



City Council
Mayor John W. Minto
Vice Mayor Ronn Hall
Council Member Laura Koval
Council Member Rob McNelis
Council Member Dustin Trotter

CITY OF SANTEE REGULAR MEETING AGENDA Santee City Council

City Manager | Marlene D. Best
City Attorney | Shawn D. Hagerty
City Clerk | Annette Fagan Ortiz

MEETING INFORMATION

Wednesday, February 9, 2022

6:30 p.m.

Council Chambers | Building 2

10601 Magnolia Ave • Santee, CA 92071

Staff

Assistant to the City Manager | Kathy Valverde
Finance Director/Treasurer | Tim McDermott
Fire & Life Safety Director/Fire Chief | John Garlow
Law Enforcement | Captain Christina Bavencoff

TO WATCH LIVE:

AT&T U-verse channel 99 (SD Market) | Cox channel 117 (SD County)

www.cityofsanteca.gov

IN-PERSON ATTENDANCE

Please be advised that current public health orders require attendees to wear face coverings while inside the Council Chambers.

LIVE PUBLIC COMMENT

Members of the public who wish to comment on matters on the City Council agenda or during Non-Agenda Public Comment may appear in person and submit a speaker slip, before the item is called. Speakers must adhere to the public health order requirement to wear a face covering. Your name will be called when it is time to speak.

PLEASE NOTE: Public Comment will be limited to 3 minutes and speaker slips will only be accepted until the item is called. The timer will begin when the participant begins speaking.



The City Council also sits as the Community Development Commission Successor Agency and the Santee Public Financing Authority. Any actions taken by these agencies are separate from the actions taken by City Council. For questions regarding this agenda, please contact the City Clerk's Office at (619) 258-4100 x114

ROLL CALL: Mayor John W. Minto
Vice Mayor Ronn Hall
Council Members Laura Koval, Rob McNelis and Dustin Trotter

LEGISLATIVE INVOCATION: Marshall Masser – Lakeside Christian Church

PLEDGE OF ALLEGIANCE

RECOGNITION: Certificates of Commendation: Santee Pee Wee and Junior Varsity Ravens Pop Warner Cheerleader Champions

CONSENT CALENDAR:

PLEASE NOTE: Consent Calendar items are considered routine and will be approved by one motion, with no separate discussion prior to voting. The public, staff or Council Members may request specific items be removed from the Consent Calendar for separate discussion or action. Speaker slips for this category must be presented to the City Clerk at the start of the meeting. Speakers are limited to 3 minutes.

- (1) **Approval of Reading by Title Only and Waiver of Reading in Full of Ordinances and Resolutions on the Agenda. (City Clerk – Ortiz)**
- (2) **Approval of Meeting Minutes of the Santee City Council for the January 12 and 26, 2022, Regular Meetings. (City Clerk – Ortiz)**
- (3) **Approval of Payment of Demands as Presented. (Finance – McDermott)**
- (4) **Purchase of Three Multi-Function Copy Machines from Sharp Business Systems. (Finance – McDermott)**
- (5) **Adoption of a Resolution Awarding the Construction Contract for the City Hall Fiberoptic Cable Replacement Project (CIP 2022-30), and Determining a Categorical Exemption Pursuant to Section 15301(c) of the California Environmental Quality Act for a Total Project Budget of \$65,000.00. (Development Services – Engineering)**
- (6) **Adoption of a Resolution Approving the Final Map for an 80-Unit Residential Condominium Subdivision (TM2020-2) and Authorizing the City Manager to Execute the Associated Subdivision Improvement Agreement. Location: 7739 Mission Gorge Road. Applicant: Cornerstone Communities. (Development Services – Engineering)**



- (7) **Adoption of a Resolution Authorizing Additional Change Order Authorization for the Streetlight Maintenance Contract with CTE, Inc. for FY 2021-22 and Appropriating Funds. (Development Services – Engineering)**

NON-AGENDA PUBLIC COMMENT (15 minutes):

Persons wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the Agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda. This first Non-Agenda Public Comment period is limited to a total of 15 minutes. Additional Non-Agenda Public Comment is received prior to Council Reports.

PUBLIC HEARING:

THE PUBLIC HEARING ITEM NUMBER 8 WILL BEGIN PROMPTLY AT 7:00 PM.

- (8) **Public Hearing for Consideration of Revised City Council District Electoral Boundaries as Required by Elections Code Section 21621. (City Clerk – Ortiz)**

Recommendation:

1. Receive a report from staff and the City's redistricting consultant on the redistricting process and review draft maps to redraw district boundaries; and
2. Conduct a Public Hearing to receive public input on district boundaries.
3. Select a preferred map.

- (9) **Public Hearing to Assess Community Development Needs and to Solicit Proposals for Program Year 2022 Community Development Block Grant (CDBG) and Home Program Funding Consistent with the Consolidated Plan. (Development Services – Engineering)**

Recommendation:

Open the Public Hearing, receive public testimony, and continue the Public Hearing to March 9, 2022.

- (10) **Public Hearing Considering a Disposition and Development Agreement Between the City of Santee and Excel Acquisitions, LLC, for Development of Real Property Known as Parcel 4 of Parcel Map 18857 Located in Trolley Square. (City Manager – Best)**

Recommendation:

1. Open the Public Hearing and receive testimony from the public regarding the proposed sale of the Property;
2. Close the public hearing and, if any protest was received regarding the sale of the Property, overrule the protest by a 4/5 majority vote; and
3. Adopt the Resolution of Approval.



CONTINUED BUSINESS:

- (11) Second Reading and Adoption of an Ordinance Amending Title 13 of the Santee Municipal Code (“SMC”), “Zoning” (Case File: ZA2022-1), and Second Reading and Adoption of an Ordinance Amending Title 2 of the SMC, “Administration and Personnel,” Title 9 of the SMC, “Public Services” and Title 10 of the SMC, “Vehicles and Traffic”. (City Attorney – Hagerty)**

Recommendation:

Adopt the Ordinance amending Title 13.

Adopt the Ordinance amending Titles 2, 9, and 10.

NEW BUSINESS:

- (12) Resolution Authorizing the Implementation of a Permitting and Land Management System, Including Authorization to: Execute a Five-Year Agreement with Tyler Technologies for the EnerGov Land Management System and Mobile Eyes Fire Inspection Software; Purchase Bluebeam Software; Execute a Professional Services Agreement with SDI Presence for Implementation Consulting Services; and Appropriate Funds. (Development Services – Planning)**

Recommendation:

Adopt a Resolution authorizing the City Manager to:

1. Execute a Five-Year Agreement with Tyler Technologies for the EnerGov Land Management System and the Mobile Eyes Fire Inspection Software.
2. Execute a Professional Services Agreement with SDI Presence for implementation consulting services in an amount not to exceed \$100,000.00.
3. Purchase Bluebeam Software.
4. Appropriate \$21,270.00 of the City’s ARPA allocation, or General Fund dollars if so directed, to fund a portion of the SDI Presence contract to support the City’s implementation efforts.

- (13) Draft Pavement Management Report 2022 And Pavement Maintenance Workshop. (Development Services – Engineering)**

Recommendation:

1. Accept the Draft Pavement Management Report 2022; and
2. Approve Zones CD, CE, CI and EB to be resurfaced with current available funding; and
3. Provide direction on additional streets to resurface based on the recommended list herein.

(14) Resolution Proclaiming an Emergency, Authorizing the Construction of Firebreaks and Fuel Reduction Throughout the San Diego River Corridor, Waiving the Requirement for Competitive Bidding, and Authorizing the City Manager to Enter Into a Contract to Construct a Firebreak. (City Manager – Best)

Recommendation:

Adopt the Resolution:

1. Proclaiming the immediate fire risk emergency; and
2. Approving the construction of firebreaks and fuel reduction to safeguard life, health, or property and waiving the requirement for competitive bidding; and
3. Authorizing the City Manager to enter into contracts for the emergency work from funds appropriated by the City Council for this purpose, and to take other actions as necessary.

(15) Purchase of Five (5) Bottle Filler Stations from Most Dependable Fountains, Inc. (Public Works)

Recommendation:

Authorize the sole source purchase of five (5) additional Bottle Filler Stations for an amount not to exceed \$28,591.14 and authorize the City Manager to execute all necessary documents.

(16) Resolution Authorizing the Fourth Amendment to the Employment Agreement of the City Manager. (Mayor Minto)

Recommendation:

Adopt a Resolution approving the Fourth Amendment to the Employment Agreement of Marlene Best.

NON-AGENDA PUBLIC COMMENT (Continued):

All public comment not presented within the first Non-Agenda Public Comment period above will be heard at this time.

CITY COUNCIL REPORTS:

CITY MANAGER REPORTS:

CITY ATTORNEY REPORTS:

CLOSED SESSION:

- (17) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
 (Gov. Code §54956.9(d)(2))
 Significant Exposure to Litigation: One case

ADJOURNMENT:



**BOARDS, COMMISSIONS & COMMITTEES
FEBRUARY & MARCH MEETINGS**

Feb	03	SPARC	Council Chamber
Feb	09	Council Meeting	Council Chamber
Feb	14	Community Oriented Policing Committee	Council Chamber
Feb	23	Council Meeting	Council Chamber
Mar	01	DEI Workshop	Council Chamber
Mar	03	SPARC	Council Chamber
Mar	09	Council Meeting	Council Chamber
Mar	14	Community Oriented Policing Committee	Council Chamber
Mar	17	SMHFPC	Council Chamber
Mar	23	Council Meeting	Council Chamber

The Santee City Council welcomes you and encourages your continued interest and involvement in the City's decision-making process.

For your convenience, a complete Agenda Packet is available for public review at City Hall and on the City's website at www.CityofSanteeCA.gov.

The City of Santee complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 12132 of the American with Disabilities Act of 1990 (42 USC § 12132). Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk's Office at (619) 258-4100, ext. 112 at least 48 hours before the meeting, if possible.



MEETING DATE February 9, 2022

ITEM TITLE CERTIFICATES OF COMMENDATION: SANTEE PEE WEE AND JUNIOR VARSITY RAVENS POP WARNER CHEERLEADER CHAMPIONS

DIRECTOR/DEPARTMENT John W. Minto, Mayor

SUMMARY The Santee Pee Wee Ravens 10U and Santee Junior Varsity Ravens 12U Pop Warner Football Cheerleaders have a lot to celebrate.

The Santee Pee Wee Ravens 10U are a team of 14 dedicated girls coached by Nichole Harris, Sierra Galvas, Maya Archer, Shaylie Noss, and Alicia Gibson. The girls developed the skills needed to perform and be competitive as a Level 1 team. Over the past season, they have honed their skills to not only cheer at games for their Pop Warner football team, but to also compete, and win, in multiple competitions. Most recently, they competed in Las Vegas at the JAMZ Youth Nationals and walked away with the honor of Level 1 National Champions.

Team members are Andrea Aguilar, Annie Arredondo, Kaya Carnation, Caite Gibson, Madison Harris, Madison Hines, Madison Hoxiem, Allie Jokerst, Tayler MacLachlan, Faith Meyers, Sawyer Meyers, Kinsley Miller, Arianna Snyder, McKenna Thornton.

The Santee Junior Varsity Ravens 12U are a team of 23 dedicated girls coached by Colette King. These girls went from teammates to family over the course of a season. They formed friendships and memories that will last a lifetime. Working together they won 1st place at the local competition for Pop Warner. Then they won 1st place at the Anaheim JAMZ, 3rd place competition at the Pop Warner Nationals in Florida, 1st place at the Riverside JAMZ competition and finally 1st place & National Grand Champions at JAMZ in Las Vegas.

Team members are Abigail Persiani, Amaya Evans, Breanna Brinkley, Caydance Hinson-Lerma, Chloe Jones, Colette King, Corrina Acevedo, Courtney Craft, Gabriela Belmonte, Hailey Seramurm Hannah Hough, Isabella Sly, Jillian McDuffee, Julianne Viladiu, Kaedynce Pettijohn, Karissa Pacheco, Katelyn Young, Keira Mizell, Kianna Velasquez-Ruiz, Morgan Weaver, Paityn Trenkle, Shay Peterson, Shayla Lowery.

Congratulations to all of these young ladies on their excellent performance and accomplishments. Their hard work and dedication paid off as they proudly represented their team, their City, and Pop Warner.

Certificates of Commendation have been prepared in honor of each team's achievements and will be accepted by representatives of the Santee Ravens Pop Warner Cheer program.

FINANCIAL STATEMENT N/A

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION Present Certificates.

ATTACHMENT

None



MEETING DATE February 9, 2022

ITEM TITLE APPROVAL OF READING BY TITLE ONLY AND WAIVER OF READING IN FULL OF ORDINANCES AND RESOLUTIONS ON THE AGENDA.

DIRECTOR/DEPARTMENT Annette Ortiz, CMC, City Clerk

SUMMARY

This Item asks the City Council to waive the reading in full of all Ordinances on the Agenda (if any) and approve their reading by title only. The purpose of this Item is to help streamline the City Council meeting process, to avoid unnecessary delay and to allow more time for substantive discussion of Items on the agenda.

State law requires that all Ordinances be read in full either at the time of introduction or at the time of passage, unless a motion waiving further reading is adopted by a majority of the City Council. (Gov. Code, § 36934). This means that each word in each Ordinance would have to be read aloud unless such reading is waived. Such reading could substantially delay the meeting and limit the time available for discussion of substantive Items. Adoption of this waiver streamlines the procedure for adopting the Ordinances on tonight's Agenda (if any), because it allows the City Council to approve Ordinances by reading aloud only the title of the Ordinance instead of reading aloud every word of the Ordinance.

The procedures for adopting Resolutions are not as strict as the procedures for adopting Ordinances. For example, Resolutions do not require two readings for passage, need not be read in full or even by title, are effective immediately unless otherwise specified, do not need to be in any particular format unless expressly required, and, with the exception of fixing tax rates or revenue amounts, do not require publication. However, like Ordinances, all Resolutions require a recorded majority vote of the total membership of the City Council. (Gov. Code § 36936).

FINANCIAL STATEMENT

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION

It is recommended that the Council waive the reading of all Ordinances and Resolutions in their entirety and read by title only.

ATTACHMENT

None



MEETING DATE February 9, 2022

ITEM TITLE APPROVAL OF MEETING MINUTES OF THE SANTEE CITY COUNCIL FOR THE JANUARY 12 AND 26, 2022 REGULAR MEETINGS.

DIRECTOR/DEPARTMENT Annette Ortiz, CMC, City Clerk 

SUMMARY

Submitted for your consideration and approval are the minutes of the above meetings.

FINANCIAL STATEMENT

N/A

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION

Approve Minutes as presented.

ATTACHMENT

Regular Meeting Minutes

- January 12, 2022
- January 26, 2022

DRAFT

**Minutes
Santee City Council
Council Chamber – Building 2
10601 Magnolia Avenue
Santee, California
January 12, 2022**

This Regular Meeting of the Santee City Council was called to order by Mayor John W. Minto at 6:31 p.m.

ROLL CALL: Present: Mayor John W. Minto, Vice Mayor Ronn Hall and Council Members Laura Koval, Rob McNelis and Dustin Trotter – 5.

Officers present: City Manager Marlene Best, City Attorney Shawn Hagerty, and City Clerk Annette Ortiz

INVOCATION was given by Imam Taha Hassane – Islamic Center of San Diego

PLEDGE OF ALLEGIANCE was led by Mayor Minto

CONSENT CALENDAR:

- (1) Approval of Reading by Title Only and Waiver of Reading in Full of Ordinances and Resolutions on the Agenda. (City Clerk – Ortiz)
- (2) Approval of Meeting Minutes of the Santee City Council for the December 8, 2021, Regular and Special Meetings. (City Clerk – Ortiz)
- (3) Approval of Payment of Demands as Presented. (Finance – McDermott)
- (4) Second Reading and Adoption of an Ordinance Amending Section 13.10.045 of the Santee Municipal Code Regarding Accessory Dwelling Units and Determining the Ordinance to be Exempt from the California Environmental Quality Act. (City Clerk – Ortiz) (Ord 597)
- (5) Second Reading and Adoption of an Ordinance Amending Title 12 (“Subdivision of Land, Development Fees, and Dedications”) and Title 13 (“Zoning”) of the City of Santee Municipal Code Relating to Urban Lot Splits and Two-Unit Projects to Implement Senate Bill 9 and Finding the Ordinance to Be Exempt from CEQA. (City Clerk – Ortiz) (Ord 598)
- (6) Adoption of a Resolution Authorizing the Installation of a Loading Zone (White Zone) on Alphonse Street for Mail Drop-Off and Pick-Up. (Development Services – Engineering) (Reso 001-2022)
- (7) Adoption of a Resolution Accepting the Citywide Slurry Seal and

- Roadway Maintenance Program 2021 Project (CIP 2021-03) as Complete. (Development Services – Engineering) (Reso 002-2022)**
- (8) **Authorization of the First Amendment to the Contract with Global Power Group, Inc. for Electrical Repairs and Related Maintenance to Provide Electrical Upgrades Necessary for the City Hall EV Charging Station (CIP 2021-32) Project. (Development Services – Engineering)**
 - (9) **Consideration of Extension of the Exclusive Negotiation Agreement Between the City of Santee and Excel Acquisitions, LLC for Development of Real Property Known as Parcel 4 of Parcel Map 18857 Located in Trolley Square. (City Manager – Best)**
 - (10) **Award of Professional Services Agreement with Bob Murray & Associates to Provide Recruitment Services for the Human Resources Director. (City Manager – Best)**

ACTION: Council Member McNelis moved approval of the Consent Calendar.

Vice Mayor Hall seconded the motion, which carried by the following vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye; and Trotter: Aye. Ayes: 5. Noes: 0.

NON-AGENDA PUBLIC COMMENT (15 minutes):

- (A) Barbara Gordon spoke regarding public health and prevention measures pertaining to cannabis.
- (B) Becky Rapp spoke regarding public health and safety regarding impaired driving related to cannabis businesses in the City.
- (C) Diane Grace spoke regarding cannabis in the City of Santee.

PUBLIC HEARING:

- (11) **Redrawing of City Council Member District Boundaries. (City Attorney – Hagerty)**

The Public Hearing was opened at 6:45 p.m. The City Attorney provided a brief report.

ACTION: Council Member McNelis moved approval of staff recommendation.

Council Member Trotter seconded the motion, which carried by the following vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye; and Trotter: Aye. Ayes: 5. Noes: 0.

The Public Hearing was continued at 6:50 p.m. to January 26, 2022, at a time certain of 7:00 p.m.

NEW BUSINESS:

- (12) **Resolution Awarding the Construction Contract for the Magnolia Avenue Traffic Signal Upgrades Project (CIP 2019-03), Determining a Categorical Exemption Pursuant to Section 15301(c) of the California Environmental Quality Act, and Appropriating Regional Transportation Congestion Improvement Program Funds. (Development Services – Engineering) (Reso 003-2022)**

The Principal Traffic Engineer provided a staff report responded to Council questions.

ACTION: Vice Mayor Hall moved approval of staff recommendation.

Council Member Koval seconded the motion, which carried by the following vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye; and Trotter: Aye. Ayes: 5. Noes: 0.

- (13) **Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Harris and Associates for Environmental Services to Related to the Preparation of a Cannabis Ordinance and Appropriating Funds. (Development Services – Planning) (Reso 004-2022)**

The Principal Planner provided a PowerPoint presentation and responded to Council questions.

PUBLIC SPEAKERS:

- Kathleen Lippitt
- Carol Green

ACTION: Council Member Koval moved approval of staff recommendation.

Council Member McNelis seconded the motion, which carried by the following vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye; and Trotter: Aye. Ayes: 5. Noes: 0.

- (14) **Resolution Appointing Jessie Bishop as Director of Human Resources on an Interim Basis and Approving Employment Agreement. (City Manager – Best) (Reso 005-2022)**

The City Manager provided a staff report and responded to Council questions.

ACTION: Council Member Koval moved approval of staff recommendation.

Council Member Trotter seconded the motion, which carried by the following vote: Mayor

Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye; and Trotter: Aye. Ayes: 5. Noes: 0.

CDC SUCCESSOR AGENCY:

- (15) Resolution of the Community Development Commission Successor Agency Approving the Recognized Obligation Payment Schedule for the Period from July 1, 2022 to June 30, 2023 (“ROPS 22-23”). (Finance – McDermott) (CDCSA Reso 001-2022)

The Director of Finance provided a brief staff report.

ACTION: Council Member McNelis moved approval of staff recommendation.

Vice Mayor Hall seconded the motion, which carried by the following vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye; and Trotter: Aye. Ayes: 5. Noes: 0.

NON-AGENDA PUBLIC COMMENT: (Continued)

None.

CITY COUNCIL REPORTS:

Council Member Koval thanked Karen Pearlman from the San Diego Union Tribune for her years of service; she also expressed condolences to the family of Santee resident, Martin Andara, for his untimely death.

Council Member Trotter expressed best wishes to longtime resident and business owner, Gene Chubb.

CITY MANAGER REPORTS:

The City Manager mentioned the race walk at Santee Trolley Square; she also apologized for the technical difficulties that SanteeTV was experiencing.

CITY ATTORNEY REPORTS:

None.

CLOSED SESSION:

Council Members recessed at 7:30 p.m. and convened in Closed Session at 7:34 p.m.

(16) CONFERENCE WITH LABOR NEGOTIATORS

(Government Code Section 54957.6)

City Designated Representative: City Manager

Employee Organization: Santee Firefighters Association

(17) CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Government Code section 54956.8)

Property: Parcel 4 of Parcel Map 18857 located in Trolley Square (Library site)

City Negotiator: City Manager

Negotiating Parties: Excel Hotel Group and Santee Trolley Square 991, LP

Under Negotiation: Price and terms of payment

Council Members reconvened in Open Session at 8:01 p.m. with all members present, except Council Member Trotter, who left the meeting at 8:00 p.m. Mayor Minto reported on Item 16, direction was given by unanimous vote, for the City Manager to continue negotiations with the Santee Firefighters Association regarding side letters and to execute the agreement; for Item 17 discussion was had and no direction was provided.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 8:02 p.m.

Date Approved:

Annette Ortiz, CMC, City Clerk

DRAFT

**Minutes
Santee City Council
Council Chamber – Building 2
10601 Magnolia Avenue
Santee, California
January 26, 2022**

This Regular Meeting of the Santee City Council was called to order by Mayor John W. Minto at 6:30 p.m.

ROLL CALL: Present: Mayor John W. Minto, Vice Mayor Ronn Hall and Council Members Laura Koval, Rob McNelis and Dustin Trotter – 5.

Officers present: City Manager Marlene Best, City Attorney Shawn Hagerty, and City Clerk Annette Ortiz

INVOCATION was given by Phil Herrington – Pathways Community Church

PLEDGE OF ALLEGIANCE was led by City of Santee Park and Landscape Supervisor, Eric King.

RECOGNITION Recognition of Ms. Wheelchair California 2022 Jacquelyne Yawn

Mayor Minto presented Ms. Yawn with City of Santee memorabilia and spoke about her accomplishments and shared a previously recorded video.

CONSENT CALENDAR:

- (1) **Approval of Reading by Title Only and Waiver of Reading in Full of Ordinances and Resolutions on the Agenda. (City Clerk – Ortiz)**
- (2) **Approval of Payment of Demands as Presented. (Finance – McDermott)**
- (3) **Approval of the Expenditure of \$70,337.83 for December 2021 Legal Services and Reimbursable Costs. (Finance – McDermott)**
- (4) **Adoption of a Resolution Finding that the Public Interest and Convenience Require the Sale of Certain Real Property, Declaring the City's Intent to Sell Such Property, and Setting a Public Hearing. (City Manager – Best) (Reso 006-2022)**

ACTION: Vice Mayor Hall moved approval of the Consent Calendar.

Council Member Koval seconded the motion, which carried by the following roll call vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye; and Trotter: Aye. Ayes: 5. Noes: 0.

NON-AGENDA PUBLIC COMMENT (15 minutes):

- (A) Lynda Marrokal spoke regarding the need for a public library in the City of Santee.
- (B) Kathleen Lippit spoke regarding cannabis and recommended Council review the city of Solana Beach model.
- (C) Dan Bickford spoke regarding the effect Covid has had on the Kiwanis Club and the lack of movement towards an application process for APRA fund grants by the City of Santee.

PUBLIC HEARING:

- (5) **Consideration of Revised City Council District Electoral Boundaries as Required by Elections Code Section 21621. (City Attorney – Hagerty)**

The Public Hearing was opened at 7:07 p.m. The City Attorney introduced the Item and Stephanie Smith, BB&K Law provided a PowerPoint presentation and responded to Council questions.

The Public Hearing was closed at 7:40 p.m.

- (6) **Public Hearing and Introduction and First Reading of an Ordinance Amending Title 13 of the Santee Municipal Code (“SMC”), “Zoning” (Case File: ZA2022-1), and Introduction and First Reading of an Ordinance Amending Title 2 of the SMC, “Administration and Personnel,” Title 9 of the SMC, “Public Services” and Title 10 of the SMC, “Vehicles and Traffic”. (City Attorney – Hagerty)**

The Public Hearing was opened at 7:40 p.m. The City Attorney introduced the Item and the Assistant City Attorney, BB&K Law provided a PowerPoint presentation.

ACTION: Vice Mayor Hall moved approval of staff recommendation.

Council Member McNelis seconded the motion, which carried by the following roll call vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye and Trotter: Aye. Ayes: 5. Noes: 0.

The Public Hearing was closed at 8:12 p.m.

NEW BUSINESS:

- (7) **Resolution Requesting that the Local Agency Formation Commission (LAFCO) of the County of San Diego Initiate Proceedings for the Weston Boundary Cleanup Reorganization. (Development Services – Planning)**
(Reso 007-2022)

ACTION: Council Member McNelis moved approval of staff recommendation.

Vice Mayor Hall seconded the motion, which carried by the following vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye, and Trotter: Aye. Ayes: 5. Noes: 0.

(8) Resolution in Support of the County of San Diego's Application for a Reorganization to Include the Dissolution of County Service Area No. 69. (Fire – Garlow) (Reso 008-2022)

The Fire Chief provided a PowerPoint presentation and responded to Council questions.

PUBLIC SPEAKER:

- Dan Bickford

ACTION: Council Member Koval moved approval of staff recommendation.

Council Member Trotter seconded the motion, which carried by the following roll call vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye, and Trotter: Aye. Ayes: 5. Noes: 0.

(9) Resolution Authorizing Submittal of Applications for CalRecycle Grant and Payment Programs for Which City of Santee, California is Eligible. (Community Services) (Reso 009-2022)

The Recreation Services Manager provided a PowerPoint presentation and responded to Council questions.

ACTION: Vice Mayor Hall moved approval of staff recommendation.

Council Member Koval seconded the motion, which carried by the following roll call vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye, and Trotter: Aye. Ayes: 5. Noes: 0.

(10) Possible Cancellation of a Regular City Council Summer Meeting. (Mayor – Minto)

The City Clerk responded to Council questions.

ACTION: Council Member Koval moved to cancel the July 13, 2022, City Council Meeting.

Council Member McNelis seconded the motion, which carried by the following roll call vote: Mayor Minto: Aye; Vice Mayor Hall: Aye; and Council Members Koval: Aye; McNelis: Aye, and Trotter: Aye. Ayes: 5. Noes: 0.

NON-AGENDA PUBLIC COMMENT: (Continued)

- (A) Nick Liadis spoke regarding the high cost of water utilities and issues regarding the Padre Dam organization.

CITY COUNCIL REPORTS:

Council Member Koval reported on her attendance at the SANDAG meeting on behalf of Mayor Minto.

Council Member Trotter stated he will attend the Max LeNai Memorial Bridge event.

Mayor Minto reported on his attendance at the Cal Cities New Mayor's Academy.

CITY MANAGER REPORTS:

The City Manager thanked staff for their work on a Discovery Day's event to allow people in the community to experience some of the programs the City has to offer.

CITY ATTORNEY REPORTS:

None.

CLOSED SESSION:

Council Members recessed at 8:34 p.m. and convened in Closed Session at 8:48 p.m.

(11) PUBLIC EMPLOYEE PERFORMANCE EVALUATION

(Government Code Section 54957(b))

Title: City Manager

Council Members reconvened in Open Session at 10:00 p.m. with all members present. Mayor Minto reported direction was given to staff.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:02 p.m.

Date Approved:

Annette Ortiz, CMC, City Clerk

MEETING DATE February 9, 2022

ITEM TITLE PAYMENT OF DEMANDS

DIRECTOR/DEPARTMENT Tim K. McDermott, Finance *TKM*

SUMMARY

A listing of checks that have been disbursed since the last Council meeting is submitted herewith for approval by the City Council.

FINANCIAL STATEMENT *TKM*

Adequate budgeted funds are available for the Payment of Demands per the attached listing.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *MSB*

Approve the Payment of Demands as presented.

ATTACHMENT

- 1) Summary of Payments Issued
- 2) Voucher Lists

Payment of Demands
Summary of Payments Issued

<u>Date</u>	<u>Description</u>	<u>Amount</u>
01/06/22	Accounts Payable	\$ 3,002.72
01/11/22	Accounts Payable	30,647.10
01/12/22	Accounts Payable	114,931.79
01/14/22	Accounts Payable	37,224.42
01/18/22	Accounts Payable	4,254.98
01/18/22	Accounts Payable	77,753.98
01/19/22	Accounts Payable	116,006.61
01/19/22	Accounts Payable	1,586,597.12
01/26/22	Accounts Payable	1,659,585.71
01/26/22	Accounts Payable	29,090.94
01/27/22	Payroll	392,656.18
01/27/22	Accounts Payable	850,574.60
01/31/22	Accounts Payable	162,448.38
	TOTAL	<u>\$5,064,774.53</u>

I hereby certify to the best of my knowledge and belief that the foregoing demands listing is correct, just, conforms to the approved budget, and funds are available to pay said demands.



Tim K. McDermott, Director of Finance

Bank code : ubgen

<u>Voucher</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>PO #</u>	<u>Description/Account</u>	<u>Amount</u>	
1062	1/6/2022	12774 LIABILITY CLAIMS ACCOUNT	12312021		LIABILITY CLAIMS NOV & DEC 2021	3,002.72	
					Total :	3,002.72	
1 Vouchers for bank code : ubgen						Bank total :	3,002.72
1 Vouchers in this report						Total vouchers :	3,002.72

Prepared by: 18abd Sinden
Date: 1/21/22
Approved by: Debrae Jennings
Date: 1-25-22

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
1064	1/11/2022	10482 TRISTAR RISK MANAGEMENT	114549		CLAIMS PD DECEMBER 2021	30,647.10
Total :						30,647.10
1 Vouchers for bank code : ubgen						Bank total : 30,647.10
1 Vouchers in this report						Total vouchers : 30,647.10

Prepared by: Isabel Smeed
Date: 1/21/22
Approved by: Neelke Pennings
Date: 1-25-22

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
22899	1/12/2022	10955 DEPARTMENT OF THE TREASURY	January 22 Retirees PPE 01/05/22		FEDERAL WITHHOLDING TAX FED WITHHOLD & MEDICARE	211.00 114,720.79
Total :						114,931.79
1 Vouchers for bank code : ubgen						Bank total : 114,931.79
1 Vouchers in this report						Total vouchers : 114,931.79

Prepared by: ISABEL SUNDORAL

Date: 01/18/2022

Approved by: T-K M...

Date: 1/18/22

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
22922	1/14/2022	10956 FRANCHISE TAX BOARD	January 22 Retirees PPE 01/05/22		CA STATE TAX WITHHELD CA STATE TAX WITHHELD	46.00 37,178.42
Total :						37,224.42
1 Vouchers for bank code : ubgen						Bank total : 37,224.42
1 Vouchers in this report						Total vouchers : 37,224.42

Prepared by: ISABEL SARDANA

Date: 1/18/2022

Approved by: T-K M

Date: 1/18/22

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
674730	1/18/2022	10782 VANTAGEPOINT TRNSFR AGT/801801	PPE 01/05/22		RETIREE HSA	4,254.98
Total :						4,254.98
1 Vouchers for bank code : ubgen						Bank total : 4,254.98
1 Vouchers in this report						Total vouchers : 4,254.98

Prepared by: ISABEL SANDOVAL
Date: 1/18/2022
Approved by: [Signature]
Date: 1/18/22

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
674718	1/18/2022	10959 VANTAGE TRANSFER AGENT/457	PPE 01/05/22		ICMA - 457	77,753.98
Total :						77,753.98
1 Vouchers for bank code : ubgen						Bank total : 77,753.98
1 Vouchers in this report						Total vouchers : 77,753.98

Prepared by: 181011 Snelson
Date: 1/18/2022
Approved by: T-KMS
Date: 1/18/22

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
1223	1/19/2022	10353 PERS	01 22 3		RETIREMENT PAYMENT	116,006.61	
						Total :	116,006.61
1 Vouchers for bank code : ubgen						Bank total :	116,006.61
1 Vouchers in this report						Total vouchers :	116,006.61

Prepared by: 180451 Smedley
Date: 01/21/2022
Approved by: Heather Jennings
Date: 01-25-2022

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129460	1/19/2022	12060 ACCOUNTING PRINCIPALS	12221848	53612	TEMPORARY ACCOUNTING SPECI/	1,020.90
					Total :	1,020.90
129461	1/19/2022	13456 AGRICULTURAL PEST CONTROL	618759	53491	PEST CONTROL SERVICES	595.00
					Total :	595.00
129462	1/19/2022	10412 AT&T	000017512079		TELEPHONE- USAGE 11/22/2021-12	805.78
					Total :	805.78
129463	1/19/2022	10299 CARQUEST AUTO PARTS	11102-546901	53407	VEHICLE REPAIR PARTS	34.62
					Total :	34.62
129464	1/19/2022	10032 CINTAS CORPORATION #694	4106031446 4106036175	53483 53483	UNIFORM/PARTS CLEANER RNTL STATION SUPPLIES	66.51 44.39
					Total :	110.90
129465	1/19/2022	10333 COX COMMUNICATIONS	038997401- JAN 2022 094557701- JAN 2022		10601 N MAGNOLIA-SANTEE TV USE 10601 N.MAGNOLIA APT 2 JAN 1 -	159.75 29.29
					Total :	189.04
129466	1/19/2022	10046 D MAX ENGINEERING INC	6999	53613	STORMWATER PROGRAM ASSIST#	14,251.20
					Total :	14,251.20
129467	1/19/2022	13129 DAVID TURCH AND ASSOCIATES (REISSUED PAYMENT)	07212021 09142021	53644 53644	DAVID TURCH & ASSOCIATES AGR DAVID TURCH & ASSOCIATES AGR	5,000.00 5,000.00
					Total :	10,000.00
129468	1/19/2022	12638 GEORGE HILLS COMPANY, INC.	INV1021786	53596	CLAIMS ADMINISTRATION FEES	1,541.67
					Total :	1,541.67
129469	1/19/2022	11196 HD SUPPLY FACILITIES	10015345422 9197458412 9197458414 9198401469 9198628441	53664 53664 53664 53553 53409	FACILITIES MAINTENANCE SUPPLI FACILITIES MAINTENANCE SUPPLI FACILITIES MAINTENANCE SUPPLI FOUNTAIN MAINTENANCE SUPPLI STATION SUPPLIES	89.99 181.73 561.38 69.56 122.80
					Total :	1,025.46

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129470	1/19/2022	10556 HECKMAN, HEATHER	12292021		TUITION REIMBURSEMENT	2,500.00
					Total :	2,500.00
129471	1/19/2022	10256 HOME DEPOT CREDIT SERVICES	0151495	53410	MEDIC UNIT SUPPLIES	96.17
					Total :	96.17
129472	1/19/2022	11864 KIRKLAND PRINTING & MAILING	3156		ACFR COVER PRINTING	26.94
					Total :	26.94
129473	1/19/2022	10204 LIFE ASSIST INC	1161865	53477	EMS SUPPLIES	400.80
			1163097	53477	EMS SUPPLIES	486.98
			1163469	53477	EMS SUPPLIES	249.22
			1163474	53477	EMS SUPPLIES	483.80
					Total :	1,620.80
129474	1/19/2022	10174 LN CURTIS AND SONS	INV552129	53453	SAFETY APPAREL	277.15
					Total :	277.15
129475	1/19/2022	10079 MEDICO HEALTHCARE LINEN	20531901	53546	MEDICAL LINEN SERVICE	20.62
			20531903	53546	MEDICAL LINEN SERVICE FOR STA	13.01
					Total :	33.63
129476	1/19/2022	14464 NE HARDSCAPES	Ref000076181		CORRECTED LICENSE TYPE REFU	43.00
					Total :	43.00
129477	1/19/2022	11665 NGUOI VIET TODAY NEWS	9419		CITY CLERK PUBLICATIONS	60.00
					Total :	60.00
129478	1/19/2022	10344 PADRE DAM MUNICIPAL WATER DIST	29700016- JAN 2022		CONSTRUCTION METER USAGE 11	472.45
					Total :	472.45
129479	1/19/2022	10161 PRIZM JANITORIAL SERVICES INC	34235	53498	CUSTODIAL SERVICES - OFFICES	650.00
					Total :	650.00
129480	1/19/2022	10150 PROBUILD	04-0311315	53629	BUILDING MATERIALS & SUPPLIES	193.79
					Total :	193.79
129481	1/19/2022	14435 RESILIENT ROOFING	Ref000075414		CORRECT PAYMENT - RENEWAL R	57.00

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129481	1/19/2022	14435 14435 RESILIENT ROOFING	(Continued)			Total : 57.00
129482	1/19/2022	10606 S.D. COUNTY SHERIFF'S DEPT.	SHERIFF - OCT 2021		LAW ENFORCEMENT OCT 2021	1,386,671.05 Total : 1,386,671.05
129483	1/19/2022	13089 SATOR SOCCER	482443A	53701	REPLACEMENT SOCCER GOALS 1	4,222.80 Total : 4,222.80
129484	1/19/2022	13171 SC COMMERCIAL, LLC	2021149-IN 2029132-IN 2031767-IN	53480 53480 53480	DELIVERED FUEL DELIVERED FUEL DELIVERED BULK FUEL	581.60 462.71 561.72 Total : 1,606.03
129485	1/19/2022	13554 SC FUELS	0487173-DEF 0487173-F	53488 53481	FLEET CARD FUELING FLEET CARD FUELING	14.02 1,474.37 Total : 1,488.39
129486	1/19/2022	10585 SHARP REES-STEALY MEDICAL	363212922 363334144		TB TESTING DMV EXAM	49.00 114.00 Total : 163.00
129487	1/19/2022	10837 SOUTHWEST TRAFFIC SIGNAL	81332 81333 81334	53587 53587 53587	TRAFFIC SIGNAL SERVICE CALLS USA MARKOUTS TRAFFIC SIGNAL MAINTENANCE	2,491.28 447.48 4,032.71 Total : 6,971.47
129488	1/19/2022	11056 STANDARD ELECTRONICS	S46058	53510	SECURITY SYSTEM MAINT	804.63 Total : 804.63
129489	1/19/2022	10217 STAPLES ADVANTAGE	3494957976 3495720799	53466 53513	OFFICE SUPPLIES - PSD OFFICE SUPPLIES - FINANCE	374.33 64.41 Total : 438.74
129490	1/19/2022	10838 STATE OF CA DEPT OF INDUST REL	OSIP 69123		WORK COMP ASSESSMENT	27,750.74 Total : 27,750.74
129491	1/19/2022	10119 STEVEN SMITH LANDSCAPE INC	48539 48545	53417 53417	A 1 LANDSCAPE SERVICES A 1 LANDSCAPE SERVICES	49,486.25 41,715.00

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129491	1/19/2022	10119	10119 STEVEN SMITH LANDSCAPE INC (Continued)			Total : 91,201.25
129492	1/19/2022	10250	THE EAST COUNTY	00113409	53574 CLERK OFFICE PUBLICATIONS	675.50
						Total : 675.50
129493	1/19/2022	14450	TOMCO RETAIL CONSTRUCTION	RFD-CD21029S	DEPOSIT REFUND OLD NAVY	5,638.15
						Total : 5,638.15
129494	1/19/2022	11305	VELOCITY TRUCK CENTERS	101419	53472 VEHICLE REPAIR	35.49
						Total : 35.49
129495	1/19/2022	10136	WEST COAST ARBORISTS INC	180625	53070 URBAN FORESTRY	9,520.00
				180626	53503 URBAN FORESTRY MANAGEMENT	13,736.40
						Total : 23,256.40
129496	1/19/2022	10537	WETMORE'S	06P26227	53475 VEHICLE REPAIR PARTS	67.98
						Total : 67.98
37 Vouchers for bank code : ubgen						Bank total : 1,586,597.12
37 Vouchers in this report						Total vouchers : 1,586,597.12

Prepared by: ISABEL SUNDORF
 Date: 1/19/2022
 Approved by: J-K MANSOUR
 Date: 1/19/22

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
1060	1/26/2022	10401 US BANK TRUST	1893085		DEBT SERVICE TARB 2016A	1,659,585.71

Total : 1,659,585.71

1 Vouchers for bank code : ubgen

Bank total : 1,659,585.71

1 Vouchers in this report

Total vouchers : 1,659,585.71

Prepared by: Karel Smelcer
Date: 1/26/2022
Approved by: [Signature]
Date: 1/26/2022

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129497	1/26/2022	12724 AMERICAN FIDELITY ASSURANCE	D414257		VOLUNTARY INS-AM FIDELITY	4,969.06
					Total :	4,969.06
129498	1/26/2022	12903 AMERICAN FIDELITY ASSURANCE CO	6042764A		FLEXIBLE SPENDING ACCOUNT	2,069.64
					Total :	2,069.64
129499	1/26/2022	10208 ANTHEM EAP	81537		EMPLOYEE ASSISTANCE PROGRAM	273.06
					Total :	273.06
129500	1/26/2022	12722 FIDELITY SECURITY LIFE	165097571		EYEMED - VOLUNTARY VISION	1,038.34
					Total :	1,038.34
129501	1/26/2022	10508 LIFE INSURANCE COMPANY OF	January 2022		LIFE INSURANCE	2,537.52
					Total :	2,537.52
129502	1/26/2022	14452 MEDICAL AIR SERVICES ASSC, MASA	1169360		MEDICAL AIR TRANSPORT SVCS	84.00
					Total :	84.00
129503	1/26/2022	14458 METROPOLITAN LIFE INSURANCE	70401964		DENTAL INSURANCE	11,511.34
					Total :	11,511.34
129504	1/26/2022	14458 METROPOLITAN LIFE INSURANCE	70401965		VOLUNTARY LEGAL	189.00
					Total :	189.00
129505	1/26/2022	10784 NATIONAL UNION FIRE INSURANCE	January 2022		VOLUNTARY AD&D	74.50
					Total :	74.50
129506	1/26/2022	10335 SAN DIEGO FIREFIGHTERS FEDERAL	January 2022		LONG TERM DISABILITY-SFFA	1,475.00
					Total :	1,475.00
129507	1/26/2022	10424 SANTEE FIREFIGHTERS	PPE 01/19/22		DUES/PEC/BENEVOLENT/BC EXP	3,353.49
					Total :	3,353.49
129508	1/26/2022	12892 SELMAN & COMPANY, LLC	January 2022		ID THEFT PROTECTION	210.00
					Total :	210.00
129509	1/26/2022	10776 STATE OF CALIFORNIA	PPE 01/19/22		WITHHOLDING ORDER	449.53

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129509	1/26/2022	10776	10776 STATE OF CALIFORNIA		(Continued)	Total : 449.53
129510	1/26/2022	14467	TEXAS LIFE INSURANCE COMPANY	SM0F0U20220117001	VOLUNTARY INS RIDERS	246.00
						Total : 246.00
129511	1/26/2022	10001	US BANK	PPE 01/19/22	PARS RETIREMENT	610.46
						Total : 610.46
15 Vouchers for bank code : ubgen						Bank total : 29,090.94
15 Vouchers in this report						Total vouchers : 29,090.94

Prepared by: Brian Smolton
Date: 1/26/2022
Approved by: [Signature]
Date: 1/26/2022

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129512	1/27/2022	11445 AMERICAN MESSAGING	75933		FD PAGER SERVICE	164.01
					Total :	164.01
129513	1/27/2022	14306 AZTEC LANDSCAPING, INC	0037970-IN	53493	CUSTODIAL SERVICES - PARKS	4,184.71
					Total :	4,184.71
129514	1/27/2022	12951 BERRY, BONNIE F.	February 1, 2022		RETIREE HEALTH PAYMENT	91.00
					Total :	91.00
129515	1/27/2022	10019 BERT W SALAS INC	CIP 2021-21 #3 CIP 2021-21 #3R	53594	SANDSTONE DR & WOODPECKER RETENTION	61,907.50 -3,095.38
					Total :	58,812.12
129516	1/27/2022	10020 BEST BEST & KRIEGER LLP	LEGAL SVS DEC 2021		LEGAL SVS DEC 2021	70,337.83
					Total :	70,337.83
129517	1/27/2022	11513 BOND, ELLEN	02012022-263		MEADOWBROOK HARDSHIP	77.47
					Total :	77.47
129518	1/27/2022	13292 BORDER TIRE	8027475 8027838	53406 53406	TIRES TIRES	481.05 1,443.14
					Total :	1,924.19
129519	1/27/2022	10668 CALIFORNIA BUILDING STANDARDS	OCT-DEC 2021		OCT-DEC 2021 SB1374 FEES	561.60
					Total :	561.60
129520	1/27/2022	10478 CALIFORNIA DEPARTMENT OF	2021 SALES TAX OCT- DEC 2021		2021 CALENDAR YEAR SALES TAX OCT- DEC 2021 USE TAX	441.00 1,164.00
					Total :	1,605.00
129521	1/27/2022	10876 CANON SOLUTIONS AMERICA INC	4040431373 4040431374	53552 53552	SCANNER MAINTENANCE PLOTTER MAINT & USAGE	106.46 27.84
					Total :	134.30
129522	1/27/2022	11402 CARROLL, JUDI	02012022-96		MEADOWBROOK HARDSHIP	77.66
					Total :	77.66

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129523	1/27/2022	10031 CDW GOVERNMENT LLC	Q438014		SOFTWARE RENEWAL	2,412.00
					Total :	2,412.00
129524	1/27/2022	10032 CINTAS CORPORATION #694	4106621948	53483	UNIFORM/PARTS CLEANER RNTL	66.51
					Total :	66.51
129525	1/27/2022	12328 CINTAS CORP. #2	5089247149	53557	FIRST-AID KIT SERVICE	165.44
					Total :	165.44
129526	1/27/2022	11409 CLAYTON, SYLVIA	02012022-340		MEADOWBROOK HARDSHIP	81.27
					Total :	81.27
129527	1/27/2022	10035 COMPETITIVE METALS INC	428053	53434	VEHICLE REPAIRS	465.63
					Total :	465.63
129528	1/27/2022	10268 COOPER, JACKIE	February 1, 2022		RETIREE HEALTH PAYMENT	91.00
					Total :	91.00
129529	1/27/2022	12153 CORODATA RECORDS	RS4756147	53565	RECORD STORAGE, RETRIEVAL	528.00
					Total :	528.00
129530	1/27/2022	11862 CORODATA SHREDDING INC	DN1343762	53566	SECURE DESTRUCTION SERVICES	88.69
					Total :	88.69
129531	1/27/2022	10358 COUNTY OF SAN DIEGO	22CTOFSAN06	53559	SHERIFF RADIOS	3,705.00
					Total :	3,705.00
129532	1/27/2022	10486 COUNTY OF SAN DIEGO	01052022A		COUNTY RECORDER FEE - NOE	50.00
					Total :	50.00
129533	1/27/2022	10486 COUNTY OF SAN DIEGO	01052022B		COUNTY RECORDER FEE - NOE	50.00
					Total :	50.00
129534	1/27/2022	10040 COUNTYWIDE MECHANICAL SYSTEMS	44638 45288	53436 53436	HVAC MAINT & REPAIRS HVAC MAINT & REPAIRS	934.36 5,741.95
					Total :	6,676.31
129535	1/27/2022	10333 COX COMMUNICATIONS	052335901- DEC		8950 COTTONWOOD AVE	183.38

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129535	1/27/2022	10333 10333 COX COMMUNICATIONS	(Continued)			Total : 183.38
129536	1/27/2022	10142 CSA SAN DIEGO COUNTY	748	53684	CDBG SUBRECIPIENT	1,860.71 Total : 1,860.71
129537	1/27/2022	13129 DAVID TURCH AND ASSOCIATES	12302021	53644	DAVID TURCH & ASSOCIATES	15,000.00 Total : 15,000.00
129538	1/27/2022	10433 DEPARTMENT OF CONSERVATION	OCT-DEC 2021		OCT- DEC 2021 SMIP FEES	2,004.87 Total : 2,004.87
129539	1/27/2022	14347 DIAMOND EDUCATION	1011	53595	CONTINUING ED/QA/QI PROGRAM	2,314.50 Total : 2,314.50
129540	1/27/2022	12483 DISCOUNT SIGNS AND BANNERS	5548 5564	53439 53439	IDENTIFICATION DECALS IDENTIFICATION DECALS	35.58 23.79 Total : 59.37
129541	1/27/2022	11017 DIVISION OF THE STATE	AB1379 OCT-DEC 2021		AB1379 OCT - DEC 2021	354.40 Total : 354.40
129542	1/27/2022	12593 ELLISON WILSON ADVOCACY, LLC	2022-01-10	53567	LEGISLATIVE ADVOCACY SERVICES	1,500.00 Total : 1,500.00
129543	1/27/2022	10057 ESGIL CORPORATION	12/2021		SHARE OF FEES	70,139.72 Total : 70,139.72
129544	1/27/2022	10251 FEDERAL EXPRESS	7-628-81258		SHIPPING CHARGES	41.89 Total : 41.89
129545	1/27/2022	12271 FERNO WASHINGTON INC	896403	53615	CHAIR COT GURNEY	10,242.60 Total : 10,242.60
129546	1/27/2022	13044 FIELDTURF USA, INC	682557	53568	SYNTHETIC TURF MAINTENANCE	8,902.76 Total : 8,902.76
129547	1/27/2022	10065 GLOBAL POWER GROUP INC	78162	53445	ELECTRICAL REPAIRS & MAINT	426.57 Total : 426.57

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129548	1/27/2022	14392 GOFORTH & MARTI, G/M BUSINESS	0273053-IN	53663	DINING/TRAINING ROOM CHAIRS	10,642.48
				53663		
			0273054-IN	53663	DINING/TRAINING ROOM CHAIRS	7,777.22
					Total :	18,419.70
129549	1/27/2022	11875 HALL, RONN	2021		ICSC CONVENTION	397.48
					Total :	397.48
129550	1/27/2022	11196 HD SUPPLY FACILITIES	9198803337	53409	STATION SUPPLIES	122.80
			9198838133	53409	STATION SUPPLIES	207.14
					Total :	329.94
129551	1/27/2022	10600 HINDERLITER, DE LLAMAS & ASSOC	SIN014007	53570	2021 DEC CANNABIS MGMT PROG	375.00
					Total :	375.00
129552	1/27/2022	14370 HPS MECHANICAL, INC	2753-01	53626	PLUMBING REPAIRS & RELATED	376.00
					Total :	376.00
129553	1/27/2022	12591 IMS INFRASTRUCTURE	50390-2	53639	PAVEMENT CONDITION REPORT	6,246.25
					Total :	6,246.25
129554	1/27/2022	11864 KIRKLAND PRINTING & MAILING	3199		CENTRAL SUPPLIES-WINDOW	751.02
					Total :	751.02
129555	1/27/2022	10906 KRONOS INC	11859342	53704	ANNUAL SOFTWARE SUPPORT	3,872.49
					Total :	3,872.49
129556	1/27/2022	10984 LEONARD, TIM	01192022		EMPLOYEE REIMBURSEMENT	250.00
					Total :	250.00
129557	1/27/2022	10174 LN CURTIS AND SONS	INV557705	53715	SAFETY APPAREL	1,310.24
					Total :	1,310.24
129558	1/27/2022	14152 MYSTERY RANCH	IN159954	53456	SAFETY EQUIPMENT	1,713.23
					Total :	1,713.23
129559	1/27/2022	13056 PACIFIC SWEEPING	154600PS	53497	STREET SWEEPING SVCS	16,109.25

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129559	1/27/2022	13056 13056 PACIFIC SWEEPING	(Continued)			Total : 16,109.25
129560	1/27/2022	10344 PADRE DAM MUNICIPAL WATER DIST	90000366- DEC 2021		GROUP BILL-USAGE	23,265.36
						Total : 23,265.36
129561	1/27/2022	11442 PATTERSON, LUANNE	02012022-225		MEADOWBROOK HARDSHIP	74.92
						Total : 74.92
129562	1/27/2022	10161 PRIZM JANITORIAL SERVICES INC	34241 34242	53498 53498	CUSTODIAL SERVICES - OFFICES CUSTODIAL SERVICES - OFFICES	600.00 3,419.67
						Total : 4,019.67
129563	1/27/2022	10101 PROFESSIONAL MEDICAL SUPPLY	B017636 B017637	53412 53412	OXYGEN CYLINDERS & REFILLS OXYGEN CYLINDERS & REFILLS	111.60 111.60
						Total : 223.20
129564	1/27/2022	12062 PURETEC INDUSTRIAL WATER	1946451 1946452 1946453	53592 53592 53558	DEIONIZED WATER SERVICE DEIONIZED WATER SERVICE DEIONIZED WATER SERVICE	57.42 38.29 38.29
						Total : 134.00
129565	1/27/2022	10095 RASA	5584	53630	MAP CHECK	350.00
						Total : 350.00
129566	1/27/2022	12237 RAYON, KYLE	February 1, 2022		RETIREE HEALTH PAYMENT	91.00
						Total : 91.00
129567	1/27/2022	12256 ROE, DARLENE	02012022-318		MEADOWBROOK HARDSHIP	78.74
						Total : 78.74
129568	1/27/2022	14415 SAN DIEGO FOOD SYSTEM ALLIANCE	4251	53668	SB 1383 REQUIREMENTS	400.00
						Total : 400.00
129569	1/27/2022	13061 SAN DIEGO HUMANE SOCIETY &	Jan-22	53530	ANIMAL CONTROL SERVICES	36,794.00
						Total : 36,794.00
129570	1/27/2022	10768 SANTEE SCHOOL DISTRICT	9125	53500	JOINT USE FIELDS - RIO SECO	517.92

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129570	1/27/2022	10768 10768 SANTEE SCHOOL DISTRICT	(Continued)			Total : 517.92
129571	1/27/2022	13171 SC COMMERCIAL, LLC	2033203-IN 2035656-IN	53480 53480	DELIVERED BULK FUEL DELIVERED BULK FUEL	885.30 986.88 Total : 1,872.18
129572	1/27/2022	13554 SC FUELS	0491104-DEF 0491104-F	53488 53481	FLEET CARD FUELING FLEET CARD FUELING	14.09 2,090.23 Total : 2,104.32
129573	1/27/2022	14038 SINGH GROUP INC	40854	53512	DEAD ANIMAL REMOVAL SERVICE	1,334.30 Total : 1,334.30
129574	1/27/2022	13162 SOCAL PPE	3095		TURNOUT RENTAL	538.75 Total : 538.75
129575	1/27/2022	10314 SOUTH COAST EMERGENCY VEHICLE	506565 506572	53501 53501	VEHICLE REPAIR PART VEHICLE REPAIR PART	449.53 309.16 Total : 758.69
129576	1/27/2022	14265 SOUTHLAND PAVING INC	6 - CIP 2020-24 6R-CIP 2020-24	53357	SANTEE LAKES STORM DRAIN RETENTION	390,151.50 -19,507.58 Total : 370,643.92
129577	1/27/2022	10837 SOUTHWEST TRAFFIC SIGNAL	81377 81378	53587 53587	USA MARKOUTS TRAFFIC SIGNAL SERVICE CALLS	447.48 2,525.14 Total : 2,972.62
129578	1/27/2022	14240 SPICER CONSULTING GROUP	0942	53327	SPECIAL DISTRICT - DEC 2021	2,229.17 Total : 2,229.17
129579	1/27/2022	11403 ST. JOHN, LYNNE	02012022-78		MEADOWBROOK HARDSHIP	77.79 Total : 77.79
129580	1/27/2022	11056 STANDARD ELECTRONICS	S46088	53510	SECURITY SYSTEM MONITORING	1,425.00 Total : 1,425.00
129581	1/27/2022	10217 STAPLES ADVANTAGE	3495720798	53513	OFFICE SUPPLIES - FINANCE	64.41

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129581	1/27/2022	10217 STAPLES ADVANTAGE	(Continued)			
			3496196754	53513	OFFICE SUPPLIES - FINANCE	168.04
			3496798568	53513	STAPLES CREDIT FOR ITEM	-64.41
Total :						168.04
129582	1/27/2022	10119 STEVEN SMITH LANDSCAPE INC	47716	53418	A 2 LANDSCAPE SERVICES	540.00
			47717	53502	A 3 LANDSCAPE SERVICES	930.00
			47947	53502	A 3 LANDSCAPE SERVICES	1,647.72
			47948	53418	A 2 LANDSCAPE SERVICES	2,265.59
			48206	53502	A 3 LANDSCAPE SERVICES	2,288.50
			48417	53418	A 2 LANDSCAPE SERVICES	137.31
			48418	53417	A 1 LANDSCAPE SERVICES	2,991.19
			48420	53502	A 3 LANDSCAPE SERVICES	869.63
			48428	53418	A 2 LANDSCAPE SERVICES	778.09
			48429	53502	A 3 LANDSCAPE SERVICES	503.47
			48430	53417	A 1 LANDSCAPE SERVICES	1,532.32
			48541	53502	A 3 LANDSCAPE SERVICES	11,447.56
			48547	53418	A 2 LANDSCAPE SERVICES	1,190.02
			48736	53417	A 1 LANDSCAPE SERVICES	50,386.25
Total :						77,507.65
129583	1/27/2022	10250 THE EAST COUNTY	00113340	53538	INVITATION TO BID - WESTON PARK	875.00
Total :						875.00
129584	1/27/2022	10467 THE EPOCH TIMES IN SAN DIEGO	SD056202112	53720	REDISTRICTING PUBLIC HEARING	215.00
Total :						215.00
129585	1/27/2022	10475 VERIZON WIRELESS	9897025326		CELL PHONE SERVICE	1,215.18
			9897025327		WIFI SERVICE	1,343.94
Total :						2,559.12
129586	1/27/2022	10537 WETMORE'S	06P26272	53475	VEHICLE REPAIR PARTS	28.02
Total :						28.02
129587	1/27/2022	12930 WILLIAMS, ROCHELLE M.	February 1, 2022		RETIREE HEALTH PAYMENT	91.00
Total :						91.00
129588	1/27/2022	12641 WITTORFF, VICKY DENISE	February 1, 2022		RETIREE HEALTH PAYMENT	31.00

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
129588	1/27/2022	12641 12641 WITTORFF, VICKY DENISE	(Continued)			Total : 31.00
129589	1/27/2022	10232 XEROX CORPORATION	015222685	53540	COPIER LEASE & CHARGES-PSD	318.10
						Total : 318.10
129590	1/27/2022	10318 ZOLL MEDICAL CORPORATION	3417815	53420	EMS SUPPLIES	326.05
			3418055	53420	EMS SUPPLIES	1,039.05
			3423586	53420	EMS SUPPLIES	1,979.91
						Total : 3,345.01
79 Vouchers for bank code : ubgen						Bank total : 850,574.60
79 Vouchers in this report						Total vouchers : 850,574.60

Prepared by: _____

Date: _____

Approved by:  _____

Date: 01/27/2022

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
61160	1/31/2022	10955 DEPARTMENT OF THE TREASURY	PPE 01/19/22		FED WITHHOLD & MEDICARE	87,982.51
					Total :	87,982.51
61169	1/31/2022	10956 FRANCHISE TAX BOARD	PPE 01/19/22		CA STATE TAX WITHHELD	28,669.22
					Total :	28,669.22
682744	1/28/2022	10959 VANTAGE TRANSFER AGENT/457	PPE 01/19/22		ICMA - 457	41,522.29
					Total :	41,522.29
682759	1/28/2022	10782 VANTAGEPOINT TRNSFR AGT/801801	PPE 01/19/22		RETIREE HSA	4,274.36
					Total :	4,274.36

4 Vouchers for bank code : ubgen

Bank total : 162,448.38

4 Vouchers in this report


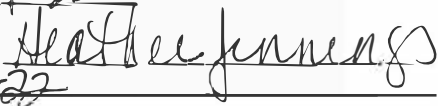
Total vouchers : 162,448.38

Prepared by:

Date:

Approved by:

Date:

MEETING DATE February 9, 2022

ITEM TITLE PURCHASE OF THREE MULTI-FUNCTION COPY MACHINES FROM SHARP BUSINESS SYSTEMS

DIRECTOR/DEPARTMENT

Tim K. McDermott, Finance *TM*

SUMMARY

This item requests City Council authorization for the purchase of a total of three Sharp MX3571 multi-function copy machines this fiscal year from Sharp Business Systems (Sharp). On March 27, 2019 the City Council authorized the purchase of eight multi-function copy machines from Sharp in order to replace outdated machines and to place the new machines under a single pooled maintenance agreement, thereby achieving maintenance cost savings and other efficiencies. At that time there were four additional machines under existing leases with Xerox that were to be rolled into the pooled maintenance agreement with Sharp once the lease terms ended and the machines were replaced. Since that time the City has been able to eliminate the need for one machine and the other three Xerox lease terms have ended this fiscal year. One Sharp MX3571 has been purchased so far this fiscal year for Fire Station #5 at a cost of \$8,476.69 and the two remaining Xerox machines at Fire Station #4 and the Public Services Operations Center are ready to be replaced with similar machines at a cost of \$8,476.69 each, bringing the total requested purchases with Sharp this fiscal year to \$25,430.07.

Santee Municipal Code section 3.24.130 authorizes the City to purchase equipment and supplies from a vendor at a price established by competitive or competitively negotiated bid by another public agency as long as that bid substantially complies with the formal bidding procedures in Santee Municipal Code section 3.24.100. In September 2017, National Joint Powers Alliance (NJPA) (now known as Sourcewell) conducted a competitive process, substantially complying with Santee's Municipal Code, for lease and purchase of various multi-function copiers, printers, and equipment. Based on the requirements for lowest responsive responsible bidder offering the best overall quality and selection of products and services, Sharp was awarded Contract No. 083116-SEC that was effective from October 19, 2016 through October 19, 2021. Sharp has agreed to continue to offer Contract No. 083116-SEC contract pricing to the City for the remaining two machines to be purchased this fiscal year.

FINANCIAL STATEMENT *TM*

Funds are included in the adopted fiscal year 2021-22 General Fund budget for the purchase of these copiers.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *MD*

Authorize the purchase of a total of three Sharp MX3571 multi-function copy machines this fiscal year from Sharp Business Systems for a total amount of \$25,430.07 and authorize the City Manager to execute all related documents.

ATTACHMENT

None



MEETING DATE February 9, 2022

ITEM TITLE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, AWARDING THE CONSTRUCTION CONTRACT FOR THE CITY HALL FIBEROPTIC CABLE REPLACEMENT PROJECT (CIP 2022-30), AND DETERMINING THE PROJECT IS CATEGORICALLY EXEMPT FROM ENVIRONMENTAL REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

DIRECTOR/DEPARTMENT Carl Schmitz, City Engineer *MSM for C.S.*

SUMMARY

This item requests City Council award the construction contract for the City Hall Fiberoptic Cable Replacement Project (CIP 2022-30) to Micom, Inc. in the amount of \$32,720.00. This project will replace and upgrade the fiberoptic cables between the buildings at City Hall and will provide needed broadband distribution for SanteeTV. The overall project also includes upgrades to networking equipment that will be installed by the City's IT department.

On January 13, 2022, five bids were received and opened, with a low bid of \$32,720.00 submitted by Micom, Inc. Upon review of the bid submitted by Micom, Inc., it was discovered that the bidder did not acknowledge Addendum #1 which clarified the bid opening date. This bid irregularity does not affect the outcome of the bid as the bid was received prior to the bid opening date. Staff recommends that this minor irregularity be waived by the City as an immaterial deviation. Given this, Micom, Inc. is determined to be the lowest responsive and responsible bidder in the amount of \$32,720.00. The bid is \$3,220.00 or 9.8% higher than the Engineer's Estimate of construction contract costs of \$29,500.00. The difference is attributed to the small size of the project and uncertainty in material supply and labor costs.

Staff also requests authorization for the City Manager, Director of Development Services or City Engineer to approve change orders in a total amount not to exceed \$4,908.00 (15%) for unforeseen items and additional work.

ENVIRONMENTAL REVIEW

The project is Categorically Exempt from environmental review per State CEQA Guidelines section 15301 (Class 1, repair or minor alternation to existing facilities involving negligible or no expansion of use) and 15302 (Class 2, replacement or reconstruction of existing structures and facilities).

ms
FINANCIAL STATEMENT

The project is included in the adopted Capital Improvement Program budget and is currently funded by PEG Fees and by the General Fund for a total project budget of \$65,000.00.

Bidding	\$ 932.00
Construction Contract	32,720.00
Construction Change Orders	4,908.00
Material Purchases (network equipment)	<u>26,440.00</u>
 Total Project Budget	 <u>\$ 65,000.00</u>

CITY ATTORNEY REVIEW

N/A Completed



RECOMMENDATION *MSB*

Adopt the Resolution:

1. Waiving an immaterial deviation in the bid submitted by Micom, Inc. and awarding the construction contract for the City Hall Fiberoptic Cable Replacement Project (CIP 2022-30) to Micom, Inc. for a total amount of \$32,720.00; and
2. Authorizing the City Manager, Director of Development Services or City Engineer to approve change orders in a total amount not to exceed \$4,908.00; and
3. Approving a Categorical Exemption pursuant to Section 15301(c) of the California Environmental Quality Act.

ATTACHMENT

Resolution
Bid Summary Chart

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
AWARDING THE CONSTRUCTION CONTRACT FOR THE CITY HALL FIBEROPTIC
CABLE REPLACEMENT PROJECT (CIP 2022-30), AND DETERMINING THE
PROJECT IS CATEGORICALLY EXEMPT FROM ENVIRONMENTAL REVIEW
UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

WHEREAS, the City Clerk, on the 13th day of January 2022, publicly opened and examined sealed bids for the City Hall Fiberoptic Cable Replacement Project, CIP 2022-30 ("Project"); and

WHEREAS, the lowest received bid was submitted by Micom, Inc. in the amount of \$32,720.00; and

WHEREAS, the bid submitted by Micom, Inc. omitted an acknowledgement of Addendum #1, which is a deviation, but because the Addendum was only a clarification on the bid opening date and the bid was submitted prior to the bid opening date, City staff recommends waiving this as an immaterial deviation; and

WHEREAS, in accordance with Santee Municipal Code section 3.24.100 (E), Micom, Inc. was found to be the lowest responsive and responsible bidder with their total bid amount of \$32,720.00; and

WHEREAS, staff recommends awarding the construction contract to Micom, Inc. in the amount of \$32,720.00; and

WHEREAS, staff requests authorization for the City Manager, Director of Development Services or City Engineer to approve change orders in a total amount not to exceed \$4,908.00 for unforeseen change orders and additional work; and

WHEREAS, \$65,000.00 is budgeted in the adopted Capital Improvement Program for the City Hall Fiberoptic Cable Replacement Project in FY 21/22; and

WHEREAS, the Project is categorically exempt from environmental review under Sections 15301 (existing facilities) and 15302 (replacement or reconstruction) of the Guidelines to the California Environmental Quality Act (CEQA).

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, as follows:

SECTION 1: The omission of the acknowledgement of Addendum #1 is hereby waived as an immaterial deviation, and the construction contract for the City Hall Fiberoptic Cable Replacement Project CIP 2022-30 is awarded to Micom, Inc. as the lowest responsive and responsible bidder in the amount of \$32,720.00 and the City Manager is authorized to execute the contract on behalf of the City.

SECTION 2: The City Manager, Director of Development Services or City Engineer is authorized to approve change orders in a total amount not to exceed \$4,908.00 for unforeseen change orders and additional work.

RESOLUTION NO.

SECTION 3: A categorical exemption is approved pursuant to Sections 15301 and 15302 of the State CEQA Guidelines.

SECTION 4: The City Clerk is directed to certify the adoption of this Resolution.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 9th day of February, 2022 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

Mayor
John W. Minto

January 13, 2022

City Council
Ronn Hall
Laura Koval
Rob McNelis
Dustin Trotter

BID RESULTS

Project: City Hall Fiberoptic Cable Replacement Project, CIP 2022-30
Bid Opening Date: January 13, 2022 at 10:00 AM

BIDS RECEIVED:

- | | |
|--|---------------|
| 1. Micom, Inc.
License No. 810327 | \$ 32,720.00 |
| 2. GA Technical Services, Inc.
License No. 816080 | \$ 32,806.80 |
| 3. Select Electric, Inc.
License No. 297034 | \$ 35,795.00 |
| 4. Extenda Networks, Inc.
License No. 1004723 | \$ 38,609.00* |
| 5. Crosstown Electrical & Data, Inc.
License No. 756309 | \$ 42,775.00 |

* Total bid amount listed above differs from contractor submitted total based on review of unit bid prices.

Engineers Estimate: \$ 29,500.00

MEETING DATE February 9, 2022

ITEM TITLE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, APPROVING THE FINAL MAP FOR AN 80-UNIT RESIDENTIAL CONDOMINIUM SUBDIVISION (TM2020-2) AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE ASSOCIATED SUBDIVISION IMPROVEMENT AGREEMENT. LOCATION: 7739 MISSION GORGE ROAD. APPLICANT: CORNERSTONE COMMUNITIES

DIRECTOR/DEPARTMENT Carl Schmitz, City Engineer *Jtk For*

SUMMARY

This item requests City Council approval of the final map for 80 residential condominium units and the associated Subdivision Improvement Agreement with Cornerstone Communities. On August 11, 2021, City Council adopted Resolution No. 074-2021 for Tentative Map 2020-2 approving the project for 80 residential condominium units located at 7739 Mission Gorge Road. Development would be in substantial conformance with DR 2020-4. Plan approvals required by Tentative Map Resolution No. 074-2021 have been satisfied. Public improvements include the creation of a cul-de-sac at the south end of Aubrey Glen Drive to accommodate access to the existing mobile home park, the project site (Laurel Heights) and provide improved turning movement and U turns. New concrete public sidewalk from the project site will be installed connecting with existing sidewalk located on the west side of Aubrey Glen Drive. It is anticipated that the future development of the remainder parcel (Pureflo Site) will install the balance of public improvements along the east side of Aubrey Glen Drive as it is their frontage. The final map has been reviewed by the Department of Development Services and found to be technically correct, in substantial conformance with the tentative map requirements of Resolution No. 074-2021, the Santee Municipal Code, and the Subdivision Map Act.

ENVIRONMENTAL REVIEW

A Mitigated Negative Declaration (AEIS 2020-4) was approved by City Council for the project on August 11, 2021.

FINANCIAL STATEMENT *fm*

The City Fee Schedule allows full cost recovery of staff time from fees paid by the developer.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION

Adopt the Resolution: *MSB*

1. Authorizing the approval of the final map for 80 residential units, TM 2020-2; and
2. Authorizing the City Manager to execute the associated Subdivision Improvement Agreement.

ATTACHMENTS

Resolution
Vicinity Map
Subdivision Improvement Agreement



RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
APPROVING THE FINAL MAP FOR AN 80-UNIT RESIDENTIAL CONDOMINIUM
SUBDIVISION (TM2020-2) AND AUTHORIZING THE CITY MANAGER TO EXECUTE
THE ASSOCIATED SUBDIVISION IMPROVEMENT AGREEMENT. LOCATION: 7739
MISSION GORGE ROAD. APPLICANT: CORNERSTONE COMMUNITIES**

WHEREAS, on August 11, 2021, the City Council adopted Resolution No. 074-2021 approving Tentative Map 2020-2, for an 80-unit residential condominium subdivision located at 7739 Mission Gorge Road; and

WHEREAS, the City Council approved and adopted a Mitigated Negative Declaration (State Clearinghouse Number (2021060435) and its associated Mitigation Monitoring and Reporting Program by Resolution No. 074-2021, which fully disclosed, evaluated and mitigated the environmental impacts of the proposed project, including the Tentative Map contemplated in this Resolution. No further environmental review is required for the City to adopt this Resolution; and

WHEREAS, the developer Cornerstone Communities has complied with all provisions of the tentative map approval required for recordation of the Final Map; and

WHEREAS, under the direction of the City Engineer the Final Map has been examined and found to be technically correct, in compliance with State law, applicable Municipal Code provisions, and in substantial conformance with the approved Tentative Map.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Santee does hereby approve the Final Map of Tentative Map 2020-2.

BE IT FURTHER RESOLVED that the City Council does hereby authorize the City Manager to execute the Subdivision Improvement Agreement on their behalf and directs the City Clerk to certify approval of the Final Map and the associated Subdivision Improvement Agreement and certify rejection or acceptance of all dedications and easements as indicated on the Final Map, and directs staff to submit the map to the County Recorder for recordation.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 9th day of February 2022, by the following vote to wit:

AYES:

NOES:

ABSENT:

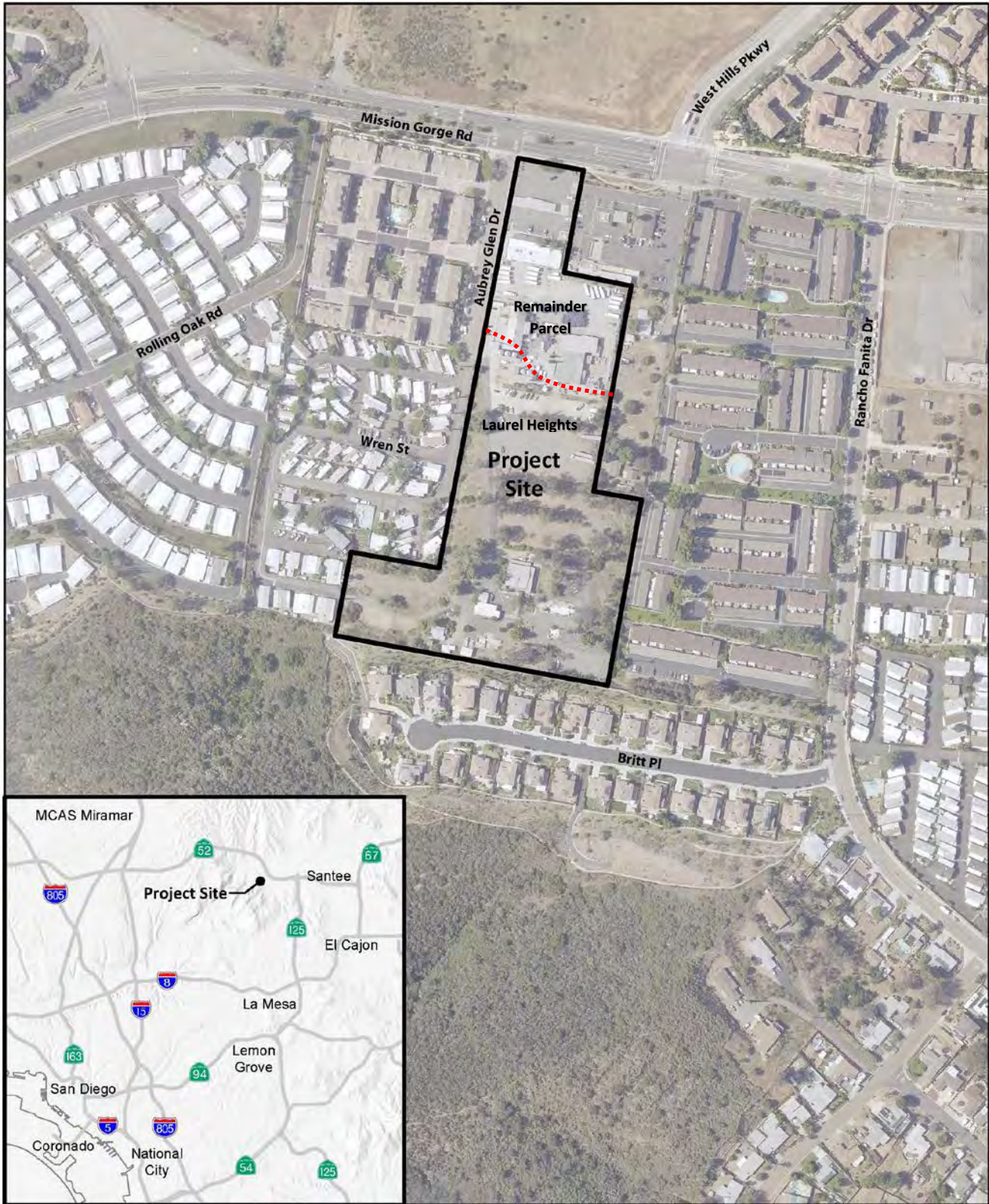
APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

AERIAL VICINITY MAP Laurel Heights TM2020-2



**CITY OF SANTEE
SUBDIVISION IMPROVEMENT AGREEMENT**

DATE OF AGREEMENT: _____

NAME OF SUBDIVIDER: PRESIDIO CORNERSTONE LAUREL HEIGHTS 80, LLC
(referred to as "Subdivider")

NAME OF SUBDIVISION: LAUREL HEIGHTS
(referred to as "Subdivision")

TENTATIVE MAP RESOLUTION
AND DATE OF APPROVAL: Resolution No. 074-2021, August 11, 2021
(referred to as "Resolution of Approval")

IMPROVEMENT PLAN NO(S): 2021-328-353

GRADING PLAN NO(S): 2021-171-235 (Rough Grading)

LANDSCAPE PLAN NO(S): 2021-171-235 (Rough Grading)
(all hereinafter referred to as "Improvement Plans")

ESTIMATED TOTAL COST OF GRADING AND LANDSCAPING: \$ 2,160,295.67

ESTIMATED TOTAL COST OF IMPROVEMENTS: \$ 440,487

ESTIMATED TOTAL COST OF MONUMENTATION: \$ 14,000

SURETY/FINANCIAL INSTITUTION: Markel Insurance Company

ADDRESS: 3131 Camino del Rio N., Ste. 1450, San Diego, CA 92108

FORM OF SECURITY: Cash, Bonds

SECURITY ID NOS.: 4448974

This agreement is made and entered into by and between the City of Santee, California, a Municipal Corporation of the State of California, hereinafter referred to as "City", and the Subdivider.

RECITALS

- A. Subdivider has presented to City for approval and recordation, a final subdivision map of a proposed subdivision pursuant to provisions of the Subdivision Map Act of the State of California and City's ordinances and regulations relating to the filing, approval and recordation of subdivision maps. The Subdivision Map Act and the City's ordinances and regulations relating to the filing, approval and recordation of subdivision maps are collectively referred to in this agreement as the "Subdivision Laws".
- B. A tentative map of the Subdivision has been approved. The Resolution of Approval, listed on Page 1, is on file in the Office of the City Clerk or the Secretary to the Planning Commission and is hereby incorporated into this agreement by reference.
- C. The Subdivision Laws establish as a condition precedent to the approval of a final subdivision map that Subdivider must have complied with the Resolution of Approval and must have either (a) completed, in compliance with City Standards, all of the improvements and land development work required by the Subdivision Laws or the Resolution of Approval or, (b) have entered into a secured agreement with City to complete the construction and installation of improvements and land development within a period of time specified by City.
- D. In consideration of approval of a final subdivision map for the Subdivision by the Planning Commission or City Council (hereinafter referred to as "Legislative Body"), Subdivider desires to enter into this agreement, whereby Subdivider promises to install and complete at Subdivider's own expense, unless otherwise provided for in the Resolution of Approval, all the public improvement work required by City in connection with the proposed Subdivision. Subdivider has secured this agreement with improvement security required by the Subdivision Laws and approved by the City Attorney.
- E. Improvement Plans for the construction, installation and completion of the improvements have been prepared by Subdivider and approved by the City Engineer and are incorporated into this agreement by this reference. All references in this agreement to the Improvement Plans shall include any specifications for the improvements as approved by the City Engineer.
- F. Estimates of the cost of constructing the public improvements and performing land development work in connection with the public improvement requirements according to the Improvement Plans has been made and approved by the City Engineer. The estimated amounts are stated on Page 1 of the agreement and the basis for these estimates are attached as Exhibit "A".
- G. An estimate of the cost of installing all required Subdivision Monuments has been made and approved by the City Engineer. The estimated amount is stated on Page 1 of the agreement and the basis for this estimate is attached as Exhibit "B".
- H. Subdivider recognizes that by approval of the final subdivision map for

Subdivision, City has conferred substantial rights upon Subdivider, including the right to sell, lease, or finance lots within the Subdivision, and has taken the final act necessary to subdivide the property within the Subdivision.

