonable and good-faith discretion, that the Project Budget is materially insufficient to complete the construction of the Improvements, and correction of any deficiencies cannot be completed by Developer after a sixty (60) day notice and cure period, then the Director may accept alternate security in his or her sole and reasonable discretion. The requirements of this subsection (b) shall terminate upon the issuance of a certificate of occupancy by the City's chief building official or his designee.

6. Acquisition of the Property; Purchase Price

The Developer shall acquire a fee simple title to the Property pursuant to the grant deed in the form attached hereto and incorporated herein as Attachment No. 7 (the "Grant Deed"). Developer's purchase price for the Property (the "Purchase Price") is ONE MILLION TWO HUNDRED THIRTY-FOUR THOUSAND DOLLARS AND NO CENTS (\$1,234,000.00), SEVEN HUNDRED THOUSAND DOLLARS AND NO CENTS (\$700,000.00) (the "Initial Purchase Price Payment") of which will be paid through a deposit, into escrow as further described below, and the balance of which and interest thereon will be paid by Developer to the City in seven (7) equal, annual installments of SEVENTY-EIGHT THOUSAND FIVE HUNDRED SEVENTY-FOUR AND NO CENTS (\$78,574.00) per year, payable on the first day of each Year of the Operating Covenant commencing as of Year 4 of the Operating Covenant and expiring upon the payment of the installment at Year 10 of the Operating Covenant.

6.1 Escrow. City and Developer agree to open an Escrow with Escrow Agent, by the time established in the Schedule of Performance. This Agreement constitutes the City's and Developer's escrow instructions for the City's sale and the Developer's purchase of the Property and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of the Escrow. The Escrow Agent is hereby empowered to act under this Agreement, and the Escrow Agent, upon indicating within five (5) days after the opening of the Escrow its acceptance of the provisions of this Section 6.1, in writing, delivered to the City and the Developer, shall carry out its duties as Escrow Agent hereunder. In the event of any conflict between any additional escrow instructions required by the Escrow Agent and the provisions of this Agreement, the provisions of this Agreement shall supersede and control. Any amendment of the escrow instructions set forth or described herein shall be in writing and signed by both the City and the Developer. All communications from the Escrow Agent to City or Developer shall be in writing and directed to the addresses and in the manner established in Section 9.1 of this Agreement for notices, demands and communications between City and Developer.

6.2 Deposits Into Escrow. City and Developer shall deposit the following documents and pay into the Escrow the following fees, charges, and costs promptly after the Escrow Agent

has notified the City and the Developer of the total amount of such fees, charges, and costs, but not earlier than five (5) days prior to the scheduled date for the Property Closing:

- (a) Developer shall deposit the Initial Purchase Price Payment;
- (b) City and Developer shall each pay one-half of the Escrow Fee;
- (c) City shall pay the costs, if any, of drawing the Grant Deed;
- (d) City shall pay the recording fees, if any;
- (e) City and Developer shall pay their respective notary fees;
- (f) City shall pay for any transfer tax and any state, county or city documentary stamps; and
- (g) City shall deposit with the Escrow Agent the fully executed Grant Deed, as well as the Operating Covenant and the Parking Easement, and any other document required by the City or Escrow Agent for execution.

6.3 Escrow Agent Obligations. The Escrow Agent shall notify the City and Developer when all outstanding documents, including the Grant Deed and Operating Covenant, have been executed and submitted to Escrow by the applicable party.

Upon confirmation by the Escrow Agent that all of the City's Conditions to Closing and all of the Developer's Conditions to Closing have been satisfied, or waived by the appropriate party, the Escrow Agent shall record the following documents in the following order of recordation: (1) Grant Deed and (2) Operating Covenant, and the Escrow Agent shall record the Parking Easement.

6.4 Funds in Escrow. All funds received in the Escrow shall be deposited by the Escrow Agent in a general escrow account with any state or national bank doing business in the State of California and reasonably approved by the Director and Developer, and such funds may be combined with other escrow funds of the Escrow Agent. All disbursements shall be made on the basis of a thirty (30) day month.

6.5 Failure to Close. If the Property Closing does not occur on or before the Outside Closing Date, any party who then shall have fully performed the acts to be performed before the conveyance of the Property may, in writing, demand the return of its money, papers, or documents from the Escrow Agent. No demand for return shall be recognized until fifteen (15) days after the Escrow Agent (or the party making such demand) shall have mailed copies of such demand to the other party. Objections, if any, shall be raised by written notice to the Escrow Agent and to the other party within the fifteen (15) day period, in which event the Escrow Agent is authorized to hold all money, papers and documents until instructed by mutual agreement of the parties or, upon failure thereof, by a court of competent jurisdiction. If no such demands are made, the Escrow Agent shall conduct the Property Closing as soon as possible.

If objections are raised in the manner provided above, the Escrow Agent shall not be obligated to return any such money, papers or documents except upon the written instructions of both the Director and Developer, or until the party entitled thereto has been determined by a final decision of a court of competent jurisdiction. If no such objections are made within said fifteen (15) day period, the Escrow Agent shall immediately return the demanded money, papers or documents.

6.6 Amendments. Any amendment to these Escrow instructions shall be in writing and signed by the Director or City legal counsel, and Developer. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as the Escrow Agent under such amendment.

6.7 City's Conditions to Closing. The City's obligations to convey the Property and the closing of Escrow shall, in addition to any other conditions set forth herein in favor of the City, be conditional and contingent upon the satisfaction, or waiver by the City in its sole and absolute discretion, on or before the Outside Closing Date, of each and all of the following conditions (collectively, "City's Conditions to Closing"):

(a) Developer shall have deposited into Escrow the Initial Purchase Price Payment and all other sums and documents required by the Developer by this Agreement;

(b) Developer shall have deposited into Escrow the fully executed Operating Covenant, and any other document required by the Escrow Agent for execution.

(c) The Director shall have received a true and complete copy of a Construction Contract by and between Developer and the General Contractor pursuant to which the General Contractor has agreed to construct the Project at a cost consistent with the costs set forth therefor in the Project Budget.

(d) The Developer shall have obtained all required Project entitlements.

(e). The building permit for the Project shall have been issued or shall be ready to issue upon only payment of a sum certain.

(f) The Director shall be reasonably satisfied that construction of the Project will commence not later than six (6) months after the Property Closing and will thereafter be completed in a reasonably diligent and continuous manner.

(i) The Title Company is prepared to issue a CLTA Policy of title insurance naming City as the insured, and showing Developer as holding title to the Property ("City Title Policy").

(j) The representations of Developer contained in this Agreement shall be correct in all material respects as of the Property Closing as though made on and as of that date and, if requested by the Director, City shall have received a certificate to that effect signed by Developer.

(k) No Event of Default by Developer shall then exist, and no event shall then exist which, with the giving of notice or the passage of time or both would constitute an Event of Default by Developer and, if requested by the Director, City shall have received a certificate to that effect signed by Developer.

6.8 Developer's Conditions to Closing. Developer's obligations to purchase the Property from the City and the closing of the Escrow shall, in addition to any other conditions set forth herein in favor of the Developer, be conditional and contingent upon the satisfaction, or waiver by the Developer in its sole and absolute discretion, on or before the Outside Closing Date, of each and all of the following conditions (collectively, the "Developer's Closing Conditions"):

(a) City has deposited into Escrow the Grant Deed, Operating Covenant and the Parking Easement, duly executed and acknowledged by the City, and all other sums and documents required of City by this Agreement;

(b) On the Closing Date, the Title Company shall be prepared to issue its ALTA extended coverage form policy of title insurance, with liability in the amount of \$1,234,000.00, showing title to the Property, and an easement estate in the City Parking Lot, vested in Developer, subject only to the Operating Covenant, and such other exceptions as Developer previously approved (the "Developer Title Policy"). The Developer shall further deposit such funds necessary to pay the difference between the premiums for the City Title Policy and the Developer's Title Policy.

(c) Developer shall have approved of the condition of title to the Property and the City Parking Lot. With respect thereto, City and Developer acknowledge that Developer has obtained from the Title Company a Preliminary Title Report, with copies of all exceptions noted therein, as order number _____ (the "Report"). If Developer objects to any exception or exceptions in the Report, City shall notify Developer within ten (10) days whether or not City will cause such exception to be removed by the Property Closing. If City declines to cause any such exception to be removed, Developer shall, within ten (10) days, elect either to waive the exception and/or objection or terminate this Agreement by written notice to City.

(d) No Event of Default by City shall then exist, and no event shall then exist which, with only the giving of notice or the passage of time or both, would constitute an Event of Default by City.

6.9 City Right to Terminate. Prior to the Property Closing, City, if it is not then in material default under this Agreement, may terminate this Agreement by giving thirty a (30) days' written notice to Developer if, by the Outside Closing Date, any of the conditions set forth in Section 6.7 have not been satisfied.

6.10 Developer Right to Terminate. Prior to the Property Closing, Developer, if it is not then in material default under this Agreement, may terminate this Agreement by giving thirty (30) days' written notice to City if, by the Outside Closing Date, any of the conditions set forth in Section 6.8 have not been satisfied.

6.11 Waiver of Conditions. The conditions set forth in Section 6.7 are for City's benefit only and the Director may waive all or any part of such rights by written notice to Developer. The conditions set forth in Section 6.8 are for Developer's benefit only and Developer may waive all or any part of such rights by written notice to City.

6.12 Inspections. The Developer shall conduct the Developer's own investigation of the Property, including but not limited to its physical condition, the soils and toxic conditions of the Property and all other matters which in the Developer's judgment affect or influence the Developer's proposed use of the Property and the Developer's willingness to develop the Property pursuant to this Agreement. The Developer's investigation may include, without limitation, the preparation by a duly licensed soils engineer of a soils report for the Property. If, in the Developer's reasonable judgment, the physical condition of the Property is unsuitable for the use or uses to which the Property will be put to the extent that it is not economically feasible for the Developer to develop the Property pursuant to this Agreement, then the Developer shall have the option either to take any action necessary to place the Property in a condition suitable for development, or terminate this Agreement pursuant to Section 6.10 hereof. If the Developer has not notified the City of its determinations concerning the suitability of the physical condition of the Property by the date scheduled for the Property Closing, the Developer shall be deemed to have waived its right to terminate this Agreement pursuant to this Section.

6.13 "AS-IS". Developer acknowledges and agrees that it is purchasing the Property solely in reliance on its own investigation, and that no representations and/or warranties of any kind whatsoever, express or implied, have been made by City, or by its officers, employees, representatives or agents. Developer further acknowledges and agrees that Developer will be purchasing the Property in "AS IS" condition with all faults and conditions then existing in and on the Property, whether known or unknown; provided that the foregoing shall not constitute a release of City under any statute or common law theory. Notwithstanding the foregoing, City acknowledges and agrees that neither this Section 6.13, nor any other term, provision or condition of this Agreement obligates Developer, as between it and City, and prior to the Property Closing, to remediate, or to incur any cost to remediate, any Hazardous Materials that were released or existed on the Property prior to the Property Closing. Developer acknowledges and agrees that, as between it and City, nothing in this Agreement shall ever be deemed, construed or interpreted to obligate City to remediate, or to incur any expense to remediate, any Hazardous Materials discovered on the Property either before or after the Property Closing unless and until City expressly agrees to do so in writing. The City represents and warrants to Developer that the City has disclosed to Developer all information that the City has in its possession concerning the presence of Hazardous Materials at the Property.

6.14 Developer Right to Terminate Upon Discovery of Hazardous Materials. If, prior to the Property Closing, Developer discovers Hazardous Materials the cost of remediation of which exceeds the limits of any applicable insurance policy, then Developer, subject to the condition set forth below, shall have the right, prior to the Property Closing, to terminate this Agreement by thirty (30) days' written notice to City. Developer's right so to terminate this Agreement shall be subject to the condition precedent that Developer first have (a) submitted to City any and all information then available to Developer as to the nature and scope of the

Hazardous Materials discovered and as to the cost estimated to remediate them, if any such cost estimate exists, and (b) offered to City the right, within fifteen (15) days after receipt of said statement, or such longer period of time as may reasonably be required by City to obtain competitive bids for the work, to elect, at its sole and absolute discretion, to cause such work to be performed, at City's sole cost and expense, to the reasonable satisfaction of Developer. If City so elects and causes such work to be performed as soon as reasonably possible, then Developer shall not have the right to terminate this Agreement under this Section 6.14 provided the work can be, and is, completed by the Outside Closing Date.