NOW, THEREFORE, in consideration of the approval and authorization for recordation of the final map of the Subdivision by the City Council, Subdivider and City agree as follows:

1. Subdivider's Obligations to Construct Improvements.

Subdivider shall:

- a. Comply with all the requirements of the Resolution of Approval, any amendments thereto, and with the provisions of the Subdivision Laws.
- b. Complete at Subdivider's own expense, all the public and private improvement work required on the Tentative Map and Resolution and the City standards as follows:

IMPROVEMENTS

DEADLINE DATE

City of Santee Plans Drawing

Prior to first occupancy and/or

Nos. 2021-171-235 and

per Director of Development Services

Nos. 2021-328-353

The Subdivider acknowledges that the Improvement Plans have been prepared in conformance with the City standards in effect on the date of improvement plan submittal, but that Subdivider shall be subject to the City standards in effect on the date the improvements are actually constructed.

- c. Furnish the necessary equipment, labor and material for completion of the public improvements in conformity with the Improvement Plans and City standards.
- d. Acquire and dedicate, or pay the cost of acquisition by City, all rights-of-way, easements and other interests in real property required for construction or installation of the public improvements, except as may otherwise be provided for in the Resolution of Approval, free and clear of all liens and encumbrances. The Subdivider's obligations with regard to acquisition by City of off-site rights-of-way, easements and other interests in real property shall be subject to a separate agreement between Subdivider and City and shall be in accordance with City Legislative Policy Memorandum (LPM 91-1). Subdivider shall also be responsible for obtaining any public or private drainage easements or other authorization to accommodate the Subdivision.

- e. Notify City Engineer in writing at least five working days prior to the commencement of the work so that City Engineer will be able to schedule inspections.
 - f. Complete the improvements under this contract on or before the time limit stated in Paragraph 1.b, hereof, unless a time extension is granted by the City Engineer as authorized by Paragraph 20.
 - g. Install all Subdivision Monuments required by law within thirty days after the completion and prior to acceptance of the public improvements by the City.
 - h. Install street name signs conforming to City standards. If permanent street name signs have not been installed before acceptance of the improvements by the City, Subdivider shall install temporary street name signs according to such conditions as the City Engineer may require. Such action shall not, however, relieve Subdivider of the obligation to install permanent street signs.
2. Acquisition and Dedication of Easements or Rights-of-Way. If any of the public improvement and land development work contemplated by this agreement is to be constructed or installed on land not owned by Subdivider, no construction or installation shall be commenced prior to:
- a. The offer of dedication to City of appropriate rights-of-way, easements or other interest in real property, and appropriate authorization from the property owner to allow construction or installation of the improvements or work; or
 - b. The dedication to, and acceptance by City of appropriate rights-of-way, easements, or other interests in real property, as determined by the City Engineer.
 - c. The issuance by a court of competent jurisdiction, pursuant to the state eminent domain law, of an order of possession. Subdivider shall comply in all respects with the order of possession.

Subdivider acknowledges their responsibility to comply with the requirements of Santee Municipal Code and the Subdivision Map Act and acknowledges further that the City will not be in a position to process a final map without the timely submittal of information to obtain off-site property interests required for the construction of off-site improvements, all in accordance with City Legislative Policy Memorandum (LPM 91-1).

Nothing in Paragraph 2 shall be construed as authorizing or granting an extension of time to Subdivider.

3. Security. Subdivider shall at all times guarantee Subdivider's performance of this agreement by furnishing to City, and by maintaining, good and

sufficient security as required by the Subdivision Laws on forms approved by City for the purposes and in the amounts as follows:

- a. To assure faithful performance of this agreement and to secure payment to any contractor, subcontractor, persons renting equipment, or furnishing labor or materials for the grading, drainage and landscaping required to be constructed or installed pursuant to this agreement in an amount equal to one hundred percent (100%) of the Estimated Total Costs of Grading and Landscaping ("Grading and Landscaping Security"); and,
- b. To assure faithful performance of this agreement in regard to the improvements in an amount equal to one hundred percent (100%) of the Estimated Total Cost of the Improvements ("Faithful Performance Security"); and,
- c. To secure payment to any contractor, subcontractor, persons renting equipment, or furnishing labor or materials for the improvements required to be constructed or installed pursuant to this agreement in the additional amount equal to fifty percent (50%) of the Estimated Total Cost of the Improvements ("Labor and Material Security"); and,
- d. To guarantee or warranty the work done pursuant to this agreement for a period of one year following acceptance thereof by City against any defective work or labor done or defective materials furnished in the additional amount equal to ten percent (10%) of the Estimated Total Cost of the Improvements ("Warranty Security"). The Warranty Security shall be included with, and made a part of the Faithful Performance Security until release of the Faithful Performance Security as specified in Paragraph 5.b hereof; and,
- e. Subdivider shall also furnish to City good and sufficient security in an amount equal to one hundred percent (100%) of the Estimated Total Cost of Monumentation to secure the setting of subdivision monuments, as stated previously in this agreement and all payments associated with the setting ("Monumentation Security").

The securities required by this agreement shall be kept on file with the City Clerk. The terms and conditions of the security documents referenced on Page 1 of this agreement are incorporated into this agreement. If any security is replaced by another City approved security, the replacement shall be filed with the City Clerk and, upon filing, shall be deemed to have been made a part of and incorporated into this agreement. Upon filing of a replacement security with the City Clerk, the former security shall be released.

4. Guarantee or Warranty for One Year. In addition to any other remedy in law or equity, Subdivider shall guarantee or warranty the work done pursuant to this agreement for a period of one year after final acceptance by the City Council of the work and improvements against any defective

work or labor done or defective materials furnished. If within the warranty period any work or improvement or part of any work or improvement done, furnished, installed, constructed or caused to be done, furnished, installed or constructed by Subdivider fails to fulfill any of the requirements of this agreement or the Improvement Plans and specifications referred to herein, Subdivider shall without delay and without any cost to City, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work or structure. Should Subdivider fail to act promptly or in accordance with this requirement, Subdivider hereby authorizes City, at City's option, to perform the work twenty (20) days after mailing written notice of default to Subdivider and to Subdivider's Financial Institution/Surety, and agrees to pay the cost of such work by City. Should the City determine that an urgency requires repairs or replacements to be made before Subdivider can be notified, City may, in its sole discretion, make the necessary repairs or replacement or perform the necessary work and Subdivider shall pay to City the cost of such repairs. City shall take all steps reasonably possible to notify Subdivider of such urgency, but failure to receive notification, shall not relieve the Subdivider or their Financial Institution/Surety from the obligation to pay for the entire cost of such urgency work.

5. Release of Securities. The securities required by this agreement shall be released as follows:
 - a. Security given under Paragraph 3.a as Grading and Landscaping Security shall be released in accordance with the City Design and Development Manual procedures for release of grading and erosion control securities.
 - b. Security given under Paragraph 3.b as Faithful Performance Security shall be released upon the final completion and acceptance of the improvements by the City. An amount equal to ninety percent (90%) of the security shall be released with the provision for ten percent (10%) of the original security amount to be retained as Warranty Security for guarantee and warranty of the work performed.
 - c. Security given under Paragraph 3.c as Labor and Material Security shall be released six months after the completion and acceptance of the work. The amount released shall be reduced to an amount equal to 125% of the total amounts claimed by all claimants for whom liens have been filed and of which notice has been given to the City, conditioned upon the payment of said claims together with costs of suit plus reasonable attorney's fees, plus an amount reasonably determined by the City Engineer to be required to assure the performance of any other obligations secured by the security. The balance of the security is to be released upon the settlement of all claims and obligations for which the security was given.

- d. Security given under Paragraph 3.d as Warranty Security shall be released after expiration of the warranty period providing any claims filed during the warranty period have been settled. As provided in Paragraph 4, the warranty period shall not commence until final acceptance of all work and improvements by the City.
 - e. Security given under Paragraph 3.e as Monumentation Security shall be released upon receipt by the City Engineer of written notice by the Subdivider, stating that monuments have been set in accordance with Subdivision Laws and receipt of evidence the Subdivider has paid the Engineer or Surveyor for the setting of subdivision monuments.
 - f. The City may retain from any security released, an amount sufficient to cover costs, reasonable expenses, and fees, including reasonable attorneys' fees.
6. Inspection and Acceptance. Subdivider shall at all times maintain proper facilities and safe access for inspection of the public improvements by City inspectors and to the shops wherein any work is in preparation. Upon completion of the work the Subdivider shall request a final inspection by the City. Upon receipt of the request the City will make final inspection within fifteen (15) days. If the City Engineer, or his/her authorized representative, determines that the work has been completed in accordance with this agreement, they shall certify the completion of the public improvements to the City Council. If the City Council determines that the improvements have been completed as required by this agreement, they shall accept the improvements within thirty (30) days. No improvements shall be accepted unless all aspects of the work have been inspected and determined to have been completed in accordance with the Improvement Plans and City standards. Subdivider shall bear all costs of inspection and certification.
7. Final Acceptance of Work. Acceptance of the work on behalf of City shall be made by the City Council upon recommendation of the City Engineer after final completion and inspection of all improvements. Such acceptance shall not constitute a waiver of defects by City, nor of the applicable statutes of limitation.
8. Alteration to Improvement Plans.
- a. Any changes, alterations or additions to the Improvement Plans and specifications or to the improvements which are mutually agreed upon by City and Subdivider, not exceeding ten percent (10%) of the original estimated cost of the improvement or \$50,000 whichever is less, shall not change the amount of security required under Paragraph 3. In the event such changes, alterations, or additions exceed such amounts, Subdivider shall provide additional security as required by Paragraph 3 of this agreement based on the

Total Estimated Cost of Improvements as changed, altered, or amended, minus any completed partial releases allowed by Paragraph 5 of this agreement.

- b. The Subdivider shall construct the improvements in accordance with the City standards in effect at the time of their construction. City reserves the right to modify the standards applicable to the Subdivision and this agreement, when necessary to protect the public safety or welfare or comply with applicable state or federal law or City zoning ordinances. If Subdivider requests and is granted an extension of time for completion of the improvements, City may apply the standards in effect at the time of the extension.
9. Injury to Public Improvements, Public Property or Public Utility Facilities. Subdivider shall replace or repair subdivision monuments which are destroyed or damaged as a result of any work under this agreement. Subdivider shall bear the entire cost of replacement or repairs of any and all public or public utility property damaged or destroyed by reason of any work done under this agreement, whether such property be owned by the United States or any agency thereof, or the State of California, or any agency, district or political subdivision thereof or by the City or any public or private utility corporation or by any combination of such owners. Any repair or replacement shall be to the satisfaction, and subject to the approval of, the City Engineer.
10. Injury to Work. Until such time as the improvements are accepted by City, Subdivider shall be responsible to bear the risk of loss to any of the improvements constructed or installed. Until such time as all improvements required by this agreement are fully completed and accepted by City, Subdivider will be responsible for the care, operation of, maintenance of, and any damage to such improvements. City shall not, nor shall any officer or employee thereof, be liable or responsible for any accident, loss or damage, regardless of cause, happening or occurring to the work or improvements specified in this agreement prior to the completion and acceptance of the work or improvements. All such risks shall be the responsibility of and are hereby assumed by Subdivider.
11. Default of Subdivider.
 - a. Default of Subdivider shall include, but not be limited, to, Subdivider's failure to timely commence construction of the improvements under this agreement; Subdivider's failure to timely complete construction of the improvements; Subdivider's failure to cure any defect in the improvements; Subdivider's failure to perform substantial construction work for a period of twenty (20) calendar days after commencement of the work; Subdivider's insolvency, appointment of a receiver, or the filing of any petition in bankruptcy either voluntary or involuntary which Subdivider fails to discharge within thirty (30) days; the commencement of a foreclosure action against the Subdivision or a portion thereof, or any conveyance in

lieu or in avoidance of foreclosure; or Subdivider's failure to perform any other obligation under this agreement.

- b. The City reserves to itself all remedies available to it at law or in equity for breach of Subdivider's obligations under this agreement. In the event Subdivider fails to perform any of the terms or conditions of this agreement, the City will be damaged to the extent of the costs of installation of the improvements which Subdivider failed to install. It is specifically recognized that the determination of whether a reversion to acreage or rescission of the Subdivision approval constitutes an adequate remedy for default of the Subdivider shall be reserved to the sole discretion of City. The City shall have the right, to draw upon or utilize the appropriate security to mitigate City's damages in event of default by Subdivider. The right of City to draw upon or utilize the security is additional to, and not in lieu of, any other remedy available to City. Both parties specifically recognize that the estimated costs and security amounts may not reflect the actual cost of construction or installation of the improvements and, therefore, City's damages for Subdivider's default shall be measured by the actual cost to the City of completing the required improvements.

The sums provided by the improvement security may be used by City for the completion of the public improvements in accordance with the Improvement Plans and specifications contained herein. In the event of Subdivider's default under this agreement, Subdivider authorizes City to perform such obligation twenty (20) days after mailing written notice of default to Subdivider and to Subdivider's Surety, and agrees to pay the entire cost of such performance by City.

City may take over the work and prosecute the same to completion, by contract or by any other method City may deem advisable, for the account and at the expense of Subdivider, and Subdivider's Surety shall be liable to City for any excess cost or damages occasioned thereby; and, in such event, City, without liability for so doing, may take possession of, and utilize in completing the work such materials, appliances, plant and other property belonging to Subdivider as may be on the site of the work and necessary for performance of the work. Subdivider agrees not to remove such property from the site.

- c. Failure of Subdivider to comply with the terms of this agreement shall constitute consent to the filing by City of a notice of violation against all lots in Subdivision, or to rescind the approval or otherwise revert the Subdivision to acreage.
- d. In the event that Subdivider fails to perform any obligation hereunder, Subdivider agrees to pay all costs and expenses incurred by City in obtaining performance of such obligations,

Including costs of suit and reasonable attorney's fees.

- e. The failure of City to take an enforcement action with respect to a default, or to declare a breach, shall not be construed as a waiver of that default or any subsequent default of Subdivider.
12. Permits. Subdivider shall, at Subdivider's expenses, obtain all necessary permits and licenses for the construction and installation of the improvements, give all necessary notices and pay all fees and taxes required by law.
13. Subdivider Not Agent of City. Neither Subdivider nor any of Subdivider's agents or contractors are or shall be considered to be agents of City in connection with the performance of Subdivider's obligations under this agreement.
14. Other Agreements. Nothing contained in this agreement shall preclude City from expending monies pursuant to agreements concurrently or previously executed between the parties, or from entering into agreements with other subdividers or developers for the apportionment of costs of water and sewer mains, or other improvements, pursuant to the provisions of the City ordinances providing therefore, nor shall anything in this agreement commit City to any such apportionment.
15. Subdivider's Obligation to Warn Public During Construction. Until final acceptance of the improvements, Subdivider shall give good and adequate warning to the public for each and every dangerous condition present in improvements, whether brought to his or her attention by the City or otherwise, and will take all reasonable actions to protect the public from such dangerous conditions. Warning to the public shall include but is not limited to; installation and maintenance of any and all traffic control devices in accordance with the approved traffic control plan, if any, adherence to Caltrans and City standards for traffic control, site lighting, fencing, barricading, warning signs, cover plates, warning tape, etc.
16. Vesting of Ownership. Upon acceptance of the work on behalf of City, ownership of the improvements constructed pursuant to this agreement shall vest in City.
17. Indemnity/Hold Harmless. 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 Subdivider, its agents or employees, in the performance of this agreement. Subdivider further agrees to protect and hold harmless City, its officials 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 omission of Subdivider, its agents or employees in the performance of this agreement, including all claims, demands, causes of action, liability, or loss because of, or arising out of, in whole or in part, the design or construction of the improvements; provided, however, that the approved development securities 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 to or taking of property, resulting from the design or construction of said subdivision, and the public improvements as provided herein, and, in addition, damage to adjacent property as a consequence of the drainage systems, streets and other public improvements. Acceptance by the City of the improvements shall not constitute an assumption by the City of any responsibility for any damage or taking covered by this paragraph. City shall not be responsible for the design or construction of said Subdivision or the improvements pursuant to the approved Improvement Plans or map, regardless of any action or inaction taken by the City in approving the plans or map, unless the particular improvement design was specifically required by City over written objection by Subdivider submitted to the City Engineer before approval of the particular improvement design, which objection indicated that the particular improvement design was dangerous or defective and suggested an alternative safe and feasible design. After acceptance of the improvements, the Subdivider shall remain obligated to eliminate any defect in design or dangerous condition caused by the design or construction defect, however Subdivider shall not be responsible for routine maintenance. Provision of this paragraph shall remain in full force and effect for ten (10) years following the acceptance by the City of improvements. It is the intent of this section that Subdivider shall be responsible for all liability for design and construction of the improvements installed or work done pursuant to this agreement and that City shall not be liable for any nonfeasance, misfeasance or malfeasance in approving, reviewing, checking, or correcting any plans or specifications or in approving, reviewing or inspecting any work or construction.

18. Sale or Disposition of Subdivision. Sale or other disposition of this property will not relieve Subdivider from the obligations set forth herein. If Subdivider sells the property or any portion of the property within the subdivision to any other person, the Subdivider may request a novation of this agreement and a substitution of security. Upon approval of the novation by City and substitution of securities approved by City, the Subdivider may request a release or reduction of the securities required by this agreement. Nothing in the novation shall relieve the Subdivider of the obligations under Paragraph 17 for the work or improvement done by Subdivider.
19. Time is of the Essence. Time is of the essence in this agreement. Unless otherwise noted all "days" shall be construed to mean calendar days.
20. Time for Commencement of Work; Time Extensions. Subdivider shall commence substantial construction of the improvements required by this agreement not later than nine (9) months prior to the time for completion. In the event good cause exists, as determined by the City Engineer, the time for commencement of construction or completion of the improvements may be extended. The extension shall be made in writing executed by the City Manager. Any such extension may be granted without notice to Subdivider's Surety and shall in no way affect the validity

of this agreement or release the Surety or Sureties from the obligations on any bond. An appeal of the denial for an extension must be made to the City Council within ten (10) days. As a condition of such extension, the City Engineer or City Council may require Subdivider to furnish additional security guaranteeing performance of this agreement as extended in an increased amount as necessary to compensate for any increase in construction costs as determined by the City Engineer.

21. No Vesting of Rights. Performance by Subdivider of this agreement shall not be construed to vest Subdivider's right with respect to any change in any zoning or building law or ordinance.
22. Notices. All notices required or provided for under this agreement shall be in writing and delivered in person or sent by mail, postage prepaid and addressed as provided in this paragraph. Notice shall be effective on the date it is delivered in person, or, if mailed, on the date of deposit in the United States Mail. Notices shall be addressed as follows unless a written change of address is filed with the City:

Notice to City: Attn: Carl Schmitz, City Engineer
 City of Santee
 Department of Development Services
 10601 Magnolia Avenue
 Santee, CA 92071-1266

Notice to Subdivider: Attn: Ure R. Kretowicz, President
 Presidio Cornerstone
 Laurel Heights 80, LLC
 1241 Cave Street, Suite 200
 La Jolla, CA 92037

Notice to Surety: Attn: Cyndi Beilman, Attorney in fact
 Markel Insurance Company
 3131 Camino del Rio N., Ste. 1450
 San Diego, CA 92108

23. Severability. The provisions of this agreement are severable. If any portion of this agreement is held invalid by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect unless amended or modified by the mutual consent of the parties.
24. Captions. The captions of this agreement are for convenience and reference only and shall not define, explain, modify, limit, exemplify, or aid in the interpretation, construction or meaning of any provision of this agreement.
25. Litigation or Arbitration. This agreement may be enforced by litigation or

arbitration. To enforce by arbitration both parties must agree to arbitrate. In the event a party chooses to bring an action to enforce this agreement, the prevailing party shall be entitled to costs and reasonable attorney's fees in enforcing the terms of this agreement.

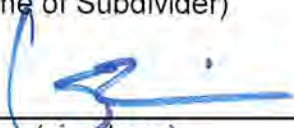
26. Incorporation of Recitals. The Recitals to this agreement are hereby incorporated into the terms of this agreement.
27. Entire Agreement. This agreement constitutes the entire agreement of the parties with respect to the subject matter. All modifications, amendments, or waivers of the terms of this agreement must be in writing and signed by the appropriate representatives of the parties. In the case of the City, the appropriate party shall be the City Manager.
28. Force Majeure. Delay, other than delay in the commencement of work, resulting from an act of City, or by an act of God, which Subdivider could not have reasonably foreseen, or by storm or inclement weather which prohibits the conducting of work, or by strikes, boycotts, similar actions by employees or labor organizations, which prevent the conducting of work, and which were not caused by or contributed to by Subdivider, shall constitute good and sufficient cause for a time extension.

Executed by SUBDIVIDER this 11th day of January, 2022.

SUBDIVIDER:

CITY OF SANTEE, a municipal corporation of the State of California

PRESIDIO CORNERSTONE
LAUREL HEIGHTS 80, LLC
(Name of Subdivider)

By: 
(sign here)

Ure R. Kretowicz
(print name here)

Manager Cornerstone Communities LLC,
its Manager
(title and organization of signatory)

By: _____
Marlene Best
City Manager

Attest: _____
Annette Ortiz
City Clerk

By: _____
(sign here)

(print name here)

(title and organization of signatory)

(Proper notary acknowledgment of execution by SUBDIVIDER must be attached.)

(President or vice-president **and** secretary or assistant secretary must sign for corporations. If only one officer signs, the corporation must attach a resolution certified by the secretary or assistant secretary under corporate seal empowering that officer to bind the corporation.)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of San Diego }

On January 11th, 2022 before me, Caroline Larson, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Ure R. Kretowicz
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: city of santee Subdivision Improvement Agreement

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian of Conservator

Other: _____

Signer is Representing: _____

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian of Conservator

Other: _____

Signer is Representing: _____

EXHIBIT "A"

IMPROVEMENT PLAN: LAUREL HEIGHTS

RICK ENGINEERING COMPANY
 5620 FRIARS ROAD
 SAN DIEGO, CA 92110
 (619) 291-0707
 (619) 291-4165

INTERNAL ORDER NO: NA
 DRAWING NO:
 PROJECT NO: 19137
 0

DESCRIPTION	UNIT	LUMP SUM	TOTAL QUANTITY	UNIT PRICE	TOTAL COST
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SECTION 1-PRIVATE IMPROVEMENTS

CURB AND GUTTER

6" CURB AND GUTTER (G-2)	LF		1780	\$ 20.00	\$ 35,600
6" CURB (G-1)	LF		2020	\$ 15.00	\$ 30,300
4" CURB AND GUTTER (G-2)	LF		350	\$ 20.00	\$ 7,000
4" CURB (G-1)	LF		190	\$ 15.00	\$ 2,850
SUBTOTAL:					\$ 75,750
10% CONTINGENCY:					\$ 7,575
TOTAL:					\$ 83,325

CURB RAMPS AND SIDEWALK

SIDEWALK (G-7)	SF		12750	\$ 4.00	\$ 51,000
PED RAMPS, TYPE-D (G-31)	EA		19.00	\$ 1,600.00	\$ 30,400
SUBTOTAL:					\$ 81,400
10% CONTINGENCY:					\$ 8,140
TOTAL:					\$ 89,540

PAVEMENT

AC PAVEMENT (3")	SF		69960	\$ 1.30	\$ 90,948
BASE (7")	SF		7560	\$ 1.13	\$ 8,543
BASE (10")	SF		62400	\$ 1.63	\$ 101,712
SUBTOTAL:					\$ 201,203
10% CONTINGENCY:					\$ 20,120
TOTAL:					\$ 221,323

MISCELLANEOUS SURFACE IMPROVEMENTS

CROSS-GUTTERS (G-12)	SF		4290	\$ 8.00	\$ 34,320
DRIVEWAY (PW-21)	SF		1110	\$ 7.00	\$ 7,770
SUBTOTAL:					\$ 42,090
10% CONTINGENCY:					\$ 4,209
TOTAL:					\$ 46,299

SECTION 1 TOTAL: \$ 440,487

OVERALL TOTAL: \$ 440,487



EXHIBIT "A"



November 18, 2021

Mr. Scott Johnson
City of Santee,
Department of Development Services
10601 Magnolia Avenue, Santee, CA 92071

SUBJECT: City of Santee Tract No 2020-02, Laurel Heights Site MultiFamily
Rick Engineering Company Job Number 19137

Dear Scott:

In compliance with the amendment to Sections 11566 and 11592 of the State and Business Professional Code requiring the Subdivider to furnish to the City a cash deposit to guarantee payment of the cost of setting final monuments, and your requirements for the surveyor or engineer signing the subdivision map to furnish an estimate of cost for setting the final monuments, I hereby estimate the cost for setting the final monuments on the subject subdivision to be \$14,000.00.

If you have any questions, please call me at (619) 688-1464.

Sincerely,

Rick Engineering Company



Patrick A. McMichael L.S. 6187



MEETING DATE February 9, 2022

ITEM TITLE RESOLUTION AUTHORIZING ADDITIONAL CHANGE ORDER AUTHORIZATION FOR THE STREETLIGHT MAINTENANCE CONTRACT WITH CTE, INC. FOR FY 2021-22 AND APPROPRIATING FUNDS

DIRECTOR/DEPARTMENT Carl Schmitz, City Engineer *SM FOR:*

SUMMARY

This item requests the City Council authorize an increase in the change order authorization for the Streetlight Maintenance contract with CTE for unforeseen repairs and replacement of street lights and appropriate additional Santee Roadway Lighting District funds.

The City Council approved the current Streetlight Maintenance contract on May 23, 2018 with CTE for FY 2018-19 with four optional contract extensions that could increase with the change in the San Diego Area Consumer Price Index (CPI). The contract has been extended through FY 2021-22 with a current contract amount of \$38,823.06 and an authorized change order amount of \$7,721.06 for a current total contract amount of \$46,544.12.

In the current fiscal year through December 2021, an abnormal number of streetlight knockdowns have occurred primarily due to reckless driving (12 total while in a typical year it is around five) with the total repair cost estimated to be \$45,000.00. These repairs will deplete the current contract amount and necessitate additional contract change order authorization.

Staff requests that Council authorize additional change orders in an amount not to exceed \$40,700.00 which would bring the total authorized contract amount to \$87,244.12. This change order amount includes funding for four knockdowns that are still in need of repair, \$12,000.00 for three potential additional knockdowns for the remaining FY 2021-22 contract, and replenishment of funding for routine ongoing monthly maintenance costs that were previously utilized for knockdowns in the first part of FY 2021-22.

FINANCIAL STATEMENT *ms*

The streetlight maintenance contract is funded through Santee Roadway Lighting District property taxes (Zone A) and streetlight assessment funds (Zone B). The current budget for FY 2021-22 is \$80,000 split between Zone A (\$50,000) and Zone B (\$30,000). This budget is used for the maintenance contract and to directly purchase spare replacement streetlight poles and luminaires for knockdowns and burnt out luminaires.

A total amount of \$99,052.77 will be needed to fully fund the initial maintenance contract (\$46,544.12), the proposed change order (\$40,700.00), and replacement material purchases (\$11,808.65). An additional \$19,052.77 above the current \$80,000.00 budget is needed to be appropriated to fully fund the work. There are sufficient funds in the Zone A and Zone B fund reserves for the requested funds. The cost for the majority of the knockdowns are expected to be recovered through insurance claims.



	Zone A	Zone B	Total
Material purchase	\$ 8,128.65	\$ 3,680.00	\$ 11,808.65
Current contract amount	\$ 23,272.06	\$ 23,272.06	\$ 46,544.12
Requested contract change order	\$ 24,500.00	\$ 16,200.00	\$ 40,700.00
Total funding needed	\$ 55,900.71	\$ 43,152.06	\$ 99,052.77
Current FY 2021-22 budget	\$ 50,000.00	\$ 30,000.00	\$ 80,000.00
Appropriation requested	\$ 5,900.71	\$ 13,152.06	\$ 19,052.77

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *MSB*

Adopt Resolution:

1. Authorizing the City Manager, City Engineer or Director of Development Services to execute additional change orders to the Streetlight Maintenance contract with CTE, Inc., in an amount not to exceed \$40,700.00; and
2. Appropriating Santee Roadway Lighting District funds in the amount of \$5,900.71 (Zone A) and \$13,152.06 (Zone B) for a total amount of \$19,052.77.

ATTACHMENT

Resolution

RESOLUTION NO.

RESOLUTION AUTHORIZING ADDITIONAL CHANGE ORDER AUTHORIZATION FOR THE STREETLIGHT MAINTENANCE CONTRACT WITH CTE, INC. FOR FY 2021-22 AND APPROPRIATING FUNDS

WHEREAS, the City contracts with CTE for annual street light maintenance services with a current contract amount of \$38,823.06 and an authorized change order amount of \$7,721.06 for a current total contract amount of \$46,544.12; and

WHEREAS, in the current fiscal year through December 2021, an abnormal number of streetlight knockdowns have occurred primarily due to reckless driving (12 total while in a typical year it is around five) with the total repair cost estimated to be \$45,000.00; and

WHEREAS, the repairs for the knockdowns will deplete the current contract amount and necessitate additional contract change order authorization; and

WHEREAS, staff requests that Council authorize the City Manager, City Engineer or Director of Development Services to execute additional change orders in an amount not to exceed \$40,700.00 which would bring the total authorized contract amount with CTE to \$87,244.12; and

WHEREAS, there are sufficient reserve balances in the Santee Roadway Lighting District funds for Zone A and Zone B for the additional change orders; and

WHEREAS, staff requests that Council appropriate funds from the Santee Roadway District available reserve balances in the amount of \$5,900.71 (Zone A) and \$13,152.06 (Zone B) for a total amount of \$19,052.77.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, as follows:

SECTION 1: Authorize the City Manager, City Engineer or Director of Development Services to execute additional change orders in an amount not to exceed \$40,700.00.

SECTION 2: Appropriate Santee Roadway Lighting District funds in the amount of \$5,900.71 (Zone A) and \$13,152.06 (Zone B) for a total amount of \$19,052.77.

SECTION 3: The City Clerk is directed to certify the adoption of this Resolution.

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 9th day of February, 2022 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

MEETING DATE February 9, 2022

ITEM TITLE CONSIDERATION OF REVISED CITY COUNCIL DISTRICT
ELECTORAL BOUNDARIES AS REQUIRED BY ELECTIONS CODE SECTION 21621

DIRECTOR/DEPARTMENT Annette Ortiz, City Clerk

SUMMARY

Pursuant to Election Code section 21621, cities with by-district election systems are required to redraw their district boundary maps to ensure compliance with the California and federal Voting Rights Acts. The process to complete the redistricting requires a minimum of four public hearings and dedicated public outreach to ensure minority populations and communities of interest are aware of the redistricting effort and are provided with options to participate. The first public hearing was held on October 13, 2021 and the second public hearing was held on November 10, 2021. A third public hearing was held on January 26, 2022. This is the fourth of four required public hearings. The deadline for Santee to complete the redistricting process is April 17, 2022.

FINANCIAL STATEMENT *jm*

There is no fiscal impact associated with the recommended action.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *MSB*

1. Receive a report from staff and the City's redistricting consultant on the redistricting process and review draft maps to redraw district boundaries; and
2. Conduct a public hearing to receive public input on district boundaries.
3. Select a preferred map. *✓*

ATTACHMENT

Staff Report
Proposed Maps and Demographic Analysis

STAFF REPORT

CONSIDERATION OF REVISED CITY COUNCIL DISTRICT ELECTORAL BOUNDARIES AS REQUIRED BY ELECTIONS CODE SECTION 21621

February 9, 2022 Council Meeting

BACKGROUND

Pursuant to Election Code section 21621, charter cities with by-district election systems are required to redraw their district boundary maps to ensure compliance with the California and federal Voting Rights Acts. The process to complete the redistricting requires a minimum of four public hearings and dedicated public outreach to ensure minority populations and communities of interest are aware of the redistricting effort and are provided with options to participate. The City held its first public hearing on October 13, 2021 and its second public hearing on November 10, 2021. The third public hearing was held on January 26, 2022. The deadline for Santee to complete the redistricting process is April 17, 2022.

DISCUSSION

The City adopted its current district boundaries in 2018, following the transition to district-based elections and based on 2010 census data as required by law. The districts must now be redrawn using the 2020 census data and in compliance with the FAIR MAPS Act, which was adopted by the California legislature as AB 849 and took effect January 1, 2020.

Under the Act, the City Council shall draw and adopt boundaries using the following criteria in the listed order of priority (Elections Code 21621(c)):

1. Comply with the federal requirements of equal population and the Voting Rights Act
2. Be geographically contiguous
3. Undivided neighborhoods and “communities of interest” (socio-economic geographic areas that should be kept together)
4. Display easily identifiable boundaries
5. Be compact (do not bypass one group of people to get to a more distant group of people)
6. Shall not favor or discriminate against a political party

Once the prioritized criteria are met, other traditional districting principles can be considered, such as:

1. Minimize the number of voters delayed from voting in 2022 to 2024
2. Respect voters’ choices/continuity in office
3. Future population growth

By law, the City must hold at least four public hearings that enable community members to provide input on the drawing of district maps:

1. At least one hearing must occur before the city or county draws draft maps
2. At least two hearings must happen after the drawing of draft maps
3. The fourth hearing can happen either before or after the drawing of draft maps
4. City or county staff or consultants may hold a public workshop instead of one of the required public redistricting hearings

To increase the accessibility of these hearings, cities and counties must take the following steps:

1. At least one hearing must occur on a Saturday, Sunday, or after 6:00 p.m. on a weekday
2. If a redistricting hearing is consolidated with another local government meeting, the redistricting hearing must begin at a pre-designated time
3. Local public redistricting hearings must be made accessible with people with disabilities

Analysis of the City's current district boundaries, adjusted for the 2020 Census data, shows the districts remain population-balanced. The City's population is 60,162. The ideal district population is one-fourth of that number, or 15,040.

Determining population balance is done by measuring the spread, or deviation, between the least populated district and the greatest populated district. Deviations of 10% or less are generally considered acceptable under U.S. Supreme Court rulings on equal protection.

The current population of District 1 is under the ideal at -3.46% while District 2 is over the ideal at 4.05%. Combined, those deviations bring the City's current total deviation to 7.51%. As such, the district boundaries do not need to be adjusted to achieve a population balance with less than a 10% deviation. While the City Council may choose to revise district boundaries to achieve a lower population deviation or to consider specific communities of interest, it is not required to revise the districts under the constitutional requirements for equal protection.

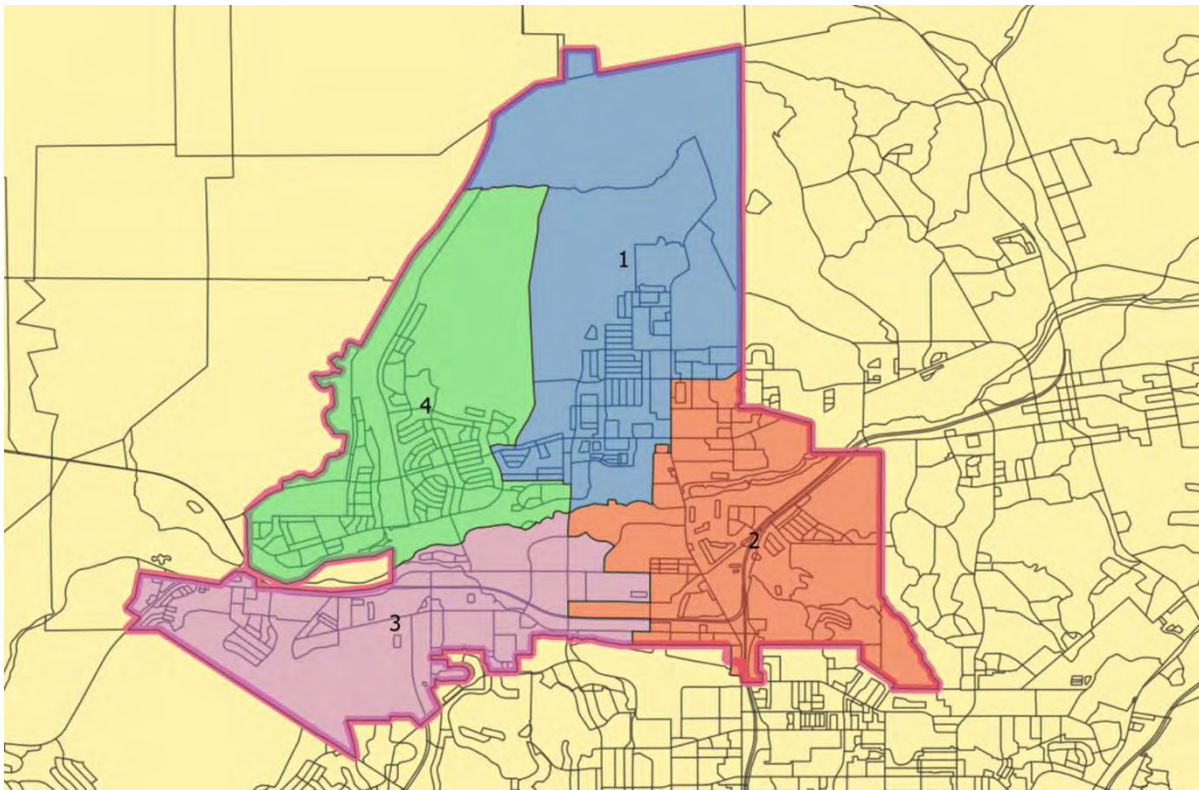
Another consideration is the distribution of minority voters throughout the City, and whether there is a possibility of creating a majority/minority voting district as required under the federal Voting Rights Act. This analysis involves reviewing the ethnicity demographics from the census data, specifically citizens of voting age populations (CVAP). Upon review of the City's CVAP data, creation of a majority/minority voting district (a district in which an identified minority comprises the majority of voting age population) is likely *not* possible while remaining in compliance with regard to the other mapping requirements noted above. The City's total combined minority CVAP population is low, 27%, and the dispersed nature of all minorities makes it difficult to create a majority/minority voting district. A complete demographic breakdown of the existing districts is attached to this report.

The purpose of this public hearing is to review draft maps, to inform the public about the districting process, and to hear from the community on factors that must be taken into consideration for district boundaries. The public is requested to provide input regarding communities of interest and other local factors that should be considered for district maps. A community of interest under the relevant Elections Code for cities (Section 21621(c) is, “a population that shares common social or economic interests that should be included within a single district for purposes of its effective and fair representation.”

Possible features defining community of interest might include, but are not limited to:

1. School attendance areas;
2. Natural dividing lines such as major roads, hills, or highways;
3. Areas around parks and other neighborhood landmarks;
4. Common issues, neighborhood activities, or legislative/election concerns; and
5. Shared demographic characteristics, such as:
 - o Similar levels of income, education, or linguistic insolation;
 - o Languages spoken at home; and
 - o Single-family and multi-family housing unit areas.

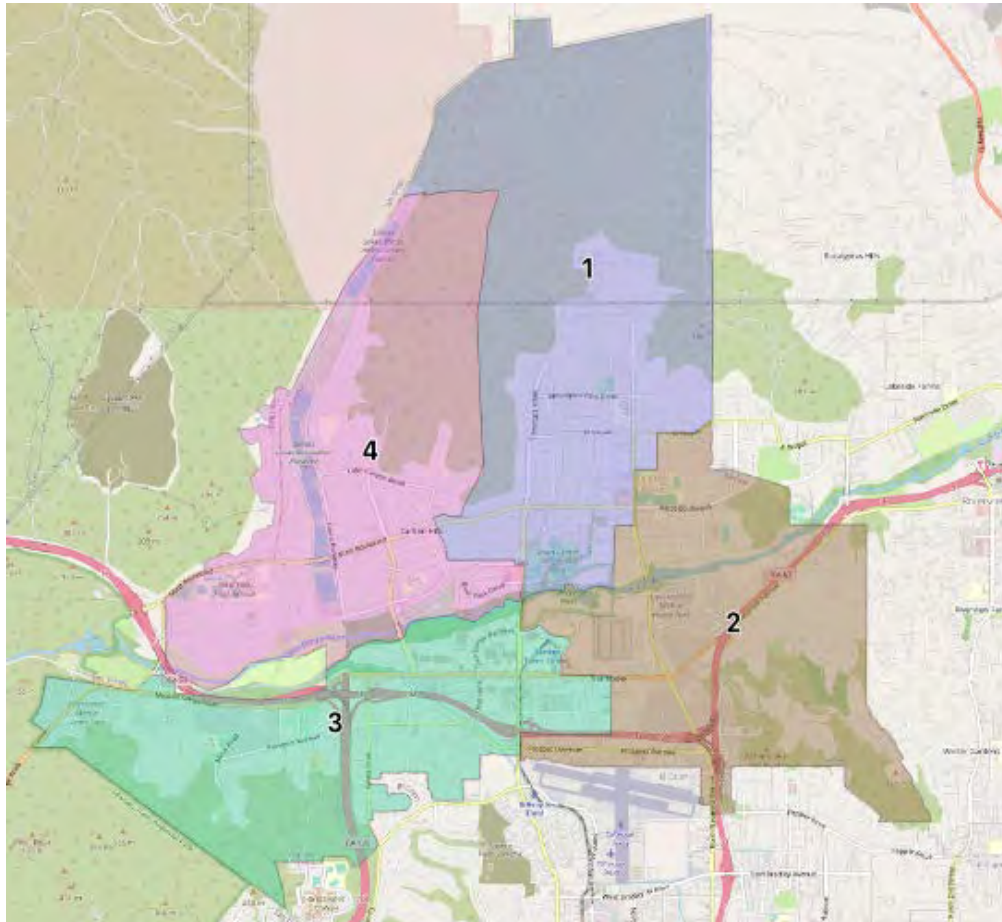
The City’s current district boundary map (Map Option 1) is illustrated below:



Given that the City’s existing Council district boundaries are in compliance with state and federal law governing district-based elections, the City’s Redistricting consultant prepared

one additional draft map option for Council's consideration at the public hearing held on January 26, 2022. The map is summarized below, and accompanying demographic information may be found attached to this report (Attachment).

Map Option 2 (previously Option B)



Map Option 2 is a relatively minor population balance adjustment that closely resembles the current boundary map, particularly with regard to the intersection of all four districts and the relative compact shape of the districts, taking into consideration the unique geography of the City's boundaries. Option 2 does not create a majority/minority voting district, as the City's minority population does not rise to the level where creation of such a district is possible. Option 2 exhibits a deviation of 4.86%, as compared to the current deviation of 7.51%. The map preserves the core of existing districts and complies with the requirements of the Fair Maps Act as outlined above. A complete demographic analysis is attached to this report.

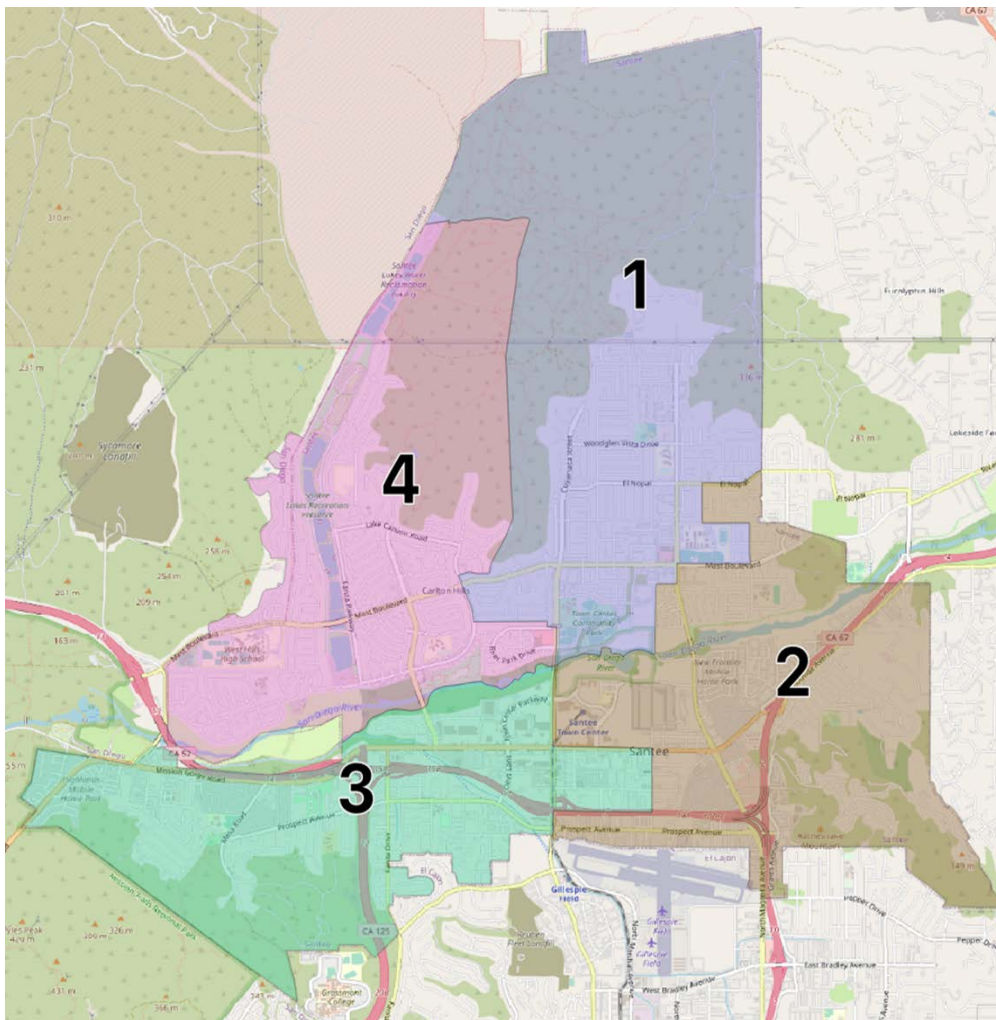
At the public hearing on January 26, 2022, the Council expressed a desire to see revisions to Map Option 2, along with considering any maps that may be submitted by the public using the online mapping tool. The online mapping tool became "live" immediately following the January 26, 2022 public hearing, and may be accessed at the following link:

https://mapsantee.org/?page_id=10.¹ At the time of agenda production, no maps had been submitted by members of the public. Should maps be submitted prior to the public hearing, the City's redistricting consultant will endeavor to present those maps at the hearing for Council's review. The City's consultant has prepared a revision to Map Option 2, which is summarized below.

Further, an online tool for closely examining the boundaries, with zoom and search capabilities, may be found here:

<https://www.google.com/maps/d/u/0/viewer?mid=13GX4WpEGkJXBAVg17oY-J0yOC5dYdX2p&ll=32.85919150786184%2C-116.98819700000001&z=13>

Map Option 3



¹ In order to use the free online tool, users are required to create a free account, and follow detailed instructions. Links to create the account and to read the instructions are provided at the above link.

Option 3 addresses the commercial center at the intersection of Mission Gorge Road and Cuyamaca Street, placing the center wholly in District 2. It also moves the Santana High School property and a few adjacent residential properties into District 1. It exhibits a deviation of 4.73%, down slightly from Option 2, upon which it was based. Like Option 2, it closely resembles the City's current district boundaries, and creates compact and contiguous districts. Option 3 does not create a majority/minority voting district, as the City's minority population does not rise to the level where creation of such a district is possible. A complete demographic breakdown is attached to this report.

NEXT STEPS

The Council may, at tonight's hearing, narrow its focus and select a preferred map. In that instance, staff will return at the March 9, 2022 City Council meeting with an introduction of an Ordinance approving a final map at the fourth public hearing. If at tonight's hearing the Council requests additional revisions, those revisions will be presented at a fifth public hearing, which may be scheduled for March 23, 2022. Should additional public hearings be necessary to identify and select a preferred map, they will be scheduled accordingly. As stated above, the deadline for the City of Santee to complete the redistricting process is April 17, 2022.

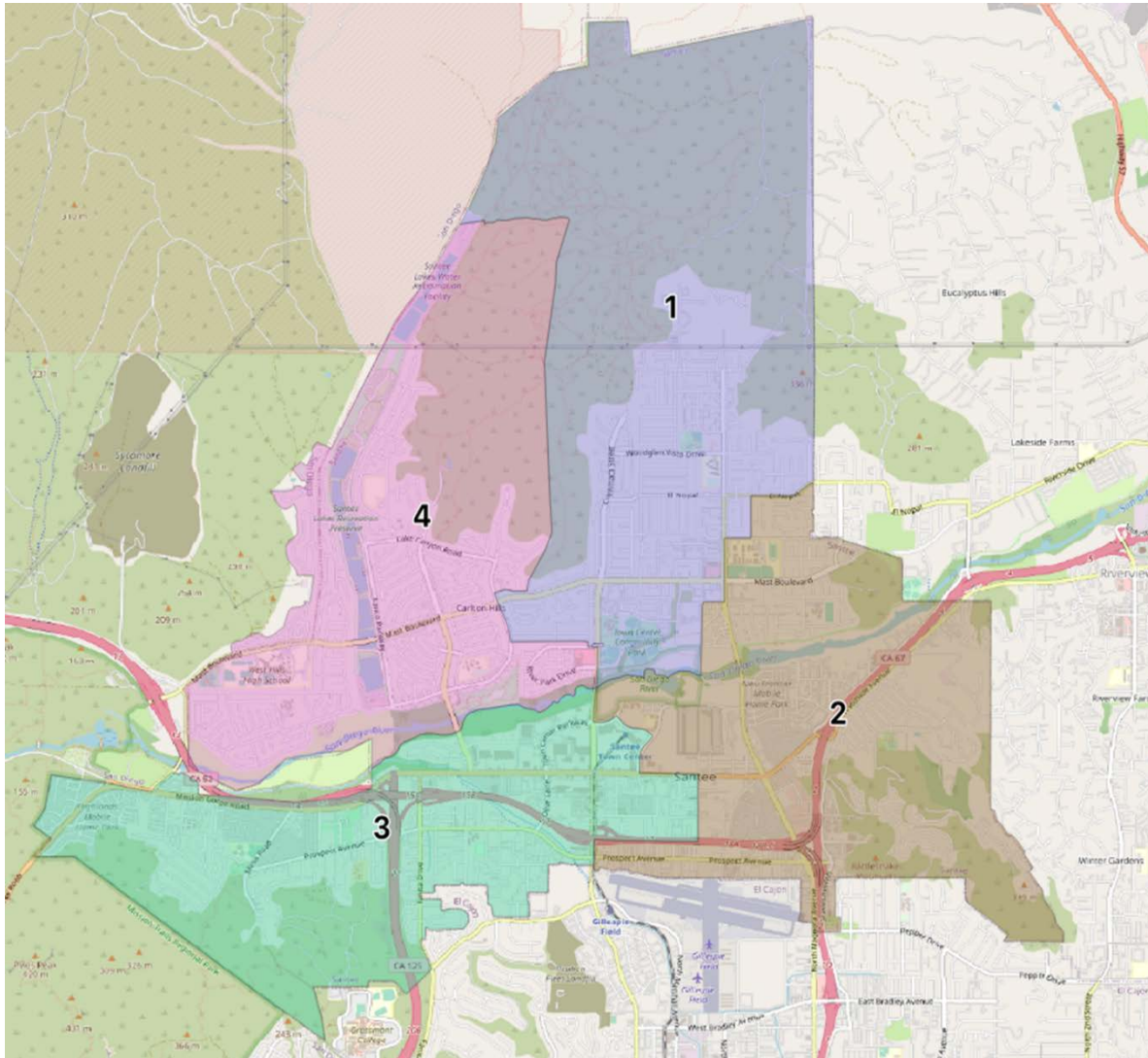
RECOMMENDATION

1. Receive a report from staff and the City's redistricting consultant on the redistricting process and review draft maps to redraw district boundaries; and
2. Conduct a public hearing to receive public input on district boundaries.
3. Select a preferred map.

Attachment

Proposed Map and Demographic Analysis

Map Option 2 (previously B)



District	Total Population	Raw Deviation	% Deviation	NL* White Alone	Latino	CVAP**19 Total	CVAP19 NL White	CVAP19 NL Black	CVAP Hispanic	CVAP19 Not Hispanic	CVAP19 NL AIAN***	CVAP19 NL ASIAN	CVAP19 NL Hawaiian	CVAP19 NL Other
1	15,006	(35)	-0.23%	10,022	2,754	10,692	8,006	313	1,458	9,296	35	450	44	127
2	15,167	127	0.84%	8,992	3,786	11,925	8,387	440	1,817	10,050	126	802	49	66
3	15,360	320	2.12%	9,245	3,301	10,954	7,961	205	1,689	9,270	97	569	28	69
4	14,629	(412)	-2.74%	9,583	2,706	10,455	7,842	109	1,420	9,015	37	587	3	100
Total	60,162													
Ideal	15,041													
Deviation	4.86%													
*NL =	Non-Latino													
**CVAP =	Citizen Voting Age Population													
***AIAN=	American Indian Alaskan Native													

MEETING DATE February 9, 2022

ITEM TITLE A PUBLIC HEARING TO ASSESS COMMUNITY DEVELOPMENT NEEDS AND TO SOLICIT PROPOSALS FOR PROGRAM YEAR 2022 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME PROGRAM FUNDING CONSISTENT WITH THE CONSOLIDATED PLAN

DIRECTOR/DEPARTMENT Carl Schmitz, City Engineer *SM FOR:*

SUMMARY

CDBG Program - The federal Community Development Block Grant (CDBG) Program promotes viable urban communities by providing decent housing, a suitable living environment and expanded economic opportunities, principally for low- and moderate-income persons. There is uncertainty regarding the amount of CDBG funding that will be available to the City for Program Year (PY) 2022 (July 2022 through June 2023); however, the timeline for submission of an annual CDBG application requires the City to begin the process of prioritizing CDBG-funded activities in February. For planning purposes, it is estimated that the City's PY 2022 allocation will be \$279,789, which is the average of the allocations for the past three years and 7.4% less than the PY 2021 allocation. In addition, \$25,387 from the carry forward of prior-year unexpended funds would bring the estimated total amount available for allocation in PY 2022 to \$305,176.

A request for proposals was published on December 10, 2021, with applications due to the City by January 10, 2022. The City received six Public Service applications for PY 2022 CDBG funding totaling \$53,000, in addition to the City's requests for Administrative Activities and Public Facilities funding, as detailed in the attached report and summary of applications.

HOME Program - The HOME Investment Partnership Program (HOME) provides funding for housing acquisition/rehabilitation, construction, rental assistance and home ownership assistance. The City of Santee participates in HOME funding through a consortium including five other cities and the County of San Diego. The County administers HOME-funded programs on behalf of consortium members, including a first-time homebuyer down payment assistance loan program. In 2021, three loans for the purchase of homes in Santee were completed.

ENVIRONMENTAL REVIEW

This item is exempt from environmental review under the California Environmental Quality Act ("CEQA") by CEQA Guidelines section 15061(b)(3).

FINANCIAL STATEMENT *sm*

No funding decisions will be made at this meeting. Allocations of CDBG funding will be determined during the second public hearing to be conducted on March 9, 2022.

CITY ATTORNEY REVIEW

N/A

Completed

RECOMMENDATION *MSB*

Open the public hearing, receive public testimony, and continue the public hearing to March 9, 2022.

ATTACHMENTS

Staff Report

Summary of Requests

Applications



STAFF REPORT

A PUBLIC HEARING TO ASSESS COMMUNITY DEVELOPMENT NEEDS AND TO SOLICIT PROPOSALS FOR PROGRAM YEAR 2022 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME PROGRAM FUNDING CONSISTENT WITH THE CONSOLIDATED PLAN

CITY COUNCIL MEETING OF FEBRUARY 9, 2022

A. CDBG BACKGROUND

The Community Development Block Grant (CDBG) program is administered by the U.S. Department of Housing and Urban Development (HUD). Cities with over 50,000 in population (“Entitlement Cities”) are provided the opportunity to apply for a direct allocation of CDBG funds. Entitlements are based on a formula that factors in population, the extent of poverty, housing overcrowding, and age of housing. Each city must develop a five-year Consolidated Plan and a one-year Action Plan which is updated each year and reflects input received from citizens.

B. CDBG PROGRAM GUIDELINES

CDBG activities proposed by the City must meet CDBG regulations regarding program objectives and eligibility criteria. Determination of project eligibility is a two-step process. Each program/project must meet one of three National Objectives of the CDBG program and it must also be consistent with program regulations as an appropriate activity.

The primary CDBG objective is the development of viable communities, including decent housing and a suitable living environment, and the expansion of economic opportunity, principally for persons of low- and moderate-income. Each activity must meet one of the following national objectives:

1. Benefit low- and moderate-income families.

At least 70 percent of the grantee’s allocation must be spent for activities benefiting low- and moderate-income City residents. The three most common ways of meeting this objective are:

- a. Activities that benefit an area dominated by a low-income population.
- b. Activities requiring income data for each applicant.
- c. Activities that benefit a limited clientele who are generally presumed to be principally low- and moderate-income. Categories of limited clientele allowed by HUD include abused children, battered spouses, elderly persons, handicapped persons, homeless persons, illiterate persons and migrant farm workers.

2. Aid in the prevention or elimination of slums or blight.

Activities considered to aid in the prevention or elimination of slums or blight are activities within a delineated area which meets a definition of slum,

blighted, deteriorated, or deteriorating under state or local law, or where there is a substantial number of deteriorating or dilapidated buildings and improvements are needed throughout the area.

3. Address community needs having a particular urgency.

This national objective is rarely used because it is extremely restrictive. The urgent condition must be recent and pose a serious and immediate threat to the health or welfare of the community. There can be no other source of financing available to meet the needs in this category.

C. PUBLIC PARTICIPATION AND ALLOCATION PROCESS

Public participation is an important part of the CDBG process. Two public hearings are required to meet the HUD requirements for citizen participation. In accordance with Code of Federal Regulations (CFR) Title 24, "Housing and Urban Development", Section 570.704, the City initiated the CDBG application process by publishing a Notice of Funding Availability for Program Year 2022 on December 10, 2021 in the East County Californian, as well as posting the Request for Proposals on the City's website. Applications were due to the City by January 10, 2022.

Notice of the February 9, 2022 public hearing was published in the East County Californian on January 28, 2022. All applications which were received in accordance with the deadline were made available for public review and comment. In this way, citizens are afforded an opportunity to examine the contents of all applications received and to provide comments prior to City Council decision on the funding of qualified applications, in compliance with CFR Title 24.

D. AVAILABLE CDBG FUNDS AND REQUESTS FOR FUNDING

The CDBG allocation to the City of Santee for Program Year 2021 was \$302,103. As of January 28, 2022 HUD has not announced the amount that the City of Santee will be allocated for Program Year 2022. However, the schedule for preparation of annual Action Plans by the City of Santee and the County of San Diego requires that public input be solicited at this time and a tentative plan for funding activities in Program Year 2022 be approved and submitted to HUD no later than May 15th. Due to uncertainty regarding the budget for HUD programs, for planning purposes, staff estimates that the City of Santee's Program Year 2022 allocation will be \$279,789, which is the average of the three prior Program Year allocations and 7.4% less than the PY 2021 allocation. In addition, Program Year 2020 unexpended funds (\$25,387) bring the total estimated amount available for allocation in Program Year 2022 to \$305,176.

HUD regulations impose a 15% cap on the amount of CDBG funds which can be allocated to Public Service activities and a 20% cap on Administrative Activities (including program income but excluding prior year carry forwards). Prior year carry forwards can only be allocated to Public Facilities.

Public Facilities Funding

In October 2011, the City Council approved a Section 108 loan (a loan secured by future allocations of CDBG funding) in the amount of \$1.4 million. The Section 108 loan funded improvement to Buena Vista Avenue and Railroad Avenue. The final debt service payment on this Section 108 loan was made on July 22, 2021.

Based on the payoff of the Section 108 Loan used for the Buena Vista/Railroad Avenue project staff has analyzed different options for CDBG funded public facility improvements. Based on this analysis staff is recommending the Citywide installation of ADA compliant pedestrian ramps at locations where no ramp exists and the retrofitting of existing pedestrian ramps to conform with current ADA standards. The Citywide ADA Pedestrian Ramp Project would benefit 3,557 Santee residents Citywide that have “ambulatory difficulties” and 1,232 residents that have “vision difficulties” according to the U.S. Census Bureau’s 2019 American Community Survey. This project would also take advantage of economies of scale based on the number of pedestrian ramps that would be installed or improved and allow additional grant funds for street maintenance and repair to be utilized for this purpose and not to improve non-ADA compliant pedestrian ramps.

The Citywide ADA Pedestrian Ramp Project would be funded by a Section 108 loan in the approximate amount of \$1.3 million, to be brought to the City Council for consideration in Spring 2022, and \$409,511 in Program Years 2021 and 2022 entitlement CDBG fund.

SUMMARY OF ESTIMATED EXPENDITURES

ACTIVITY	CAP	AMOUNT AVAILABLE PER CAP	AMOUNT REQUESTED
Public Service Activities	15%	\$ 41,967	\$ 53,000
Administrative Activities	20%	\$ 55,955	\$ 55,955
Public Facilities	None	\$ 207,254	\$ 207,254
		\$ 305,176	\$ 316,209

Requested in excess of projected funding \$ 11,033

E. HOME PROGRAM

The Home Investment Partnerships (HOME) Program is a federal program administered by the U.S. Department of Housing and Urban Development (HUD). The intent of the HOME Program is to provide decent affordable housing to lower-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing and leverage private-sector participation. Eligible HOME program uses include housing acquisition, housing rehabilitation, homebuyer assistance, housing

construction and rental assistance.

Since 1997, the City has used HOME funds for the First Time Homebuyer Program (FTHB), providing down payment assistance via a deferred loan for low-income first-time homebuyers. A total of 108 loans have been funded since the inception of the program.

The City of Santee participates in HOME funding through a consortium comprised of the County of San Diego and the Cities of Encinitas, Carlsbad, La Mesa, San Marcos and Vista to administer Federal HOME funds. The County of San Diego acts as the administrator of the consortium. Low-income persons seeking down payment and closing cost assistance for the purchase of a home in Santee submit an application to the County of San Diego Department of Housing and Community Development for underwriting and loan origination. During Calendar Year 2021, three loans for the purchase of Santee homes were completed.

F. RECOMMENDATION

Open the public hearing, receive public testimony, and continue the public hearing to March 9, 2022.

ATTACHMENT 2

SUMMARY OF REQUESTS

PUBLIC SERVICES		AMOUNT OF PY 2022 REQUEST	PROPOSED USE	PY 2020 ACCOMPLISHMENTS/ PY 2021 GRANT*
1	Cameron Family YMCA / Santee Aquatics Center	\$5,000	Scholarships for day camp, swim lessons, gymnastics, aquatics and enrichment activities.	Not a Subrecipient in PY 2020/ PY 2021 Grant: \$2,770
2	Crisis House	\$7,000	Services to assist victims of domestic violence and prevent homelessness.	306 persons assisted/ PY 2021 Grant: \$6,660
3	ElderHelp	\$11,000	Support home-bound seniors to maintain their independence through case management and home delivered food.	75 persons assisted/ PY 2021 Grant: \$3,880
4	Meals-on-Wheels	\$5,000	Home delivery of meals to homebound Santee seniors.	82 persons assisted/ PY 2021 Grant: \$4,990
5	Santee Food Bank	\$20,000	Emergency food assistance for LMI Santee residents.	5,825 persons assisted/ PY 2021 Grant: \$16,650
6	Santee Santas	\$0	No request for PY 2022 funds based on substantial donations received in 2021.	755 persons assisted/ PY 2021 Grant: \$7,030
7	Voices for Children	\$5,000	Provide Court Appointed Special Advocates (CASAs) to assist income qualified foster children.	2 persons assisted/ PY 2021 Grant: \$3,330

Total Requests: \$ 53,000

Projected Cap Amount \$ 41,967

*Program Year 2021 Grant amounts do not include CDBG funds that were redirected to coronavirus response activities.

ATTACHMENT 2

SUMMARY OF REQUESTS

ADMINISTRATION		AMOUNT OF PY 2022 REQUEST	PROPOSED USE	PY 2020 ACCOMPLISHMENTS/ PY 2021 GRANT
1	CSA San Diego County	\$15,500	On behalf of the City of Santee, conduct fair-housing testing and counseling. Provide tenant/landlord mediation services.	36 persons assisted with housing services/ PY 2021 Grant: \$15,500
2	City of Santee	\$ 40,455	Administration of CDBG Program and Subrecipient Agreements.	Maintained compliance with program regulations. PY 2021 Grant: \$44,922

Total Requests: \$ 55,955 (Projected cap amount)

PUBLIC FACILITIES		AMOUNT OF PY 2022 REQUEST	PROPOSED USE	PY 2020 ACCOMPLISHMENTS/ PY 2021 GRANT
1	City of Santee - Section 108 Loan Debt Service	\$ 0	Debt service for Buena Vista/ Railroad Avenue Neighborhood Road Improvements.	Project complete. Final debt service payment was made on July 22, 2021.
3	City of Santee - Citywide ADA Pedestrian Ramp Project	\$ 207,254	Citywide installation of ADA compliant pedestrian ramps at locations where no ramp exists and the retrofitting of existing ramps to conform with current ADA standards.	PY 2021 Grant: \$202,257.

Total Requests: \$ 207,254 (Projected available balance)

GRAND TOTAL: \$ 316,209

ATTACHMENT 3
APPLICATIONS FOR FUNDING

PUBLIC SERVICES

Cameron Family YMCA.....1

Crisis House.....5

ElderHelp of San Diego.....13

Meals-On-Wheels Greater San Diego County.....17

Santee Food Bank.....22

Voices for Children.....25

ADMINISTRATION

CSA San Diego County.....31

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

RECEIVED

JAN 10 2022

Dept. of Development Services
City of Santee

GENERAL INFORMATION: Date: 1/7/2022

Agency Name: Cameron Family YMCA
Agency Address: 10123 Riverwalk Dr, Santee, CA 92071

Phone: 619-449-9622 Fax: n/a
E-mail: cameronfeedback@ymcasd.org

Project/Program Contact Person (Name and Title): Stephanie Chapel Yoo, Executive Director
Project/Program Location: Cameron Family YMCA

Phone: 619-550-8360 Fax: n/a
E-mail: schapelyoo@ymcasd.org

Type of Project (check one):
Public Service Activity
Public Improvement (Construction)
Acquisition of property
Other (describe)

FUNDING INFORMATION:

Amount Requested from Santee: \$ 5,000.00

Note: The Department of Housing and Urban Development's (HUD) recommended minimum funding level per CDBG funded activity of \$5,000.


Total Project/Program Budget: \$ 120,603.00

Source of Other Funds: 2022-2023 Annual Campaign contributions from individuals, companies and foundations recruited by YMCA staff, volunteers and our Board of Advisors comprised of local leaders will also seek funding for the scholarship program.

Applicant Certification:

To the best of my knowledge and belief, the information contained in this application is true and correct; the document has been duly authorized by the governing body of the applicant; and the applicant will comply with all assurances, federal, state and local laws and regulations if funding is approved.

Stephanie Chapel Yoo
Type or Print Your Name and Title



Signature

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

- A.** Briefly describe the purpose of the project, the population to be served, the area to be benefited and estimated number of Santee residents who would benefit from the project. Inclusion of the estimated number of Santee residents served is required.

CDBG funds to the Cameron Family YMCA would provide scholarship assistance for low-to-moderate income children ages 5-13 years old living in Santee to participate in youth programs such as day camp, gymnastics, aquatics and enrichment activities. YMCA youth programs not only provide positive, engaging and healthy activities for children that have experienced gaps in academic, social and safety stability before and heightened by the COVID-19 pandemic, it also serves as reliable, trusted and experienced childcare support to families. Funding in the amount of \$5,000 could support approximately 79 scholarship registrations at an average assistance rate of 30-40% off normal fees.

- B.** Who will carry out the activities, the period over which the activities will be carried out, and the frequency with which the services will be delivered (be specific).

The YMCA shares the same fiscal year as the City's timeline: July 2022 – June 2023. During this period, the YMCA will offer youth programs on a daily basis, year-round, with day camp (the highest used program area for scholarship support) specifically running from late June to mid-August 2022 and in limited scope during fall, winter and spring breaks. YMCA programs are executed by highly qualified, background-checked, skilled and thoroughly trained YMCA staff. The day camp counselors, swim instructors, gymnastics coaches and other frontline staff executing the youth activities report directly to their department leadership staff and the Executive Director. All are employees of the YMCA of San Diego County association, which has been providing safe and enriching youth programs for 139 years. All programs will take place on site at the Cameron Family YMCA.

- C.** Describe how the project meets the CDBG Program National Objectives, the City of Santee Priorities, or is included under the Eligible Activities. Please see the Request for Proposal to assist with this request.

YMCA youth programs meet the objectives and priorities because they are made available to youth of all economic levels, backgrounds, abilities and life circumstances. The YMCA never turns a child away from participating because of an inability to pay. Our scholarship program – and the donors and grant funding that support it – levels the playing field for children of all families, including low-to-moderate income, military, those with special needs, those experiencing homelessness and other marginalized

demographics, to participate, engage and thrive. All participants registering with scholarship support for youth programs are qualified as low-to-moderate income as defined by the median family income levels of the area, and utilizing county, state and federal assistance programs to determine income level eligibility.

D. Agency/Nonprofit Organization Information:

Outline the background of your agency/nonprofit organization, including the length of time your agency has been in operation, the date of incorporation, the type of corporation and the type of services provided. If the request for funding is submitted as part of a collaborative application, please provide information for each member of the collaborative. **If your organization has received CDBG funds from the City of Santee in the past, please note the number of years the organization has received CDBG funding.**

The YMCA of San Diego County is a California nonprofit public benefit corporation, incorporated in 1959. The East County Family YMCA, a branch of the YMCA of San Diego County, began in the 1950s, providing the entire East County with valuable YMCA programming in order to meet the growing needs of the community. The East County YMCA has now grown into three branches: John A. Davis Family YMCA in La Mesa, Cameron Family YMCA in Santee and the McGrath Family YMCA in Spring Valley. The Cameron facility of Santee was built in 2003 in partnership with the City of Santee to build the YMCA and City of Santee Aquatics Center. This facility is managed by the YMCA which also includes a gymnastics center that dates back to 1982 under the name Cuyamaca YMCA. YMCA programs and services for the local community include day camps, swim lessons and swim teams, recreational and competitive gymnastics, sports, inclusion programs for individuals with disabilities, senior programs, teen programs, and wellness programs for all ages to promote the spirit, mind and body and help all people realize their fullest potential. At the Y, no one is ever turned away from participation due to an inability to pay through our scholarship program. Offering scholarships on a sliding scale based on income level and family size, as well as subsidizing valuable programs that benefit our community are made possible through funds generously contributed by individuals, companies and funders on an annual basis. The East County Family YMCA has received funding from the CDBG program beginning the 1997-1998 fiscal year with relative continuity totaling over 20 years. In the 2020-2021 program year, the Cameron Family YMCA was extremely honored to steward additional funds made available through CDBG-CV for essential childcare in response to the Coronavirus pandemic and stay-at-home orders impacting school closures and support for essential workers. The ability to respond to community needs alongside the City of Santee, for so many years, is a testament to how critical service through partnership can be for the local constituents.

E. Financial:

Describe your agency's fiscal management procedures including financial reporting, record keeping, accounting systems, payment procedures, and audit

requirements. Describe how records are maintained to ensure the project benefits targeted groups.

The Cameron Family YMCA, as a branch of the YMCA of San Diego County, practices generally accepted accounting methods, utilizing cost centers to ensure grant funds are used as required by the City. Financial audits are performed annually by an independent accounting agency and on-going financials are monitored on a daily basis by the YMCA accounting department and Executive Director. The East County Family YMCA Board of Advisors, including a Finance Committee comprised of expert volunteer leaders, monitor the branch budget monthly, as well as the YMCA of San Diego County Board of Directors. Internal financial audits are performed twice annually by an independent auditing firm. Financial need for participating youth will be determined by the scholarship application process with records kept and data managed according to best practices. CDBG funds will be provided only to qualifying Santee residents. Furthermore, the internal contracts team ensures proper auditing, processing and reporting of the YMCA's stewardship of all federal awards.

F. Personnel:

Identify the staff administering/implementing this project and provide their experience in similar programs.

YMCA programs are executed by highly qualified, background-checked, skilled and thoroughly trained YMCA staff. The day camp counselors, swim instructors, gymnastics coaches and other frontline staff executing the youth activities report directly to their department leadership staff and the Executive Director. All are employees of the YMCA of San Diego County association, which has been providing safe and enriching youth programs for 139 years, and all have been screened for legal ability to work with children. The usage of grant funds and reporting will be overseen by Stephanie Chapel Yoo, Executive Director, and Emily Figueiredo, Area Development Director, with assistance from YMCA accounting specialists and data management specialists for reporting.

G. Conflict of Interest:

Please identify any member, officer, or employee of your organization who is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees or has any interest or holding which could be affected by any action taken in the execution of this application.

Executive Director, Stephanie Chapel Yoo, has been invited to join city committees in the past, including the Blue Ribbon Committee for coronavirus response.

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

RECEIVED

JAN 10 2022

Dept. of Development Services
City of Santee

GENERAL INFORMATION: Date: 1/7/2022

Agency Name: Crisis House
Agency Address: 9550 Cuyamaca Street Suite 101, Santee, CA 92071

Phone: 619-444-1194 Fax: 619-444-1422
E-mail: mcase@crisishouse.org

Project/Program Contact Person (Name and Title): Andrea Garcia, Development Manager
Project/Program Location: 9550 Cuyamaca Street Suite 101, Santee, CA 92071

Phone: (562) 508-1218 Fax: 619-444-1422
E-mail: andrea@crisishouse.org

Type of Project (check one):
Public Service Activity
Public Improvement (Construction)
Acquisition of property
Other (describe)

FUNDING INFORMATION:

Amount Requested from Santee: \$ 7,000

Note: The Department of Housing and Urban Development's (HUD) recommended minimum funding level per CDBG funded activity of \$5,000.

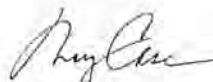
Total Project/Program Budget: \$ 2,890,747

Source of Other Funds: Government Grants, Corporations & Foundations, Individuals & Organizations, Rental Income, and In-kind goods

Applicant Certification:

To the best of my knowledge and belief, the information contained in this application is true and correct; the document has been duly authorized by the governing body of the applicant; and the applicant will comply with all assurances, federal, state and local laws and regulations if funding is approved.

Mary Case, Executive Director
Type or Print Your Name and Title



Signature

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

- A. Briefly describe the purpose of the project, the population to be served, the area to be benefited and estimated number of Santee residents who would benefit from the project. Inclusion of the estimated number of Santee residents served is required.

Crisis House's Emergency Services Project has served families, abused youth, seniors, veterans experiencing homelessness and domestic violence (a special needs subset of homelessness), with housing and wrap-around services for the past 51 years.

The agency's collective of domestic violence programs, referred to as the Journey Programs, consists of four models each designed to meet the survivor's needs at various stages of their journey towards renewing their lives. Crisis House provided a comprehensive continuum of emergency, transitional and permanent housing to 165 families, including 423 children, fleeing domestic violence in our Journey Programs last year. Our Journey Programs specifically serve families experiencing intimate partner violence with minor children. In addition to providing housing services, our agency offers wrap-around social services, such as information, referrals, case management, counseling and crisis intervention, among other crucial services promoting transitions to self-sufficiency.

In support of our Journey Programs, Crisis House also prioritizes the needs of our community's children through Camp HOPE, our recent programmatic development addressing child abuse. This program provides trauma-informed camperships, year-round mentorship, counseling and other activities to 125 children each year. This cost-free programming provided to underserved children in San Diego has a reputation of accomplishment in healing children struggling with the effects of trauma as a result of domestic violence.

Crisis House's East County Housing Connections (ECHC) program directly addresses the needs of those experiencing chronic homelessness. The ECHC, of which all services are conducted off-site, employs a housing navigator and two mobile outreach teams with four outreach specialists to connect with and meet the immediate needs of 570+ unsheltered homeless people on the street in need of services. Fifty-four (54) families and individuals ended their homelessness and received wrap-around services through our ECHC program this past year.

In 2020, Crisis House relocated from El Cajon to a new building in Santee on Cuyamaca Street. Our agency considers the issues of homelessness as a regional challenge, requiring collective effort and resources to ensure an effective impact for all of East County. Crisis House provides services for over 4,753 people annually (not including services from phone calls received), of which approximately 306 individuals

are City of Santee residents (including veterans and people with disabilities) at or below low/moderate income levels.

- B.** Who will carry out the activities, the period over which the activities will be carried out, and the frequency with which the services will be delivered (be specific).

The period of service delivery will be over twelve months starting July 1, 2022 through June 30, 2023. The Director of Programs is responsible for the project oversight and compliance of the proposed project. This position also assumes direct oversight of East County Housing Connections (ECHC). The ECHC staffing includes the ECHC Coordinator/Housing Navigator and four outreach workers. The Housing Navigator provides rapid rehousing, connecting individuals and providing financial assistance to acquire permanent housing. The two Mobile Outreach Teams with four outreach specialists provide emergency shelter placements in motels (connecting our ECHC Coordinator with clients for rapid rehousing) and provide supportive services in the East County community, where homeless populations live in the Santee riverbeds or other places unsuitable human habitation. This team administers the VI-SPDAT housing assessment, the region-wide entry connecting individuals to housing opportunities. Our team prioritizes building relationships with those in the homeless community to connect them to resources and services. The Mobile Outreach Team distributes water, snacks, meals, and hygiene kits to all of East County week-long, including those living on the streets of Santee. Specific to Santee, on Tuesdays from 8:00 am to 12:00 pm we serve Santee (Santee HOPE), which is a bi-monthly coordinated outreach with other Service Providers and Santee police. On Thursdays from 7:45 am to 11:30 am, our Mobile Outreach Team collaborates with County of San Diego BHS workers to reach current and new clients experiencing homelessness in the Santee Riverbed. On Fridays, our Mobile Outreach Team provides unsheltered individuals access to obtain a California ID and birth certificate (through New Day Urban Ministries), as well as provides direct transportation to DMV, mail services, and birth certificate services; from 4:30 pm to 5:30 pm we attend weekly Homeless Outreach and Meal Services at Carlton Hills Church in Santee. In addition to these Santee-specific services, every Monday from 8 am to 12 pm, our Outreach Team also partners with the Homeless Assistance Resource Team (HART - Sherriff's initiative), including law enforcement, nurses, and other outreach workers, to provide services including housing opportunities, food and water, hygiene products, and connections to referral services for homeless individuals in East County, San Diego. The Outreach Team and Housing Navigator also attend regional case conferencing addressing the current status of the homeless we serve and other homeless services in the region. The Domestic Violence Program Manager is responsible for client placements among our existing programs. The Intake & Referral Specialist screens all incoming calls for domestic violence and sends potential clients to the Advocate and Emergency Housing Coordinator. The Advocate and Emergency housing coordinator further assesses and, with the Program Manager, determines appropriate programmatic fit for each client. They also connect clients to community resources or shelters if they don't meet Crisis House's program criteria. This position receives referrals from 211, law enforcement, and the Domestic Violence Shelter Network. The frequency at which services will be delivered will vary based on service type, severity of need, and client's level of engagement. For example, emergency

housing is for brief stays of up to two weeks in motels, and transitional housing for typically six to eight months in master lease units in El Cajon and Poway.

- C. Describe how the project meets the CDBG Program National Objectives, the City of Santee Priorities, or is included under the Eligible Activities. Please see the Request for Proposal to assist with this request.

The project meets the National Objective of benefiting a majority of extremely low and low income (LMI) residents as defined as persons or households who earn at or below 80% of the Area Median Income (AMI). As described in the City of Santee Consolidated Plan 2020-2024, Crisis House's activities address the following priority needs: 1) Provide public services and activities to improve the quality of life for residents, including special needs populations and individuals experiencing homelessness, and 2) Support affordable housing opportunities for low-to-moderate-income residents/homeless services. The Crisis House Emergency Services Project also addresses the City of Santee priorities by providing services for seniors, Special Needs populations, those experiencing homelessness, and individuals requiring prevention services, according to the City of Santee Consolidated Plan 2015-2019.

- D. Agency/Nonprofit Organization Information:

Outline the background of your agency/nonprofit organization, including the length of time your agency has been in operation, the date of incorporation, the type of corporation and the type of services provided. If the request for funding is submitted as part of a collaborative application, please provide information for each member of the collaborative. **If your organization has received CDBG funds from the City of Santee in the past, please note the number of years the organization has received CDBG funding.**

Crisis House was established as a social service agency in Santee in 1970, incorporated as a Public Benefit Corporation in 1987 and received 501 (c) (3) IRS Determination in 1988. Our mission is to respond immediately to stop the cycle of domestic violence and homelessness and connect families and individuals to crucial resources that empower them to renew their lives. To achieve our mission, Crisis House offers comprehensive housing and "wrap-around" services (case management, counseling, referrals) for the region's survivors of domestic violence with children, Veteran families, and social services and housing targeting the homeless and extremely low-income populations. The agency administers five (5) Domestic Violence programs (Journey Programs and Camp HOPE) and East County Housing Connections homeless program including two (2) mobile outreach teams and emergency and rapid rehousing placements included within our East region (city, unincorporated city, and county services). Additionally, Crisis House coordinates the annual Homeless Point-In-Time Count (PITC) and plans to continue to host the annual Project Homeless Connect - East County depending on Covid-19 safety precautions. The 2022 Point-In-Time Count (PITC) will take place on January 27th. Our Director of Programs will be the site coordinator for the Santee site, which will meet at the Santee City Hall at 3:30 am. He is

responsible for training, materials, and volunteers for this event. Similarly, this year we have scheduled our Project Homeless Connect event for the 15th of April at the Ronald Reagan Community Center. Prior to the pandemic, in 2019 our Project Homelessness Connect event was attended by over 48 providers and more than 200 homeless individuals who accessed 1,485 services in 4-hours. Crisis House, along with our community partners, helped 251 households with nearly 500 children with housing and crucial services. Due to continued Covid-19 complications, Crisis House was not able to host our annual Project Homelessness Connect events during 2020 or 2021. Crisis House has been a recipient of City of Santee CDBG funds for over seventeen (17) years. Although we collaborate with various agencies and organizations, this is not a collaborative application.

E. Financial:

Describe your agency's fiscal management procedures including financial reporting, record keeping, accounting systems, payment procedures, and audit requirements. Describe how records are maintained to ensure the project benefits targeted groups.

Crisis House has policies, procedures and an automated accounting software system in place to ensure proper designation, support, control, and accounting of all funds, property, expenses, revenues, and assets for each contract and grant received. Each contract, grant, or program is assigned a cost center numerical code. Expenditures are supported by a corresponding invoice or receipt and attached to a check request that is authorized by a program manager/supervisor. The check request is coded with the proper cost center numerical code. The expenditure is then entered into our Quick Books Premier for Nonprofits Version 2000 accounting software, an accounting package specifically designed for nonprofit agencies and utilized to properly track revenue and expenditures for multiple funds, contracts, grants and programs. Crisis House procedures and records conform to General Accepted Accounting Principles (GAAP) as well as 2 CFR 84.21(b)(2), 24 CFR 85.20 (b)(2), 24 CFR 583.330(c) and the OMB Super Circular. Crisis House undergoes an independent federal single audit by an outside CPA firm each year. As part of our annual audit, the CPA evaluates and reports on our policies, procedures, and internal controls. All expenditures are supported by source records, which clearly identify the cost as allowable contract expenditure. Bank statements are reconciled monthly by an employee who is not able to authorize disbursements or sign checks and are approved by the Executive Director. All checks require two (2) signatures. All canceled and voided checks are retained. All revenues are receipted. Deposits are prepared and made by someone other than the person writing the receipts and receipt books are reconciled against the deposits.

Crisis House maintains the following records:

Cash Receipts Journal - For recording all cash receipts.

Cash Disbursements/Check Run Journal - For the recording of all cash disbursements.

General Journal - For recording transactions that are not normally recorded in the Cash Receipts and Cash Disbursements Journals.

General Ledger - This ledger maintains the various accounts. Posting is performed on an on-going basis as needed to the general ledger.

Payroll Records - Crisis House currently contracts with ADP payroll services to prepare all paychecks and to complete and file all appropriate payroll deposits, taxes, and reports. Employee time cards are approved by their immediate supervisor and submitted for payroll processing. All time sheets clearly show earned, used and remaining leave balances.

Bank Reconciliation - All bank accounts are reconciled monthly to the cash account in the General Ledger and include the signatures and dates of person preparing, reviewing, and approving.

Petty Cash Fund - A small petty cash fund is kept in a locked box in a lock file cabinet in a locked room.

Requests for reimbursements from petty cash must be signed by an authorized supervisor and must be accompanied by a receipt.

Supporting Documentation - Files that contain paid check requests, invoices, time and attendance records, canceled checks, bank statements and other supporting documentation are maintained. Paid check requests include information on check number, date paid, amount paid, and the initials of the person making the payment.

Quarterly Payroll Tax Returns - Copies of Federal and State Quarterly Tax Returns are kept on file at Crisis House.

Checks- Check request with supporting documentation must be completed for all Crisis House has policies, procedures and an automated accounting software system in place to ensure proper designation, support, control, and accounting of all funds, property, expenses, revenues, and assets for each contract and grant received. Each contract, grant, or program is assigned a cost center numerical code. Expenditures are supported by a corresponding invoice or receipt and attached to a check request that is authorized by a program manager/supervisor. The check request is coded with the proper cost center numerical code. The expenditure is then entered into our Quick Books Premier for Nonprofits Version 2000 accounting software, an accounting package specifically designed for nonprofit agencies and utilized to properly track revenue and expenditures for multiple funds, contracts, grants and programs. Crisis House procedures and records conform to General Accepted Accounting Principles (GAAP) as well as 2 CFR 84.21(b)(2), 24 CFR 85.20 (b)(2), 24 CFR 583.330(c) and the OMB Super Circular. Crisis House undergoes an independent federal single audit by an outside CPA firm each year. As part of our annual audit, the CPA evaluates and reports on our policies, procedures, and internal controls. All expenditures are supported by source records, which clearly identify the cost as allowable contract expenditure. Bank statements are reconciled monthly by an employee who is not able to authorize disbursements or sign checks and are approved by the Executive Director. All checks require two (2) signatures. All canceled and voided checks are retained. All revenues are receipted. Deposits are prepared and made by someone other than the person writing the receipts and receipt books are reconciled against the deposits.

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Requests for reimbursements from petty cash must be signed by an authorized supervisor and must be accompanied by a receipt.

Supporting Documentation - Files that contain paid check requests, invoices, time and attendance records, canceled checks, bank statements and other supporting documentation are maintained. Paid check requests include information on check number, date paid, amount paid, and the initials of the person making the payment.

Quarterly Payroll Tax Returns - Copies of Federal and State Quarterly Tax Returns are kept on file at Crisis House.

Checks- Check request with supporting documentation must be completed for all checks. The Executive Director, Director of Programs, or an authorized supervisor must approve vouchers before a check can be written. All checks require two (2) signatures. Blank checks are not pre-signed and no checks can be written payable to "cash".

Voided checks are marked "Void", the signature section mutilated, and kept in numerical sequence with the canceled checks after initialed by Executive Director. Stale Dated

Checks – Checks issued by Crisis House that have not cleared the bank within six months will be voided and removed from our books. During the bank reconciliation and review process each month stale dated checks will be examined and adjusted as needed.

Mileage

Claims - staff claiming mileage reimbursement prepare mileage claims. The claim is signed by the person requesting reimbursement and checked and authorized by program manager/supervisor. All claims show dates, places, miles and purpose for each.

In the nine and a half years under the leadership of the current executive director, Mary Case, there have been no "findings."

F. Personnel:

Identify the staff administering/implementing this project and provide their experience in similar programs.

The Executive Director has a Master's degree in Social Work with a concentration in Social Services Administration. She has over 50 years of experience working in the local Non-Profit Sector as a Vice President of Programs for the largest multi-service homeless organization in San Diego and as Director of Housing for another international non-profit organization before serving as the Executive Director to Crisis House for nearly nine years. She is also a member of the San Diego County Continuum of Care and Program Evaluation Advisory Committee, and a member of the Steering Committee

of the East County Homeless Taskforce. The Agency's Director of Programs is responsible for oversight and operational compliance of all Crisis House programs and services. He has an extensive background in management of social service programs, including domestic violence, substance abuse, criminal justice and veterans, as he previously worked for a residential treatment program for homeless veterans. His expertise includes rapid rehousing, transitional and permanent housing programs, as well as trauma-informed practices and housing first. Our Journey Programs Program Manager has co-chaired and revitalized our local East County Domestic Violence Committee and worked at a local domestic violence agency before coming to Crisis House. Our new Camp HOPE program manager comes to Crisis House from Oregon with many years of working with youth and in summer camp settings. This position is responsible for the implementation of the Camp HOPE program in San Diego, including all direct services, including year-round programming and mentorship, summer camperships, counselor and volunteer trainings, monthly events, local partnerships, and volunteer participation.

G. Conflict of Interest:

Please identify any member, officer, or employee of your organization who is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees or has any interest or holding which could be affected by any action taken in the execution of this application.

No member, officer, or employee of Crisis House is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees or has interest or holdings which could be affected by any action taken in execution of this application.

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

RECEIVED

JAN 10 2022

GENERAL INFORMATION: Date: 1/10/2022

Agency Name: ElderHelp of San Diego
Agency Address: 5095 Murphy Canyon Rd #100, San Diego CA 92123

Dept. of Development Services
City of Santee

Phone: 619-284-9281 Fax: 619-284-0214
E-mail: info@elderhelpofsandiego.org

Project/Program Contact Person (Name and Title): Anya Delacruz, Associate Executive Director
Project/Program Location: Most of San Diego County with emphasis on central and eastern regions.

Phone: 619-284-9281 Fax: 619-284-0214
E-mail: adelacruz@elderhelpofsandiego.org

Type of Project (check one):
Public Service Activity
Public Improvement (Construction)
Acquisition of property
Other (describe)

FUNDING INFORMATION:

Amount Requested from Santee: \$ \$11,000.00

Note: The Department of Housing and Urban Development's (HUD) recommended minimum funding level per CDBG funded activity of \$5,000.

Total Project/Program Budget: \$ ~~1,097,899.00~~

Source of Other Funds: ElderHelp pursues a diversified funding strategy, which currently includes approximately 48% from grants, 27% from government and non-government contracts, 4% from corporate support, 14% from individuals, 5% from events, and 2% in client contributions.

Applicant Certification:

To the best of my knowledge and belief, the information contained in this application is true and correct; the document has been duly authorized by the governing body of the applicant; and the applicant will comply with all assurances, federal, state and local laws and regulations if funding is approved.

Deborah Martin, CEO/Executive Director
Type or Print Your Name and Title



Signature

basis at least monthly, some more frequently. We estimate that costs to serve these seniors are \$250 a month. Since the beginning of the pandemic, we have provided food and home supplies to up to 50 additional residents (without having the capability to identify them individually). In addition, we provide information and referrals to an additional 45 Santee residents. With this funding, we will serve a minimum of 60 Santee residents through our programs and services. That number may be greater as the fallout from the coronavirus becomes more apparent.

- B.** Who will carry out the activities, the period over which the activities will be carried out, and the frequency with which the services will be delivered (be specific).

We have five ongoing programs serving Santee that are administered on a daily basis throughout the year. 1) Since March, ElderHelp has been on the forefront of the COVID response for isolated seniors who are unable to leave their homes or get necessary food and supplies while sheltering in place. COVID Relief Services is now the dominant component to our overall Care Coordination picture. We currently offer contactless delivery of food and essential supplies from ElderHelp's food pantry or the grocery store. Our food pantry has become the principal activity of our operation for the last 10 months. 2) Our traditional Care Coordination program continues to provide high-level case management, where Care Coordinators work with clients to develop care plans and connect to services, including volunteer services. Even though home visits have been suspended, we are diligent in providing the support and interventions necessary for their continued well-being. Volunteers support clients telephonically, providing relief from isolation and depression. 3) Transportation is managed by Transportation Coordinators, and in response to social distancing has been restricted to those needing essential medical services. 4) Information & Referral service is provided by front desk staff member and trained volunteers. Calls average 25-35 minutes as callers are dealing with complex issues, more so than ever with the economic impact of the coronavirus. The Information & Referral team provides resources and access to information to meet a variety of elder care needs. 5) RUOK Daily check-in calls are made by ElderHelp staff and trained volunteers who provide check-in calls to isolated and frail seniors, giving them peace of mind that their welfare is being attended to.

- C.** Describe how the project meets the CDBG Program National Objectives, the City of Santee Priorities, or is included under the Eligible Activities. Please see the Request for Proposal to assist with this request.

Our clients' income levels correspond to the CDBG Program National Objectives of serving low to moderate income persons. In fact, 96% of our clients are low or very low income. ElderHelp also meets the City of Santee priorities of assisting low to moderate income homeowners, since our mission is to assist seniors to remain living independently in their own homes. ElderHelp serves socially isolated senior members, aged 60 and older, predominantly living in LMI households, the combination of which makes it difficult for them to adequately meet critical daily needs.

D. Agency/Nonprofit Organization Information:

Outline the background of your agency/nonprofit organization, including the length of time your agency has been in operation, the date of incorporation, the type of corporation and the type of services provided. If the request for funding is submitted as part of a collaborative application, please provide information for each member of the collaborative. **If your organization has received CDBG funds from the City of Santee in the past, please note the number of years the organization has received CDBG funding.**

The agency was founded in 1973 and incorporated as a 501(c)(3) organization in 1974. ElderHelp has offered a comprehensive mix of services for seniors to help them remain independent in their own homes. Care Coordination (formerly Concierge Club), our umbrella program, has been part of the agency's mission for most of its existence and was formalized in 2008. Care Coordination services expand as new needs are identified. Seniors A Go Go, formalized in 2009, was a much-needed outgrowth of a need identified. HomeShare began in 1982, and remains a very attractive program with minor improvements and modifications. Nearly 235,000 seniors have found advice and support here, but most of all, the agency developed a reputation as the place for any senior, regardless of income, to turn for help. ElderHelp's reputation continues to this day. We have positioned ourselves at the forefront of the aging in place movement and consistently strive to build collaborations and raise awareness that advance this goal and provide solace for the low-income, aging population in San Diego. ElderHelp has received CDBG funding from the City of Santee every year since 2004. That adds up to 17 years of support, strong evidence of a successful partnership.

E. Financial:

Describe your agency's fiscal management procedures including financial reporting, record keeping, accounting systems, payment procedures, and audit requirements. Describe how records are maintained to ensure the project benefits targeted groups.

ElderHelp follows Board-approved accounting policies that are consistent with GAAP, using Quickbooks accounting software. The agency maintains an accounting procedures manual, which is updated as necessary and reviewed annually by an outside, independent auditor. Disbursement and payment procedures require that invoices and check requests be submitted/reviewed by the end user/spender, approved by a department manager and reviewed by the Executive Director. Checks are processed by the Accounting Specialist and signed by the Executive Director or the Associate Executive Director. Checks over \$5,000 require two signatures. Bank statements are reconciled monthly by the Accounting Specialist and approved by the Executive Director. Restricted revenues are accounted for separately. Expenses are tracked by budget line item, specific to each program or revenue stream to ensure that designated funds are spent appropriately. Each month, the Board of Directors is presented with a complete set of financial statements which includes a Statement of Income & Expense Current Month and Year to Date showing the budget to actual, a

Statement of Financial Position and a Cash Flow report. All accounting is performed by staff, and financial records are kept in the main office. While not a requirement, each year ElderHelp submits to an independent audit, which is presented to the Board by the auditor. The ultimate responsibility for financial oversight of CDBG expenditures will be Deborah Martin, CEO/Executive Director, and the Director of Finance, Sara Gongora. In addition, we keep a spreadsheet to track Santee participation, including phone inquiries, and report client numbers to the City of Santee on a quarterly basis.

F. Personnel:

Identify the staff administering/implementing this project and provide their experience in similar programs.

Deborah Martin, CEO/Executive Director, has her Bachelor's Degree in Business Law., Her role involves overseeing the operations of ElderHelp, including financials, legal, program implementation and oversight, fundraising, technology, growth planning and long-range strategic planning. Anya Delacruz, Associate Executive Director, has over 17 years' experience working with seniors. She joined ElderHelp in 2008 and has played an integral role in developing the organization's programs. She has accountability for program performance and deliverables, as well as staff morale. The Care Coordination Manager, Elizabeth Wagner, oversees the daily operations of the Care Coordination and Seniors A Go Go programs. Elizabeth has supported all of ElderHelp's service programs and her gentle handling of any situation produces the best outcomes for our clients. Michelle Matter, Director of Special Projects, puts her Ph.D. in Nutrition to use by overseeing all nutrition services, from procuring food and supplies to overseeing the pantry inventory to following up on deliveries.

G. Conflict of Interest:

Please identify any member, officer, or employee of your organization who is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees or has any interest or holding which could be affected by any action taken in the execution of this application.

There is no conflict of interest involved with ElderHelp and the execution of this application.

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

RECEIVED

JAN 6 2022

Dept. of Development Services
City of Santee

GENERAL INFORMATION: Date: 1/6/2021

Agency Name: Meals On Wheels Greater San Diego, Inc. dba: Meals on Wheels
San Diego County
Agency Address: 2254 San Diego Avenue, Ste. 200, San Diego, CA 92110

Phone: 619-278-4012 Fax: 619-260-6373
E-mail: aduarte@meal-on-wheels.org

Project/Program Contact Person (Name and Title): Tim Ray, East County Service Center
Manager
Project/Program Location: El Cajon

Phone: 619-447-8782 Fax: 619-260-6373
E-mail: tray@meals-on-wheels.org

Type of Project (check one):
Public Service Activity
Public Improvement (Construction)
Acquisition of property
Other (describe)

FUNDING INFORMATION:

Amount Requested from Santee: \$ 5,000

Note: The Department of Housing and Urban Development's (HUD) recommended minimum funding level per CDBG funded activity of \$5,000.

Total Project/Program Budget: \$ 115,688.72

Source of Other Funds: Clients pay, on average, 40% of the actual meal cost - depending on income levels (average is \$3.80 per meal - equating to an estimated \$47,940.80). Private donors will contribute the remaining \$62,747.92 of this project through MOWSDC's robust charitable giving program. To ensure all programs are fundable from multiple sources, additional grant applications are planned for FY2022 along with robust corporate campaigns and fundraising events to meet any unexpected shortfall.

Applicant Certification:

To the best of my knowledge and belief, the information contained in this application is true and correct; the document has been duly authorized by the governing body of the applicant; and the applicant will comply with all assurances, federal, state and local laws and regulations if funding is approved.

Brent Wakefield, President & CEO

Type or Print Your Name and Title



Signature

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

- A. Briefly describe the purpose of the project, the population to be served, the area to be benefited and estimated number of Santee residents who would benefit from the project. Inclusion of the estimated number of Santee residents served is required.

Meals on Wheels San Diego County (MOWSDC)'s mission is to empower seniors and veterans to remain independent by nourishing their bodies, minds, and spirits. Our vision is drive out senior hunger and isolation across our region. MOWSDC is part of the community safety net serving older adults with the home delivery of up to two nutritious meals a day at a subsidized price and accompanied by social visits, safety checks, and care navigator support with referrals if necessary.

Many seniors experience chronic illnesses and disabilities making activities of daily living difficult. In many cases, seniors will become temporarily and/or permanently homebound. Becoming homebound prevents seniors from obtaining food, healthcare, support services, and engagement in social activities. Home delivery of meals, with daily safety and wellness checks, enables seniors experiencing these difficulties to more successfully navigate these challenges, avoid negative health impacts and maintain their preferred residence.

MOWSDC serves all of San Diego County, including the 3,049 square miles of rural and unincorporated areas. MOWSDC subsidizes 60% of the costs for meals, delivery, and other services provided, regardless of a senior's ability to pay. Further subsidies are provided for seniors who are experiencing severe financial difficulties.

The area to be served with this request is the entire City of Santee, including City of Santee's LMI Census Tracts. The service population includes older adults 62+ who are homebound and fall within the extremely low- to moderate-income bracket established by the Department of Housing and Urban Development. In the last completed City of Santee CDBG program year (7/1/2020-6/30/2021), MOWSDC provided nutritious meals to 83 Santee seniors. Historically, the seniors served in the City of Santee by MOWSDC have the following characteristics: 37% are aged 85+ and 37% are between 75 and 84 years of age; 30% fall within the extremely low-income bracket (<30% of AMI); 60% fall in the very low-income bracket (30-80% of AMI) and 7% fall in the moderate-income bracket (80-120% of AMI); 42% are female head of household; 24% are veterans; 40% live alone and 20% have disabilities.

For the City of Santee Program Year 2021 (July 1, 2021 – June 30, 2022), MOWSDC is contracted to serve 63 unduplicated seniors in Santee. Per the Quarter 1 Report, MOWSDC had already served 59 unduplicated Santee seniors putting MOWSDC at

100% of its goal. For the City of Santee's Program Year 2022 (July 1, 2022 – June 30, 2023) MOWSDC will serve 83 unduplicated seniors in Santee with the delivery of up to two meals a day accompanied by a safety check and social visit. CDBG funding will provide for food and packaging costs of 1,872 meals (\$2.67 direct cost per meal) reducing the overall cost of each delivered meal. This will ensure a minimum subsidy of 60% from the total per-meal-delivered costs for every senior, and further subsidies will be offered to those who qualify.

- B.** Who will carry out the activities, the period over which the activities will be carried out, and the frequency with which the services will be delivered (be specific).

The MOWSDC East County Service Center located at 131 Chambers Street in El Cajon services the City of Santee. The East County Service Center is managed by Mr. Tim Ray. (Please see details on his qualifications in Section F.) Daily meal deliveries are coordinated through a complex routing system to individual senior homes across the City of Santee using 400 volunteer delivery drivers coordinated by eight program staff. Fresh meals are produced for the program at the MOWSDC meal center and are packaged for delivery. Across the county, four service centers coordinate deliveries of hot and cold meal packages and beverages to 19 different drop-sites across the county. Volunteer drivers collect individualized meals at these drop sites and cover 127 weekday routes and 64 weekend routes to senior residences - ensuring between 1,000 and 1,800 daily, personal meal deliveries. The City of Santee's program is a component of the countywide services. The period in which the activities will be carried out will be during the City of Santee's CDBG Program Year 2022-2023 (July 1, 2022 to June 30, 2023). MOWSDC delivers meals and corresponding services to homebound seniors for everyday of the week (Sunday's meals delivered on Saturday). MOWSDC is the only meal delivery program that delivers on weekends and holidays.

- C.** Describe how the project meets the CDBG Program National Objectives, the City of Santee Priorities, or is included under the Eligible Activities. Please see the Request for Proposal to assist with this request.

MOWSDC's project for the City of Santee meets CDBG Program National Objective 1 by providing services to seniors considered extremely low- to moderate-income. One-hundred percent of seniors served in the City of Santee fall qualify the HUD LMI income levels. Additionally, the services provided are considered a high priority, as stated in the City of Santee's 2020-2024 Consolidated Plan under Public Services for LMI-Resident, ensuring improved quality of life for seniors and other persons with special needs through supportive services. MOWSDC's program supports improved health and safety for seniors and veterans while they age in place.

- D.** Agency/Nonprofit Organization Information:

Outline the background of your agency/nonprofit organization, including the length of time your agency has been in operation, the date of incorporation, the type of corporation and the type of services provided. If the request for funding is submitted as part of a collaborative application, please provide information for

each member of the collaborative. **If your organization has received CDBG funds from the City of Santee in the past, please note the number of years the organization has received CDBG funding.**

MOWSDC was established in 1960 and incorporated as a 501 (3)(c) in 1970. MOWSDC serves all of San Diego County, including the 3,049 square miles of rural and unincorporated areas. MOWSDC provides services to adults over the age of 60 who are homebound due to age, illness or disability. Care services include the delivery of up to two fresh meals a day, a social visit, a safety check, and care navigation with referrals to other social service providers if necessary. All services are subsidized for all seniors at 60%, and further subsidies are provided to those who qualify. MOWSDC has been receiving CDBG funds from the City of Santee since 2009 (twelve years).

E. Financial:

Describe your agency's fiscal management procedures including financial reporting, record keeping, accounting systems, payment procedures, and audit requirements. Describe how records are maintained to ensure the project benefits targeted groups.

MOWSDC has a fully staffed Finance Department and uses QuickBooks Premium for Nonprofits. Each grant is assigned a unique identifier making it possible to track grant expenditures. MOWSDC also has an Accounting Policies and Procedures Manual that is updated regularly. MOWSDC uses Quickbooks for general ledger, accounts payable and financial recordkeeping and reporting. The chart of accounts structure provides for adequate segregation and tracking of separate funding sources. All vendor invoices and other expenses are paid by check. Contributions and grants are recorded and managed in Raisers Edge. Program fee billing and tracking is managed through SERVtracker, our client service software. All clients are required to complete an intake interview with a MOWSDC Service Center employee. Information collected on the Intake Form is entered into the SERVtracker database. The intake form documents all demographic information including address, age, gender, ethnic background, income level and all other important information. The database is updated daily and reports are run on regular intervals to ensure data integrity. As a registered 501 (c)(3) non-profit, MOWSDC financial statements are audited annually by an independent auditor and Form 990 is filed annually with the Internal Revenue Service as required. Internal financial reports are also produced monthly by the CFO, issued to the Board Finance Committee for review and presented quarterly to the full MOWSDC Board of Trustees.

F. Personnel:

Identify the staff administering/implementing this project and provide their experience in similar programs.

Mr. Ray, East County Manager, has extensive management experience in the senior care field and hospitality industry. Mr. Ray was the Administrator at Inn on the Boulevard Assisted Living for thirteen years. He holds a B.S. in Business

Administration. Mr. Topper, CFO, has extensive non-profit experience including as Director of Finance and Administration for the Northern Arizona University Foundation, a \$43M privately funded endowment, Director of Finance and Controller for AmeriTribes, and an accounting manager with the Hotel Group. Mr. Topper is a fully licensed CPA (AZ), and was a finalist for San Diego Business Journal CFO of the Year 2011. He holds a B.S. in Accountancy from Northern Arizona University.

G. Conflict of Interest:

Please identify any member, officer, or employee of your organization who is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees or has any interest or holding which could be affected by any action taken in the execution of this application.

No member, officer, or employee of our organization is an officer or employee of the City of Santee or member of any of its boards, commissions, or committees or has any conflict of interest or holding.

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

GENERAL INFORMATION: Date: 1/3/2022

Agency Name: The Santee Food Bank
Agency Address: P.O. Box 712054

Phone: 619-448-2096
E-mail: info@thesantefoodbank.org

Fax: N/A

RECEIVED

JAN 5 2022

Dept. of Development Services
City of Santee

Project/Program Contact Person (Name and Title): Dennis Martins, President
Project/Program Location: 9715 Halberns Blvd., Santee, CA 92071

Phone: 619-248-3570
E-mail: info@friendscc.org

Fax: N/A

Type of Project (check one):

Public Service Activity	<input checked="" type="checkbox"/>
Public Improvement (Construction)	<input type="checkbox"/>
Acquisition of property	<input type="checkbox"/>
Other (describe)	

FUNDING INFORMATION:

Amount Requested from Santee: \$ \$20,000

Note: The Department of Housing and Urban Development's (HUD) recommended minimum funding level per CDBG funded activity of \$5,000.

Total Project/Program Budget: \$ 49,500

Source of Other Funds: Grants, local churches, local businesses, community at large.

Applicant Certification:

To the best of my knowledge and belief, the information contained in this application is true and correct; the document has been duly authorized by the governing body of the applicant; and the applicant will comply with all assurances, federal, state and local laws and regulations if funding is approved.

Dennis Martins, President
Type or Print Your Name and Title


Signature

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

- A. Briefly describe the purpose of the project, the population to be served, the area to be benefited and estimated number of Santee residents who would benefit from the project. Inclusion of the estimated number of Santee residents served is required.

The Santee Food Bank provides emergency food assistance to low to moderate income residents of Santee as well as all who come to us. We provide a minimum 12-day pack to residents once per calendar month. During calendar year 2021, food was provided to 25,450 individuals resulting in an average of 2,120 per month.

- B. Who will carry out the activities, the period over which the activities will be carried out, and the frequency with which the services will be delivered (be specific).

We continue to have a very committed all volunteer staff who put in about 18,000 hours of their time and talents each year. Starting with our board of directors who put in numerous hours networking with the community, applying for grants, monitoring and overseeing the operation. Our volunteers work 6 days per week collecting fresh donations from our local stores. Open every Wednesday, Friday and Saturday of each month from 8am to 11am. Our volunteers arrive early to set up and then stay late to meet the demands. We also distribute government commodities on the 3rd Tuesday of each month. The commodity program provides food packs to an average of 250 households each month.

- C. Describe how the project meets the CDBG Program National Objectives, the City of Santee Priorities, or is included under the Eligible Activities. Please see the Request for Proposal to assist with this request.

The Santee Food Bank continues to operate with a 501c3. Established in 1983 and incorporated in 1990 the City of Santee. Our agency partners, the San Diego Food Bank and Feeding San Diego provide oversight to our organization. Our only purpose is to help alleviate hunger for all who come to us.

- D. Agency/Nonprofit Organization Information:

Outline the background of your agency/nonprofit organization, including the length of time your agency has been in operation, the date of incorporation, the type of corporation and the type of services provided. If the request for funding is submitted as part of a collaborative application, please provide information for each member of the collaborative. **If your organization has received CDBG**

funds from the City of Santee in the past, please note the number of years the organization has received CDBG funding.

Established in 1983 and incorporated in 1990, the The Santee Food Bank distributes food to everyone who comes to us from low to mid-level incomes. Our organization has been receiving CDBG funding since 2007 and with those funds we are able to pay our utility bills, our liability insurance and if needed, emergency food purchases.

E. Financial:

Describe your agency's fiscal management procedures including financial reporting, record keeping, accounting systems, payment procedures, and audit requirements. Describe how records are maintained to ensure the project benefits targeted groups.

There are no paid employees, so the operational expenses are minimal. Internal records are kept by our manager, treasurer and administrator. Client intake sheets record the number of individuals served as well as required statistics of those served. We employ a certified tax preparer and as soon as possible, an independent annual audit of our 2021 financial records will be performed. Ongoing oversight is provided by the City of Santee and our partners, the San Diego Food Bank and Feeding America.

F. Personnel:

Identify the staff administering/implementing this project and provide their experience in similar programs.

President, Dennis Martins, Friends Christian Church; Secretary, Julie Harper, Director of Public Affairs LDS Church; Treasurer, Donna Daum, retired actuary; Manager, & Vice President, Marty Smothermon, retired cost analyst and long-time board member.

G. Conflict of Interest:

Please identify any member, officer, or employee of your organization who is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees or has any interest or holding which could be affected by any action taken in the execution of this application.

There are no known conflicts between the Santee Food Bank and the City of Santee.

**City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022**

RECEIVED

JAN 10 2022

Dept. of Development Services
City of Santee

GENERAL INFORMATION: Date: 1/10/2022

Agency Name: Voices for Children
Agency Address: 2851 Meadow Lark Dr., San Diego, CA 92123-2709

Phone: 858-569-2019 Fax: 858-569-7151
E-mail: info@speakupnow.org

Project/Program Contact Person (Name and Title): Christina Piranio, Director of Philanthropy
Project/Program Location: San Diego County

Phone: 858-598-2216 Fax: 858-569-7151
E-mail: ChristinaP@speakupnow.org

Type of Project (check one):

Public Service Activity	<input checked="" type="checkbox"/>
Public Improvement (Construction)	<input type="checkbox"/>
Acquisition of property	<input type="checkbox"/>
Other (describe)	

FUNDING INFORMATION:

Amount Requested from Santee: \$ 5,000

Note: The Department of Housing and Urban Development's (HUD) recommended minimum funding level per CDBG funded activity of \$5,000.

Total Project/Program Budget: \$ 5,974,000

Source of Other Funds: VFC's project, the Court Appointed Special Advocate (CASA) program, will be funded through a combination of government funding (approximately 20%), foundation and corporate funders (22%), individual giving (32%), and special events (26%). VFC operates on an accrual accounting system. At the start of each fiscal year (beginning on July 1), we begin raising the budget for that fiscal year. All funding that we receive on or after July 1, 2022, is applied toward the project budget. VFC receives more than \$350,000 annually in Victims of Crime Act grant funding through the California Office of Emergency Services, \$185,000 is already secured for FY 2022-23. We expect \$85,000 in FY 2022-23 from the Judicial Council of California. We are currently applying for CDBG funding from the County of San Diego and the cities of Chula Vista, El Cajon, Escondido, San Diego, and Vista. We will also seek local grants from the San Diego County Board of Supervisors through the Neighborhood Reinvestment Program and Community Enhancement Program. We are regularly enhancing our partnerships with foundations and corporations and have received grants of \$50,000 or more over multiple years from several organizations, including the Zable Foundation, the Sahn Family Foundation, Focusing Philanthropy, and Price Philanthropies. The 29 members of VFC's Board of Directors actively support our mission and fiscal success. They each personally contributed an average of \$19,000 last year. The Board of Directors' Philanthropy Committee partners with our CEO and development team leaders to shape VFC's fundraising strategy and identify new sources of

financial support. Each of these funding sources contributes to our overall program budget to serve children from throughout San Diego County, including the City of Santee.

Applicant Certification:

To the best of my knowledge and belief, the information contained in this application is true and correct; the document has been duly authorized by the governing body of the applicant; and the applicant will comply with all assurances, federal, state and local laws and regulations if funding is approved.

Kelly Capen Douglas, Esq., President & CEO



Type or Print Your Name and Title

Signature

**City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022**

- A.** Briefly describe the purpose of the project, the population to be served, the area to be benefited and estimated number of Santee residents who would benefit from the project. Inclusion of the estimated number of Santee residents served is required.

Voices for Children (VFC) respectfully requests \$5,000 in CDBG funding to support the Court Appointed Special Advocate (CASA) program. The purpose of the project is to match children in foster care with consistent, caring volunteers, called CASAs, who fill a critical gap in the overburdened foster care system by ensuring that the best interests of the children are not overlooked. CASAs advocate on a child's behalf in court and in the community.

VFC provides advocacy and support via the CASA program to children, ages 0–21, who are living in San Diego County foster care. While the foster care system impacts youth and families of every race, ethnicity, and socioeconomic class, youth of color and LGBTQ youth remain overrepresented. Approximately 55% of the youth we serve are Hispanic/Latino (compared to 46% of the general population, according to Kidsdata.org), 20% are White/Caucasian, 19% are Black/African American (compared to 5% of the general population), 2% are Asian/Pacific Islander, 3% are multi-racial, and 1% are Native American (compared to 0.6% of the general population).

VFC will provide CASAs to at least 1,500 unduplicated clients throughout San Diego County in fiscal year (FY) 2022–23. Based on data from previous years, we estimate that 10–15 children from the City of Santee will spend time in foster care during FY 2022–23. This grant, if awarded, will enable VFC to provide two (2) of these Santee children with the benefits of CASA advocacy.

- B.** Who will carry out the activities, the period over which the activities will be carried out, and the frequency with which the services will be delivered (be specific).

Through the CASA program, community volunteers called CASAs advocate on behalf of children in foster care under the supervision and guidance of VFC staff members called Advocacy Supervisors. All CASA activities funded by this grant would take place between July 1, 2022 and June 30, 2023. All CASAs first complete VFC's intensive 35-hour training course called Advocate University. They commit to serving for at least 18 months and spend 10–15 hours a month on their cases. Each month, CASAs visit with their assigned child and speak with family members, caregivers, teachers, healthcare providers, and child welfare professionals to gain a holistic understanding of a child's situation. For older youth who are preparing to transition out of foster care, CASAs help with finding safe housing, financial management, and many other life skills. Twice a year, CASAs accompany their assigned child to court and submit a comprehensive written report that includes case updates and recommendations. Judges rely on these reports to make informed decisions about a youth's housing, education, mental and physical health, and overall well-being. Many CASAs advocate for their assigned child beyond their 18-month commitment and throughout the child's time in foster care.

The advocacy provided to each individual child can look very different from child to child. Children in foster care are a diverse group in many ways. They range in age from 0-21, and they enter the foster care system for a variety of complex reasons. Some children will only

spend a few months in the foster care system, while others will remain in the system until they age out on their 21st birthday. The disparate paths foster children's cases take make it difficult to measure the quantity of the services we provide since the advocacy provided by a CASA is tailored to address a child's individual experience and needs during their time in the foster care system.

However, VFC's CASA program provides every participant with three distinct services:

1. An individual and personal relationship with a CASA volunteer, which is established through home visits and fun outings in the community;
2. The CASA's presence and verbal advocacy at regularly scheduled court hearings, child welfare meetings, and school meetings; and
3. The submission of detailed court reports that include case updates about the child and recommendations to the judge at all regularly scheduled court hearings (typically every 6-months).

CASAs are supervised by a VFC Advocacy Supervisor throughout the duration of their volunteer service. Advocacy Supervisors help CASAs to learn about the history of their assigned child's case and develop a detailed case plan. Advocacy Supervisors are trained to respond to the most challenging questions from CASAs, such as: "My case child is having thoughts of suicide, how should I help?" and "My case child has not attended school in four years. Where do I begin?" They also maintain an emergency cell phone line 24 hours a day/365 days a year that CASAs can call if a child should have a health, housing, or other emergency. VFC supports CASAs to make informed recommendations in Court to achieve the best possible outcomes for each child.

- C. Describe how the project meets the CDBG Program National Objectives, the City of Santee Priorities, or is included under the Eligible Activities. Please see the Request for Proposal to assist with this request.

VFC exclusively serves children who have experienced abuse or neglect and are under the Court's jurisdiction. According to the U.S. Department of Housing and Urban Development (HUD), abused and neglected children are presumed to be low- and moderate-income (LMI) persons. This project meets the City of Santee's priority of providing public services and activities to improve the quality of life for residents, specifically the special needs population of children in foster care. Through the CASA program, VFC improves the quality of life for children in foster care. This year, approximately 3,500 children will spend time in the San Diego County foster care system. Each child has experienced multiple and often compounding traumatic experiences in the form of child abuse and neglect at the hands of a caregiver or parent. These experiences are often the result of intergenerational trauma caused by poverty, racism, and/or discrimination. Once in foster care, children face new stressors: being separated from their families, living with strangers, home placement transitions, and frequently lacking consistent and caring adult figures in their lives. Overwhelmingly, the overburdened and bureaucratic foster care system cannot meet the individual needs of the children it is supposed to protect. Its shortcomings—including daunting caseloads and a high turnover rate for child welfare professionals—result in additional childhood trauma that has lifelong impacts. Research shows that children in foster care experience poor educational outcomes, homelessness, and underemployment as a result of time spent in the foster care system. Children are twice as likely as their peers to have anxiety, depression, developmental delays, and asthma (Turney and Wildeman, 2016). Only 54% of foster youth graduate high school within four years, compared to

83% of their peers, and only 4% of former foster youth obtain a college degree by age 26, compared to 36% of the general population (Educational Results Partnership and California College Pathways, 2019). According to John Burton Advocates for Youth, one in three youth who exits foster care in California experiences homelessness within two years. Research from the Centers for Disease Control and Prevention shows that having one secure and supportive relationship promotes adaptive responses to trauma. While child welfare professionals and caregivers may come and go, CASAs form enduring relationships with youth and provide them with consistent advocacy and support. They ensure that the unmet educational, physical and mental health, and housing needs of foster youth are not overlooked by advocating in court, in schools, and in the community. VFC is the only organization designated by the Superior Court to provide CASA services to City of San Diego children in foster care.

D. Agency/Nonprofit Organization Information:

Outline the background of your agency/nonprofit organization, including the length of time your agency has been in operation, the date of incorporation, the type of corporation and the type of services provided. If the request for funding is submitted as part of a collaborative application, please provide information for each member of the collaborative. **If your organization has received CDBG funds from the City of Santee in the past, please note the number of years the organization has received CDBG funding.**

VFC is an independent nonprofit organization that has been in operation since 1980. It was incorporated on December 1, 1982. The founders established VFC with the intention of mitigating the devastating effects of child abuse and long-term foster care. They adopted an emerging model in which volunteers, called CASAs, are enlisted to ensure better housing placements and more positive life outcomes for children in foster care. VFC and its staff and volunteers have impacted thousands of San Diego County children in foster care over the past 41 years, including 103 from Santee since 2014 alone. VFC is grateful to have received CDBG funding from the City of Santee for the past two (2) fiscal years including FY 20-21 and FY 21-22. We are currently providing services to children in foster care in the City of Santee.

VFC's primary program/service is the CASA program, which is the focus of this grant request. We anticipate serving 1,500 foster youth during FY 2022–23, including between 10 and 15 from the City of Santee. VFC also operates three sub-programs in San Diego County: the Case Assessment Program, the Case Liaison program, and the Juvenile Justice CASA program. Under the Case Assessment Program (CAP), VFC Case Liaisons are stationed in each of San Diego County's dependency courtrooms, including the dependency courtroom at the Superior Court East County Division located in El Cajon. There, Case Liaison's assess the case of every child who enters foster care. Case Liaisons then refer children with the greatest needs to the CASA program and children with less urgent needs to the Case Liaison program. CAP staff regularly monitor those children not provided either a CASA or a Case Liaison in case their needs should elevate to a level requiring ongoing advocacy. VFC also created a Juvenile Justice program to provide CASA services to justice-involved youth outside of foster care.

VFC will assess the case of each child who spends time in foster care in San Diego County and provide CASA or Case Liaison services to at least 2,100 of the estimated 3,500 children who will spend time in foster care during FY 2022–23.

E. Financial:

Describe your agency's fiscal management procedures including financial reporting, record keeping, accounting systems, payment procedures, and audit requirements. Describe how records are maintained to ensure the project benefits targeted groups.

VFC is subject to annual financial statement audit by an independent CPA firm. During the audit process, they review our policies concerning personnel, financial reporting, record-keeping, financial management, internal controls, accounting systems, and payment procedures. VFC also uses a financial accounting system called Finance Edge. Through Finance Edge, VFC expends grant dollars in support of the targeted group. Then, VFC invoices the grantor to ensure that funds were spent on the project beneficiaries. Additionally, client records are maintained in our program database, CASA Manager, where efforts and outcomes are tracked according to funding source. Through all of these fiscal and program management procedures, VFC is able to ensure that the project benefits the targeted group. Our Board of Directors (29 members) has governance responsibilities to ensure that all policies and procedures are adhered to by staff.

F. Personnel:

Identify the staff administering/implementing this project and provide their experience in similar programs.

Stephen Moore, Chief Program Officer, will administer this project, if awarded. He has been instrumental in the development of the CASA program since he began with VFC in 2008 as an Advocacy Supervisor. Over the last 13 years, Stephen has assumed various positions with increasing responsibility. He has a vast depth of institutional knowledge. Additionally, Stephen serves on the San Diego County Child and Family Strengthening Advisory Board and is an important liaison between VFC and the Court, dependency judges, and other service organizations with whom we partner. Stephen has been the programmatic lead for each of VFC's previous CDBG grant awards and has successfully stewarded each one to meet or exceed goals. Stephen has a bachelor's degree in Criminal Justice from San Diego State University.

G. Conflict of Interest:

Please identify any member, officer, or employee of your organization who is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees or has any interest or holding which could be affected by any action taken in the execution of this application.

No member, officer, or employee of VFC is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees. No member, officer, or employee of VFC has an interest or holding which could be affected by any action taken in the execution of this application.

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

RECEIVED

JAN 10 2022

GENERAL INFORMATION: Date: 1/7/2022

Agency Name: CSA San Diego County
Agency Address: 327 Van Houten Ave., El Cajon, CA 92020-5128

Dept. of Development Services
City of Santee

Phone: 619-444-5700 Fax:
E-mail: estela@c4sa.org

Project/Program Contact Person (Name and Title): Estela De Los Rios, Executive Director
Project/Program Location: 327 Van Houten Avenue, El Cajon, CA 92020-5128

Phone: 619-444-5700 Fax:
E-mail: estela@c4sa.org

Type of Project (check one):
Public Service Activity
Public Improvement (Construction)
Acquisition of property
Other (describe)

FUNDING INFORMATION:

Amount Requested from Santee: \$15,500

Note: The Department of Housing and Urban Development's (HUD) recommended minimum funding level per CDBG funded activity of \$5,000.

Total Project/Program Budget: \$176,500

Source of Other Funds: Other Cities CDBG funds, volunteers, donations

Applicant Certification:

To the best of my knowledge and belief, the information contained in this application is true and correct; the document has been duly authorized by the governing body of the applicant; and the applicant will comply with all assurances, federal, state and local laws and regulations if funding is approved.

Estela De Los Rios, Executive Director
Type or Print Your Name and Title


Signature

City of Santee
Community Development Block Grant Program
APPLICATION FOR FUNDING
Program Year 2022

- A. Briefly describe the purpose of the project, the population to be served, the area to be benefited and estimated number of Santee residents who would benefit from the project. Inclusion of the estimated number of Santee residents served is required.

CSA San Diego County is a HUD approved agency that aims to provide fair housing and tenant/landlord services to address housing discrimination and tenant-landlord conflicts for our San Diego communities. Our services have been primarily available to low and moderate-income residents. We anticipate serving up to 150 residents in Santee during FY 2021-2022 through direct phone contact, in-person mediation, distribution of bilingual Fair Housing handbooks, our website, and through participation in the Santee Collaborative.

CSA participates in the Santee Collaborative, East County Action Network, and the East County Senior Service Providers. Through these organizations and the Santee library, our staff distributes information in regard to housing so that our services are fully utilized. The services we provide are available in English, Spanish, and Arabic.

Goals

Our primary program goal is to assist the City of Santee by helping provide discrimination-free housing where conflicts between tenants and landlords are addressed in a fair and satisfactory manner and where adequate planning occurs to address needs as they develop.

Objectives and Services

Our Program Objectives (numbered) and Services (bullets) below will meet these goals:

1.) Eradicate discrimination in housing

- Provide consultation and respond to all fair housing and tenant/landlord calls from residents*
- Provide advocacy for equal housing opportunities*
- Assist victims of discrimination under state and federal law and process violations*
- Make referrals when necessary to the Department of Fair Employment and Housing and/or HUD.*
- Conduct Fair Housing Testing within the City of Santee when deemed necessary*
- Assist in and be responsive to addressing the recommendations of the Analysis of Impediments to Fair Housing Choice*
- Address the City of Santee's Housing Element and Consolidated Plan*

2.) Diminish tenant/landlord conflicts

- Provide conflict resolution counseling*
- Offer mediation services where other interventions have been unsuccessful*

3.) Increase the knowledge of tenants and landlords about rental housing rights and

responsibilities as well as other issues

- Conduct education, outreach activities, training
 - Provide resource information outside the area of fair housing
 - Publish and disseminate a Handbook on Renting (English, Arabic, Spanish)
 - Provide up-to-date fair housing information on our web site
 - Develop other materials and programs as necessary
- 4.) Provide well documented and accessible services
- Provide quarterly and annual reports to the CDBG Administrator
 - Provide data that is informative and useful
 - Respond punctually to calls from tenants and landlords
 - Respond punctually and effectively to programmatic or administrative requests from the CDBG Administrator or staff
 - Provide web links to local and regional housing services and information
- 5.) Assist Santee in developing and maintaining regional resources and utilizing best practices
- Attend the Santee Collaborative and serve on its committees
 - Participate in the San Diego Regional Alliance for Fair Housing (SDRAFFH)
 - Develop and maintain relationships with other fair housing organizations that have the potential to increase the capacity of Santee to maintain housing that is free of discrimination and tenant/landlord conflict.

- B.** Who will carry out the activities, the period over which the activities will be carried out, and the frequency with which the services will be delivered (be specific).

Activities detailed in this proposal will be carried out by the multi-lingual CSA San Diego County counselors who are available by phone Monday-Friday between the hours of 8:00AM and 4:30PM. The counselors are responsible for receiving housing calls and providing assistance, information, and referrals that lead to a resolution of fair housing discrimination and tenant-landlord calls. Also we have a talented group working on outreach, to supplement the counselors efforts. All activities will be performed during the fiscal year July 1st, 2022 through June 30, 2023.

- C.** Describe how the project meets the CDBG Program National Objectives, the City of Santee Priorities, or is included under the Eligible Activities. Please see the Request for Proposal to assist with this request.

CSA San Diego County has provided high quality and reliable housing and human relations services in San Diego County for over 50 years. Our services aim to address both national and local CDBG objectives. • On the national level, our services provide a direct benefit to low and moderate-income persons to develop and sustain a reasonable urban community, including decent housing and suitable living environments through the prevention or elimination of slum and decay. • On the local level, we provide public services that promote affordable, habitable, discrimination-free, and equal opportunity housing which reduces homelessness and leads to improved quality of life for seniors and other persons with special needs.

D. Agency/Nonprofit Organization Information:

Outline the background of your agency/nonprofit organization, including the length of time your agency has been in operation, the date of incorporation, the type of corporation and the type of services provided. If the request for funding is submitted as part of a collaborative application, please provide information for each member of the collaborative. **If your organization has received CDBG funds from the City of Santee in the past, please note the number of years the organization has received CDBG funding.**

CSA San Diego County is a private, non-profit agency that was founded in 1969 under the name Heartland Human Relations and Fair Housing then incorporated in 1972. In 2010, our organization was renamed as CSA San Diego County and incorporated under that name. Our mission is "To promote positive attitudes and actions that ensure respect, acceptance and equal opportunity for all people." The agency works cooperatively with community groups, local government bodies, law enforcement, and state and federal fair housing enforcement agencies in a collaborative effort to advocate for and promote the concept of fair treatment, the provision of affordable and habitable housing and equal opportunity for all persons regardless of race, religion, color, ethnicity, age, sexual preference, marital status, familial status, disability or source of income. CSA has provided fair housing and human relations services to low and moderate-income households since the early 1970's. CSA has provided housing services to the City of Santee since 1993

E. Financial:

Describe your agency's fiscal management procedures including financial reporting, record keeping, accounting systems, payment procedures, and audit requirements. Describe how records are maintained to ensure the project benefits targeted groups.

CSA's Board of Directors is legally and fiduciary responsible for the organization on a monthly basis. The Board President, Jose Preciado, supervises the Executive Director who is responsible for the finances of the organization on a day-to-day basis. In turn, the Executive Director supervises the agency's accountant, Tyrone Spencer, who maintains a QuickBooks accounting and payroll system. Invoices and fiscal documentation is provided to Santee monthly. All records are kept either as computer files or in a hard copy that is filed and stored on-site. CSA is anticipating our first annual audit per OMB Circular A-133

F. Personnel:

Identify the staff administering/implementing this project and provide their experience in similar programs.

The Executive Director, Estela De Los Rios, is solely responsible for directing and overseeing the daily operations of CSA San Diego County and its programs. She is

responsible for the implementation of program services, outreach, and reporting. George Ibarra, the Senior Housing Counselor supervises the agency's fair housing counselors and oversees accurate completion of contract deliverables. The management of the Executive Director and the Senior Housing Counselor assures that the quality of services performed adheres to all local, state, and federal regulations. The day-to-day fair housing and tenant-landlord services are performed by a multilingual staff with over 40 accumulated years of expertise in the area of housing.

G. Conflict of Interest:

Please identify any member, officer, or employee of your organization who is an officer or employee of the City of Santee or a member of any of its boards, commissions, or committees or has any interest or holding which could be affected by any action taken in the execution of this application.

No employee of CSA San Diego County is an officer or employee of the City of Santee. No member of any of its boards, commissions, or committees has any interest or holding which could be affected by any action in execution of this application.

MEETING DATE February 9, 2022

ITEM TITLE PUBLIC HEARING CONSIDERING A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SANTEE AND EXCEL ACQUISITIONS, LLC, FOR DEVELOPMENT OF REAL PROPERTY KNOWN AS PARCEL 4 OF PARCEL MAP 18857 LOCATED IN TROLLEY SQUARE

DIRECTOR/DEPARTMENT Marlene D. Best, City Manager

SUMMARY

The City recently reacquired a vacant parcel of real property located in Trolley Square in Santee identified as Parcel 4 of Parcel Map 18857 (“Property”), which was previously considered as a potential site for a public library. On August 14, 2019, the City Council determined that the Property was not appropriate for a public library. On January 26, 2022, in accordance with Government Code section 37420 et seq., the Council adopted a resolution finding that the public interest and convenience require the sale of the Property, declaring its intent to sell the Property, and setting the date for tonight’s public hearing.

City staff have been in negotiations with Excel Acquisitions, LLC (“Excel”) regarding the sale of the Property, which would be completed through a Disposition and Development Agreement (“DDA”). Under the DDA, the City would sell the Property to Excel to be developed as a four-story hotel with a minimum of 89 rooms (plus or minus 5% depending on hotel operator requirements) a breakfast seating area, a pool with a deck, and approximately 64 parking spaces.

CEQA COMPLIANCE

This action is not a project subject to CEQA review under State CEQA Guidelines section 15378. The proposed hotel project subject to the DDA was previously analyzed under CEQA in the Supplemental Environmental Checklist for the Arts and Entertainment Overlay District adopted by the City on December 11, 2019. Moreover, Excel’s future use or development of the Property is expressly conditioned on CEQA compliance and obtaining any required entitlements. City shall conduct environmental review, as required under CEQA, prior to taking any discretionary action with regard to any proposed development of the Property.

FINANCIAL STATEMENT *m*

If the City approves the DDA, the City would gain the purchase price of \$1.4 million, minus the City’s share of sale costs.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *MDB*

1. Open the public hearing and receive testimony from the public regarding the proposed sale of the Property;
2. Close the public hearing and, if any protest was received regarding the sale of the Property, overrule the protest by a 4/5 majority vote; and
3. Adopt the Resolution of Approval.

ATTACHMENT

Staff Report
Resolution of Approval (w/ draft DDA attached)



STAFF REPORT

PUBLIC HEARING CONSIDERING A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SANTEE AND EXCEL ACQUISITIONS, LLC, FOR DEVELOPMENT OF REAL PROPERTY KNOWN AS PARCEL 4 OF PARCEL MAP 18857 LOCATED IN TROLLEY SQUARE

SANTEE CITY COUNCIL MEETING FEBRUARY 9, 2022

A. INTRODUCTION

The City recently reacquired a vacant parcel of real property located in Trolley Square in Santee identified as Parcel 4 of Parcel Map 18857 ("Property"), which was previously considered as a potential site for a public library. On August 14, 2019, the City Council determined that the Property was not appropriate for a public library.

City staff have nearly completed negotiations with Excel Acquisitions, LLC ("Excel") regarding the sale of the Property, which would be completed through a Disposition and Development Agreement ("DDA"). Under the DDA, the City would sell the Property to Excel to be developed as a four-story hotel with a minimum of 89 rooms (plus or minus 5% depending on hotel operator requirements) a breakfast seating area, a pool with a deck, and approximately 64 parking spaces.

On January 26, 2022, in accordance with Government Code section 37420 et seq., the Council adopted a Resolution of Intent (Reso. No. 006-2022) finding that the public interest and convenience require the sale of the Property, declaring its intent to sell the property, and setting the date for tonight's public hearing. The Resolution of Intent was published in the East County Californian on February 4, 2022 and posted at the Property and at City Hall.

The next step is to hold tonight's public hearing to consider any protests concerning the sale of the Property.

B. DISCUSSION

Government Code sections 37420 through 37430 provide a procedure for the City to dispose of real property, which does not require the City to offer the property for sale or lease to any other entity.¹

Pursuant to this statutory authority the City must take the following steps:

1. Adopt a resolution finding that public interest and convenience require the sale of the property and announcing the intent to sell the Property. (Gov.

¹ Assembly Bill 1486, signed by the Governor on October 9, 2019, established new rules for local agencies' disposition of surplus land. However, the City is not subject to these new requirements because, prior to September 30, 2019, the City entered into an exclusive negotiating agreement to dispose of the Property. (See Gov. Code § 54234) Pursuant to Government Code section 54234, the changes enacted by AB 1486 will not apply to the disposition of the Property, provided the disposition is completed no later than December 31, 2022.

- Code § 37421.) The resolution shall fix a time for hearing protests to the sale, provide for a publication of the notice of hearing, fix the time final action will be taken and contain an accurate description of the Property to be sold. (Gov. Code § 37422.)
2. Following adoption of the resolution it must be published at least once in a daily newspaper published and circulated in the City. In addition, the City shall post the resolution for at least ten (10) days in at least three (3) conspicuous places upon the Property. (Gov. Code § 37423.)
 3. Following the adoption of the resolution the City will accept written protests and hear oral protests at a protest hearing. (Gov. Code § 37424.) In the event that either: (a) no protests are received, or (b) the City Council votes to overrule the protest by a 4/5 majority, the City may proceed with the sale. (Gov. Code § 37425.)
 4. Prior to the close of escrow the City Council, acting as the planning body for the City, must find that the location, purpose and extent of the City's disposition of the Property conforms with the General Plan. (Gov. Code § 65402.)
 5. After the public hearing to receive any protests to the sale, the City Council considers the DDA.

As mentioned above, the Council has adopted the Resolution of Intent and it was published and posted in the City as required. Tonight, the Council is being asked to consider the next three steps (steps 3-5) in this process.

The Council is asked to conduct the public hearing, receive any written protests and hear any oral protests to the sale of the Property. If no protests are received, the Council may adopt the resolution approving the DDA ("Resolution of Approval"). If any protests are received, the Council may still adopt the Resolution of Approval, however that Resolution must be adopted by 4/5 vote of the Council.

In the Resolution of Approval, the City finds that the location, purposes and extent of the City's disposition of real property conforms with the General Plan. (Gov. Code § 65402.) The Resolution of Approval also approves the DDA and authorizes the City Manager to execute the DDA, subject to any non-substantive revisions that do not increase the City's liability and are approved by the City Attorney.

Attached to the Resolution of Approval is the draft DDA, which includes the following the basic deal points:

1. Buyer: Excel Acquisitions, LLC, a California limited liability company
2. Hotel Operator: Marriot (TownePlace Suites) or Hilton (Home 2 Suites)
3. Purchase Price: Fair Market Price of \$1.4 million
4. Development to include:

- a. 4-story hotel with a minimum of 89 rooms (plus or minus 5% depending on hotel operator requirements)
 - b. Breakfast seating area
 - c. Pool with a deck
 - d. Approximately 64 parking spaces
5. Close of escrow: the earlier of (1) thirty (30) business days from confirmation from both the City and Excel of the satisfaction or waiver of all conditions precedent to the close of escrow; (2) thirty (30) business days following Excel's receipt of City Council approval of entitlements necessary for the Project; or (3) December 15, 2022.
 6. Hotel opening: No later than twenty-four (24) months from the issuance of building permit by the City, but no later than June 8, 2027 unless an extension is granted pursuant to the terms of the DDA.

The sale will be at the fair market price. The City hired Horwath HTL to appraise the Property and Horwath HTL determined the Property has a value of \$1.4 million.

C. RECOMMENDATION

That the Council:

1. Open the public hearing and receive testimony from the public regarding the proposed sale of the Property;
2. Close the public hearing and, if any protest was received regarding the sale of the Property, overrule the protest by a 4/5 majority vote; and
3. Adopt the Resolution of Approval.

RESOLUTION NO. ____-2022

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE
CITY OF SANTEE AND EXCEL ACQUISITIONS, LLC, FOR DEVELOPMENT OF
REAL PROPERTY KNOWN AS PARCEL 4 OF PARCEL MAP 18857 LOCATED IN
TROLLEY SQUARE**

WHEREAS, the City of Santee (“City”) recently reacquired (pursuant to the Quitclaim Deed filed in the San Diego County Recorder’s Office, recorded January 11, 2022, as Document No. 2022-0014763) a vacant parcel of real property located in Trolley Square in Santee identified as Parcel 4 of Parcel Map 18857, and legally described in Exhibit “A” attached to this Resolution and incorporated by reference herein (the “Property”); and

WHEREAS, the Property was previously considered as a potential site for a public library, but on August 14, 2019, the City Council determined that the Property was not appropriate for use as a public library; and

WHEREAS, the City has no economically viable use for the Property at this time, and the City and Excel Acquisitions, LLC, a California limited liability company (“Developer”), have negotiated the terms of a Disposition and Development Agreement (“DDA”), pursuant to which the City would sell the Property to Developer to be developed as a hotel; and

WHEREAS, on January 26, 2022, the City adopted Resolution No. 006-2022 declaring the City’s intention to sell the Property and setting time for a public hearing to consider the sale of the Property; and

WHEREAS, Developer’s proposed acquisition of the Property and the Developer’s anticipated construction on the Property in accordance with the terms of the DDA are in the best interest of the City and of the health, safety and welfare of the City’s taxpayers and residents and are in accordance with the public purposes set forth in applicable law. Implementation of the DDA will further the goals and objectives of the City’s general plan by: (i) strengthening the City’s land-use and social structure, and (ii) resulting in the development of an underutilized property, creating jobs within the City and spurring additional economic growth in the area.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTEE
RESOLVES AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Findings. The City Council intends to sell the Property to Developer and, based on the Recitals and all other information and testimony provided, finds that the public interest and convenience require the sale of the Property to Developer. The City has no economically viable use for the Property at this time, and the sale of the Property will increase revenue for the City's General Fund, bring a needed use to the City, and result in the development of an underutilized property, creating jobs within the City and spurring additional economic growth in the area.

Section 3. Hearing and Other Requirements. As required by Government Code section 37423, a duly noticed public hearing was held by the City on February 9, 2022. Pursuant to Government Code section 54234, the City is exempt from the new regulations regarding the disposition of surplus land set forth in AB 1486, because prior to September 30, 2019, the City had entered into an exclusive negotiating agreement for disposition of the Property.

Section 4. CEQA Compliance. The City's approval of the DDA is not a project subject to CEQA review under State CEQA Guidelines section 15378. The proposed hotel project subject to the DDA was previously analyzed under CEQA in the Supplemental Environmental Checklist for the Arts and Entertainment Overlay District adopted by the City on December 11, 2019. Moreover, Developer's future use or development of the Property is expressly conditioned on CEQA compliance and obtaining any required entitlements. City shall conduct environmental review, as required under CEQA, prior to taking any discretionary action with regard to any proposed development of the Property.

Section 5. Approval of Agreement. The City hereby approves the DDA, in substantially the form attached to this Resolution as Exhibit "B," subject to any non-substantive revisions that do not increase the City's liability and are approved by the City Attorney; authorizes the City Manager to sign and enter into the DDA; and directs the City Manager to perform the obligations of the City under the DDA.

Section 6. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City declares that the City would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 7. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 9th day of February, 2022, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED

JOHN W. MINTO, MAYOR

ATTEST

ANNETTE ORTIZ, CMC, CITY CLERK

EXHIBIT "A"
to
Resolution No. ____-2022

Legal Description of the Property
Parcel 4 of Parcel Map 18857

The land referred to herein is situated in the State of California, County of San Diego, City of Santee, and described as follows:

All of Parcel 4, according to Parcel Map 18857, filed in the Office of the County Recorder of San Diego, recorded December 10, 2001, as File No. 2001-0904572.

SEE ATTACHED PARCEL MAP NO. 18857

PARCEL MAP NO. 18857

SHEET 1 OF 14 SHEETS

CITY OF SANTEE TPM 2001-01

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE LAND SUBMITTED BY THIS MAP AND CONSENT TO THE PREPARATION AND RECORDATION OF THE MAP.

WE HEREBY MAKE AN IRREVOCABLE OFFER OF DEDICATION OF PARCEL 4 AS A SITE FOR FUTURE CONSTRUCTION OF A PUBLIC LIBRARY SUBJECT TO THE CONDITIONS SET FORTH IN THE ANNEXED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT BY AND AMONG THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SANTEE, THE CITY OF SANTEE AND VESTAR DEVELOPMENT 6, L.L.C. AN ARIZONA LIMITED LIABILITY COMPANY EFFECTIVE MAY 10, 2001, AND LISTED FOR IDENTIFICATION PURPOSES AS OF THE 26TH DAY OF MARCH 2001.

WE HEREBY DEDICATE TO THE PUBLIC, A PORTION OF MISSION GORGE ROAD, A PORTION OF CUYAMACA STREET, A PORTION OF TOWN CENTER PARKWAY, A PORTION OF CIVIC CENTER DRIVE, AND A PORTION OF STREET B FOR PUBLIC STREET PURPOSES AND RELINQUISH AND WAIVE ABUTTERS RIGHT OF ACCESS IN AND TO CUYAMACA STREET, TOWN CENTER PARKWAY, AND MISSION GORGE ROAD, EXCEPTING THEREFROM DRIVEWAY OPENINGS 1 THROUGH 7 AND TO THE SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD EASEMENT AS SHOWN HEREOF.

WE HEREBY DEDICATE TO THE CITY OF SANTEE A TRAFFIC SIGNAL EASEMENT OVER, UPON, ACROSS AND UNDER THE HEREINAFTER DESCRIBED REAL PROPERTY AS DELINEATED ON THIS MAP. SAID EASEMENT IS DEDICATED SUBJECT TO THE PROVISIONS STATED ON SHEET 2 OF THIS MAP.

WE HEREBY DEDICATE TO THE CITY OF SANTEE A DRAINAGE EASEMENT OVER, UPON, ACROSS AND UNDER THE HEREINAFTER DESCRIBED REAL PROPERTY AS DELINEATED ON THIS MAP. SAID EASEMENT IS DEDICATED SUBJECT TO THE PROVISIONS STATED ON SHEET 2 OF THIS MAP.

WE HEREBY DEDICATE TO THE CITY OF SANTEE A CLEAR SPACE EASEMENT OVER, UPON, ACROSS AND UNDER THE HEREINAFTER DESCRIBED REAL PROPERTY AS DELINEATED ON THIS MAP. SAID EASEMENT IS DEDICATED SUBJECT TO THE PROVISIONS STATED ON SHEET 2 OF THIS MAP.

WE HEREBY DEDICATE TO THE CITY OF SANTEE A LANDSCAPE AND PUBLIC ACCESS EASEMENT OVER, UPON, ACROSS AND UNDER THE HEREINAFTER DESCRIBED REAL PROPERTY AS DELINEATED ON THIS MAP. SAID EASEMENT IS DEDICATED SUBJECT TO THE PROVISIONS STATED ON SHEET 2 OF THIS MAP.

WE (GRANTOR) HEREBY DEDICATE TO PADRE DAM MUNICIPAL WATER DISTRICT (GRANTEE), A MUNICIPAL WATER DISTRICT OF THE STATE OF CALIFORNIA, A PERMANENT EASEMENT FOR THE PURPOSE OF CONSTRUCTING, OPERATING, MAINTAINING, AND RETAILING UNDERGROUND WATER PIPELINES AND LATERALS, WATER METERS, VALVES, MAIN SEWER LINES, SEWER TRUNK LINES, COLLECTION LINES AND LATERALS, SEWER MANHOLES AND OTHER UNDERGROUND AND SURFACE STRUCTURES APPURTENANT TO SAID WATER AND SEWER LINES, TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS FOR SUCH PURPOSES AND FOR ACCESS TO OTHER FACILITIES OR LANDS OF THE GRANTEE WHETHER SAID FACILITIES OR LANDS ARE WITHIN OR WITHOUT THE BOUNDARIES OF THIS SUBDIVISION, ALL AS SHOWN ON THIS MAP. SAID EASEMENT IS HEREBY DEDICATED SUBJECT TO THOSE COVENANTS AND RESTRICTIONS RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 19, 1998, AS DOCUMENT NO. 1998-008688 OF OFFICIAL RECORDS.

COMMUNITY DEVELOPMENT COMMISSION, FORMERLY KNOWN AS SANTEE REDEVELOPMENT AGENCY, OWNER

Keith Till, Executive Director, City of Santee, Community Development Commission

CITY CLERK'S OFFICE, STATE OF CALIFORNIA, COUNTY OF SAN DIEGO, CITY OF SANTEE

ON December 7, 2001, before me, the undersigned city clerk, personally appeared Keith Till, personally known to me to be the person whose name is subscribed on this instrument and he acknowledged to me that he executed the same in his authorized capacity as Executive Director of the City of Santee, Community Development Commission, and that by his signature on the instrument he executed the instrument on behalf of the CITY OF SANTEE.

Witness my hand and official seal. Peter Rade, Acting Deputy City Clerk, City of Santee

BEING A SUBDIVISION OF ALL THAT PORTION OF LOTS 1 AND 2 IN BLOCK 11 AND OF LOTS 4 AND 5 IN BLOCK 3 OF LOTS "M" AND "O" OF THE RANCHO EL CAJON, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 817, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, APRIL 2, 1986, TOGETHER WITH THAT PORTION OF LAKESIDE AVENUE VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF SAID SAN DIEGO COUNTY, A COPY OF SAID ORDER BEING RECORDED IN BOOK 32, PAGE 26 OF SAID SUPERVISORS' RECORDS.

FOR COMPLETE METES AND BOUND LEGAL DESCRIPTION OF THIS SUBDIVISION SEE CERTIFIED TITLE COMPANY DESCRIPTION AND REPORT ON FILE IN THE OFFICE OF THE CITY ENGINEER.

THE SUBDIVISION GUARANTEE FOR THIS SUBDIVISION IS FURNISHED BY CHICAGO TITLE COMPANY AS ORDER NO. 13038289-113 DATED OCTOBER 9, 2001 AND ORDER NO. 13038289A-113, DATED NOVEMBER 2, 2001.

THE SIGNATURE OF COUNTY OF SAN DIEGO, A POLITICAL DIVISION OF THE STATE OF CALIFORNIA, OWNER OF AN EASEMENT FOR SEWER PIPE OR PIPELINES RECORDED FEBRUARY 9, 1959, AS DOCUMENT NO. 17735 IN BOOK 5070 PAGE 588 OF OFFICIAL RECORDS AND FOR HIGHWAY SLOPES AND ORANGE RECORDED JANUARY 7, 1975 AS FILE NO. 75-054132 OF OFFICIAL RECORDS OF SAN DIEGO COUNTY HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 (c)(3)(A) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RISE INTO A FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

THE SIGNATURE OF PADRE DAM MUNICIPAL WATER DISTRICT, A STATE AGENCY, OWNER OF EASEMENTS FOR SEWER AND WATER FACILITIES RECORDED APRIL 17, 1995, AS DOCUMENT NO. 76604 IN BOOK 7011 PAGE 438 OF OFFICIAL RECORDS, RECORDED MARCH 16, 1998 AS DOCUMENT NO. 93288 IN BOOK 7549 PAGE 263 OF OFFICIAL RECORDS AND RECORDED JULY 28, 1995 AS FILE/PAGE NO. 1995-024573 OF OFFICIAL RECORDS HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 (c)(3)(A) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RISE INTO A FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

THE SIGNATURE OF SAN DIEGO GAS & ELECTRIC COMPANY, A CORPORATION OWNER OF EASEMENTS FOR GAS, ELECTRIC AND COMMUNICATION FACILITIES TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS RECORDED NOVEMBER 20, 1961 AS FILE/PAGE NO. 205685, RECORDED SEPTEMBER 18, 1962 AS FILE/PAGE 160680 AND RECORDED AUGUST 1, 1965 AS FILE/PAGE NO. 1965-032642 OF OFFICIAL RECORDS OF SAN DIEGO COUNTY HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 (c)(3)(A) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RISE INTO A FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

THE SIGNATURE OF LAKESIDE SANITATION DISTRICT OWNER OF EASEMENTS FOR SEWER FACILITIES RECORDED MARCH 27, 1974 AS FILE/PAGE 74-02380 AND APRIL 23, 1978 AS FILE/PAGE NO. 78-054732 OF OFFICIAL RECORDS OF SAN DIEGO COUNTY HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 (c)(3)(A) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RISE INTO A FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

THE SIGNATURE OF CITY OF SANTEE, A MUNICIPAL SUBDIVISION OF THE STATE OF CALIFORNIA, OWNER OF EASEMENTS FOR PUBLIC HIGHWAY RECORDED SEPTEMBER 25, 1986 AS FILE/PAGE NO. 86-427062 AND RECORDED DECEMBER 23, 1996 AS FILE/PAGE NO. 96-505363 OF OFFICIAL RECORDS OF SAN DIEGO COUNTY HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 (c)(3)(A) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RISE INTO A FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

THE SIGNATURE OF SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, OWNER OF AN EASEMENT FOR THE CONSTRUCTION, RECONSTRUCTION, MAINTENANCE, USE, OPERATION AND/OR REMOVAL OF RAILROAD, RAIL AND RAILROAD RELATED EQUIPMENT AND FACILITIES RECORDED DECEMBER 2, 1997, AS FILE NO. 1997-0607380 OF OFFICIAL RECORDS OF SAN DIEGO COUNTY HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 (c)(3)(A) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RISE INTO A FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

WE, TIM K. MODERWITT, DIRECTOR OF FINANCE, AND CARY P. STEWART, CITY ENGINEER, BOTH OF THE CITY OF SANTEE, CALIFORNIA, HEREBY CERTIFY THAT THERE ARE NO UNPAID BONDS ISSUED UNDER THE STREET IMPROVEMENT ACTS OF THE STATE OF CALIFORNIA AGAINST THE TRACT OR SUBDIVISION OR ANY PART THEREOF, SHOWN ON THE ANNEXED MAP AND DESCRIBED IN THE CAPTION THEREOF.

THOMAS J. PASTUSZKA, CLERK OF THE BOARD OF SUPERVISORS HEREBY CERTIFY THAT THE PROVISIONS OF THE SUBDIVISION MAP ACT (DIVISION 2, TITLE 7 OF THE GOVERNMENT CODE) REGARDING (a) DEBITS FOR TAXES AND (b) CERTIFICATION OF THE ABSENCE OF LENS-FOR UNPAID STATE, COUNTY, MUNICIPAL OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES EXCEPT THOSE NOT YET PAYABLE, HAVE BEEN COMPLIED WITH.

THOMAS J. PASTUSZKA, CLERK OF THE BOARD OF SUPERVISORS, BY DEPUTY: Scott Smith, City Attorney

THIS IS TO CERTIFY THAT THE REAL PROPERTY INTEREST(S) AS SHOWN ON THIS MAP AND DEDICATED TO PADRE DAM MUNICIPAL WATER DISTRICT IS (ARE) HEREBY ACCEPTED BY THE ORDER OF THE BOARD OF DIRECTORS OF PADRE DAM MUNICIPAL WATER DISTRICT, BY THE UNDERSIGNED OFFICER ON BEHALF OF THE BOARD OF DIRECTORS PURSUANT TO AUTHORITY CONFERRED BY RESOLUTION NO. 97-31 ADOPTED MAY 27, 1997, AND PADRE DAM MUNICIPAL WATER DISTRICT CONSENTS TO RECORDATION THEREOF BY ITS DULY AUTHORIZED OFFICER.

ROLAND D. ROSSMILLER, P.E., DIRECTOR OF ENGINEERING AND PLANNING

CARY P. STEWART, CITY ENGINEER OF THE CITY OF SANTEE, HEREBY APPROVE THIS PARCEL MAP AND ACCEPT ON BEHALF OF THE PUBLIC, SUBJECT TO IMPROVEMENT, A PORTION OF MISSION GORGE ROAD, A PORTION OF CUYAMACA STREET, A PORTION OF TOWN CENTER PARKWAY, A PORTION OF CIVIC CENTER DRIVE, AND A PORTION OF STREET B FOR PUBLIC STREET PURPOSES AND THE RELINQUISHMENT AND WAIVER OF ABUTTERS RIGHT OF ACCESS IN AND TO CUYAMACA STREET, TOWN CENTER PARKWAY, AND MISSION GORGE ROAD, AND THE CLEAR SPACE EASEMENT, THE DRAINAGE EASEMENT, THE TRAFFIC SIGNAL EASEMENT, THE LANDSCAPE AND PUBLIC ACCESS EASEMENT, ALL AS SHOWN ON SAID MAP. I ALSO REJECT ON BEHALF OF THE CITY PARCEL 4 AS A FUTURE SITE FOR A PUBLIC LIBRARY.

NOTE: SECTION 66477.9 OF THE GOVERNMENT CODE OF CALIFORNIA PROVIDES THAT A REJECTED OFFER OF DEDICATION SHALL REMAIN OPEN AND SUBJECT TO FUTURE ACCEPTANCE BY THE CITY.

CARY P. STEWART, CITY ENGINEER

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF VESTAR DEVELOPMENT COMPANY AND SANTEE REDEVELOPMENT AGENCY ON AUGUST 8 - 10, 2001, AND THE MONUMENTS ARE OF THE CHARACTER INDICATED AND OCCUPY THE POSITIONS SHOWN THEREON. I WILL SET ALL OTHER MONUMENTS OF THE CHARACTER AND AT POSITIONS INDICATED BY THE LEGEND IN THIS MAP WITHIN 30 DAYS AFTER COMPLETION OF THE REQUIRED IMPROVEMENTS, AND ALL SUCH MONUMENTS ARE OR WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED. (SEE LEGEND ON SHEET NO. 3).

I HEREBY STATE THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY.

Eric Nelson, Contract City Land Surveyor, 12-04-01, Rite Way, Inc. No. J1139, Expires on 6/30/2004



CARY P. STEWART, CITY ENGINEER OF THE CITY OF SANTEE, CERTIFY I HAVE EXAMINED THIS PARCEL MAP AND THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, IF ANY, AND ANY APPROVED ALTERATIONS THEREOF THIS PARCEL MAP COMPLIES WITH THE PROVISIONS OF SANTEE MUNICIPAL CODE AND THE SUBDIVISION MAP ACT.

CARY P. STEWART, P.E., CITY ENGINEER, 12/7/01



ERIC NELSON, CONTRACT CITY LAND SURVEYOR STATE THAT I HAVE EXAMINED THIS MAP AND I AM SATISFIED THIS PARCEL MAP IS TECHNICALLY CORRECT.

ERIC NELSON, PLS 5563, CONTRACT CITY LAND SURVEYOR, 12-04-01



FILE NO. 2001-0904572

GREGORY J. SMITH, RECORDER OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, HEREBY CERTIFY THAT I HAVE ACCEPTED THIS MAP FILED AT THE REQUEST OF THE CITY OF SANTEE, CALIFORNIA, ON THE 10TH DAY OF DECEMBER 2001 AT 1:45 PM.

GREGORY J. SMITH, COUNTY RECORDER, DEPUTY COUNTY RECORDER, 12-10-01

FILE: B34.00 M.F.

4827-2, MAP, BULKING, 12/4/01, 1057951

Latitude 33 Planning and Engineering, 4653 Panamint Drive, Second Floor, San Diego, CA 92123, 656-751-0953 Fax 656-761-0654

GRADING PLAN G-701, CALIF COORD INDEX 242-1773

TPM 2001-01

EXHIBIT "B"
to
Resolution No. ____-2022

Disposition and Development Agreement (Parcel 4 Hotel)

[attached behind this cover page]

DISPOSITION AND DEVELOPMENT AGREEMENT

(Parcel 4 Hotel)

by and between

the

CITY OF SANTEE

a California Charter City,

and

EXCEL ACQUISITIONS, LLC

a California limited liability company

[Dated as of February __, 2022, for reference purposes only]

CITY OF SANTEE

DISPOSITION AND DEVELOPMENT AGREEMENT

(PARCEL 4 HOTEL)

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (Parcel 4 Hotel) (this “**Agreement**”) is dated as of February __, 2022, for reference purposes only, and is entered into by and between EXCEL ACQUISITIONS, LLC, a California limited liability company (the “**Developer**”), and the CITY OF SANTEE, a California charter city (the “**City**”), exercising governmental functions and powers. The City and the Developer enter into this Agreement with reference to the following recited facts (each a “**Recital**”):

RECITALS

A. The City and the Developer have determined that it is desirable for the Developer to acquire that certain real property owned by the City known as Parcel 4 of Parcel Map 18857 in the City and specifically defined in the definition of the “Property” in Subsection 2.1(ccc) and Exhibit “A” of this Agreement;

B. Developer acknowledges that the Property was previously owned by Kimco Realty Corporation the successor to Vestar Development II, LLC, and was conveyed back, on _____, to the City pursuant to the terms and conditions of that certain Disposition and Development Agreement between the City, its former Redevelopment Agency, and Vestar Development II, LLC (“Vestar DDA”) after the City at the August 14, 2019 Council meeting determined that the site was not appropriate for a public library;

C. The Developer has proposed the development of the Property with a 4-story hotel consisting of a minimum of 89 rooms(plus or minus 5% depending upon site restrictions and [Brand] requirements for room type/size and amenities), a breakfast seating area, a pool with deck, and approximately 64 parking spaces, as more particularly described in the definition of “Project” in Subsection 2.1(bbb) of this Agreement; and

D. The City desires to sell the Property to the Developer for the development of the Project and the Developer desires to purchase the Property from the City for the same purpose on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION AND THE PROMISES AND COVENANTS OF THE PARTIES SET FORTH IN THIS AGREEMENT, THE CITY AND THE DEVELOPER AGREE, AS FOLLOWS:

ARTICLE I

RECITALS AND IDENTITIES OF PARTIES.