6.15 Failure of Conditions Precedent; Termination. In the event that by the Outside Closing Date each of the conditions set forth in Section 6.7 is not fulfilled, or waived by City pursuant to Section 6.11, City may at its option, terminate this Agreement and the Escrow opened hereunder, thereby releasing the parties from further obligations hereunder. In the event that by the Outside Closing Date each of the conditions set forth in Section 6.8 are not fulfilled, or waived by the Developer pursuant to Section 6.11, Developer may, at its option, terminate this Agreement and the Escrow opened hereunder, thereby releasing the parties from further obligations hereunder. In the event this Agreement is terminated, all documents and funds delivered by the Developer to City or Escrow Agent shall be immediately returned to Developer and all documents and funds delivered by City to Developer or Escrow Agent shall be returned immediately to City. Nothing in this Section 6.15 shall be construed as releasing any party from liability for any default of its obligations hereunder or breach of its representations and warranties under this Agreement occurring prior to the termination of this Agreement and/or the Escrow to be opened hereunder.

6.16 Condition of Title. The City shall convey to the Developer fee simple title to the Property free and clear of all recorded liens, encumbrances, assessments, leases and taxes, except the provisions of the Grant Deed and Operating Covenant, and the printed conditions and exceptions contained in the City Title Policy as approved the Developer pursuant to Section 6.7(i). Developer shall have the right to reasonably approve or disapprove the condition of title as reflected in the City Title Policy; provided, however, that Developer hereby approves the Redevelopment Plan (to the extent applicable) and the lien of current non-delinquent real property taxes and assessments, if any, and the City shall use commercially reasonable efforts to cure any title defects objected to by Developer in its sole discretion. In the event the City is unable to cure any such title defects on or before the Property Closing, then Developer may terminate this Agreement by providing the City written notice thereof.

6.17 Taxes and Assessments. Ad valorem taxes and assessments, if any, on the Property, and taxes upon this Agreement or any rights hereunder levied, assessed or imposed for any period commencing prior to conveyance of title shall be borne by the City. All ad valorem taxes and assessments levied or imposed for any period of time commencing after the close of the Escrow shall be paid by the Developer.

6.18 Conveyance Free of Possession. The Property shall be conveyed free of any possession or right of possession by any person except that of Developer and the easements and other encumbrances of record (subject to Developer's right to review the condition of title pursuant to Section 6.8(c)).

6.19 Initiation of Specific Plan. The City shall have approved, or (if not approved) initiated the Specific Plan as described in Section 16 of this Agreement and the Developer shall have deposited with Escrow its waiver of objections, and its irrevocable and written consent to the Specific Plan application, provided the Specific Plan does not materially interfere with Developer's construction or operation of the Hotel.

7. Development of the Property

7.1 Scope of Development. The Property shall be developed as provided in the Scope of Development which is attached hereto as Attachment No. 6 and incorporated herein by reference. The improvements to be constructed on the Property include a seventy-four thousand (74,000) square foot, approximately 120-room, Courtyard by Marriott Hotel (or a Permitted Replacement Hotel) with pool, recreation room, meeting room, outdoor patio, and parking area (collectively are referred to herein as the "Improvements"). The Developer shall commence and complete construction of the Improvements by the respective times established therefore in the Schedule of Performance, subject to Section 9.3. The development shall be constructed consistent with plans and specifications submitted to and approved by the City and/or City in conjunction with required planning entitlements and applicable building codes, and shall incorporate or show compliance with all applicable conditions of project approval.

7.2 City Approvals. Approval by the City pursuant to Sections 7.3, 7.4 and 7.5 hereof shall be required in addition to all City approvals. The Property shall be developed as established in this Agreement and such documents, except as changes may be mutually agreed upon between the Developer and the City. Any such changes shall be within the limitations of the Scope of Development.

7.3 Construction Drawings and Related Documents. By the time set forth in the Schedule of Performance, the Developer shall prepare and submit to the City construction drawings, landscape plans, and related documents for development of the Property for building permit(s).

During the preparation of all drawings and plans, City staff and the Developer shall hold progress meetings as needed to coordinate the preparation of, submission to, and review of drawings, plans and related documents by the City. The City staff and the Developer shall communicate and consult informally as frequently as is necessary to insure that the formal submittal of any documents to the City can receive prompt and speedy consideration. The Developer shall be obligated to obtain all City approvals, including building permits and operating permits required for the construction of the Improvements.

The City agrees that all aspects of entitlement permit review and processing and inspections will receive expedited processing, within reason, and subject to City's obligations under other entitlement applications. Nothing herein shall require the City, as the plan reviewing and permitting agency, to disregard local, state, or federal laws relative to the proposed development. and shall be managed directly by the City Manager's office with use of senior and experience staff.

7.4 Approval of Plans, Drawings, and Related Documents. The City shall have the right of planning, including plan check, review of all plans and submissions including any changes therein. During each stage of the processing of the plans, drawings and related documents for the Improvements, the City shall have the right to require additional information and shall advise the Developer if any submittal of plans or drawings is not complete or not in accordance with City procedures. If the City determines that such a submittal is not complete or not in accordance with such procedures, such tender shall not be deemed to constitute a submittal for purposes of satisfying the Schedule of Performance. If the City does not take action with respect to any submittal within the time set forth in the Schedule of Performance, the Developer's time to perform hereunder shall be extended by one day for each day by which the City's action is late.

If the Developer desires to make any substantial changes in the construction plans after their approval by the City, the Developer shall submit the proposed change to the City for their approval. If the construction plans, as modified by the proposed change, conform to the requirements of Section 7.2 of this Agreement and the Scope of Development, the City will approve or reject the proposed change and notify the Developer in writing within the time period set forth in the Schedule of Performance. In the event that the City has neither approved or rejected such proposed change within such time period day period, the Developer may notify the City in writing that the City is in violation of such requirement and that such change will be deemed approved within fifteen (15) days of the City's receipt of such notice, and if the City still has not accepted or rejected such changes within such additional fifteen (15) day period, the proposed change shall be deemed approved.

7.5 Cost of Construction. The Developer contemplates financing the Project with a combination of debt and equity. The cost to acquire the Property and construct the Improvements is set forth in the "Project Budget", which is attached hereto as Attachment No. 4 and incorporated herein. The cost of constructing improvements for and the development of the Project and constructing all of the on-site and off-site improvements at or about the Property (e.g. all improvements outside of the "building envelope") required to be constructed in connection with the development of the Project, including without limitation all landscaping, lighting, curbs, gutters and pavement, shall be borne initially by Developer provided, however, the City shall reimburse the Developer for the cost of such off-site improvements described in Attachment "6" (together, the "Off-Site Improvements") within thirty (30) days after the City's receipt of an invoice thereof from Developer.

7.6 City Right to Inspect Developer Records for Off-Site Improvements. The City and its authorized representatives shall, at all times after reasonable prior notice but no less than three (3) business days prior written notice, have reasonable access to the Hotel for the purpose of audit or inspection of Developer's books and records relating to the Off-Site Improvements only, and the City may not inspect any such books or records that are privileged or otherwise confidential. The Developer's staff shall reasonably cooperate with the Director or City's auditors (which must be reasonably approved by Developer) when they conduct such inspections of such books and records. Within thirty (30) days after the Developer's receipt of any audit report prepared by the City in connection with any authorized inspection of the Developer's

books and records relating to the Off-Site Improvements, the Developer shall provide a written response to all reasonable requests of the City or the Director in such audit report. The Developer's response must reasonably discuss each condition or finding in such audit report and set forth a proposed resolution to any alleged deficiency, including a schedule for correcting any alleged deficiency, or a basis for disputing any such alleged deficiency. The Developer, the City and the Director shall meet and confer within thirty (30) days after the Developer's delivery of such response to resolve any alleged deficiencies or any such disputed deficiencies. All corrective actions to cure any such deficiencies mutually agreed to by the Developer, the Director and the City shall take place within six (6) months after such meeting unless a longer period of time is reasonably necessary to complete such corrective action.

7.7 Schedule of Performance. The Developer shall promptly begin and thereafter diligently prosecute to complete the Project, with all construction commencing and being completed within the times specified therefor in the Schedule of Performance, subject to extensions permitted by Section 9.3 of this Agreement.

7.8 Bodily Injury and Property Damage Insurance. The Developer shall defend, indemnify, assume all responsibility for and hold the City, its subdivisions, departments, officers, elected officials, and employees, harmless from all claims or suits for, and damages to, property and injuries to persons, including accidental death (including reasonable attorney's fees and costs), which may be caused by any of the Developer's activities under this Agreement, whether such activities or performance thereof be by the Developer or anyone directly or indirectly employed or contracted with by the Developer and whether such damage shall accrue or be discovered before or after termination of the Agreement; provided, however, the foregoing shall not apply to any such claims or suits to the extent arising from the negligence or willful misconduct to the City or its subdivisions, departments, officers, elected officials, employees agents or contractors. The Developer shall take out and maintain during the life of this Agreement a commercial general liability policy with limits of a minimum of \$2,000,000 and State of California required levels of Workers' Compensation insurance, only if Developer has employees, for all work performed under this Agreement in accordance with City requirements. Developer shall name City, its subdivisions, departments, officers, elected officials, and employees as additional insured on the policy of commercial general liability insurance. The policy of commercial general liability insurance shall be approved by the City's legal counsel.

The Developer shall furnish a certificate of insurance for the commercial general liability policy countersigned by an authorized agent of the insurance carrier on a form of the insurance carrier setting forth the general provisions of the insurance coverage certified by an endorsement to the policy as stated in the certification. This countersigned certificate and policy endorsement shall name the City (and its subdivisions, departments, officers, elected officials, agents, representatives, consultants and employees) as additional insureds under the policy. The certificate by the insurance carrier and policy endorsement shall contain a statement of obligation on the part of the carrier to notify the City of any material change, cancellation or termination of the coverage at least thirty (30) days in advance of the effective date of any such material change, cancellation or termination, but only if it is the practice of the insurance carrier to provide such notification. The commercial general liability coverage provided hereunder by the Developer shall be primary insurance and not contributing with any insurance maintained by the

City, and the policy shall contain such an endorsement. The insurance policy or endorsement shall contain a waiver of subrogation for the benefit of the City, and shall include finished products coverage. The Developer shall provide the required certificate at or prior to the Property Closing.

The Developer shall also furnish or cause to be furnished to the City evidence satisfactory to the City that any contractor with whom it has contracted for the performance of work on the Property or otherwise pursuant to this Agreement carries workers' compensation insurance as required by law.

7.9 City and Other Governmental Agency Permits. Before commencement of construction or other works of improvement upon the Property, the Developer shall, at its own expense, take all actions necessary and proper to secure or cause to be secured any and all permits which may be required by the City or any other governmental agency affected by such construction, development or work. The City will, without obligation to incur liability or expense therefor, use its best efforts to expedite issuance of building permits for construction that meets the requirements of the City code.

7.10 Rights of Access. For the purpose of assuring compliance with this Agreement, representatives of the City shall have the right of access to all portions of the Property during the construction period without charges or fees, upon providing notice twenty-four (24) hours in advance to Developer, at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the Project, so long as they comply with all safety rules. Such representatives of the City shall be those who are so identified in writing by the Director. The City shall indemnify and hold the Developer harmless from any bodily injury arising out of the activities of the City as referred to in this Section 7.10.

The Developer and the City agree to cooperate in placing and maintaining on the Property during construction one sign indicating the respective roles of the Developer and the City in the Project.

7.11 Local, State and Federal Laws. The Developer shall carry out the construction of the Project in conformity with all applicable laws, including all applicable federal and state labor standards; provided, however, Developer and its contractors, successors, assigns, transferees, and lessees do not waive their rights to contest any such laws, rules or standards.

7.12 Antidiscrimination During Construction. The Developer, for itself and its successors and assigns, agrees that in the construction of the Project provided for in this Agreement, the Developer will not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, sexual preference or age.

7.13 Taxes, Assessments, Encumbrances and Liens. The Developer shall, after acquisition, pay prior to delinquency, all future ad valorem taxes and assessments for the Property.