Section 1.1 **Incorporation of Recitals.** The Recitals of fact set forth above are true and correct and are incorporated into this Agreement in their entirety by this reference.

Section 1.2 **Parties to the Agreement.** The Parties to this Agreement are the City and the Developer.

Section 1.3 **Restrictions on Change in Management or Control of the Developer and Assignment or Transfer.**

(a) The Developer acknowledges that the qualifications and identity of the Developer are of particular importance to the City. The Developer further recognizes and acknowledges that the City has relied and is relying on the specific qualifications and identity of the Developer in entering into this Agreement with the Developer and, as a consequence, Transfers are permitted only as expressly provided in this Agreement. Except as set forth in this Section 1.3 or other provisions of this Agreement, prior to the Project Completion Date, the Developer shall not sell, assign, convey, create any trust estate with respect to or otherwise Transfer any of its interests in this Agreement, the Parcel, and/or the Project, without the prior written approval of the City Manager.

(b) At least 30 days prior to any such change, the Developer shall notify the City in writing of any and all changes whatsoever in the identity of the business entities or individuals either comprising or in control of the Developer, as well as any and all changes in the interest or the degree of control of the Developer by any such person, of which information the Developer or any of its partners, members or officers are notified or may otherwise have knowledge or information. . The City shall either approve or disapprove of such change within 30 days of receipt of such written notice. This Agreement may be terminated by the City or the City may exercise any other remedy available to the City under the terms of this Agreement, prior to the Project Completion Date, if there is any Transfer, whether voluntary or involuntary, in membership, ownership, management or control of the Developer (other than such changes occasioned by the death or incapacity of any individual) that has not been approved in writing by the City, prior to the time of such Transfer provided, however, that (i) the City shall first notify the Developer in writing of its intention to terminate this Agreement or to exercise any other remedy, and (ii) the Developer shall have twenty (20) calendar days following its receipt of such written notice to commence and, thereafter, diligently and continuously proceed to cure the default of the Developer and submit evidence of the initiation and satisfactory completion of such cure to the City, in a form and substance reasonably satisfactory to the City.

(c) Except as expressly permitted in this Agreement, the Developer represents and agrees that it has not made and will not create or suffer to be made or created, any Transfer, either voluntarily, involuntarily or by operation of law, without the prior written approval of the City, until after the Project Completion Date. Any Transfer made in contravention of this Section 1.3 shall be voidable at the election of the City and, if voided,

shall be deemed to be an Event of Default by the Developer, whether or not the Developer knew of or participated in such Transfer.

(d) The Developer is not required to give the City advance notice of a Permitted Transfer, as defined below. Additionally, the City may, in its reasonable discretion, approve in writing any other Transfer requested by the Developer, provided the proposed transferee can satisfactorily demonstrate successful experience in the development, ownership, operation, and management of a hotel of the same type as the Hotel, and expressly assumes in writing all of the obligations of the Developer under this Agreement. All instruments and other legal documents proposed to effect any Transfer shall be submitted to the City for review, prior to the Transfer, and the written approval or disapproval of the City shall be provided to the Developer, within thirty (30) calendar days of the City's receipt of the Developer's request.

ARTICLE II DEFINITIONS

Section 2.1 **Defined Terms.** In addition to the usage of certain words, terms or phrases that are defined in the initial paragraph or Recitals of this Agreement, the following words, terms and phrases are used in this Agreement, as follows, unless the particular context of usage of a word, term or phrase requires another interpretation:

(a) **“Affiliate”** means and refers to any Person, directly or indirectly, Controlling or Controlled by or under common Control with the Developer, whether by direct or indirect ownership of equity interests, by contract or otherwise.

(b) **“City”** means and refers to the City of Santee, California.

(c) **“City Deed”** means and refers to a quitclaim deed in substantially the form of **Exhibit “E”** to this Agreement, conveying all of the City’s interest in the Property to the Developer.

(d) **“City Manager”** means and refers to the City Manager of the City or his or her designee or successor in function.

(e) **“City Parties”** means and refers, collectively, to the City, its governing body, elected officials, employees, agents and attorneys.

(f) **“City Party”** means and refers, individually, to the City, its governing body, elected officials, employees, agents and attorneys.

(g) **“City’s Title Notice Response”** means and refers to the written response of the City to the Developer’s Title Notice, in which the City either elects to (i) cause the removal from the Preliminary Report or, in the alternative, (ii) obtain title insurance in a form reasonably satisfactory to the Developer insuring against any matters disapproved in the Developer’s Title Notice or (iii) elects not to take either action described in (i) or (ii).

(h) **“CEQA”** means and refers to the California Environmental Quality Act, Public Resources Code Sections 21000, et seq.

(i) **“Certificate of Completion”** means and refers to the written certification of the City that the Project is complete and in compliance with the terms and conditions of this Agreement, in substantially the form of Exhibit “D” to this Agreement.

(j) **“Claims”** For purposes of this Agreement, “Claims” means any and all claims, losses, costs, damages, expenses, liabilities, liens, actions, causes of action (whether in tort or contract, at law or in equity, or otherwise), charges, awards, assessments, fines, and penalties of any kind (including consultant and expert expenses, court costs, and reasonable attorney’s fees of counsel retained by the City Parties, expert fees, costs of staff time, and investigation costs, of whatever kind or nature), and judgments, including, but not limited to, Claims for: (1) injury to any person (including death at any time resulting from that injury); (2) loss of, injury or damage to, or destruction of property (including all loss of use resulting from that loss, injury, damage, or destruction) regardless of where located, including the property of the City Parties; (3) any workers’ compensation or prevailing wage determination; and (4) all economic losses and consequential or resulting damage of any kind.

(k) **“Close of Escrow”** means and refers to the recording of the City Deed in the Official Records of the Recorder of the County of San Diego, California, and completion of each of the actions set forth in ARTICLE IV by the Escrow Holder for the City to sell the Property to the Developer and the Developer to purchase the Property from the City.

(l) **“Control”** means and refers to possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether by ownership of equity interests, by contract or otherwise.

(m) **“Controlling”** and **“Controlled”** mean and refer to exercising or having Control.

(n) **“Deed of Trust”** means and refers to a deed of trust or other security instrument required by a Lender to be recorded against the Property, to secure the Developer’s performance under the associated Loan and related Loan Documents.

(o) **“Developer Official Action”** means and refers to official action of the Developer in substantially the form attached to this Agreement as Exhibit “F” executed by the authorized representative(s) of the Developer.

(p) **“Developer’s Title Notice”** means and refers to a written notice from the Developer to the City indicating the Developer’s acceptance of the state of the title to the Property, as described in the Preliminary Report, or the Developer’s disapproval of specific matters shown in Schedule B of the Preliminary Report as exceptions to coverage under the proposed Title Policy for the Property, describing in suitable detail the actions that the Developer reasonably believes are indicated to obtain the Developer’s approval of the state of the title to the Property.

(q) **“Developer’s Title Notice Waiver”** means and refers to a written notice from the Developer to the City waiving the Developer’s previous disapproval in the Developer’s Title Notice of specific matters shown in Schedule B of the Preliminary Report as exceptions to coverage under the proposed Title Policy for the Property.

(r) **“Due Diligence Investigations”** means and refers to the Developer’s due diligence investigations of the Property to determine the suitability of the Property for development or operation of the Project.

(s) **“Due Diligence Investigation Conclusion Notice”** means and refers to a written notice of the Developer delivered to both the City and the Escrow Holder, prior to the end of the Due Diligence Period, indicating the Developer’s acceptance of the condition of the Property or indicating the Developer’s rejection of the condition of the Property and refusal to accept a conveyance of fee title to the Property, describing in reasonable detail the actions that the Developer reasonably believes are indicated to allow the Developer to accept the condition of the Property.

(t) **“Due Diligence Period”** means and refers to the time period commencing on the day immediately following the Escrow Opening Date and continuing until December 1, 2022.

(u) **“Earnest Money Deposit”** means and refers to the amount of fifty thousand dollar (\$50,000) in cash or other immediately available funds.

(v) **“Effective Date”** means and refers to the date on which this Agreement has been approved by the City governing body. The City shall send a Notice to all Parties confirming this date. City’s failure to timely send this notice shall not invalidate or modify the Effective Date. Developer shall have executed this Agreement prior to submission to the City governing board.

(w) **“Environmental Claims”** means and refers to any and all claims, demands, damages, losses, liabilities, obligations, penalties, fines, actions, causes of action, judgments, suits, proceedings, costs, disbursements and expenses, including, without limitation, attorney fees, disbursements and costs of attorneys, environmental consultants and other experts, and all foreseeable and unforeseeable damages or costs of any kind or of any nature whatsoever directly or indirectly relating to or arising from any Environmental Matters existing or occurring during or arising from the Developer’s Due Diligence Investigations, the Developer’s ownership or occupancy of the Property or the Developer’s construction or installation of the Project.

(x) **“Environmental Laws”** means and refers to all federal, state, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any governmental authority regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance (as defined in Section 2.1(ii)), or pertaining to occupational health or industrial hygiene (to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relating to any Hazardous Substance on,

under, or about the Property), occupational or environmental conditions on, under, or about the Property, as now or may, at any later time, be in effect, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”) [42 U.S.C. Section 9601 *et seq.*]; the Resource Conservation and Recovery Act of 1976 (“RCRA”) [42 U.S.C. Section 6901 *et seq.*]; the Clean Water Act, also known as the Federal Water Pollution Control Act (“FWPCA”) [33 U.S.C. Section 1251 *et seq.*]; the Toxic Substances Control Act (“TSCA”) [15 U.S.C. Section 2601 *et seq.*]; the Hazardous Materials Transportation Act (“HMTA”) [49 U.S.C. Section 1801 *et seq.*]; the Insecticide, Fungicide, Rodenticide Act [7 U.S.C. Section 6901 *et seq.*] the Clean Air Act [42 U.S.C. Section 7401 *et seq.*]; the Safe Drinking Water Act [42 U.S.C. Section 300f *et seq.*]; the Solid Waste Disposal Act [42 U.S.C. Section 6901 *et seq.*]; the Surface Mining Control and Reclamation Act [30 U.S.C. Section 101 *et seq.*]; the Emergency Planning and Community Right to Know Act [42 U.S.C. Section 11001 *et seq.*]; the Occupational Safety and Health Act [29 U.S.C. Section 655 and 657]; the California Underground Storage of Hazardous Substances Act [Health and Safety Code Section 25280 *et seq.*]; the California Hazardous Substances Account Act [Health and Safety Code Section 25300 *et seq.*]; the California Safe Drinking Water and Toxic Enforcement Act [Health and Safety Code Section 24249.5 *et seq.*] the Porter-Cologne Water Quality Act [Water Code Section 13000 *et seq.*] together with any amendments of, or regulations promulgated under the statutes cited above and any other federal, state, or local law, statute, ordinance, or regulation, now in effect or later enacted, that pertains to occupational health or industrial hygiene, and only to the extent the occupational health or industrial hygiene laws, ordinances, or regulations relating to any Hazardous Substance on, under, or about the Property, or the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

(y) **“Environmental Matters”** means and refers to any of the following:

(1) The presence of Hazardous Substance on, in, under, from or affecting all or any portion of the Property or the Project;

(2) The storage, holding, handling, release, threatened release, discharge, generation, leak, abatement, removal or transportation of any Hazardous Substance on, in, under, from or affecting the Property or the Project;

(3) The violation of any law, rule, regulation, judgment, order, permit, license, agreement, covenant, restriction, requirement or the like by the Developer, its agents or contractors, relating to or governing in any way Hazardous Substances on, in, under, from or affecting the Property or the Project;

(4) The failure of the Developer, its agents or contractors, to properly complete, obtain, submit and/or file any and all notices, permits, licenses, authorizations, covenants and the like in connection with the Developer’s activities on the Property or the Project;

(5) The implementation and enforcement by the Developer, its agents or contractors of any monitoring, notification or other precautionary measures that may, at

any time, become necessary to protect against the release, potential release or discharge of any Hazardous Substance on, in, under, from or affecting the Property or the Project;

(6) The failure of the Developer, its agents or contractors, in compliance with all applicable Environmental Laws, to lawfully remove, contain, transport or dispose of any Hazardous Substance existing, stored or generated on, in, under or from the Property or the Project;

(7) Any investigation, inquiry, order, hearing, action or other proceeding by or before any Governmental Agency in connection with any Hazardous Substance on, in, under, from or affecting the Property or the Project or the violation of any Environmental Law relating to the Property or the Project.

(z) **“Escrow”** means and refers to an escrow, as defined in Civil Code Section 1057, that is conducted by the Escrow Holder with respect to the Property, pursuant to this Agreement.

(aa) **“Escrow Closing Date”** means and refers to the earlier of (1) the thirtieth (30th) business day following the Escrow Holder’s receipt of written confirmation from both the City and the Developer of the satisfaction or waiver of all conditions precedent to the Close of Escrow; (2) the thirtieth (30th) business day following Developer’s receipt of City Council approval of entitlements necessary for the Project; or (3) December 15, 2022.

(bb) **“Escrow Holder”** means and refers to Orange Coast Title Company 2151 East Convention Center Way, Suite 102, Ontario, California 91764.

(cc) **“Escrow Opening Date”** means and refers to the first date on which a fully executed copy of this Agreement and the Earnest Money Deposit are deposited with the Escrow Holder.

(dd) **“Event of Default”** shall have the meaning ascribed to the term in Section 9.2.

(ee) **“FIRPTA Affidavit”** means and refers to a Foreign Investment in Real Property Tax Act affidavit complying with Section 1445 of the United States Internal Revenue Code.

(ff) **“Form 593”** means and refers to a California Franchise Tax Board Form 593-W.

(gg) **“Governmental Agency”** means and refers to any and all courts, boards, agencies, commissions, offices, or authorities of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city, or otherwise), including the City, pursuant to its general police power jurisdiction, whether now or later in existence with jurisdiction over the Property or the construction or installation of any portion of the Project on the Property.

(hh) **“Governmental Requirements”** means and refers to all codes, statutes, ordinances, laws, permits, orders, and any rules and regulations promulgated thereunder of any Governmental Agency.

(ii) **“Hazardous Substance”** means and refers to, without limitation, substances defined as a “Hazardous Substance,” “hazardous material,” “toxic substance,” “solid waste,” or “pollutant or contaminate” in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601, *et seq.*; the Toxic Substances Control Act (“TSCA”) [15 U.S.C. Sections 2601, *et seq.*]; the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, *et seq.*; those substances listed in the United States Department of Transportation (DOT)Table [49 CFR 172.101], or by the EPA, or any successor authority, as a Hazardous Substance [40 CFR Part 302]; and those substances defined as “hazardous waste” in Section 25117 of the California Health and Safety Code or, as a “Hazardous Substance” in Section 25316 of the California Health and Safety Code; other substances, materials, and wastes that are, or become, regulated or classified as hazardous or toxic under federal, state, or local laws or regulations and in the regulations adopted pursuant to said laws, and shall also include manure, asbestos, polychlorinated biphenyl, flammable explosives, radioactive material, petroleum products, and substances designated as a hazardous substance pursuant to 33 U.S.C. Section 1321 or listed pursuant to 33 U.S.C. Section 1317.

(jj) **“Hotel”** means and refers to the hotel portion of the Project, as specifically described in the Scope of Development.

(kk) **“Hotel Agreement”** means and refers to a written franchise agreement made by and between the Developer and a hotel brand, in form and substance acceptable to the City, by which Hilton or Marriott franchises the use, operation and management of a Home 2 Suites or TownePlace Suites (or similar quality) hotel on the Property to the Developer for a minimum time period of ten (10) years from the date of issuance of a final Certificate of Occupancy by the City for the Hotel.

(ll) **“Lender”** means and refers to a state or federally chartered bank, trust company (in its individual or trust capacity), insurance company with a financial rating of at least A in the then current edition of A.M. Best’s Insurance Guide, credit union, savings bank (state or federal), pension, welfare or retirement fund or system, real estate investment trust, federal or state agency regularly making or guaranteeing mortgage loans, investment bank, a subsidiary of a Fortune 500 company (such as AT&T Capital Corporation or General Electric Capital Corporation) or any Person that is a wholly owned subsidiary of or is a combination of any one or more of the foregoing Persons.

(mm) **“Loan”** means and refers, individually, to any loan that the Developer shall obtain from a Lender the proceeds of which are to be used and applied solely to pay the reasonable costs of obtaining such loan and either: (1) the Purchase Price and the other costs of acquiring the Property through the Escrow or (2) for construction or installation of the Project.

(nn) **“Loan Documents”** means and refers to the various documents and instruments made by and between the Developer and a Lender that evidence a Loan and the security for repayment of such Loan.

(oo) **“Maintenance Deficiency”** shall have the meaning ascribed to the term in Section 7 of the City Deed, attached to this Agreement as **Exhibit “E.”**

(pp) **“Notice of Agreement”** means and refers to the notice in substantially the form of **Exhibit “F”** to this Agreement to be recorded against the Property at the Close of Escrow to provide constructive record notice of the existence and application of this Agreement to the Property.

(qq) **“Occupancy Date”** means and refers to the date on which the City issues a final Certificate of Occupancy for the Hotel.

(rr) **“Party”** means and refers, individually, to either the City or the Developer, as applicable.

(ss) **“Parties”** means and refers, collectively, to the City and the Developer.

(tt) **“PCO Report”** means and refers to a preliminary change of ownership report required under California Revenue and Taxation Code Section 480.3.

(uu) **“Permitted Encumbrance”** means and refers to any Deed of Trust.

(vv) **“Permitted Exceptions”** means and refers to (i) any and all items shown in Schedule B of the Preliminary Report as exceptions to coverage under the proposed Title Policy that the Developer does not disapprove, pursuant to Section 3.3, or that are otherwise accepted or consented to by the Developer; (ii) any exceptions from coverage under the proposed Title Policy resulting from the Developer’s activities on the Property; (iii) any lien for non-delinquent property taxes and assessments; (iv) any applicable planning or zoning laws, ordinances or regulations; (v) this Agreement; (vi) the City Deed; (vii) any other matter provided for in this Agreement.

(ww) **“Permitted Transfer”** means and refers to any of the following types of Transfers by the Developer, where the Person to which such Transfer is made, expressly assumes the obligations of the Developer under this Agreement in a written instrument satisfactory to the City:

(1) Any Transfer of stock or equity of the Developer that does not change management or operational control of the Property or the Project;

(2) Any Transfer of any interest in the Developer irrespective of the percentage of ownership (i) to any other owner of any interest in the Developer; or (ii) to any Affiliate, or (iii) to any other Person in which any holder of an interest (including any beneficial

interest) in the Developer is a manager, officer or partner or in which any of the aforementioned is a shareholder, member or partner (including a beneficial Owner);

(3) Any transfer to a wholly owned subsidiary of Developer.

(4) Any Transfer made after Certificate of Occupancy. Any such Transfer shall not be subject to any Notice or Consent provisions.

(xx) **“Person”** means and refers to any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization, or other entity of any kind.

(yy) **“Pre-Closing Liquidated Damages Amount”** means and refers to the amount of Fifty Thousand Dollars (\$50,000).

(zz) **“Preliminary Report”** means and refers to a preliminary report issued by the Title Company in contemplation of the issuance of the Title Policy, accompanied by copies of all documents listed in Schedule B of the report as exceptions to coverage under the proposed Title Policy.

(aaa) **“Project”** means and refers to those certain private, commercial improvements that the Developer proposes to construct on the Property, including all required or associated on-site and off-site improvements, all hardscape and all landscaping, all as specifically described in the Scope of Development, attached as **Exhibit B**, and all to be developed in accordance with plans and specifications approved by the City and any conditions imposed by the City in its approval of the Developer’s development application(s) related to the Project.

(bbb) **“Project Completion Date”** means and refers to June 8, 2027.

(ccc) **“Property”** means and refers to that certain vacant real property, consisting of approximately 1.62 acres, specifically described in **Exhibit “A”** attached to this Agreement and incorporated into this Agreement by this reference.

(ddd) **“Property Transfer”** means and refers to any “change in ownership,” as defined in Revenue and Taxation Code Sections 60, *et seq.*, of all or any portion of the Property.

(eee) **“Purchase Price”** shall mean and refer to the amount of One Million Four Hundred Thousand Dollars (\$1,400,000).

(fff) **“Record”, “recorded”, “recording” or “recordation”** each mean and refer to recordation of the referenced document in the official records of the Recorder of the County of San Diego, California.

(ggg) **“Schedule of Performance”** means and refers to the schedule for the performance of certain actions by the City or the Developer, pursuant to the terms and conditions of this Agreement, attached to this Agreement as Exhibit “C.”

(hhh) **“Scope of Development”** means and refers to the detailed description of the primary elements of the Project attached to this Agreement as Exhibit “B.”

(iii) **“Title Company”** means and refers to Orange Coast Title Company, 2151 East Convention Center Way, Suite 102, Ontario, California 91764..

(jjj) **“Title Policy”** means and refers to a standard CLTA owners’ policy of title insurance issued by the Title Company, with coverage in the full amount of the Purchase Price and insuring fee title to the Property vested in the Developer.

(kkk) **“Transfer”** means and refers to any of the following:

(1) Any total or partial sale, assignment, conveyance, trust, power, or transfer in any other mode or form, by the Developer of more than a 49% interest in the Developer’s interest in this Agreement, the Property, or the Project or a series of such sales, assignments and the like that, in the aggregate, result in a disposition of more than a 49% interest in the Developer’s interest in this Agreement, the Property or the Project; or

(2) Any total or partial sale, assignment, conveyance, or transfer in any other mode or form, of or with respect to any interest in the Developer or a series of such sales, assignments and the like that, in the aggregate, result in a disposition of more than a 49% interest in any interest in the Developer; or

(3) Any merger, consolidation, sale or lease of all or substantially all of the assets of the Developer or a series of such sales, assignments and the like that, in the aggregate, result in a disposition of more than a 49% interest of all or substantially all of the assets of the Developer; or

(4) Any Property Transfer; or

(5) The recordation of any deed of trust, mortgage, lien or similar encumbrance against all or any portion of the Property or the Project.

(lll) **“Unavoidable Delay”** means and refers to a delay in either Party performing any obligation under this Agreement, except payment of money, arising from or on account of any cause whatsoever beyond the Party’s reasonable control, despite such Party’s reasonable diligent efforts, including industry-wide strikes, labor troubles or other union activities (but only to the extent such actions affect similar persons at that time and do not result from an act or omission of the Party), casualty, war, acts of terrorism or riots or government mandated shutdowns or stoppages. Unavoidable Delay shall not include delay caused by a Party’s financial condition, illiquidity, or insolvency.

(mmm) **“Un-Permitted Encumbrance”** means and refers to any mortgage, lien, deed of trust, easement or other encumbrance recorded or asserted against the Property that is not a Permitted Encumbrance

ARTICLE III

PROPERTY DISPOSITION

Section 3.1 **Purchase and Sale.** The City shall sell the Property to the Developer and the Developer shall purchase the Property from the City pursuant to the terms and conditions of this Agreement. For the purposes of exchanging funds and documents to complete the sale from the City to the Developer and the purchase by the Developer from the City of the Property, pursuant to the terms and conditions of this Agreement, the City and the Developer agree to open the Escrow with the Escrow Holder. ARTICLE IV of this Agreement constitutes the joint escrow instructions of the Parties to the Escrow Holder for the conduct of the Escrow for the sale of the Property. The Developer and the City shall execute the Escrow Holder’s standard or general escrow instructions, provided, however, that the provisions of this Agreement shall be controlling, in the event of any conflict between the provisions of this Agreement and any such standard or general escrow instructions requested by the Escrow Holder.

Section 3.2 **Payment of Purchase Price.** At least one day prior to Close of Escrow, the Developer shall deposit the Purchase Price into the Escrow in immediately available funds, subject to credit to the Developer for the Earnest Money Deposit, as provided in this Agreement.

(a) **Earnest Money Deposit.** Concurrent with its opening of the Escrow, the Developer shall deposit the Earnest Money Deposit into the Escrow. Upon the Close of Escrow, the Earnest Money Deposit shall be credited to the Developer toward the Purchase Price. The Earnest Money Deposit shall be refundable to the Developer, except (i) upon the occurrence of an Event of Developer’s Default prior to the Close of Escrow, in which case the Earnest Money Deposit shall be paid to the City pursuant to pre-closing default remedies set forth in Article IX, or (ii) upon the Developer’s acceptance of the Property in a Due Diligence Investigation Conclusion Notice pursuant to Section 3.3, at which time the Earnest Money Deposit shall be fully earned by the City and the Escrow Holder shall promptly pay the Earnest Money Deposit to the City.

Section 3.3 **Title Approval.** No later than five days following the Escrow Opening Date, the City shall obtain the Preliminary Report from the Title Company and deliver a copy of the Preliminary Report to the Developer.

(a) Within twenty (20) days following the Developer’s receipt of the Preliminary Report, the Developer shall deliver the Developer’s Title Notice to the City. If the Developer fails to deliver Developer’s Title Notice to the City, within twenty (20) days following the Developer’s receipt of the Preliminary Report, the Developer will be deemed to disapprove the status of title to the Property and refuse to accept title to the Property.

(b) Within twenty (20) days following the earlier of the City's receipt of Developer's Title Notice or expiration of the time period provided in this Section 3.3 for delivery of Developer's Title Notice, the City shall serve City's Title Notice Response. If the Developer's Title Notice does not disapprove any matter in the Preliminary Report, the City shall not be required to serve City's Title Notice Response. If the City does not serve City's Title Notice Response, if necessary, within twenty (20) days following its receipt of the Developer's Title Notice, the City shall be deemed to elect not to cause any matter disapproved in the Developer's Title Notice to be removed from the Preliminary Report or its effect to be insured against.

(1) If the City elects in City's Title Notice Response to cause the removal of any matter disapproved in the Developer's Title Notice from the Preliminary Report or its effect to be insured against, the City shall cause the removal of each such matter from the Preliminary Report or insurance against its effect to be issued, at least 10 days prior to the Escrow Closing Date.

(2) If the City elects or is deemed to have elected not to cause the removal of any matter disapproved in the Developer's Title Notice from the Preliminary Report or its effect to be insured against, then, within ten (10) days following the earlier of the Developer's receipt of City's Title Notice Response or the expiration of the time period provided in this Section 3.3 for delivery of City's Title Notice Response, the Developer shall either: (1) refuse to accept the title to and conveyance of the Property, or (2) waive its disapproval of any matters set forth in the Developer's Title Notice by delivering the Developer's Title Notice Waiver to the City. Failure by the Developer to deliver the Developer's Title Notice Waiver, where City's Title Notice Response or the City's failure to serve City's Title Notice Response indicates or results in the City's election not to cause the removal of any one or more matters disapproved in Developer's Title Notice from the Preliminary Report or its effect to be insured against, within ten (10) days following the Developer's receipt of City's Title Notice Response or expiration of the time period for the City to deliver City's Title Notice Response under this Agreement, will be deemed the Developer's continued refusal to accept the title to and conveyance of the Property, in which case either the City or the Developer shall have the right to cancel the Escrow and terminate this Agreement, in their respective sole and absolute discretion, without liability to the other Party or any other Person, by delivery of a written notice of termination to both the other Party and the Escrow Holder, in which case the Parties and the Escrow Holder shall proceed pursuant to Section 4.10.

Section 3.4 **Developer Due Diligence Investigations.**

(a) The Developer shall complete all of its Due Diligence Investigations within the Due Diligence Period and shall conduct all of its Due Diligence Investigations at its sole cost and expense.

(b) City shall provide any reports related to Hazardous Materials in its possession or under its control to Developer within 5 days of the Effective Date. The Developer

acknowledges that the Property has been outside of the City's control since it was conveyed pursuant to the Vestar DDA.

(c) The City licenses, permits and authorizes the Developer to enter the Property for the sole purpose of conducting the Developer's Due Diligence Investigations, subject to all of the terms and conditions of this Agreement. The Developer shall not conduct any intrusive or destructive testing of any portion of the Property, other than low volume soil samples, without the City Manager's prior written consent, such consent not to be unreasonably withheld. Following the conduct of any Due Diligence Investigations on the Property, the Developer shall restore the Property to substantially its condition prior to the conduct of such Due Diligence Investigations.

(d) Any Due Diligence Investigations of the Property by the Developer shall not unreasonably disrupt any then-existing use or occupancy of the Property or the operations of the City or the surrounding shopping center owned by Kimco Realty Corporation. The activities of the Developer or its agents directly or indirectly related to the Developer's Due Diligence Investigations shall be subject to the Developer's indemnity, defense and hold harmless obligations pursuant to this Agreement. Prior to commencing any Due Diligence Investigations on the Property, the Developer shall deliver all copies of policies or certificates of insurance required to be delivered pursuant to Section 6.6.

(e) The Developer shall deliver a Due Diligence Investigation Conclusion Notice to the City and the Escrow Holder prior to the end of the Due Diligence Period. If the Developer does not unconditionally accept the condition of the Property by delivery of its Due Diligence Investigation Conclusion Notice indicating such acceptance, prior to the end of the Due Diligence Period, the Developer shall be deemed to have rejected the condition of the Property and refused to accept conveyance of title to the Property. If the condition of the Property is rejected or deemed rejected by the Developer, then the City or the Developer shall have the right to cancel the Escrow and terminate this Agreement, in their respective sole and absolute discretion, without liability to the other Party or any other person, by delivery of a written notice of termination to the other Party and the Escrow Holder, in which case the Parties and the Escrow Holder shall proceed pursuant to Section 4.10.

(f) The Developer shall rely solely and exclusively upon the results of its Due Diligence Investigations of the Property, including, without limitation, investigations regarding geotechnical soil conditions, compliance with applicable laws pertaining to the use of the Property by the Developer, and any other matters relevant to the condition or suitability of the Property for the Project, as the Developer may deem necessary or appropriate. The City makes no representation or warranty to the Developer relating to the condition of the Property or suitability of the Property for any intended use or development by the Developer.

(g) Subject to Section 8.2, the Developer shall accept all conditions of the Property, without any liability of the City whatsoever, upon the Developer's acceptance of the condition of the Property indicated in its Due Diligence Investigation Conclusion Notice. The Developer's delivery of its Due Diligence Investigation Conclusion Notice indicating the Developer's unconditional acceptance of the condition of the Property shall evidence the

Developer's unconditional and irrevocable acceptance of the Property in the Property's "AS IS," "WHERE IS," AND "SUBJECT TO ALL FAULTS" CONDITION, WITHOUT WARRANTY AS TO QUALITY, CHARACTER, PERFORMANCE OR CONDITION and with full knowledge of the physical condition of the Property, the nature of the City's interest in and use of the Property, all zoning, other land use laws and other Governmental Requirements affecting the Property, and of the conditions, restrictions, encumbrances and all matters of record relating to the Property. The Developer's delivery of its Due Diligence Investigation Conclusion Notice indicating the Developer's unconditional acceptance of the condition of the Property shall constitute the Developer's representation and warranty to the City that the Developer has received assurances acceptable to the Developer by means independent of the City or any agent of the City of the truth of all facts material to the Developer's acquisition of the Property pursuant to this Agreement, and that the Property is being acquired by the Developer as a result of its own knowledge, inspection and investigation of the Property and not as a result of any representations made by the City or any employee, official, consultant or agent of the City relating to the condition of the Property, unless such statement or representation is expressly and specifically set forth in this Agreement. The City hereby expressly and specifically disclaims any express or implied warranties regarding the Property.

Section 3.5 Developer to Obtain all Project Approvals.

(a) Following the Escrow Opening Date, the City shall reasonably consent, as necessary, to the Developer processing necessary entitlements, permits or applications with each Governmental Agency for development of the Project on the Property, including the City Manager signing any such applications on behalf of the City, as the owner of the Property.

(b) The Developer shall, within the time period(s) for such actions set forth in the Schedule of Performance, prepare and submit a complete application and any other required application, document, fee, charge or other item (including, without limitation, deposit, fund or surety) required for construction or installation of the Project, pursuant to all Governmental Requirements, to each necessary Governmental Agency for review and approval. The City's zoning, building and land use regulations (whether contained in ordinances, the City's municipal code, conditions of approval or elsewhere), shall be applicable to the construction and installation of the Project on the Property by the Developer, pursuant to this Agreement. The Developer acknowledges that all plans and specifications and any changes to plans and specifications for the Project shall be subject to all Governmental Requirements. No action by the Governmental Agency or the City with reference to this Agreement or any related documents shall be deemed to constitute a waiver of any required Governmental Agency or City permit, approval or authorization regarding the Property, the Project, the Developer, any successor-in-interest of the Developer or any successor-in-interest to the Property.

(c) The approval of this Agreement by the City Manager or the City shall not be binding on the City Council regarding any approvals of the Project required by such bodies. The Developer obtains no right or entitlement to construct or install the Project on the Property or any portion of the Property by virtue of this Agreement. If any revisions of the

Project are required by a Governmental Agency, the Developer shall promptly make any such revisions that are reasonably consistent with the Scope of Development.

(d) Notwithstanding any provision to the contrary in this Agreement, the Developer agrees to accept and comply fully with any and all reasonable conditions of approval applicable to all approvals, permits and other governmental actions regarding the construction or installation of the Project on the Property, reasonably consistent with this Agreement.

(e) The Developer and the City agree that the City shall not provide any financial assistance to the Developer in connection with the construction or installation of the Project. The Developer shall be solely responsible for paying for the costs of all design work, construction, labor, materials, fees, permit, application, surety bond and other expenses associated with the Project. The Developer shall pay any and all fees pertaining to the review and approval of the Project by each Governmental Agency and utility service providers, including the costs of preparation of all required construction, planning and other documents reasonably required by each Governmental Agency or utility service provider pertinent to the construction or installation of the Project on the Property, including, but not limited to, specifications, drawings, plans, maps, permit applications, land use applications, zoning applications, environmental review and disclosure documents and design review documents. The Developer shall obtain any and all necessary governmental approvals, prior to the commencement of applicable portions of construction and installation of the Project, and the Developer shall take reasonable precautions to ensure the safety and stability of surrounding properties during the construction and installation of the Project.

(f) The Developer shall, prior to the end of the Due Diligence Period, obtain all entitlements for construction and installation of the Project on the Property from each Governmental Agency, subject to any extensions of time authorized by this Agreement upon the occurrence of an Unavoidable Delay. For purposes of this Section “entitlements” is defined to include any required rezone, variance, use permit, or similar development approval. It is not anticipated that Developer shall have received approval of construction drawings or be in a position to pull building permits at the end of the Due Diligence Period. Developer agrees and acknowledges that the “entitlements” shall expire three (3) years from the date of approval by the City.

(1) If Developer fails to obtain entitlements prior to close of the Due Diligence Period, the Parties shall proceed with the transaction and close the escrow provided that:

(i) Developer shall pay the Purchase Price as required by this Agreement.

(ii) City agrees to hold the funds received by the City from Purchase Price (“Received Funds”) in a separate fund at the City for up to ninety (90) days from the Close of Escrow (“Entitlement Date”).

(iii) Developer may elect to extend the Entitlement Date for ninety (90) days. The Parties may extend the Entitlement Date thereafter by mutual consent.

(iv) If Developer has not secured entitlements for the Project by the Entitlement Date, including any extensions as provided for in subsection (ii) or (iii) immediately above, Developer shall within 10 days of notice from the City of termination of the transaction, execute and deliver to the City a grant deed conveying Developer's interest in the Property to the City and the City shall, within 5 days of receiving the grant deed in a recordable form from the Developer, return the the Received Funds to the Developer, and this Agreement shall be automatically terminated.

ARTICLE IV

JOINT ESCROW INSTRUCTIONS

Section 4.1 **Opening of Escrow.** The Developer shall cause the Escrow to be opened within five (5) days following the Effective Date. Escrow Holder shall promptly confirm in writing to each of the Parties the date of the Escrow Opening Date. This ARTICLE IV shall constitute the joint escrow instructions of the City and the Developer to Escrow Holder for conduct of the Escrow.

Section 4.2 **Conditions to Close of Escrow.** The conditions set forth below in this Section 4.2 shall be satisfied or else waived by the respective benefited Party on or before the Escrow Closing Date, or the Party benefited by any unsatisfied condition shall not be required to proceed to close the Escrow.

(a) Developer's Conditions. The Developer's obligation to purchase the Property from the City on the Escrow Closing Date shall be subject to the satisfaction or waiver of each of the following conditions precedent, each of which can only be waived in writing by the Developer:

(1) The Developer agrees to accept the title to and conveyance of the Property, pursuant to Section 3.3;

(2) The Developer delivers its Due Diligence Investigation Conclusion Notice to both the City and the Escrow Holder indicating the Developer's unconditional acceptance of the condition of the Property, prior to the expiration of the Due Diligence Period;

(3) The City Council finds, pursuant to Government Code Section 65402, that the Project is consistent with the City's General Plan;

(4) The Title Company is unconditionally committed to issue the Title Policy to the Developer, at the Close of Escrow;

(5) The City deposits all of the items into the Escrow required by Section 4.4; and

(6) The Developer approves the Escrow Holder's final estimated closing/settlement statement.

(b) City's Conditions. The City's obligation to sell the Property to the Developer on or before the Escrow Closing Date shall be subject to the satisfaction or waiver of each of the following conditions precedent, which can only be waived in writing by the City:

(1) The Developer deposited the Earnest Money Deposit into Escrow, pursuant to Section 3.2;

(2) The Developer agrees to accept the title to and conveyance of the Property, pursuant to Section 3.3;

(3) The Developer delivers its Due Diligence Investigation Conclusion Notice to both the City and the Escrow Holder indicating the Developer's unconditional acceptance of the physical condition of the Property, prior to the expiration of the Due Diligence Period;

(4) The City Council finds, pursuant to Government Code Section 65402, that the Project is consistent with the City's General Plan;

(5) The Developer submits to the City, at least fifteen (15) days prior to the Escrow Closing Date, evidence satisfactory to the City, in the City's sole and absolute discretion, that the Developer has obtained all Governmental Agency approvals necessary for the development of the Project on the Property;

(6) The Developer delivers to the City, at least fifteen (15) days prior to the Escrow Closing Date, in form and substance acceptable to the City, an unconditional and irrevocable letter of commitment from a Lender to make and fund a Loan to the Developer at the Close of Escrow for the construction and installation of the entire Project;

(7) The Developer delivers to the City, at least fifteen (15) days prior to the Escrow Closing Date, in form and substance acceptable to the City, a legally binding written contract between the Developer and a licensed California general contractor experienced in the construction and installation of projects similar to the Project for the construction and installation of the Project on the Property in accordance with the Scope of Development, the Schedule of Performance and building and landscaping plans and specifications approved by the City, subject to any conditions of any such approvals, and which contract requires the Developer to provide payment security pursuant to Civil Code Section 3110.5;

(8) The Developer deposits all of the items into Escrow required by Section 4.3;

(9) The City approves the Escrow Holder's final estimated closing/settlement statement;

(10) The Developer performs all of its material obligations required to be performed by the Developer under this Agreement prior to Close of Escrow; and

(11) The representations, warranties, and covenants of the Developer set forth in this Agreement are true and correct in all material respects on the Effective Date and on the Escrow Closing Date.

Section 4.3 Developer's Escrow Deposits. Following satisfaction or waiver of each of the Developer's conditions to the Close of Escrow set forth in Subsection 4.2(a) and, at least, four (4) business days prior to the Escrow Closing Date scheduled by the Escrow Holder in a writing delivered to each of the Parties, the Developer shall deposit the following funds and documents into the Escrow and, concurrently, provide a copy of each such document to the City:

(a) Purchase Price. The Purchase Price, less the Earnest Money Deposit, plus any additional funds required to be deposited into the Escrow by the Developer under the terms of this Agreement to close the Escrow, all in immediately available funds;

(b) PCO Report. A PCO Report executed by the authorized representative(s) of the Developer;

(c) Acceptance of City Deed. The Certificate of Acceptance of City Deed, in substantially the form attached to the City Deed, executed by the authorized representative(s) of the Developer in recordable form;

(d) Notice of Agreement. The Notice of Agreement executed by the authorized representative(s) of the Developer in recordable form; and

(e) Construction Loan Deed of Trust. A Deed of Trust securing a Loan to the Developer to finance construction and installation of the entire Project, executed by the authorized representative(s) of the Developer in recordable form.

Section 4.4 City's Escrow Deposits. Following satisfaction or waiver of each of the City's conditions to Close of Escrow set forth in Subsection 4.2(b) and, at least, two (2) business days prior to the Escrow Closing Date scheduled by the Escrow Holder in a writing delivered to each of the Parties, the City shall deposit the following funds and documents into the Escrow and, concurrently, provide a copy of each such document to the Developer:

(a) City Deed. The City Deed executed by the authorized representative(s) of the City in recordable form;

(b) FIRPTA Affidavit. The FIRPTA Affidavit completed and executed by the authorized representative(s) of the City;

(c) Notice of Agreement. The Notice of Agreement executed by the authorized representative(s) of the City in recordable form; and

(d) Form 593. A Form 593 executed by the authorized representative(s) of the City.

Section 4.5 Closing Procedure. When each of the Developer's Escrow deposits, as set forth in Section 4.3, and each of the City's Escrow deposits, as set forth in Section 4.4, are deposited into the Escrow, the Escrow Holder shall request confirmation in writing from both the City and the Developer that each of their respective conditions to the Close of Escrow, as set forth in Section 4.3 and Section 4.4, are satisfied or waived. Upon the Escrow Holder's receipt of written confirmation from both the City and the Developer that each of their respective conditions to the Close of Escrow are either satisfied or waived, the Escrow Holder shall close the Escrow by doing all of the following:

(a) Insertion of Dates. The Escrow Holder shall insert the Escrow Closing Date into the Notice of Agreement, as the date of such document, prior to the recordation of such document.

(b) Recordation of Documents. File the City Deed, with the Developer's certificate of acceptance attached, the Notice of Agreement and each Deed of Trust with the Office of the Recorder of the County of San Diego, California, for recordation in the order set forth in Section 4.7;

(c) Distribution of Recorded Documents. Distribute conformed copies of each recorded document to the Party or person designated for such distribution in Section 4.7;

(d) PCO Report. File the PCO Report with the Office of the Recorder of the County of San Diego, California;

(e) FIRPTA Affidavit. File the FIRPTA Affidavit with the United States Internal Revenue Service;

(f) Form 593. File the Form 593 with the State of California Franchise Tax Board;

(g) Title Policy. Obtain and deliver to the Developer the Title Policy;

(h) Purchase Price. Deliver the Purchase Price to the City, less the City's share of the Escrow closing costs, and less any other charges to the account of the City, and return all remaining funds held by the Escrow Holder for the account of the Developer to the Developer, less the Developer's share of the Escrow closing costs, and less any other charges to the account of the Developer.

(i) Report to IRS. Following the Close of Escrow and prior to the last date on which such report is required to be filed with the Internal Revenue Service, if such report is required pursuant to Section 6045(e) of the Internal Revenue Code, the Escrow Holder

shall report the gross proceeds of the purchase and sale of the Property to the Internal Revenue Service on Form 1099-B, W-9 or such other form(s) as may be specified by the Internal Revenue Service pursuant to Section 6045(e). Upon the filing of such reporting form with the Internal Revenue Service, the Escrow Holder shall deliver a copy of the filed form to the City and the Developer.

Section 4.6 Close of Escrow. Close of Escrow shall occur on or before the Escrow Closing Date. If for any reason the Close of Escrow has not occurred on or before the Escrow Closing Date, then any Party not then in default of this Agreement may cancel the Escrow and terminate this Agreement, without liability to the other Party or any other person for such cancellation and termination, by delivering written notice of termination to both the other Party and the Escrow Holder and, thereafter, the Parties shall proceed pursuant to Section 4.10. Without limiting the right of either Party to cancel the Escrow and terminate this Agreement, pursuant to the preceding sentence, if the Escrow does not close on or before the Escrow Closing Date, and neither Party has exercised its contractual right to cancel the Escrow and terminate this Agreement before such time, then the Escrow shall close as soon as reasonably possible following the first date on which the Escrow Holder is in a position to close the Escrow, pursuant to the terms and conditions of this Agreement.

Section 4.7 Recordation and Distribution of Documents. Escrow Holder shall cause the following documents to be recorded in the official records of the Recorder of the County of San Diego, California, in the following order at the Close of Escrow: (i) the City Deed, with the Developer's certificate of acceptance attached, (ii) the Notice of Agreement, (iii) each Deed of Trust, and (iv) any other documents to be recorded through the Escrow upon the joint instructions of the Parties. The Escrow Holder shall deliver conformed copies of all documents recorded through the Escrow to the City and the Developer and any other person designated in the joint escrow instructions of the Parties to receive a conformed copy of each such document, each showing all recording information.

Section 4.8 Escrow Closing Costs, Taxes and Title Policy Premium. The City and the Developer shall each pay one-half (1/2) of the Escrow fees and such other costs as the Escrow Holder may charge for the conduct of the Escrow. The Escrow Holder shall notify the Developer and the City of the costs to be borne by each of them at the Close of Escrow by delivering the Escrow Holder's estimated closing/settlement statement to both the City and the Developer, at least, four (4) business days prior to the Escrow Closing Date. The City shall pay the premium charged by the Title Company for the Title Policy, exclusive of any endorsements or other supplements to the coverage of the Title Policy that may be requested by the Developer. The Developer shall pay any and all recording fees, documentary transfer taxes and any and all other charges, fees and taxes levied by a governmental authority relative to the conveyance of the Property through the Escrow and the cost of any endorsements or supplements to the coverage of the Title Policy requests by the Developer.

Section 4.9 Escrow Cancellation Charges. If the Escrow fails to close due to the City's material default under this Agreement, the City shall pay all ordinary and reasonable cancellation charges relating to the Escrow and the Title Policy. If the Escrow fails to close due to the Developer's material default under this Agreement, the Developer shall pay all ordinary

and reasonable cancellation charges relating to the Escrow and Title Policy. If the Escrow fails to close for any reason other than the material default of either the Developer or the City, the Developer and the City shall each pay one-half (1/2) of any ordinary and reasonable cancellation charges relating to the Escrow and the Title Policy.

Section 4.10 Escrow Cancellation. If the Escrow is cancelled and this Agreement is terminated pursuant to a contractual right granted to a Party in this Agreement to cancel the Escrow and terminate this Agreement, other than due to the default of another Party, the Parties shall do each of the following:

(a) Cancellation Instructions. The Parties shall, within three (3) business days following receipt of the Escrow Holder's written request, execute any reasonable Escrow cancellation instructions requested by the Escrow Holder;

(b) Return of Funds and Documents. Within ten (10) days following receipt by the Parties of a settlement statement from the Escrow Holder of cancellation charges regarding the Escrow and the Title Policy, if any: (i) the Developer or the Escrow Holder shall return to the City any documents previously delivered by the City to the Developer or the Escrow Holder regarding the Escrow, (ii) the City or the Escrow Holder shall return to the Developer all documents previously delivered by the Developer to the City or the Escrow Holder regarding the Escrow; and (iii) the Escrow Holder shall return to the Developer any funds deposited into the Escrow, except as otherwise provided in Section 3.2(a), less the Developer's share of customary and reasonable Escrow and title order cancellation charges regarding the Escrow and the Title Policy, if any.

ARTICLE V

PROJECT DEVELOPMENT

Section 5.1 Developer Covenant to Undertake Project. The Developer covenants to and for the exclusive benefit of the City that the Developer shall commence and complete the development of the Project on the Property, within the time period for such action set forth in the Schedule of Performance. The Developer covenants and agrees for itself, its successors and assigns that the Property shall be improved and developed with the Project, in conformity with the terms and conditions of this Agreement, the Scope of Development, the Schedule of Performance, any and all plans, specifications and similar development documents required by this Agreement, except for such changes as may be mutually agreed upon in writing by and between the Developer and the City, and in conformity with all applicable laws, regulations, orders and conditions of each Governmental Agency. The covenants of this Section 5.1 shall run with the land of the Property, until the earlier of the Occupancy Date or the twentieth (20th) anniversary of the date of the Close of Escrow. Conversely, City shall expeditiously review and process all plans, specifications, development documents, and applications submitted by Developer pursuant to this section. In the event that the project processing is delayed due to action or inaction by the City or an Unavoidable Delay, the City Manager shall administratively approve an extension proportional in time to the City caused delay reasonably requested by Developer to the Schedule of Performance. In the event a delay

occurs that is not the result of City action or inaction, the City Manager may consider, but is not obligated to grant, an extension proportional in time to the delay causing event. Notwithstanding the foregoing, extensions granted pursuant to this Section by the City Manager shall not exceed one hundred eighty (180) days in total without City Council approval.

Section 5.2 Developer Changes to Project Plans and Specifications During Course of Construction. The Developer shall have the right, during the course of construction of the Project, to make “minor field changes,” without seeking the approval of the City, if such changes do not affect the type of use to be conducted within all or any portion of a structure. “Minor field changes” shall be defined as those changes from the approved construction drawings, plans and specifications that have no substantial effect on the Project and are made in order to expedite the work of construction in response to field conditions. Nothing contained in this Section 5.2 shall be deemed to constitute a waiver of or change in any Governmental Requirements governing any such “minor field changes” or in any approvals by any Governmental Agency otherwise required for any such “minor field changes.”

Section 5.3 Construction Start and Completion of Project.

(a) The Developer shall commence construction of the Project in accordance with the Schedule of Performance and, thereafter, shall diligently proceed to complete the construction of the Project, in a good and workmanlike manner, in accordance with the approved plans, specifications and conditions for the Project approved by each Governmental Agency and in accordance with the Schedule of Performance. On or before the Project Completion Date, the Developer shall:

(1) Record a Notice of Completion, in accordance with California Civil Code Section 3093, for the entirety of the Project;

(2) Schedule the Project to be inspected by each Governmental Agency and correct any defects and deficiencies that may be disclosed by any such inspection;

(3) All occupancy certificates and other licenses, permits and authorizations necessary for the operation and occupancy of the completed Project to be duly issued.

(b) Commencement of the work of improvement of the Project, the Developer shall not permit the work of improvement of the Project to cease or be suspended for a time period in excess of thirty (30) calendar days, either consecutively or in the aggregate, for any reason. Notwithstanding the foregoing, such thirty (30) calendar day period may be extended by the City Manager for up to an additional thirty (30) calendar days, in the aggregate.

Section 5.4 Compliance with Laws. All work performed in connection with the construction or installation of the Project shall comply with all Governmental Requirements.

Section 5.5 Schedule of Performance. All planning construction, installation and other development obligations and responsibilities of the Developer related to the Project

shall be initiated and completed within the times specified in the Schedule of Performance, or within such reasonable extensions of such times granted by the City in writing or as otherwise provided for in this Agreement. The City Manager may extend the time for performance under Lines 11, 12, and 13 of the Schedule of Performance by six (6) months each if, in the City Manager's reasonable discretion, Developer has diligently pursued the Project and the City Manager reasonably believes that with the additional time the Project will be completed. If litigation is filed challenging the approval of this DDA or the entitlements for the Project (including litigation under the California Environmental Quality Act) then all timeframes in the Schedule of Performance shall be tolled until resolution of the litigation or such other action has occurred which will reasonably permit the Project to continue.

Section 5.6 Developer Attendance at City Meetings. The Developer agrees to have one or more of its employees or consultants who are knowledgeable regarding this Agreement and the development of the Project, such that such person(s) can meaningfully respond to City or City staff questions regarding the progress of the Project, attend meetings with City staff or meetings of the City governing body, when requested to do so by City staff.

Section 5.7 City Right to Inspect Project and Property. Officers, employees, agents and representatives of the City shall have the right of reasonable access to the Property, without the payment of charges or fees, during normal construction hours, during the period of construction of the Project. Any and all officers, employees, agents or representatives of the City who enter the Property shall identify themselves at the construction management office or, if none, to the apparent on-site construction supervisor on the Property, upon their entrance on to the Property, and shall at all times be accompanied by a representative of the Developer, while on the Property. The Developer shall make a representative of the Developer available for this purpose at all times during normal construction hours, upon reasonable advance notice from the City. The City shall indemnify and hold the Developer harmless from injury, property damage or liability arising out of the exercise by the City of the right of access to the Property provided in this Section 5.7, other than injury, property damage or liability arising from the negligence or willful misconduct of the Developer or its officers, agents or employees or the Developer's contractor. If in the City's reasonable judgment it is necessary, the City shall have the further right, from time to time, to retain a consultant or consultants to inspect the Project and verify compliance by the Developer with the provisions of this Agreement. The Developer acknowledges and agrees that any such City inspections are for the sole purpose of protecting the City's rights under this Agreement, are made solely for the City's benefit, that the City's inspections may be superficial and general in nature, and are for the purposes of informing the City of the progress of the Project and the conformity of the Project with the terms and conditions of this Agreement, and that the Developer shall not be entitled to rely on any such inspection(s) as constituting the City's approval, satisfaction or acceptance of any materials, workmanship, conformity of the Project with this Agreement or otherwise. The Developer agrees to make its own regular inspections of the work of construction and installation of the Project to determine that the quality of the Project and all other requirements of the work of construction and installation of the Project are being performed in a manner satisfactory to the Developer.

PREVAILING WAGES.

(a) THE DEVELOPER ACKNOWLEDGES THAT THE CITY HAS MADE NO REPRESENTATION, EXPRESS OR IMPLIED, TO THE DEVELOPER OR ANY PERSON ASSOCIATED WITH THE DEVELOPER REGARDING WHETHER OR NOT LABORERS EMPLOYED RELATIVE TO THE CONSTRUCTION, INSTALLATION OR OPERATION OF THE PROJECT MUST BE PAID THE PREVAILING PER DIEM WAGE RATE FOR THEIR LABOR CLASSIFICATION, AS DETERMINED BY THE STATE OF CALIFORNIA, PURSUANT TO LABOR CODE SECTIONS 1720, ET SEQ. THE DEVELOPER AGREES WITH THE CITY THAT THE DEVELOPER SHALL ASSUME THE RESPONSIBILITY AND BE SOLELY RESPONSIBLE FOR DETERMINING WHETHER OR NOT LABORERS EMPLOYED RELATIVE TO THE CONSTRUCTION, INSTALLATION OR OPERATION OF THE PROJECT MUST BE PAID THE PREVAILING PER DIEM WAGE RATE FOR THEIR LABOR CLASSIFICATION, AS DETERMINED BY THE STATE OF CALIFORNIA, PURSUANT TO LABOR CODE SECTIONS 1720, ET SEQ.

(b) THE DEVELOPER, ON BEHALF OF ITSELF, ITS SUCCESSORS, AND ASSIGNS, WAIVES AND RELEASES THE CITY FROM ANY RIGHT OF ACTION THAT MAY BE AVAILABLE TO ANY OF THEM PURSUANT TO LABOR CODE SECTION 1781. THE DEVELOPER ACKNOWLEDGES THE PROTECTIONS OF CIVIL CODE SECTION 1542 RELATIVE TO THE WAIVER AND RELEASE CONTAINED IN THIS SECTION 5.8, WHICH READS AS FOLLOWS:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

BY INITIALING BELOW, THE DEVELOPER KNOWINGLY AND VOLUNTARILY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE WAIVERS AND RELEASES OF THIS SECTION 5.8:

Developer's Initials

(c) ADDITIONALLY, THE DEVELOPER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, PURSUANT TO THIS SECTION 5.8, AGAINST ANY CLAIMS PURSUANT TO LABOR CODE SECTION 1781 ARISING FROM THIS AGREEMENT OR THE CONSTRUCTION, INSTALLATION OR OPERATION OF ALL OR ANY PORTION OF THE PROJECT.

Section 5.9 **Certificate of Completion.**

(a) Following the completion of the Project, excluding any normal and minor building “punch-list” items to be completed by the Developer, and upon written request from the Developer for issuance of a Certificate of Completion, the City shall inspect the Project to determine whether or not the Project has been completed in compliance with this Agreement. If the City determines that the Project is complete and in compliance with this Agreement, the City shall furnish the Developer with a Certificate of Completion for the Project. If the City determines that the Project is not in compliance with this Agreement, the City shall send written notice of each non-conformity to the Developer, pursuant to 5.9(c).

(b) The City shall not unreasonably withhold the issuance of a Certificate of Completion. A Certificate of Completion shall be evidence of the City’s conclusive determination of satisfactory completion of the Project pursuant to the terms of this Agreement. After the recordation of a Certificate of Completion for the Project, any person then owning or thereafter purchasing, leasing or otherwise acquiring any interest in the Property improved with the Project shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under this Agreement regarding construction or installation of the Project, except that such person shall be bound by any reservations, covenants, conditions, restrictions and other interests affecting the Property pursuant to this Agreement.

(c) If the City fails or refuses to issue a Certificate of Completion for the Project, following a written request from the Developer, the City shall, within fifteen (15) calendar days following the City’s receipt of the Developer’s written request or within three (3) calendar days after the next regular meeting of the City Council, whichever date occurs later, provide the Developer with a written statement setting forth the reasons for the City’s failure or refusal to issue a Certificate of Completion. The statement shall also contain the City’s opinion of the action(s) the Developer must take to obtain a Certificate of Completion from the City. If the reason for the Developer’s failure to complete the Project is confined to the immediate unavailability of specific items or materials for construction or landscaping at a price reasonably acceptable to the Developer or other minor building “punch-list” items, the City may issue its Certificate of Completion upon the posting of a bond or irrevocable standby letter of credit by the Developer in a form reasonably acceptable to the City in an amount representing the fair value of the work on the Project remaining to be completed, as reasonably determined by the City. If the City fails to provide such written statement, within the specified time period, the Developer shall be deemed, conclusively and without further action of the City, to have satisfied the requirements of this Agreement with respect to the Project, as if a Certificate of Completion had been issued by the City pursuant to this Agreement.

(d) A Certificate of Completion shall not be deemed to constitute a Notice of Completion under Section 3093 of the California Civil Code, nor shall it act to terminate the continuing covenants, restrictions or conditions contained in the City Deed or any other instruments recorded against the Property or set forth in this Agreement or otherwise. A Certificate of Completion is not evidence of the compliance of the Project with any Governmental Requirements. A Certificate of Completion shall not evidence the satisfaction of

any obligation of the Developer to the City under this Agreement or otherwise, except the Developer's obligation to construct and install the Project.

ARTICLE VI

SPECIAL CITY COVENANTS OF THE DEVELOPER

Section 6.1 Covenant to Maintain Property on Tax Rolls for 10 Years.

(a) The Developer shall assure that the entire Property remains on the County of San Diego, California, secured real property tax rolls for the ten (10) calendar years following the Project Completion Date

(b) For the ten (10) year period following the Project Completion Date, the Developer for itself and its successors and assigns covenants and agrees to pay all property tax bills with respect to the Property and all improvements thereon on or before the last day for the timely payment of each property tax installment on December 10 and April 10 and to timely pay all supplemental tax bills regarding the Property issued by the County of San Diego, California. The Developer further covenants and agrees to provide to the City, on or before July 31 of each year, commencing in the calendar year following the calendar year in which the Certificate of Completion for the Hotel is recorded and in each calendar year, thereafter, until the tenth (10th) anniversary of the Project Completion Date (i) a true and correct copy of all property tax assessment notices, property tax bills and property tax assessment correspondence by and between the Developer and the County of San Diego, California, regarding the Property and all improvements thereon, with respect to the preceding fiscal year of the County of San Diego, California, and (ii) cancelled checks issued by the Developer in payment of all property tax payments that are made to the County of San Diego, California, regarding the Property and all improvements thereon, with respect to the preceding fiscal year of the County of San Diego, California.

(c) The Developer understands and agrees that neither the Developer, nor its successors or assigns shall use or otherwise sell, transfer, convey, assign, lease, leaseback or hypothecate the Property or the Project or any portion thereof to any entity or person, or for any use of the Property or the Project, or any portion thereof, that is partially or wholly exempt from the payment of real property taxes or that would cause the exemption of the payment of all or any portion of real property taxes otherwise assessable regarding the Property or the Project, without the prior written consent of the City, prior to the expiration of the ten (10) year covenant term.

(d) The Developer further covenants and agrees that, if the Property, or any portion of the Property, shall be conveyed, transferred or sold by the Developer, its successors or assigns, to any entity or person, that is partially or wholly exempt from the payment of ad valorem property taxes otherwise assessable against the Property, or any portion thereof, prior to the expiration of the Covenant in this Section 6.1, the Developer, its successors or assigns shall pay to the City a fee in lieu of payment of such taxes each year in an amount determined

by the City to be one percent (1.0%) of the “full cash value” of the Property, or portion thereof, as may be subject to such exemption from payment of ad valorem property taxes. The City’s determination of “full cash value” for in-lieu payment purposes under this Section 6.1(d) shall be established by the City each year, if necessary, by reference to the ad valorem property tax valuation principles and practices generally applicable to a county property tax assessor under Section 1 of Article XIII A of the California Constitution. The City’s determination of “full cash value” and that an in-lieu payment is due shall be conclusive on such matters. If the City determines that an amount is payable by the Developer to the City as an in-lieu payment under this Section 6.1(d) in any tax year, then such amount shall be paid to the City for that tax year within forty-five (45) days following transmittal by the City to the Developer of an invoice for payment of the in-lieu amount.

(e) The covenants of this Section 6.1 shall run with the land of the Property and shall be covenants set forth in the City Deed.

Section 6.2 Maintenance Condition of the Property. The Developer for itself, its successors and assigns, covenants and agrees that:

(a) The areas of the Property that are subject to public view (including all existing and future improvements, paving, walkways, landscaping, exterior signage and ornamentation) shall be maintained in good repair and a neat, clean and orderly condition, ordinary wear and tear excepted. If, at any time within ten (10) years following the Close of Escrow, there is an occurrence of an adverse condition on any area of the Property that is subject to public view in contravention of the general maintenance standard described above (a “Maintenance Deficiency”), then the City shall notify the Developer in writing of the Maintenance Deficiency. If the Developer fails to cure or commence and diligently pursue to cure the Maintenance Deficiency within thirty (30) days of its receipt of notice of the Maintenance Deficiency, the City may conduct a public hearing, following transmittal of written notice of the hearing to the Developer, at least, ten (10) days prior to the scheduled date of such public hearing, to verify whether a Maintenance Deficiency exists and whether the Developer has failed to comply with the provisions of this Section 6.2. If, upon the conclusion of the public hearing, the City finds that a Maintenance Deficiency exists and that there appears to be non-compliance with the general maintenance standard, described above, the City shall have the right to enter the Property and perform all acts necessary to cure the Maintenance Deficiency, or to take any other action at law or in equity that may then be available to the City to accomplish the abatement of the Maintenance Deficiency. Any sum expended by the City for the abatement of a Maintenance Deficiency on Property as authorized by this Section 6.2 shall become a lien on the Property. If the amount of the lien is not paid within thirty (30) days after written demand for payment from the City to the Developer, the City shall have the right to enforce the lien in the manner as provided in Section 6.2(c).

(b) Graffiti, as this term is defined in Government Code Section 38772, that has been applied at any time within 10 years following the issuance of the Certificate of Occupancy to any exterior surface of a structure or improvement on the Property that is visible from any public right-of-way adjacent or contiguous to the Property, shall be removed by the Developer by either painting over the evidence of such vandalism with a paint that has been

color-matched to the surface on which the paint is applied, or graffiti may be removed with solvents, detergents or water, as appropriate. If any such graffiti and is not removed within 72 hours following the time of the discovery of the graffiti, the City shall have the right to enter the Property and remove the graffiti, without notice to the Developer. Any sum expended by the City for the removal of graffiti from the Hotel, as applicable, as authorized by this Section 6.2(b), in an amount not to exceed \$250.00 per entry by the City, shall become a lien on the Hotel Parcel or the Restaurant Parcel, as applicable. If the amount of the lien is not paid within thirty (30) days after written demand to the Developer from the City, the City shall have the right to enforce its lien in the manner provided in Section 6.2(c).

(c) The Parties further mutually understand and agree that the rights conferred upon the City under this Section 6.2 expressly include the power to establish and enforce a lien or other encumbrance against the Property in the manner provided under Civil Code Sections 2924, 2924b and 2924c in an amount reasonably necessary to restore the Property to the maintenance standard required under Section 6.2(a) or Section 6.2(b), including the reasonable attorneys' fees and costs of the City associated with the abatement of the Maintenance Deficiency or removal of graffiti. For the purposes of the preceding sentence the words "reasonable attorneys' fees and costs of the City" mean and include the salaries, benefits and costs of the City Attorney and the lawyers employed in the Office of the City Attorney.

(d) The provisions of this Section 6.2, shall be a covenant running with the land of the Property for a term of twenty (20) years following the date of the Close of Escrow and shall be set forth in the City Deed, and shall be enforceable by the City. Nothing in the foregoing provisions of this Section 6.2 shall be deemed to preclude the Developer from making any alteration, addition, or other change to any structure or improvement or landscaping on the Property, provided that any such changes comply with applicable zoning and building regulations of the City.

Section 6.3 **No Discrimination or Segregation.** The Developer covenants by and for itself, himself or herself, its, his or her heirs, executors, administrators, and assigns, and all Persons claiming under or through it, him or her, and this Agreement is made and accepted upon and subject to the following conditions:

(a) Standards. That there shall be no discrimination against or segregation of any Person or group of Persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property nor shall the Developer, itself, himself or herself, or any Person claiming under or through it, 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 Property.

(b) Interpretation. Notwithstanding Section 6.3(a), with respect to familial status, Section 6.3(a) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in Section

6.3(a) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to Section 6.3(a).

(c) Covenant Running With Land. The provisions of this Section 6.3 shall be a covenant running with the land of the Property and binding on all successive owners and users of the Property.

Section 6.4 Developer Covenant to Defend this Agreement. The Developer acknowledges that the City is a “public entity” and/or a “public agency” as defined under applicable California law. Therefore, the City must satisfy the requirements of certain California statutes relating to the actions of public entities and redevelopment agencies, including, without limitation, CEQA. Also, as a public body, the City’s action in approving this Agreement may be subject to proceedings to invalidate this Agreement or mandamus. The Developer assumes the risk of delays and damages that may result to the Developer from any third-party legal actions related to the City’s approval of this Agreement or the pursuit of the activities contemplated by this Agreement, even in the event that an error, omission or abuse of discretion by the City is determined to have occurred. If a third-party files a legal action regarding the City’s approval of this Agreement or the pursuit of the activities contemplated by this Agreement, the City may terminate this Agreement on thirty (30) days written notice to the Developer of the City’s intent to terminate this Agreement, referencing this Section 6.4, without any further obligation to perform the terms of this Agreement and without any liability to the Developer resulting from such termination, unless the Developer unconditionally agrees to indemnify and defend the City, with legal counsel acceptable to the City, against such third-party legal action, as provided hereinafter in this Section 6.4. Within 30 days of receipt of the City’s notice of intent to terminate this Agreement, as provided in the preceding sentence, the Developer may offer to defend the City, with legal counsel acceptable to the City, in the third-party legal action and pay all of the court costs, attorney fees, monetary awards, sanctions, attorney fee awards, expert witness and consulting fees, and the expenses of any and all financial or performance obligations resulting from the disposition of the legal action. Any such offer from the Developer must be in writing and reasonably acceptable to the City in both form and substance. Nothing contained in this Section 6.4 shall be deemed or construed to be an express or implied admission that the City is liable to the Developer or any other person or entity for damages alleged from any alleged or established failure of the City to comply with any statute, including, without limitation, CEQA.

Section 6.5 Environmental Indemnity of the City by the Developer.

(a) Subject to Section 8.2, the Developer agrees, at its sole cost and expense, to fully indemnify, protect, hold harmless, and defend (with counsel selected by the Developer and approved by the City) the City and its elected officials, officers, attorneys, agents and employees and each of them, from and against any and all claims, demands, damages, losses, liabilities, obligations, penalties, fines, actions, causes of action, judgments, suits, proceedings, costs, disbursements and expenses, including, without limitation, attorney fees, disbursements and costs of attorneys, environmental consultants and other experts, and all foreseeable and

unforeseeable damages or costs of any kind or of any nature whatsoever (collectively, “Environmental Losses”) that may, at any time, be imposed upon, incurred or suffered by, or claimed, asserted or awarded against, the City directly or indirectly relating to or arising from any Environmental Matters existing or occurring during or arising from the Developer’s ownership of the Property or construction or operation of the Project.

(b) The Developer shall pay to the City all costs and expenses including, without limitation, reasonable attorney’s fees and costs, incurred by the City in connection with enforcement of the aforementioned environmental indemnity.

Section 6.6 **Insurance.** The Developer, to protect the City, its governing board, commissions, agents, attorneys, officers, employees and authorized representatives against any and all claims and liability for death, injury, loss and damage resulting from the Developer’s actions in connection with this Agreement, the Property and the Project, shall secure and maintain the insurance coverage, described in and required by this Section 6.6. The City shall have no obligation under this Agreement, until the Developer provides the required policies and/or certificates evidencing the insurance required by this Section 6.6 to the City and the City approves such evidence of insurance. The Developer shall pay any deductibles and self-insured retentions under all insurance policies issued in satisfaction of the terms of this Agreement.

(a) Workers’ Compensation Insurance Requirement: The Developer shall submit written proof that the Developer is insured against liability for workers’ compensation in accordance with the provisions of Section 3700 of the Labor Code. By executing this Agreement, the Developer makes the following certification, required by Section 1861 of the Labor Code:

“I am aware of the provisions of section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of the Agreement.”

(1) The Developer shall require each contractor and sub-contractor performing work on the Project or the Property to provide workers’ compensation coverage for all of such contractor’s or sub-contractor’s employees, unless the contractor’s or sub-contractor’s employees are covered by workers' compensation insurance provided by the Developer. If any class of employees engaged in work or services performed in connection with the Hotel is not covered by Labor Code Section 3700, the Developer shall provide and/or require each contractor or sub-contractor to provide adequate workers’ compensation insurance covering such employees.

(b) Liability and Permanent Insurance Requirements:

(1) The Developer shall maintain in full force and effect, until the Project Completion Date, subject to sub-section (e), the following insurance coverage:

(i) Commercial General Liability Insurance coverage, including, but not limited to, Premises-Operations, Contractual Liability Insurance (specifically covering the indemnity obligations of the Developer pursuant to this Agreement), Products-Completed Operations Hazards, Personal Injury (including bodily injury and death), and Property Damage for liability arising out of the construction of the Project and/or the Developer's operation of the Property or the Project. Said commercial general liability insurance coverage shall have minimum limits for Bodily Injury and Property Damage liability of TWO MILLION DOLLARS (\$2,000,000) each occurrence and FOUR MILLION DOLLARS (\$4,000,000) aggregate.

(ii) Automobile Liability Insurance against claims of Personal Injury (including bodily injury and death) and Property Damage covering all owned, leased, hired and non-owned vehicles used by the Developer with minimum limits for Bodily Injury and Property Damage of ONE MILLION DOLLARS (\$1,000,000) each occurrence and TWO MILLION DOLLARS (\$2,000,000) aggregate. Such insurance shall be provided by a business or commercial vehicle policy.

(iii) If the Developer hires a consultant to provide design services, such as architectural or engineering services in connection with the Project, or any portion of the Project, the Developer shall require each such consultant to provide Professional Liability (Errors and Omissions) Insurance, for liability arising out of, or in connection with, the performance of such design services, with limits of not less than ONE MILLION DOLLARS (\$1,000,000).

(c) During the construction of the Project, the Developer shall require that each contractor performing work on the Project maintain the following insurance coverage, as specified below, at all times during the performance of said work:

(1) Each General Contractor shall maintain Builder's Risk Insurance to be written on an All Risk Completed Value form, in an aggregate amount equal to 100% of the completed insurable value of the Project on which such contractor is performing work.

(2) Each General Contractor and each sub-contractor shall maintain Commercial General Liability Insurance with limits of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence and TWO MILLION DOLLARS (\$2,000,000) aggregate to protect the Developer during the construction of the Project from claims involving bodily injury and/or death and damage to the property of others.

(3) Each General Contractor and each sub-contractor shall maintain Automobile Liability Insurance against claims of personal injury (including bodily injury and

death) and property damage covering all owned, leased, hired and non-owned vehicles used in the performance of the contractor's obligations with minimum limits for bodily injury and property damage of ONE MILLION DOLLARS (\$1,000,000) each occurrence and TWO MILLION DOLLARS (\$2,000,000) aggregate. Such insurance shall be provided by a business or commercial vehicle policy.

(d) The Commercial General Liability Insurance required in sub-section (b)(1)(i) above, shall include an endorsement naming the City, the City's board members, and the City's elected officials, officers, agents, and employees as additional insureds for liability arising out of this Agreement and any operation related to this Agreement.

(e) If any of the insurance coverage required under this Agreement is written on a claims-made basis, such insurance policy shall provide an extended reporting period continuing through the fifth (5th) anniversary of the Project Completion Date. The requirements of this sub-section (e) shall survive any expiration or termination of this Agreement and the recordation of the City Deed and each and every Certificate of Completion for any phase of the Project.

(f) Receipt by the City of evidence of insurance that does not comply with the above requirements shall not constitute a waiver of the insurance requirements of this Agreement.

(g) Subject to sub-section (e), the above required insurance coverage shall be maintained by the Developer or its contractors, as required by the terms of this Agreement, until the Project Completion Date, and shall not be reduced, modified, or canceled without, at least, thirty (30) days prior written notice to the City. Also, phrases such as "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company" shall not be included in the cancellation wording of any Certificates of Insurance or any coverage for the City, the City's board members, agents, and employees. The Developer shall immediately obtain replacement coverage for any insurance policy that is terminated, canceled, non-renewed, or whose policy limits are exhausted or upon insolvency of the insurer that issued the policy.

(h) All insurance to be obtained and maintained by the Developer under this Agreement shall be issued by a company or companies listed in the then current "Best's Key Rating Guide" publication with a minimum of an "AVII" rating and be admitted to business in the State of California by the State of California Department of Insurance.

(i) The City will not accept self-insurance in satisfaction of the insurance requirements of this Section 6.6.

(j) All insurance obtained and maintained by the Developer in satisfaction of the requirements of this Agreement shall be primary to and not contributing to any insurance maintained by the City.

(k) Insurance coverage in the minimum amounts set forth in this Agreement shall not be construed to relieve the Developer of any liability, whether within, outside, or in excess of such coverage, and regardless of solvency or insolvency of the insurer that issues the coverage; nor shall it preclude the City from taking such other actions as are available to it under any other provision of this Agreement or otherwise at law.

(l) Failure by the Developer to maintain all insurance required by this Agreement in effect at all times shall be an Event of Default by the Developer. The City, at its sole option, may exercise any remedy available to it in connection with such an Event of Default. Additionally, the City may purchase such required insurance coverage and the City shall be entitled to immediate payment from the Developer for any premiums and associated costs paid by the City for such insurance coverage. Any election by the City to purchase or not to purchase insurance for the Developer shall not relieve the Developer of its obligation to obtain and maintain the insurance coverage required by this Agreement.

Section 6.7 Covenant to Maintain Hotel Flag and Brand Scale. The Developer covenants to the City that the Hotel shall only be operated under the name, flag or brand of Marriott (TownePlace Suites) or Hilton (Home 2 Suites), or as otherwise provided herein, throughout each of the ten (10) years immediately following the date of issuance of a final Certificate of Occupancy by the City for the Hotel and that the Developer shall not amend or otherwise modify or terminate the Hotel Agreement during the ten (10) years immediately following the date of issuance of a final Certificate of Occupancy by the City for the Hotel, without the prior written consent of the City. The Developer may submit a written request to the City for approval to change the name, flag or brand of the Hotel to another national hotel franchise name, flag or brand. Any such request to change the name, flag or brand of the Hotel shall be accompanied by a detailed statement of the reasons for the proposed change and a hotel franchise agreement executed by both the developer and the proposed new national hotel franchisor, contingent upon the City's approval of the Developer's request. The City may approve or disapprove any request from the Developer to change the name, flag or brand of the Hotel in the City's sole and absolute discretion. Any approval or disapproval of a change in the name, flag or brand of the Hotel by the City shall be in writing.

Section 6.8 Survival of City Covenants. Each of the City covenants set forth in this ARTICLE VI shall be a covenant running with the land of the Property and each such special City covenant shall survive the Close of Escrow, execution and recordation of the City Deed and issuance and recordation of each and every Certificate of Completion for any phase of the Project, for the time period specifically set forth in each such special City covenant.

ARTICLE VII

DEVELOPER FINANCING OF PROPERTY ACQUISITION AND PROJECT DEVELOPMENT

Section 7.1 **Recordation of Construction Loan Deed of Trust.** The Developer covenants to the City that the Developer shall cause a Deed of Trust to be recorded against the Property, at the Close of Escrow, securing repayment of a Loan from which the proceeds are to be applied solely for the purpose of paying the reasonable costs of obtaining such Loan(s) and all of the costs of construction and installation of the Project.

Section 7.2 **Encumbrances and Liens.** The Developer shall not record and shall not allow to be recorded against the Property or any portion of the Property any mortgage, trust deed, deed of trust, encumbrance or lien not expressly authorized by this Agreement. The Developer shall remove, or shall have removed, any unauthorized lien, encumbrance, mortgage, levy or attachment made or recorded against the Property or any portion of the Property, or shall assure the satisfaction thereof to the satisfaction of the City. The covenants of the Developer set forth in this Section 7.2 regarding the placement of any unauthorized mortgage, trust deed, deed of trust, encumbrance or lien on the Property shall only remain in effect until recordation of the Certificate of Completion for the Project. After one hundred twenty (120) calendar days prior written notice to the Developer, the City shall have the right, but not the obligation, to satisfy any unauthorized liens or encumbrances against the Property and receive reimbursement from the Developer for any amounts paid or incurred in satisfying any such lien or encumbrance, upon demand. Nothing in this Section 7.2, though, shall require the Developer to pay or make provisions for the payment of any tax, assessment, lien or charge that the Developer is in the process of contesting the validity or amount thereof, in good faith, and so long as such contest shall not subject the Property, or any portion thereof, to forfeiture or sale.

Section 7.3 **Rights of Construction Lenders and City Regarding Permitted Security Interests.**

(a) Notwithstanding any provision to the contrary, the Developer may, prior to the Project Completion Date, execute a Construction Loan Deed of Trust in favor of a Construction Lender to secure repayment of a Construction Loan expressly authorized by this Agreement with respect to each phase of the Project.

(b) The Developer shall promptly notify the City of any mortgage, deed of trust or other refinancing, encumbrance or lien created or attached to the Property or any portion of the Property, prior to the Project Completion Date, whether by voluntary act of the Developer or otherwise; provided, however, that no notice of filing of preliminary notices or mechanic's liens need be given by the Developer to the City, prior to suit being filed to foreclose any such mechanic's lien.

(c) Whenever the City delivers any notice or demand to the Developer regarding any breach or default by the Developer under this Agreement that, if not timely cured by the Developer, would entitle the City to terminate this Agreement, the City shall send a copy

of such notice to each Construction Lender. Whenever the City delivers any notice or demand to the Developer regarding any breach or default by the Developer under this Agreement that, if not timely cured by the Developer, would entitle the City to exercise its power of termination of the fee interest of all or any portion of the Property, pursuant to Section 9.8, the City shall send a copy of such notice or demand to each Construction Lender holding a security interest under a Construction Loan Deed of Trust in a portion of the Property that may be subject to the City's power of termination by virtue of such notice to the Developer. Each Construction Lender receiving a copy of any such notice shall have the right, at its option, to commence the cure or remedy of any such default of the Developer and to diligently and continuously proceed with such cure or remedy, within one hundred twenty (120) calendar days after the receipt of notice of the default and add the cost of the cure or remedy to the Construction Loan and the lien of its Construction Loan Deed of Trust. If such default of the Developer can only be remedied or cured by the Construction Lender upon obtaining possession of the Parcel in which it holds a security interest, the Construction Lender shall seek to obtain possession of the Parcel with diligence and continuity through a receiver or otherwise, and shall remedy or cure such default of the Developer within one hundred twenty (120) calendar days after obtaining possession of the Parcel. If a default of the Developer under this agreement cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced, within such one hundred twenty (120) calendar day period, the Construction Lender shall have such additional time as is reasonably necessary to remedy or cure such default of the Developer. Nothing contained in this Agreement shall be deemed to permit or authorize any Construction Lender to undertake or continue the construction of the any portion of the Project (beyond the extent necessary to conserve or protect improvements or construction already made), without expressly assuming the Developer's obligations under this Agreement by written agreement satisfactory to the City, in which the Construction Lender agrees to complete, in the manner provided in this Agreement, the improvements to which the lien or title of the Construction Lender relates and must submit evidence satisfactory to the City that it has the qualifications and financial capability necessary to perform such obligations.

(d) In any case where, one hundred eighty (180) calendar days after delivery of notice of a default of the Developer under Section 7.3(c), an affected Construction Lender has not exercised the option provided in Section 7.3(c) to construct the applicable portions of the Project, or has exercised the option, but has not proceeded diligently and continuously with construction, the City shall have the option, in the City's sole discretion, to purchase the Construction Loan Deed of Trust of such Construction Lender and any other security interest of such Construction Lender under its Construction Loan Documents by payment to the Construction Lender of the amount of its unpaid Construction Loan, including principal, accrued and unpaid interest, late charges, costs, expenses and other amounts payable to the Construction Lender by the Developer under its Construction Loan Documents and, if the ownership of the Property or any portion of the Property has vested in such Construction Lender, the City, at its option, but not its obligation, shall be entitled to a conveyance of any title or interest in the Parcel vested in such Construction Lender from such Construction Lender to the City or its designee.

(e) After expiration of the one hundred eighty (180) calendar day period, provided for in Section 7.3(d), any affected Construction Lender may demand, in writing, that the City act to exercise or forego the option granted in Section 7.3(d). If the City fails to exercise the right granted in Section 7.3(d) within sixty (60) calendar days from the date of the City's receipt of such written demand from a Construction Lender, the City shall be conclusively deemed to have waived its right of purchase of any security interest created by that Construction Lender's Construction Loan Documents, pursuant to Section 7.3(d).

(f) In the event of a default or breach by the Developer under any Construction Loan Documents, prior to the Project Completion Date, where the Construction Lender has not exercised its option to complete the applicable phase of the Project under Section 7.3(c), the City may cure the default of the Developer under the applicable Construction Loan Documents, but is under no obligation to do so, prior to completion of any sale or foreclosure of the affected Parcel under the applicable Construction Loan Documents. The City shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the City in curing any default of the Developer under any Construction Loan Documents.

ARTICLE VIII

REPRESENTATIONS AND WARRANTIES

Section 8.1 **Representations and Warranties by the Developer.** The Developer makes the following representations, covenants and warranties as of the Effective Date and acknowledges that the execution of this Agreement by the City is made in material reliance by the City on such covenants, representations and warranties of the Developer:

(a) The Developer has taken all requisite action and obtained all requisite consents in connection with entering into this Agreement, such that this Agreement is valid and enforceable against the Developer in accordance with its terms and each instrument to be executed by the Developer pursuant to or in connection with this Agreement will, when executed, be valid and enforceable against the Developer in accordance with its terms. No approval, consent, order or authorization of, or designation or declaration of any other person, is required in connection with the valid execution, delivery or performance of this Agreement by the Developer.

(b) The Developer represents and warrants to the City that the Hotel shall only be operated under the name or brand of Marriott (TownePlace Suites) or Hilton (Home 2 Suites), or as otherwise provided herein, throughout each of the ten (10) years immediately following the date of issuance of a final Certificate of Occupancy by the City for the Hotel.

(c) If the Developer becomes aware of any act or circumstance that would change or render incorrect, in whole or in part, any representation or warranty made by the Developer under this Agreement, whether as of the date given or any time thereafter, whether or not such representation or warranty was based upon the Developer's knowledge and/or belief as of a certain date, the Developer will give immediate written notice of such changed fact or circumstance to the City.

Section 8.2 **Representations and Warranties of the City.** The City makes the following representations, covenants, and warranties as of the Effective Date and acknowledges that the execution of this Agreement by the Developer is made in material reliance by the Developer on such covenants, representations, and warranties of the City:

(a) Title to the Property. City is the sole fee title owner to the Property, and has good, marketable and indefeasible title, and no other person or entity has any legal right or interest in the Property except as set forth in the Preliminary Report. Notwithstanding the foregoing, Developer acknowledges that City has received title through a Quit Claim deed and, as such, holds title subject to any limitation thereon.

(b) Pending Proceedings. To City's knowledge, there are no suits, proceedings, litigation, condemnation, or investigations pending or threatened against or affecting the Property or City in any court at law or in equity, or before or by any governmental agency that would prevent City from meeting its obligations under this Agreement or that could result in a material adverse change in the condition, use, value or development of the Property.

(c) No Rights to Acquire Property. City has not granted any rights to acquire the Property to any other person or entity, and as long as this Agreement remains in force, City will not lease, transfer, option, mortgage, pledge, or convey its interest in the Property or any portion thereof nor any right therein, nor shall City enter into any agreement granting to any person or entity any option to purchase or rights with respect to the Property or any part thereof. There are no Leases on the Property and the City shall not grant or enter into a Lease for the Property or any part thereof. Notwithstanding the foregoing, Developer acknowledges and agrees that City may grant a license or similar right to third parties to utilize the Property provided any such rights terminate not less than ten (10) days prior to the close escrow.

(d) Hazardous Materials. To City's knowledge, there exists no asbestos, underground or above ground storage tanks, hazardous waste or other toxic or hazardous materials of any kind or any other environmental condition or whether the property is in compliance with applicable laws, rules and regulations. "Hazardous Materials" means any toxic or hazardous substance, material or waste or any pollutant or contaminant or infectious or radioactive material, chemical, waste, toxicant, or pesticide regulated by any federal, state or local law, statute, rule, regulation or ordinance for the protection of health or the environment, including asbestos-containing materials, methane and any petroleum products or fractions thereof and any asbestos-containing materials ("Environmental Laws"). Notwithstanding the foregoing, Developer acknowledges that the City has only regained title on _____. As such, this representation is limited to the timeframe in since _____ until the date of escrow closing.

Where the term "City's knowledge" is used, it is limited to the actual knowledge of the City Manager and the Director of Development Services, with no duty or obligation of investigation.

ARTICLE IX

DEFAULTS, REMEDIES AND TERMINATION

Section 9.1 Defaults - General.

(a) Subject to any extensions of time provided for in this Agreement and this Section 9.1, failure or delay by either Party to perform any term or provision of this Agreement shall constitute a default under this Agreement. The injured Party shall give written notice of default to the Party in default, specifying the default complained of by the non-defaulting Party. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.

(b) If a Party otherwise in default commences to cure, correct or remedy such default, within thirty (30) calendar days after receipt of written notice from the injured Party specifying such default, and shall diligently and continuously prosecute such cure, correction or remedy to completion (and where any time limits for the completion of such cure, correction or remedy are specifically set forth in this Agreement, then within said time limits), such Party shall not be deemed to be in default under this Agreement.

(c) Any failure or delays by either Party in asserting any of their rights and/or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by either Party in asserting any of their rights and/or remedies shall not deprive either Party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert or enforce any such rights or remedies.

Section 9.2 Events of Default. In addition to other acts or omissions of the Developer that may legally or equitably constitute a default or breach of this Agreement, the occurrence of any of the following specific events shall constitute an “Event of Default” under this Agreement, and, if they occur prior to the issuance of a Certificate of Completion for the Project, they shall not be subject to the provisions of Section 9.1:

(a) Any default by the Developer under any Construction Loan Documents for any purpose or reason.

(b) Any breach by the Developer of any of the non-monetary covenants and conditions of this Agreement that is not cured to the City’s reasonable satisfaction within thirty (30) days following written notice of the breach to the Developer from the City or the expiration of an applicable shorter cure period set forth in this Agreement.

(c) Any representation, warranty or disclosure made to the City by the Developer regarding this Agreement or the Project is materially false or misleading, pursuant to Section 8.1.

(d) The Developer fails to make any payment or deposit of funds required under this Agreement or to pay any other charge set forth in this Agreement, following seven (7) days' written notice to the Developer from the City of such failure.

(e) Any material deviation in the work of improvement of the Project from the approved Scope of Development, without the prior written approval of the City, or the appearance of defective workmanship or materials and such defects are not corrected or substantially corrected, within thirty (30) days after receipt of written notice thereof from the City to the Developer.

(f) Subject to the extensions of time or excuses for performance in this Agreement, the construction of the Hotel is delayed or suspended for a period in excess of that permitted under this Agreement; or the development of the Hotel does not proceed with due diligence, pursuant to the Schedule of Performance, subject to the occurrence of an Unavoidable Delay; or the Hotel is not completed by the Project Completion Date.

(g) The Hotel is not operated under the name or brand of Marriott (TownePlace Suites) or Hilton (Home 2 Suites), or as otherwise provided herein, throughout each of the ten (10) years immediately following the date of issuance of a final Certificate of Occupancy by the City for the Hotel, unless otherwise agreed by the City in writing, pursuant to Section 6.7.

(h) Subject to Section 1.3, there occurs any event of dissolution, reorganization or termination of the Developer that adversely and materially affects the operation or value of the Property, and such event is not corrected within twenty days following written notice of such event from the City to the Developer.

(i) The Developer sells, Transfers, hypothecates, encumbers or assigns its interest in this Agreement, the Property, or Project, or any portion thereof, whether voluntarily or involuntarily or by operation of law, in violation of the terms and conditions of this Agreement.

(j) The Developer becomes insolvent or a receiver is appointed to conduct the affairs of the Developer under state or federal law;

(k) The Developer's legal status as a California limited liability company authorized by the Secretary of State of the State of California to transact business in California is suspended or terminated.

Section 9.3 PRE-CLOSING LIQUIDATED DAMAGES TO THE CITY. UPON THE OCCURRENCE OF AN EVENT OF DEFAULT OR OTHER MATERIAL DEFAULT OF THE DEVELOPER UNDER THIS AGREEMENT PRIOR TO THE CLOSE OF ESCROW, THE CITY MAY TERMINATE THIS AGREEMENT AND CANCEL THE ESCROW, PURSUANT TO THE PROCEDURES AND OBLIGATIONS OF THE PARTIES SET FORTH IN SECTION 4.10, WITHOUT ANY LIABILITY OF THE CITY TO THE DEVELOPER OR ANY OTHER PERSON ARISING FROM SUCH ACTIONS. THE CITY

AND THE DEVELOPER ACKNOWLEDGE THAT IT IS EXTREMELY DIFFICULT AND IMPRACTICAL, IF NOT IMPOSSIBLE, TO ASCERTAIN THE AMOUNT OF DAMAGES THAT WOULD BE SUFFERED BY THE CITY, IN THE EVENT OF A TERMINATION OF THIS AGREEMENT DUE TO THE OCCURRENCE OF AN EVENT OF DEFAULT OR OTHER MATERIAL DEFAULT OF THE DEVELOPER UNDER THIS AGREEMENT PRIOR TO THE CLOSE OF ESCROW. HAVING MADE DILIGENT BUT UNSUCCESSFUL ATTEMPTS TO ASCERTAIN THE ACTUAL DAMAGES THE CITY WOULD SUFFER, IN THE EVENT OF A TERMINATION OF THIS AGREEMENT DUE TO THE OCCURRENCE OF AN EVENT OF DEFAULT OR OTHER MATERIAL DEFAULT OF THE DEVELOPER UNDER THIS AGREEMENT PRIOR TO THE CLOSE OF ESCROW, THE CITY AND THE DEVELOPER AGREE THAT A REASONABLE ESTIMATE OF THE CITY'S DAMAGES IN SUCH EVENT IS FIFTY THOUSAND DOLLARS (\$50,000) ("LIQUIDATED DAMAGES AMOUNT"). THEREFORE, UPON THE TERMINATION OF THIS AGREEMENT BY THE CITY DUE TO THE OCCURRENCE OF AN EVENT OF DEFAULT OR OTHER MATERIAL DEFAULT OF THE DEVELOPER UNDER THIS AGREEMENT PRIOR TO THE CLOSE OF ESCROW, ESCROW HOLDER SHALL IMMEDIATELY CANCEL THE ESCROW AND THE DEVELOPER SHALL PAY THE LIQUIDATED DAMAGES AMOUNT TO THE CITY WITHIN FIVE (5) DAYS OF ESCROW CANCELLATION. RECEIPT OF THE LIQUIDATED DAMAGES AMOUNT SHALL BE THE CITY'S SOLE AND EXCLUSIVE REMEDY UPON THE OCCURRENCE OF AN EVENT OF DEFAULT OR OTHER MATERIAL DEFAULT OF THE DEVELOPER UNDER THIS AGREEMENT PRIOR TO THE CLOSE OF ESCROW.

CITY'S INITIALS: _____ DEVELOPER'S INITIALS: _____

Section 9.4 **DEVELOPER'S WAIVER OF RIGHT TO SPECIFIC PERFORMANCE AND LIMITATION ON RECOVERY OF DAMAGES PRIOR TO CLOSE OF ESCROW.**

(a) THE DEVELOPER WAIVES ANY RIGHT TO MAINTAIN AN ACTION AGAINST THE CITY FOR SPECIFIC PERFORMANCE OF ANY TERM OR PROVISION OF THIS AGREEMENT, PRIOR TO THE CLOSE OF ESCROW. IN THE EVENT OF ANY MATERIAL BREACH OF THIS AGREEMENT BY THE CITY PRIOR TO THE CLOSE OF ESCROW, THE DEVELOPER SHALL BE LIMITED TO RECOVERING ANY AMOUNTS ACTUALLY EXPENDED BY THE DEVELOPER IN PROCESSING THE DEVELOPMENT APPLICATIONS FOR THE PROJECT, PRIOR TO THE DATE OF THE CITY'S MATERIAL BREACH. THE DEVELOPER WAIVES ANY RIGHT TO RECOVER ANY OTHER SUMS FROM THE CITY ARISING FROM A MATERIAL BREACH OF THIS AGREEMENT BY THE CITY PRIOR TO THE CLOSE OF ESCROW. THE DEVELOPER ACKNOWLEDGES THE PROTECTIONS OF CIVIL CODE SECTION 1542 RELATIVE TO THE WAIVER AND RELEASE CONTAINED IN THIS SECTION 9.4, WHICH CIVIL CODE SECTION READS AS FOLLOWS:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN

HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

(b) BY INITIALING BELOW, THE DEVELOPER KNOWINGLY AND VOLUNTARILY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE WAIVERS AND RELEASES OF THIS SECTION 9.4:

DEVELOPER'S INITIALS

Section 9.5 **Legal Actions.**

(a) Following the Close of Escrow, 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 available to that Party under this Agreement or at law or in equity. Such legal actions must be instituted in the Superior Court of the State of California in and for the County of San Diego, California, in any other appropriate court within the County of San Diego, California, or in the United States District Court for the Southern District of California.

(b) The laws of the State of California shall govern the interpretation and enforcement of this Agreement. The Parties acknowledge and agree that this Agreement is entered into, is to be fully performed in and relates to real property located in the City of Santee, County of San Diego, California.

Section 9.6 **Rights and Remedies are Cumulative.** Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties as set forth in this Article IX 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.

Section 9.7 Subject to section 10.5, the City hereby reserves a power of termination pursuant to Civil Code Sections 885.010, et seq., exercisable by the City, in its reasonable discretion, upon thirty (30) calendar days written notice to the Developer referencing this Section 9.7, and also upon reimbursing the Developer's purchase price, to terminate the fee simple estate of the Developer in the Property and/or any improvements to such property and revert such fee title in the City and take possession of all or any portion of such real property and improvements, if, after conveyance of title to the Property and prior to the start of construction, the developer abandons or suspends construction for 6 months.

CITY'S INITIALS: _____ DEVELOPER'S INITIALS: _____

(a) Upon the City's exercise of its power of termination pursuant to this Section 9.7, the Developer or its successors or assigns shall convey by grant deed to the City title to the entirety of the Property, as specified in the City's notice pursuant to Section 9.7(a), and all improvements thereon in accordance with Civil Code Section 1109, as such code section may hereafter be amended, renumbered, replaced or substituted. Such conveyance shall be duly acknowledged by the Developer and a notary in a manner suitable for recordation. The City may enforce its rights pursuant to this Section 9.7 by means of an injunctive relief or forfeiture of title action filed in any court of competent jurisdiction.

(b) THE DEVELOPER ACKNOWLEDGES AND AGREES THAT THE CITY'S EXERCISE OF ITS POWER OF TERMINATION PURSUANT TO THIS SECTION 9.7 SHALL WORK A FORFEITURE OF THE ESTATE IN THE PROPERTY CONVEYED TO THE DEVELOPER THROUGH THE CITY DEED. THE DEVELOPER HEREBY EXPRESSLY WAIVES, TO THE MAXIMUM EXTENT ALLOWED BY LAW, ANY AND ALL EQUITABLE AND LEGAL DEFENSES THAT THE DEVELOPER MAY HAVE TO SUCH FORFEITURE, INCLUDING, BUT NOT LIMITED TO, THE DEFENSES OF LACHES, WAIVER, ESTOPPEL, SUBSTANTIAL PERFORMANCE OR COMPENSABLE DAMAGES. THE DEVELOPER FURTHER EXPRESSLY WAIVES, TO THE MAXIMUM EXTENT ALLOWED BY LAW, ANY AND ALL RIGHTS AND DEFENSES THAT THE DEVELOPER MAY HAVE UNDER CALIFORNIA CIVIL CODE SECTION 3275 OR ANY OTHER STATUTE OR COMMON LAW PRINCIPLE OF SIMILAR EFFECT. THE DEVELOPER ACKNOWLEDGES THAT THE TERMS AND CONDITIONS OF THIS AGREEMENT REFLECT THE POSSIBILITY OF FORFEITURE BY VIRTUE OF THE EXERCISE OF THE CITY'S POWER OF TERMINATION PROVIDED IN THIS SECTION 9.7 AND FURTHER ACKNOWLEDGES THAT IT HAS RECEIVED INDEPENDENT AND ADEQUATE CONSIDERATION FOR ITS WAIVER AND RELINQUISHMENT OF RIGHTS AND REMEDIES PURSUANT TO THIS SECTION 9.7.

DEVELOPER'S INITIALS

Section 9.8 **Developer Indemnification of the City.** In addition to any other specific indemnification or defense obligations of the Developer set forth in this Agreement, the Developer agrees to indemnify, defend (upon written request by the City and with counsel reasonably acceptable to the City) and hold harmless the City, its governing board, commissions, agents, officers, employees, attorneys and authorized representatives from any and all losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs and expenses, including, but not limited to reasonable attorney's fees of counsel retained by the City, expert fees, costs of staff time, and investigation costs, of whatever kind or nature, that are in any manner directly or indirectly caused, occasioned or contributed to in whole or in part, through any act or omission, whether active or passive, of the Developer or the Developer's officers, agents, employees, independent contractors, subcontractors of any tier, or authorized representatives, relating in any manner to this Agreement, any work to be performed

by the Developer related to this Agreement, the Project, or any authority or obligation exercised or undertaken by the Developer under this Agreement. Without limiting the generality of the foregoing, the Developer's obligation to indemnify the City shall include injury or death to any person or persons, damage to any property, regardless of where located, including the property of the City, any workers' compensation or prevailing wage determination, claim or suit or any other matter arising from or connected with any defective goods or materials provided or services or labor performed regarding the Project or the Property on behalf of the Developer by any person or entity.

ARTICLE X

GENERAL PROVISIONS

Section 10.1 Notices, Demands and Communications Between the Parties.

(a) Any and all notices, demands or communications submitted by any Party to another Party pursuant to or as required by this Agreement shall be proper, if in writing and dispatched by messenger for immediate personal delivery, by a nationally recognized overnight courier service or by registered or certified United States mail, postage prepaid, return-receipt requested, to the principal office of the City or the Developer, as applicable, as designated in sub-section (b). Such written notices, demands and communications may be sent in the same manner to such other addresses as either Party may from time to time designate. Any such notice, demand or communication shall be deemed to be received by the addressee, regardless of whether or when any return receipt is received by the sender or the date set forth on such return receipt, on the day that it is delivered by personal delivery, on the date of delivery by a nationally recognized overnight courier service or three (3) calendar days after it is placed in the United States mail, as provided in this Section 10.1(a).

(b) The following are the authorized addresses for the submission of notices, demands or communications to the Parties:

To the Developer:	Excel Acquisitions, LLC 10174 Old Grove Road, Suite 200 San Diego, CA 92131 Attention: Neil Patel
With courtesy copy to:	David Ferguson Lounsbury Ferguson Altona & Peak 960 Canterbury Place, Ste 300 Escondido, CA 92025
To the City:	City of Santee 10601 Magnolia Ave. Santee, CA 92071 Attention: City Manager

With courtesy copy to: Best Best & Krieger, LLP
655 West Broadway, 15th Floor
San Diego, CA 92101
Attention: Elizabeth Wagner Hull, Esq.

Section 10.2 **Conflict of Interest.** No member, official or employee of the City having any conflict of interest, direct or indirect, related to this Agreement or the development of the Project on the Property shall participate in any decision relating to this Agreement. The Parties represent and warrant that they do not have knowledge of any such conflict of interest.

Section 10.3 **Warranty Against Payment of Consideration for 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. Third parties, for the purposes of this Section 10.3, shall not include persons to whom fees are paid for professional services, if rendered by attorneys, financial consultants, accountants, engineers, architects and the like when such fees are considered necessary by the Developer.

Section 10.4 **Non-liability of City Officials and Employees.** 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 under this Agreement or for any amount that may become due to the Developer or to its successor, or on any obligations under the terms of this Agreement, except as may arise from the gross negligence or willful acts of such member, official or employee.

Section 10.5 **Unavoidable Delay; Extension of Time of Performance.**

(a) Subject to specific provisions of this Agreement, performance by either Party under this Agreement shall not be deemed to be in default, or considered to be a default, where any such delays or defaults are due to an Unavoidable Delay that is not attributable to the fault of the Party claiming an extension of time to perform. An extension of time for any Unavoidable Delay shall be for the period of the Unavoidable Delay and shall commence to run from the date of occurrence of the Unavoidable Delay, but only if the Party asserting the existence of the Unavoidable Delay has first provided the other Party with written notice of the occurrence of the Unavoidable Delay within ten (10) days of the commencement of such asserted Unavoidable Delay.

(b) The Parties expressly acknowledge and agree that changes in either general economic conditions or changes in the economic assumptions of either of them that may have provided a basis for entering into this Agreement and that occur at any time after the execution of this Agreement, do not constitute an Unavoidable Delay and do not provide any Party with grounds for asserting the existence of an Unavoidable Delay in the performance of any covenant or undertaking arising under this Agreement. Each Party expressly assumes the risk that changes in general economic conditions or changes in such economic assumptions relating to the terms and covenants of this Agreement could impose an inconvenience or hardship on the continued performance of such Party under this Agreement.

Section 10.6 **Intentionally Left Blank**

Section 10.7 **Real Estate Commissions.** The City shall not be liable for any real estate commissions, brokerage fees or finder fees that may arise from or be related to this Agreement. The Developer shall pay any fees or commissions or other expenses related to its retention or employment of real estate brokers, agents or other professionals.

Section 10.8 **Binding on Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors and assigns.

Section 10.9 **Entire Agreement.**

(a) This Agreement shall be executed in four (4) duplicate originals, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. This Agreement includes [redacted] pages and [redacted] exhibits, that constitute the entire understanding and Agreement of the Parties regarding the Project and the Property.

(b) This Agreement integrates all of the terms and conditions mentioned in this Agreement or incidental to this Agreement, and supersedes all negotiations or previous agreements between the Parties with respect to the Property and the Project.

(c) None of the terms, covenants, agreements, or conditions set forth in this Agreement shall be deemed to be merged with any deed conveying title to the Property, and this Agreement shall continue in full force and effect before and after such conveyances.

(d) All waivers of the provisions of this Agreement and all amendments to this Agreement must be in writing and signed by the authorized representative(s) of both the City and the Developer.

Section 10.10 **Execution of this Agreement.** Following execution of this agreement by the authorized representative(s) of the Developer and prompt delivery, thereafter, to the City, accompanied by an official action of the governing body of the Developer authorizing the individuals executing this Agreement on behalf of the Developer to do so, in form and substance acceptable to the City, this Agreement shall be subject to the review and approval by the governing body of the City, in its sole and absolute discretion, no later than forty-five (45) calendar days after the date of delivery to the City of this Agreement executed by the authorized representative(s) of the Developer and an official action of the governing body of the Developer authorizing such execution. If the City has not approved, executed, and delivered this Agreement to the Developer within the foregoing time period, then no provision of this Agreement shall be of any force or effect for any purpose.

Section 10.11 **Survival of Indemnity Obligations.** All general and specific indemnity and defense obligations of the Parties set forth in this Agreement shall survive the expiration or termination of this Agreement and the execution or recordation of the City Deed and/or each and every Certificate of Completion for any portion of the Project.

Section 10.12 **Authority to Extend Escrow Closing Dates.** Notwithstanding anything to the contrary in this Agreement, the City Manager may, in his or her sole and absolute discretion, issue instructions to the Escrow Holder on behalf of the City and jointly with the Developer that amend this Agreement and any previous Escrow instructions to extend Due Diligence Period or Closing Date for up to an additional one hundred-eighty (180) calendar days each.

[Signatures on following pages]

**SIGNATURE PAGE
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Parcel 4 Hotel)**

IN WITNESS WHEREOF, the City and the Developer have executed this Disposition and Development Agreement (Parcel 4 Hotel) by and through the signatures of their duly authorized representative(s) set forth below:

CITY

CITY OF SANTEE, a California charter city

By: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

Best Best & Krieger LLP

City Attorney

**SIGNATURE PAGE
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Parcel 4 Hotel)**

DEVELOPER

EXCEL ACQUISITIONS, LLC,
a California Limited Liability Company

By: _____

By: _____

EXHIBIT "A"
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Parcel 4 Hotel)

LEGAL DESCRIPTION

Exhibit "B"-Scope of Development

EXHIBIT "B"
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Parcel 4 Hotel)

SCOPE OF DEVELOPMENT

The Project shall consist of the following minimum elements:

Hotel: 4-story hotel consisting of a minimum of approximately 89 rooms (plus or minus 5% depending upon site restrictions and Hilton or Marriott requirements for room type/size and amenities), a breakfast seating area, a pool with deck, and approximately 64 parking spaces.

Exhibit "B"-Scope of Development

EXHIBIT "C"
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Hotel/Restaurant)

SCHEDULE OF PERFORMANCE

	Action	Date Action to be Completed By
1.	Effective Date	See Section 2.1(v)
2.	Developer to open Escrow and, concurrently, deposit Earnest Money Deposit into Escrow (Section 3.2(a) and 4.1)	Within 5 days following the Effective Date
3.	Due Diligence Period commences (Section 2.1(t))	The date immediately following the Escrow Opening Date
4.	City to deliver Preliminary Report to Developer (Section 3.3)	Within 5 days following City's receipt of the Preliminary Report from Title Company
5.	Developer to deliver Developer's Title Notice to Agency (Section 3.3(a))	Within 20 days following Developer's receipt of the Preliminary Report
6.	City to deliver City's Title Notice Response to Developer, if appropriate (Section 3.3(b))	Within 20 days following City's Receipt of Developer's Title Notice
7.	Developer to deliver Developer's Title Notice Waiver, if appropriate (Section 3.3(b))	Within 10 days following Developer's receipt of City's Title Notice Response
8.	Developer to deliver its Due Diligence Investigation Conclusion Notice (Section 3.4)	On or before the end of the Due Diligence Period
9.	Due Diligence Period ends (Section 2.1(t))	December 1, 2022.
10.	Escrow Closing Date (Section 2.1(aa))	The earlier of (1) the thirtieth (30th) business day following the Escrow Holder's receipt of written confirmation from both the City and the Developer of the satisfaction or waiver of all conditions precedent to the Close of Escrow; (2) the thirtieth (30th) business day following Developer's receipt of City Council approval of entitlements necessary for the Project; or December 15, 2022.

Exhibit "C"-Schedule of Performance

	Action	Date Action to be Completed By
11	Developer shall receive approval of plans, construction drawing and other documents necessary to receive a building permit.	Within 18 months of Close of Escrow but no later than June 8, 2024 unless an extension is granted pursuant to the terms of the Agreement..
12	Developer shall commence construction	Within 12 months of receipt of building permits from City unless an extension is granted pursuant to the terms of this Agreement.
13	Developer to complete construction and installation of the Project (issuance of certificate of occupancy for the entire Project by the City)	No later than 24 months from the issuance of building permit by City but no later than June 8, 2027 unless an extension is granted pursuant to the terms of the Agreement.

Exhibit "C"-Schedule of Performance

EXHIBIT "D"
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Parcel 4 Hotel)

FORM OF CERTIFICATE OF COMPLETION

[Attached Behind This Cover Page]

EXHIBIT "D" – Cert. of Completion

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

(Space above for Recorder's Use Only)

CITY OF SANTEE

CERTIFICATE OF COMPLETION

(Parcel 4 Hotel)

We, _____, Mayor and _____, City Clerk of the City of Santee (the “City”) certify that:

By its Resolution No. ____, adopted and approved _____, _____, the City resolved:

Section 1. The _____ required to be constructed in accordance with that certain Disposition and Development Agreement (Parcel 4 Hotel) (the “Agreement”) dated _____, by and between the City and Excel Acquisitions, LLC., a California limited liability company (the “Developer”), on that certain real property specifically described in the legal description(s) attached to this Certificate of Completion as Exhibit “A” (the “Property”), is complete in accordance with the provisions of the Agreement.

Section 2. This Certificate of Completion constitutes conclusive evidence of the City’s determination of the Developer’s satisfaction of its obligation under the Agreement to construct and install the _____ on the Property, including any and all buildings, parking areas, landscaping areas and related improvements necessary to support or meet any requirements applicable to the _____ and its use and occupancy on the Property, whether or not such improvements are located on the Property or on other property subject to the Agreement, excluding any normal and customary tenant improvements and minor building “punch-list” items. Notwithstanding any provision of this Certificate of Completion, the City may enforce any covenant surviving this Certificate of Completion in accordance with the terms and conditions of the Agreement and the Deed(s) by which the Property was conveyed to the Developer by the City under the Agreement. The Agreement is an official record of the City and a copy of the Agreement may be inspected in the office of the City Clerk located at 10601 N. Magnolia Avenue, Santee, California 92701, during the regular business hours of the City.

DATED AND ISSUED this ___ day of _____, _____.

Mayor

Clerk

**EXHIBIT "A"
TO
CERTIFICATE OF COMPLETION**

Legal Description of Property

[To Be Inserted]

CERT. OF COMPLETION-EXHIBIT "A"-Property Legal Description

EXHIBIT "E"
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Parcel 4 Hotel)

FORM OF CITY DEED

[Attached Behind This Cover Page]

EXHIBIT "E" – Form of City Deed

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Attention: _____

SPACE ABOVE FOR RECORDER'S USE

CITY OF SANTEE

CITY DEED

PART ONE

For valuable consideration, the receipt of which is hereby acknowledged, the City of Santee, a California charter city (the "City"), hereby remises, releases and quitclaims to Excel Acquisitions, LLC, a California limited liability company (the "Grantee") the real property legally described in Exhibit "A" and by this reference incorporated into this City Deed (the "Property").

PART TWO

The quitclaim of the Property by the City to the Grantee in Part One is subject to the following community redevelopment terms, conditions and covenants:

Section 1. **Conveyance Subject to Terms of a Disposition and Development Agreement.** The Property is conveyed subject to that certain Disposition and Development Agreement (Parcel 4 Hotel), dated as of _____ 2022, by and between the City and the Grantee (the "Agreement"). The provisions of the Agreement are incorporated into this City Deed by this reference and are deemed to be a part of this City Deed, as though fully set forth in this City Deed.

Section 2. **Condition of Property.** The Grantee acknowledges and agrees that, subject to the terms of the Agreement, the Property is quitclaimed by the City to the Grantee in its "AS IS," "WHERE IS" and "SUBJECT TO ALL FAULTS CONDITION," as of the date of recordation of this City Deed, with no warranties, expressed or implied, as to the environmental or other physical condition of the Property, the presence or absence of any patent or latent environmental or other physical condition on or in the Property, or any other matters affecting the Property.

Section 3. **Prohibited Uses.** The Grantee covenants and agrees for itself, its successors and assigns that the following uses on the Property are prohibited:

(a) Bars or businesses with “on-sale” alcoholic beverage sale licenses (other than as part of a hotel or restaurant), coin laundries or laundromats (other than as may be provided at a hotel), used clothing stores, used appliance stores, used furniture stores or rummage stores, massage parlors, or so-called adult book or adult entertainment establishments.

(b) Churches or other religious institutions not approved pursuant to the City’s Zoning Code.

Section 4. **No Discrimination or Segregation.** The Grantee covenants by and for itself, himself or herself, its, his or her heirs, executors, administrators, and assigns, and all Persons claiming under or through it, him or her, and this City Deed is made and accepted upon and subject to the following conditions:

(a) Standards. That there shall be no discrimination against or segregation of any Person or group of Persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property granted by this City Deed nor shall the Grantee, itself, himself or herself, or any Person claiming under or through it, 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 Property granted by this City Deed.

(b) Interpretation. Notwithstanding Section 4(a), with respect to familial status, Section 4(a) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in Section 4(a) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to Section 4(a).

(c) Covenant Running With Land. The provisions of this Section 4 shall be a covenant running with the land of the Property and binding on all successive owners and users of the Property.

Section 5. **Covenant to Maintain Property on Tax Rolls for 10 Years.**

(a) The Grantee shall assure that the entire Property remains on the County of San Diego, California, secured real property tax rolls for the ten (10) calendar years following the Project Completion Date

(b) For the ten (10) year period following the Project Completion Date, the Grantee for itself and its successors and assigns covenants and agrees to pay all property tax bills with respect to the Property and all improvements thereon on or before the last day for the timely payment of each property tax installment on December 10 and April 10 and to timely pay all supplemental tax bills regarding the Property issued by the County of San Diego, California. The Grantee further covenants and agrees to provide to the City, on or before July 31 of each year, commencing in the calendar year following the calendar year in which the Certificate of Completion is recorded and in each calendar year, thereafter, until the tenth (10th) anniversary of the Project Completion Date (i) a true and correct copy of all property tax assessment notices, property tax bills and property tax assessment correspondence by and between the Grantee and the County of San Diego, California, regarding the Property and all improvements thereon, with respect to the preceding fiscal year of the County of San Diego, California, and (ii) cancelled checks issued by the Grantee in payment of all property tax payments that are made to the County of San Diego, California, regarding the Property and all improvements thereon, with respect to the preceding fiscal year of the County of San Diego, California.

(c) The Grantee understands and agrees that neither the Grantee, nor its successors or assigns shall use or otherwise sell, transfer, convey, assign, lease, leaseback or hypothecate the Property or the Project or any portion thereof to any entity or person, or for any use of the Property or the Project, or any portion thereof, that is partially or wholly exempt from the payment of real property taxes or that would cause the exemption of the payment of all or any portion of real property taxes otherwise assessable regarding the Property or the Project, without the prior written consent of the City, prior to the expiration of the ten (10) year term of the covenant.

(d) The Grantee further covenants and agrees that, if the Property, or any portion of the Property, shall be conveyed, transferred or sold by the Grantee, its successors or assigns, to any entity or person, that is partially or wholly exempt from the payment of ad valorem property taxes otherwise assessable against the Property, or any portion thereof, prior to the expiration of the ten (10) year term, the Grantee, its successors or assigns shall pay to the City a fee in lieu of payment of such taxes each year in an amount determined by the City to be one percent (1.0%) of the “full cash value” of the Property, or portion thereof, as may be subject to such exemption from payment of ad valorem property taxes. The City’s determination of “full cash value” for in-lieu payment purposes under this Section 5 shall be established by the City each year, if necessary, by reference to the ad valorem property tax valuation principles and practices generally applicable to a county property tax assessor under Section 1 of Article XIII A of the California Constitution. The City's determination of “full cash value” and that an in-lieu payment is due shall be conclusive on such matters. If the City determines that an amount is payable by the Grantee to the City as an in-lieu payment under this Section 5 in any tax year, then such amount shall be paid to the City for that tax year within forty-five (45) days following transmittal by the City to the Grantee of an invoice for payment of the in-lieu amount.

(e) The covenants of this Section 5 shall run with the land of the Property.

Section 6. Maintenance Condition of the Property. The Grantee for itself, its successors and assigns covenants and agrees that:

(a) The areas of the Property that are subject to public view (including all existing and future improvements, paving, walkways, landscaping, exterior signage and ornamentation) shall be maintained in good repair and a neat, clean and orderly condition, ordinary wear and tear excepted. If, at any time within twenty (20) years following the date of recordation of this City Deed, there is an occurrence of an adverse condition on any area of the Property that is subject to public view in contravention of the general maintenance standard described above (a "Maintenance Deficiency"), then the City shall notify the Grantee in writing of the Maintenance Deficiency. If the Grantee fails to cure or commence and diligently pursue to cure the Maintenance Deficiency within thirty (30) days of its receipt of notice of the Maintenance Deficiency, the City may conduct a public hearing, following transmittal of written notice of the hearing to the Grantee, at least ten (10) days prior to the scheduled date of such public hearing, to verify whether a Maintenance Deficiency exists and whether the Grantee has failed to comply with the provisions of this Section 6. If, upon the conclusion of the public hearing, the City finds that a Maintenance Deficiency exists and that there appears to be non-compliance with the general maintenance standard, described above, the City shall have the right to enter the Property and perform all acts necessary to cure the Maintenance Deficiency, or to take any other action at law or in equity that the City may then be available to the City to accomplish the abatement of the Maintenance Deficiency. Any sum expended by the City for the abatement of a Maintenance Deficiency on the Property, as authorized by this Section 6 shall become a lien on the Property. If the amount of the lien is not paid within thirty (30) days after written demand for payment from the City to the Grantee, the City shall have the right to enforce the lien in the manner as provided in sub-section (c).

(b) Graffiti, as this term is defined in Government Code Section 38772, that has been applied to any exterior surface of a structure or improvement on the Property that is visible from any public right-of-way adjacent or contiguous to the Property at any time within ten (10) years following the Close of Escrow, shall be removed by the Grantee by either painting over the evidence of such vandalism with a paint that has been color-matched to the surface on which the paint is applied, or graffiti may be removed with solvents, detergents or water, as appropriate. If any such graffiti is not removed within seventy two (72) hours following the time of the discovery of the graffiti, the City shall have the right to enter the Property and remove the graffiti, without notice to the Grantee. Any sum expended by the City for the removal of graffiti from the Property, as authorized by this Section 6, in an amount not to exceed Two Hundred Fifty Dollars (\$250.00) per entry by the City, shall become a lien on the Property. If the amount of the lien is not paid within thirty (30) days after written demand to the Grantee from the City, the City shall have the right to enforce its lien in the manner provided in subsection (c).

(c) The Grantee understands and agrees that the rights conferred upon the City under this Section 6 expressly include the power to establish and enforce a lien or other encumbrance against the Property, or any portion thereof, in the manner provided under Civil Code Sections 2924, 2924b and 2924c in an amount reasonably necessary to restore the Property to the maintenance standard required under subsection (a) or subsection (b), including the

reasonable attorneys' fees and costs of the City associated with the abatement of the Maintenance Deficiency or removal of graffiti. For the purposes of the preceding sentence the words "reasonable attorneys' fees and costs of the City" mean and include the salaries, benefits and costs of the City Attorney and the lawyers employed in the Office of the City Attorney. Nothing in the foregoing provisions of this Section 6 shall be deemed to preclude the Grantee from making any alteration, addition, or other change to any structure or improvement or landscaping on the Property, provided that any such changes comply with applicable zoning and building regulations of the City of Santee.

PART THREE

Section 1. **Duration of Covenants.** The covenants, terms and conditions of PART TWO of this City Deed shall have the duration as set forth below in association with the PART TWO sections:

Section 1: until the Project Completion Date or twenty one (21) years from the date of recordation of this City Deed, whichever date is earlier;

Section 2: in perpetuity;

Section 3: for ten (10) years following the Project Completion Date;

Section 4: in perpetuity;

Section 5: for ten (10) years following the Project Completion Date;

Section 6: for twenty (20) years following the date of recordation of this City Deed;

Section 2. **Covenants Run with the Land of the Property.** Each of the covenants and agreements contained in this City Deed touch and concern the Property and each of them is expressly declared to be a community redevelopment covenant that runs with the land for the benefit of the City and such covenants run with the land in favor of the City for the entire period that such covenants are in full force and effect, regardless of whether the City is or remains an owner of any land or interest in land to which such covenants relate. The City, in the event of any breach of any such covenants, has the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings, to enforce the curing of such breach, as provided in the Agreement or by law. The covenants contained in this City Deed are for the benefit of and are enforceable only by the City and shall survive the Close of Escrow, execution and recordation of this City Deed and the issuance and recordation of each and every Certificate of Completion, for the time period set forth for each covenant in Section 1 above.

Section 3. **Costs and Attorneys' Fees for Enforcement Proceeding.** If legal proceedings are initiated to enforce the rights, duties or obligations of any of the covenants set forth in this City Deed, then the prevailing party in such proceeding shall be entitled to collect its reasonable attorneys' fees and costs from the other party in addition to any other damages or relief obtained in such proceedings.

Section 4. **Effect of Unlawful Provision; Severability.** In the event that any provision of this City Deed is held to be invalid or unlawful by a final judgment of a court of competent jurisdiction, such invalidity shall not affect the validity of any other provision of this City Deed.

IN WITNESS WHEREOF, the City has caused this City Deed to be executed by its authorized representative(s) on this ____ day of _____, 20 ____.

CITY

By _____

[ALL SIGNATURES MUST BE NOTARY ACKNOWLEDGED]

**EXHIBIT "A"
TO
CITY DEED**

Property Legal Description

CITY DEED-EXHIBIT "A"-Property Legal Description

**CERTIFICATE OF ACCEPTANCE OF
CITY DEED
AND
COVENANTS**

The undersigned hereby acknowledges acceptance by EXCEL ACQUISITIONS, LLC, a California limited liability company, the Grantee in the within City Deed, of the delivery of the subject Property described in the within City Deed from the City of Santee, subject to all of the covenants expressly set forth or incorporated within the City Deed.

GRANTEE

Excel Acquisitions, LLC
a California limited liability company

By _____

By _____

[ALL SIGNATURES MUST BE NOTARY ACKNOWLEDGED]

CERTIFICATE OF ACCEPTANCE OF CITY DEED

EXHIBIT "F"
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Parcel 4 Hotel)

FORM OF NOTICE OF AGREEMENT

[Attached behind this page]

EXHIBIT "F" – Form of Notice of Agreement

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
)
)
)
)
)
)
)
)

(Space Above Line For Use By Recorder)

[Recordation of this Document Is
Exempt From Fees Payable to the
Recorder Under Government
Code Section 27383]

CITY OF SANTEE

Notice of Agreement

Disposition and Development Agreement
(Parcel 4 Hotel)

TO ALL INTERESTED PERSONS PLEASE TAKE NOTICE that as of _____, 2022, Excel Acquisitions, a California limited liability company (the “Developer”) and the City of Santee, a California charter city (the “City”), entered into an agreement entitled “Disposition and Development Agreement (Parcel 4 Hotel)” (the “Agreement”). A copy of the Agreement is on file with the City Clerk of the City and is available for inspection and copying by interested persons as a public record of the City during the regular business hours of the City.

The Agreement affects the real property (the “Property”) described in Exhibit “A” attached to this Notice of Agreement. The meaning of defined terms used in this Notice of Agreement shall be the same as set forth in the Agreement.

PLEASE TAKE FURTHER NOTICE that the Agreement contains certain community redevelopment covenants running with the land and other agreements between the Developer and the City affecting the Property, as set forth below (all section references are to the Agreement):

Section 1.3 of the Agreement provides:

(a) **Restrictions on Change in Management or Control of the Developer and Assignment or Transfer.** (a) The Developer acknowledges that the qualifications and identity of the Developer are of particular importance to the City. The Developer further recognizes and acknowledges that the City has relied and is relying on the specific qualifications and identity of the Developer in entering into this Agreement with the Developer and, as a consequence, Transfers are permitted only as expressly provided in this Agreement. Except as set forth in this Section 1.3 or other provisions of this Agreement, prior to the Project Completion Date, the Developer shall not sell, assign, convey, create any trust estate with respect to or otherwise Transfer any of its interests in this Agreement, the Parcel, and/or the Project, without the prior written approval of the City Manager.

(b) At least 30 days prior to any such change, the Developer shall notify the City in writing of any and all changes whatsoever in the identity of the business entities or individuals either comprising or in control of the Developer, as well as any and all changes in the interest or the degree of control of the Developer by any such person, of which information the Developer or any of its partners, members or officers are notified or may otherwise have knowledge or information. . The City shall either approve or disapprove of such change within 30 days of receipt of such written notice. This Agreement may be terminated by the City or the City may exercise any other remedy available to the City under the terms of this Agreement, prior to the Project Completion Date, if there is any Transfer, whether voluntary or involuntary, in membership, ownership, management or control of the Developer (other than such changes occasioned by the death or incapacity of any individual) that has not been approved in writing by the City, prior to the time of such Transfer provided, however, that (i) the City shall first notify the Developer in writing of its intention to terminate this Agreement or to exercise any other remedy, and (ii) the Developer shall have twenty (20) calendar days following its receipt of such written notice to commence and, thereafter, diligently and continuously proceed to cure the default of the Developer and submit evidence of the initiation and satisfactory completion of such cure to the City, in a form and substance reasonably satisfactory to the City.

(c) Except as expressly permitted in this Agreement, the Developer represents and agrees that it has not made and will not create or suffer to be made or created, any Transfer, either voluntarily, involuntarily or by operation of law, without the prior written approval of the City, until after the Project Completion Date. Any Transfer made in contravention of this Section 1.3 shall be voidable at the election of the City and, if voided, shall be deemed to be an Event of Default by the Developer, whether or not the Developer knew of or participated in such Transfer.

Section 5.1 of the Agreement provides:

Developer Covenant to Undertake Each Phase of Project. The Developer covenants to and for the exclusive benefit of the City that the Developer shall commence and complete the development of the Project on the Property, within the time period for such action set forth in the Schedule of Performance. The Developer covenants and agrees for itself, its successors and assigns that the Property shall be improved and developed with the Project, in conformity with the terms and conditions of this Agreement, the Scope of Development, the Schedule of Performance, any and all plans, specifications and similar development documents required by this Agreement, except for such changes as may be mutually agreed upon in writing by and between the Developer and the City, and in conformity with all applicable laws, regulations, orders and conditions of each Governmental Agency. The covenants of this Section 5.1 shall run with the land of the Property, until the earlier of the Occupancy Date or the twentieth (20th) anniversary of the date of the Close of Escrow. Conversely, City shall expeditiously review and process all plans, specifications, development documents, and applications submitted by Developer pursuant to this section. In the event that the project processing is delayed due to action or inaction by the City or an Unavoidable Delay, the City Manager shall administratively approve an extension proportional in time to the City caused delay reasonably requested by Developer to the Schedule of Performance. In the event a delay occurs that is not the result of City action or inaction, the City Manager may consider, but is not obligated to grant, an extension proportional in time to the delay causing event. Notwithstanding the foregoing, extensions granted pursuant to this Section by the City Manager shall not exceed one hundred eighty (180) days in total without City Council approval.

Section 6.1 of the Agreement provides:

Covenant to Maintain Property on Tax Rolls for 10 Years.

(a) The Developer shall assure that the entire Property remains on the County of San Diego, California, secured real property tax rolls for the ten (10) calendar years following the Project Completion Date

(b) For the ten (10) year period following the Project Completion Date, the Developer for itself and its successors and assigns covenants and agrees to pay all property tax bills with respect to the Property and all improvements thereon on or before the last day for the timely payment of each property tax installment on December 10 and April 10 and to timely pay all supplemental tax bills regarding the Property issued by the County of San Diego, California. The Developer further covenants and agrees to provide to the City, on or before July 31 of each year, commencing in the calendar year following the calendar year in which the Certificate of Completion for the Hotel is recorded and in each calendar year, thereafter, until the tenth (10th) anniversary of the Project Completion Date (i) a true and correct copy of all property tax assessment notices, property tax bills and property tax assessment correspondence by and between the Developer and the County of San Diego, California, regarding the Property and all improvements thereon, with respect to the preceding fiscal year of the County of San Diego, California, and (ii) cancelled checks issued by the Developer in payment of all property tax payments that are made to the County of San Diego, California, regarding the Property and all improvements thereon, with respect to the preceding fiscal year of the County of San Diego, California.

(c) The Developer understands and agrees that neither the Developer, nor its successors or assigns shall use or otherwise sell, transfer, convey, assign, lease, leaseback or hypothecate the Property or the Project or any portion thereof to any entity or person, or for any use of the Property or the Project, or any portion thereof, that is partially or wholly exempt from the payment of real property taxes or that would cause the exemption of the payment of all or any portion of real property taxes otherwise assessable regarding the Property or the Project, without the prior written consent of the City, prior to the expiration of the ten (10) year covenant term.

(d) The Developer further covenants and agrees that, if the Property, or any portion of the Property, shall be conveyed, transferred or sold by the Developer, its successors or assigns, to any entity or person, that is partially or wholly exempt from the payment of ad valorem property taxes otherwise assessable against the Property, or any portion thereof, prior to the expiration of the Covenant in this Section 6.1, the Developer, its successors or assigns shall pay to the City a fee in lieu of payment of such taxes each year in an amount determined by the City to be one percent (1.0%) of the “full cash value” of the Property, or portion thereof, as may be subject to such exemption from payment of ad valorem property taxes. The City’s determination of “full cash value” for in-lieu payment purposes under this Section 6.1(d) shall be established by the City each year, if necessary, by reference to the ad valorem property tax valuation principles and practices generally applicable to a county property tax assessor under Section 1 of Article XIII A of the California Constitution. The City’s determination of “full cash value” and that an in-lieu payment is due shall be conclusive on such matters. If the City determines that an amount is payable by the Developer to the City as an in-lieu payment under this Section 6.1(d) in any tax year, then such amount shall be paid to the City for that tax year within forty-five (45) days following transmittal by the City to the Developer of an invoice for payment of the in-lieu amount.

Section 6.2 of the Agreement provides:

Maintenance Condition of the Property. The Developer for itself, its successors and assigns, covenants and agrees that:

(a) The areas of the Property that are subject to public view (including all existing and future improvements, paving, walkways, landscaping, exterior signage and ornamentation) shall be maintained in good repair and a neat, clean and orderly condition, ordinary wear and tear excepted. If, at any time within ten (10) years following the Close of Escrow, there is an occurrence of an adverse condition on any area of the Property that is subject to public view in contravention of the general maintenance standard described above (a “Maintenance Deficiency”), then the City shall notify the Developer in writing of the Maintenance Deficiency. If the Developer fails to cure or commence and diligently pursue to cure the Maintenance Deficiency within thirty (30) days of its receipt of notice of the Maintenance Deficiency, the City may conduct a public hearing, following transmittal of written notice of the hearing to the Developer, at least, ten (10) days prior to the scheduled date of such public hearing, to verify whether a Maintenance Deficiency exists and whether the Developer has failed to comply with the provisions of this Section 6.2. If, upon the conclusion of the public hearing, the City finds that a Maintenance Deficiency exists and that there appears

to be non-compliance with the general maintenance standard, described above, the City shall have the right to enter the Property and perform all acts necessary to cure the Maintenance Deficiency, or to take any other action at law or in equity that may then be available to the City to accomplish the abatement of the Maintenance Deficiency. Any sum expended by the City for the abatement of a Maintenance Deficiency on Property as authorized by this Section 6.2 shall become a lien on the Property. If the amount of the lien is not paid within thirty (30) days after written demand for payment from the City to the Developer, the City shall have the right to enforce the lien in the manner as provided in Section 6.2(c).

(b) Graffiti, as this term is defined in Government Code Section 38772, that has been applied at any time within 10 years following the issuance of the Certificate of Occupancy to any exterior surface of a structure or improvement on the Property that is visible from any public right-of-way adjacent or contiguous to the Property, shall be removed by the Developer by either painting over the evidence of such vandalism with a paint that has been color-matched to the surface on which the paint is applied, or graffiti may be removed with solvents, detergents or water, as appropriate. If any such graffiti and is not removed within 72 hours following the time of the discovery of the graffiti, the City shall have the right to enter the Property and remove the graffiti, without notice to the Developer. Any sum expended by the City for the removal of graffiti from the Hotel, as applicable, as authorized by this Section 6.2(b), in an amount not to exceed \$250.00 per entry by the City, shall become a lien on the Hotel Parcel or the Restaurant Parcel, as applicable. If the amount of the lien is not paid within thirty (30) days after written demand to the Developer from the City, the City shall have the right to enforce its lien in the manner provided in Section 6.2(c).

(c) The Parties further mutually understand and agree that the rights conferred upon the City under this Section 6.2 expressly include the power to establish and enforce a lien or other encumbrance against the Property in the manner provided under Civil Code Sections 2924, 2924b and 2924c in an amount reasonably necessary to restore the Property to the maintenance standard required under Section 6.2(a) or Section 6.2(b), including the reasonable attorneys' fees and costs of the City associated with the abatement of the Maintenance Deficiency or removal of graffiti. For the purposes of the preceding sentence the words "reasonable attorneys' fees and costs of the City" mean and include the salaries, benefits and costs of the City Attorney and the lawyers employed in the Office of the City Attorney.

(d) The provisions of this Section 6.2, shall be a covenant running with the land of the Property for a term of twenty (20) years following the date of the Close of Escrow and shall be set forth in the City Deed, and shall be enforceable by the City. Nothing in the foregoing provisions of this Section 6.2 shall be deemed to preclude the Developer from making any alteration, addition, or other change to any structure or improvement or landscaping on the Property, provided that any such changes comply with applicable zoning and building regulations of the City.

Section 6.3 of the Agreement provides:

No Discrimination or Segregation. The Developer covenants by and for itself, himself or herself, its, his or her heirs, executors, administrators, and assigns, and all Persons claiming

under or through it, him or her, and this Agreement is made and accepted upon and subject to the following conditions:

(a) Standards. That there shall be no discrimination against or segregation of any Person or group of Persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property nor shall the Developer, itself, himself or herself, or any Person claiming under or through it, 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 Property.

(b) Interpretation. Notwithstanding Section 6.3(a), with respect to familial status, Section 6.3(a) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in Section 6.3(a) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to Section 6.3(a).

Section 9.7 of the Agreement provides:

City Power of Termination Regarding Parcels. Subject to section 10.5, the City hereby reserves a power of termination pursuant to Civil Code Sections 885.010, et seq., exercisable by the City, in its reasonable discretion, upon thirty (30) calendar days written notice to the Developer referencing this Section 9.7, and also upon reimbursing the Developer's purchase price, to terminate the fee simple estate of the Developer in the Property and/or any improvements to such property and revest such fee title in the City and take possession of all or any portion of such real property and improvements, if, after conveyance of title to the Property and prior to the start of construction, the developer abandons or suspends construction for 6 months.

CITY'S INITIALS: _____ **DEVELOPER'S INITIALS:** _____

(a) Upon the City's exercise of its power of termination pursuant to this Section 9.7, the Developer or its successors or assigns shall convey by grant deed to the City title to the entirety of the Property, as specified in the City's notice pursuant to Section 9.7(a), and all improvements thereon in accordance with Civil Code Section 1109, as such code section may hereafter be amended, renumbered, replaced or substituted. Such conveyance shall be duly acknowledged by the Developer and a notary in a manner suitable for recordation. The City may enforce its rights pursuant to this Section 9.7 by means of an injunctive relief or forfeiture of title action filed in any court of competent jurisdiction.

THE DEVELOPER ACKNOWLEDGES AND AGREES THAT THE CITY'S EXERCISE OF ITS POWER OF TERMINATION PURSUANT TO THIS SECTION 9.7 SHALL WORK A FORFEITURE OF THE ESTATE IN THE PROPERTY CONVEYED TO THE DEVELOPER THROUGH THE CITY DEED. THE DEVELOPER HEREBY EXPRESSLY WAIVES, TO THE MAXIMUM EXTENT ALLOWED BY LAW, ANY AND ALL EQUITABLE AND LEGAL DEFENSES THAT THE DEVELOPER MAY HAVE TO SUCH FORFEITURE, INCLUDING, BUT NOT LIMITED TO, THE DEFENSES OF LACHES, WAIVER, ESTOPPEL, SUBSTANTIAL PERFORMANCE OR COMPENSABLE DAMAGES. THE DEVELOPER FURTHER EXPRESSLY WAIVES, TO THE MAXIMUM EXTENT ALLOWED BY LAW, ANY AND ALL RIGHTS AND DEFENSES THAT THE DEVELOPER MAY HAVE UNDER CALIFORNIA CIVIL CODE SECTION 3275 OR ANY OTHER STATUTE OR COMMON LAW PRINCIPLE OF SIMILAR EFFECT. THE DEVELOPER ACKNOWLEDGES THAT THE TERMS AND CONDITIONS OF THIS AGREEMENT REFLECT THE POSSIBILITY OF FORFEITURE BY VIRTUE OF THE EXERCISE OF THE CITY'S POWER OF TERMINATION PROVIDED IN THIS SECTION 9.7 AND FURTHER ACKNOWLEDGES THAT IT HAS RECEIVED INDEPENDENT AND ADEQUATE CONSIDERATION FOR ITS WAIVER AND RELINQUISHMENT OF RIGHTS AND REMEDIES PURSUANT TO THIS SECTION 9.7.

THIS NOTICE OF AGREEMENT is dated as of _____, 2022, and has been executed on behalf of the Developer and the City by and through the signatures of their authorized representative(s) set forth below. This Notice of Agreement may be executed in counterparts and when fully executed each counterpart shall be deemed to be one original instrument.

CITY OF SANTEE

By: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

DEVELOPER

EXCEL ACQUISITIONS,
a California limited liability company

By: _____

By: _____

[ALL SIGNATURES MUST BE NOTARY ACKNOWLEDGED]

**EXHIBIT "A"
TO
NOTICE OF AGREEMENT**

Property Legal Description

[To be inserted]

EXHIBIT A to Notice of Agmt. – Property Legal Description

EXHIBIT "G"
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
(Parcel 4 Hotel)

FORM OF OFFICIAL ACTION OF DEVELOPER

[Attached behind this cover page]

EXHIBIT "G" – Form of Official Action of Developer

CERTIFICATION OF LLC AUTHORITY

The undersigned members of EXCEL ACQUISITIONS, LLC (the “Company”), do certify that we are all of the members of the Company and that there are no other members.

We further certify that all of the following named persons, together:

be, and they are, authorized and empowered for and on behalf of and in the name of the Company to execute and deliver that certain Disposition and Development Agreement (Parcel 4 Hotel), dated as of _____, by and between the City of Santee and the Company (the “Agreement”), to purchase certain property, generally, known as Parcel 4 of Parcel Map 18857 in the City of Santee, California, as specifically described in the Agreement, and all other documents to be executed by the Company in connection with the transactions contemplated in the Agreement, and to take all actions that may be considered necessary to conclude the transactions contemplated in the Agreement and perform the other obligations of the Company pursuant to the Agreement.

The authority conferred shall be considered retroactive, and any and all acts authorized in this document that were performed before the execution of this certificate are approved and ratified. The authority conferred shall continue in full force and effect until the City of Santee, a public body, corporate and politic, shall have received notice in writing from the Company of the revocation of this certificate.

We further certify that the activities covered by the foregoing certifications constitute duly authorized activities of the Company; that these certifications are now in full force and effect; and that there is no provision in any document under which the Company is organized and/or that governs the Company’s continued existence limiting the power of the undersigned to make the certifications set forth in this certificate, and that the same are in conformity with the provisions of all such documents.

Members:

MEETING DATE February 9, 2022

ITEM TITLE SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY OF SANTEE, CALIFORNIA AMENDING TITLE 13 OF THE SANTEE MUNICIPAL CODE (“SMC”), “ZONING” (CASE FILE: ZA2022-1), AND SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA AMENDING TITLE 2 OF THE SMC, “ADMINISTRATION AND PERSONNEL,” TITLE 9 OF THE SMC, “PUBLIC SERVICES” AND TITLE 10 OF THE SMC, “VEHICLES AND TRAFFIC”

DIRECTOR/DEPARTMENT Shawn Hagerty, City Attorney

SUMMARY

The Introduction and First Reading of the above-entitled Ordinances were approved at a Regular Council Meeting on Wednesday, January 26, 2022. The Ordinances are now presented for Second Reading by title only, and adoption.

Vote at First Reading: AYES: HALL, KOVAL, MCNELIS, MINTO, TROTTER
 NOES: NONE
 ABSENT: NONE

During the First Reading, Council requested that staff consult with the Sheriff’s Department regarding the proposed changes. The Sheriff’s Department has reviewed, as has no revisions to the proposed changes.

Council also requested that staff provide additional information regarding parking spaces for charging electric vehicles. The requested information is provided in the attached Staff Report.

Lastly, staff has made minor clerical revisions to the Ordinance amending Title 13, which are described in the Staff Report.

FINANCIAL STATEMENT *mr*

None.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *MSB*

Adopt the Ordinance amending Title 13.
Adopt the Ordinance amending Titles 2, 9, and 10.

ATTACHMENT

Staff Report
Ordinances



STAFF REPORT

SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, AMENDING TITLE 13 OF THE SANTEE MUNICIPAL CODE (“SMC”), “ZONING” (CASE FILE: ZA2022-1) AND SECOND READING AND ADOPTION OF AN ORDINANCE AMENDING TITLE 2 OF THE SMC, “ADMINISTRATION AND PERSONNEL,” TITLE 9 OF THE SMC, “PUBLIC SERVICES” AND TITLE 10 OF THE SMC, “VEHICLES AND TRAFFIC”

CITY COUNCIL MEETING February 9, 2022

INTRODUCTION

On January 26, 2022, the Introduction and First Reading of the above-entitled Ordinances were approved. During the First Reading, City Council requested that the Sheriff’s Department review the proposed changes to the Santee Municipal Code (“SMC”) and requested additional information from staff regarding electric vehicle (“EV”) charging parking spaces.

The Sheriff’s Department has reviewed the proposed changes and has no revisions to the proposed changes.

Below are staff’s responses to the questions posed by the Council.

TITLE 13 ZONING

Electric Vehicle Charging Parking Spaces

One of the changes proposed by the Ordinance amending Title 13 is to revise Section 13.24.040(E) to add language providing that if EV charging stations and associated equipment interfere with or impact the required parking spaces for existing uses, the number of required parking spaces for the existing uses shall be reduced by the amount necessary to accommodate electric vehicle charging stations and associated equipment. Recently-adopted bill AB 970 requires the City to accommodate EV charging stations in this manner beginning no later than January 1, 2023.

Council asked the following questions related to EV charging parking spaces:

1. Is it unlawful for a non-electric vehicle to park in a designated EV charging parking space?
2. Who is responsible for enforcement, and what is the penalty?

Below are staff's responses:

1. Yes, it is illegal for a person to "park or leaving standing" any vehicle in an EV charging parking space unless the vehicle is "connected for electric charging purposes." (Veh. Code. § 22511.1(a).)

This means that a combustible engine vehicle parked in an EV charging space, or an EV that is parked in a charging space but not connected for charging purposes, would be in violation of Vehicle Code section 22511.1(a).

2. A vehicle parked in an EV charging parking space that is not connected for electric charging purposes may be towed by the owner or operator of the parking facility, and the driver may be ticketed by the Sheriff's Department.

Vehicle Code section 22511 authorizes the City (for City parking facilities and public streets) and the owner or operator of an off-street parking facility (for private parking facilities) to designate EV charging spaces within the parking facility.¹ If the parking facility is posted with signs in compliance with the requirements set forth in Section 22511, then the City (if it is a City parking facility or a public street) or the owner or operator (if it is a private parking facility), after notifying the Sheriff's Department, may arrange to have a vehicle towed from a EV charging space in the facility if the vehicle is not connected for electric charging purposes. The signs that would be required to be posted include this language: "Unauthorized vehicles not connected for electric charging purposes will be towed away at owner's expense."

Other Clerical Revisions

During the First Reading, staff noted that the Visibility Area Diagram shown in Section 13.10.050(E)(3) had been updated to reduce the required distances for the Visibility Area, in accordance with recommendations from the Traffic Division. The updated Diagram was presented during staff's presentation, but had not yet been included in the text of the Ordinance. The Ordinance has now been revised to include the updated Diagram. The Sheriff's Department has also approved the Diagram.

Staff also made minor clerical corrections to the Ordinance to ensure that all changes approved under the City's previously-adopted ordinance implementing SB 9 (which also made changes to Title 13) were included in as existing Code language, where relevant. A clean version of the updated language is included in the Ordinance amending Title 13.

¹ Any City-designated EV charging parking spaces must be designated by City ordinance or resolution. (Veh. Code § 22511(a).)

TITLES 2, 9, AND 10

Council did not request any additional information from staff regarding the revisions to Titles 2, 9, and 10, and the Ordinance amending these titles is presented for adoption without any revisions from the First Reading.

RECOMMENDATION

Staff requests that the City Council:

1. Adopt the Ordinance amending Titles 2, 9, and 10.
2. Adopt the Ordinance amending Title 13.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTEE AMENDING TITLE 13 OF THE SANTEE MUNICIPAL CODE, "ZONING" (CASE FILE: ZA2022-1)

WHEREAS, pursuant to article XI, section 5 of the California Constitution and Government Code section 37100, the legislative body of a city may pass ordinances not in conflict with the Constitution and laws of the State or the United States;

WHEREAS, in 2019, the City completed a comprehensive update to the Santee Municipal Code ("Code"); and

WHEREAS, the City desires to conduct annual updates to ensure the Code remains consistent with current law and City practice; and

WHEREAS, City staff and the City Attorney have reviewed the Code and have determined that certain updates to the Code are required; and

WHEREAS, the proposed revisions are detailed in the Staff Report and indicated in the redline document provided to the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Recitals Incorporated. The Recitals set forth above are true and correct and are incorporated into this Ordinance.

SECTION 2. Amendments. Section 13.04.110(D), Section 13.04.140(B), Section 13.08.020(A), Section 13.08.020(D), Table 13.10.030A, Table 13.10.040E, Section 13.10.050(E), Table 13.12.040A, Table 13.12.040B, Table 13.14.030A, Section 13.14.030(L), Table 13.14.040A, Table 13.14.040B, Table 13.16.020A, Table 13.19.030A, Table 13.21.030A, Section 13.24.030(C), Section 13.24.040(E), Section 13.30.020(D), Section 13.30.020(H), and Section 13.32.040(B) are revised or added as set forth in Exhibit A, attached to this Ordinance and incorporated herein.

SECTION 3. CEQA. Based upon the whole of the administrative record before it, the City Council hereby finds that the amendments to the Code as set forth in this Ordinance are exempt from environmental review under the California Environmental Quality Act ("CEQA") (Pub. Res. Code, § 21000 et seq.) pursuant to State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) sections 15061(b)(3) and 15378(b)(5). An activity is subject to CEQA only if that activity has "the potential for causing a significant effect on the environment." (State CEQA Guidelines, § 15061(b)(3).) An activity is thus exempt from CEQA "[w]here it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." (*Ibid.*) Here, the amendments of the Code as set forth in this Ordinance do not have the potential to result in either a direct or reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines, § 15061(b)(3).) Moreover, approval of the Ordinance constitutes an administrative activity of the City and is additionally exempt from CEQA on that basis. (State CEQA Guidelines, § 15378(b)(5).) Staff is hereby directed to

prepare, execute and file with the San Diego County Clerk a CEQA Notice of Exemption within five (5) working days after the adoption of this Ordinance.

SECTION 4. Codification. The City has adopted the “City of Santee Municipal Code Editorial Guidelines,” and, except as otherwise provided herein, authorizes Quality Code Publishing to make technical, non-substantive changes to conform the codified Ordinance to the guidelines. In the event a substantive conflict arises on the basis of the changes authorized by this Section, the language adopted by this Ordinance prevails. The City Clerk is authorized to provide certified copies and notice of this Ordinance or any part of this Ordinance required or advised by the law or any regulation.

SECTION 5. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this Ordinance or any part thereof. The City Council of the City of Santee hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrases be declared unconstitutional.

SECTION 6. Effective Date. This Ordinance shall become effective thirty (30) days after its adoption.

SECTION 7. Publication. The City Clerk is hereby directed to certify the adoption of this Ordinance and cause a summary or 1/4 page advertisement of the same to be published as required by law.

INTRODUCED AND FIRST READ at a Public Hearing held at a Regular Meeting of the City Council of the City of Santee, California, on the 26th day of January 2022, and thereafter **ADOPTED** at a Regular Meeting of the City Council held on this 9th day of February 2022, by the following vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

Exhibit A – Revisions to Title 13 of the Santee Municipal Code

ORDINANCE NO. _____

Exhibit A

Revisions to Title 13 of the Santee Municipal Code

[attached behind this cover page]

EXHIBIT A

REVISIONS TO TITLE 13 OF THE SANTEE MUNICIPAL CODE

Section 13.04.110 is revised to read as follows:

13.04.110 Nonconforming uses and structures.

- A. Purpose. This section is intended to limit the number and extent on nonconforming uses by regulating their enlargement, their reestablishment after abandonment, and the alteration or restoration after destruction of the structures they occupy. In addition, this section is intended to limit the number and extent of nonconforming structures by prohibiting their being moved, altered, or enlarged in a manner that would increase the discrepancy between existing conditions and the standards prescribed in this code.
- B. Determination. The Director is authorized to determine, based on evidence the Director deems sufficient, whether any use is nonconforming within the requirements of this section. Any person affected by a decision of the Director may request a public hearing on the determination in accordance with Section 13.04.100.
- C. Continuation and Maintenance.
1. A use lawfully occupying a structure or a site, that does not conform with the use regulations or the site area regulations for the district in which the use is located shall be deemed to be a nonconforming use and may be continued, except as otherwise limited in this section.
 2. A structure, lawfully occupying a site, that does not conform with the standards for front, side or rear yard setbacks, height of structures, lot coverage, distances between structures, and parking facilities for the district in which the structure is located, shall be deemed to be a nonconforming structure and may be used and maintained, except as otherwise limited in this section.
 3. Maintenance and repairs may be performed on a nonconforming use or structure.
- D. Alterations and Additions to Nonconforming Uses and Structures.
1. No nonconforming use shall be enlarged or extended in such a way as to occupy any part of the structure or site or any other structure or site which it did not occupy at the time it became a nonconforming use occupying a structure or site, except as permitted in subsection G of this section.
 2. No nonconforming structure shall be altered or reconstructed so as to increase the discrepancy between existing conditions and the standards for front, side, or rear setbacks, height of structures, lot coverage, distances between structures and parking facilities as prescribed in the regulations for the district in which the structure is located, except as permitted in subsection G of this section.
- E. Discontinuation of Nonconforming Use. Whenever a nonconforming use has been changed to a conforming use or has been discontinued for a continuous period of 180 days or more, the nonconforming use shall not be reestablished, and the use of the structure or site thereafter shall be

in conformity with the regulations for the district in which it is located. Discontinuation shall include termination of a use regardless of intent to resume the use.

F. Restoration of a Damaged Structure.

1. Whenever a structure which does not comply with the standards for front, side, or rear setbacks, height of structures, lot coverage, distances between structures and parking facilities as prescribed in the regulations for the district in which the structure is located, or the use of which does not conform with the regulations for the district in which it is located, is destroyed by fire or other calamity, to the extent of 50% or less, the structure may be restored and the nonconforming use may be resumed, provided that restoration is started within one year and diligently pursued to completion. When the destruction exceeds 50% or the structure is voluntarily razed or is required by law to be razed, the structure shall not be restored except in full conformity with the regulations for the district in which it is located and the nonconforming use shall not be resumed, except as permitted in this section.

2. The extent of damage or partial destruction shall be based upon the ratio of the estimated cost of restoring the structure to its condition prior to such damage or partial destruction to the estimated cost of duplicating the entire structure as it existed prior thereto. Estimates for this purpose shall be made by or shall be reviewed and approved by the building official and shall be based on the minimum cost of construction in compliance with the building code.

G. Expansion or Restoration of Nonconforming Uses and Structures. Minor building additions to a nonconforming single-family residence that cumulatively do not exceed 50% of the square footage of the existing residence, and do not exceed the maximum permitted lot coverage of 40%, are allowed by right. A request for expansion or restoration of a nonconforming use or structure other than a single-family residence may be granted subject to the approval of a minor conditional use permit by the Director. The approval authority may grant the request, grant the request with modification, or deny the request. The approval authority may require as a condition of a use permit that a specific termination date be set for the use and/or structure which is being expanded or restored. Before granting a conditional use permit for the expansion or restoration of a nonconforming use or structure, the approval authority shall make the following findings:

1. That strict or literal interpretation and enforcement of the specified regulations within this section would result in practical difficulty or unnecessary hardship.
2. That the granting of the conditional use permit or minor conditional use permit will not significantly extend the expected life of the use or structure.
3. That the granting of the conditional use permit or minor conditional use permit will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity. (Ord. 591 § 2, 2021; Ord. 566 § 3, 2019)

Section 13.04.140 is revised to read as follows:

13.04.140 Definitions.

A. Purposes. The purpose of this section is to promote consistency and precision in application and interpretation of the development regulations of this title. The meaning and construction of words and phrases defined in this section shall apply throughout this title, except where the context and usage of

such words or phrases clearly indicates a different meaning or construction intended in that particular case.

B. Definitions.

“Abutting” means having lot lines or zone boundaries in common.

“Accessory dwelling unit” or “ADU” means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. An accessory dwelling unit also includes the following:

1. An efficiency unit, as defined by Section 17958.1 of the California Health and Safety Code; and
2. A manufactured home, as defined by Section 18007 of the California Health and Safety Code.

“Acreage, gross” means total land area of a parcel, or parcels, at time of applications for development.

“Acreage, net” means total land area of parcel or parcels minus land area which will be required for public dedication at time of application for development.

“Addition” means any construction, which increases the size of a building or facility in terms of site coverage, height, length, width, or gross floor area.

“Agent” means any person showing written verification that he or she is acting for, and with the knowledge and consent of, a property owner.

“Agricultural Employee Housing” means employee housing as defined by Sections 17008, 17021.5, and 17021.6 of the Health and Safety Code.

“Agriculture” means the use of land for farming, including dairy farms and grazing of large animals, horticulture, floriculture, viticulture, apiaries, animal and poultry husbandry, and including accessory activities but not limited to storage, harvesting, feeding, or maintenance of equipment, excluding stockyards, slaughtering or commercial food processing.

“Alley” means a public thoroughfare, not exceeding 30 feet in width for the use of pedestrians and/or vehicles, producing only a secondary means of access to the abutting property.

“Alteration” means any constructions or physical change in the internal arrangement of rooms or the supporting members of a building or structure, or change in the appearance of any building or structure.

“Ambulance services” means provision of emergency medical care or transportation, including incidental storage and maintenance of vehicles.

“Amusement device” means any machine, device, or apparatus of which the operation or use is permitted, controlled, allowed or made possible by the deposit or placing of any coin, plate, disk, slug or key into any slot, crevice or other opening or by the payment of any fee or fees, for the use as a game, contest or amusement of any description, or which may be used for any such game, contest or amusement, and the use or possession of which is not prohibited by any law of the State of California. This definition shall not include jukeboxes, telephone devices or machines that sell merchandise.

“Animal” is defined as follows:

1. “Exotic or wild animal” means any animal not normally domesticated in the U.S. such as, but not limited to, a reptile, fox, raccoon or similar animal, including predatory or poisonous animals.

2. “Fowl” includes chickens, hens, turkeys, ducks, geese, game birds, and other animals similar in size, weight, or appearance.
3. “Household pet” means any animal customarily permitted and kept in a dwelling and kept only for the company or pleasure provided to the occupants of the dwelling, to include dogs, cats, parakeets, tropical fish, and hamsters or other similar domesticated animal.
4. “Large animal” means any equine or bovine animal, or other animal similar in size, weight, or appearance, including, but not limited to, a horse, pony, mule, donkey, cow, or ox.
5. “Small animal” means a miniature potbelly pig, a goat or lamb, or other animal similar in size, weight, or appearance.
6. “Rodent” includes rabbits and chinchillas and other animals similar in size, weight, or appearance.

“Animal care facility” means a use providing grooming, housing, medical care, or other services to animals, including veterinary services, animal hospitals, overnight or short-term boarding ancillary to veterinary care, indoor or outdoor kennels, grooming and similar services.

“Antique” means any collectible, object of art, bric-a-brac, curio, household furniture or furnishing offered for sale upon the basis, express or implied, that the value of the property, in whole or substantial part, is derived from its age or from its historical associations.

“Antique shop” means any place of business engaged in the business of buying and selling, trading or accepting for sale on consignment antiques.

“Apartment, community” means community apartment as defined in Section 4105 of the Civil Code.

“Applicant” means a person who requests in writing the approval of a lease, permit, license, certificate, or other entitlement for use from one or more public agencies.

“Application” means the form and information submitted by an applicant. The form and information is to be used to determine whether to approve or deny permits or other entitlement for use.

“Approval” means the issuance or commitment of issuance by a public agency of each lease, permit, license, certificate, or other entitlement for which an application was accepted as complete. The exact date of approval of any development project is determined by each public agency according to its rules, regulations, and ordinances, consistent with this code.

“Arcade” means any establishment containing more than five amusement devices. This definition shall not apply to businesses with amusement devices that are accessory to the principal use of the site or commercial recreational premises such as bowling alleys, billiard parlors, skating rinks or similar recreational uses, where an arcade is part of the primary use.

“Art and craft shows and exhibits (outdoor)” means the temporary outdoor sale or display of artwork or items assembled by hand allowed pursuant to Section 13.06.070(C)(2) of this title.

“Automatic controller” means a mechanical or solid state timer, capable of operating valve stations to set the days and length of time of a water application.

“Automobile repair, major” means general repair, rebuilding or reconditioning of engines, motor vehicles or trailers; collision service, including body, frame, or fender repair and overall painting.

“Automobile repair, minor” means upholstering, replacement of parts and motor service to passenger cars and trucks not exceeding one and one-half tons of capacity but not including other operations named under “automobile repair, major.”

“Automobile wrecking” means the dismantling or wrecking of used motor vehicles or trailers, or the storage, sale or dumping of dismantled or wrecked vehicles or their parts. The presence on any lot or parcel of land of five or more motor vehicles which for a period exceeding 30 days have not been capable of operating under their own power, and from which parts have been or are to be removed for reuse or sale shall constitute prima facie evidence of an automobile wrecking yard.

“Basement” means a portion of a building partly or wholly underground and having more than one-half of its height below the average level of the adjoining ground.

“Best management practices (BMPs)” means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce the discharge of pollution to surface and groundwater. BMPs include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage. In the case of municipal stormwater permits, BMPs are typically used in place of numeric effluent limits.

“Billboard” means a permanent structure sign used for the display of off-site commercial messages, commonly called outdoor advertising.

“Biological habitat preserve” means any area which is designated and accepted by a Federal, State or local agency as a permanent or temporary sanctuary, reserve or protected area for biological species of any kind.

“Block” means the area of land bounded by streets, highways or railroad rights-of-way, except alleys.

“Boarding house” means a residence or dwelling, other than a hotel, wherein three or more rooms, with or without individual or group cooking facilities, are rented to individuals under one or more separate rental agreements, leases or subleases, either written or oral, whether or not an owner, agent or rental manager is in residence. For purposes of this definition, a boarding house is a business or commercial endeavor which does not constitute a single household unit as defined in this section. Boarding house shall not include a congregate care facility or a group care facility as defined in this section.

“Body piercing” means the creation of an opening in the body of a human being for the purpose of inserting jewelry or other decoration. This includes, but is not limited to, the piercing of a lip, tongue, nose or eyebrow. Body piercing does not include the piercing of an ear.

“Building” means any structure built for the support, shelter or enclosure of persons, animals, fowl, chattels or personal property of any kind.

“Building, completely enclosed” means a building enclosed by a permanent roof and by solid exterior walls pierced only by windows and customary entrances and exit doors.

“Building height” means the vertical distance, excluding foundations or understructures or basements, between the elevation of the finished floor level and the highest point of the structure, excluding architectural features and appurtenances such as, but not limited to, chimneys, antennas, elevator, solar equipment structures, and similar mechanical equipment.

“Building, historic” means a building listed individually on the National Register of Historic Places, or by a State or County agency charged with the recognition or preservation of historic structures, or by resolution of the City Council as having significant local or regional historical importance and value to the community.

“Building, main” means a building within which is conducted the principal use permitted on the lot, as provided by this title.

“Building official” means the head of the building division of the City and shall include his or her deputies.

“Building site” means a lot, or contiguous lots of land in single, multiple, or joint ownership (exclusive of all rights-of-way and all easements, except open space easements, that prohibit the surface use of the property by its owner, which provides the area and open spaces required by this title for construction of a building or buildings, and which abuts a public or private street or alley, or easement determined by the Director to be adequate for the purpose of access).

“Caretaker’s residence” means a dwelling unit accessory to a principal use on a site and intended for occupancy on the same site, as a caretaker, security guard, servant, or similar position generally requiring residence on the site.

“Carport” means a permanent roofed structure used or intended to be used for automobile shelter and storage.