7.14 Release of Construction Covenants. Promptly after completion of the construction of the Improvements in conformity with this Agreement, the City shall deliver to the Developer a Release of Construction Covenants, executed and acknowledged by the City substantially in the form provided on Attachment 5, which is attached hereto and incorporated herein by this reference. The Release of Construction Covenants shall be a conclusive determination of satisfactory completion of the construction of the Improvements, and the Release of Construction Covenants shall so state. Following the issuance of a Release of Construction Covenants, any party then owning or thereafter purchasing, leasing or otherwise acquiring any interest in the Property shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under this Agreement with respect to this Agreement; however, any such party shall remain subject to the terms and conditions of Operating Covenant for the term thereof.

If City refuses or fails to furnish a Release of Construction Covenants in accordance with the preceding paragraph, and after written request from the Developer, the City shall, within thirty (30) days after receipt of such written request therefor, provide the Developer with a written statement of the reasons the City refused or failed to furnish the Release of Construction Covenants. The statement shall also contain the City's opinion of the actions the Developer must take or cause to be taken to obtain the Release of Construction Covenants. The Release of Construction Covenants shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of any mortgage, or any insurer of a mortgage securing money loaned to finance the Project, or any part thereof. The Release of Construction Covenants is not a notice of completion as referred to in Section 8182 of the California Civil Code.

8. Use of the Property

8.1 Use in Conformance with Plan and Agreement. The Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof that the Developer, such successors and such assignees, shall use, operate and maintain the Property and the Project thereon in conformity with this Agreement and shall devote the Property and the Project thereon to the uses specified in the Redevelopment Plan (to the extent applicable), the Specific Plan, and this Agreement for the periods of time specified herein.

8.2 Long Term Maintenance of the Project. Except for the area covered by the Parking Easement, which shall be maintained by the City, the Developer shall maintain or cause to be maintained the interiors and exteriors of the Project in a safe, decent, and sanitary manner, in accordance with the standard of maintenance in conformity with the El Cajon Municipal Code. If at any time Developer fails to maintain the Project in accordance with this Agreement and Developer does not correct or commence to correct such condition within thirty (30) days after written notice from the City with respect to graffiti, debris, waste material, and general maintenance, or thirty days after written notice from the City with respect to landscaping and building improvements, then the City, in addition to whatever remedies it may have at law or at equity, shall have the right to enter upon the applicable portion of the Project and perform all acts and work reasonably necessary to protect, maintain, and preserve the Project and landscaped

areas on the Property. The following standards shall be complied with by Developer and its maintenance staff, contractors or subcontractors:

(a) Developer shall maintain all common areas, all interior and exterior facades, and all exterior Project site areas, in a safe, decent, and sanitary manner. The Developer agrees to provide utility services, administrative services, supplies, contract services, maintenance, maintenance reserves, and management for the entire Project including the interior spaces, the common area spaces and the exterior common areas, parkway landscaping and sidewalks. The Developer shall provide electric, gas and water services to the Property and provide property, fire and liability insurance in the amounts set forth in this Agreement; payment of all property taxes and personal property taxes; payment of any and all assessments; and maintenance and replacement of all exterior landscaping.

(b) Landscape maintenance shall include, but not be limited to: watering/irrigation; fertilization; mowing, edging, and trimming of grass; tree and shrub pruning; trimming and shaping of trees and shrubs to maintain a healthy, natural appearance and safe road conditions and visibility, and optimum irrigation coverage; replacement, as needed, of all plant and irrigation materials; control of weeds in all planters, shrubs, lawns, ground covers, or other planted areas; and staking for support of trees, as needed.

(c) Clean-up maintenance shall include, but not be limited to: maintenance of all paths, parking areas, driveways and other paved areas in clean and weed-free condition; maintenance of all such areas clear of dirt, mud, trash, debris or other matter which is unsafe or unsightly; removal of all trash, litter and other debris from improvements and landscaping prior to mowing; clearance and cleaning of all areas maintained prior to the end of the day on which the maintenance operations are performed to ensure that all cuttings, weeds, leaves and other debris are properly disposed of by maintenance workers.

(d) All maintenance work shall conform to all applicable federal and state Occupational Safety and Health Act standards and regulations for the performance of maintenance.

(e) Any and all chemicals, unhealthful substances, and pesticides used in and during maintenance shall be applied only by persons possessing valid California applicators licenses, and in strict accordance with all governing regulations. Precautionary measures shall be employed recognizing that all areas are open to public access.

(f) Parking lots, lighting fixtures, trash/recycling enclosures, and all areas which can be seen from the adjacent streets shall be kept free from any accumulation of debris or waste materials by regularly scheduled maintenance.

8.3 Rights of Access. The City, for itself and other public agencies, at their sole risk and expense, shall have the right upon reasonable notice to Developer, to enter the Property or any part thereof which is occupied or controlled by the Developer, at all reasonable times for the purpose of construction, reconstruction, maintenance, repair or service of any public improvements or public facilities located on the Property. Any such entry shall be made only

after reasonable notice to Developer. Upon receipt of such notice, the Developer agrees to cooperate with the City in making the Property available for inspection by the City. Developer acknowledges and agrees that in the event that if for any reason the Developer fails to consent to such entry or inspection, the City may obtain an administrative inspection warrant or take such other legal actions as may be necessary to gain entry to and inspect the Property. City shall indemnify and hold Developer harmless from any costs, claims, damages or liabilities pertaining to any entry.

8.4 Effect of Violation of the Provisions of this Agreement after Completion of Construction. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding upon and for the benefit and in favor of the Developer and the City, their respective successors and assigns, as to those covenants which are for their benefit. The covenants contained in this Agreement shall remain in effect until the Operating Covenant Termination Date (as defined in Section 3 of this Agreement). The covenants against discrimination set forth in Section 8.5, below, shall remain in perpetuity.

The City is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. The Agreement and the covenants shall run in favor of the City, without regard to whether the City has been, remains or is an owner of any land or interest therein in the Property. The City shall have the right, if the Agreement or covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and covenants may be entitled.

8.5 Nondiscrimination. The Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual preference, disability, familial status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall the Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property. The foregoing covenants shall run with the land.

The Developer shall refrain from restricting the rental, sale or lease of the property on the basis of race, color, creed, religion, sex, sexual preference, marital status, disability, familial status, national origin or ancestry of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(a) In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of

persons on account of race, color, creed, religion, sex, sexual preference, marital status, disability, familial status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land.”

(b) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

“There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual preference, marital status, disability, familial status, ancestry or national origin in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

(c) In contracts: “There shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, creed, religion, sex, sexual preference, marital status, disability, familial status, ancestry or national origin, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the premises.”

The covenants established in this Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of the City, its successors and assigns, the City and any successor in interest to the Property. The covenants against discrimination shall remain in effect in perpetuity.

8.6 Operating Covenant. On or prior to the Property Closing, Developer shall execute and acknowledge an Operating Covenant substantially in the form attached hereto and incorporated herein as Attachment 8 (the “Operating Covenant”). The Operating Covenant shall be recorded concurrently with the Grant Deed. The Developer’s execution of the Operating Covenant shall be a material component of this Agreement and a condition precedent to the Property Closing. The Operating Covenant shall obligate the Developer to construct the Project and shall obligate the Developer to operate the Project for a minimum period of fifteen (15) years, commencing on the date the City issues a Release of Construction Covenants for the Project.

8.7 Parking Easement. City shall, at all times during the term of this Agreement and the Parking Easement, be responsible for the maintenance and any repairs to the parking lot over which the Parking Easement applies. This responsibility shall only be limited by repairs or

extraordinary maintenance resulting from the Developer's gross negligence or willful misconduct in the use of the Parking Easement. The City's specific responsibilities are set forth in Attachment 9 (Parking Easement), as may be amended from time to time.

9. General Provisions

9.1 Notices, Demands and Communications Between the Parties. Written notices, demands and communications between the City and the Developer shall be sufficiently given if delivered by hand (and a receipt therefor is obtained or is refused to be given) or dispatched by registered or certified mail, postage prepaid, return receipt requested, or sent by telecopy or overnight delivery service, to the City and the Developer at the addresses provided pursuant to Sections 2.1 and 2.2, respectively, and to such other addresses as either party may from time to time designate by mail as provided in this Section 9.1. Notices between the Parties shall be provided to the following address:

To City: City of El Cajon
200 Civic Center Way
El Cajon, CA 92020
Attention: Douglas Williford, City Manager

With a copy to: El Cajon City Attorney
200 Civic Center Way
El Cajon, CA 92020
Attention: Morgan L. Foley, Esq.

If to Developer: El Cajon Hotel LP
10660 Scripps Ranch Boulevard, Suite #100
San Diego, CA, 92131
Attention: Neil Patel

With a copy to: CGS3
12750 High Bluff Drive, Suite 250
San Diego, CA 92130
Attention: Fernando Landa

Any written notice, demand or communication shall be deemed received immediately if delivered by hand or sent by telecopy, shall be deemed received on the third day from the date it is postmarked if delivered by registered or certified mail, and shall be deemed received on the next business day after it is sent if delivered by overnight delivery service.

9.2 Conflicts of Interest. No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any member, official or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or

indirectly interested. No member, official or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City, or for any amount which may become due to the Developer or successor or on any obligations under the terms of this Agreement.

The Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement.

9.3 Enforced Delay: Extension of Times of Performance. In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended, where delays or defaults are due to: war, insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts or omissions of the other party; acts or failures to act of any public or governmental agency or entity (other than the acts or failures to act of the City) or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Any requests for extension shall be in writing. Times of performance under this Agreement may also be extended in writing by the mutual agreement of City and Developer.

10. Defaults and Remedies

10.1 Defaults – General. Subject to the extensions of time set forth in Section 9.3 or this Section 10.1, failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement. The party who so fails or delays must immediately commence to cure, correct, or remedy such failure or delay, and shall complete such cure, correction or remedy with diligence.

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Except as required to protect against an immediate risk to physical property or human health, the injured party may not institute proceedings for damages or specific performance against the party in default until thirty (30) days after giving such notice; provided that if the party is proceeding with diligence to cure, such party shall have such greater time as may be necessary to cure given the nature of the default. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

10.2 Institution of Legal Actions. In addition to any other rights or remedies, but subject to the notice and cure period set forth in Section 10.1 above, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Legal actions must be instituted in the Superior Court of the County of San Diego, State of California, or in the Federal

District Court in the Southern District of California. Each party hereby waives its right to remove any action from San Diego County as is otherwise provided in California Code of Civil Procedure section 394.

10.3 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

10.4 Acceptance of Service of Process. In the event that any legal action is commenced by the Developer against the City, service of process on the City shall be made by personal service upon the Director or in such other manner as may be provided by law. In the event that any legal action is commenced by the City against the Developer, service of process on the Developer shall be made by personal service upon an agent designated for service of process as filed with the California Secretary of State and shall be valid whether made within or without the State of California or in such other manner as may be provided by law.

10.5 Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

10.6 Inaction Not a Waiver of Default. Any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

10.7 Attorneys' Fees. If any action at law or equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs of litigation from the non-prevailing party.

10.8 Termination by the Developer. In the event that the City is in material default of any of its obligations under this Agreement, and such default has not been cured in accordance with Section 10.1 hereof, then this Agreement, at the option of the Developer, and in addition to any other remedies available to Developer at law or in equity, may be terminated by written notice thereof to the City.

10.9 Termination by the City. In the event that any of the following occur beyond a thirty (30) notice and cure period or such longer, specific notice and cure period provided in this Agreement:

(a) The Developer (or any successor in interest) assigns or attempts to assign this Agreement or any rights therein or in the Property, the Project or any portion thereof in violation of this Agreement; or

(b) There is a change in the ownership of the Developer contrary to the provisions of Section 2.3 hereof; or

(c) The Developer fails to provide Evidence of Financing pursuant to Section 5.1; or

(d) The Developer fails to submit insurance required pursuant to Sections 7.8 of this Agreement by the time established in the Schedule of Performance (Attachment No. 3); or

(e) The Developer is in material default of any of its obligations under this Agreement, and such default has not or is not being cured in accordance with Section 10.1 hereof, then at the option of the City this Agreement and any rights of the Developer or any assignee or transferee in the Agreement shall, upon written notice from the City, be terminated by the City.

10.10 Term of the Agreement. This Agreement shall be effective on the Effective Date and shall expire upon the Operating Covenant Termination Date, unless earlier terminated in accordance with the terms hereof.