“Car-share location” means a permanent, marked location for care-share pickup or drop-off.

“Catering establishment” means a place for the preparation and delivery of food and beverages for off-site consumption without provision for on-site pickup or consumption. Excluded from this definition is mobile catering trucks (see “Fleet storage”).

“Cemetery” means land used or intended to be used for the burial of the dead and dedicated for cemetery purposes, including columbariums, crematoriums, mausoleums and mortuaries when operated in conjunction with and within the boundary of such cemetery.

“Check or anti-drain valve” means a valve located under a sprinkler head to hold water in the system so it minimizes drainage from the lower elevation sprinkler head.

“Church” means a use located in a permanent building and providing regular or organized religious worship and religious education incidental thereto, but excluding a private educational facility. A property tax exemption obtained pursuant to the Constitution of the State of California and of the Revenue of Taxation Code of the State of California shall constitute prima facie evidence that such use is a church as defined herein.

“City” means the City of Santee.

“Club” means a nonprofit association of persons, whether incorporated or unincorporated, organized to pursue common goals, interests or activities, but not including a group organized solely or primarily to render a service customarily carried on as a business.

“Columbarium” means a sepulchral chamber with niches for holding cinerary urns.

“Commission” means the Planning Commission of the City.

“Composting” has the same meaning as that term is defined in Division 30, Part 1 of the Public Resources Code.

“Conceptual development plan” means a site plan which indicates conceptual ideas for such things as, but not limited to, building placement, circulation/access, drainage/grading, buffers, stormwater facilities, and landscaping.

“Condominiums” means condominiums as defined in Section 4125 of the Civil Code: An estate of real property consisting of an undivided interest in common areas, together with a separate right of ownership in space.

“Congregate care facility” means a residential development serving seven or more persons, whether related or unrelated, licensed by the State Department of Social Services which is comprehensively planned, designed and managed, to include facilities and common space that maximize the residents’ potential for independent living. The facility may be occupied by the elderly or handicapped persons or households as defined in Health and Safety Code Sections 50067 and 50072 or successor statute. Services that are provided or made available shall relate to the medical, nutritional, social, recreational, housekeeping and personal needs of the residents and shall be provided or made available at a level necessary to assist the residents to function independently. “Direct services” means medical care, meals, housekeeping services, transportation services and planned recreational and social activities which shall be provided to the residents directly by the management of the congregate housing. “Support services” are social services, daycare services and in-home services which the management of the congregate housing shall assist the residents in obtaining, at the residents’ request.

“Contractor” means establishments or places of business primarily engaged in construction activities with only incidental storage of materials, indoors only, and incidental parking of vehicles as an accessory use to a permitted use on the same premises. Excluded are building materials yards, equipment sales/rental yards and contractors yards.

“Contractor’s yard” means a use providing for the outdoor storage, sales, rental or distribution of vehicles, equipment or supplies or for the dispatching of service vehicles used in construction activities. Typical uses include building contractor’s yard, heavy equipment sales or rental yard or similar use.

“Convalescent facility” means a use providing bed care and in-patient services for persons requiring regular medical attention, and persons aged or infirm unable to care for themselves, excluding surgical or emergency medical services.

“Convenience market” means a place for the retail sales of food, beverage and small convenience items typically found in establishments with long or late hours of operation. This definition excludes delicatessens and other specialty food shops having a sizeable assortment of fresh fruits and vegetables, and fresh-cut meat.

“Conversion” means the creation of separate ownership of existing real property together with a separate interest in space of residential, industrial, or commercial buildings thereon.

“Council” means the City Council of Santee.

“County” means the County of San Diego.

“Court” means an open, unoccupied space, other than a yard, unobstructed from ground to sky on the same lot with a building or buildings and which is bounded on two or more sides by the walls of a building.

“Crematorium” means a mortuary where corpses are cremated.

“Dairy” means any premises where milk is produced for sale or distribution and where three or more cows or goats are in lactation.

“Dance floor” means a defined floor area located within a business establishment designed for the purpose of dancing by patrons of the establishment.

“Dance hall” means any room, place, or space, except a private residence or home, where dancing is carried on or permitted.

“Day care center” means a private establishment for day time care of children where tuition, fees, or other forms of compensation for the care of the children is charged, including nursery schools, preschools and similar facilities. Excluded from this definition are family day care homes.

“Day care, home, family” means regularly provided care, protection and supervision of 14 or fewer children, in the provider’s own home, for periods of less than 24 hours per day, while the parents or guardians are away.

“Decibel,” abbreviated to “dB,” means a unit for describing the amplitude of sound.

“Dedication, offered” means that portion of land which is irrevocably offered to the City for future public rights-of-way which has no prospective future date for construction to City standards, and/or notice of completion.

“Density” means the number of dwelling units per gross acre.

“Department” means the Department of Development Services.

“Design” means: (a) street alignments, grades and widths; (b) drainage and sanitary facilities and utilities, including alignments and grades thereof; (c) location and size of all required easements and rights-of-way; (d) fire roads and fire breaks; (e) lot size and configuration; (f) traffic access; (g) grading; (h) land to be dedicated for park or recreational purposes; and (i) such other specific requirements in the plan and configuration of the entire project as may be necessary or convenient to insure conformity to or implementation of the General Plan or any adopted specific plan.

“Detention facilities” means publicly owned and operated facilities providing housing, care, and supervision for persons confined by law.

“Development” means any physical development including, but not limited to, residences, commercial or industrial facilities, civic buildings, hospitals, schools, airports or similar facilities.

“Development, multifamily residential” means a development where the number of dwelling units on one lot is more than one or where dwelling units are attached. Such development includes condominiums, townhomes, apartments and similar types of development.

“Development project” means new development or redevelopment with land disturbing activities, structural development, including construction or installation of a building or structure, the creation of impervious surfaces, public agency projects, and land subdivision.

“Development, single-family residential” means a development where each dwelling unit is situated on a separate lot and where each dwelling is detached. Some areas of the development may be held in common by all the residents, however, in no case is clustering of units permitted.

“Director” means the Director of Development Services of the City and includes his or her deputies.

“Distribution” means a use engaged primarily in distribution of manufactured products, supplies, and equipment, including incidental storage and sales activities, but excluding bulk storage of materials which are flammable or explosive.

“District, base” means a specifically delineated district in the City within which regulations and requirements uniformly govern the use, placement, spacing and size of land and building.

“District, dual” means when there exists two base districts on a single parcel.

“Driveway” means a permanently surfaced area providing direct access for vehicles between a street and a permitted off-street parking or loading area.

“Dwelling, attached” means a dwelling unit attached to two or more dwelling units by common vertical walls.

“Dwelling, detached” means a dwelling, which is not attached to any other dwellings, by any means.

“Dwelling, multiple family” means a building designed and used as a residence for two or more families living independently of each other.

“Dwelling, semidetached” means a dwelling, which is only partially attached to one or more single-family dwellings.

“Dwelling, single-family” means a building designed and used to house not more than one family including all domestic employees of such family.

“Dwelling, single room occupancy” means a building providing single-room units for one or more persons with or without shared kitchen and bath facilities, including efficiency units per Health and Safety Code Section 17958.1.

“Dwelling unit” means a single unit providing complete, independent living facilities for one or more persons.

“Easement” means a grant of one or more of the property rights by the property owner for the use by the public, a corporation or another person or entity.

“Eave” means the projecting lower edges of a roof overhanging the wall of a building.

“Educational facility” means a school, offering instruction in the several branches of learning and study required to be taught by the Education Code of the State. This definition includes elementary and high schools, as well as colleges and universities.

“Effective precipitation or usable rainfall” means the portion of total precipitation that is used by the plants. Precipitation is not a reliable source of water, but can contribute to some degree towards the water needs of the landscape.

“Elevation” means:

1. A vertical distance above or below a fixed reference level.
2. A flat scale drawing of the front, rear, or side of a building or structure.

“Emergency shelter” has the same meaning as defined in subdivision (e) of Section 50801 of the State Health and Safety Code.

“Enclosed” means a covered space fully surrounded by walls, including windows, doors, and similar openings or architectural features.

“Energy system, alternative” means application of any technology, the conservation of energy, or the use of solar, biomass, wind, geothermal, hydroelectricity under 25 megawatts, or any other source of energy, the efficient use of which will reduce the use of fossil and nuclear fuels.

“Engineer, City” means the City Engineer of the City and shall include his or her deputies.

“Environmental impact report (EIR)” means a detailed statement setting forth the environmental effects and considerations pertaining to a project as specified in Section 21100 of the California Environmental Quality Act, and may mean either a draft or a final EIR.

“Equipment sales/rental yard” means the sale, primarily retail, and/or rental from the premises of light equipment such as lawnmowers, forklifts, rototillers and similar small equipment.

“Façade” means the exterior wall of a building exposed to public view or that wall viewed by persons not within the building.

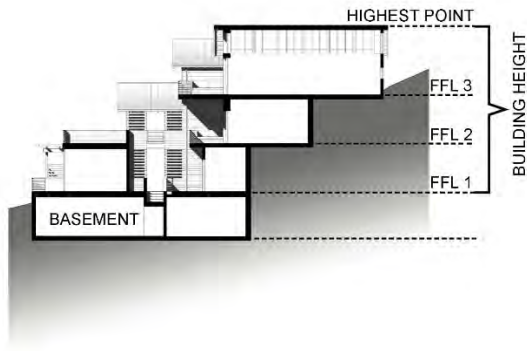
“Family” means one or more individuals living together as a single household unit. The term family shall include “group care facilities, limited” for six or fewer mentally disabled, mentally disordered or otherwise handicapped persons regardless of whether they are living together as a single household unit, but shall not include any other living group that is not living together as a single household unit.

“Farmer’s market” means the outdoor display and sale of produce and other agricultural products such as, but not limited to, fruits, vegetables, nuts, honey, eggs, herbs, flowers, and plants.

“Fence” means an artificially constructed barrier of any material or combination of materials erected to enclose or screen areas of land.

“Financial service” means a use providing financial services to individuals, firms, or other entities. The term financial service includes banks, savings and loan institutions, loan and lending activities and similar services.

“Finished floor level” means the uppermost surface of a floor without any applied finishes, typically the screed finish of a concrete slab or foundation. Multiple finished floor levels (FFL) may exist within a building or complex of buildings on a site depending on topographical conditions, however the building height calculation for zoning district height limitations consistency shall be based on the maximum length between a finished floor level of a building and the highest point of that building (see diagram below).



“Fleet storage” means storage or parking of one or more vehicles used regularly in business operations where the parking of vehicles constitutes the principal use on the site. Examples of fleet vehicles include, but are not limited to, limousine fleets, taxi fleets, mobile catering trucks, moving van fleets or delivery truck fleets. Excluded are sales/rentals of vehicles.

“Floor area, gross” means the sum of the gross horizontal areas of average floors of a building measured from the exterior face of exterior walls, or from the centerline of a wall separating two buildings, but not including interior parking space, loading space for motor vehicles, or any space where the floor-to-ceiling height is less than six feet.

“Floor area, net” means the total of all floor areas of a building, excluding stair wells and elevator shafts, equipment rooms, interior vehicular parking or loading; and all floors below the first or ground floor, except when used or intended to be used for human habitation or service to the public.

“Frontage” means the side of a lot abutting a street, the front lot line, except the side of a corner lot.

“Garage, private” means an accessory building or an accessory portion of the main building designed and/or used for the shelter or storage of vehicles of the occupants of the main building.

“Garage, public” means a building, or portion thereof, other than a private customer and employee garage or private residential garage, used primarily for the parking and storage of vehicles and available to the general public.

“Garbage” means animal and vegetable waste resulting from the handling, storage, sale, preparation, cooking and serving of foods.

“Glare” means the effect produced by brightness sufficient to cause annoyance, discomfort, or loss in visual performance and visibility.

“Grade” means:

1. The lowest horizontal elevation of the finished surface of the ground, paving, or sidewalk at a point where height is to be measured;
2. The degree of rise or descent of a sloping surface.

“Grade, finished” means the final elevation of the ground surface after development.

“Grade, natural” means the elevation of the ground surface in its natural state, before man-made alterations.

“Grading” means any stripping, cutting, filling, stockpiling of earth or land, including the land in its cut or filled condition.

“Grading, contour” means a grading concept designed to result in earthforms and contours which resemble natural terrain characteristics, with generally curving, nonlinear slope banks having variations in the slope ratios of the horizontal and vertical curves.

“Greenbelt” means an open area which may be cultivated or maintained in a natural state surrounding development or used as a buffer between land uses or to mark the edge of an urban or developed area.

“Group care facility, general” means shared living quarters (without separate kitchen or bathroom facilities for each room or unit) for seven or more persons with physical or mental impairments that substantially limit one or more of such person’s major life activities when such persons are not living together as a single household unit. This classification includes, but is not limited to, group homes, sober living environments, recovery facilities, and establishments providing nonmedical care for persons in need of personal services, supervision, protection or assistance essential for sustaining the activities of daily living facility, including resident services for persons handicapped or disabled, undergoing rehabilitation, or otherwise in need of care and supervision. This definition shall not include State-licensed residential care facilities, as that term is defined in this section, whether accessory or nonaccessory, emergency shelters, transitional housing, lodging units or boardinghouses.

“Group care facility, limited” means shared living quarters (without separate kitchen and bathroom facilities for each room or unit) for six or fewer persons with physical or mental impairments that substantially limit one or more of such person’s major life activities. This classification also includes, but is not limited to, group homes, sober living environments, recovery facilities, and establishments providing nonmedical care for persons in need of personal services, supervision, protection or assistance essential for sustaining the activities of daily living, but shall not include State-licensed residential care facilities, as that term is defined in this section, whether accessory or nonaccessory, emergency shelters, transitional housing, lodging units or boardinghouses.

“Guest room” means a room which is designed and/or used by one or more guests for sleeping purposes, but in which no provisions are made for cooking.

“Hazardous waste treatment facility” means all contiguous land and structures, other appurtenances, and improvements on the land, used for handling, treating, storing or disposing of hazardous waste. Does not include household hazardous waste collection facilities.

“Height” means the vertical distance of a non-building structure, such as telecommunication towers, freestanding signs, poles, and fences measured from the finished grade to the highest point of the structure. For buildings, see “Building height” definition.

“Heliport” means pads and facilities enabling takeoffs and landings by helicopter.

“Hertz” means a unit of measurement of frequency, numerically equal to cycles per second.

“Home improvement center” means a retail service engaged in providing retail sale, rental, service, or related repair and installation of home improvement products, including building materials, paint and wallpaper, carpeting and floor covering, decorating, heating, air conditioning, electrical, plumbing, and mechanical equipment, roofing supplies, yard and garden supplies, home appliances and similar home improvement products.

“Home occupation” means any occupation or profession conducted or carried on entirely within a dwelling by the occupants thereof which is clearly incidental and secondary to the use of the structure for dwelling purposes and which does not change the character thereof and does not adversely affect other uses in the zone of which it is a part. Home occupations shall be evaluated in accordance with the provisions and criterion contained in Section 13.06.060 of this title.

“Homeowners association” means a private organization composed of residents within a project who own in common certain property and shall be responsible for the maintenance and management of certain commonly owned property.

“Hospital” means a facility providing medical, psychiatric, or surgical service for sick or injured persons primarily on an inpatient basis, and including ancillary facilities for outpatient and emergency treatment, diagnostic services, training, research, administration, and services to patients, employees or visitors.

“Hotel” means any structure, or portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, including any hotel, inn, tourist home or house, motel, studio hotel, lodging house, rooming house, apartment house, dormitory, mobile home, motor home, travel trailer or house trailer at a fixed location, or other similar structure or portion thereof.

Household Pet. See “Animal.”

“Impermeable surface” means a surface that cannot be penetrated by water and includes, but is not limited to, impervious materials such as concrete or asphalt.

“Improvement” means any item which becomes part of, placed upon, or is affixed to real estate.

“Infiltration rate” means the rate of water entry into the soil expressed as a depth of water per unit of time in inches per hour.

“Junior accessory dwelling unit” or “JADU” means a residential unit that:

1. Is no more than 500 square feet in size,
2. Is contained entirely within an existing or proposed primary single-family residence,
3. Includes its own separate sanitation facilities or shares sanitation facilities with the existing or proposed single-family residence, and
4. Includes an efficiency kitchen, as defined in Section 13.10.045.

“Junk” means any combustible or noncombustible non-putrescible waste, including, but not limited to trash, refuse, paper, glass, cans, bottles, rags, fabrics, bedding, ashes, trimmings from lawns, shrubbery or trees, except when used for mulch or like agricultural purposes, household refuse other than garbage, lumber, metal, plumbing fixtures, bricks, building stones, plaster, wire or like materials from the demolition, alteration or construction of buildings or structures, tires or inner tubes, auto aircraft or boat parts, plastic or metal parts or scraps, damaged or defective machinery, whether or not repairable, and damaged or defective toys, recreational equipment or household appliances or furnishings, whether or not repairable.

“Junkyard” means any area, lot, land, parcel, building or structure or part thereof used for the storage, collection, processing, purchase, sale or abandonment of wastepaper, rags, scrap metal or other scrap or discarded goods, materials, machinery or two or more unregistered, inoperable motor vehicles or other type of junk.

“Kennel” means a facility, whether or not operated for profit, that keeps or maintains five or more dogs, cats, or other domesticated animals at least four months old. It includes a facility owned or operated by an animal welfare agency, but does not include an animal shelter operated or established by the City, an agency contracted by the City to provide animal control services, or to a veterinary hospital operated by a veterinarian licensed by the State. A kennel also includes a facility with the requisite five dogs that also keeps or maintains other animals. As used in this definition a “facility” means any combination of adjacent buildings, structures, enclosures or lots under common ownership or operated as one unit, to keep or maintain dogs or cats.

“Kitchen” means any room, all or any part of which is designed and/or used for cooking and the preparation of food.

“Landscaping” means an area devoted to or developed and maintained predominately with native or exotic plant materials including lawn, ground cover, trees, shrubs, and other plant materials; and also including accessory decorative outdoor landscape elements such as pools, fountains, paved or decorated surface (excluding driveways, parking, loading, or storage areas, and sculptural elements).

“Landscaping, drought tolerant” means plant materials whose water requirements are well suited to the climate of the region and which require minimal water once they are established.

“Land use” means a description of how land (real estate) is occupied or utilized.

“Large collection facility” means a center for the acceptance by donation, redemption or purchase of recyclable materials from the public which may occupy an area of more than 500 square feet and may include permanent structures. This definition does not include solid waste recycling conducted in conjunction with a solid waste transfer facility.

“Liquor store” means any store designed and operated for the selling of alcoholic beverages with the selling of any other merchandise being accessory to the primary operation of selling liquor.

“Loading space” means an off-street space or berth on the same lot with a building or contiguous to a group of buildings for the temporary parking of a commercial vehicle while loading or unloading merchandise or materials.

“Lodging unit” means a room or group of rooms used or intended for use by overnight occupants as a single unit, whether on a transient or residential occupancy basis, located in a motel or dwelling unit providing lodging, whether or not meals are provided to such persons. Where designed or used for occupancy by more than two persons, each two persons capacity shall be deemed a separate lodging unit. For the purpose of determining residential density, each two lodging units shall be considered the equivalent of one dwelling unit.

“Lot” means any parcel of real property approved by a record of survey, plat, parcel map, subdivision map, or certificate of compliance, or any parcel legally created or established pursuant to the applicable zoning or subdivision regulations in effect prior to the effective date of application of this code to such parcel.

“Lot, corner” means a lot or parcel of land abutting upon two or more streets at their intersection, or upon two parts of the same street forming an interior angle of less than 135 degrees.

“Lot coverage” means the amount (typically expressed in a percentage) of the area of a lot covered by buildings. Lot coverage calculations do not include open carports, porches, open patio covers, or other similar open structures.

“Lot, cul-de-sac” means a lot located on the turning end of a dead-end street.

“Lot depth” means the horizontal distance between the midpoint of the front lot line and the midpoint of the rear lot line.

“Lot, flag” means a lot having access to a street by means of a private driveway, access easement, or parcel of land not meeting the requirements of this code for lot width.

“Lot, interior” means a lot other than a corner lot.

“Lot, key” means the first interior lot to the rear of a reversed corner lot, the front line of which is a continuation of the side line of the reversed corner lot, exclusive of the width of an alley, and fronting on the street which intersects or intercepts the street upon which the corner lot fronts.

“Lot, reversed corner” means a corner lot having a side lot line which is substantially a continuation of the front lot line of a lot to its rear.

“Lot, substandard” means any lot which does not meet the minimum dimensions; the area of any easement which restricts the normal usage of the lot may be excluded.

“Lot, through” means a lot other than a corner lot abutting more than one street.

“Lot line” means a line bounding a lot.

“Lot line, front” means a lot line paralleling the street. On a corner lot, the shorter lot line abutting a street or the line designated as the front lot line by a subdivision or parcel map.

“Lot line, rear” means a lot line, not intersecting a front lot line, which is most distant from and most closely parallel to the front lot line. In the case of an irregularly shaped lot or a lot bounded by only three lot lines, a line within the lot having a length of 10 feet, parallel to and most distant from the front lot line shall be interpreted as the rear lot line for the purpose of determining required yards, setbacks, and other provisions of this ordinance.

“Lot line, side” means a lot line not a front or rear lot line.

“Lot line, street” means a lot line abutting a street.

“Lot width” means the horizontal distance between side lot lines, measured at the front setback line.

“Lounge, cocktail” means a use providing preparation and retail sale of alcoholic beverages, on a licensed “on sale” basis, for consumption on the premises, including taverns, bars, and similar uses.

“Low impact development (LID)” means a stormwater management and land development strategy that emphasizes conservation and the use of on-site natural features integrated with engineered, small-scale hydrologic controls to more closely reflect pre-development hydrologic functions.

“Manufacturing” means a use engaged in the manufacture, predominantly from previously prepared materials, of finished products or parts, including processing, fabrication, assembly, treatment, and packing of such products, the incidental processing of extracted or raw materials, processes utilizing flammable or explosive materials (i.e., materials which ignite easily under normal manufacturing conditions), and processes which create hazardous or commonly recognized offensive conditions.

“Map Act” means the Subdivision Map Act of the State.

“Map, contour” means a map that displays land elevations in graphic form.

“Mausoleum” means a large tomb, usually above ground.

“Maximum Extent Practicable (MEP).” As used in Titles 9 and 13 of the Santee Municipal Code, MEP means implementation of all Best Management Practices (BMPs) that are technically feasible (i.e., are likely to be effective), are not cost prohibitive, and adequately reduce pollutant discharges from the MS4. MEP will generally require a combination of source control and treatment control BMPs that emphasizes pollution prevention and source control BMPs as the first line of defense, and utilizes treatment control BMPs as a second line of defense.

“Medical office” means a use providing consultation, diagnosis, therapeutic, preventative, or corrective personal treatment services by doctors, dentists, medical and dental laboratories, and similar practitioners of medical and healing arts for humans licensed for such practice by the State.

“Merger” means the joining of two or more contiguous parcels of land under one ownership into one parcel.

“Micro-brewery” means a small-scale brewery operation that produces less than 15,000 barrels of beer per year, with on-site and/or off-site consumption, and with or without a pub or restaurant, as licensed by the California Department of Alcoholic Beverage Control.

“Mobilehome” means a moveable or transportable vehicle having no foundation other than jacks, piers, wheels, or skirting, designed as a permanent structure intended for occupancy and designed for subsequent or repeated relocation.

“Mobilehome park” means a residential facility arranged or equipped for the accommodation of two or more mobilehomes, with spaces for such mobilehomes available for rent, lease, or purchase, and providing utility services and other facilities either separately or in common to mobilehome space therein.

“Mobilehome space” means a plot of ground within a mobile home park designed for the accommodation of one mobile home.

“Mortuary” means a place where dead bodies are kept for burial or cremation and excludes crematoriums.

“Motel” means a commercial facility containing lodging units and dwelling units intended primarily for temporary occupancy, with not more than 10% of the units having kitchen facilities and meeting the definition of a dwelling unit. The term “motel” shall include a hotel, motor hotel, tourist court, or similar use, but shall not include a mobilehome park.

“Mulch” means any material such as leaves, bark, straw or other materials left loose and applied to the soil surface to reduce evapotranspiration.

“Neighborhood center” means a shopping center which clusters essential retail goods and services to residents in the immediate vicinity of the center.

“Nightclub” means a place of entertainment, other than adult related, with or without accessory food and/or liquor sales, having a floor show and/or providing music and space for dancing. This definition shall also include dance halls.

“Nightclub, teenage” means a place, premises or establishment where entertainment, music and dancing, other than adult related, are available to persons between the ages of 17 and 21 years of age in a

supervised nightclub setting and includes the provision of food or nonalcoholic beverages as an accessory use.

“Noise” means any undesirable audible sound.

“Noise, ambient” means the all-encompassing noise level associated with a given environment, being a composite of sounds from all sources, excluding the alleged offensive noise, at the location and approximate time at which a comparison with the alleged offensive noise is to be made.

“Noise, basic level” means the acceptable noise level within a given district.

“Noise, impulsive” means a noise characterized by brief excursions of sound pressures whose peak levels are very much greater than the ambient noise level, such as might be produced by the impact of a pile driver, punch press or drop hammer, typically with one second or less duration.

“Noise, intrusive” means that alleged offensive noise which intrudes over and above the existing ambient noise at the receptor property.

“Noise, mobile source” means any noise source other than a fixed noise source.

“Noise, simple tone” or A pure tone noise means a noise characterized by the presence of a predominant frequency or frequencies such as might be produced by whistle or hum.

“Noise, zone” means any defined area or region of a generally consistent land use.

“Nonconforming” means a building, structure or portion thereof, or use of a building or land which does not conform to the regulations of this code and which lawfully existed at the time the regulations became effective through adoption, revision or amendment.

“Nonconforming lot” means a lot, the area, dimensions or location of which was lawful prior to the adoption, revision or amendment of this code, but which fails by reason of such adoption, revision, or amendment, to conform to the present requirements of the district.

“Nonconforming structure or building” means a structure or building the size, dimensions or location of which was lawful prior to the adoption, revision or amendment to this code, but which fails by reason of such adoption, revision or amendment, to conform to the present requirements of the district.

“Nonconforming use” means a use or activity which was lawful prior to the adoption, revision or amendment of this code, but which fails, by reason of such adoption, revision or amendment, to conform to the present requirements of the district.

“Nursery, landscape” means a retail service providing propagation and sale of plants, shrubs, trees, and similar products, related materials and services associated with installation, maintenance, and improvements of yards, gardens, landscaped areas, outdoor living and recreation areas, and similar facilities.

“Office professional” means a use providing professional or consulting services in the fields of law, architecture, design, engineering, accounting, and similar facilities.

“Open space, common” means open space within a project owned, designed, and set aside for use by all occupants of the project or by occupants of a designated portion of the project. Common open space is not dedicated to the public and is owned and maintained by a private organization made up of the open space

users. Common open space includes common recreation facilities, open landscaped areas, and greenbelts, but excludes pavement or driveway areas, or parkway landscaping within public right-of-way.

“Open space, private” means that open space directly adjoining the units or building, which is intended for the private enjoyment of the occupants of the unit or building. Private open space shall in some manner be defined such that its boundaries are evident. Private open space includes private patios or balconies, and front, rear, or side yards on a lot designed for single family detached or attached housing.

“Open space, usable” means outdoor or unenclosed area on the ground, or on a roof, balcony, deck, porch, or terrace, designed and accessible for outdoor living, recreation, pedestrian access, or landscaping, but excluding parking facilities, driveways, utility or service areas.

“Outdoor recreation facility” means recreation in which the activity is principally conducted outdoors. This term includes golf courses, race tracks, archery ranges, outdoor concert and performance entertainment, and similar uses. This does not include pools and recreation areas that are accessory to other permitted principal uses.

“Overhang” means:

1. The part of a roof or wall which extends beyond the façade of a lower wall;
2. The portion of a vehicle extending beyond the wheel stops or curb.

“Overlay district” means a district established by this title, which may be applied to a lot or portion thereof only in combination with a base district.

“Overspray” means the water, which is delivered beyond the landscaped area, wetting pavements, walks, structures or other non-landscaped areas.

“Pad, building” means that area of a lot graded relatively flat, or to a minimum slope, for the purpose of accommodating a building and related outdoor space.

“Parapet” means the extension of the main walls of a building above the roof level.

“Parcel” means a lot or tract of land.

“Park and recreation facilities” means noncommercial parks, playgrounds, recreation facilities, and open spaces.

“Parking area” means any public or private land area designed and used for parking motor vehicles including parking lots, garages, private driveways and legally designated areas of public streets.

“Parking area, private” means a parking area for the private use of the owners or occupants of the lot on which the parking area is located.

“Parking area, public” means a parking area available to the public, with or without compensation, or used to accommodate clients, customers or employees.

“Parking lot” means an off-street, ground level area, usually surfaced and improved, for the temporary storage of motor vehicles.

“Parking space” means a space for the parking of a motor vehicle within a public or private parking area.

“Pawnshop” means any place engaged in the business of loaning money to any person, upon any personal property, personal security or purchasing personal property and reselling or agreeing to resell such articles to the vendor or other assignees at prices previously agreed upon.

“Performance standards” means a set of criteria or limits relating to nuisance elements which a particular use or process may not exceed.

“Perimeter” means the boundaries or borders of a lot, tract, or parcel of land.

“Permeable surface” means a surface that can be penetrated by water and includes, but is not limited to, pervious concrete, porous asphalt, unit pavers, granular materials, landscaping, or other similar material approved by the Director.

“Permit” means written governmental permission issued by an authorized official, empowering the holder thereof to do some act not forbidden by law, but not allowed without such authorization.

“Permitted use” means any use allowed in a zoning district and subject to the restrictions applicable to that zoning district.

“Phase” means any contiguous part or portion of a project which is developed as a unit in the same time period.

“Plan, general” means the General Plan of the City of Santee, including all maps, reports, and related plan elements adopted by the City Council.

“Planned residential development” means planned development as defined in Chapter 1, Part 5, Division 4 of the Civil Code.

“Pony” means a horse measuring 14 hands two inches or less at the withers.

“Pre-district” means the act of designating, in advance of annexation, the district to be applicable to a site upon subsequent annexation of that site to the City.

“Pre-fabricated structure” means any previously manufactured structure inspected and approved by the California State Housing and Community Development Department. Said structures must have a State identification tag, which specifies date of inspection and occupant load.

“Priority development project” means new development and significant redevelopment project categories listed in Section 13.19.030 of this code.

“Project” means the total development within the boundaries as defined on the development plan.

“Public buildings and facilities” means any building, office, site or other development operated by and under the control of any public agency, public utility, or special district.

“Quarry” means a place where rock, ore, stone and similar materials are excavated for sale or for off-tract use.

“Queue line” means an area for temporary parking and lining of motor vehicles while waiting a service or other activity.

“Reclaimed water” means treated or recycled waste water of a quality suitable for nonpotable uses such as landscape irrigation as determined by the Padre Dam Municipal Water District. Not intended for human consumption.

“Recreation, commercial” means a use providing facilities for recreation; including indoor recreation uses such as theaters, bowling alleys, billiard parlors, skating arenas, and similar services, and outdoor uses such as golf, tennis, basketball, baseball, and similar services, operated on a private or for-profit basis, but excluding arcades.

“Recycling” means the process by which waste products are reduced to raw materials and transformed into new and often different products, including automobile recycling.

“Religious institution” means a seminary, retreat, monastery, conference center, or similar use for the conduct of religious activities, including accessory housing incidental thereto, but excluding a private educational facility.

“Renewable energy storage facility” means a structure incorporating machinery or equipment, designed to store renewable energy.

“Repair” means the reconstruction or renewal of any part of an existing building for the purpose of its maintenance.

“Research and development” means a use engaged in study, testing, design, analysis, and experimental development of products, processes, or services, including incidental manufacturing of products or provision of services to others.

“Residential care facility, accessory” means 24-hour nonmedical care of six or fewer persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living. This classification includes only those services and facilities licensed by the State of California.

“Residential care facility, nonaccessory” means 24-hour nonmedical care for seven or more persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living. This classification includes only those services and facilities licensed by the State of California.

“Restaurant” means a use providing preparation and retail sale of food and beverages, including sandwich shops, ice cream parlors, and similar uses.

“Right-of-way” means a strip of land acquired by reservation, dedication, forced dedication, prescription or condemnation and intended to be occupied or occupied by a road, crosswalk, railroad, electric transmission lines, oil or gas pipeline, water line, sanitary storm sewer and other similar uses.

“Room, recreation” means a single room in a main building or in an accessory building designed and/or used exclusively for recreational purposes by the occupants or guests of the premises.

“Rubbish” means all nonreusable waste or debris such as paper, cardboard, grass, tree or shrub trimmings, rugs, straw, clothing, wood or wood products, crockery, glass, rubber, metal, plastic, construction waste and debris, and other similar materials.

“Run off” means water which is not absorbed by the soil or landscape to which it is applied and flows from the area.

“Run with the land” means a covenant restriction to the use of land contained in a deed and binding on the present and all future owners of the property.

“San Diego County Municipal Stormwater Permit” means the current permit for operation of the City’s municipal separate storm sewer system issued by the San Diego Regional Water Quality Control Board.

“School, business or trade” means a use providing education or training in business, commerce, language, or other similar activity or occupational pursuit, and not otherwise defined as a home occupation, educational facility, or commercial school.

“School, commercial” means a use providing facilities for instructional services in photography, fine arts, crafts, gymnastics, karate, dance, music, tutoring or other similar activity.

“Screened” means shielded, concealed, and effectively hidden from view by a person standing at ground level on an abutting site, or outside the area or subject to screening, by a fence, wall, hedge, berm, or similar architectural or landscape feature.

“Secondhand property” means personal property of which prior use has been made, including antiques.

“Secondhand store or thrift shop” means any place engaged in the business of buying and selling, trading or accepting for sale on consignment secondhand property.

“Service, automotive” means a use engaged in sale, rental, service, or major repair of new or used automobiles, trucks, trailers, boats, motorcycles, mopeds, recreational vehicles, or other similar vehicles, including tire recapping, painting, body and fender repair, and engine, transmission, air conditioning, and glass repair and replacement, and similar services.

“Service station” means an establishment offering the sale of gasoline, oil, minor automotive accessories, and minor repair services for the operation of motor vehicles, but not including painting, body work, steam cleaning, or major repairs.

“Service, takeout” means a feature or characteristic of eating and drinking services which encourage or allow, on a regular basis, consumption of food and beverages outside of a building, such as in outdoor seating areas where regular table service is not provided, in vehicles parked on the premises, or off the site.

“Setback” means a required, specified distance between a building or structure and a lot line or lines.

“Setback line” means a line within a lot parallel to and measured from a corresponding lot line, forming the boundary of a required yard and governing the placement of structures and uses on the lot.

“Shopping center” means a group of commercial establishments, which includes 10 or more tenant spaces, planned, developed, owned, or managed as a unit, with off-street parking provided on the site.

“Single household unit” means an interactive group of persons jointly occupying a single dwelling unit including the joint use of common areas and sharing household activities and responsibilities such as meals, chores, and expenses. A boarding house is not a single household unit unless the Director determines that sufficient evidence has been provided that the boarding house meets the definition of a single household unit set forth herein. For purposes of the definition of “Group care facilities, limited,” a single household unit’s members shall also be a nontransient group.

“Site area” means the net horizontal area included within the boundary lines of a site, not including the area within the established right-of-way of a public street, future public street, or railroad, or any other area dedicated or to be dedicated for a public use.

“Site plan” means a plan, prepared to scale, showing accurately and with complete dimensioning, all of the buildings, structures and uses and the exact manner of development proposed for a specific parcel of land.

“Slope” means the degree of deviation of a surface from the horizontal, usually expressed in percent or degrees.

“Small collection facility” means a center for the acceptance by donation, redemption or purchase of recyclable materials from the public which does not exceed 500 square feet in area and can include: mobile units, bulk reverse vending machines and unattended containers placed for the donation of recyclable materials.

“Solar access” means a property owners’ right to have sunlight shine on his or her property. “Sprinkler head” means a device, which sprays water through a nozzle.

“Stable, commercial” means a stable for horses, mules or ponies, which are rented, used or boarded on a commercial basis for compensation.

“Stable, private” means an accessory building for the keeping of horses, mules, or ponies owned by the occupants of the premises and not rented, used or boarded on a commercial basis for compensation.

“Story” means that portion of a building included between the upper surface of any floor and the upper surface of any floor next above it, or if there be no floor above it, then the space between such floor and ceiling next above it.

“Story, half” means a story with at least two of its opposite sides meeting a sloping roof, not more than two feet above the floor of such story.

“Street” means any public or private thoroughfare with a width of 20 feet or more, which affords a primary means of access to abutting property.

“Street line” means the boundary line between a street and abutting property.

“Street, peripheral” means an existing street whose right-of-way is contiguous to the exterior boundary of the subdivision.

“Street, private” means a street in private ownership, not dedicated as public street, which provides the principal means of vehicular access to a property and not to be construed to mean driveways, alleys, or parking areas.

“Street, public” means a street owned and maintained by the City, the County, or the State. The term includes streets offered for dedication which have been improved, or for which a bonded improvement agreement is in effect.

“Structural alterations” means any change in the supporting members of a structure such as the bearing walls or partitions, columns, beams or girders.

“Structure, attached residential accessory” means a subordinate, nonhabitable structure that is incidental and attached to the main dwelling on the same lot. Attached residential accessory structures would include, but not be limited to, garages, carports, unenclosed covered patios, pergolas, workshops, and storage structures.

“Structure, auxiliary” means a subordinate building or structure which is incidental and not attached to the main building or use on the same lot. If an auxiliary building is attached to the main building or if the roof is a continuation of the main building roof, the auxiliary building shall be considered an addition to the main building.

“Structure, detached residential accessory” means a subordinate, nonhabitable structure that is incidental and not attached to the main dwelling on the same lot. Detached residential accessory structures would include, but not be limited to, garages, carports, unenclosed covered patios, pergolas, workshops, sheds, gazebos, cabanas, and storage structures.

“Structure, habitable” means a structure for living, sleeping, and/or cooking.

“Structure, nonhabitable” means a structure not for living, sleeping, and/or cooking. Nonhabitable structures would include, but not be limited to, garages, carports, unenclosed covered patios, pergolas, workshops, sheds, gazebos, cabanas, and storage structures.

“Structure, temporary” means a structure without any foundation or footings and which is removed when the designated time period, activity, or use for which the temporary structure was erected has ceased.

“Subdivider” means a person, firm, corporation, partnership, or associate who proposes to divide, divides, or causes to be divided real property into a subdivision for him or herself or for others; except that employees and consultants of such persons or entities, acting in such capacity, are not “Subdividers.”

“Subdivision” means the division of a lot, tract or parcel of land into two or more lots, tracts, parcels or other divisions of land for sale, development or lease.

“Subdivision, custom lot” means a subdivision which creates parcels to be sold in an undeveloped state to individual owners for development of not more than four units per owner.

“Subdivision, tract” means a subdivision which creates five or more parcels to be developed as a whole by an owner or builder.

“Supportive housing” has the same meaning as defined in subdivision (b) of Section 50675.14 of the State Health and Safety Code.

“Tattoo parlor” means any place of business that engages in tattooing persons by any method of placing designs, letters, scrolls, figures, symbols or any other marks upon or under the skin with ink or colors, by the aid of needles or instruments.

“Tobacco paraphernalia business” means an establishment that devotes more than a two-foot by four-foot (two feet in depth maximum) section of shelf space for equipment, products, and materials of any kind (excluding lighters and matches) which are intended or designed for the use of or with tobacco, and includes, but is not limited to, the following:

1. Kits intended for use or designed for use in planting, propagating, cultivating, growing or harvesting of any species of tobacco plant.
2. Kits intended for use or designed for use in manufacturing, compounding, converting, producing, processing, or preparing tobacco.
3. Isomerization devices intended for use or designed for use in increasing the potency of any species of tobacco plant.
4. Testing equipment intended for use or designed for use in identifying, or in analyzing the strength, effectiveness or purity of tobacco.
5. Scales and balances intended for use or designed for use in weighing or measuring tobacco.

6. Separation gins and sifters intended for use or designed for use in removing twigs, stems, seeds, or other foreign material form, or in otherwise cleaning or refining, tobacco.
7. Blenders, bowls, containers, spoons, and mixing devices intended for use or designed for use in compounding tobacco substances or substances containing tobacco.
8. Envelopes, pouches, capsules, balloons, and other containers intended for use or designed for use in packaging small quantities of tobacco.
9. Containers and other objects intended for use or designed for use in storing or concealing tobacco.
10. Objects intended for use or designed for use in ingesting, inhaling, or otherwise introducing tobacco into the human body, such as the following:
 11. Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, or punctured metal bowls.
 12. Water pipes.
 13. Carburetion tubes and devices.
 14. Smoking and carburetion masks.
 15. Clips or other devices intended to hold burning material, such as a cigarette, that has become too small or too short to be held in the hand.
 16. Chamber pipes.
 17. Carburetor pipes.
 18. Electric pipes.
 19. Air-driven pipes.
 20. Chillums.
 21. Bongs.
 22. Ice pipes or chillers.

Nothing in the definition of tobacco paraphernalia business is intended to nor shall be interpreted as legalizing or applying to any use otherwise prohibited by State or Federal law, including, without limitation, California Penal Code Section 308 and Health and Safety Code Sections 11014.5, 11364, 11364.5 and 11364.7.

“Tot lot” means an improved and equipped play area for small children usually up to elementary school age.

“Townhouse” means a building subdivided into individual units such that each owner owns the structure and the land upon which the unit is located, plus a common interest in the land upon which the building is located.

“Transitional area” means an area which acts as a buffer between two land uses of different intensity.

“Transitional housing” has the same meaning as defined in subdivision (h) of Section 50675.2 of the State Health and Safety Code.

“Travel trailer” means a vehicle which is designed or used for human habitation and for travel or recreational purposes which does not at any time exceed eight feet in width and 40 feet in length and which may be moved upon a public highway without a special permit or chauffeur’s license or both without violating any provisions of the California Vehicle Code.

“Truck terminal” means a lot, lot area or parcel of land used, designed or maintained for the purpose of storing, parking, refueling, repairing, dispatching, servicing or keeping motor trucks and associated equipment together with those facilities necessary to service, dispatch, store or maintain the aforementioned vehicles, their cargoes and crews.

“Turf” means a surface layer of earth containing mowed grass with its roots. Annual bluegrass, Kentucky bluegrass, perennial ryegrass, red fescue and tall fescue are cool season grasses. Bermuda grass, Kikuyu grass, seashore paspalum, St. Augustine grass, Zoysia grass and buffalo grass are warm season grasses.

“University” or “college” means an educational institution of higher learning which offers general academic instruction as determined by the State Board of Education.

“Use” means the conduct of an activity, or the performance of a function or operation, on a site or in a building or facility.

“Use, accessory” means a use which is incidental to, and customarily associated with, a specified principal use, and which meets the applicable conditions set forth in this title.

“Use, change of” means the replacement of an existing use by a new use, or a change in the nature of an existing use, but not including a change of ownership, tenancy, name, or management where the previous nature of the use, line of business, or other function is substantially unchanged.

“Use, conditional” means a use, listed by the regulations of any particular district as a conditional use within that district and allowable therein, solely on a discretionary and conditional basis, subject to a conditional use permit or minor conditional use permit, and to all other regulations established by this code.

“Use, discontinued” means to cease or discontinue a use or activity, excluding temporary or short-term interruptions to a use or activity during periods of remodeling, maintaining, or otherwise improving a facility.

“Use, drive-in” means an establishment which by design, physical facilities, service, or by packaging procedures encourages or permits customers to receive services, obtain goods, or be entertained while remaining in the motor vehicles.

“Use, permitted” means a use listed by the regulation of any particular district as a permitted use within that district, and permitted therein as a matter of right when conducted in accord with the regulations established by this title.

“Use, principal” means a use which fulfills a primary function of household, establishment, institution, or other entity.

“Use, single-family” means the use of a site for only one dwelling unit.

“Use, temporary” means a use established for a fixed period of time with the intent to discontinue such use upon the expiration of the time period.

“Use, transitional” means a land use of an intermediate intensity between a more intensive and less intensive use.

“Value” or “valuation” means the estimated cost to replace a structure in kind, based on current replacement costs.

“Valve” means a device used to control the flow of water in the irrigation system.

“Variance” means permission to depart from the literal development requirements of the zoning ordinance.

“Vehicle” means a self-propelled device by which persons or property may be moved upon a highway, excepting a device moved by human power or used exclusively upon stationary rails or tracks.

“Vehicle, inoperable” means a vehicle that is unregistered, wrecked, burned, dismantled, lacks a motor, transmission, or wheels, is on blocks, or is otherwise incapable of being driven upon the highways in conformity with the requirements of the Vehicle Code.

“Vehicle, operable” means a vehicle that is currently registered and able to be driven upon the highways in conformity with the requirements of the Vehicle Code.

“Vehicle, recreational” means a vehicle towed or self-propelled on its own chassis or attached to the chassis of another vehicle and designed or used for temporary dwelling, recreational or sporting purposes. The term recreational vehicle shall include but shall not be limited to, travel trailers, pick-up campers, camping trailers, motor coach homes, converted trucks and buses, and boats and boat trailers.

“Vehicle storage/impound facility” means any lot, lot area, or parcel of land used, designed, or maintained for the specific purpose of storing, impounding, or keeping motor vehicles, but not including dismantling or wrecking activities.

“Wall, front” means the nearest wall of a building or other structure to the street upon which the building faces, but excluding cornices, canopies, eaves or any other architectural embellishments.

“Warehousing” means the use of a building or buildings primarily for the storage of goods of any type, but excluding bulk storage of materials which are flammable or explosive or which create hazardous or commonly recognized offensive conditions.

“Wholesaling” means the use engaged primarily in the selling of any type of goods for purpose of resale, including incidental storage and distribution.

“Yard” means an open space that lies between the principal or accessory building or buildings and the nearest lot line.

“Yard, corner side” means a side yard which faces a public street on a corner lot and extends from the front yard to the rear yard.

“Yard, exterior side” means a side yard which faces a public street on a corner lot and extends from the front yard to the rear yard.

“Yard, front” means a yard extending the full width of the lot between the front lot line and a line parallel thereto and passing through the nearest point of the building; provided that, if a future street right-of-way has been established, such measurement shall be from the future street right-of-way line.

“Yard, rear” means a yard extending the full width of the lot between the rear lot line and a line parallel thereto. For through lots, if a future street right-of-way has been established, such measurement shall be from the future street right-of-way line.

“Yard, side” means a yard between the side lot line and a line parallel thereto and extending from the front yard to the rear yard.

“Zero lot line” means the location of a building on a lot in such a manner that one or more of the building’s sides rest directly on a lot line.

“Zoning Administrator” means the Director of the City and shall include his or her deputies. (Ord. 591 § 2, 2021; Ord. 572 § 2, 2020; Ord. 566 § 3, 2019)

Section 13.08.020 is revised to read as follows:

13.08.020 Projects requiring development review.

- A. An application for development review is required and the Director is authorized to grant a development review permit involving the issuance of a building permit for construction or reconstruction of a structure which meets any of the following criteria:
 - 1. New commercial, industrial, institutional, or residential construction on vacant property.
 - 2. One or more structural additions or new buildings involving commercial, industrial, institutional, or multiple family residential uses, with a total floor area of 2,500 square feet or more.
 - 3. Reconstruction or alteration of existing commercial, industrial, institutional, or residential buildings on sites when the alteration significantly affects the exterior appearance of the building or traffic circulation of the site. Exceptions are maintenance or improvement of landscaping, parking, exterior re-painting or other common building and property maintenance activities.
- B. For detached single-family development, the following shall apply:
 - 1. Development review for detached single-family development shall be required for all major subdivision maps and for development of all property within the hillside overlay district.
- C. The Director must set a public hearing for any application for a development review permit for any of the following:
 - 1. Multifamily residential project;
 - 2. Single-family resident project requiring a tentative parcel or tentative subdivision map;
 - 3. A commercial or industrial project containing more than 50,000 square feet of building floor area;
 - 4. The conversion of residential, commercial or industrial buildings to condominiums.
- D. The requirement for approval of a development review plan may be waived by the Director if the purposes and criteria of these procedures are met by a conditional use permit. A decision on a request for waiver may be appealed as provided by the appeal procedure commencing at Section 13.04.070. (Ord. 572 § 3, 2020; Ord. 568 § 3, 2019; Ord. 566 § 3, 2019)

Table 13.10.030A is revised to read as follows:

13.10.030 Residential use regulations.

Uses listed in Table 13.10.030A shall be allowable in one or more of the residential districts as indicated in the columns beneath each residential district heading. Where indicated with the letter “P,” the use shall be a permitted use in that district. Where indicated with the letter “C,” the use shall be a conditional use subject to a conditional use permit in that district. Where indicated with the letters “MC,” the use shall be a conditional use subject to a minor conditional use permit in that district. Where indicated with a dash “—,” or if a use is not specifically listed in Table 13.10.030A and is not subject to the use determination procedure contained in Section 13.04.040, the use shall not be permitted in that district. This section shall not be construed to supersede more restrictive use regulations contained in the conditions, covenants, and restrictions of any property or dwelling units. However, in no case shall uses be permitted beyond those allowable in this section. In the event a given use cannot be categorized in one of the districts by the Director, the use determination procedure outlined in Section 13.04.040 shall be followed.

**Table 13.10.030A
Use Regulations for Residential Districts**

Use	HL	R-1	R-1A	R-2	R-7	R-14	R-22	R-30
A. Residential Uses								
1. Single-family dwellings	P	P	P	P	—	—	—	—
2. Multifamily dwellings (townhomes and detached condominiums)	—	—	—	—	P	P	P	P
3. Planned residential developments (“PRD”)					P	P		
4. Mobilehome parks (subject to provisions in Section 13.22.030)	C	C	C	C	C	C	C	—
5. Day care home, family	P	P	P	P	P	P	P	P
6. Residential care facility								
Accessory—6 or less	P	P	P	P	P	P	P	P
Nonaccessory—7 or more	—	—	—	C	C	C	C	C
7. Boarding house	—	—	—	C	C	C	C	C
8. Congregate care facilities	—	—	—	—	C	C	C	C
B. Public and Semipublic Uses								
1. Biological habitat preserve	P	P	P	P	P	P	P	P
2. Cemetery	C	C	C	C	C	C	C	—
3. Church	C	C	C	C	C	C	C	C
4. Club, lodge, fraternity and sorority	C	C	C	C	C	C	C	—
5. Convalescent facility	—	—	—	—	C	C	C	C
6. Day care center	C	C	C	C	C	C	C	C

Use	HL	R-1	R-1A	R-2	R-7	R-14	R-22	R-30
7. Educational facility (private), excluding business and trade schools and commercial schools	C	C	C	C	C	C	C	C
8. Dormitory (if accessory to college or school)	C	C	C	C	C	C	C	C
9. Hospital	—	—	—	C	C	C	C	—
10. Mining, only in conjunction with an approved development or grading project	C	C	C	C	C	C	C	C
11. Outdoor recreation facility	C	C	C	C	C	C	C	—
12. Public buildings and facilities	C	C	C	C	C	C	C	C
13. Public park	C	C	C	C	C	C	C	C
14. Animal kennels, training schools, and breeding facilities	C	C	C	C	—	—	—	—
C. Agricultural Uses (on Lots of Two and One-Half Acres or More)								
1. Animal care facility	C	C	C					
2. Apiary (subject to Section 13.10.030(F))	P	P	P	P	P	P	P	—
3. Farms for orchards, trees, field crops, truck gardening, flowering gardening, and other similar enterprises carried on in the general field of agriculture. Includes accessory retail sale of products raised on property, excluding retail nursery	P	P	P	P	P	P	P	—
4. Raising, grazing, breeding, boarding or training of large or small animals: except concentrated lot feeding and commercial poultry and rabbit raising enterprises, subject to provisions of Table 13.10.030(B)	P	P	P	P	P	P	P	—
5. Wholesale distributor and processing of nursery plant stock and retail nursery where incidental and contiguous to nursery stock propagation and/or wholesale distributor. Outdoor storage and display prohibited except for nursery plant stock	C	C	C	C	C	C	C	—
6. Stable, commercial	C	C						
D. Accessory Uses in Conjunction With a Permitted Principal Use on the Same Site								
1. Animal keeping, accessory to a permitted use (Section 13.10.030(F)(2))								

Use	HL	R-1	R-1A	R-2	R-7	R-14	R-22	R-30
a. Dogs and cats over four months old (not exceeding four cats and/or dogs combined)	P	P	P	P	P	P	P	P
b. Exotic or wild animals	C	C	C	C	C	C	C	—
c. Other pets (pursuant to Table 13.10.030(B))	P	P	P	P	P	P	P	P
2. Antenna (pursuant to Section 13.34.070)	P	P	P	P	P	P	P	P
3. Accessory structure (see special requirements per Section 13.10.050)								
a. Multifamily residential	—	—	—	—	P	P	P	P
b. Single-family residential								
i. Maximum 50% of living area of primary residence	P	P	P	P	P	C	C	—
ii. Greater than 50% of living area of primary residence	MC	MC	MC	MC	MC	MC	MC	—
4. Historic structures, uses in	C	C	C	C	C	C	C	C
5. Home occupation (see Section 13.06.060)	P	P	P	P	P	P	P	P
6. Other accessory uses, as determined by the Director	P	P	P	P	P	P	P	P
7. Private garage	P	P	P	P	P	P	P	P
8. Private swimming pool, tennis court and similar recreation facilities	P	P	P	P	P	P	P	P
9. Accessory dwelling unit and junior accessory dwelling unit (subject to Section 13.10.045)	P	P	P	P	P	P	P	P
10. Stable, private (subject to Section 13.10.030(F))	P	P	P					
E. Temporary Uses								
1. Temporary uses as prescribed in Section 13.06.070 and subject to those provisions	P	P	P	P	P	P	P	P
2. Temporary trailers for use in conjunction with institutional and agricultural uses for a specified interim period	MC	MC	MC	MC	MC	MC	MC	MC

Table 13.10.040E is revised to read as follows:

13.10.040 Site development criteria.

E. Planned Residential Developments. Planned Residential Developments are created by approval of a tentative map or tentative parcel map and are subject to all development requirements of the applicable zone, except as modified in Table 13.10.040E.

Table 13.10.040E

Development Standards for Residential Lots Within a Planned Residential Development

	R-7	R-14
1. Minimum Net Lot Area ¹ (in square feet)	none	none
2. Minimum Lot Dimensions (width/depth) (feet)	none	none
3. Maximum Lot Coverage	55%	60%
4. Minimum Setbacks ² (in feet)		
Front	10	10
Exterior side yard	5	5
Interior side yard	5	5
Rear	10	10

Notes:

- 1 Flag lots are prohibited within a planned residential development.
- 2 For new PRDs, a minimum 10-foot setback shall apply along all property lines.

Section 13.10.050 is revised to read as follows:

13.10.050 Special development criteria.

The special development criteria set forth in this section are intended to provide minimum standards for residential development.

- A. Attached and Detached Residential Accessory Structures.
 - 1. Attached and detached residential accessory structures which require a building permit (including, but not limited to, unenclosed patio covers, cabanas, garages, carports, and storage buildings) may encroach in a required interior side yard or rear yard, except as required in Table 13.10.040A, subject to the following limitations:
 - a. Height. The maximum height for accessory structures is 16 feet (one story).
 - b. Rear Yard Setback. Attached and detached residential accessory structures or additions may be located four feet from the rear property line, excluding eave overhang.
 - c. Side Yard Setback. Attached or detached residential accessory structures may be located four feet from the side interior property line, excluding eave overhang. Attached and detached residential accessory structures may not encroach into required exterior side yard setbacks.

d. Front Yard and Corner Side Yard. No detached residential accessory structure shall be placed in front of the main structure.

e. Size. The maximum allowable gross floor area for all detached residential accessory structures in conjunction with an existing single-family residence shall not exceed 50% of the living area of the primary residence. A 400-square-foot detached garage is permitted in all cases if a garage does not currently exist on site.

f. Additional Standards for Accessory Structures. The following items may be allowed in an accessory structure, such as a garage, workshop, cabana, or similar structure, with recording of a City-approved deed restriction:

- i. Wet bar/kitchen.
- ii. Wash basin (sink and drain).
- iii. Bathroom.

2. Sea cargo containers are prohibited.

B. Projections into Yards.

1. Eaves, roof projections, awnings, and similar architectural features may project into required yards a maximum distance of two feet, provided such appendages are supported only at, or behind, the building setback line.

2. Fireplace chimneys, bay windows, balconies, fire escapes, exterior stairs and landings and similar architectural features and equipment for pools and air conditioning may project into required yards a maximum distance of two feet, provided such features shall be at least three feet from a property line. Equipment must be screened with materials and colors that blend with the building design.

3. Uncovered decks, platforms, uncovered porches, and landing places which do not extend above the first floor level of the main building and are not at any point more than 32 inches above grade, may project into any front or corner side yard a maximum distance of 10 feet, and project into any rear or interior side yard up to the property line. Where not extending above the first floor level but where greater than 32 inches above grade, must be at least five feet from all side property lines and 10 feet from the rear and front property lines.

4. Projections Over a Slope. If a structure is constructed such that it projects over a slope, and the structure is visible from a public street, the underside of the structure shall either be enclosed or landscaping shall be provided to screen the structure from public view to the satisfaction of the Director.

5. Two-story additions may encroach a maximum of five feet into the required rear yard setback if the Director determines that the encroachment is necessary for a continuation and extension of the architectural design, style, and function of the structure.

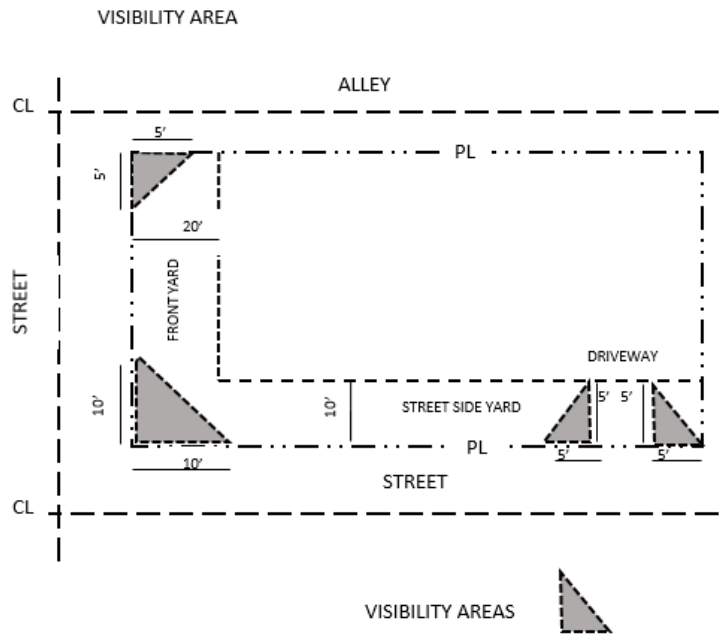
C. Projections Above Height Limits. Except as provided for in Chapter 13.34, flues, chimneys, antennas, elevators, other mechanical equipment, utility, and mechanical features may exceed the height limit of the base district in Table 13.10.040A by no more than 15 feet, provided such feature shall not be used for habitable space and appropriate screening is provided as determined by the Director. Architectural appurtenances to churches and other religious institutions involving a steeple, or cross combination thereof, and clock towers, may exceed the maximum height of the

base district if it is determined through the development review permit or conditional use permit process that architectural compatibility and appropriate building scale are achieved and maintained.

D. Variable Front Yard Provisions. Front setbacks required by the base district may be averaged on the interior lots within a new single-family detached or detached condominium subdivision. Additions to single-family homes in established residential subdivisions shall be allowed to build to the pre-established front yard setback of the subdivision without the need for a variance.

E. Fences, Walls and Hedges. The following provisions regarding fences, walls and hedges shall apply to all residential districts.

1. Fences, walls, hedges, or similar view obstructing structures or plant growth that reduce visibility and the safe ingress and egress of vehicles or pedestrians shall not exceed a height of three and one-half feet in the front yard. A combination of solid and open fences (e.g., wrought iron, chain link, Plexiglas) not exceeding six feet in height may be located in a required front yard or visibility clearance area, provided such fences are constructed with at least 90% of the top two and one-half feet of their vertical surface open, and nonview-obscuring.
2. Fences or walls, not exceeding six feet in height, may be located in a required exterior side yard, rear, or interior side yard. Walls required by the City for noise mitigation may be up to eight feet in height and may be located within the exterior side yard setback or rear setback adjacent to a street. The noise wall shall be designed such that it does not reduce visibility and the safe ingress and egress of vehicles or pedestrians.
3. A visibility clearance area shall be required on lots adjacent to an alley, driveway or street in which nothing shall be erected, placed, planted or allowed to grow exceeding three and one-half feet in height. Such area shall consist of a triangular area bounded by the alley, driveway, or street right-of-way lines of such lots and a line joining points along said alley, driveway, or street lines from the point of intersection as shown in the Visibility Area diagram below.



4. Outdoor recreation court fences not exceeding 12 feet in height shall be located five feet from any rear or side property lines, except when adjacent to outdoor recreation courts on adjacent properties.
 5. Barbed wire, concertina wire, or similar security devices are not allowed in residential zones.
 6. Walls constructed next to a Mobility Element Street shall be constructed with decorative materials to the satisfaction of the Director. Anti-graffiti surfaces shall be provided pursuant to Chapter 7.16.
- F. Swimming Pools, Spas and Recreational Courts.
1. Swimming pools, spas, tennis courts, basketball courts, or similar paved outdoor recreational courts, shall not be located in any required front yard, and shall be located no closer than three feet from any rear, side or corner side property line.
 2. Outdoor lighting poles and fixtures are permitted not to exceed 12 feet in height. Any such lighting shall be designed to project light downward and shall not create glare on adjacent properties.
- G. Mobile Home Parks. For mobile home park development provisions, refer to Chapter 13.22.
- H. Use of Required Yards.
1. Street Yards. Except as otherwise permitted, a street yard shall be used only for landscaping, pedestrian walkways, driveways, or off-street parking.
 2. Rear and Interior Side Yards. Except as otherwise permitted, these yards shall be used only for landscaping, pedestrian walkways, driveways, off-street parking or loading, recreational activities or similar accessory activities.
- I. Lights. All public parking areas shall be adequately lighted. All lighting shall be designed and adjusted to reflect light away from any road or street, and away from any adjoining premises. All lights and illuminated signs shall be shielded or directed so as to not cause glare on adjacent properties or to motorists. (Ord. 591 § 2, 2021; Ord. 566 § 3, 2019)

Table 13.12.040A and Table 13.12.040B are revised to read as follows:

13.12.040 Site development criteria.

The site development criteria set forth in this section are intended to provide minimum standards for the development and use of land within the commercial/office districts. These site development criteria should be used in conjunction with the design guidelines which are set forth in Section 13.08.070. Use of the design guidelines in conjunction with these criteria will assist the designer in determining the best design for any given development project.

- A. Site Dimensions and Height Limitations. Table 13.12.040A sets forth the minimum lot dimensions and height limitations. The creation of new lots within these zones shall conform to these minimum dimensions, except in the case of condominium lots or lots within a shopping center, in which case, no minimums are established. This exception is only applicable when the sites in question are being developed as one integrated development and appropriate measures are taken to insure reciprocal access, parking and maintenance.

B. Setbacks. Table 13.12.040B sets forth the minimum setbacks for buildings and parking facilities, as well as the amount of the setbacks to be landscaped. These provisions apply equally to each of the three commercial districts.

Table 13.12.040A
Site Dimensions and Height Limitations

Feature	OP	Standard NC	GC
1. Minimum lot width ¹	70 feet	300 feet	150 feet
2. Height limitations			
a. Building within 50 feet of a residential district	25 feet	25 feet	25 feet
b. Other locations	40 feet ²	40 feet ²	40 feet ²

Notes:

- 1 Parcels created within shopping centers are exempt from these standards, as long as a conceptual development plan for the entire center has been developed and appropriate easements for reciprocal access, parking and maintenance is provided.
- 2 Proposals for development exceeding this height shall require the approval of a conditional use permit.

Table 13.12.040B
Setbacks

Yard	Standard		
	Building	Parking	Landscaping
1. Street yard setback (measured from the ultimate right-of-way):			
a. All streets	10 feet	10 feet	Entire front setback
2. Rear property line setback:			
a. Adjacent to residential zone	20 feet	10 feet	10 feet
b. Adjacent to commercial or industrial zone	5 feet ²	0 feet	0 feet
3. Interior side property line setback:			
a. Adjacent to residential zone	20 feet	10 feet	10 feet
b. Adjacent to commercial or industrial zones	5 feet ²	5 feet ¹	5 feet ¹

Notes:

- 1 Unless specifically waived by the Director.
- 2 The five-foot rear property line and interior property line setbacks adjacent to commercial or industrial zones may be waived by the Director on two adjacent developments that share a common wall on the property line between the two lots if a five-foot easement from the adjoining property owner has been acquired to ensure adequate maintenance of the proposed building.

C. Energy Conservation. All new commercial buildings shall meet or exceed California Green Building Standards Tier 2 Voluntary Measures and shall utilize high-efficiency equipment and fixtures consistent with California Code of Regulations, Title 24 (“Title 24”) energy standards.

1. Cool Roofs. New commercial buildings shall be installed with cool roofs and designed as required by Title 24.
2. Photovoltaic Solar System. New commercial buildings shall be installed with at least 1.5 watt (W) photovoltaic system per square foot of building area. (Ord. 591 § 2, 2021; Ord. 566 § 3, 2019)

Section 13.14.030 and Table 13.14.030A are revised to read as follows:

13.14.030 Industrial use regulations.

Uses listed in Table 13.14.030A shall be allowable in one or more of the industrial districts as indicated in the columns beneath each industrial district. Where indicated with the letter “P,” the use shall be a permitted use in that district. Where indicated with the letter “C,” the use shall be a conditional use subject to the conditional use permit process in that district. Where indicated with the letters “MC,” the use shall be a conditional use subject to a minor conditional use permit in that district. Where indicated with a dash “—,” or if the use is not specifically listed in Table 13.14.030A and is not subject to the use determination procedure contained in Section 13.04.040, the use shall not be permitted in that district. This section shall not be construed to supersede more restrictive use regulations contained in the conditions, covenants, and restrictions of any property. However, in no case shall uses be permitted beyond those allowable in this section. In the event a given use cannot be categorized in one of the districts by the Director, the use determination procedure outlined in Section 13.04.040 shall be followed.

**Table 13.14.030A
Use Regulations for Industrial Districts**

Uses	IL	IG
A. Industrial Uses		
1. Manufacturing, compounding, assembly or treatment of articles or merchandise from the following previously prepared typical materials such as, but not limited to, canvas, cellophane, cloth, cork, felt, fiber, fur, glass, leather, paper (no milling), precious or semiprecious stones, metals, plaster, plastic, shells, textiles, tobacco, wood and yarns; novelty items (not including firework or other explosive type items), electrical appliances, motors and devices; radio, television, phonograph and computers; electronic precision instruments; medical and dental instruments; timing and measuring instruments; audio machinery; visual machinery; cosmetics, drugs, perfumes, toiletries and soap (not including refining or rendering of fats or oils)	P	P
2. Bottling plants	P	P
3. Building materials manufacturing, subject to the provisions	—	P
4. Cement products manufacturing	—	P
5. Fruit or vegetable packing houses	C	P

Uses	IL	IG
6. Fruit or vegetable products manufacturing, including frozen foods	C	P
7. Furniture upholstery	P	P
8. Hazardous waste treatment facility	—	C
9. Laboratories (chemical, dental, electrical, optical, mechanical and medical)	P	P
10. Mining	C	C
11. Rubber and metal stamp manufacturing	P	P
12. Renewable Energy Storage Facility, subject to provisions of Section 13.14.030(L)	—	C
B. Storage Trades		
1. Contractors yards, subject to the provisions of Section 13.14.030(G)	—	MC
2. Contractor (all storage of material, equipment within an enclosed building)	P	P
3. Equipment sales/rental yards	P	P
4. Fleet storage	MC	MC
5. General warehousing/wholesale and distribution	P	P
6. Mini storage, public storage	C	C
7. Trailer, truck or bus terminal	—	C
8. Vehicle storage yard	—	MC
9. Recreational vehicle storage facility	MC	MC
C. Services		
1. Administrative, executive, real estate, and/or research offices	P	P
2. Animal care facility		
a. Completely within an enclosed building	P	P
b. With exterior kennels, pens or runs	C	C
3. Appliance repair and incidental sales (including, but not limited to, small household appliances, computers and vending machines, and provided all work activities and storage occurs entirely within an enclosed building)	P	—
4. Athletic or health clubs, indoor	MC	—
5. Auction house (conducted completely within an enclosed building and subject to the provisions contained in Title 4 of this code)	P	P
6. Automotive services, including automobiles, trucks, motorcycles, boats, mopeds, recreational vehicles, or other small vehicles as determined by the Director. All vehicles shall be stored on-site and shall not occupy any required parking space, access aisle or landscape area		
a. Sales	C	MC
b. Rentals	C	MC
c. Repairs (major engine work, muffler shops, painting, body work and upholstery) completely indoors	P	P

Uses	IL	IG
d. Washing (coin and automatic)	P	P
e. Service or gasoline dispensing stations including mini-marts with or without alcoholic beverage sales, accessory car washes, and/or minor repair services as accessory to the gasoline sales	C	C
7. Barber or beauty shops	P	—
8. Blueprinting and photocopying	P	P
9. Catering establishments (excluding mobile catering trucks. See Fleet Storage)	P	—
10. Collection facility, large		
a. Indoor	P	P
b. Outdoor	C	C
11. Collection facility, small	P	P
12. Dance, gymnastics, martial arts, or fitness / sports school or studio - indoor	P	P
13. Distributors showrooms	P	P
14. Food and beverage sales or service		
a. Cocktail lounge, bar or tavern		
i. Not within a restaurant and with or without entertainment, other than adult related	C	—
ii. Accessory to a restaurant or a coffee shop, and without entertainment	P	—
b. Nightclubs or dance halls, not including adult related entertainment	C	—
c. Snack bars, delicatessens, or refreshment stands, accessory to a business complex	P	P
d. Fast food restaurants with drive-in or drive-through service	—	—
e. Restaurants or coffee shops, other than fast food		
i. With entertainment or dancing, other than adult related, and/or serving of alcoholic beverages	P	—
ii. Without entertainment or dancing and with or without alcoholic beverage sales	P	—
f. Clubs and lodges serving alcoholic beverages	C	—
15. Helipad without maintenance facilities	—	C
16. Home improvement centers		
a. Material stored and sold within enclosed buildings	P	P
b. Outdoor storage of material such as lumber and building materials, subject to the provisions contained in Section 13.14.030(G)(2)	MC	P
17. Interior decorating service	P	P
18. Janitorial services and/or supplies	P	—
19. Locksmith shop	P	P
20. Micro-brewery, with or without tasting room and/or food service	P	P
21. Motels, hotels, and/or convention centers	C	C
22. Music or recording studio	P	—

Uses	IL	IG
23. Newspaper publishing, printing and distribution, general printing, and lithography	P	P
24. Nurseries, excluding horticultural nurseries, and garden supply stores provided all equipment, supplies and materials are kept within an enclosed building or fully screened enclosure and fertilizer of any type is stored in package form only	P	—
25. Parcel delivery service (excluding truck terminals)	P	P
26. Pest control service	P	P
27. Pistol, rifle or archery range (indoor only)	P	P
28. Photography studio or video production	P	P
29. Retail sales of products produced, wholesaled, or manufactured on the premises commercial when in conjunction with a permitted or conditional use not occupying more than 25% of the gross floor area	P	P
30. Rug cleaning and repair	P	P
31. School, business or trade	P	—
32. Swimming pool sales and supplies	P	—
33. Tattoo parlor and/or body piercing salon	P	—
34. Tire re-treading and recapping	—	P
35. Tobacco paraphernalia business	—	MC
36. Welding shop	P	P
D. Public and Semi-Public Uses		
1. Ambulance services	C	C
2. Biological habitat preserve (unless approved by another entitlement)	P	P
3. Clubs and lodges, including YMCA, YWCA, and similar group uses without alcoholic beverage sales. (Clubs and lodges serving or selling alcoholic beverages shall comply with Section 13.14.030(C)(15) of this table)	MC	—
4. Day care center	C	—
5. Detention facility	—	—
6. Educational facility, excluding business and trade schools and commercial schools	C	C
7. Emergency shelter (subject to the provisions of Section 13.14.030(K))	—	P
8. Parks and recreation facilities, public or private	C	—
9. Post offices and postal terminals	C	C
10. Public buildings and facilities	C	C
11. Religious institutions	C	C
12. Solid waste recycling and transfer facility	—	C
E. Accessory Uses		
1. Auxiliary structures and accessory uses customarily incidental to an otherwise permitted use and located on the same site	P	P

Uses	IL	IG
2. Caretakers residence only when incidental to and on the same site as a permitted or conditional use	P	P
3. Incidental services for employees on a site occupied by a permitted or conditional use, including day care, recreational facilities, showers and locker rooms and eating places	P	P
4. Overnight parking of vehicles used regularly in the business, provided all required parking spaces are available for use during business hours	P	P
5. Outdoor storage (subject to the provisions contained in Section 13.14.030(G)(2))	MC	MC
F. Temporary Uses		
1. Temporary uses as prescribed in Section 13.06.070 and subject to those provisions	P	P

G. Outdoor Uses.

1. All uses and activities shall be conducted completely within an enclosed building with the exception of outdoor storage, which is a permitted use subject to the provisions of subdivision (2) of this subsection. The following uses and activities may be permitted to operate outdoors, within their respective districts and subject to any required reviews and permits pursuant to this code.

- a. Mining;
- b. Building materials and lumber storage yards and/or contractors yards;
- c. Building materials manufacturing;
- d. Building equipment storage, sales, rentals;
- e. Automobile fleet storage;
- f. Trailer, truck or bus terminal;
- g. Recreational vehicle storage yard;
- h. Automobile sales, rentals, or washes;
- i. Gasoline service stations;
- j. Boat and camper sales;
- k. Agricultural uses;
- l. Outdoor recreation facilities;
- m. Outdoor eating areas (subject to a minor conditional use permit). For accessory eating areas in conjunction with a food establishment that features takeout services, see subsection J of this section;
- n. Telecommunication facilities (See Chapter 13.34);
- o. Satellite dish antennas (See Chapter 13.34);
- p. Other activities and uses similar to those above as determined by the Director.

2. **Outdoor Storage.** The outdoor storage of materials accessory to a permitted or conditionally permitted use occupying the subject site shall obtain any necessary permits and comply with the following standards:

- a. All outdoor storage which faces and is visible from a mobility element street or an exterior public street to the industrial subdivision, or which abuts property used for residential purposes, shall be enclosed with a solid decorative concrete, masonry, wood frame and stucco, or decorative block walls at least six feet high. In all other cases the outdoor storage shall be screened with material which is 100% view obscuring. The type and design of the screening material is subject to the approval of the Director. All gates provided for ingress and egress in any required fence or wall shall be at least six feet in height and shall be of view-obscuring construction, compatible with the fence or wall design.
- b. Stored materials shall be stacked in outdoor storage areas to a height no greater than that of any building, wall, fence, or gate enclosing the storage area and shall not be visible from a public street.
- c. No storage shall be permitted in a required setback area or required landscape area.
- d. No storage shall be permitted in a required parking space or driveway and at no time shall said storage area impede the use of any required parking space or driveway. Outdoor storage is not allowed within any secured parking area established pursuant to Section 13.14.040(C).
- e. The limits of the outdoor storage area shall be clearly defined on the site.
- f. The outdoor storage shall be limited to materials, products, or equipment used, produced or manufactured on-site by the business requesting the storage. On-site parking of fleet/company vehicles used regularly in the operation of the business, equipment attached to fleet/company vehicles, short-term customer and staff parking, and approved trash enclosures shall not be considered outdoor storage. (See Section 13.14.030(B)(4) for fleet storage.)

H. The following shall be used in the review of prefabricated structures:

- 1. The use of prefabricated structures shall be compatible with surrounding uses.
- 2. The design of the prefabricated structures shall be compatible with and complimentary to existing structures on the site. They must conform to all standards, goals and objectives of the Santee zoning ordinance and General Plan and have adequate public facilities available.
- 3. Adequate screening from adjacent residential areas and public streets shall be provided.
- 4. A permanent foundation system shall be provided, unless otherwise approved.
- 5. Handicap access shall be provided, unless otherwise approved.

I. Conversion of Residential Structures. No structure originally designed as a residence (including hotels and motels), or as an auxiliary structure or addition to a residence, shall be used for any industrial uses unless the building and site are improved to meet all code requirements for such a development. This includes, but is not limited to, building code requirements, fire code requirements and the zoning code requirements. A resident may convert up to 50% of the gross floor area of the existing residence for business purposes and continue to reside in the residence, provided the resident is also the owner of the business, and subject to the provisions of this chapter. Any expansion of a residence that is legal nonconforming shall comply with Section 13.04.110(F) of this

title. A conversion may be subject to a conditional use permit, or minor conditional use permit process as required by the base district use regulations contained in Table 13.14.030A.

J. Accessory Eating Areas Permitted. For food establishments which primarily feature takeout service, up to a total of 16 seats are permitted as accessory eating. Food establishments with accessory eating areas will not be considered restaurants for the purpose of determining required parking. In addition, if outdoor eating is provided as an accessory use, it will not be considered an expansion of the use for determining parking needs. The seating may be provided indoors or outdoors. The provisions of this subsection do not apply to drive-through fast-food restaurants. The following performance standards shall apply to outdoor eating:

1. The outdoor eating area shall be arranged in such a way that it does not create a hazard to pedestrians or encroach on a required building exit.
2. The outdoor eating area cannot be located in any driveway, parking space, landscaped area or required setback.
3. The outdoor eating area must be maintained so that it is not unsightly and does not create a condition that is detrimental to the appearance of the premises or surrounding property.
4. Signage may not be placed on the outdoor furniture or umbrellas which advertises the business, service or use, or any product unless otherwise permitted by the sign ordinance.
5. Handicapped access shall be provided.

K. Emergency shelters are permitted on North Woodside Avenue, on the following assessor parcel numbers, subject to a nondiscretionary development review permit pursuant to Government Code Section 65583(a)(4), 381-170-64-00, 381-170-25-00, 381-170-28-00, 381-170-54-00, 381-170-53-00, 381-170-46-00, 381-170-61-00, 381-170-62-00 or any subsequent APN for these specific sites, subject to compliance with the following:

1. An emergency shelter shall not be located within 300 feet of another shelter, pursuant to Government Code Section 65583(a)(4) (A)(v).
2. The agency or organization operating the shelter shall submit a facility management plan containing facility information, including the number of persons who can be served nightly, the size and location of onsite waiting and intake areas, the provision of onsite management, exterior lighting details, and onsite security during hours of operation, as established in Government Code Section 65583(a)(4)(A). (Ord. 591 § 2, 2021; Ord. 566 § 3, 2019)

L. Renewable Energy Storage Facility. A Renewable Energy Storage Facility is defined as a structure incorporating machinery or equipment, designed to store renewable energy. The following standards shall apply:

1. All equipment and all storage areas shall be located within an enclosed building.
2. Decorative fences and/or walls, trees and other forms of landscaping shall be used to minimize visibility of structures.
3. All structures shall incorporate architectural elements that visually enhance surrounding development.
4. Service areas and parking areas shall be buffered from adjacent development that is not of a similar nature by setbacks, landscaping, fences, and/or walls. 5. Facilities shall comply with the performance standards in Section 13.30.030.

Table 13.14.040A and Table 13.14.040B are revised to read as follows:

13.14.040 Site development criteria.

The site development criteria set forth in this section are intended to provide minimum standards for the development and use of land within the industrial districts. These site development criteria should be used in conjunction with the design guidelines which are set forth in Section 13.08.070. Use of the design guidelines in conjunction with these criteria will assist the designer in determining the best design for any given development project.

A. General Requirements. Table 13.14.040A sets forth the minimum lot dimensions, height limitations and setbacks. The creation of new lots within these zones shall conform to these minimum dimensions, except in the case of condominium lots, in which case no minimums are established. This exception is only applicable when the sites in question are being developed as one integrated development and appropriate measures are taken to insure reciprocal access, parking and maintenance.

B. Setbacks. Table 13.14.040B sets forth the minimum setbacks for buildings and parking facilities, as well as the amount of the setbacks to be landscaped. These provisions apply equally to each of the two industrial districts.