11. Special Provisions

11.1 Commissions. The City and the Developer both represent to the other party that they have not engaged the services of any finder or broker and that they are not liable for any commissions, broker's fees, or finder's fees, and agree to indemnify and hold harmless the other party from such commissions or fees as are alleged to be due from the party making such representations.

11.2 Successors in Interest. The terms, covenants, conditions and restrictions of this Agreement shall extend to and shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the City and the Developer.

11.3 Entire Agreement. This Agreement contains the entire agreement between the parties relating to the subject matter hereof. Any prior agreements, promises, negotiations or representations, whether oral or in writing, which are not expressly set forth in this Agreement, are superseded and of no further force or effect. Subsequent modifications to this Agreement shall be in writing and signed by both the City and the Developer.

11.4 Captions and Construction. Captions in this Agreement are for convenience only and shall not be used in construing meaning. This Agreement shall be construed as a whole and in accordance with its fair meaning.

11.5 Severability. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding on the parties hereto.

11.6 Cooperation. The City and the Developer agree to cooperate with each other so as to achieve the objectives of this Agreement in a timely and efficacious manner.

11.7 Further Documents. Upon written request, the City and the Developer shall execute, deliver, or cause to be executed and delivered, such additional instruments and documents as are necessary to perform the terms of this Agreement.

11.8 Developer and City Relationship. It is hereby acknowledged that the relationship between City and Developer is not that of a partnership or joint venture and that City and Developer shall not be deemed or construed for any purpose to be the agent of the other. Accordingly, City shall have no rights, powers, duties or obligations with respect to the development, operation, maintenance or management of the Project, provided that the Developer remains in compliance with this Agreement and the Operating Covenant.

11.9. City Approvals and Actions. The City shall maintain authority of this Agreement and the authority to implement this Agreement through the City's Director (or his or her duly authorized representative). The Director shall have the authority, but not the obligation, to make approvals, issue interpretations, waive provisions, execute documents, make and execute further agreements and/or enter into amendments of this Agreement on behalf of the City so long as such actions do not materially or substantially change the uses on the Project, or materially or substantially add to the costs incurred or to be incurred by the City as specified herein, and such interpretations, waivers and/or amendments may include extensions of time to perform as specified in the Schedule of Performance.

11.10 Computation of Time. The time in which any act is to be done under this Agreement is computed by excluding the first day and including the last day, unless the last day is a holiday or Saturday or Sunday, and then that day is also excluded. The term "holiday" shall mean all holidays as specified in Section 6700 and 6701 of the California Government Code. If any act is to be done by a particular time during a day, that time shall be Pacific Time Zone time.

12. Entire Agreement, Waivers

This Agreement may be signed in counterparts, and is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement includes pages 1 through 31 and Attachments 1 through 9, which constitute the entire understanding and agreement of the parties.

All waivers of the provisions of this Agreement must be in writing by the appropriate authorities of the City and the Developer, and all amendments hereto must be in writing by the appropriate authorities of the City and the Developer.

In any circumstance where under this Agreement either party is required to approve or disapprove any matter, approval shall not be unreasonably withheld.

13. Time For Acceptance Of Agreement By City

This Agreement, when executed by the Developer and delivered to the City, must be authorized, executed and delivered by the City on or before thirty (30) days after signing and delivery of this Agreement by Developer or this Agreement shall be void, except to the extent

that the Developer shall consent in writing to a further extension of time for the authorization, execution and delivery of this Agreement. The date of this Agreement shall be the date when it shall have been signed by the City.

14. Scope and Duration

All of the covenants and restrictions of this Agreement are imposed on the Property for the direct benefit of the Property and the tenants and occupants of the Property as a part of a general plan of improvement, development, building, occupation, and maintenance of properties in the City of El Cajon. These covenants and restrictions will run with the land and will be binding on all of the owners of the Property and all persons claiming under them, and continue to be in full force and effect during the Operating Covenant.

15. Lender Protection

15.1 Holder Not Obligated to Construct or Operate. The holder of any mortgage or deed of trust (a "Holder") shall not be obligated by the provisions of this Agreement to construct or complete the Project or any portion thereof or to perform the Operating Covenant, or to guarantee such construction or completion or performance of the Operating Covenant; nor shall any covenant or any other provision in this Agreement or the Operating Covenant be construed so to obligate such Holder. Nothing in this Agreement shall be deemed to construe, permit or authorize any such Holder to devote the Property to any uses or to construct any improvements thereon, other than those uses or Improvements provided for or authorized by this Agreement.

15.2. Notice of Default to Holder; Right to Cure. Whenever the City delivers any notice of default ("Notice of Default") or demand to Developer with respect to any breach or default by Developer under this Agreement or the Operating Covenant, and if Developer fails to cure the default within the applicable time period, the City shall deliver to each Holder of record of any mortgage or deed of trust authorized by this Agreement a copy of such notice or demand. Each such Holder shall (insofar as the rights granted by the City are concerned) have the right, at its option, within thirty (30) days after the receipt of the notice, to cure or remedy or commence to cure or remedy and thereafter to pursue with due diligence the cure or remedy of any such default and to add the cost thereof to the mortgage debt and the lien of its mortgage; provided, however if the Holder is legally prevented from curing such default because of a bankruptcy by the Developer or because such cure requires physical possession of the Property then the thirty (30) day period shall be tolled until such bankruptcy is confirmed, rejected or otherwise resolved or the Holder has obtained lawful physical possession of the Property. Nothing contained in this Agreement shall be deemed to permit or authorize such Holder to undertake or continue the construction or completion of the Project, or any portion thereof (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed Developer's obligations to the City by written agreement reasonably satisfactory to the City, which election to assume may be made within ninety (90) days following Holder's securing of title to the Property. Such assumption shall not have the effect of causing the Holder to be responsible for any prior damage obligations of Developer to the City. The Holder, in that event, must agree to complete, in the manner provided in this Agreement, the Project. Any such Holder properly completing the Project or portion thereof shall be entitled to a

Release of Construction Covenants. It is understood that a Holder shall be deemed to have satisfied the thirty (30) day time limit set forth above for commencing to cure or remedy a Developer default which requires title and/or possession of the Project (or portion thereof) if and to the extent any such Holder has within such thirty (30) day period commenced foreclosure proceedings to obtain title and/or possession and thereafter the Holder diligently pursues such proceedings to completion and cures or remedies the default. The Schedule of Performance shall be extended for the benefit of the Holder to allow for Holder's acquisition of the Property as provided in this Section 15.2.

15.3. Failure of Holder to Complete Project. In any case where the Holder has not exercised the option to construct as set forth in Section 15.2, or if it has exercised the option but has defaulted thereunder and failed to timely cure such default, the City may, by giving written notice to the Holder, purchase its mortgage or deed of trust by payment to the Holder of the amount of the unpaid mortgage or deed of trust debt, including principal and interest and all other sums secured by the mortgage or deed of trust. If the ownership of the Property or any part thereof has vested in the Holder, the City, if it so desires, shall be entitled to a conveyance of title to the Property or such portion thereof from the Holder to the Agency upon payment to the Holder of an amount equal to the sum of the following:

(a) The unpaid mortgage or deed of trust debt at the time title became vested in the Holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);

(b) All expenses with respect to foreclosure including reasonable attorneys' fees;

(c) The net expense, if any (exclusive of general overhead), incurred by the Holder as a direct result of the subsequent management of the Project or part thereof;

(d) The costs of any Improvements made by such Holder;

(e) Any prepayment charges, default interest, and/or late charges imposed pursuant to the loan documents and agreed to by Developer; and

(f) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by the City.

16. Specific Plan for Property

The City shall initiate an application for the Specific Plan for the Property, which shall provide for the systematic implementation of the City's General Plan for the Property, consistent with the intent of the parties to this Agreement.

16.1 Restrictions on Use of Property. The Specific Plan shall provide for the permitted use of the Property consistent with this Agreement and the Operating Covenant

attached to this Agreement as Attachment “8”, and shall not materially interfere with Developer's construction and operation of the Hotel. At a minimum the covenants for development and maintenance of the Property contained in Attachment “8” shall be included in the Specific Plan.

16.2 Life of Specific Plan. The Specific Plan shall remain in existence not less than the term set forth in the Operating Covenant. If the Operating Covenant is eliminated due to foreclosure or by order of a court of competent jurisdiction the Specific Plan shall remain in full force and effect, the enforceability of the Operating Covenant notwithstanding.

16.3 Developer Cooperation and Consent. The Developer hereby covenants that it shall reasonably cooperate with the City in the processing of its application for the Specific Plan; it further covenants that it shall provide such written consents to the Specific Plan application, and provided that the Specific Plan does not materially interfere with Developer's construction and operation of the Hotel, written waivers of objections to the terms and conditions of the Specific Plan that are, at a minimum, identical to the Developer's covenants under this Agreement and Attachment “8”.

16.4 Binding on Successors. The Specific Plan shall remain in full force and effect, and shall be binding upon the heirs, successors and assigns of the Developer.

[THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the City and the Developer have signed this Agreement on the respective dates set forth below.

“City”

CITY OF EL CAJON,
a charter city and municipal corporation

Dated: _____

By: _____
Bill Wells, Mayor

ATTEST:

Belinda Hawley, City Clerk

“Developer”

EL CAJON HOTEL LP,
a California limited partnership

Dated: _____

By: _____
Mr. Suresh Patel, General Partner

APPROVED AS TO CONTENT:

Douglas Williford, City Manager

APPROVED AS TO FORM:

Morgan L. Foley
City Attorney

ATTACHMENT "1"

PROPERTY MAP

(Replace this page with adobe map)

ATTACHMENT “2”

LEGAL DESCRIPTION OF PROJECT SITE

ATTACHMENT “3”

SCHEDULE OF PERFORMANCE

	Item of Performance	Time for Completion
1.	Escrow opened	Within 5 days after City executes this Agreement
2.	Developer’s execution and acknowledgement of the Operating Covenant.	Prior to sale of property.
3.	Approval of Specific Plan of Property	Prior to sale of property.
4.	Plan check review by applicable City departments and preparation of any corrections to Developer.	City will use reasonable efforts to cause such review, and to obtain and provide to Developer any corrections, within _____.
5.	Developer to correct and resubmit (as necessary to address City comments) plans.	Within 45 days of receipt of City first round comments provided to Developer or Developer representative in Item 3 above.
6.	Plan check re-review by applicable City departments; Developer obtains issuance of building permits (if Developer entitled to issuance).	City will use reasonable efforts to cause such re-review and the issuance of building permits (if Developer is entitled to issuance) within three (3) weeks of Developer submittal of items listed in Item 4 above.
7.	City recordation of the Operating Covenant.	Concurrent with Recordation of Deed.
8.	Developer and City complete the sale of the Project Site	Within three (3) months after the Effective Date of this Agreement.
9.	Developer constructs Project.	Within eighteen (18) months after acquisition of Property.
10.	Developer obtains certificate of occupancy for Project.	Upon completion of the project.

This Schedule of Performance represents the parties’ target dates. However this Schedule of Performance may be adjusted by the City Director so long as Developer moves the Project forward and obtains a certificate of occupancy for the Project by no later than eighteen (18) months (subject to delays described in Section 9.3 of the Agreement) from the date the building permit is issued or the Property Closing, whichever is later to occur. This Schedule of Performance does not include the time of performance for all obligations arising under the Agreement; rather this schedule focuses only on the development schedule of the Project. The parties are referred to the Agreement for the total description of the parties’ obligations and times for performance of matters not identified in this Schedule. The Developer understands that obligations contained in the Agreement may be conditions precedent to the City’s obligations under this schedule.

Nothing herein shall be construed to limit the City’s legislative authority, which City may exercise, in City’s sole and absolute discretion. In all cases where City action is required, City shall use reasonable efforts to cause City to take such action in the time prescribed herein.

ATTACHMENT "4"

PROJECT BUDGET

TO BE PREPARED BY DEVELOPER

<u>DESCRIPTION:</u>	<u>BUDGET</u>
----------------------------	----------------------

SUB TOTAL:	\$
------------	----

CONSTRUCTION TOTAL:	\$
----------------------------	-----------

ATTACHMENT "5"

RELEASE OF CONSTRUCTION COVENANTS

[SEE FOLLOWING DOCUMENT]

RECORDING REQUESTED BY AND
When Recorded Mail to:

CGS3
12750 High Bluff Drive, Suite 250
San Diego, CA 92130
Attn: Fernando Landa

[Space above for Recorder.]

This document is exempt from the payment of a recording fee
pursuant to Government Code Section 27383.

RELEASE OF CONSTRUCTION COVENANTS

This RELEASE OF CONSTRUCTION COVENANTS (the “Release”) is made by the **CITY OF EL CAJON**, a charter city and municipal corporation (the “City”), in favor of **EL CAJON HOTEL LP**, a California limited partnership (the “Developer”), as of the date set forth below.

RECITALS

A. The City and Developer have entered into that certain Disposition and Development Agreement (the “DDA”) dated _____, 20__ concerning the redevelopment of certain real property situated in the City of El Cajon, California, as more fully described in Exhibit “A” attached hereto and made a part hereof (the “Site”).

B. As referenced in Section 7.14 of the DDA, the City is authorized and required to furnish the Developer or its successors with a Release of Construction Covenants upon completion of construction of the “Project” (as defined in the DDA), which Release is required to be in such form as to permit it to be recorded in the Recorder’s office of San Diego County. This Release is conclusive determination of satisfactory completion of the construction and development of the Project.

C. The City has conclusively determined that construction and development of the Project has been satisfactorily completed.

NOW, THEREFORE, the City hereby certifies as follows:

1. The Project to be constructed by the Developer has been satisfactorily completed in accordance with the provisions of said DDA.

2. This Release of Construction Covenants shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage or any insurer of a mortgage, securing money loaned to finance the Project or any part thereof.

3. This Release of Construction Covenants is the release of construction covenants referred to in, and satisfies the requirements of, Section 7.14 of the DDA for construction of the Project.

4. This Release of Construction Covenants is not a Notice of Completion as referred to in California Civil Code Section 8182.

5. Except as stated herein, nothing contained in this instrument shall modify in any way any other provisions of the DDA or any other provisions any other documents executed pursuant to the DDA, all of which shall remain enforceable according to their terms of the documents incorporated therein.

BY WITNESS WHEREOF, the City and the Developer have signed this Release of Construction Covenants as of the respective dates set forth below.

“Developer”

EL CAJON HOTEL LP, a California limited partnership

Date: _____

By: _____

Its: _____

“City”

CITY OF EL CAJON, a charter city and municipal corporation

Date: _____

By: _____

Bill Wells, Mayor

ATTEST:

Belinda Hawley, City Clerk

APPROVED AS TO FORM:

Morgan L. Foley
City Attorney

EXHIBIT "A"

LEGAL DESCRIPTION OF PROJECT SITE

ATTACHMENT “6”

SCOPE OF DEVELOPMENT

[TO BE COMPLETED BY DEVELOPER]

List of Public Improvements and Costs (Estimated)

Curbs, gutters and sidewalks (Rea/Magnolia/Civic Center Way)	\$75,000
Driveways	\$12,000
Pedestrian ramps	\$50,000

Hotel Site Development and Costs (Estimated)

ATTACHMENT “7”

GRANT DEED

(To be Prepared by Escrow)

ATTACHMENT “8”
OPERATING COVENANT

[See Following Document]

RECORDING REQUESTED BY AND
When Recorded Mail to:

City of El Cajon
200 Civic Center Way
El Cajon, CA 92020
Attn: Douglas Williford, City Manager

This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

OPERATING COVENANT

THIS OPERATING COVENANT (“Operating Covenant”) is made this ____ day of _____, 20__ (the “Effective Date”), by and between the **CITY OF EL CAJON**, a charter city and municipal corporation (the “City”), and **EL CAJON HOTEL LP**, a California limited partnership (the “Developer”), with reference to the following:

A. The City and the Developer have executed a Disposition and Development Agreement (“Agreement”), dated as of _____, 20__, which provides, inter alia, for the development of that certain real property located in the City of El Cajon, County of San Diego, State of California, more fully described in Exhibit “A” attached hereto and incorporated herein by this reference (the “Property”), and Developer’s construction and operation thereon of the “Project” as further defined in the Agreement. The Agreement is available for public inspection and copying at the office of the City Clerk, El Cajon City Hall, 200 Civic Center Way, El Cajon, CA 92020.

B. Developer holds fee title to the Property.

C. Pursuant to the Agreement, Developer has agreed to purchase the Property and construct the Project on the Property, and City has agreed to provide the Developer with certain financial assistance for costs associated therewith.

D. The Agreement also provides for the recordation of this Operating Covenant against the Property to memorialize certain covenants, conditions, and restrictions regarding the use, maintenance, and operation of the Property by Developer and Developer’s successors and assigns.

E. The City has fee interests in parks, City Hall, and in various streets, sidewalks, and other property within the City of El Cajon (collectively, the “Benefited Public Property”), and is responsible for planning of land uses within the City in such a manner as to provide for the health, safety, and welfare of the residents of the City. The Benefited Public Property is legally described in Exhibit “B” attached hereto and incorporated herein by this reference.

NOW, THEREFORE, Developer hereby covenants, agrees, and declares by and for itself and its successors and assigns that the Property shall be held, sold, conveyed, hypothecated, encumbered, used, occupied, and improved subject to the following covenants, conditions, and restrictions (sometimes collectively referred to hereinafter as the “Covenants”). These Covenants shall run with the Property and shall be binding on all parties having or acquiring any right, title, or interest in the Property or any part thereof and shall inure to the benefit of the City and its successors and assigns regardless of whether the City holds any interest in any real property benefited thereby.

1. Covenant Regarding Specific Uses.

Developer covenants and agrees for itself, its successors, assigns, and every successor in interest to Developer's interest in the Property or any part thereof, that within the times set forth in the Schedule of Performance attached to the Agreement as Attachment 3 (the "Schedule of Performance"), but subject to delays as contemplated by Section 9.3 if the Agreement, Developer shall commence, diligently proceed with, and satisfactorily complete construction of the Project so as to entitle Developer to the City's issuance of a Release of Construction Covenants for the Project as provided for in Section 7.14 of the Agreement. The foregoing covenant shall be deemed satisfied and shall terminate upon the City's issuance of a Release of Construction Covenants.

For a term (the "Term") commencing upon the Effective Date hereof and ending on the fifteenth (15th) year anniversary of the date the Release of Construction Covenants for the Project is issued (the "Operating Covenant Termination Date"), the Developer hereby covenants and agrees to devote the Property for the exclusive purpose and use of development and operation of the Project as a seventy-four thousand (74,000) square foot, approximately 120-room, Courtyard by Marriott Hotel (or a Permitted Replacement Hotel, as defined in the Agreement) with pool, recreation room, meeting room, outdoor patio, and parking area (the "Hotel"), and will comply with the other obligations contained herein. Notwithstanding anything herein to the contrary, the nondiscrimination covenants contained in subdivision (a) of Section 4 hereof shall run with the land in perpetuity and shall not terminate on the Operating Covenant Termination Date. Except as provided below, or with the prior written consent of the City for each instance, which consent may be granted or withheld in the City's sole and absolute discretion, the failure of the Developer (or its tenant) to operate any portion of the Project on the Property as required herein for thirty (30) or more consecutive days following written notice thereof to Developer (the "Failure to Operate Notice") shall, at the City's option, constitute a default hereunder; provided, however, that the Developer shall for purposes of this Section 1 be deemed to be operating such portion of the Project during any period that the Developer is prevented from operating such portion due to (i) required or necessary repair, restoration or rehabilitation of such portion of the Project (provided that the period during which such portion of the Project is not operated as a result of the repair, restoration or rehabilitation shall in no event exceed thirty (30) days), unless the repair, restoration or rehabilitation cannot reasonably be completed within such thirty (30) day period, in which case the period shall extend as necessary for completion, provided such repair restoration or rehabilitation was commenced within the thirty (30) period and is diligently pursued to completion or (ii) war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts or omissions of any third party; or acts or failures to act of the City other public or governmental agency or entity or any other causes beyond the control or without the fault of the Developer. Notwithstanding anything to the contrary herein, (a) an extension of time for any cause listed in romanette (ii) above shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the Developer is sent to the City within ten business (10) days following receipt of the Failure Notice, and (b) Developer is not entitled pursuant to this Section 1 to an extension of time to perform because of past, present, or future difficulty in obtaining financing necessary to operate the Project because of economic or market conditions.

2. Performance of Maintenance.

Developer shall maintain the Project, the Property and all “improvements” (as defined hereinafter) thereon in accordance with the Maintenance Standards, as hereinafter defined. As used herein, the term “Improvements” shall mean and include, but not be limited to, buildings, sidewalks, pedestrian lighting, landscaping, irrigation of landscaping, architectural elements identifying the Property and any and all other improvements on the Property.

To accomplish said maintenance, Developer shall either staff or contract with and hire licensed and qualified personnel to perform the maintenance work, including the provision of labor, equipment, materials, support facilities, and any and all other items necessary to comply with the requirements of this Operating Covenant.

The following standards (“Maintenance Standards”) shall be complied with by Developer and Developer’s maintenance staff, contractors or subcontractors:

(a) Landscape maintenance shall include, but not be limited to: watering/irrigation; fertilization; mowing; edging; trimming of grass; tree and shrub pruning; trimming and shaping of trees and shrubs to maintain a healthy, natural appearance and safe road conditions and visibility, and irrigation coverage; replacement, as needed, of all plant materials; control of weeds in all planters, shrubs, lawns, ground covers, or other planted areas; and staking for support of trees.

(b) Clean-up maintenance shall include, but not be limited to: maintenance of all sidewalks, paths and other paved areas in clean and weed-free condition; maintenance of all such areas clear of dirt, mud, trash, graffiti, debris or other matter which is unsafe or unsightly; removal of all trash, litter and other debris from improvements and landscaping prior to mowing; clearance and cleaning of all areas maintained prior to the end of the day on which the maintenance operations are performed to ensure that all cuttings, weeds, leaves and other debris are properly disposed of by maintenance workers.

(c) All maintenance work shall conform to all applicable federal and state Occupational Safety and Health Act standards and regulations for the performance of maintenance.

(d) Any and all chemicals, unhealthful substances, and pesticides used in and during maintenance shall be applied in strict accordance with all governing regulations. Precautionary measures shall be employed recognizing that all areas are open to public access.

(e) The Project and Property shall be maintained in conformance and in compliance with the approved Property construction and architectural plans and design scheme, and reasonable commercial development maintenance standards for similar projects, including but not limited to: painting and cleaning of all exterior surfaces and other exterior facades comprising all private improvements and public improvements to the curb line.

3. Failure to Maintain Property.

In the event Developer does not maintain the Property in the manner set forth herein and in accordance with the Maintenance Standards, City shall have the right to maintain such private and/or public improvements, or to contract for the correction of such deficiencies, after at least thirty (30) written notice thereof to Developer. However, prior to taking any such action, City agrees to notify Developer in writing if the condition of the Project or Property does not meet with the Maintenance Standards and to specify the deficiencies and the actions required to be taken by Developer to cure the

deficiencies. Upon written notification of any maintenance deficiency, Developer shall have thirty (30) days within which to correct, remedy or cure the deficiency. If the written notification states the problem is urgent relating to the public health and safety of the City, then Developer shall have forty-eight (48) hours to rectify the problem.

In the event Developer fails to correct, remedy, or cure (or for deficiencies which cannot reasonably be corrected, remedied, or cured within thirty (30) days has failed to commence correcting, remedying or curing such maintenance deficiency and diligently pursue such correction, remedy, or cure to completion) after written notification and after the period of correction has lapsed, then City shall have the right to maintain such improvements.

4. Compliance with Law.

Developer shall comply with all local, state and federal laws relating to the uses of or condition of the Property and the Project. The operation of the Project shall be in compliance with the requirements of any entitlements issued by the City for the Project, including, as applicable, a conditional use permit, site development permit, and specific plan amendment.

(a) Nondiscrimination Covenants. Developer covenants by and for itself and any successors in interest to all or any portion of the Property that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual preference, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees of the Property. The foregoing covenants shall run with the land.

Developer shall refrain from restricting the rental, sale or lease of the Property any portion thereof on the basis of race, color, religion, sex, sexual preference, marital status, ancestry or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(1) In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual preference, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land.”

(2) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

“That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, sexual preference, marital status, national origin, or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or

through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

(3) In contracts: “There shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, creed, religion, sex, sexual preference, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the premises.”