**Table 13.14.040A
Site Dimensions and Height Limitations**

Feature	Standard	
	IL	IG
1. Minimum site/lot area	20,000 sq. ft.	40,000 sq. ft.
2. Minimum lot width	100 ft	150 feet
3. Height limitations		
a. Building within 50 feet of a residential zone	25 feet	25 feet
b. Other locations	40 feet ¹	40 feet ¹

Note:

1 Proposals for development exceeding this height shall require the approval of a conditional use permit.

**Table 13.14.040B
Setbacks**

Yard	Standard		
	Building	Parking	Landscaping
1. Street yard setback (measured from the ultimate right-of-way)			
a. All streets	15 feet	10 feet	Entire front setback
2. Rear property line setback			

a. Adjacent to residential zone	25 feet	10 feet	10 feet
b. Adjacent to commercial or industrial zone	5 feet ²	0 feet	0 feet
3. Interior side property line setback:			
a. Adjacent to residential zone	25 feet	10 feet	10 feet
b. Adjacent to commercial or industrial zone	5 feet ²	5 feet ¹	5 feet ¹

Notes:

- 1 Unless specifically waived by the Director.
- 2 The five-foot rear property line and interior property line setbacks adjacent to commercial or industrial zones may be waived by the Director on two adjacent developments that share a common wall on the property line between the two lots if a five-foot easement from the adjoining property owner has been acquired to ensure adequate maintenance of the proposed building.

C. Security Fencing. Parking area may be enclosed by an ornamental iron or wrought iron fence for security purposes, subject to the approval of a minor development review permit by the Director and the following:

1. Gates must be rolling type, unless otherwise approved by the Director. The parking lot is to remain accessible during business hours.
2. No barbed wire, razor wire, concertina wires or similar devices shall be placed on the fence. An outward curving top is recommended for ornamental iron or wrought iron fences to restrict access.
3. On multi-tenant buildings or developments, a single common fenced area will be provided.
4. The fence height shall not exceed six feet in the front yard, exterior side yard, or visibility clearance area and eight feet in the rear or interior side yard setback. The fence shall be constructed of decorative metal and shall be nonview obscuring.
5. Fencing shall not obstruct vehicular or pedestrian circulation and shall not eliminate landscaped areas or materials. All gates must be equipped with a Knox-type security device to allow emergency vehicles access at all times. Fencing and gates for secured parking areas shall not adversely impact traffic circulation on surrounding streets.
6. The property owner shall record a deed restriction, prepared to the satisfaction of the Director, acknowledging that the fenced areas shall not be used for outdoor storage.
7. All fencing shall comply with the requirements of the Uniform Building Code.

D. Energy Conservation. All new commercial and industrial buildings shall meet or exceed California Green Building Standards Tier 2 Voluntary Measures and shall utilize high-efficiency equipment and fixtures consistent with the California Code of Regulations, Title 24 (“Title 24”) energy conservation standards.

1. Cool Roofs. All new commercial and industrial buildings shall be installed with cool roofs and designed as required by Title 24.
2. Photovoltaic Solar System. New commercial and industrial buildings shall be installed with at least 1.5 watt (W) photovoltaic system per square foot of building area. (Ord. 591 § 2, 2021; Ord. 566 § 3, 2019)

Table 13.16.020A is revised to read as follows:

13.16.020 Park/open space use regulations.

A. Uses listed in Table 13.16.020A shall be allowable. Where indicated with the letter “P,” the use shall be a permitted use. Where indicated with the letter “C,” the use shall be a conditional use subject to the conditional use permit. Where indicated with the letters “MC,” the use shall be subject to a minor condition use permit. Where indicated with a dash “—,” or if the use is not specifically listed in Table 13.16.020A, the use shall not be permitted. This section shall not be construed to supersede more restrictive use regulations contained in the conditions, covenants and restrictions of any property. However, in no case shall uses be permitted beyond those allowable in this section. In the event a given use cannot be categorized in one of the districts by the Director, the procedure outlined in Section 13.04.040, Use determination, shall be followed.

**Table 13.16.020A
Use Regulations**

Use	P/OS District
1. Residential Uses	
a. Single-family dwelling (not to exceed an average density of one unit per 40 acres) ¹	P
b. Single-family attached	—
c. Multiple-family dwellings	—
d. Day care home, family	P
2. Caretaker quarters (accessory to a permitted use) ¹	P
3. Home occupations (pursuant to Section 13.06.060(A))	P
4. Auxiliary structures such as detached garages, carports, cabanas, barns, storage sheds, corrals ²	P
5. Agricultural uses	
a. Row crops, truck gardens	C
b. Plant storage or propagation	C
c. Orchards, vineyards, Christmas and other tree farms	C
d. Community gardens	C
e. Greenhouses	C
f. Livestock grazing, breeding (no feed lots)	C
g. Hydroponic culture	C
h. On-site sales of products grown onsite	C
6. Cemeteries, crematories, mausoleums, columbariums, and related uses	C
7. Biological habitat preserves (unless otherwise approved by other entitlement)	P

8. Facilities for stormwater detention or water quality	P
9. Flood control structures and facilities	P
10. Recreational uses	
a. Parks, picnic areas, playgrounds	C
b. Hiking, biking, equestrian trails	P
c. Greenway	P
d. Golf course	C
e. Riding schools (equestrian)	C
f. Commercial stable	C
g. Country club and related uses	C
11. Public buildings and facilities	C

Notes:

- 1 Development review permit required.
- 2 Development review permit required if structure size exceeds 1,000 square feet.

Table 13.19.030A is revised to read as follows:

13.19.030 Use regulations and general requirements.

A. Allowable uses and development standards in each planned development district shall be as established through a development review permit pursuant to and consistent with the guidelines contained in Section 5.5, Areas for Special Study, within the land use element of the General Plan for each respective planned development designated property.

B. In addition to those uses allowed pursuant to subsection A, Table 13.19.030A establishes additional permitted and conditionally permitted uses within the planned development district.

Uses listed in Table 13.19.030A shall be allowable. Where indicated with the letter “P,” the use shall be a permitted use. Where indicated with the letter “C,” the use shall be a conditional use subject to the conditional use permit. Where indicated with the letters “MC,” the use shall be subject to a minor condition use permit. Where indicated with a dash “—,” or if the use is not specifically listed in Table 13.19.030A, the use shall not be permitted. This section shall not be construed to supersede more restrictive use regulations contained in the conditions, covenants and restrictions of any property. However, in no case shall uses be permitted beyond those allowable in this section. In the event a given use cannot be categorized in one of the districts by the Director, the procedure outlined in Section 13.04.040, Use determination, shall be followed. The Director may approve auxiliary uses and structures, and agricultural uses involving no improvements, under the development review process.

**Table 13.19.030A
Use Regulations for Planned Development District**

Use	PD District
1. Residential uses ¹	
a. Single-family dwelling (not to exceed an average density of one unit per 40 acres)	P
b. Single-family attached	P
c. Multiple-family dwellings	P
d. Day care home, family	P
2. Caretaker quarters (accessory to a permitted use) ²	P
3. Home occupations (pursuant to Section 13.06.060(A))	P
4. Auxiliary structures such as detached garages, carports, cabanas, barns, storage sheds, corrals ²	P
5. Agricultural uses	
a. Row crops, truck gardens	C
b. Plant storage or propagation	C
c. Orchards, vineyards, Christmas and other tree farms	C
d. Community gardens	C
e. Greenhouses	C
f. Livestock grazing, breeding (no feed lots)	C
g. Hydroponic culture	C
h. On-site sales of products grown on site	C
6. Biological habitat preserves (unless otherwise approved by other entitlement)	P
7. Recreational uses	
a. Parks, picnic areas, playgrounds	C
b. Hiking, biking, equestrian trails	P
c. Greenway	P
d. Riding schools (equestrian)	C
e. Commercial stable	C
8. Flood control structures and facilities	P
9. Facilities for stormwater detention or water quality	
10. Public buildings and facilities	C

Notes:

1 Development review permit required.

2 Development review permit required if structure size exceeds 1,000 square feet.

Table 13.21.030A is revised to read as follows:

13.21.030 Use regulations.

All uses allowed in the R-2 base district pursuant to Table 13.10.030A are allowed in the R-B district. In addition, uses listed in Table 13.21.030A shall be allowed as indicated in the column beneath the residential business district heading. Where indicated with the letter “P,” the use shall be a permitted use in that district. Where indicated with the letter “C,” the use shall be a conditional use subject to a conditional use permit in that district. Where indicated with the letters “MC,” the use shall be a conditional use subject to a minor conditional use permit in that district. Where indicated with a dash “—,” or if a use is not specifically listed in Table 13.21.030A and is not subject to the use determination procedure contained in Section 13.04.040, the use shall not be permitted in that district. This section shall not be construed to supersede more restrictive use regulations contained in the conditions, covenants and restrictions of any property or dwelling units. However, in no case shall uses be permitted beyond those allowable in this section. In the event a given use cannot be categorized in one of the districts by the Director, the use determination procedure outlined in Section 13.04.040 shall be followed.

**Table 13.21.030A
Use Regulations for Residential Business District**

Use	R-B District
A. Office and Related Uses	
1. Administrative and executive offices	P
2. Clerical and professional offices	P
3. Financial services	P
4. Medical, dental, and related professional offices	P
B. Commercial Uses	
1. Appliance repair	P
2. Bike repair	P
3. Blueprint and photocopy services	P
4. Contractor, office only	P
5. Furniture repair and upholstery	P
6. Interior decorating service	P
7. Janitorial services, office only	P
8. Locksmith shop	P
9. Pet grooming services	P
10. Photography studio or video production	P
11. Printing and publishing	P
12. Shoe repair	P
13. Stamp and coin shop	P
14. Tailor or seamstress	P

15. Taxidermist	P
16. Television, radio, computer repair	P
17. Travel agency	P
18. Small collection facility	P
C. Residential	
1. All uses allowed in the R-2 base district (SMC Table 13.10.030A)	P

(Ord. 566 § 3, 2019)

Section 13.24.030 is revised to read as follows:

13.24.030 Design standards.

Design standards are established by this section to set basic minimum dimensions and guidelines for design, construction and maintenance of parking within both the residential, commercial and industrial districts.

A. General. The following standards shall apply to the residential, commercial and industrial districts.

1. Stall Size. Each parking space shall consist of a rectangular area not less than nine feet wide by 19 feet long. Parallel spaces shall be a minimum of nine feet wide by 25 feet long. All parking spaces should have a vertical clearance of not less than seven and one-half feet. Parking spaces may overhang adjacent landscape areas up to a maximum of two and one-half feet, provided the overhang does not extend into any required landscape setback area.
2. All provisions for handicapped spaces shall conform to State law.
3. Paving. Parking and loading facilities shall be surfaced and maintained with asphalt concrete, concrete, or other permanent surface material sufficient to prevent mud, dust, loose material, and other nuisances from the parking or loading facility to the MS4. Where feasible, permeable surfaces, such as permeable concrete or permeable pavers, shall be used for parking lots. Crushed aggregate, rock, dirt or similar types of surfacing shall not be used as a parking or loading facility surface.
4. Drainage. All parking and loading facilities shall be graded and provided with permanent storm drainage facilities. Surfacing, curbing, and drainage improvements shall be sufficient to preclude free flow of water onto adjacent properties or public streets or alleys, and to preclude standing pools of water within the parking facility. Where feasible, infiltration BMPs shall be integrated into the drainage design to reduce the quantity and velocity of stormwater discharging to the MS4 from the parking or loading facility.
5. Safety Features. Parking and loading facilities shall meet the following standards:
 - a. Safety barriers, protective bumpers or curbing, and directional markers shall be provided to assure pedestrian/vehicular safety, efficient utilization, protection to landscaping, and to prevent encroachment onto adjoining public or private property.
 - b. Visibility of pedestrians, bicyclists and motorists shall be assured when entering individual parking spaces, when circulating within a parking facility, and when entering and exiting a parking facility.

- c. Internal circulation patterns, and the location and traffic direction of all access drives, shall be designed and maintained in accord with accepted principles of traffic engineering and traffic safety.
 6. Lighting. Lights provided to illuminate any parking facility or paved area shall be designed to reflect away from residential uses and motorists. It is the intent to maintain light standards in a low-profile design and to be compatible with the architectural design. Light standards shall not exceed 15 feet in overall height from the finished grade of the parking facility except that light standards up to 25 feet in height may be permitted if it is determined by the Director that the size of the parking area and site design warrant a taller light standard. Illumination onto adjacent properties shall comply with the performance standards contained in Chapter 13.30 of this title.
 7. Noise. Areas used for primary circulation for frequent idling of vehicle engines, or for loading activities shall be designed and located to minimize impacts on adjoining properties, including provisions for screening or sound baffling.
 8. Screening. Unenclosed off-street parking areas shall be screened from view from public streets and adjacent more restrictive land uses. Screening may consist of one or any combination of the following methods, upon the approval of the Director:
 - a. Walls. Low profile walls, three and one-half feet in height, shall consist of stone, brick or similar types of decorative solid masonry materials.
 - b. Planting. Plant materials, when used as a screen, shall consist of compact evergreen plants. They shall be of a kind, or used in such a manner, so as to provide screening, have a minimum height of three and one-half feet, within 18 months after initial installation, or screening as per subdivision (a), (b) or (c) shall be installed.
 - c. Berms. Earthen berm at least three and one-half feet above grade.
 - d. In order to allow police surveillance into parking lots, the screening requirements in subdivisions (a), (b) and (c) above shall be designed to provide for view corridors into the site from adjacent streets and properties to the satisfaction of the Director.
 9. Striping. All parking stalls shall be clearly outlined with single lines on the surface of the parking facility or any other permanent space designator (trees, shrubs, etc.) approved by the Director. In all parking facilities all aisles, approach lanes, and maneuvering areas shall be clearly marked with directional arrows and lines to expedite traffic movement.
 10. Maneuvering. Parking and maneuvering areas shall be arranged so that any vehicle entering a public right-of-way can do so traveling in a forward direction, except for single-family residential districts.
- B. Residential.
1. The following design standards shall apply to the residential districts and developments:
 - a. Each covered off-street parking space in a carport or multi-space common garage shall be a minimum of nine feet in width and 19 feet in depth of unobstructed area provided for parking purposes. The required minimum measurements may not include the exterior walls or supports of the structure.
 - b. One car garages for single-family or multifamily dwellings shall have a minimum interior dimension of 12 feet in width and 20 feet in depth of unobstructed area provided

for parking purposes. In the high density residential (R-22 and R-30 zones), an enclosed single-car garage shall be a minimum of 10 feet in width, 20 feet in length, and provide a minimum vertical clearance of seven and one-half feet.

c. Parking in the urban residential (R-30) zone shall be integrated with the building design such that surface parking is minimized. On-site parking may be provided in private garages, in common parking garages where parking is either at-grade or partially below grade with the building's use above (example, podium parking), or in separate parking structures on site. Unenclosed surface parking for delivery and visitor parking would be allowed. See subsection (B)(8) for common parking garage standards.

d. Two-car garages for single-family or multifamily dwellings shall have a minimum interior dimension of 20 feet in width and 20 feet in depth of unobstructed area provided for parking purposes.

e. Below grade or partially below grade podium style parking is also an acceptable design alternative in the R-14 and R-22 zones.

f. The parking of two vehicles in-line may be counted towards the parking requirements when: (i) both vehicles have independent access to a public or private street or drive aisle; (ii) the development site is located within 0.25 mile of a transit stop; or (iii) when used as a density bonus incentive or concession. This provision does not apply on mobile home park (MHP) overlay zone districts, or to accessory dwelling units or junior accessory dwelling units.

2. Driveways providing access to garages, carports and parking areas serving four or less dwelling units shall be a minimum width of 20 feet. Exceptions may be approved by the Director for individual single-family homes. Where feasible, shared driveways shall be used to reduce impermeable area, and, where feasible, permeable surfaces, such as permeable concrete or permeable pavers, shall be used.

3. Driveways providing access to garages, carports and parking areas serving five or more dwelling units shall be a minimum of 26 feet in width. Where feasible, shared driveways shall be used to reduce impermeable area, and, where feasible, permeable surfaces, such as permeable concrete or permeable pavers, shall be used.

4. Notwithstanding subdivisions 2 and 3 of this subsection, all driveways and access way widths and designs must be approved by the Santee Fire Department for purposes of emergency accessibility.

5. No property owner shall sublease, sublet or otherwise make available to residents of other properties, the off-street parking spaces required by this section.

6. All required covered off-street parking spaces shall be located conveniently accessible to the dwelling unit served by such parking space.

7. Residential developments which provide private streets shall be planned, designed and constructed to meet minimum City engineering and Santee Fire Department requirements for private streets.

8. The following design standards shall apply to parking garages:

a. All parking stalls shall be minimum nine feet in width and 19 feet in depth.

b. Storage lockers, when provided, shall not encroach into a parking stall.

- c. A storage/maintenance room shall be included in the facility.
- d. High efficiency lighting shall be used in conjunction with daylighting for above grade structures.
- e. Elevators and stairwells shall be designed to allow complete visibility for persons entering and exiting.
- f. Floor surfaces shall be nonslip surfaces.
- g. Security devices shall be installed such as surveillance cameras, audio and emergency call buttons.
- h. When mechanical ventilation systems are required, they shall be high efficiency systems and back-up power systems shall be installed.
- i. Emerging technologies to meet the needs of users, such as electrical charging stations, shall be installed when appropriate.
- j. Points of intersection between pedestrians and vehicles shall be designed for adequate safety of movement; separate paths for the pedestrian from their cars to specific points of destination shall be integrated in the facility.
- k. Wayfinding signs shall be installed.

C. Commercial, Industrial, Institutional, Community Facilities. The following design standards shall apply to commercial, institutional, and community facility use:

- 1. Those areas designated for use by motorcycles shall consist of a minimum usable area of 54 square feet.
- 2. Access driveways. Where feasible, shared driveways shall be used to reduce impermeable area, and, where feasible, permeable surfaces, such as permeable concrete or permeable pavers, shall be used. Access driveways shall provide the minimum widths below unless otherwise approved by the Director.
 - a. Two-way access driveways shall have a minimum width of 26 feet.
 - b. One-way access driveways shall have a minimum width of 16 feet.
- 3. Notwithstanding subdivision (2) of this subsection, all driveway and access way widths and designs must be approved by the Santee Fire Department for purposes of emergency accessibility.

D. Parking Lot Striping and Markings. Parking stall striping directional arrows and parking stall identification shall meet the following standards:

- 1. All parking stalls shall be painted with a single four-inch wide continuous line.
- 2. All aisles, entrances and exits shall be clearly marked with directional arrows painted on the parking surface.
- 3. All handicapped parking stalls shall be individually labeled and signed in accordance with Uniform Building Code and California Vehicle Code standards. (Ord. 572 § 5, 2020; Ord. 566 § 3, 2019)

Section 13.24.040 is revised to read as follows:

13.24.040 Parking requirements.

The following sections list the minimum amount of parking for each category of uses, special requirements and optional requirements.

A. Residential.

1. Single-Family Detached Dwellings (Conventional). Two parking spaces within a garage.
2. Cluster development (condominium, town home, etc.) semi-detached single-family (zero lot line, patio homes, duplexes, etc.) apartments and mobilehome parks:
 - a. Studio, one bedroom: one and one-half off-street parking spaces per unit of which one space shall be in a garage or carport. In the R-30 urban residential zone one parking space is required per studio and one-bedroom unit.
 - b. Two or more bedrooms: two off-street parking spaces per unit of which one space shall be in a garage or carport.
 - c. In addition to the required number of parking spaces for each unit, one off-street uncovered parking space shall be provided for each four units for visitor parking. For single-family zero lot line, patio homes, and duplexes, on-street parking may be substituted for visitor parking, where sufficient street pavement width and distance between driveways has been provided. In the R-30 zone, urban residential projects shall provide visitor parking at a ratio of one space for each 10 units, and may be unenclosed.
3. Congregate care facilities: as determined by a parking demand study approved by the Director.

B. Nonresidential.

1. Commercial, Retail and Service Uses.
 - a. Commercial uses in conjunction with the R-30 mixed use overlay shall provide one off-street parking space for each 400 square feet of leasable floor space, and may be unenclosed.
 - b. Neighborhood and general commercial shopping centers shall provide one off-street parking stall for each 250 square feet of gross floor area for all buildings and/or uses in the center. This shall apply to all commercial centers in the City, unless the delineation of independent uses is provided pursuant to Section 13.24.020. If the delineation of independent uses is known, then the standards listed below shall apply.
 - c. Automobile washing and cleaning establishments, except self-service: 16 parking stalls.
 - d. Self-service automobile washes: two and one-half for each washing stall.
 - e. Automobile service and gas station: three spaces plus two for each service bay.
 - f. Cemeteries: as specified by conditional use permit.
 - g. Lumber yards: one for each 250 square feet of gross floor area for retail sales, plus one for each 1,000 square feet of open area devoted to display (partially covered by roof, awning, etc.) or sales.
 - h. Mortuaries and funeral homes: one parking stall for every 25 square feet or fraction thereof of assembly room or floor area.
 - i. Motels and hotels: one parking space for each guest unit and two spaces for resident manager or owner, plus one space per 50 square feet of banquet seating area.

- j. Motor vehicle sales or rentals, recreational vehicle sales or rentals, automotive repair, painting, body work or service: one per 400 square feet of building gross floor area. If there is no building on-site, the parking standard shall be one space per 1,000 square feet of lot area.
 - k. Trade schools, business colleges and commercial schools: one for each three student-capacity of each classroom plus one for each faculty member or employee.
2. For new or redeveloped shopping centers within one-quarter mile of the Santee Light Rail Transit station, parking space requirements shall be reduced by 10% from the current parking requirements.
 3. Commercial Recreation Uses.
 - a. Bowling alleys: five for each alley.
 - b. Commercial stables: one accessible space for each five horses boarded on the premises.
 - c. Driving ranges (golf): one per tee, plus the spaces required for additional uses on the site.
 - d. Golf courses (regulation course): six per hole plus the spaces required for additional uses on the site.
 - e. "Pitch and putt" and miniature golf courses: three per hole, plus requirements for auxiliary uses.
 - f. Skating rinks, ice or roller: one for each 100 square feet of gross floor area, plus the spaces required for additional uses on the site.
 - g. Swimming pool (commercial): one for each 100 square feet of water surface, plus one stall for each employee, but not less than 10 stalls for any such use.
 - h. Tennis, handball and racquetball facilities: three for each court plus the spaces required for additional uses on the site.
 4. Educational Uses.
 - a. Elementary and junior high schools: two for each classroom.
 - b. Senior high schools: one for each member of the faculty and each employee, plus one for each six students regularly enrolled.
 - c. Colleges, universities and institutions of higher learning: one for each three students plus one for each two members of the faculty and employees.
 5. Health Uses.
 - a. Convalescent and nursing homes, homes of aged, rest homes, children's homes and sanitariums: one for every four beds in accordance with the resident capacity of the home as listed on the required license or permit.
 - b. Hospitals: 1.75 for each patient bed.
 - c. Athletic and health clubs: one for each 250 square feet of gross floor area. (For the purpose of this subsection, swimming pool area shall be counted as floor area.)
 - d. Congregate care facilities: as determined by a parking demand study approved by the Director.

6. Industrial.
 - a. Mini storage: one for each 5,000 square feet of gross floor area and storage lot.
 - b. For industrial uses not listed above: one for 500 square feet of gross floor area.
 7. Places of Assembly.
 - a. Restaurants, taverns, cocktail lounges and other establishments for the sale and consumption on the premises of food and beverages: one space for every 100 square feet of gross floor area. No additional parking spaces shall be required for outside seating at restaurants up to 25% of the interior seating area. This parking ratio shall not apply to accessory eating areas established pursuant to Section 13.12.030(G)(5) and Section 13.14.030(J) of this title.
 - b. Auditoriums, sports arenas, stadiums or similar uses: one for each three seats or one for each 35 square feet of gross floor area where there are no fixed seats.
 - c. Theaters, movies:
 - i. Single screen: one space per three seats, plus five for employees.
 - ii. Multi-screen: one space per four seats, plus five for employees.
 - d. Libraries: one for each 300 square feet of gross floor area.
 - e. Museums or art galleries: one space for each 500 square feet of gross floor area.
 - f. Private clubs, lodge halls, dance halls, nightclubs, teenage nightclubs, cabarets, or union headquarters: one for each 75 square feet of gross floor area.
 - g. Churches and other places of assembly not specified above: one for each four fixed seats within the main auditorium or one for each 35 square feet of seating area within the main auditorium or one for each 35 square feet of seating area within the main auditorium where there are no fixed seats; 18 linear inches of bench shall be considered a fixed seat.
 8. Other uses: day care centers not accessory to an existing business, including preschools and nursery schools: one for each staff member, plus one for each five children.
 9. Public parks and recreation facilities: as specified by conditional use permit.
- C. Special Requirements. The following parking requirements are applicable to all commercial, industrial and office land uses. These special stalls shall be closest to the facility for which they are designated in order to encourage their use.
1. Motorcycle: facilities with 25 or more parking spaces shall provide at least one designated parking area for use by motorcycles. Developments with over 100 spaces shall provide motorcycle parking at the rate of one percent. Areas delineated for use by motorcycles shall meet standards set forth in Section 13.24.030(C)(1).
 2. Bicycles: all commercial and office areas shall provide adequate locking facilities for bicycle parking at any location convenient to the facility for which they are designated. Whenever possible, weatherproofing or facility covering should be used.
 - a. Short-Term Bicycle Parking. If the project is anticipated to generate visitor traffic, provide permanently anchored bicycle racks within 200 feet of the visitors' entrance, readily visible to passers-by, for five percent of visitor motorized vehicle parking capacity, with a minimum of one two-bike capacity rack.

- b. Long-Term Bicycle Parking. For buildings with over 10 tenant-occupants, provide secure bicycle parking for five percent of motorized vehicle parking capacity, with a minimum of one space. Acceptable parking facilities shall be convenient from the street and may include:
 - i. Covered, lockable enclosures with permanently anchored racks for bicycles;
 - ii. Lockable bicycle rooms with permanently anchored racks; and
 - iii. Lockable, permanently anchored bicycle lockers.
- 3. Clean air vehicles: Provide designated parking for any combination of low-emitting, fuel-efficient and carpool/vanpool vehicles, as follows:

Table 13.24.040A
Clean Air Vehicle Parking Requirements

Total Number of Parking Spaces Required	Number of Clean Air Spaces Required
0-9	0
10-25	1
26-50	3
51-75	6
76-100	8
101-150	11
151-200	16
200 and over	At least 8% of total

- a. Parking Stall Marking. Paint, in the same paint used for stall striping, the following characters such that the lower edge of the last word aligns with the end of the stall striping and is visible beneath a parked vehicle: CLEAN AIR VEHICLE
- b. Low-emitting, fuel-efficient, and vanpool vehicles shall have the meaning set forth in the Green Building Standards Code.
- c. Parking designated for “clean air vehicles,” including spaces associated with electric charging stations, shall count toward meeting the minimum on-site parking space requirements set forth in this chapter.
- 4. Drive-through facilities: drive-through facilities require special consideration as their design can significantly impact the vehicular circulation on a site. The following requirements apply to any use with drive-through facilities.
 - a. Each drive-through lane shall be separated from the circulation routes necessary for ingress or egress from the property, or access to any parking space.
 - b. Each drive-through lane shall be striped, marked, or otherwise distinctly delineated.

c. The vehicle stacking capacity of the drive-through facility and the design and location of the ordering and pick-up facilities will be determined by the Director and City Engineer based on appropriate traffic engineering and planning data. The applicant shall submit to the City a traffic study addressing the following issues:

- i. Nature of the product or service being offered.
- ii. Method by which the order is processed.
- iii. Time required to serve a typical customer.
- iv. Arrival rate of customers.
- v. Peak demand hours.
- vi. Anticipated vehicular stacking required.

5. Spaces provided for the specific uses as listed above, shall be clearly designated through signs, colored lines, etc.

D. Shared Parking. Shared parking may be provided for required commercial, residential, or office off-street parking. Parking facilities may be used jointly with parking facilities for other uses when operations are not normally conducted during the same hours, or when hours of peak use vary. Requests for the use of shared parking are subject to the approval of the Director and must meet the following conditions:

1. A parking study shall be presented to the Director demonstrating that substantial conflict will not exist in the principal hours or periods of peak demand for the uses which the joint use is proposed.
2. The number of parking stalls which may be credited against the requirements for the structures or uses involved shall not exceed the number of parking stalls reasonably anticipated to be available during differing hours of operation.
3. Parking facilities designated for joint use should not be located further than 300 feet from any structure or use served.
4. A written agreement shall be drawn to the satisfaction of the City Attorney and executed by all parties concerned assuring the continued availability of the number of stalls designated for joint use.

E. Electric Vehicles.

1. The garage of a new single-family home shall be installed with complete 40 amp electrical service and minimum AC Level 2 electrical vehicle charging station.
2. The garage or carport of each multi-family residential unit shall be installed with complete 40 amp electrical service and minimum AC Level 2 electrical vehicle charging station. In addition, an electrical vehicle charging station shall be installed for 13% of the total guest parking spaces.
3. New office space, regional shopping centers, and movie theaters parking areas shall be installed with minimum Level 2 electrical vehicle charging station for five percent of the total number of parking spaces provided.

4. Parking areas of new industrial and other land uses employing 200 or more employees shall be installed with minimum Level 2 electrical vehicle charging stations for five% of the total number of parking spaces provided.
5. Parking Stall Marking. Paint, in the same paint used for stall striping, the following characters such that the lower edge of the last word aligns with the end of the stall striping and is visible beneath a parked vehicle: ELECTRIC VEHICLE
6. Parking designated for “electric vehicles,” including spaces associated with clean air vehicles, shall count toward meeting the minimum on-site parking space requirements set forth in this chapter. (Ord. 591 § 2, 2021; Ord. 566 § 3, 2019)
7. If an electric vehicle charging station and any associated equipment interfere with, reduce, eliminate, or in any way impact the required parking spaces for existing uses, the number of required parking spaces for the existing uses shall be reduced by the amount necessary to accommodate the electric vehicle charging station and any associated equipment.

Section 13.30.020 is revised to read as follows:

13.30.020 General development standards.

Unless stated otherwise within this code, the following standards shall be met for all developments:

- A. Projections Into Yards.
 1. Eaves, roof projections, awnings, and similar architectural features when located at least eight feet above grade may project into required yards a maximum distance of three feet, provided that such feature shall be at least three feet from a property line.
 2. Fireplace, chimneys, bay windows, balconies, fire escapes, exterior stairs and landings, and similar architectural features may project into the required yard a maximum distance of two feet and shall be at least three feet from a property line.
- B. Projections Above Height Limits. Unless otherwise specified in this code, flues, chimneys, antennas, elevators or other mechanical equipment, utility, or mechanical features may exceed the height limit of the base district by not more than 15 feet, provided such feature shall not be used for habitable space and appropriate screening is provided, as determined by the Director. Architectural appurtenances to churches and other religious institutions involving a steeple, or cross, or combination thereof, and clock towers and similar design elements on commercial structures, may exceed the maximum height of the base district if it is determined through the development review permit or conditional use permit process that architectural compatibility and appropriate building scale are achieved and maintained.
- C. Use of Required Yards.
 1. Street Yards. Except as otherwise permitted, a street yard shall be used only for landscaping, pedestrian walkways, driveways, or off-street parking.
 2. Rear and Interior Side Yards. Except as otherwise permitted, these yards shall be used only for landscaping, pedestrian walkways, driveways, off-street parking or loading, recreational activities or facilities, or similar accessory activities.
- D. Auxiliary Structures. Auxiliary structures shall meet all of the setback requirements for main buildings unless otherwise specified within this code. Height of auxiliary structures shall be a

maximum of 16 feet. Carports in the commercial or industrial zones shall be a maximum of 25 feet high and are subject to the building setback requirements for main buildings.

E. Distance Between Structures. The minimum distance between detached structures on the same lot shall be 10 feet unless otherwise specified in this code.

F. Fencing and Walls in the Office Professional, Commercial and Industrial Zones.

1. Fences or walls located in a required front or corner side yard shall not exceed three and one-half feet in height in the office and commercial zones. In the Industrial zones, security fencing up to six feet in height may be located in the front or exterior side yard provided the fence is constructed of decorative metal, is non view-obscuring and otherwise complies with the provisions contained in Section 13.14.040(C) (Security fencing) of this title. Fences or walls on the interior side or rear yard of property zoned office, commercial or industrial shall not exceed eight feet in height unless otherwise approved through a development permit. Overall fence height is inclusive of security devices noted in subdivision (2) of this subsection.

2. In the industrial zones, barbed wire, concertina wire, or similar security devices are permitted on top of a minimum six-foot high fence or wall located in the rear or interior sideyard setback only. Wire shall fall inward to the property and shall not extend beyond the property line.

3. In the office or commercial zones, decorative iron curved inward to the property, shall be used as a security device in lieu of barbed wire, concertina wire, or similar security devices.

4. Fences and walls shall be designed to be compatible with on-site buildings in terms of color and/or materials. Within the required setback adjacent to a residential land use, a minimum six-foot high solid decorative block wall shall be required. Exceptions to this requirement may be granted by the Director where an equivalent buffer is provided through site design or site characteristics, such as difference in grade between sites.

5. All fences and walls are to be composed of new or good used materials as determined by the Director and shall be kept in good repair and adequately maintained at all times. Any dilapidated, dangerous, or unsightly walls or fences shall be removed or repaired. Anti-graffiti surfaces shall be provided pursuant to Section 7.16.120.

6. Walls or fences may not enclose required parking unless otherwise permitted by Section 13.06.070(E)(4) or 13.14.040(C).

7. Walls constructed next to a mobility element street shall be constructed with decorative block to the satisfaction of the Director. Anti-graffiti surfaces shall be provided pursuant to Section 7.16.120 or amendments thereto.

G. Fencing and Walls in the Open Space Zone.

1. Fences or walls located in the open space zone shall adhere to the fence height limitations of the residential zones unless otherwise approved pursuant to a development permit.

2. The Director may approve the use of security devices such as barbed wire, concertina wire or similar devices in the open space zone, provided the fencing will not adversely impact the public health or safety and it does not present a negative visual impact.

3. Walls constructed next to a mobility element street shall be constructed with decorative block to the satisfaction of the Director.

4. Anti-graffiti surfaces shall be provided pursuant to Section 7.16.120 of this code.

H. Family Day Care Homes. All family day care homes must obtain all permits and licenses required by State law prior to commencing operation and all such licenses or permits shall be kept valid and current.

I. Equipment Screening. Any equipment, whether on the roof, on the side of a building, or on the ground, shall be screened from view. The method of screening shall be architecturally integrated with the building design in terms of material, color, shape and size. Where individual equipment is provided, a continuous screen is desirable.

J. Trash Enclosures. All office, commercial and industrial developments shall provide an adequate number of trash enclosures on-site to meet the requirements of Chapter 9.06 and Section 9.02.230 or amendments thereto. The enclosures shall be designed to the satisfaction of the Director and shall include:

1. A minimum six-foot high solid decorative masonry wall with a solid roof and solid metal gate painted to match the on-site buildings. The enclosures shall prevent rainfall from entering the enclosure and prevent wind dispersal as well as offsite transport of trash and recycling.
2. Each trash dumpster shall have an attached, water-proof cover that shall be kept closed at all times.
3. All gaps between walls and roof of the enclosure must be screened with a 5 mm gauge.
4. The trash enclosures shall be properly sized to include all containers for trash, recyclable, and organic waste, and shall be easily accessible, shall not be located within any required setback or landscape area and shall not block any required parking area or driveway.
5. Anti-graffiti surfaces shall be provided pursuant to Section 7.16.120 of this code.
6. All developments must also comply with the current storm water requirements in Section 9.06.250(C)(1) and Section 9.06.220(B)(2).
7. Trash enclosures for residential projects shall conform to the provisions contained in Section 13.10.040(I) of this title.

K. Senior Housing Usable Open Space. All senior housing projects shall provide and maintain at least 200 square feet of usable recreation or open space per dwelling unit. Such space may be at ground level, or aboveground. Interior recreation facilities may be counted towards this requirement. Off-street parking and loading areas, driveways, service areas, areas within front or side yard setbacks, and areas in which any dimension is less than five feet shall not be counted in determining the required open space. Both common open space and private open space are applicable toward the minimum.

L. Low Impact Development (LID) Standards.

1. The project design shall incorporate LID and site design BMPs to minimize directly connected impervious areas and to promote infiltration using LID techniques as outlined in the County of San Diego's LID handbook. Requirements for all development projects, including priority development projects, shall include, but not be limited to, the following measures:
 - a. Source control BMPs that reduce polluted runoff, including storm drain system stenciling and signage, properly designed outdoor material storage areas, properly designed trash storage areas, and implementation of efficient irrigation systems;

- b. LID BMPs to the maximum extent practicable which maximize infiltration, provide retention, slow runoff, minimize impervious footprint, direct runoff from impervious areas into landscaping, and construct impervious surfaces to minimum widths necessary;
 - c. Buffer zones for natural water bodies, where feasible. Where buffer zones are infeasible, require project proponent to implement other buffers such as trees, access restrictions, etc., where feasible;
 - d. Submittal of proof of a mechanism under which ongoing long-term maintenance of all structural post-construction BMPs will be conducted;
 - e. Parking areas shall be designed to drain to landscape areas and private roads shall be designed to drain to vegetated swales or landscape areas.
2. The following LID site design BMPs shall be implemented for all priority development projects:
- a. For priority development projects, all runoff must be directed into a treatment control BMP prior to discharging to the MS4. The amount of runoff from impervious areas that is to drain to pervious areas shall correspond with the total capacity of the project's pervious areas to infiltrate or treat runoff, taking into considerations the pervious areas' soil condition, slope, and other pertinent factors.
 - b. For priority development projects with landscaped or other pervious areas, properly design and construct the pervious areas to effectively receive and infiltrate or treat runoff from impervious areas, taking into consideration the pervious areas' soil conditions, slope, and other pertinent factors.
 - c. For priority development projects with low traffic areas and appropriate soil conditions, construct a portion of walkways, trails, overflow parking lots, alleys, or other low-traffic areas with permeable surfaces, such as pervious concrete, porous asphalt, unit pavers, and granular materials.
3. Where applicable and determined feasible by the Director, the following LID BMPs shall be implemented at all priority development projects:
- a. Conserve natural areas, including existing trees, other vegetation, and soils.
 - b. Construct streets, sidewalks, or parking lot aisles to the minimum widths necessary, provided that public safety and a walkable environment for pedestrians are not compromised.
 - c. Minimize the impervious footprint of the project.
 - d. Minimize soil compaction.
 - e. Minimize disturbances to natural drainages (e.g., natural swales, topographic depressions, etc.).
4. Source control and treatment control BMPs must be designed to address pollutants of concern specific to the project site and/or current highest priority pollutants as identified in the San Diego River Water Quality Improvement Plan shall be implemented at all priority development project sites. (Ord. 591 § 2, 2021; Ord. 566 § 3, 2019)

Section 13.32.040 is revised to read as follows:

13.32.040 General provisions.

A. Signs Exempt From Permitting and Standards. In addition to specific provisions elsewhere in this chapter that exempt certain signs from the permitting requirement, the following signs are exempt from the application, permit and fee requirements of this chapter; provided however, that building permits may be required, all signs shall be located in accordance with the setback regulations contained in Section 13.32.060(A)(4) of this chapter.

1. Signs of public service and utility companies indicating danger, or which serve as an aide to public safety, or which show underground facilities or public infrastructure;
2. Railroad crossing signs;
3. Traffic or municipal signs posted by government agencies;
4. Signs and notices required by law or by Federal, State, County, or City authority, and signs and notices issued by a court, public body, person, or officer in performance of their public duty or in giving any legal notice;
5. Address signs that are required by and conform with the Building Code;
6. Public service and civic identification signs promoting City-sponsored activities or community events as authorized by the City Council;
7. Interior signs within a structure or building not visible or readable or intended to be read from off-site or from outside of the building or structure;
8. Change of copy on a previously approved sign where no alterations are to be made requiring a building permit.

B. Signs Exempt From Permitting Requirements. The following signs do not require permits pursuant to Section 13.32.030 when they comply with the applicable standards in this chapter:

1. Permanent Window Signage. Permanent window signs not exceeding 25% of the window area are permitted as permanent signs.
2. Commercial Directional Signs. Either one commercial directional sign up to a maximum area of sign of 20 square feet in area or one per tenant up to four square feet, provided that each sign satisfies the following:
 - a. Located on property in any zone which also contains a public parking area on site; and
 - b. Sign is not readable from the public right-of-way or is oriented towards pedestrians or drivers on site.
3. Flags. A single official flag of the United States of America and two flags of either the State or other states of the United States, counties, municipalities or official flags for nations, and of organizations or companies. Flags shall be maintained in good condition and torn or worn flags shall be replaced or removed. Flags shall be a maximum of five feet by eight feet. Maximum height shall meet height requirements set forth in this title. Company flags may not be flown in residential zones.
4. Vehicles.

- a. Signs on public transportation vehicles and structures including, but not limited to, buses, taxicabs, or other public transportation;
 - b. Signs on licensed vehicles, provided such vehicles are not used or intended for use as portable signs or as may be prohibited in subsection B of this section.
5. Projecting Signs. Commercial projecting signs are allowed subject to the following standards:
 - a. Such signs shall not project into the public right-of-way;
 - b. Such signs do not exceed two square feet in sign area (on one side);
 - c. Such signs do not project more than two feet from the building wall;
 - d. A minimum of eight feet of clearance is provided from the finished ground surface and the bottom of the sign;
 - e. Maximum of one such sign per store frontage;
 - f. Sign may not be internally illuminated.
6. Transportation Infrastructure. Commercial speech may be allowed bus benches, bus shelters, and other public transportation infrastructure.
7. Properties for sale in any zone may display one temporary sign not exceeding four square feet in size or four feet in height.
8. Temporary and portable signs that comply with the standards set forth in Section 13.32.060, except where that section indicates a permit is required. (Ord. 566 § 3, 2019).

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTEE AMENDING TITLE 2, "ADMINISTRATION AND PERSONNEL," TITLE 9 "PUBLIC SERVICES," AND TITLE 10 "VEHICLES AND TRAFFIC" OF THE SANTEE MUNICIPAL CODE

WHEREAS, pursuant to article XI, section 5 of the California Constitution and Government Code section 37100, the legislative body of a city may pass ordinances not in conflict with the Constitution and laws of the State or the United States;

WHEREAS, in 2019, the City completed a comprehensive update to the Santee Municipal Code ("Code"); and

WHEREAS, the City desires to conduct annual updates to ensure the Code remains consistent with current law and City practice; and

WHEREAS, City staff and the City Attorney have determined that certain updates to Titles 2, 9 and 10 of the Code are required; and

WHEREAS, the proposed revision to Section 2.04.030 is intended to clarify that the requirement for the City Manager to furnish a corporate surety bond may be fulfilled through the City's insurance policy in accordance with applicable law and current City practice; and

WHEREAS, the proposed revision to Section 9.04.040 provides that the requirements of Chapter 9.04 apply to demolition permits for any demolition of a structure, including remodels and tenant improvements, whether residential or commercial; and

WHEREAS, existing Section 10.10.245 of the Code requires a person who owns a recreational vehicle (RV), or who has possession, custody, or control of an RV, to move the RV at least 300 feet every 72 hours when the RV is parked on a public street; and

WHEREAS, the Code Enforcement Department has requested the proposed revision to Section 10.10.245 to clarify that a person who owns an RV, or who has possession, custody, or control of an RV, that is parked on a public street for more than 72 consecutive hours may not return the RV to the previous parked location for an additional 72 consecutive hours, in order to address the concern that an individual might attempt to circumvent the 72-hour rule by temporarily moving the RV only to return shortly thereafter; and

WHEREAS, City staff recommends the revision in order to facilitate more effective enforcement of the existing RV parking requirements, which further the health, safety, and welfare of the public by preventing blight caused by the long-term storage of RVs on public streets; and

WHEREAS, the proposed revisions to Titles 2, 9, and 10 are detailed in the Staff Report and indicated in the redline document provided to the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Recitals Incorporated. The Recitals set forth above are true and correct and are incorporated into this Ordinance.

SECTION 2. Amendment of Title 2. The amendment of Title 2 of the Santee Municipal Code (“Code”) is set forth below.

Section 2.04.030 of the Code is amended to read as follows:

2.04.030 Bond.

The City Manager and acting City Manager must furnish a corporate surety bond to be approved by the City Council in such sum as may be determined by the City Council, and must be conditioned upon the faithful performance of the duties imposed on the City Manager and acting City Manager as herein prescribed. Any premium for the bond is a proper charge against the City. This bond requirement may be fulfilled through the City’s insurance policy in accordance with Government Code section 1463.

SECTION 3. Amendment of Title 9. The amendment of Title 9 of the Code is set forth below.

Section 9.04.040 of the Code is amended to read as follows:

The requirements set forth in this chapter apply to all construction and demolition permits issued for any project types set forth in subsections A through D.

A. Demolition. Any demolition of a structure including remodels and tenant improvements.

B. Residential.

1. The construction of new residential structures, including accessory dwelling units, single-family, multifamily, and condo conversions, regardless of the square footage of the floor area.

2. Additions or accessory structures to existing residential structures where the addition or alteration increases the building’s conditioned area, volume or size. The requirements shall apply only to and/or within the specific area of the addition or alteration.

C. Commercial/Industrial.

1. The construction of all new commercial/industrial buildings.

2. Additions or accessory structures to existing commercial or industrial structures that involve 1,000 square feet or more of floor area.

3. Alterations to existing commercial or industrial structures with a permit valuation of \$200,000.00 or more.

D. City-Sponsored Projects. City-sponsored projects for which the City provides funding in excess of \$100,000.00, or which fall within one of the above categories.

SECTION 4. Amendment of Title 10. The amendment of Title 10 of the Code is set forth below.

Section 10.10.245(B) of the Code is amended to read as follows:

B. It is unlawful for any person who owns or has possession, custody or control of a recreational vehicle to park that vehicle on any public street in the same location, defined as within 300 feet of the original or previously documented location, for more than 72 consecutive hours. A vehicle that has been parked in the same location for 72 consecutive hours may not return to the same location for at least 72 consecutive hours. A location may be documented by marking the vehicle, taking a photograph of the vehicle, or by other method deemed appropriate by the City.

SECTION 5. CEQA. Based upon the whole of the administrative record before it, the City Council hereby finds that the amendment of the Santee Municipal Code as set forth in this Ordinance is exempt from environmental review under the California Environmental Quality Act ("CEQA") (Pub. Res. Code, § 21000 et seq.) pursuant to State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) sections 15061(b)(3) and 15378(b)(5). An activity is subject to CEQA only if that activity has "the potential for causing a significant effect on the environment." (State CEQA Guidelines, § 15061(b)(3).) An activity is thus exempt from CEQA "[w]here it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." (*Ibid.*) Here, the amendment of the Santee Municipal Code as set forth in this Ordinance does not have the potential to result in either a direct or reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines, § 15061(b)(3).) Moreover, approval of the Ordinance constitutes an administrative activity of the City and is additionally exempt from CEQA on that basis. (State CEQA Guidelines, § 15378(b)(5).) Staff is hereby directed to prepare, execute and file with the San Diego County Clerk a CEQA Notice of Exemption within five (5) working days after the adoption of this Ordinance.

SECTION 6. Codification. The City has adopted the "City of Santee Municipal Code Editorial Guidelines," and, except as otherwise provided herein, authorizes Quality Code Publishing to make technical, non-substantive changes to conform the codified Ordinance to the guidelines. In the event a substantive conflict arises on the basis of the changes authorized by this Section, the language adopted by this Ordinance prevails.

ORDINANCE NO. _____

The City Clerk is authorized to provide certified copies and notice of this Ordinance or any part of this Ordinance required or advised by the law or any regulation.

SECTION 7. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this Ordinance or any part thereof. The City Council of the City of Santee hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrases be declared unconstitutional.

SECTION 8. Effective Date. This Ordinance shall become effective thirty (30) days after its adoption.

SECTION 9. Publication. The City Clerk is hereby directed to certify the adoption of this Ordinance and cause a summary or 1/4 page advertisement of the same to be published as required by law.

INTRODUCED AND FIRST READ at a Regular Meeting of the City Council of the City of Santee, California, on the 26th day of January 2022, and thereafter **ADOPTED** at a Regular Meeting of the City Council held on this 9th day of February 2022, by the following vote to wit:

AYES:

NOES:

ABSENT:

APPROVED

JOHN MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

MEETING DATE February 9, 2022

ITEM TITLE RESOLUTION AUTHORIZING THE IMPLEMENTATION OF A PERMITTING AND LAND MANAGEMENT SYSTEM, INCLUDING AUTHORIZATION TO: EXECUTE A FIVE-YEAR AGREEMENT WITH TYLER TECHNOLOGIES FOR THE ENERGOV LAND MANAGEMENT SYSTEM AND MOBILE EYES FIRE INSPECTION SOFTWARE; PURCHASE BLUEBEAM SOFTWARE; EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SDI PRESENCE FOR IMPLEMENTATION CONSULTING SERVICES; AND APPROPRIATE FUNDS

DIRECTOR/DEPARTMENT ^{CJ} Chris Jacobs, Development Services; Tim McDermott, ^m Finance; and Kathy Valverde, City Manager's Office

SUMMARY Implementation of a fully automated permitting and land management system has been a City Council priority for a number of years. The City's current permit software, known as CommunityCore, tracks building permits in a limited capacity and does not have the capability to accept or fully process online building permit applications.

In late 2019, with City Council's approval, the City entered into a contract with a company to provide an automated permitting and land management system, and City staff spent the next year working to implement that system. Unfortunately, the software vendor was unable to provide the functionality of the system as agreed and the contract was terminated in late 2020. Since then, City staff has been working with a consultant to develop a new Request for Proposals (RFP), which was distributed in September 2021. The City received three proposals, of which Tyler Technologies was rated as the vendor who could best meet the City's needs. City staff is proposing a five-year agreement with Tyler Technologies for the EnerGov land management system. More information is provided in the attached staff report on the selection of the vendor, the EnerGov system, implementation services, and the five-year cost proposal.

FINANCIAL STATEMENT ^m First year project costs are estimated to total \$551,285 as outlined below:

<u>Description</u>	<u>Year 1</u>	
	<u>One-Time Costs</u>	<u>Ongoing Costs</u>
Tyler EnerGov Land Mgmt System	\$ 234,610	\$ 180,249
Contingency (172 hours)	31,820	-
Less: Negotiated Discount	-	(45,093)
Tyler Estimated Travel Expenses	15,000	-
Mobile Eyes Fire Inspection	7,159	11,040
Bluebeam Software	16,500	-
SDI Presence Consulting Services	100,000	-
	<u>\$ 405,089</u>	<u>\$ 146,196</u>
Total First Year Cost		<u><u>\$ 551,285</u></u>

FINANCIAL STATEMENT (continued)

The project costs include a combination of one-time costs for data conversion, design, implementation, and training, as well as reoccurring annual costs for user licenses, hosting services, software maintenance and support.

The Permitting and Land Management System project is included in the adopted Capital Improvement Program budget with a total budgeted amount of \$600,000, with funding provided by a \$160,000 State SB2 Planning Grant and \$440,000 by the General Fund. With previous expenditures, there is currently \$530,015 available in the project budget. As noted above, the one-time implementation and consultant support costs, in addition to the first year of ongoing costs, totals \$566,965. On September 8, 2021 City Council authorized the use of \$100,000 in federal American Rescue Plan Act (ARPA) funding for limited-term staffing to support the City's information technology initiatives. Staff is proposing to utilize \$21,270 of this ARPA allocation, or additional General Fund dollars, to help fund the project, and specifically a portion of the SDI Presence contract to support the City's implementation efforts. A summary of the available funding is outlined below:

<u>Description</u>	<u>Year 1 Costs</u>	<u>Available Funding</u>
Year 1 Costs	\$ 551,285	\$ -
Project Budget (CIP):		
SB2 State Planning Grant	-	160,000
General Fund	-	370,015
ARPA Funds	-	21,270
	<u>\$ 551,285</u>	<u>\$ 551,285</u>

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *MSB*

Adopt a Resolution authorizing the City Manager to:

1. Execute a Five-Year Agreement with Tyler Technologies for the EnerGov Land Management System and the Mobile Eyes Fire Inspection Software.
2. Execute a Professional Services Agreement with SDI Presence for implementation consulting services in an amount not to exceed \$100,000.
3. Purchase Bluebeam Software.
4. Appropriate \$21,270 of the City's ARPA allocation, or General Fund dollars if so directed, to fund a portion of the SDI Presence contract to support the City's implementation efforts.

ATTACHMENTS

1. Staff Report
2. Resolution
3. Draft Agreement with Tyler Technologies for the EnerGov system and MobileEyes software
4. Professional Services Agreement with SDI Presence, Inc.



STAFF REPORT

**RESOLUTION AUTHORIZING THE IMPLEMENTATION OF A PERMITTING
AND LAND MANAGEMENT SYSTEM AND TAKING RELATED ACTIONS**

February 9, 2022

BACKGROUND

Implementation of a fully automated permitting and land management system, with the capability to submit and process permit applications online, has been a City Council priority for a number of years. The City's Building Division contractor, Interwest, currently provides the City with a permit software program, known as CommunityCore, which tracks building permits in a limited capacity. Most notably, CommunityCore does not have the capability to accept or fully process online building permit applications.

In late 2019, with City Council's approval, the City entered into a contract with a company to provide an automated permitting and land management system, and City staff spent the next year working to implement that system. Unfortunately, after several months and many hours of staff time spent developing the program, the software vendor was unable to provide the functionality of the system as agreed and the contract was terminated in late 2020. Since then, City staff has been working with a consultant, SDI Presence, to develop a new Request for Proposals (RFP), which was distributed in September 2021.

The new RFP generated proposals from three vendors: Tyler Technologies, TruePoint, and EdgeSoft. After review and scoring of the proposals, Tyler Technologies and TruePoint were invited to each give two-day "proof of capabilities" demonstrations of specific predetermined functionality to further present the capabilities of their software.

As the largest company in the United States focused solely on providing software solutions to the public sector, Tyler Technologies was ultimately selected as the vendor who could best meet the City's needs with their permitting and land management software, known as EnerGov. The EnerGov application is currently used by 615 jurisdictions across the U.S., with 85 of these in California. Along with the company's experience, the EnerGov application will work most seamlessly with the City's current Eden financial system, which is also a Tyler Technologies product.

**AGREEMENT WITH TYLER TECHNOLOGIES, INC. FOR THE ENERGOV LAND
MANAGEMENT SYSTEM AND MOBILE EYES FIRE INSPECTION SOFTWARE**

City staff is proposing a five-year agreement with Tyler Technologies (Tyler) for the EnerGov land management system. This platform supports online permitting from the application and payment stages to issuance and inspection requests. Utilizing various modules, the software will allow the City to track and control all functions of the permitting and land management process, including entitlements, building permits, discretionary permits, and inspections, as well as code enforcement and reoccurring storm water inspections. The City will also be migrating business licensing from the current Tyler Eden program to EnerGov, which will improve business licensing functions and enhance online capabilities.

City staff is also proposing the implementation of a new fire inspection software, called MobileEyes, which specifically performs reoccurring fire inspections and interfaces with the EnerGov system and GIS. The City currently uses an online software called Streamline for these inspections, but the potential to bring more functionality and data into a single system would be beneficial. Tyler Technologies will be providing a more in-depth presentation to City staff on this optional component for further review prior to implementation.

All functions of EnerGov will be tied to the City's Geographic Information System (GIS), binding all data to GIS layers, which will vastly improve the speed and accuracy of data entry, storage, and reporting capabilities. This will also provide additional online functionality for the public.

The shift to the EnerGov platform has many benefits, including a user-friendly interface. It will also bring more City functions under a single software umbrella, allowing data to be better managed, shared across many departments, and will improve data access and reporting capabilities.

The Tyler proposal is a Software as a Service (SaaS) solution, which means that Tyler will host and manage all of the software and hardware at their own facilities. The company will provide regular and ongoing support, maintenance, and upgrades to the software and hardware operating systems. Tyler backs up all system and data files and stores them in multiple secure, off-site locations. They employ fully redundant telecommunication access, electrical power, and required hardware so that the City can maintain access to the system in the event of a disaster or component failure at a Tyler hosting facility.

Implementation of the EnerGov system will start with Tyler staff working with the City to map current work processes to help identify efficiencies to be gained with use of the system. Over the course of multiple months, the project team will then develop digital workflows that translate all of the updated work processes into the EnerGov system. Tyler and City staff will build the system as designed and then begin the testing phase. After testing is complete, all City users would be trained to use the system, with the ultimate goal of going live in early to mid-2023.

PURCHASE OF BLUEBEAM SOFTWARE

The purchase of Bluebeam software is recommended to integrate with EnerGov to provide the tools needed for digital plan reviews, including online plan submittal and plan check. The application tracks all changes, comments and revisions to a submitted plan and will provide a platform where the developer and staff can review proposed changes in real time. Use of this software with the EnerGov system will improve collaboration between staff, developer and the public, while improving response times on plan check and submittals.

PROFESSIONAL SERVICES AGREEMENT WITH SDI PRESENCE, INC FOR PROJECT IMPLEMENTATION ASSISTANCE

With implementation of the permitting software expected to take approximately 12 months, a significant amount of staff time will be needed to develop and implement the system. Recognizing the City’s limited staff resources at this time, staff is proposing to utilize SDI Presence, Inc. (SDI) to assist with project consulting services and implementation. SDI has public sector land management specialists with significant depth and expertise in implementing these types of projects, and has played an integral role in the current procurement process. With the proposed Professional Services Agreement, the City will be able to apply SDI consulting resources on a task-by-task basis, leveraging their expertise and assistance as needed, at a total cost not to exceed \$100,000.

COST PROPOSAL

The cost of the EnerGov application includes a combination of one-time costs for data conversion, design and implementation of the system, training, as well as reoccurring annual costs for user licenses, hosting services, software maintenance and support. Additional project costs include those related to the MobileEyes fire inspection software, Bluebeam software and project implementation consultant support from SDI Presence. Following is a summary of the project costs over the proposed five-year contract term with Tyler.

Description	One Time	Ongoing Costs				
	Costs	Year 1	Year 2	Year 3	Year 4	Year 5
Tyler EnerGov Land Mgmt System	\$ 234,610	\$ 180,249	\$ 188,574	\$ 188,574	\$ 188,574	\$ 188,574
Contingency (172 hours)	31,820	-	-	-	-	-
Less: Negotiated Discount	-	(45,093)	(27,037)	-	-	-
Tyler Estimated Travel Expenses	15,000	-	-	-	-	-
Mobile Eyes Fire Inspection	7,159	11,040	11,040	11,040	11,040	11,040
SUBTOTAL Tyler Agreement	\$ 288,589	\$ 146,196	\$ 172,577	\$ 199,614	\$ 199,614	\$ 199,614
Bluebeam Software	16,500	-	4,000	4,080	4,162	4,245
SDI Presence Consulting Services	100,000	-	-	-	-	-
TOTAL	\$ 405,089	\$ 146,196	\$ 176,577	\$ 203,694	\$ 203,776	\$ 203,859
Total First Year Cost		<u>\$ 551,285</u>				

This project is included in the adopted Capital Improvement Program budget with a total budgeted amount of \$600,000, with funding provided by a \$160,000 State SB2 Planning Grant and \$440,000 by the General Fund. With previous expenditures, there is currently an available project budget of \$530,015. As noted above, the one-time implementation and consultant support costs in addition to the first year of ongoing costs totals \$551,285.

On September 8, 2021 the City Council authorized the use of \$100,000 in federal American Rescue Plan Act (ARPA) funding for limited-term staffing to support the City's information technology initiatives. Staff is proposing to utilize \$21,270 of this ARPA allocation to fund a portion of the SDI Presence contract to support the City's implementation efforts. On January 6, 2022 the U.S. Treasury released the Final Rule regarding the use of ARPA funding, and staff plans to bring forward an item for the City Council's consideration on March 9, 2022 regarding the allocation of ARPA funds. Should the City Council decide at that time to not allocate ARPA funding to provide limited-term staffing to support the City's information technology initiatives an appropriation from the General Fund reserve balance in the amount of \$21,270 would be required.

RESOLUTION AUTHORIZING THE IMPLEMENTATION OF A PERMITTING AND LAND MANAGEMENT SYSTEM, INCLUDING AUTHORIZATION TO: EXECUTE A FIVE-YEAR AGREEMENT WITH TYLER TECHNOLOGIES FOR THE ENERGOV LAND MANAGEMENT SYSTEM AND MOBILE EYES FIRE INSPECTION SOFTWARE; PURCHASE BLUEBEAM SOFTWARE; EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SDI PRESENCE FOR IMPLEMENTATION CONSULTING SERVICES; AND APPROPRIATE FUNDS

WHEREAS, the City currently utilizes a limited capacity permit system, known as CommunityCore, in combination with manual procedures to process and track permit applications; and

WHEREAS, CommunityCore does not have the capability to accept or fully process building permit applications online; and

WHEREAS, implementation of a fully automated permitting and land management system, with the capability to submit and process permit applications online, has been a City Council priority for a number of years in order to improve delivery of services to the public; and

WHEREAS, purchase of a new permitting and land management system is included in the City's adopted Capital Improvement Program budget with a total budgeted amount of \$600,000 and a currently available project budget of \$530,015; and

WHEREAS, in September 2021 the City solicited a Request for Proposals (RFP) for professional services for the implementation of a Land Management System; and

WHEREAS, the City received proposals from three (3) vendors; and

WHEREAS, City staff ranked the EnerGov LMS by Tyler Technologies as the system to best meet the City's needs based on a combined rating of the RFP responses and vendor demonstrations; and

WHEREAS, the EnerGov platform will support online permitting from the application and payment stages to issuance and inspection requests, and will allow the City to track and control all functions of the permitting and land management process, including entitlements, building permits, discretionary permits, and inspections, as well as code enforcement and reoccurring storm water inspections; and

WHEREAS, the City will also migrate business licensing performed by the Finance Department from the current Tyler Eden program to EnerGov to improve business licensing functions and enhance online capabilities; and

WHEREAS, reoccurring fire safety inspections performed by the Fire Department can also be integrated into EnerGov via a third-party platform called MobileEyes, which will bring even more functionality and data into a single system; and

WHEREAS, Bluebeam software will be utilized to perform digital plan reviews and

RESOLUTION NO. _____

will be developed in coordination with EnerGov; and

WHEREAS, the implementation of the permitting system is expected to take approximately 12 months, and SDI Presence has the expertise to assist City staff in developing and implementing the system on a task-by-task as needed basis.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City Santee, California hereby authorizes the City Manager to implement a permitting and land management system, as follows:

Section 1. Authorization to execute a five-year Agreement with Tyler Technologies, Inc. for the EnerGov Land Management System and MobileEyes fire inspection platform for a total first year implementation and operating cost in the amount of \$434,785, second year cost in the amount of \$172,577, and cost for years three through five in the amount of \$199,614 per year.

Section 2. Authorization to purchase Bluebeam software to aid in digital plan reviews in the initial amount of \$16,500.

Section 3. Authorization to enter into a Professional Services Agreement with SDI Presence, Inc. for implementation consulting services for an amount not to exceed \$100,000.

Section 4. Appropriation of federal American Rescue Plan Act (ARPA) monies in the amount of \$21,270 (previously authorized by Council to support the City's information technology initiatives), or appropriation from the General Fund available reserve balance if so directed, to fund a portion of the SDI Presence contract to provide project implementation assistance.

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 9th day of February, 2022 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK



SOFTWARE AS A SERVICE AGREEMENT

This Software as a Service Agreement is made between Tyler Technologies, Inc. ("Tyler") and the City of Santee, a California charter city ("Client").

WHEREAS, the Client issued a Request for Proposal for Land Management System and Implementation Services dated September 10, 2021 ("RFP") for use in its operations;

WHEREAS, Tyler submitted a proposal for its EnerGov permitting and planning system in response to the RFP dated October 7, 2021 ("Tyler Response"), and has been selected to provide software products and related services on the basis of the Tyler Response;

WHEREAS, Tyler and Client have negotiated a Statement of Work to define the products and services that will be provided by Tyler pursuant to this Agreement;

WHEREAS, Client selected Tyler to provide certain products and services set forth in the Investment Summary, including providing Client with access to Tyler's proprietary software products, and Tyler desires to provide such products and services under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement, Tyler and Client agree as follows:

SECTION A – DEFINITIONS

- **"Agreement"** means this Software as a Service Agreement.
- **"Business Travel Policy"** means our business travel policy. A copy of our current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **"Contract Documents"** means this Agreement, the Exhibits hereto, the Tyler Response (including all schedules, exhibits and responses) and the RFP.
- **"Client"** means the City of Santee, California.
- **"Data"** means your data necessary to utilize the Tyler Software.
- **"Data Storage Capacity"** means the contracted amount of storage capacity for your Data identified in the Investment Summary.
- **"Defect"** means a failure of the Tyler Software, including any Modifications, to substantially conform to the functional descriptions set forth in our written proposal to you, the current Documentation, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- **"Defined Users"** means the number of users that are authorized to use the SaaS Services. The Defined Users for the Agreement are as identified in the Investment Summary. If Exhibit A contains EnerGov labeled software, defined users mean the maximum number of named users

that are authorized to use the EnerGov labeled modules as indicated in the Investment Summary.

- **“Developer”** means a third party who owns the intellectual property rights to Third Party Software.
- **“Documentation”** means any online or written documentation related to the use or functionality of the Tyler Software that we provide or otherwise make available to you, including instructions, user guides, manuals and other training or self-help documentation.
- **“Effective Date”** means the date by which both your and our authorized representatives have signed the Agreement.
- **“Force Majeure”** means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, public health emergency, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.
- **“Investment Summary”** means the agreed upon cost proposal for the products and services attached as [Exhibit A](#).
- **“Invoicing and Payment Policy”** means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as [Exhibit B](#).
- **“Modifications”** means changes to the Tyler Software that are developed by Tyler specifically for Client as described in the Statement of Work and any future mutually agreed written specifications for such modification.
- **“Order Form”** means an ordering document that includes a quote or investment summary and specifying the items to be provided by Tyler to Client, including any addenda and supplements thereto.
- **“Phase”** shall mean the particular phase/stage of implementation of the Tyler Software and professional services as set forth in the Statement of Work.
- **“RFP”** has the meaning set forth in the Recitals.
- **“SaaS Fees”** means the fees for the SaaS Services identified in the Investment Summary.
- **“SaaS Services”** means software as a service consisting of system administration, system management, and system monitoring activities that Tyler performs for the Tyler Software, and includes the right to access and use the Tyler Software, receive maintenance and support on the Tyler Software, including Downtime resolution under the terms of the SLA, and Data storage and archiving. SaaS Services do not include support of an operating system or hardware, support outside of our normal business hours, or training, consulting or other professional services.
- **“SLA”** means the service level agreement. A copy of our current SLA is attached hereto as [Exhibit C](#).
- **“Statement of Work”** means the industry standard implementation plan describing how our professional services will be provided to implement the Tyler Software, and outlining your and our roles and responsibilities in connection with that implementation. The Statement of Work is attached as [Exhibit E](#).
- **“Support Call Process”** means the support call process applicable to all of our customers who have licensed the Tyler Software. A copy of our current Support Call Process is attached as [Schedule 1 to Exhibit C](#).
- **“Third Party Hardware”** means the third party hardware, if any, identified in the Investment Summary.
- **“Third Party Products”** means the Third Party Software and Third Party Hardware.
- **“Third Party SaaS Services”** means software as a service provided by a third party, if any, identified in the Investment Summary.

- **“Third Party Services”** means the third party services, if any, identified in the Investment Summary.
- **“Third Party Software”** means the third party software, if any, identified in the Investment Summary.
- **“Third Party Terms”** means, if any, the end user license agreement(s) or similar terms for the Third Party Products or other parties’ products or services, as applicable, and attached or indicated at Exhibit D.
- **“Tyler”** means Tyler Technologies, Inc., a Delaware corporation.
- **“Tyler Software”** means our proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by us to you through this Agreement.
- **“we”, “us”, “our”** and similar terms mean Tyler.
- **“you”** and similar terms mean Client.

SECTION B – SAAS SERVICES

1. Rights Granted. We grant to you the non-exclusive, non-assignable limited right to use the SaaS Services solely for your business purposes for the number of Defined Users only. The Tyler Software will be made available to you according to the terms of the SLA. You acknowledge that we have no delivery obligations and we will not ship copies of the Tyler Software as part of the SaaS Services. You may use the SaaS Services to access updates and enhancements to the Tyler Software, as further described in Section C(9). The foregoing notwithstanding, to the extent we have sold you perpetual licenses for Tyler Software, if and listed in the Investment Summary, for which you are receiving SaaS Services, your rights to use such Tyler Software are perpetual, subject to the terms and conditions of this Agreement including, without limitation, Section B(4). We will make any such software available to you for download.
2. SaaS Fees. You agree to pay us the SaaS Fees. Those amounts are payable in accordance with our Invoicing and Payment Policy. The SaaS Fees are based on the number of Defined Users and amount of Data Storage Capacity. You may add additional users or additional data storage capacity on the terms set forth in Section H(1). In the event you regularly and/or meaningfully exceed the Defined Users or Data Storage Capacity, we reserve the right to charge you additional fees commensurate with the overage(s).
3. Ownership.
 - 3.1 We retain all ownership and intellectual property rights to the SaaS Services, the Tyler Software, and anything developed by us under this Agreement. You do not acquire under this Agreement any license to use the Tyler Software in excess of the scope and/or duration of the SaaS Services.
 - 3.2 The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.
 - 3.3 You retain all ownership and intellectual property rights to the Data. You expressly recognize that except to the extent necessary to carry out our obligations contained in this Agreement, we do not create or endorse any Data used in connection with the SaaS Services.

4. Restrictions. You may not: (a) make the Tyler Software or Documentation resulting from the SaaS Services available in any manner to any third party for use in the third party's business operations; (b) modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the SaaS Services; (c) access or use the SaaS Services in order to build or support, and/or assist a third party in building or supporting, products or services competitive to us; or (d) license, sell, rent, lease, transfer, assign, distribute, display, host, outsource, disclose, permit timesharing or service bureau use, or otherwise commercially exploit or make the SaaS Services, Tyler Software, or Documentation available to any third party other than as expressly permitted by this Agreement.
5. Software Warranty. We warrant that the Tyler Software will perform without Defects during the term of this Agreement. If the Tyler Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect in accordance with the maintenance and support process set forth in Section C(9), below, the SLA and our then current Support Call Process.
6. SaaS Services.
 - 6.1 Our SaaS Services are audited at least yearly in accordance with the AICPA's Statement on Standards for Attestation Engagements ("SSAE") No. 18. We have attained, and will maintain, SOC 1 and SOC 2 compliance, or its equivalent, for so long as you are timely paying for SaaS Services. The scope of audit coverage varies for some Tyler Software solutions. Upon execution of a mutually agreeable Non-Disclosure Agreement ("NDA"), we will provide you with a summary of our compliance report(s) or its equivalent. Every year thereafter, for so long as the NDA is in effect and in which you make a written request, we will provide that same information. If our SaaS Services are provided using a 3rd party data center, we will provide available compliance reports for that data center.
 - 6.2 You will be hosted on shared hardware in a Tyler data center or in a third-party data center. In either event, databases containing your Data will be dedicated to you and inaccessible to our other customers.
 - 6.3 Our Tyler data centers have fully-redundant telecommunications access, electrical power, and the required hardware to provide access to the Tyler Software in the event of a disaster or component failure. In the event of a data center failure, we reserve the right to employ our disaster recovery plan for resumption of the SaaS Services. In that event, we commit to a Recovery Point Objective ("RPO") of 24 hours and a Recovery Time Objective ("RTO") of 24 hours. RPO represents the maximum duration of time between the most recent recoverable copy of your hosted Data and subsequent data center failure. RTO represents the maximum duration of time following data center failure within which your access to the Tyler Software must be restored.
 - 6.4 We conduct annual penetration testing of either the production network and/or web application to be performed. We will maintain industry standard intrusion detection and prevention systems to monitor malicious activity in the network and to log and block any such activity. We will provide you with a written or electronic record of the actions taken by us in the event that any unauthorized access to your database(s) is detected as a result of our security protocols. We will undertake an additional security audit, on terms and timing to be mutually agreed to by the parties, at your written request. You may not attempt to bypass or subvert

security restrictions in the SaaS Services or environments related to the Tyler Software. Unauthorized attempts to access files, passwords or other confidential information, and unauthorized vulnerability and penetration test scanning of our network and systems (hosted or otherwise) is prohibited without the prior written approval of our IT Security Officer.

- 6.5 We test our disaster recovery plan on an annual basis. Our standard test is not client-specific. Should you request a client-specific disaster recovery test, we will work with you to schedule and execute such a test on a mutually agreeable schedule. At your written request, we will provide test results to you within a commercially reasonable timeframe after receipt of the request.
- 6.6 We will be responsible for importing back-up and verifying that you can log-in. You will be responsible for running reports and testing critical processes to verify the returned Data.
- 6.7 We provide secure Data transmission paths between each of your workstations and our servers.
- 6.8 Tyler data centers are accessible only by authorized personnel with a unique key entry. All other visitors to Tyler data centers must be signed in and accompanied by authorized personnel. Entry attempts to the data center are regularly audited by internal staff and external auditors to ensure no unauthorized access.
- 6.9 Where applicable with respect to our applications that take or process card payment data, we are responsible for the security of cardholder data that we possess, including functions relating to storing, processing, and transmitting of the cardholder data and affirm that, as of the Effective Date, we comply with applicable requirements to be considered PCI DSS compliant and have performed the necessary steps to validate compliance with the PCI DSS. We agree to supply the current status of our PCI DSS compliance program in the form of an official Attestation of Compliance, which can be found at <https://www.tylertech.com/about-us/compliance>, and in the event of any change in our status, will comply with applicable notice requirements.

SECTION C – PROFESSIONAL SERVICES

1. Professional Services. We will provide you the various implementation-related services itemized in the Investment Summary and described in the Statement of Work.
2. Professional Services Fees. You agree to pay us the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy. You acknowledge that the fees stated in the Investment Summary are good-faith estimates of the amount of time and materials required for your implementation. We will bill you the actual fees incurred based on the in-scope services provided to you. Any discrepancies in the total values set forth in the Investment Summary will be resolved by multiplying the applicable hourly rate by the quoted hours.
3. Additional Services. The Investment Summary contains, and the Statement of Work describes, the scope of services and related costs (including programming and/or interface estimates and agreed Modifications) required for the project based on our understanding of the specifications you supplied. If additional work is required beyond the scope as described herein, or if you use or

request additional services, we will provide you with an addendum or change order, as applicable, outlining the costs for the additional work. The price quotes in the addendum or change order will be valid for thirty (30) days from the date of the quote. You will not be obligated to approve additional work as a result of the failure of Tyler to perform the services in accordance with the terms of this Agreement. Additional services shall be added to the Agreement only upon mutually agreed addendum or change order in accordance with this Agreement.

4. Cancellation. If travel is required, we will make all reasonable efforts to schedule travel for our personnel, including arranging travel reservations, at least two (2) weeks in advance of commitments. Therefore, if you cancel services less than two (2) weeks in advance (other than for Force Majeure or breach by us), you will be liable for all (a) non-refundable expenses incurred by us on your behalf, and (b) daily fees associated with cancelled professional services if we are unable to reassign our personnel. We will make all reasonable efforts to reassign personnel in the event you cancel within two (2) weeks of scheduled commitments.
5. Services Warranty. We will perform the services in a professional, workmanlike manner, consistent with industry standards and the requirements set forth in the Statement of Work. We further agree at all times to maintain an adequate staff of experienced and qualified employees for efficient performance under this Agreement. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.
6. Site Access and Requirements. At no cost to us, you agree to provide us with full and free access to your personnel, facilities, and equipment as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us as of the Effective Date, and thereafter as mutually agreed to by you and us.
7. Background Checks. For at least the past twelve (12) years, all of our employees have undergone criminal background checks prior to hire. All employees sign our confidentiality agreement and security policies.
8. Client Assistance. You acknowledge that the implementation of the Tyler Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to cooperate with and assist us as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).
9. Project Schedule/Acceptance Testing
 - 9.1 The parties will develop a project schedule that details both Tyler and Client's responsibilities, timeline for project activities, phases, milestones, and deliverables ("Project Schedule") in connection with Tyler's performance of the Services. The Project Schedule should be in sufficient detail to specify the deliverables, conversion, training, testing, acceptance, configuration, modification, integration, and live operation activities. The Project Schedule will comply with any agreed upon major milestones or project completion dates.

9.2 In an effort to ensure that smooth implementation of the Services and assist the Parties in adhering to the Project Schedule, as the same may be revised from time to time in accordance with the Statement of Work, Tyler has agreed to assign a project manager that has multiple successful implementations of the Tyler Software being implemented by Client.

9.3 Tyler Software Acceptance. The Client will use the following acceptance process for each Phase, as defined in the Statement of Work:

9.3.1 At the end of each Phase, Client will have a maximum of a thirty (30) calendar day “Test Period” to test the Tyler Software in the environment that is made available during such Phase as part of the SaaS Services and report documented Defects. If there are no Defects reported during the Test Period the Client shall issue “Phase Acceptance.” If Client reports a documented Defect during the Test Period, Client will notify Tyler in writing. Tyler will correct the Defect(s) or provide a mutually agreeable plan for future resolution of any Defect(s). A dispute with respect to the plan shall be addressed pursuant to the Dispute Resolution Process of this Agreement. Upon resolution of a Defect during the Test Period, Client may re-perform testing for a maximum of fifteen (15) calendar days. This procedure shall repeat until all Defects have either been resolved or the Client and Tyler, reasonably have developed a mutually agreeable schedule for Defect resolution, at which point the Client shall issue Phase Acceptance.

9.3.2 Upon the completion of Phase Acceptance for all Phases set forth in the Statement of Work, Client will have a maximum of a ninety (90) calendar day “Test Period” to test the Tyler Software in live production that all Phases of the Tyler Software are functioning together as an integrated system, including any interfaces that are being provided by Tyler pursuant to the Statement of Work, and report documented Defects. If there are no Priority 1 Defects, as defined in the Support Call Process, reported during the Test Period the Client shall issue “Final Acceptance.” If Client reports a documented Priority 1 Defect during the Test Period of the live production testing, Client will notify Tyler in writing. Tyler will correct the Priority 1 Defect(s) or provide a mutually agreeable plan for future resolution of any Defect(s). A dispute with respect to the plan shall be addressed pursuant to the Dispute Resolution Process of this Agreement. Upon resolution of a Priority 1 Defect during the Test Period, Client may re-perform testing for a maximum of fifteen (15) calendar days. This procedure shall repeat until all Priority 1 Defects have either been resolved or the Client and Tyler, reasonably cooperating, have developed a mutually agreeable schedule for Defect resolution, at which point the Client shall issue Final Acceptance. This process shall repeat for all Phases. Upon “Phase Acceptance” of the last Phase of the project and Final Acceptance, Client shall issue “Project Closure.”

10. Maintenance and Support. For so long as you timely pay your SaaS Fees according to the Invoicing and Payment Policy, then in addition to the terms set forth in the SLA and the Support Call Process, we will:

10.1 perform our maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects in the Tyler Software (subject to any applicable release life cycle policy);

10.2 provide support during our established support hours;



- 10.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software, if any, in order to provide maintenance and support services;
- 10.4 make available to you all releases to the Tyler Software (including updates and enhancements) that we make generally available without additional charge to customers who have a maintenance and support agreement in effect; and
- 10.5 provide non-Defect resolution support of prior releases of the Tyler Software in accordance with any applicable release life cycle policy.

We will use all reasonable efforts to perform support services remotely. Currently, we use a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. Therefore, you agree to maintain a high-speed internet connection capable of connecting us to your PCs and server(s). You agree to provide us with a login account and local administrative privileges as we may reasonably require to perform remote services. We will, at our option, use the secure connection to assist with proper diagnosis and resolution, subject to any reasonably applicable security protocols. If we cannot resolve a support issue remotely, we may be required to provide onsite services. In such event, we will be responsible for our travel expenses, unless it is determined that the reason onsite support was required was a reason outside our control. Either way, you agree to provide us with full and free access to the Tyler Software, working space, adequate facilities within a reasonable distance from the equipment, and use of machines, attachments, features, or other equipment reasonably necessary for us to provide the maintenance and support services, all at no charge to us. We strongly recommend that you also maintain your VPN for backup connectivity purposes.