(b) No Violation of Statutes Relating to Direct Assistance by City. Developer represents and warrants that it is using the City financial assistance for the sole and exclusive purpose of causing the construction of the Project on the Property and for no other purpose. Developer further agrees to indemnify, defend, and hold harmless the City, its subdivisions, departments and its respective appointed and elected officers, officials, agents and employees from and against any claims, proceedings, losses, costs, or expenses incurred as a result of any such violation arising out of actions by Developer.

5. Sales and Use Tax Covenant.

From the date this Operating Covenant is recorded against the Property until the Operating Covenant Termination Date, Developer shall designate the Property as the point of sale for sales tax purposes for all goods and services sold or leased on the Property, whose sales and leases originate from the Property.

6. Covenant to Pay Taxes and Assessments.

From the date this Operating Covenant is recorded against the Property until the Operating Covenant Termination Date, Developer shall pay or cause to be paid, prior to delinquency, all ad valorem real estate taxes, special taxes, and assessments levied against the Property and any improvements thereon, subject to Developer’s right to contest any such tax or assessment in good faith. During such period Developer shall remove or have removed any levy or attachment made on the Property or any part thereof or assures the satisfaction thereof within a reasonable time and prior to a sale of the Property.

7. Use of Property by City, Other Governmental Agencies

From the date this Operating Covenant is recorded against the Property until the Operating Covenant Termination Date, Developer shall allow the City use of the Hotel’s conference room only (the “Conference Facilities”), at no cost, but at all times for governmental use, up to six (6) days each calendar year. Developer shall also allow the following local agencies the use of Hotel’s Conference Facilities only, at fifty percent (50%) of the normal rental rate, but at all times for governmental use, up to six (6) days each calendar year:

- (a) Cajon Valley Unified School District
- (b) Grossmont Union High School District
- (c) Grossmont-Cuyamaca Community College District.

Charges for the rent of the Conference Facilities in excess of the rates provided herein shall be waived by the Developer provided, however, that City and the other governmental agencies utilizing the Conference Facilities shall be responsible for (1) all fees for food and beverage services provided by the Developer, if any, (2) standard set-up and clean-up fees, and other standard taxes and fees, all based on the requirements for the use of the Conference Facilities and (3) any other standard taxes and fees that would be applicable based on the meeting space requirements.

The use of the Conference Facilities as contemplated by this Section 7 shall be subject to its availability, and shall require reservation in advance, and the coordination by the City or other governmental agency, with the Developer (or other operator) of the Hotel.

All standard rental policies of the Developer (or other operator) of the Hotel shall apply to the City or other governmental agency utilizing the Conference Facilities pursuant to this Section 7.

8. Defaults.

Failure or delay by either party to perform any term or provision of this Operating Covenant constitutes a default under this Operating Covenant. A party claiming a default shall give written notice of default to the other party, specifying the default complained of and the actions required to correct such default.

Unless otherwise provided by the Agreement, the claimant shall not institute proceedings against the other party if the other party within thirty (30) days from receipt of such notice immediately, with due diligence, commences to cure, correct or remedy such failure or delay and completes such cure, correction or remedy as soon as reasonably practicable after receipt of such notice.

9. Legal Actions.

In addition to any other rights or remedies and subject to the notice and cure provisions in Section 8 above, any party may institute legal action to seek specific performance of the terms of this Operating Covenant, or to cure, correct or remedy any default, or to obtain any other legal or equitable remedy consistent with the purpose of this Operating Covenant. A party shall also have the right to pursue damages for the other party's defaults, but in no event shall a party be entitled to damages for economic loss, lost profits, or any other economic or consequential damages of any kind. Such legal actions must be instituted in the Superior Court of the County of San Diego, State of California or in the Federal District Court in the Central District of California. Each party hereby expressly waives any right to remove any such action from San Diego County as is otherwise permitted by California Code of Civil Procedure section 394. In the event of any litigation between the parties hereto, the prevailing party shall be entitled to receive, in addition to the relief granted, its reasonable attorney's fees and costs and such other costs incurred in investigating the action and prosecuting the same, including costs for expert witnesses, costs on appeal, and for discovery.

The internal laws of the State of California shall govern the interpretation and enforcement of this Operating Covenant, without regard to conflict of laws.

In the event that any legal action is commenced by the Developer against the City, service of process on the City shall be made by personal service upon the City's Director, as defined in the Agreement, in addition to such other manner as may be provided by law.

In the event that any legal action is commenced by the City against the Developer, service of process on the Developer shall be made by personal service upon an agent designated for service of process as filed with the California Secretary of State , whether made within or outside the State of California, or in such other manner as may be provided by law.

Except as otherwise expressly stated in this Operating Covenant, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

Any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

10. Effect of Violation of the Terms and Provisions of this Operating Covenant.

The covenants established in this Operating Covenant shall, without regard to technical classification and designation, be binding for the benefit and in favor of the City, and each of their successors and assigns, as to those covenants which are for their benefit. The covenants contained in this Operating Covenant shall remain in effect for the periods of time specified therein. The City is deemed the beneficiary of the terms and provisions of this Operating Covenant and of the covenants running with the land, for and in their own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Operating Covenant and the covenants running with the land have been provided. This Operating Covenant and the covenants shall run in favor of the City, without regard to whether the City has been, remains or is an owner of any land or interest therein in the Property. The City shall have the right, if the Operating Covenant or covenants are breached, but subject to the notice and cure rights set forth herein, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which they or any other beneficiaries of this Operating Covenant and covenants may be entitled. Pursuant to applicable law, including, but not limited to, Sections 1462, 1465 and 1468 of the Civil Code of the State of California, all provisions of this Covenant Agreement shall run with the land and be binding upon and inure to the benefit of the Benefited Public Property and the Property and each and every portion thereof or interest therein, and all parties having or acquiring any right, title, or interest in the Property or any portion thereof, and their successors and assigns.

11. Miscellaneous Provisions.

If any provision of this Operating Covenant or portion thereof, or the application to any person or circumstances, shall to any extent be held invalid, inoperative or unenforceable, the remainder of this Operating Covenant, or the application of such provision or portion thereof to any other persons or circumstances, shall not be affected thereby; it shall not be deemed that any such invalid provision affects the consideration for this Operating Covenant; and each provision of this Operating Covenant shall be valid and enforceable to the fullest extent permitted by law.

This Operating Covenant shall be construed in accordance with the internal laws of the State of California without regard to conflict of law principles.

This Operating Covenant shall be binding upon and inure to the benefit of the successors and assigns of the Developer but any Transfer shall be subject to the requirements and provisions of Section 8 of the Agreement.

This Operating Covenant is subject to the lender protection provisions of Section 15 of the Agreement, the terms of which are incorporated herein by this reference.

12. Notices.

All notices under this Agreement shall be effective (i) upon personal delivery, (ii) upon delivery by reputable overnight courier that provides a receipt with the date and time of delivery, (iii) via facsimile, so long as the sender receives confirmation of successful transmission from the sending machine, or (iv) three (3) business days after deposit in the United States mail, registered or certified, postage fully prepaid and addressed to the respective parties as set forth below or as to such other address as the parties may from time to time designate in writing:

To City: City of El Cajon
200 Civic Center Way
El Cajon, CA 92020
Attention: Douglas Williford, City Manager

With a copy to: El Cajon City Attorney
200 Civic Center Way
El Cajon, CA 92020
Attention: Morgan Foley, Esq.

To Developer: El Cajon Hotel LP
10660 Scripps Ranch Blvd, Suite #100
El Cajon, CA 92131
Attention: Neil Patel

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto has executed this instrument the day and year first hereinabove written.

“Developer”

EL CAJON HOTEL LP,

a California limited partnership

Date: _____

By: _____

Its: _____

“City”

CITY OF EL CAJON, a charter city and
municipal corporation

Date: _____

By: _____

Bill Wells, Mayor

ATTEST:

Belinda Hawley, City Clerk

APPROVED AS TO FORM:

Morgan L. Foley
City Attorney

ALL PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) SS:
COUNTY OF SAN DIEGO)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(SEAL)

EXHIBIT "A"

LEGAL DESCRIPTION OF PROJECT SITE

EXHIBIT “B”

DESCRIPTION OF BENEFITED PUBLIC PROPERTIES IN EL CAJON

City Hall, 200 Civic Center Way
APN: 488-111-30

El Cajon Public Safety Building, 100 Civic Center Way
APN: 488-072-42

Fire Station No. 6, 100 East Lexington Ave.
APN: 488-192-09

Heartland Fire Training Facility, 1301 North Marshall Ave.
APN: 482-131-16

Fletcher Hills Center and Pool, 2345 Center Place
APN: 481-430-47 & 481-430-44

Hillside Center and Park, 840 Buena Terrace
APN: 481-521-01 & 481-520-12

Judson Park, NW corner of Magnolia and Park Avenues
APN: 487-172-67

Kennedy Center and Park, 1675 East Madison Avenue
APN: 511-210-13

Renette Center and Park, 935 South Emerald Avenue
APN: 492-320-01 & 492-320-02

Wells Center and Park, 1153 East Madison Avenue
APN: 489-140-63

**ATTACHMENT “9”
PARKING EASEMENT**

[To Be Attached]

City Clerk Date Stamp

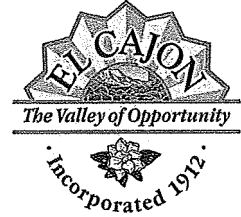
RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA

2015 JUN 17 A 10:50

City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 4.2



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager

SUBJECT: Approval of Plans and Specifications for Pedestrian Safety Greenfield Drive, Job PW 3432, Bid No. 006-16.

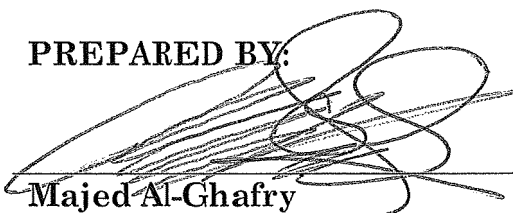
RECOMMENDATION: That the City Council Adopt the next RESOLUTION in order to approve Plans and Specifications for Pedestrian Safety Greenfield Drive, PW3432, Bid Number 006-16, and direct a Notice Inviting Sealed Bids to be opened on August 20, 2015.

BACKGROUND: This project will improve approximately 3,000 feet of Greenfield Drive from Gorsline Drive to East Main Street to improve pedestrian safety by widening the existing street, providing sidewalks, improved safety lighting, signage, and changing the vertical alignment to meet safety sight distance requirements. This project will also include resurfacing the road, extending the storm drain conveyance to improve drainage along the street, relocating a water line, gas pipelines and utility pole relocations to accommodate the expanded and improved road. Plans and specifications are available for review at the City Clerk's Office.

ENVIRONMENTAL IMPACT: The proposed project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Class 1) (c) of the CEQA Guidelines. Section 15301 provides an exemption for the repair, maintenance, and minor alteration of existing facilities including streets, sidewalks, gutters, and bicycle facilities where there is a negligible expansion of the facilities. The exemption allows for minor grading when required for the purpose of public safety. The proposed improvements are intended to improve public safety by providing adequate facilities for all users and reducing safety hazards. None of the exceptions listed under CEQA Guidelines Section 15300.2 exists.

FISCAL IMPACT: The project funding allocation is included in the proposed Fiscal Year 2015-2016 budget, with funding from Wastewater, TransNet, and Federal Safe Routes to School. The Engineer's estimate for this work is \$1,850,000. General Funds will not be expended for this project.

PREPARED BY:


Majed Al-Ghafry
ASSISTANT CITY MANAGER

APPROVED BY:


Douglas Williford
CITY MANAGER

Attachment: 1) Fiscal Year 15/16 budget sheet PW3432

CAPITAL IMPROVEMENT PROJECT FISCAL YEAR 2015 - 2016

PROJECT NAME: PEDESTRIAN SAFETY - GREENFIELD MIDDLE SCHOOL ACTIVITY: 550000
PROJECT NO: PW3432

Description:

Construct new sidewalk, curb and gutter, curb ramps, street reconstruction and street overlay, install speed feedback signs, pedestrian signal countdown timers, street lights, upgrade crosswalks and warning signs on Greenfield Drive in the vicinity of Greenfield Middle School.

Justification:

Parts of the walkway adjacent to Greenfield Middle School are constructed in a fragmented manner and are a concern for pedestrians because they are forced to walk in the street along Greenfield Drive. In addition, vehicles frequently exceed the posted speed limit and the sight distance is limited at the crest of the vertical curb just west of Hayden Lane and creates a mobility restriction.

Scheduling:

The project is in the design phase. Public outreach took place in November 2013 to inform residents and commuters about the project and detours during the work. Construction is scheduled for summer of 2015.

Relationship to General & Community Plans:

Project will improve public facilities to assist in the safe and efficient movement of pedestrian traffic near schools.

Operating Budget Impact:

A slight increase in maintenance cost for vehicle speed feedback signs will be realized.

	Prior Year(s) Expend Actual	Current Year Expend Estimate	Appropriation FY 15-16	Est. Project Costs Through FY 15-16
Architectural Services (8315)				-
Consulting Services (8325)				-
Engineering Services (8335)				-
Engineering Services-Internal (8336)	147,883	150,000	75,000	372,883
Inspection Services-Internal (8337)			68,000	68,000
Legal Services (8345)				-
Other Prof/Tech Services (8395)	5,436		30,000	35,436
Other Prof/Tech Services-Internal (8396)	735			735
Advertising (8522)			250	250
Permits & Fees (8560)			50	50
Printing & Binding (8570)	1,010	1,000		2,010
Land Acquisition (9050)				-
Construction-Buildings (9060)				-
Infrastructure (9065)			1,850,000	1,850,000
Relocation Costs (9080)				-
Other Misc. Expenses (8524, 8568, 8576 & 8594)	149			149
Land Improvements / Abatement & Demo (9055)				-
Contingency (9060)				-
PROJECT COST TOTAL:	155,213	151,000	2,023,300	2,329,513

Source(s) of Funds:				
				-
SRTSL024	26,525		359,875	386,400
Transnet Project ID#EL27	128,688	151,000	1,313,425	1,593,113
Wastewater Enterprise Fund			350,000	350,000
FUNDING TOTAL:	155,213	151,000	2,023,300	2,329,513

RESOLUTION NO. -15

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR
PEDESTRIAN SAFETY GREENFIELD DRIVE

(Bid No. 006-16, Job No. PW 3432)

WHEREAS, the City Engineer has submitted plans and specifications for the Pedestrian Safety Greenfield Drive project; and

WHEREAS, it appears to be in the best interests of the City of El Cajon that the plans and specifications for said project be approved.

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

1. That the plans and specifications submitted by the Deputy Director of Public Works for the Pedestrian Safety Greenfield Drive project are hereby approved and adopted as the official plans and specifications for said project.
2. Said plans and specifications are directed to be filed in the office of the Deputy Director of Public Works of the City of El Cajon.

06/23/15

Bid 006-16 - Pedestrian Safety Greenfield Drive apr 061615

RESOLUTION NO. -15

RESOLUTION ORDERING THE WORK AND DIRECTING
PUBLICATION OF NOTICE INVITING BIDS FOR
PEDESTRIAN SAFETY GREENFIELD DRIVE
(Bid No. 006-16, Job No. PW 3432)

WHEREAS, plans and specifications have been submitted for the Pedestrian Safety Greenfield Drive project; and

WHEREAS, it appears to be in the best interests of the City that said work should be ordered to be performed.

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

1. That the City Council does hereby order that the Pedestrian Safety Greenfield Drive project be performed.
2. That August 20, 2015, at 2:00 P.M., in the office designated by the Purchasing Agent of the City of El Cajon, 200 Civic Center Way, El Cajon, California, is hereby fixed as the time and place for the opening of bids for said project.
3. The Purchasing Agent of the City of El Cajon is hereby directed to cause a Notice to Bidders to be published in the newspaper, in accordance with the provisions of law.

06/23/15

Bid 006-16 – Pedestrian Safety Greenfield Drive ntc 061615

City Clerk Date Stamp

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2015 JUN 17 A 10:50

City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: 4.3



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager/Director of Public Works

SUBJECT: Sewer Billing Status Report and Contract with Global Water

RECOMMENDATION: That the City Council:

1. Review this Sewer Billing status report;
2. Authorize the City Manager to execute the option to renew the agreement with Global Water Management, Inc. (Global) for sewer billing services in accordance with the original agreement, dated March 14, 2012; and
3. Authorize the City Manager, or designee, to reach a settlement for reduced compensation to Global for prior billing services.

BACKGROUND: Global was awarded the contract for El Cajon sewer billing in late 2011 after Helix Water District (Helix) notified the City that they would no longer provide sewer billing services. The contract with Global was executed in March of 2012, and in October of 2012, Global assumed the responsibility of producing sewer bills for over 16,000 customer accounts. Soon thereafter, delays in sewer billings began to occur due to a multitude of errors within Global's billing system, as well as discrepancies in the data received from Helix and Padre Dam Water District. By the end of 2013, delays and errors peaked as Global continued to struggle to correct the mounting problems, which triggered the need to make major changes to the administration and oversight of the billing system. To be fair to our customers, the City immediately suspended penalties for delayed payments on sewer bills. This penalty suspension will remain in effect at least until the end of 2015.

In early 2014, staff began taking steps with Global to comprehensively remedy the billing issues, as it became clear that a continual series of simple fixes to the existing billing system would not be sufficient. The billing software platform for Global was discontinued and replaced by a more reliable software platform. During that time, the billing was delayed for up to nine months with over \$11 million in unbilled charges, and a further \$2.8 million of potentially unrecoverable billing charges.

Also, as part of the billing system changes, the decision was made to increase the billing frequency from bi-monthly to monthly billing cycles in order to minimize the impact that a billing reconciliation would have on sewer customers and to recoup uncollected billing

charges. Monthly billings began in April 2014 for approximately 90% of the customer accounts, with the remainder 10% of accounts requiring additional billing work and customization to resolve.

To date, almost all accounts have been fully billed, and the customers who were most dramatically affected by the delays were presented with the option of receiving a 5% discount for full payment of delayed charges, or a twelve-month payment plan (no interest) for the full amount of the delayed charges. In addition, all current billing has reverted back to the original bi-monthly schedule and customers are finally seeing normalcy in the billing process. Also, the majority of the uncollected sewer charges have now been received and charges previously seen as potentially unrecoverable have been reduced to less than \$0.5 million, with the goal of further reducing that amount by the end of this year.

Global Water Contract Renewal

The existing contract agreement with Global terminates on March 14, 2016. Per the agreement, if the City wishes to continue using Global's billing services, both parties must mutually agree to renew the contract for an additional three (3) year term by September 16, 2015. Although the initial set-up and billing process with Global has obviously been challenging during the current contract timeline, Global has worked diligently with City staff to resolve the billing issues, and Global has invested over \$1 million dollars in staffing, hardware, and software toward that end. Staff believes that Global's future billing services will be successful and recommends that a contract extension be executed.

If the City Council elects to not continue with Global, the only other viable alternative is to have all usage-based (i.e. – residential) sewer charges placed on the Property Tax Bill. It is highly doubtful that there is another private billing service company that could effectively do this work.

The City Council has previously rejected the concept of placing sewer billing on the Property Tax Bill. The practice of billing as a line-item on the Property Tax Bill may, in the future, represent a more effective method for our customers to pay their sewer billing, however, staff is not proposing to move in that direction now. Therefore, staff suggests that the Property Tax Bill option be revisited in two (2) years for evaluation.

Settlement for Past Services

Due to the billing problems that partially arose from Global's inability to execute their responsibilities under the contract, the City has withheld payment for a large portion of their previous work. The Contract is broken down into three (3) payment components; Initiation Costs (\$200,000), Direct Costs (\$230,000), and Professional Services (\$450,000). The City has paid 50% (\$100,000) of the Initiation Costs and although Global had proposed a 25% performance reduction, staff proposes to not pay any of the remaining \$100,000. The City has paid all direct costs incurred by Global, including fees for banking, credit card transactions, printing, and postage (\$230,000).

Staff only began to pay for the monthly recurring professional services in June of 2014, once Global began to produce bills accurately and on schedule. Global had proposed a 25% performance reduction for the remaining \$271,000 of unpaid professional service costs. Staff is recommending a 50% reduction of these costs. Staff's recommendation was


shared with Global leadership and they have agreed to this settlement. The Proposed settlement is shown on the table below:

Contract Costs to Date:

	Amount Billed	Amount Paid	Remainder	Proposed Reduction of Payment
Initiation Costs	\$ 200,000	\$ 100,000	\$ 100,000	\$ -100,000
Direct Costs	\$ 230,000	\$ 230,000	\$ 0	0
Professional Services	\$ 450,000	\$ 179,000	\$ 271,000	\$ -135,500
Totals	\$ 880,000	\$ 509,000	\$ 371,000	\$ -235,500

FISCAL IMPACT: All costs under this contract are part of the Wastewater Enterprise Fund and will affect sewer service costs and the overall cost of sewer service. There is no fiscal impact to the General Fund.

PREPARED BY:

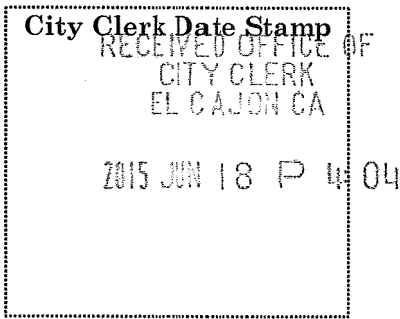


**Majed Al-Ghafry
ASSISTANT
CITY MANAGER**

APPROVED BY:



**Douglas Williford
CITY MANAGER**



City of El Cajon Agenda Report

MEETING: 6/23/15

ITEM NO: 4.4



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick
FROM: City Manager Williford

SUBJECT: MAYOR AND CITY COUNCIL COMPENSATION REVIEW

RECOMMENDATION: That the City Council adopt the next RESOLUTION in order adjusting the Mayor and City Council Members' cafeteria compensation to \$1,000/month effective January 2016.

BACKGROUND:

The City periodically reviews compensation and benefits for all employees, including the Mayor and City Council. The City Council has declined to make adjustments in its compensation for many years and, as such, staff has found that the cafeteria (health, dental and vision) benefits paid to the Mayor and the City Council have fallen well behind what both City staff is paid, as well as the amounts paid to other City Councils in San Diego County.

While the Mayor's salary (\$2,067/month) and City Council's salaries (\$1,433/month) are still in appropriate proportion to other cities in the region, the cafeteria benefit amount is now the lowest among any city, regardless of size (other than Del Mar, which does not provide a cafeteria benefit.)

Currently, the Mayor's cafeteria compensation is \$650/month and the City Council's is \$550/month. In comparison, most city staff's cafeteria benefits are anticipated to be \$1,000/month beginning in January 2016. In comparison to similar cities in San Diego County*, the average for City Councils is currently \$1,171/month.

The last time the Mayor and City Council's cafeteria benefit amount was changed was ten years ago, in 2005. Since that time, health care premiums have risen approximately 88 percent from the City's primary health care provider and this level of increase has been generally consistent with the entire industry during this timeframe. Therefore, it is appropriate at this time for the City Council to consider an adjustment, based on the current marketplace.

It is recommended:


That the Mayor and City Council receive no increase to their current salaries.

That the Mayor and City Council Members cafeteria amounts be adjusted to \$1,000/month effective January 2016. This change would still leave the Mayor and City Council cafeteria benefits below the average of similar cities in San Diego County.

FISCAL IMPACT:

This recommended adjustment will result in a \$12,900 cost increase for FY 15-16 due to the higher benefit not taking effect until January 1, 2016. For FY 16-17, the total additional cost from present amounts will be \$25,800. There are sufficient funds in the FY15-16 budget for this year's expenditure.

PREPARED BY:


Douglas Williford
City Manager

*Carlsbad, Chula Vista, Encinitas, Escondido, La Mesa, Poway, San Marcos, Santee, Vista, National City

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF EL CAJON, CALIFORNIA,
REVISING THE CITY'S CONTRIBUTION TO
THE IRS § 125 "CAFETERIA PLAN" FOR THE
MAYOR AND CITY COUNCIL MEMBERS

WHEREAS, section 601 of the El Cajon charter provides that the salaries of the Mayor and the City Council Members will be set by California Government Code section 36516 et seq.; and

WHEREAS, section 36516 defines the requirements and limitations of compensation and benefits for Mayors and City Council Members; and

WHEREAS, section 36516 provides that while the salaries of the Mayor and City Council Members cannot exceed specified amounts based on the formula set forth in section 36516; and

WHEREAS, section 36516 specifically excepts amounts paid for retirement, health and welfare, and federal social security benefits of the Mayor and City Council Members from being included for the purposes of determining their salaries, provided that such non-salary benefits and contributions are not more than those available and paid by the City for its employees; and

WHEREAS, the current non-salary benefits provided to the Mayor and City Council Members are currently less than those available and paid by the City for its employees; and

WHEREAS, the Mayor and City Council Members recognize the significant increases in costs related to health, dental and vision care; and

WHEREAS, the Mayor and City Council Members currently receive \$650 and \$550 per month, respectively, in City contributions to their Internal Revenue Code §125 "Cafeteria Plan" accounts; and

WHEREAS, the Mayor and City Council Members seek to increase the amount of the City's contributions to the Mayor and City Council Members' Internal Revenue Code §125 "Cafeteria Plan" accounts to better reflect the current costs of health, dental and vision care, which increase will not exceed the amounts available and paid by the City for its employees.

NOW, THEREFORE, BE IT RESOLVED by the City Council for the City of El Cajon, as follows:

That beginning January 2016, the City of El Cajon will contribute to the cafeteria plan the amount of \$1,000 per month.

City Clerk Date Stamp

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2015 JUN 17 A 10:00

City of El Cajon Agenda Report

MEETING: 6/23/15

ITEM NO: 6.1



TO: Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick
FROM: Mayor Wells

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file 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:

June 8, 2015 -	Meeting w/ Chris George, Kia of El Cajon
June 10, 2015 -	Meeting w/ Ernie Dronenberg, County Assessor
June 12, 2015 -	SANDAG Board and Executive Meetings
June 15, 2015 -	Meeting w/ City Manager, Cncl. Ambrose & Aerotropolis
June 15, 2015 -	Meeting w/ former Councilmember Madaffer
June 21, 2015 -	Community Forum at RRCC
June 22, 2015 -	Habitat for Humanity Kickoff - Foundation Lane
June 23, 2015 -	Jimmie Johnson at Foundation Lane Habitat Homes
June 23, 2015 -	Special Council Meeting - FY 2015-16 Preliminary Budget
June 23, 2015 -	City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,

Bill Wells

Bill Wells
Mayor

A handwritten signature in blue ink, appearing to be "Bill Wells", written over a horizontal line.



LEGISLATIVE REPORT 2015-2016



6.2

BILL	NO.	SPONSOR	SUBJECT	COUNCIL DATE	POSITION	COMMITTEE	BILL STATUS / LAST ACTION DATE
AB	2	Alejo	Community Revitalization Authority (Amended: 3/26/15)	1/27/2015	"Watch"	Assembly	6/16/2015-Read second time and amended. Re-referred to Com. on T. & H.
AB	35	Chiu/Atkins	Affordable Housing Income taxes: credits: low-income housing: allocation increase. (Amended: 4/16/2015)	4/28/2015	"Watch"	Assembly	6/4/2015-In Senate. Read first time. To Com. on RLS. for assignment.
AB	266	Bonta	Medical marijuana. (Amended: 4/14/2015)	4/28/2015	"Watch"	Assembly	6/4/2015-In Senate. Read first time. To Com. on RLS. for assignment.
AB	278	Hernandez	District-based municipal elections. (Amended: 4/13/2015)	4/28/2015	"Watch"	Assembly	6/3/2015-In Senate. Read first time. To Com. on RLS. for assignment.
AB	1335	Atkins	Building Homes and Jobs Act (Amended: 4/30/2015)	4/28/2015	"Watch"	Assembly	6/4/2015-Assembly Rule 69(d) suspended. (Page 1903.)
SB	151	Hernandez	Tobacco products: minimum legal age	6/9/2015	"Support"	Senate	6/2/2015-In Assembly. Read first time. Held at Desk.
SB	493	Cannella	Elections in cities: by or from districts. (Amended: 4/20/2015)	4/28/2015	"Watch"	Assembly	5/28/2015-Referred to Coms. on E. & R. and L. GOV.

The Legislative Report tracks bills for the 2015-2016 Session of the California Legislature that the El Cajon City Council/Housing Authority/Successor Agency to the Redevelopment Agency has voted to monitor/watch, support or oppose. Updated June 17, 2015 at 8:30 a.m. for the June 23, 2015 City Council Meeting.

City Clerk Date Stamp

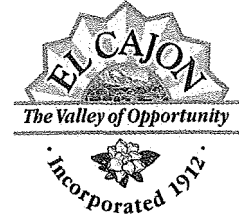
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2015 JUN 17 A 10:00

City of El Cajon Agenda Report

MEETING: 6/23/15

ITEM NO: 7.1



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales
FROM: Councilmember Kendrick

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file 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:

June 23, 2015 - Special Council Meeting – FY 2015-16 Preliminary Budget
June 23, 2015 - City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,


Gary Kendrick
Councilmember 

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2015 JUN 15 A 11:00

City of El Cajon Agenda Report

MEETING: 6/23/15

ITEM NO: 8.1



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Bales, Kendrick
FROM: Councilmember Ambrose

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file 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.

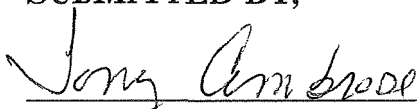
REPORT:

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

June 11, 2015 - City Hall Tour for Charter School
June 12, 2015 - Meeting w/ City Manager
June 12, 2015 - Comprehensive Economic Development Strategy Committee Meeting
June 15, 2015 - Meeting w/ Dana Quitner & Jo Marie Diamond re: 67/Bradley interchange
June 16, 2015 - Gillespie Field Committee Meeting
June 17, 2015 - ECEDC Board Meeting
June 17, 2015 - Downtown Car Show
June 18, 2015 - MTS Board Meeting
June 20, 2015 - KaBOOM! Bill Beck Park Playground Build
June 21, 2015 - Gillespie Field Air Show
June 22, 2015 - Special Committee to review Old Police Station Proposals
June 23, 2015 - Chamber Governmental Affairs
June 23, 2015 - Budget Review meeting
June 23, 2015 - City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,


Tony Ambrose
Councilmember

City Clerk Date Stamp

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2015 JUN 18 P 1:12

City of El Cajon Agenda Report

MEETING: 6/23/15

ITEM NO: 8.2



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Bales, Kendrick
FROM: Councilmember Ambrose

SUBJECT: San Diego East County Business Incubator

RECOMMENDATION: That the City Council make a contribution of \$10,000 to the San Diego East County Business Incubator.

BACKGROUND:

In May 2014, I introduced the concept of a future El Cajon business incubator program to the City Council and requested its support of this concept, which was unanimously granted. At the time, I made no request for funding support of this concept as I thought it was premature, but indicated that such a request may be forthcoming.

During the past year I, along with many other community leaders, have been meeting on a regular basis in order to reach a consensus of exactly what this business incubator ought to be. I am excited to now inform the City Council that a tremendous amount of progress has been made and we now have a focused and achievable model for this program.

The **San Diego East County Business Incubator** is now in existence. It is a community-based, grass roots partnership of public sector, private sector and non-profit agencies and individuals, including the Cajon Valley Union School District, East County Economic Development Council (ECEDC), San Diego Regional East County Chamber of Commerce, El Cajon Downtown Business Partners (PBID) and many private businesspersons. We have established a 501 (c) (3) corporation and a Board of Directors. Dr. Noori Barka is the Chairman, board members include myself and others who represent the aforementioned organizations.

James Sly, who also serves as Vice President for ECEDC and has significant experience in this area, has agreed to be the Executive Director of the organization.

We are at the point now where we wish to take the next logical step, which is to conduct a feasibility study to determine the type and nature of new business development that we should be concentrating on. As we know, not all businesses can or will be successful in all areas, therefore, it is important that the Business Incubator focus its efforts and resources where they will have the most impact and achieve the greatest level of success possible.


Now that we have reached this stage, I now believe it would be appropriate for the City of El Cajon, as the East County's largest and most significant economic entity and jobs producer, to take an active role in the Business Incubator. Therefore, I am recommending that the City Council make a contribution of \$10,000 to the San Diego East County Business Incubator to assist in the funding of the feasibility study.

Once completed, I will bring this study back to the City Council for a presentation and review by the Council.

FISCAL IMPACT:

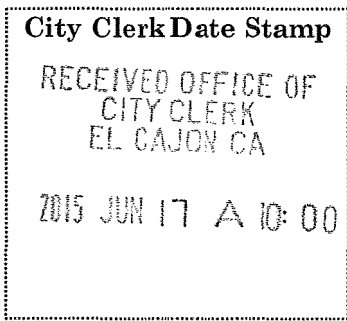
Sufficient funding for Economic Development is available in the budget of the City Manager's Office (110000).

PREPARED BY:



Tony Ambrose
Councilmember





City of El Cajon Agenda Report

MEETING: 6/23/15

ITEM NO: 9.1



TO: Mayor Wells, Councilmembers Ambrose,
Bales, Kendrick
FROM: Mayor Pro Tem McClellan

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file 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:

- June 11, 2015 - EJE Academy 3rd Grade Tours of the City
- June 17, 2015 - San Diego County Fair Leadership Luncheon
- June 20, 2015 - KaBOOM! Build Kickoff and Ribbon Cutting
- June 23, 2015 - Jimmie Johnson at Foundation Lane
- June 23, 2015 - Special Council Meeting - FY 2015-16 Preliminary Annual Budget
- June 23, 2015 - City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,

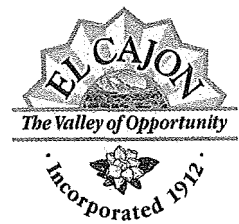
Bob McClellan
Bob McClellan
Mayor Pro Tem 

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2015 JUN 17 A 9:59

City of El Cajon Agenda Report

MEETING: 6/23/15

ITEM NO: 10.1



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Kendrick
FROM: Councilmember Bales

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file 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.

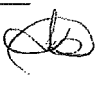
REPORT:

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

- June 9, 2015 - Cox Scholars Awards Luncheon
- June 16, 2015 - Meeting w/ Supervisor Jacob
- June 17, 2015 - San Diego County Fair Leadership Luncheon
- June 20, 2015 - World Refugee Day Celebration – Prescott Promenade
- June 20, 2015 - KaBOOM! Build Day – Bill Beck Park
- June 22, 2015 - Meeting w/ City Manager
- June 23, 2015 - Jimmie Johnson/Habitat for Humanity Event
- June 23, 2015 - Special Council Meeting – FY 2015-16 Preliminary Budget
- June 23, 2015 - City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,

Star Bales
Star Bales
Councilmember 

City Clerk Date Stamp

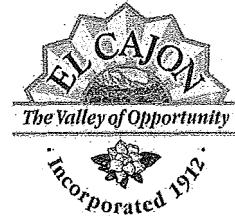
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City of El Cajon Agenda Report

MEETING: June 23, 2015

ITEM NO: Gen. Info. "A"



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Ambrose, Bales, Kendrick

FROM: Chief of Police Jim Redman

SUBJECT: UNITED STATES DOJ JUSTICE ASSISTANCE GRANT
(JAG) FY2015 APPLICATION

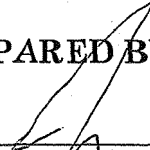
RECOMMENDATION: That the City Council accept the United States DOJ Justice Assistance Grant FY2015 Application as informational only to meet the grant requirement to provide the JAG FY2015 Grant Application to the governing body. If the Police Department receives the award, Council action will be needed to accept and appropriate the grant.

BACKGROUND: Since 1996, the City of El Cajon has annually applied for and received Local Law Enforcement Block Grant (LLEBG) funds from the U.S. Department of Justice which, in 2005, was replaced with the Edward Byrne Memorial Justice Assistance Grant Program. Over the years, these grants have helped fund specialized training and communications equipment, lidar for traffic motor units, crime scene measurement tools, and tasers. This grant does not require local match-funding or a formal public hearing.

The Police Department recommends that JAG FY2015 Grant funds be utilized to purchase a micro audio and high definition video system sustaining officer safety during undercover operations, and P25 compliant portable radios and/or accessories as necessary.

FISCAL IMPACT: The City of El Cajon is eligible to receive \$31,536 in JAG funding.

PREPARED BY:



Jim Redman
CHIEF OF POLICE

APPROVED BY:



Douglas Williford
CITY MANAGER