For the avoidance of doubt, SaaS Fees do not include the following services: (a) onsite support (unless Tyler cannot remotely correct a Defect in the Tyler Software, as set forth above); (b) application design; (c) other consulting services; or (d) support outside our normal business hours as listed in our then-current Support Call Process. Requested services such as those outlined in this section will be billed to you on a time and materials basis at our then current rates. You must request those services with at least one (1) weeks' advance notice.

SECTION D – THIRD PARTY PRODUCTS

1. Third Party Hardware. We will sell, deliver, and install onsite the Third Party Hardware, if you have purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
2. Third Party Software. As part of the SaaS Services, you will receive access to the Third Party Software and related documentation for internal business purposes only. Your rights to the Third Party Software will be governed by the Third Party Terms.
3. Third Party Products Warranties.
 - 3.1 We are authorized by each Developer to grant access to the Third Party Software.
 - 3.2 The Third Party Hardware will be new and unused, and upon payment in full, you will receive free and clear title to the Third Party Hardware.

3.3 You acknowledge that we are not the manufacturer of the Third Party Products. We do not warrant or guarantee the performance of the Third Party Products. However, we grant and pass through to you any warranty that we may receive from the Developer or supplier of the Third Party Products.

4. Third Party Services. If you have purchased Third Party Services, those services will be provided independent of Tyler by such third-party at the rates set forth in the Investment Summary and in accordance with our Invoicing and Payment Policy.

SECTION E - INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. We will invoice you the SaaS Fees and fees for other professional services in the Investment Summary per our Invoicing and Payment Policy, subject to Section E(2).
2. Invoice Disputes. If you believe any delivered software or service does not conform to the warranties in this Agreement, including a dispute that a deliverable has met the requirements for acceptance under Section C(9), you will provide us with written notice within thirty (30) days of your receipt of the applicable invoice. The written notice must contain sufficient detail of the issues you contend are in dispute so that we can confirm the issue and respond to your notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work with you as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may withhold payment of the amount(s) actually in dispute, and only those amounts, until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you, then you will remit full payment of the invoice. We reserve the right to suspend delivery of all SaaS Services, including maintenance and support services, if you fail to pay an invoice not disputed as described above within fifteen (15) days of notice of our intent to do so.

SECTION F – TERM AND TERMINATION

1. Term. The initial term of this Agreement is five (5) years, commencing on the first day of the first month following the date Tyler makes the SaaS environment available to you, unless earlier terminated as set forth below. Upon expiration of the initial term, this Agreement will renew automatically for additional one (1) year renewal terms at our then-current SaaS Fees unless terminated in writing by either party at least sixty (60) days prior to the end of the then-current renewal term. Your right to access or use the Tyler Software and the SaaS Services will terminate at the end of this Agreement.
2. Termination. This Agreement may be terminated as set forth below. In the event of termination, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Disputed fees and expenses in all terminations other than your termination for cause must have been submitted as invoice disputes in accordance with Section E(2).

2.1 Failure to Pay SaaS Fees. You acknowledge that continued access to the SaaS Services is contingent upon your timely payment of SaaS Fees. If you fail to timely pay the SaaS Fees, we

may discontinue the SaaS Services and deny your access to the Tyler Software. We may also terminate this Agreement if you don't cure such failure to pay within forty-five (45) days of receiving written notice of our intent to terminate.

- 2.2 For Cause. If you believe we have materially breached this Agreement, you will invoke the Dispute Resolution clause set forth in Section H(3). You may terminate this Agreement for cause in the event we do not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within the thirty (30) day window set forth in Section H(3).
- 2.3 Force Majeure. Either party has the right to terminate this Agreement if a Force Majeure event suspends performance of the SaaS Services for a period of ninety (90) days or more.
- 2.4 Lack of Appropriations. If you should not appropriate or otherwise make available funds sufficient to utilize the SaaS Services, you may unilaterally terminate this Agreement upon thirty (30) days written notice to us. You will not be entitled to a refund or offset of previously paid, but unused SaaS Fees. You agree not to use termination for lack of appropriations as a substitute for termination for convenience.

SECTION G – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

1. Intellectual Property Infringement Indemnification.

- 1.1 We will defend you, at our sole cost, against any third party claim(s) that the Tyler Software or Documentation infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.
- 1.2 Our obligations under this Section G(1) will not apply to the extent the claim or adverse final judgment is based on your use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties, or your willful infringement.
- 1.3 If we receive information concerning an infringement or misappropriation claim related to the Tyler Software, we may, at our expense, either: (a) procure for you the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case you will stop running the allegedly infringing Tyler Software immediately. To the extent Tyler elects to modify the Tyler Software to make it non-infringing, Tyler acknowledges that it must continue to meet the warranty obligations set forth in this Agreement. Alternatively, we may decide to litigate the claim to judgment, in which case you may continue to use the Tyler Software consistent with the terms of this Agreement.
- 1.4 If, as a result of an infringement or misappropriation, a claim is fully litigated and your use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which we consent), we will, at our option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent. This section provides your exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.

2. General Indemnification.

2.1 We will indemnify, defend, and hold harmless you and your agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by our negligence or willful misconduct; (b) our violation of PCI-DSS requirements or a law applicable to our performance under this Agreement; or (c) our violation of the confidentiality obligations set forth in this Agreement. You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.

2.2 To the extent permitted by applicable law, you will indemnify, defend, and hold harmless us and our agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by your negligence or willful misconduct; or (b) your violation of a law applicable to your performance under this Agreement. We will notify you promptly in writing of the claim and will give you sole control over its defense or settlement. We agree to provide you with reasonable assistance, cooperation, and information in defending the claim at your expense.

2.3 The party that is defending a claim on behalf of the indemnified parties hereto shall have control of such defense in its reasonable discretion, provided, however, that it shall not settle such claim without a full and complete release of the indemnified party.

3. **DISCLAIMER. EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CLIENT UNDERSTANDS AND AGREES THAT TYLER DISCLAIMS ANY LIABILITY FOR ERRORS THAT RELATE TO USER ERROR.**

4. **LIMITATION OF LIABILITY. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED (A) DURING THE INITIAL TERM, AS SET FORTH IN SECTION F(1), TWO (2) TIMES THE TOTAL FEES PAID AS OF THE TIME OF THE CLAIM; OR (B) DURING ANY RENEWAL TERM, THE THEN-CURRENT ANNUAL SAAS FEES PAYABLE IN THAT RENEWAL TERM. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY AND TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW, THE EXCLUSION OF CERTAIN DAMAGES, AND EACH SHALL APPLY REGARDLESS OF THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY REMEDY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS G(1) AND G(2).**

5. **EXCLUSION OF CERTAIN DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR**

CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

6. Insurance. During the course of performing services under this Agreement, we agree to maintain the following levels of insurance: (a) Commercial General Liability of at least \$1,000,000 and \$2,000,000 in the aggregate; (b) Automobile Liability of at least \$1,000,000 combined single limit; (c) Professional Liability of at least \$1,000,000; (d) Workers Compensation complying with applicable statutory requirements; and (e) Excess/Umbrella Liability of at least \$5,000,000. We will add you as an additional insured to our Commercial General Liability and Automobile Liability policies, which will automatically add you as an additional insured to our Excess/Umbrella Liability policy as well. We will provide you with copies of certificates of insurance following the Effective Date. Renewal certificates will be provided as close as practicable to the date the applicable policy or policies is/are renewed.

SECTION H – GENERAL TERMS AND CONDITIONS

1. Additional Products and Services. You may purchase additional products and services at the rates set forth in the Investment Summary for twelve (12) months from the Effective Date by executing a mutually agreed addendum. If no rate is provided in the Investment Summary, or those twelve (12) months have expired, you may purchase additional products and services at our then-current list price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.
2. Optional Items. Pricing for any listed optional products and services in the Investment Summary will be valid for twelve (12) months from the Effective Date.
3. Dispute Resolution. You agree to provide us with written notice within thirty (30) days of becoming aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If we fail to resolve the dispute, then the parties shall participate in non-binding mediation in an effort to resolve the dispute. If the dispute remains unresolved after mediation, then either of us may assert our respective rights and remedies in a court of competent jurisdiction. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution procedures. In the event that the parties are unable to resolve differences, and after exhausting the escalation procedures set forth herein, all disputes arising from this Agreement shall be resolved through the courts referenced in sub-section 20 below.
4. Taxes. The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate. Otherwise, we will pay all applicable taxes to the proper authorities and you will reimburse us for such taxes. If you have a valid direct-pay permit, you agree to provide us with a copy. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance of this Agreement.

5. Nondiscrimination. We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.
6. E-Verify. We have complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of our employees assigned to your project.
7. Subcontractors. We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld. You shall have the right to approve all subcontractors we assign, if any, to fulfill our roles and responsibilities defined in the Statement of Work. In the event any subcontractor is, in your opinion, uncooperative, inept, incompetent, or otherwise do not conform to the warranties herein, we will be given an opportunity to correct the deficiency. In the event the deficiency persists, you may request the removal of the subcontractor in question. We will work towards a mutually agreeable remedy in the event of a change in subcontractor, including managing the effect upon the timelines and milestones set forth in the Statement of Work and the Project Schedule. The replacement subcontractor will be timely assigned. Replacement subcontractor shall, at no additional cost to you, devote sufficient time to becoming familiar with the project before delivering services to you.
8. Binding Effect; No Assignment. This Agreement shall be binding on, and shall be for the benefit of, either your or our successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, your consent is not required for an assignment by us as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of our assets.
9. Force Majeure. Except for your payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.
10. No Intended Third Party Beneficiaries. This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third Party Terms.
11. Entire Agreement; Amendment. This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Purchase orders submitted by you, if any, are for your internal administrative purposes only, and the terms and conditions contained in those purchase orders will have no force or effect. This Agreement, and any

change in the scope of services, including pricing may only be modified by a written amendment signed by an authorized representative of each party. We will not be entitled to any fees for any work outside of the scope of this Agreement without a written amendment or change order or other written agreement by you.

12. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.
13. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.
14. Independent Contractor. We are an independent contractor for all purposes under this Agreement.
15. Notices. All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party. Where formal notice is not required, the parties may communicate via electronic mail, video conference or telephonically on a day to day basis with respect to the implementation of the Agreement.
16. Advertising; Client Lists. Tyler shall not use, in its external advertising, marketing programs, or other promotional efforts, any data, pictures, or other representation of the Client unless Tyler receives specific written authorization in advance from the Client's City Manager. However, nothing in this clause shall preclude Tyler from listing the Client on its routine client list for matters of reference.
17. Confidentiality. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (*e.g.*, social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:
 - (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
 - (b) a party can establish by reasonable proof was in that party's possession at the time of initial

disclosure;

- (c) a party receives from a third party who has a right to disclose it to the receiving party; or
- (d) is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.

18. Quarantining of Client Data. Some services provided by Tyler require us to be in possession of your Data. In the event we detect malware or other conditions associated with your Data that are reasonably suspected of putting Tyler resources or other Tyler clients' data at risk, we reserve the absolute right to move your Data from its location within a multi-tenancy Tyler hosted environment to an isolated "quarantined" environment without advance notice. Your Data will remain in such quarantine for a period of at least six (6) months during which time we will review the Data, and all traffic associated with the Data, for signs of malware or other similar issues. If no issues are detected through such reviews during the six (6) month period of quarantine, we will coordinate with you the restoration of your Data to a non-quarantined environment. In the event your Data must remain in quarantine beyond this six (6) month period through no fault of Tyler's, we reserve the right to require payment of additional fees for the extended duration of quarantine. We will provide an estimate of what those costs will be upon your request.

19. Business License. We will be responsible for obtaining any licenses or approvals necessary to do business in the State of California. In the event a local business license is required for us to perform services hereunder, you will promptly notify us and provide us with the necessary paperwork and/or contact information so that we may timely obtain such license.

20. Governing Law & Compliance with Laws, Rules, and Regulations.

- a. This Agreement will be governed by and construed in accordance with the laws of the State of California, without regard to its rules on conflicts of law. The venue for any action brought to enforce the terms of this Agreement will be brought in the Superior Court of the County of San Diego, State of California or the Federal District Court for the Southern District of California, California, as appropriate.
- b. We will comply with applicable laws, rules and regulations in effect as of the Effective Date, and the software, services, and fees set forth in the Investment Summary account for those compliance efforts based on the mutually agreed scope of the project. In the event any applicable laws, rules or regulations change or are created after the Effective Date, and we determine that compliance will create additional work for us not provided for in this Agreement, Section C(3) will apply. The change order may itemize a one-time cost for compliance, or may set forth a commensurate adjustment to your ongoing SaaS fees. We also reserve the right to negotiate with you an adjustment to other terms and conditions in the Agreement that are impacted by the change in applicable law, rule or regulation, your consent to such adjustment not to be unreasonably withheld.

21. Multiple Originals and Authorized Signatures. This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature.

Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.

22. Cooperative Procurement. To the maximum extent permitted by applicable law, we agree that this Agreement may be used as a cooperative procurement vehicle by eligible jurisdictions. We reserve the right to negotiate and customize the terms and conditions set forth herein, including but not limited to pricing, to the scope and circumstances of that cooperative procurement.
23. Socrata Solution Terms. Your use of certain Tyler solutions includes Tyler’s Socrata data platform. Your rights, and the rights of any of your end users, to use Tyler’s Socrata SaaS Services Terms of Services, available at <https://www.tylertech.com/terms/socrata-saas-services-terms-of-service>. By signing a Tyler Agreement or Order Form, or accessing, installing, or using any of the Tyler solutions listed at the linked terms, you certify that you have reviewed, understand, and agree to said terms.
24. Survival. All duties and responsibilities of any party that, either expressly or by their nature, extend into the future, shall extend beyond and survive the end of the contract term or cancellation of this Agreement.
25. Non-Collusion. Tyler hereby represents and agrees that it has in no way entered into any contingent fee arrangement with any firm, employee of the Client, or other person or entity concerning the obtaining of this Agreement. In addition, Tyler agrees that a duly authorized Tyler representative will sign a non-collusion affidavit, in a form acceptable to Client that Tyler has not received from Client any incentive or special payments, or considerations not related to the provision of the software and services described in this Agreement.
26. Conflict of Interest. Tyler shall not knowingly employ as a director, officer, employee, agent, or subcontractor any elected or appointed official of the Client or any member of his/her immediate family.
27. Contract Documents. This Agreement includes the following exhibits:

Exhibit A	Investment Summary Schedule 1: Optional MobileEyes Investment Summary
Exhibit B	Invoicing and Payment Policy Schedule 1: Business Travel Policy
Exhibit C	Service Level Agreement Schedule 1: Support Call Process
Exhibit D	Third Party Terms Schedule 1: Hyperlinked Terms Schedule 2: DocOrigin Terms Schedule 3: MobileEyes Third Party Terms
Exhibit E	Statement of Work

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Tyler Technologies, Inc.

City of Santee, CA

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Address for Notices:

Tyler Technologies, Inc.
One Tyler Drive
Yarmouth, ME 04096
Attention: Chief Legal Officer

Address for Notices:

City of Santee
10601 N Magnolia Ave
Santee, CA 92071
Attention: City Manager

With a Copy to:

Shawn Hagerty
Best Best & Krieger LLP
655 W. Broadway, Suite 1500
San Diego, CA 92101



Exhibit A
Schedules 1, 2 and 3
Investment Summaries

The following Investment Summaries detail the software and services to be delivered by us to you under the Agreement. This Investment Summaries are effective as of the Effective Date. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement. In the event of any conflict between any comments in the Investment Summaries and the terms of the Agreement, the terms of the Agreement shall govern.

- Schedule 1: Year 1**
- Schedule 2: Year 2**
- Schedule 3: Years 3-5**

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Quoted By: Christina Young
 Quote Expiration: 05/14/22
 Quote Name: Santee-ERP-EnerGov Comm Dev
 Quote Description: EnerGov - Year One (1) 25% Discount SaaS
 SaaS Term 1.00

Sales Quotation For:

City of Santee
 10601 N Magnolia Ave
 Santee CA 92071-1222
 Phone: +1 (619) 258-4100

Tyler SaaS and Related Services

Description	Qty	Imp. Hours	Annual Fee
Civic Services			
EnerGov Business Management Suite	16	200	\$ 28,400
EnerGov Citizen Self Service - Business Management	1	24	\$ 9,437
EnerGov Citizen Self Service - Community Development	1	24	\$ 7,077
EnerGov Community Development Suite	43	288	\$ 57,276
EnerGov Core Foundation Bundle	1	16	\$ 1,997
EnerGov Decision Engine	1	8	\$ 8,700
EnerGov e-Reviews	1	80	\$ 10,126
EnerGov iG Workforce Apps	20	16	\$ 8,880
EnerGov Report Toolkit	1	0	\$ 2,022
EnerGov View Only License	5	0	\$ 1,760
MyCivic Bundle	1	56	\$ 10,000
Tyler GIS - Per Named User	52	0	\$ 11,544
Document Management			
Tyler Content Manager SE	1	32	\$ 6,000
Data Insights			

EnerGov Advanced Automation Bundle w Executive Insights	1	16	\$ 17,030
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Sub-Total:		\$ 180,249
<i>Less Discount:</i>		<i>\$ 45,093</i>
TOTAL	760	\$ 135,156

Professional Services

Description	Quantity	Unit Price	Extended Price	Maintenance
Contingency Hours - To Be Used at City's Discretion	172	\$ 185	\$ 31,820	\$ 0
Data and Reporting - Onsite Hours	16	\$ 210	\$ 3,360	\$ 0
Data and Reporting - Remote	48	\$ 185	\$ 8,880	\$ 0
EnerGov Business Management Forms Library (6 Forms)	1	\$ 5,100	\$ 5,100	\$ 0
EnerGov Community Development Forms Library (5 Forms)	1	\$ 5,100	\$ 5,100	\$ 0
Foundation Change Management	64	\$ 240	\$ 15,360	\$ 0
Project Management	104	\$ 185	\$ 19,240	\$ 0
Conversions			\$ 25,850	\$ 0
Onsite Implementation	208	\$ 210	\$ 43,680	\$ 0
Remote Implementation	584	\$ 185	\$ 108,040	\$ 0
TOTAL			\$ 266,430	\$ 0

Summary

One Time Fees

Recurring Fees

Total Tyler Software	\$ 0	\$ 0
Total Annual	\$ 0	\$ 135,156
Total Tyler Services	\$ 266,430	\$ 0
Total Third-Party Hardware, Software, Services	\$ 0	\$ 0
Summary Total	\$ 266,430	\$ 135,156
Contract Total	\$ 401,586	

Estimated Travel Expenses excl in Contract Total

\$ 15,000

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held For six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____ Date: _____

Print Name: _____ P.O.#: _____

All Primary values quoted in US Dollars

Detailed Breakdown of Conversions (Included in Summary Total)

Description	Qty	Unit Price	Unit Discount	Extended Price
Additional				
EnerGov Business Management	1	\$ 9,400	\$ 0	\$ 9,400
EnerGov Community Development				
EnerGov Community Development Conversion	1	\$ 16,450	\$ 0	\$ 16,450
TOTAL				\$ 25,850

Optional Tyler SaaS and Related Services

Description	Qty	Imp. Hours	Annual Fee
Civic Services			
Additional 5 Licenses (\$1332/Per)	5	0	\$ 6,660
TOTAL:			\$ 6,660

Optional Professional Services

Description	Quantity	Unit Price	Extended Price	Maintenance
Conversion			\$ 16,450	\$ 0
TOTAL			\$ 16,450	\$ 0

Optional Conversion Details (Prices Reflected Above)

Description	Quantity	Unit Price	Discount	Total
Additional				
Cost is "Per Conversion Each Additional Data Source	1	\$ 16,450	\$ 0	\$ 16,450
TOTAL				\$ 16,450

Tyler Annual Discount Detail (Excludes Optional Products)

Description	Annual Fee	Annual Fee Discount	Annual Fee Net
Civic Services			
EnerGov Business Management Suite	\$ 28,400	\$ 7,104	\$ 21,296
EnerGov Citizen Self Service - Business Management	\$ 9,437	\$ 2,359	\$ 7,078
EnerGov Citizen Self Service - Community Development	\$ 7,077	\$ 1,769	\$ 5,308
EnerGov Community Development Suite	\$ 57,276	\$ 14,319	\$ 42,957
EnerGov Core Foundation Bundle	\$ 1,997	\$ 499	\$ 1,498
EnerGov Decision Engine	\$ 8,700	\$ 2,175	\$ 6,525
EnerGov e-Reviews	\$ 10,126	\$ 2,532	\$ 7,594
EnerGov iG Workforce Apps	\$ 8,880	\$ 2,220	\$ 6,660
EnerGov Report Toolkit	\$ 2,022	\$ 506	\$ 1,516
EnerGov View Only License	\$ 1,760	\$ 440	\$ 1,320
MyCivic Bundle	\$ 10,000	\$ 2,500	\$ 7,500
Tyler GIS - Per Named User	\$ 11,544	\$ 2,912	\$ 8,632
Data Insights			
EnerGov Advanced Automation Bundle w Executive Insights	\$ 17,030	\$ 4,258	\$ 12,772
Document Management			

Tyler Content Manager SE

\$ 6,000

\$ 1,500

\$ 4,500

TOTAL

\$ 180,249

\$ 45,093

\$ 135,156

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
 - Implementation and other professional services fees shall be invoiced as delivered.
 - Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
 - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and materials basis.
 - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
 - If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
 - Notwithstanding anything to the contrary stated above, the following payment terms shall apply to services fees specifically for migrations: Tyler will invoice Client 50% of any Migration Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite. Unless otherwise indicated on this Sales quotation, annual services will be invoiced in advance, for annual terms commencing on the date this sales quotation is signed by the Client. If listed annual service(s) is an addition to the same service presently existing under the Agreement, the first term of the added annual service will be prorated to expire coterminous with the existing annual term for the service, with renewals to occur as indicated in the Agreement.
- Expenses associated with onsite services are invoiced as incurred.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the scope, level of engagement, and timeline as defined in the Statement of Work (SOW) for your project. The actual amount of services required may vary, based on these factors.

Tyler's pricing is based on the scope of proposed products and services contracted from Tyler. Should portions of the scope of products or services be altered by the Client, Tyler reserves the right to adjust prices for the remaining scope accordingly.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting. Installations are completed remotely but can be done onsite upon request at an additional cost.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Implementation hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

EnerGov Business Management: Tyler leads and owns the "Assess and Define" and "Configuration" of 2 unique business transactions, 2 template business transactions, 2 geo-rules and 2 automation events. Configuration elements beyond this will be owned by the client.

EnerGov Community Development: Tyler leads and owns the "Assess and Define" and "Configuration" 4 unique business transactions, 4 template business transactions, 2 geo-rules and 2 automation events. Configuration elements beyond this will be owned by the client.

Tyler Content Manager SE includes up to 1TB of storage. Should additional storage be needed it may be purchased as needed at an annual fee of \$5,000 per TB.

Business Management Forms Library Includes: 1 Licensing - Business License, 1 Licensing - Business License Renewal, 1 Licensing - Business License Delinquent, 1 Licensing - Profession License, 1 Licensing - Profession License Renewal, 1 Licensing Profession License Delinquent.

Community Development Forms Library Includes: standard Permits - Building, standard Permits - Trade, standard Planning - Certificate, standard Permits - Occupancy/Completion, standard Code - Violation Notice.

Standard Project Management responsibilities include project plan creation, initial stakeholder presentation, bi-weekly status calls, updating of project plan task statuses, and go-live planning activities.

In the event Client acquires from Tyler any edition of Tyler Content Manager software other than Enterprise Edition, the license for Content Manager is restricted to use with Tyler applications only. If Client wishes to use Tyler Content Manager software with non-Tyler applications, Client must purchase or upgrade to Tyler Content Manager Enterprise Edition.



Quoted By: Christina Young
 Quote Expiration: 05/14/22
 Quote Name: Santee-ERP-EnerGov Comm Dev
 Quote Description: EnerGov - Year Two (2) 15% Discount SaaS
 SaaS Term 1.00

Sales Quotation For:

City of Santee
 10601 N Magnolia Ave
 Santee CA 92071-1222
 Phone: +1 (619) 258-4100

Tyler SaaS and Related Services

Description	Qty	Imp. Hours	Annual Fee
Civic Services			
EnerGov Business Management Suite	16	0	\$ 28,400
EnerGov Citizen Self Service - Business Management	1	0	\$ 9,437
EnerGov Citizen Self Service - Community Development	1	0	\$ 7,077
EnerGov Community Development Suite	43	0	\$ 57,276
EnerGov Core Foundation Bundle	1	0	\$ 1,997
EnerGov Decision Engine	1	0	\$ 8,700
EnerGov e-Reviews	1	0	\$ 10,126
EnerGov iG Workforce Apps	20	0	\$ 8,880
EnerGov Report Toolkit	1	0	\$ 2,022
EnerGov View Only License	5	0	\$ 1,760
MyCivic Bundle	1	0	\$ 10,000
Tyler GIS - Per Named User	52	0	\$ 11,544
Document Management			
Tyler Content Manager SE	1	0	\$ 6,000
Data Insights			

EnerGov Advanced Automation Bundle w Executive Insights	1	0	\$ 17,030
Recurring Services			
PACE 6	1	0	\$ 8,325
		Sub-Total:	\$ 188,574
		<i>Less Discount:</i>	<i>\$ 27,037</i>
		TOTAL	\$ 161,537

Summary	One Time Fees	Recurring Fees
Total Tyler Software	\$ 0	\$ 0
Total Annual	\$ 0	\$ 161,537
Total Tyler Services	\$ 0	\$ 0
Total Third-Party Hardware, Software, Services	\$ 0	\$ 0
Summary Total	\$ 0	\$ 161,537
Contract Total	\$ 161,537	

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held For six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____ Date: _____

Print Name: _____ P.O.#: _____

All Primary values quoted in US Dollars

Tyler Annual Discount Detail (Excludes Optional Products)

Description	Annual Fee	Annual Fee Discount	Annual Fee Net
Data Insights			
EnerGov Advanced Automation Bundle w Executive Insights	\$ 17,030	\$ 2,555	\$ 14,475
Document Management			
Tyler Content Manager SE	\$ 6,000	\$ 900	\$ 5,100
Civic Services			
EnerGov Business Management Suite	\$ 28,400	\$ 4,256	\$ 24,144
EnerGov Citizen Self Service - Business Management	\$ 9,437	\$ 1,416	\$ 8,021
EnerGov Citizen Self Service - Community Development	\$ 7,077	\$ 1,062	\$ 6,015
EnerGov Community Development Suite	\$ 57,276	\$ 8,600	\$ 48,676
EnerGov Core Foundation Bundle	\$ 1,997	\$ 300	\$ 1,697
EnerGov Decision Engine	\$ 8,700	\$ 1,305	\$ 7,395
EnerGov e-Reviews	\$ 10,126	\$ 1,519	\$ 8,607
EnerGov iG Workforce Apps	\$ 8,880	\$ 1,340	\$ 7,540
EnerGov Report Toolkit	\$ 2,022	\$ 303	\$ 1,719
EnerGov View Only License	\$ 1,760	\$ 265	\$ 1,495
MyCivic Bundle	\$ 10,000	\$ 1,500	\$ 8,500
Tyler GIS - Per Named User	\$ 11,544	\$ 1,716	\$ 9,828
Recurring Services			
PACE 6	\$ 8,325	\$ 0	\$ 8,325
TOTAL	\$ 188,574	\$ 27,037	\$ 161,537

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
 - Implementation and other professional services fees shall be invoiced as delivered.
 - Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
 - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and materials basis.
 - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
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Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the scope, level of engagement, and timeline as defined in the Statement of Work (SOW) for your project. The actual amount of services required may vary, based on these factors.

Tyler's pricing is based on the scope of proposed products and services contracted from Tyler. Should portions of the scope of products or services be altered by the Client, Tyler reserves the right to adjust prices for the remaining scope accordingly.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting. Installations are completed remotely but can be done onsite upon request at an additional cost.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Implementation hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

EnerGov Business Management: Tyler leads and owns the "Assess and Define" and "Configuration" of 2 unique business transactions, 2 template business transactions, 2 geo-rules and 2 automation events. Configuration elements beyond this will be owned by the client.

EnerGov Community Development: Tyler leads and owns the "Assess and Define" and "Configuration" 4 unique business transactions, 4 template business transactions, 2 geo-rules and 2 automation events. Configuration elements beyond this will be owned by the client.

Tyler Content Manager SE includes up to 1TB of storage. Should additional storage be needed it may be purchased as needed at an annual fee of \$5,000 per TB.

Pace 6: Includes 6 PACE days and 3 passes to Tyler Connect annually, along with one Investment assessment for every three years of PACE services purchased. PACE sessions must be scheduled in 3-day increments, and the client will be responsible for all travel costs incurred. The first annual term for PACE commences on the 1st day of the month following the date of the client's signature on the applicable sales quotation, amendment, or purchase order. Upon expiration of the first annual term, the term will renew automatically for an additional one (1) year term at the current rate plus the client's contracted annual maintenance increase percentage unless terminated in writing by either party at least thirty (30) days prior to the end of the term. PACE days may only be utilized on live modules. Tyler Connect passes for the current year are available to clients with a cycle start date on or before 03/01. Clients with a cycle start date of 04/01 or later will be eligible for Tyler Connect passes the following year. PACE Days, Investment Assessments, and Tyler Connect passes expire at the conclusion of the term. No credit will be granted for unused days, assessments, or passes.

In the event Client acquires from Tyler any edition of Tyler Content Manager software other than Enterprise Edition, the license for Content Manager is restricted to use with Tyler applications only. If Client wishes to use Tyler Content Manager software with non-Tyler applications, Client must purchase or upgrade to Tyler Content Manager Enterprise Edition.



Quoted By: Christina Young
 Quote Expiration: 05/14/22
 Quote Name: Santee-ERP-EnerGov Comm Dev
 Quote Description: EnerGov -Years 3-5 SaaS
 SaaS Term: 3.00

Sales Quotation For:

City of Santee
 10601 N Magnolia Ave
 Santee CA 92071-1222
 Phone: +1 (619) 258-4100

Tyler SaaS and Related Services

Description	Qty	Imp. Hours	Annual Fee
Civic Services			
EnerGov Business Management Suite	16	0	\$ 28,400
EnerGov Citizen Self Service - Business Management	1	0	\$ 9,437
EnerGov Citizen Self Service - Community Development	1	0	\$ 7,077
EnerGov Community Development Suite	43	0	\$ 57,276
EnerGov Core Foundation Bundle	1	0	\$ 1,997
EnerGov Decision Engine	1	0	\$ 8,700
EnerGov e-Reviews	1	0	\$ 10,126
EnerGov iG Workforce Apps	20	0	\$ 8,880
EnerGov Report Toolkit	1	0	\$ 2,022
EnerGov View Only License	5	0	\$ 1,760
MyCivic Bundle	1	0	\$ 10,000
Tyler GIS - Per Named User	52	0	\$ 11,544
Document Management			
Tyler Content Manager SE	1	0	\$ 6,000
Data Insights			
EnerGov Advanced Automation Bundle w Executive Insights	1	0	\$ 17,030

Recurring Services

PACE 6 1 0 \$ 8,325

TOTAL 0 \$ 188,574

Professional Services

Description	Quantity	Unit Price	Extended Price	Maintenance
Investment Assessment - PACE	3	\$ 0	\$ 0	\$ 0
TOTAL			\$ 0	\$ 0

Summary

One Time Fees

Recurring Fees

Total Tyler Software	\$ 0	\$ 0
Total Annual	\$ 0	\$ 188,574
Total Tyler Services	\$ 0	\$ 0
Total Third-Party Hardware, Software, Services	\$ 0	\$ 0
Summary Total	\$ 0	\$ 188,574
Contract Total	\$ 565,722	

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held For six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____ Date: _____

Print Name: _____ P.O.#: _____

All Primary values quoted in US Dollars

Tyler Annual Discount Detail (Excludes Optional Products)

Description	Annual Fee	Annual Fee Discount	Annual Fee Net
Data Insights			
EnerGov Advanced Automation Bundle w Executive Insights	\$ 17,030	\$ 0	\$ 17,030
Document Management			
Tyler Content Manager SE	\$ 6,000	\$ 0	\$ 6,000
Civic Services			
EnerGov Business Management Suite	\$ 28,400	\$ 0	\$ 28,400
EnerGov Citizen Self Service - Business Management	\$ 9,437	\$ 0	\$ 9,437
EnerGov Citizen Self Service - Community Development	\$ 7,077	\$ 0	\$ 7,077
EnerGov Community Development Suite	\$ 57,276	\$ 0	\$ 57,276
EnerGov Core Foundation Bundle	\$ 1,997	\$ 0	\$ 1,997
EnerGov Decision Engine	\$ 8,700	\$ 0	\$ 8,700
EnerGov e-Reviews	\$ 10,126	\$ 0	\$ 10,126
EnerGov iG Workforce Apps	\$ 8,880	\$ 0	\$ 8,880
EnerGov Report Toolkit	\$ 2,022	\$ 0	\$ 2,022
EnerGov View Only License	\$ 1,760	\$ 0	\$ 1,760
MyCivic Bundle	\$ 10,000	\$ 0	\$ 10,000
Tyler GIS - Per Named User	\$ 11,544	\$ 0	\$ 11,544
Recurring Services			
PACE 6	\$ 8,325	\$ 0	\$ 8,325
TOTAL	\$ 188,574	\$ 0	\$ 188,574

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
 - Implementation and other professional services fees shall be invoiced as delivered.
 - Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
 - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and materials basis.
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Implementation hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

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EnerGov Community Development: Tyler leads and owns the "Assess and Define" and "Configuration" 4 unique business transactions, 4 template business transactions, 2 geo-rules and 2 automation events. Configuration elements beyond this will be owned by the client.

Tyler Content Manager SE includes up to 1TB of storage. Should additional storage be needed it may be purchased as needed at an annual fee of \$5,000 per TB.

Pace 6: Includes 6 PACE days and 3 passes to Tyler Connect annually, along with one Investment assessment for every three years of PACE services purchased. PACE sessions must be scheduled in 3-day increments, and the client will be responsible for all travel costs incurred. The first annual term for PACE commences on the 1st day of the month following the date of the client's signature on the applicable sales quotation, amendment, or purchase order. Upon expiration of the first annual term, the term will renew automatically for an additional one (1) year term at the current rate plus the client's contracted annual maintenance increase percentage unless terminated in writing by either party at least thirty (30) days prior to the end of the term. PACE days may only be utilized on live modules. Tyler Connect passes for the current year are available to clients with a cycle start date on or before 03/01. Clients with a cycle start date of 04/01 or later will be eligible for Tyler Connect passes the following year. PACE Days, Investment Assessments, and Tyler Connect passes expire at the conclusion of the term. No credit will be granted for unused days, assessments, or passes.

In the event Client acquires from Tyler any edition of Tyler Content Manager software other than Enterprise Edition, the license for Content Manager is restricted to use with Tyler applications only. If Client wishes to use Tyler Content Manager software with non-Tyler applications, Client must purchase or upgrade to Tyler Content Manager Enterprise Edition.



Exhibit A
Schedule 4
Optional MobileEyes Investment Summary

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Quoted By: Jeff Moser
 Quote Expiration: 6/18/22
 Quote Name: Santee Fire Department

Sales Quotation For:

City of Santee
 10601 N Magnolia Ave
 Santee CA 92071-1222
 Phone: +1 (619) 258-4100

Annual / SaaS

Description	Fee	Discount	Annual
Civic Services			
MobileEyes			
MobileEyes Contractor Portal (3.50 per transaction)	\$ 0	\$ 0	\$ 0
MobileEyes Inspector	\$ 10,140	\$ 0	\$ 10,140
MobileEyes Onboard Codes - ICC (use code template)	\$ 900	\$ 0	\$ 900
MobileEyes Product Integration - EnerGov	\$ 0	\$ 0	\$ 0
TOTAL			\$ 11,040

Services

Description	Quantity	Unit Price	Discount	Total	Maintenance
Civic Service					
MobileEyes Contractor Portal Setup & Training	1	\$ 499	\$ 0	\$ 499	\$ 0
MobileEyes Setup & Configuration Services	20	\$ 185	\$ 0	\$ 3,700	\$ 0

MobileEyes Training Services	8	\$ 185	\$ 0	\$ 1,480	\$ 0
MobileEyes Training Services - Inspector/Plus	8	\$ 185	\$ 0	\$ 1,480	\$ 0
TOTAL				\$ 7,159	\$ 0

Summary	One Time Fees	Recurring Fees
Total Tyler Software	\$ 0	\$ 0
Total Annual	\$ 0	\$ 11,040
Total Tyler Services	\$ 7,159	\$ 0
Total Third-Party Hardware, Software, Services	\$ 0	\$ 0
Contract Total	\$ 18,199	

Assumptions

Personal Computers must meet the minimum hardware requirements for New World products. Microsoft Windows 7 64-bit with Extended Security Updates and Windows 10 64-bit is required for all client machines. Windows Server 2012/2012 R2/2016/2019 and SQL Server 2012 SP4/2014 SP2/2016 SP2/2017/2019 are required for the Application and Database Server(s).

New World product requires Microsoft Windows Server 2012/2012 R2/2016/2019 and SQL Server 2012 SP4/2014 SP2/2016 SP2/2017/2019, including required User or Device Client Access Licenses (CALs) for applicable Microsoft products. Servers must meet minimum hardware requirements provided by Tyler. The supported Microsoft operating system and SQL versions are specific to Tyler's release versions.

New World product requires Microsoft Excel or Windows Search 4.0 for document searching functionality; Microsoft Word is required on the application server for report formatting.

Tyler recommends a 100 Mbps/1 Gbps Ethernet network for the local area network. Wide area network requirements vary based on system configuration, Tyler will provide further consultation for this environment.

Does not include servers, workstations, or any required third-party hardware or software unless specified in this Investment Summary. Client is responsible for any third-party support.

Licensed Software, and third-party software embedded therein, if any, will be delivered in a machine readable form to Client via an agreed upon network connection. Any taxes or fees imposed are the responsibility of the purchaser and will be remitted when imposed.

Tyler's GIS implementation services are to assist the Client in preparing the required GIS data for use with the Licensed New World Software.

Depending upon the Licensed Software the Client at a minimum will be required to provide an accurate street centerline layer and the appropriate polygon layers needed for Unit Recommendations and Run Cards in an industry standard Esri file format (Personal Geodatabase, File Geodatabase, Shape Files). Client is responsible for having clearly defined boundaries for Police Beats, EMS Districts and Fire Quadrants. If necessary Tyler will assist Client in creating the necessary polygon layers (Police Beats, EMS Districts and Fire Quadrants) for Unit Recommendations and Run Cards. Tyler is not responsible for the accuracy of or any ongoing maintenance of the GIS data used within the Licensed New World Software.

Client is responsible for any ongoing annual maintenance on third-party products, and is advised to contact the third-party vendor to ensure understanding of and compliance with all maintenance requirements.

All Tyler Clients are required to use Esri's ArcGIS Suite to maintain GIS data. All maintenance, training and ongoing support of this product will be contracted with and conducted by Esri. Maintenance for Esri's ArcGIS suite of products that are used for maintaining Client's GIS data will be contracted by Client separately with Esri.

When Custom interface is included, Custom interface will be operational with existing third-party software. Any subsequent changes to third-party applications may require additional services.

When State/NCIC is included, Client is responsible for obtaining the necessary State approval and any non-Tyler hardware and software. Includes state-specific standard forms developed by Tyler. Additional forms can be provided for an additional fee.

Decisions about on-site versus remote planning meetings and training delivery will be decided mutually during the initial kickoff meetings.



Exhibit B

Invoicing and Payment Policy

We will provide you with the software and services set forth in the Investment Summary of the Agreement. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

Invoicing: We will invoice you for the applicable software and services in the Investment Summary as set forth below. Your rights to dispute any invoice are set forth in the Agreement.

1. **SaaS Fees.** SaaS Fees are invoiced on an annual basis, beginning on the commencement of the initial term as set forth in Section F (1) of this Agreement. Your annual SaaS fees for the initial term are set forth in the Investment Summary as follows:
 - Year 1 SaaS Fees are set forth in Exhibit A, Schedule 1;
 - Year 2 SaaS Fees are set forth in Exhibit A, Schedule 2; and
 - Years 3-5 SaaS Fees are set forth in Exhibit A, Schedule 3.

Upon expiration of the initial term, your annual SaaS fees will be at our then-current rates.

2. **Other Tyler Software and Services.**

2.1 *VPN Device:* The fee for the VPN device will be invoiced upon installation of the VPN.

2.2 *Implementation and Other Professional Services (including training):* Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary.

2.3 *Consulting Services:* If you have purchased any Business Process Consulting services, if they have been quoted as fixed-fee services, they will be invoiced 50% upon your acceptance of the Best Practice Recommendations, by module, and 50% upon your acceptance of custom desktop procedures, by module. If you have purchased any Business Process Consulting services and they are quoted as an estimate, then we will bill you the actual services delivered on a time and materials basis.

2.4 *Conversions:* Fixed-fee conversions are invoiced 50% upon initial delivery of the converted Data, by conversion option, and 50% upon Client acceptance to load the converted Data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, we will bill you the actual services delivered on a time and materials basis.

2.5 *Requested Modifications to the Tyler Software:* Requested modifications to the Tyler Software are invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. You must report any failure of the modification to conform to the

specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed. You may still report Defects to us as set forth in this Agreement.

2.6 *Other Fixed Price Services*: Other fixed price services are invoiced as delivered, at the rates set forth in the Investment Summary. For the avoidance of doubt, where “Project Planning Services” are provided, payment will be due upon delivery of the Implementation Planning document.

2.7 *Annual Services*: Unless otherwise indicated in this Exhibit B, fees for annual services are due annually, in advance, commencing on the availability of the service. Your annual fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual fees will be at our then-current rates.

3. Third Party Products.

3.1 *Third Party Software License Fees*: License fees for Third Party Software, if any, are invoiced when we make it available to you for downloading.

3.2 *Third Party Software Maintenance*: The first year maintenance for the Third Party Software is invoiced when we make it available to you for downloading.

3.3 *Third Party Hardware*: Third Party Hardware costs, if any, are invoiced upon delivery.

3.4 *Third Party Services*: Fees for Third Party Services, if any, are invoiced as delivered, along with applicable expenses, at the rates set forth in the Investment Summary.

3.5 *Third Party SaaS*: Third Party SaaS Services fees, if any, are invoiced annually, in advance, commencing with availability of the respective Third Party SaaS Services. Pricing for the first year of Third Party SaaS Services is indicated in the Investment Summary. Pricing for subsequent years will be at the respective third party’s then-current rates.

4. Transaction Fees. Unless paid directly by an end user at the time of transaction, per transaction (call, message, etc.) fees are invoiced on a quarterly basis. Fees are indicated in Schedule A and may be increased by Tyler upon notice of no less than thirty (30) days.

5. Expenses. The service rates in the Investment Summary do not include travel expenses. Expenses for Tyler delivered services will be billed as incurred and only in accordance with our then-current Business Travel Policy. Our current Business Travel Policy is attached to this Exhibit B as Schedule 1. Copies of receipts will be provided upon request; we reserve the right to charge you an administrative fee depending on the extent of your requests. Receipts for miscellaneous items less than twenty-five dollars and mileage logs are not available.

Payment. Payment for undisputed invoices is due within forty-five (45) days of the invoice date. We prefer to receive payments electronically. Our electronic payment information is available by contacting AR@tylertech.com.



Exhibit B
Schedule 1
Business Travel Policy

1. Air Travel

A. Reservations & Tickets

The Travel Management Company (TMC) used by Tyler will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within \$100 (each way) of the lowest logical fare. If a net savings of \$200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight should be accepted.

Employees are encouraged to make advanced reservations to take full advantage of discount opportunities. Employees should use all reasonable efforts to make travel arrangements at least two (2) weeks in advance of commitments. A seven (7) day advance booking requirement is mandatory. When booking less than seven (7) days in advance, management approval will be required.

Except in the case of international travel where a segment of continuous air travel is six (6) or more consecutive hours in length, only economy or coach class seating is reimbursable. Employees shall not be reimbursed for "Basic Economy Fares" because these fares are non-refundable and have many restrictions that outweigh the cost-savings.

B. Baggage Fees

Reimbursement of personal baggage charges are based on trip duration as follows:

- Up to five (5) days = one (1) checked bag
- Six (6) or more days = two (2) checked bags

Baggage fees for sports equipment are not reimbursable.



2. Ground Transportation

A. Private Automobile

Mileage Allowance – Business use of an employee’s private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.

B. Rental Car

Employees are authorized to rent cars only in conjunction with air travel when cost, convenience, and the specific situation reasonably require their use. When renting a car for Tyler business, employees should select a “mid-size” or “intermediate” car. “Full” size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle coverage for business car rentals; except for employees traveling to Alaska and internationally (excluding Canada), additional insurance on the rental agreement should be declined.

C. Public Transportation

Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.

D. Parking & Tolls

When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.

3. Lodging

Tyler’s TMC will select hotel chains that are well established, reasonable in price, and conveniently located in relation to the traveler's work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn, and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.

“No shows” or cancellation fees are not reimbursable if the employee does not comply with the hotel’s cancellation policy.

Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.

Employees are not authorized to reserve non-traditional short-term lodging, such as Airbnb, VRBO, and HomeAway. Employees who elect to make such reservations shall not be reimbursed.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status within the continental U.S. are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates are available at www.gsa.gov/perdiem.

Per diem for Alaska, Hawaii, U.S. protectorates and international destinations are provided separately by the Department of State and will be determined as required.

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00 p.m.*	Breakfast, lunch and dinner

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as follows:

Breakfast	15%
Lunch	25%
Dinner	60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00 p.m.*



*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

5. Internet Access – Hotels and Airports

Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to \$10.00 per day. Charges for internet access at airports are not reimbursable.

6. International Travel

All international flights with the exception of flights between the U.S. and Canada should be reserved through TMC using the "lowest practical coach fare" with the exception of flights that are six (6) or more consecutive hours in length. In such event, the next available seating class above coach shall be reimbursed.

When required to travel internationally for business, employees shall be reimbursed for photo fees, application fees, and execution fees when obtaining a new passport book, but fees related to passport renewals are not reimbursable. Visa application and legal fees, entry taxes and departure taxes are reimbursable.

The cost of vaccinations that are either required for travel to specific countries or suggested by the U.S. Department of Health & Human Services for travel to specific countries, is reimbursable.

Section 4, Meals & Incidental Expenses, and Section 2.b., Rental Car, shall apply to this section.



Exhibit C Service Level Agreement

I. Agreement Overview

This SLA operates in conjunction with, and does not supersede or replace any part of, the Agreement. It outlines the information technology service levels that we will provide to you to ensure the availability of the application services that you have requested us to provide. This SLA does not apply to any Third Party SaaS Services. All other support services are documented in the Support Call Process.

II. Definitions. Except as defined below, all defined terms have the meaning set forth in the Agreement.

Actual Attainment: The percentage of time the Tyler Software is available during a calendar quarter, calculated as follows: $(\text{Service Availability} - \text{Downtime}) \div \text{Service Availability}$.

Client Error Incident: Any service unavailability resulting from your applications, content or equipment, or the acts or omissions of any of your service users or third-party providers over whom we exercise no control.

Downtime: Those minutes during Service Availability, as defined below, when all users cannot launch, login, search or save primary data in the Tyler Software. Downtime does not include those instances in which only a Defect is present.

Emergency Maintenance: (1) maintenance that is required to patch a critical security vulnerability; (2) maintenance that is required to prevent an imminent outage of Service Availability; or (3) maintenance that is mutually agreed upon in writing by Tyler and the Client.

Planned Downtime: Downtime that occurs during a Standard or Emergency Maintenance window.

Service Availability: The total number of minutes in a calendar quarter that the Tyler Software is capable of receiving, processing, and responding to requests, excluding Planned Downtime, Client Error Incidents, denial of service attacks and Force Majeure.

Standard Maintenance: Routine maintenance to the Tyler Software and infrastructure. Standard Maintenance is limited to five (5) hours per week.

III. **Service Availability**

a. Your Responsibilities

Whenever you experience Downtime, you must make a support call according to the procedures outlined in the Support Call Process. You will receive a support case number.

b. Our Responsibilities

When our support team receives a call from you that Downtime has occurred or is occurring, we will work



with you to identify the cause of the Downtime (including whether it may be the result of Planned Downtime, a Client Error Incident, Denial of Service attack or Force Majeure). We will also work with you to resume normal operations.

c. Client Relief

Our targeted Attainment Goal is 100%. You may be entitled to credits as indicated in the Client Relief Schedule found below. Your relief credit is calculated as a percentage of the SaaS fees paid for the calendar quarter.

In order to receive relief credits, you must submit a request through one of the channels listed in our Support Call Process within fifteen days (15) of the end of the applicable quarter. We will respond to your relief request within thirty (30) day(s) of receipt.

The total credits confirmed by us will be applied to the SaaS Fee for the next billing cycle. Issuing of such credit does not relieve us of our obligations under the Agreement to correct the problem which created the service interruption.

Client Relief Schedule	
Actual Attainment	Client Relief
99.99% - 99.50%	Remedial action will be taken
99.49% - 98.50%	2%
98.49% - 97.50%	4%
97.49% - 96.50%	6%
96.49% - 95.50%	8%
Below 95.50%	10%

* Notwithstanding language in the Agreement to the contrary, Recovery Point Objective is one (1) hour.

IV. Maintenance Notifications

We perform Standard Maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, we will provide advance notice of those windows and will coordinate to the greatest extent possible with you.

Not all maintenance activities will cause application unavailability. However, if Tyler anticipates that activities during a Standard or Emergency Maintenance window may make the Tyler Software unavailable, we will provide advance notice, as reasonably practicable that the Tyler Software will be unavailable during the maintenance window.





Exhibit C Schedule 1 Support Call Process

Support Channels

Tyler Technologies, Inc. provides the following channels of software support for authorized users*:

- (1) On-line submission (portal) – for less urgent and functionality-based questions, users may create support incidents through the Tyler Customer Portal available at the Tyler Technologies website. A built-in Answer Panel provides users with resolutions to most “how-to” and configuration-based questions through a simplified search interface with machine learning, potentially eliminating the need to submit the support case.
- (2) Email – for less urgent situations, users may submit emails directly to the software support group.
- (3) Telephone – for urgent or complex questions, users receive toll-free, telephone software support.

** Channel availability may be limited for certain applications.*

Support Resources

A number of additional resources are available to provide a comprehensive and complete support experience:

- (1) Tyler Website – www.tylertech.com – for accessing client tools, documentation, and other information including support contact information.
- (2) Tyler Search -a knowledge based search engine that lets you search multiple sources simultaneously to find the answers you need, 24x7.
- (3) Tyler Community –provides a venue for all Tyler clients with current maintenance agreements to collaborate with one another, share best practices and resources, and access documentation.
- (4) Tyler University – online training courses on Tyler products.

Support Availability

Tyler Technologies support is available during the local business hours of 8 AM to 5 PM (Monday – Friday) across four US time zones (Pacific, Mountain, Central and Eastern). Tyler’s holiday schedule is outlined below. There will be no support coverage on these days.

New Year’s Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

For support teams that provide after-hours service, we will provide you with procedures for contacting



support staff after normal business hours for reporting Priority Level 1 Defects only. Upon receipt of such a Defect notification, we will use commercially reasonable efforts to meet the resolution targets set forth below.

We will also make commercially reasonable efforts to be available for one pre-scheduled Saturday of each month to assist your IT staff with applying patches and release upgrades, as well as consulting with them on server maintenance and configuration of the Tyler Software environment.

Incident Handling

Incident Tracking

Every support incident is logged into Tyler’s Customer Relationship Management System and given a unique case number. This system tracks the history of each incident. The case number is used to track and reference open issues when clients contact support. Clients may track incidents, using the case number, through Tyler’s Customer Portal or by calling software support directly.

Incident Priority

Each incident is assigned a priority level, which corresponds to the Client’s needs. Tyler and the Client will reasonably set the priority of the incident per the chart below. This chart is not intended to address every type of support incident, and certain “characteristics” may or may not apply depending on whether the Tyler software has been deployed on customer infrastructure or the Tyler cloud. The goal is to help guide the Client towards clearly understanding and communicating the importance of the issue and to describe generally expected response and resolution targets in the production environment only.

References to a “confirmed support incident” mean that Tyler and the Client have successfully validated the reported Defect/support incident.

Priority Level	Characteristics of Support Incident	Resolution Targets*
1 Critical	Support incident that causes (a) complete application failure or application unavailability; (b) application failure or unavailability in one or more of the client’s remote location; or (c) systemic loss of multiple essential system functions.	Tyler shall provide an initial response to Priority Level 1 incidents within one (1) business hour of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within one (1) business day. For non-hosted customers, Tyler’s responsibility for lost or corrupted data is limited to assisting the Client in restoring its last available database.

Priority Level	Characteristics of Support Incident	Resolution Targets*
2 High	Support incident that causes (a) repeated, consistent failure of essential functionality affecting more than one user or (b) loss or corruption of data.	Tyler shall provide an initial response to Priority Level 2 incidents within four (4) business hours of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within ten (10) business days. For non-hosted customers, Tyler's responsibility for loss or corrupted data is limited to assisting the Client in restoring its last available database.
3 Medium	Priority Level 1 incident with an existing circumvention procedure, or a Priority Level 2 incident that affects only one user or for which there is an existing circumvention procedure.	Tyler shall provide an initial response to Priority Level 3 incidents within one (1) business day of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents without the need for a circumvention procedure with the next published maintenance update or service pack, which shall occur at least quarterly. For non-hosted customers, Tyler's responsibility for lost or corrupted data is limited to assisting the Client in restoring its last available database.
4 Non-critical	Support incident that causes failure of non-essential functionality or a cosmetic or other issue that does not qualify as any other Priority Level.	Tyler shall provide an initial response to Priority Level 4 incidents within two (2) business days of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents, as well as cosmetic issues, with a future version release.

**Response and Resolution Targets may differ by product or business need*

Incident Escalation

If Tyler is unable to resolve any priority level 1 or 2 defect as listed above or the priority of an issue has elevated since initiation, you may escalate the incident to the appropriate resource, as outlined by each product support team. The corresponding resource will meet with you and any Tyler staff to establish a mutually agreeable plan for addressing the defect.

Remote Support Tool

Some support calls may require further analysis of the Client's database, processes or setup to diagnose a problem or to assist with a question. Tyler will, at its discretion, use an industry-standard remote support tool. Tyler's support team must have the ability to quickly connect to the Client's system and view the site's setup, diagnose problems, or assist with screen navigation. More information about the remote support tool Tyler uses is available upon request.





Exhibit D
Third Party Terms

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Exhibit D
Schedule 1
Hyperlinked Terms

Pattern Stream Terms. Your use of Pattern Stream software and services is subject to the terms found here: <https://www.tylertech.com/terms/finite-matters-ltd-consolidated-terms>. By signing a Tyler Agreement or Order Form, or accessing, installing, or using Pattern Stream software or services, you agree that you have read, understood, and agree to such terms.

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- Electronic Warrants
- Modria
- Odyssey Notifications Add On (text notifications)
- ReadySub
- Tyler ACFR
- Tyler Notify
- Tyler Jury Manager
- Tyler Supervision
- Virtual Court





Exhibit D
Schedule 2
DocOrigin Terms

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DocOrigin

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 - B. Per-Document.** This is defined as a fee per document based on the total number of documents generated annually by merging data with a template created by the Software. The combined data and template produce documents of one or more pages. A document may contain 1 or more pages. For instance, a batch of invoices for 250 customers may contain 1,000 pages, this will be counted as 250 documents which should correspond to 250 invoices.
 - C. Per-Surface.** This is defined as a fee per surface based on the total number of surfaces generated annually by merging data with a template created by the Software. The combined data and template produce documents of one or more pages, the pages may be printed one side (one surface) or duplexed (2 surfaces). The documents may be rendered to a computer file (i.e. PDF), each page placed in the file is considered a surface. A document may contain 1 or more surfaces. For instance, a batch of invoices for 250 customers may contain 500 pages duplexed, this will be counted as 1000 surfaces.
- 1.5 Disaster Recovery License.** You may request a Disaster Recovery license of the Software for each production license You have purchased as a failover in the event of loss of use of the production server(s). This license is for disaster recovery purposes only and under no circumstance may the disaster recovery license be used for production simultaneously with a production license with which it is paired.
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In certain jurisdictions, some or all of the provisions in this Section may not be effective or the applicable law may mandate a more extensive warranty in which case the applicable law will prevail over this Agreement.



6. INDEMNIFICATION & LIMITATIONS OF LIABILITY.

6.1 Eclipse Corporation shall defend and/or settle at its expense, any claims, actions, allegations or proceedings against You to the extent arising out of or relating to misappropriation or infringement by the Software of any third party's proprietary or intellectual property right ("Claims"), and Eclipse Corporation shall pay all damages finally awarded by a court of competent jurisdiction to such third party against You, or any settlement amounts agreed by Eclipse Corporation; subject to the conditions that, You shall notify Eclipse Corporation promptly of any You Claims, permit Eclipse Corporation to control the defense and settlement of such Claims and assist Eclipse Corporation, at Eclipse Corporation's expense, in defending or settling such Claims. Eclipse Corporation shall not be liable for any settlement amounts entered into by You without Eclipse Corporation's prior written approval. If Eclipse Corporation has reason to believe that it would be subject to an injunction or continuing damages based on the Software, then Eclipse Corporation may (and if Eclipse Corporation or any of its customers or third party software suppliers is subject to an injunction or continuing damages based on the Software), then notwithstanding any other provision in this Agreement, Eclipse Corporation shall be entitled to either modify the Software to make it non-infringing and/or remove the misappropriated material, replace the Software or portion thereof with a service or materials that provide substantially the same functionality or information, or, if neither of the foregoing is commercially practicable, require You to cease using the Software and refund to You (a) a pro rata portion of any one (1) time fees (based on a three (3) year, straight-line depreciation schedule from the date of payment), and (b) any fees that have been pre-paid by You but are unused. The foregoing notwithstanding, Eclipse Corporation shall have no liability for a claim of infringement or misappropriation to the extent caused by (i) the combination of the Software with any other service, software, data or products not provided or approved by Eclipse Corporation; or (ii) the use of any material provided by You or any end users, (iii) any breach by You of this Agreement. THE FOREGOING IS ECLIPSE CORPORATION'S SOLE AND EXCLUSIVE LIABILITY, AND YOUR SOLE AND EXCLUSIVE REMEDY FOR ANY INFRINGEMENT OR MISAPPROPRIATION OF ANY THIRD-PARTY INTELLECTUAL PROPERTY RIGHTS.

TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL ECLIPSE CORPORATION BE LIABLE TO YOU OR ANY OTHER PERSON FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHATSOEVER, INCLUDING WITHOUT LIMITATION, LEGAL EXPENSES, LOSS OF BUSINESS, LOSS OF PROFITS, LOSS OF REVENUE, LOST OR DAMAGED DATA, LOSS OF COMPUTER TIME, COST OF SUBSTITUTE GOODS OR SERVICES, OR FAILURE TO REALIZE EXPECTED SAVINGS OR ANY OTHER COMMERCIAL OR ECONOMIC LOSSES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF ECLIPSE CORPORATION HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES, OR SUCH LOSSES OR DAMAGES ARE FORESEEABLE.

6.2 THE ENTIRE LIABILITY OF ECLIPSE CORPORATION AND YOUR EXCLUSIVE REMEDY WITH RESPECT TO THE SOFTWARE AND TECHNICAL SUPPORT AND ANY OTHER PRODUCTS OR SERVICES SUPPLIED BY ECLIPSE CORPORATION IN CONNECTION WITH THIS AGREEMENT FOR DAMAGES FOR ANY CAUSE AND REGARDLESS OF THE CAUSE OF ACTION, WHETHER IN CONTRACT OR IN TORT, INCLUDING FUNDAMENTAL BREACH OR NEGLIGENCE, WILL BE LIMITED IN THE AGGREGATE TO THE AMOUNTS PAID BY YOU FOR THE SOFTWARE, TECHNICAL SUPPORT OR SERVICES GIVING RISE TO THE CLAIM.

6.3 THE DISCLAIMER OF REPRESENTATIONS, WARRANTIES AND CONDITIONS AND LIMITATION OF LIABILITY CONSTITUTE AN ESSENTIAL PART OF THIS AGREEMENT. YOU ACKNOWLEDGE THAT BUT FOR THE DISCLAIMER OF REPRESENTATIONS, WARRANTIES AND CONDITIONS AND LIMITATION OF LIABILITY, NEITHER ECLIPSE CORPORATION NOR ANY OF ITS LICENSORS OR SUPPLIERS WOULD GRANT THE RIGHTS GRANTED IN THIS AGREEMENT.

7. TERM AND TERMINATION

7.1 The term of this Agreement will begin on download of the Software and, in respect of an Evaluation License, shall continue for the Evaluation Period, and in respect of all other license types defined in Section 1, shall continue for as long as You use the Software, unless earlier terminated sooner under this section 7.

7.2 Eclipse Corporation may terminate this Agreement in the event of any breach by You if such breach has not been cured within thirty (30) days of notice to You. No termination of this Agreement will entitle You to a refund of any amounts paid by You to Eclipse Corporation or its applicable distributor or reseller or affect any obligations You may have to pay any outstanding amounts owing to Eclipse Corporation or its distributor.



7.3 Your rights to use the Software will immediately terminate upon termination or expiration of this Agreement. Within thirty (30) days of termination or expiration of this Agreement, You shall purge all Software and all copies thereof from all computer systems and storage devices on which it was stored, and certify such to Eclipse Corporation

8. GENERAL PROVISIONS

8.1 **No Waiver.** No delay or failure in exercising any right under this Agreement, or any partial or single exercise of any right, will constitute a waiver of that right or any other rights under this Agreement. No consent to a breach of any express or implied term set out in this Agreement constitutes consent to any subsequent breach, whether of the same or any other provision.

8.2 **Severability.** If any provision of this Agreement is, or becomes, unenforceable, it will be severed from this Agreement and the remainder of this Agreement will remain in full force and effect.

8.3 **Assignment.** You may not transfer or assign this Agreement (whether voluntarily, by operation of law, or otherwise) without Eclipse Corporation's prior written consent. Eclipse Corporation may assign this Agreement at any time without notice. This Agreement is binding upon and will inure to the benefit of both parties, and their respective successors and permitted assigns.

8.4 **Governing Law and Venue if You are located in the USA.** This Agreement shall be governed by the laws of the State of Texas if You are located in the USA. No choice of laws rules of any jurisdiction shall apply to this Agreement. You consent and agree that the courts of the State of Texas shall have jurisdiction over any legal action or proceeding brought by You arising out of or relating to this Agreement, and You consent to the jurisdiction of such courts for any such action or proceeding.

8.5 **Governing Law and Venue if You are not located in the USA.** This Agreement shall be governed by the laws of the Province of Ontario in Canada if You are not located in the USA . No choice of laws rules of any jurisdiction shall apply to this Agreement. You consent and agree that the courts of the Province of Ontario in Canada shall have jurisdiction over any legal action or proceeding brought by You arising out of or relating to this Agreement, and You consent to the jurisdiction of such courts for any such action or proceeding.

8.6 **Entire Agreement.** This Agreement is the entire understanding and agreement between You and Eclipse Corporation with respect to the subject matter hereof, and it supersedes all prior negotiations, commitments and understandings, verbal or written, and purchase order issued by You. This Agreement may be amended or otherwise modified by Eclipse Corporation from time to time and the most recent version of the Agreement will be available on the Eclipse Corporation website www.docorigin.com.

Last Updated: July 22, 2017



Exhibit D
Schedule 3
MobileEyes Third Party Terms

NFPA Codes

Material from documents of the National Fire Protection Association is displayed in this system under license from the NFPA solely for use within this system on the single machine to which this system is licensed. NFPA material may not be copied, reproduced, transferred, transmitted, distributed or used except as allowed by this system for the purpose of preparing and documenting inspection reports. Any use in violation of this agreement shall allow Tyler Technologies, Inc. ("Tyler") or the NFPA to immediately cancel all rights granted by this license. NFPA is not responsible for the programming or display of this material. Any problems or difficulties with the presentation of this material should be brought to the attention of Tyler or the NFPA.

ULCS Codes

Material from documents of ULC Standards (ULCS) is displayed in this system under license from ULCS solely for use within this system on the device(s) to which this system is licensed. ULCS material may not be copied, reproduced, transferred, transmitted, distributed or used except as allowed by this system for the purpose of preparing and documenting inspection reports. Any use in violation of this agreement shall allow Tyler Technologies, Inc. ("Tyler") or ULCS to immediately cancel all rights granted by this license. ULCS is not responsible for the programming or display of this material. Any problems or difficulties with the presentation of this material should be brought to the attention of Tyler.

IFC Codes

This software contains information which is proprietary to and copyrighted by International Code Council, Inc. The acronym "ICC" and the ICC logo are trademarks and service marks of ICC. ALL RIGHTS RESERVED.

As an End-User of the Software Product, End-User does not acquire any proprietary interest in the Software Product, or any of its contents.

End-User acknowledges that and agrees that there are no warranties, guarantees, conditions, covenants or representations by ICC as to the fitness for a particular purpose, or any other attribute, whether expressed or implied (in law or in fact), oral or written, of the copyrighted ICC property contained in the Software Product. End-User agrees that any unauthorized possession of the Software Product or its accompanying printed materials, or any use of the same, shall constitute a breach of the license agreement, and, upon written notice of the same by either ICC or Licensor, the End-User will surrender possession of the Software Product and all accompanying printed materials to ICC or Licensor. This



Agreement is not transferable to any other party, for any reason. End-User agrees that use of the Software Product constitutes acceptance of the terms and conditions of this Agreement.



Exhibit E
Statement of Work

Statement of Work to be inserted prior to Agreement execution.



**AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE CITY OF SANTEE
AND
SDI PRESENCE, LLC**

This Agreement for Professional Services (“Agreement”) is made and entered into this 1st day of February, 2022, by and between the City of Santee, a California charter city (“City”) and SDI Presence, LLC, a Delaware limited liability company (“Consultant”). City and Consultant are sometimes referred to in this Agreement individually as a “Party” and collectively as the “Parties.”

RECITALS

A. City is in need of professional services for the following project: Land Management and Permitting System Implementation Consulting Services (“the Project”).

B. Consultant is duly licensed and/or has the necessary qualifications to provide such services for the Project.

C. The Parties desire to establish the terms for the City to retain the Consultant in order to provide the services described herein.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services

Consultant shall provide the City with the services described in the Scope of Services attached hereto as [Exhibit ‘A’](#) and hereby made a part of this Agreement; provided, however, that the contents of this Agreement shall supersede any provision in [Exhibit ‘A’](#) that is inconsistent herewith.

2. Compensation

a. Subject to paragraphs 2(b) - (d) below, City shall pay for the services provided by Consultant in accordance with the Schedule of Charges set forth in [Exhibit ‘B’](#) attached hereto and hereby made a part of this Agreement; provided, however that the contents of this Agreement shall supersede any provision in [Exhibit ‘B’](#) that is inconsistent herewith.

b. In no event shall the total amount paid for services rendered by Consultant pursuant to this Agreement exceed the sum of \$100,000. This Agreement is subject to and contingent on budgetary appropriations being approved by the City Council for each fiscal year during the term of this Agreement. If such appropriations are not approved, the Agreement will be immediately terminated without penalty to the City.

c. Each month Consultant shall furnish City with an invoice for all work performed and expenses incurred during the preceding month. The invoice

shall detail charges by categories, including labor, travel, materials, equipment, supplies, sub-consultant charges and miscellaneous expenses. City shall independently review each invoice submitted to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in paragraph 2(d). In the event any charges or expenses are disputed, the invoice shall be returned to the Consultant for correction and resubmission.

- d. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, City will use its best efforts to cause Consultant to be paid within thirty (30) days of receipt of Consultant's invoice; provided however, that untimely invoices may be subject to nonpayment if funding has not been appropriated or budgeted for payment of the invoice due to Consultant's untimely submission. Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in the work performed by Consultant.

3. Term of Agreement and Time of Performance

Consultant shall perform its services hereunder in a prompt and timely manner, and in accordance with the Activity Schedule shown in [Exhibit 'C'](#) attached hereto and made a part hereof; provided, however, that the contents of this Agreement shall supersede any provisions in [Exhibit 'C'](#) that is inconsistent herewith. Work shall commence upon authorization from the City. Unless a different date is set forth in the Activity Schedule, the term of this Agreement shall be for a period of one (1) year from the date of execution of this Agreement unless terminated sooner pursuant to the provisions of this Agreement or when the services are complete. Such term may be extended upon written agreement of both City and Consultant.

4. Additional Work

Consultant shall not be compensated for any services outside of the Scope of Services, except as provided in this paragraph. If changes in the work seem merited by Consultant or the City, a change in the scope of the work shall be processed by the City in the following manner: (1) a letter outlining the changes shall be forwarded to the City by Consultant with a statement of estimated changes in fee or time schedule, (2) an amendment to this Agreement shall be prepared by the City and executed by both parties before performance of such services or the City will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

5. Maintenance of Records

Books, documents, papers, accounting records, and other evidence pertaining to work done and costs incurred pursuant to this Agreement shall be maintained by Consultant and made available for inspection, audit and copying by the City at all reasonable times during the term of this Agreement and for four (4) years from the date of final payment under the Agreement.

6. Ownership and Use of Work

All documents and materials prepared pursuant to this Agreement shall be considered the property of City, and will be turned over to City upon demand, but in any event upon completion of the work. City reserves the right to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other documents and materials prepared under this Agreement without the permission of Consultant. All documents and materials shall be delivered in a reproducible form. As used herein, "documents and materials" include, but are not limited to, any original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, and computer files prepared or developed pursuant to this Agreement.

7. Findings Confidential

Any reports, information, data or materials given to or prepared or assembled by Consultant under this Agreement are confidential and shall not be made available to any individual or organization by Consultant without prior written approval of City.

8. Conflict of Interest

Consultant hereby expressly covenants that no interest presently exists, nor shall any interest, direct or indirect, be acquired during the term of this Agreement that would conflict in any manner with the performance of services pursuant to this Agreement.

9. Delays in Performance

Neither the City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; pandemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

10. Compliance with Law

- a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government. If Consultant's failure to comply with applicable laws, ordinances, codes and regulations results in a claim for damage or liability to City, Consultant shall be responsible for indemnifying and holding the City harmless as provided in this Agreement.
- b. Consultant shall assist the City, as requested, in obtaining and maintaining all permits, if any, required of Consultant by federal, state and local regulatory agencies.

11. Standard of Care

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

12. Assignment and Subconsultants

Consultant shall not assign, delegate, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. A consent to one assignment shall not be deemed to be consent to any subsequent assignment. Nothing contained herein shall prevent Consultant from employing independent associates and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

13. Independent Consultant

Consultant is retained as an independent Consultant and is not an agent or employee of the City. No employee or agent of Consultant shall by this Agreement become an agent or employee of the City. The work to be performed shall be in accordance with the work described in [Exhibit 'A'](#), subject to such directions and amendments from the City as herein provided. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Consultant enters into this Agreement as, and shall continue to be, an independent consultant. All services shall be performed only by Consultant and Consultant's employees, if applicable. Under no circumstances shall Consultant, or any of Consultant's employees, look to the City as his or her employer, or as a partner, agent or principal. Neither Consultant, nor any of Consultant's employees, shall be entitled to any benefits accorded to City employees, including without limitation worker's compensation, disability insurance, vacation or sick pay. Consultant shall be responsible for providing, at Consultant's expense, and in Consultant's name,

unemployment, disability, worker's compensation and other insurance, as well as licenses and permits usual or necessary for conducting the services.

14. Integration

This Agreement represents the entire understanding of the City and Consultant as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered hereunder. To the extent that any provision or clause contained in an attachment to this Agreement conflicts with a provision or clause in the Agreement, the provision or clause in this Agreement shall control. This Agreement may not be modified or altered except in writing signed by both parties hereto. This is an integrated Agreement.

15. Insurance

a. Commercial General Liability

- (i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the City.
- (ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:
 - (1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001)
- (iii) Commercial General Liability Insurance must include coverage for the following:
 - (1) Bodily Injury (including death) and Property Damage
 - (2) Personal Injury/Advertising Injury
 - (3) Premises/Operations Liability
 - (4) Products/Completed Operations Liability
 - (5) Aggregate Limits that Apply per Project
 - (6) Contractual Liability with respect to this Contract
 - (7) Broad Form Property Damage
 - (8) Independent Consultants Coverage

(9) Sexual Misconduct Coverage, with no applicable sublimit

- (iv) All such policies shall name the City of Santee, its City Council and each member thereof, its officers, employees, and agents as Additional Insureds under the policy.
- (v) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City. All deductibles and self-insured retentions must be declared to the City prior to commencing work under this Agreement.
- (vi) Sexual Misconduct Coverage will be provided as broad as that which is provided by the ISO Commercial General Liability coverage from CG001 04/13.

b. Automobile Liability

- (i) At all times during the performance of the work under this Agreement the Consultant shall maintain Automobile Liability Insurance for bodily injury (including death) and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the City.
- (ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 0001 (ed. 6/92) covering automobile liability, Code 1 (any auto).
- (iii) The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by the City.

c. Workers' Compensation/Employer's Liability

- (i) At all times during the performance of the work under this Agreement the Consultant shall maintain Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage in amounts indicated herein.
- (ii) Such insurance shall include an insurer's Waiver of Subrogation in favor of the City and will be in a form and with insurance companies acceptable to the City.
- (iii) If insurance is maintained, the workers' compensation and employer's liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City.

- (iv) Before beginning work, the Consultant shall furnish to the City satisfactory proof that he/she has taken out for the period covered by the work under this Agreement, full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof. Consultant shall require all subconsultants to obtain and maintain, for the period covered by the work under this Agreement, worker's compensation of the same type and limits as specified in this Section.
- d. Professional Liability (Errors and Omissions)
- (i) At all times during the performance of the work under this Agreement and for 60 months following the date of Project completion and acceptance by the City, the Consultant shall maintain Professional Liability insurance, in a form and with insurance companies acceptance to the City and in an amount indicated herein; provided, however, that if the work under this Agreement involves teaching, coaching, or childcare, Consultant shall provide Educators Legal Liability ("ELL") insurance in lieu of Professional Liability insurance
- e. Cyber Liability
- (i) At all times during the performance of the work under this Agreement and for sixty (60) months following the date of Project completion, the Consultant shall carry and maintain, at its own expense, including any City-approved deductibles or retentions, Cyber Liability insurance in an amount stated herein. The Cyber Liability policy must include security and privacy liability, media liability, business interruption and extra expense, and cyber extortion liability, as specified by the City. Such coverage is required if Consultant provides products and/or services related to information technology and electronic data processing (including hardware and software) to the City or as otherwise required by the City.

f. Minimum Policy Limits Required

(i) The following insurance limits are required for the Agreement:

	<u>Combined Single Limit</u>
Commercial General Liability	\$2,000,000 per occurrence/\$4,000,000 aggregate for bodily injury (including death), personal injury and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury (including death) and property damage
Employer's Liability	\$1,000,000 per accident for bodily injury or disease
Professional Liability / ELL	\$1,000,000 per claim and aggregate (errors and omissions)
Cyber Liability Insurance	\$1,000,000 per occurrence/\$2,000,000 aggregate (if Project involves electronic data processing or development of hardware or software)

If Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

g. Evidence of Insurance Required

(i) Prior to execution of the Agreement, the Consultant shall file with the City evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative, Certificate of Insurance (most recent version of Acord 25 Form or equivalent), and Additional Insured Endorsement verifying compliance with the requirements. All evidence of insurance shall be signed by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names of the insured, any additional primary insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

h. Policy Provisions Required

- (i) The City of Santee, its City Council and each member thereof, its officers, employees, and agents shall be named as an additional insured on the Commercial General Liability policy, and, if the Project involves environmental hazards, on the Pollution/Asbestos Liability policy using form 2010 1185 or equivalent. Any subconsultant, subcontractor or similar entity performing work on the Project must add the City as an additional insured using CG form 20 38, or broader coverage. Blanket endorsements may be accepted at City's discretion. All policies shall contain or shall be endorsed to contain a provision that advanced written notice of any cancellation, including cancellation for non-payment of premium, shall be provided to the City. Statements that the carrier "will endeavor" and "that failure to mail such notice shall impose no obligation and liability upon the company, its agents or representatives," will not be acceptable on endorsements. At the City's sole discretion, the requirement to endorse policies to provide advanced written notice of cancellation to the City may be waived upon the Consultant's agreement that it shall provide the City with copies of any notices of cancellation immediately upon receipt.
- (ii) General Liability, Automobile Liability, and if required, Pollution Liability insurance policies shall contain a provision stating that the Consultant's policies are primary insurance and that the insurance of the City or any named additional insureds shall not be called upon to contribute to any loss.

i. Qualifying Insurers

- (i) All policies required shall be issued by acceptable insurance companies, as determined by the City, which satisfy the following minimum requirements:

Insurance carriers shall be qualified to do business in California and maintain an agent for process within the State. Such insurance carrier shall have not less than an 'A' policyholder's rating and a financial rating of not less than "Class VII" according to the latest Best Key Rating Guide. Due to market fluctuations in the Workers Compensation sector, the City reserves the right and at its sole discretion to review and accept the Consultant's proposed Workers compensation insurance.

j. Additional Insurance Provisions

- (i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner

limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

- (ii) If at any time during the life of the Agreement, the Consultant fails to maintain in full force any insurance required by the Agreement documents the City may terminate the Agreement or may elect to withhold compensation in an amount sufficient to purchase insurance to replace any expired or insufficient coverage.
- (iii) The Consultant shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverage for subconsultants shall be subject to all of the requirements stated herein.
- (iv) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.
- (v) Neither the City, nor its City Council, nor any member of thereof, nor any of the directors, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of the Contract.

16. Indemnification

To the fullest extent permitted by law, Consultant agrees to indemnify, defend (with independent counsel approved by the City) and hold harmless the City and its officers, employees and elected and appointed officials, and volunteers (each, an "Indemnified Party") from and against any and all liabilities (including without limitation all claims, losses, damages, penalties, fines, and judgments, associated investigation and administrative expenses, and defense costs, including but not limited to reasonable attorneys' fees, court costs and costs of alternative dispute resolution) regardless of nature or type, expressly including but not limited to those arising from bodily injury (including death) or property damage, arising out of or resulting from any act or omission to act of the Consultant, Consultant's agents, officers, employees, subconsultants, or independent consultants hired by Consultant under this Agreement. The Consultant's obligations apply regardless of whether or not a liability is caused or contributed to by the negligence (including passive negligence) or other act or omission of an Indemnified Party. The acceptance or approval of the Consultant's work by an Indemnified Party shall not relieve or reduce the Consultant's indemnification obligation. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against the City, its officials, officers, agents, employees or representatives. The provisions of this Section shall survive completion of the work under this Agreement or the termination of this Agreement and are not limited by the provisions relating to insurance.

If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

17. Confidentiality

Consultant shall keep confidential all information, in whatever form, produced, prepared, observed or received by Consultant to the extent that such information is confidential by law or otherwise required by this Agreement.

18. Laws, Venue, and Attorneys' Fees

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

19. Termination or Abandonment

- a. City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to Consultant. In the event such notice is given, Consultant shall cease immediately all work in progress.
- b. Consultant may terminate this Agreement at any time upon thirty (30) days written notice of termination to City.
- c. If either Consultant or City fails to perform any material obligation under this Agreement, then, in addition to any other remedies, City or Consultant may terminate this Agreement immediately upon written notice.
- d. Upon termination of this Agreement, all property belonging to City which is in Consultant's possession shall be returned to City. Consultant shall furnish City with a final invoice for work performed by Consultant. City shall have no obligation to pay Consultant for work performed after termination of this Agreement.

20. Organization

Consultant shall assign Richard Keyes as the lead Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the City. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Agreement. Additional consulting team members are outlined in Exhibit 'C' Activity Schedule.

21. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed as shown below and shall be effective upon receipt thereof.

CITY:
Marlene D. Best
City Manager
City of Santee
10601 Magnolia Avenue
Santee, CA 92071

CONSULTANT:
Sharee Wolff
Chief Financial Officer
SDI Presence, LLC
200 E. Randolph Street, Suite 3550
Chicago, IL 60601

22. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the City and the Consultant.

23. Severability and Waiver

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal. Waiver by any party of any portion of this Agreement shall not constitute a waiver of any other portion thereof.

24. Non-discrimination

Consultant will comply with all applicable federal, state and local laws, ordinances, and regulations, including the Americans with Disabilities Act (ADA), California Fair Employment and Housing Act (FEHA) and Title VII of the Civil Rights Act of 1964. Consultant will not discriminate in any way, against any person, on the ground of race, color, national origin, religion, religious creed, age (over 40), sex and gender (including pregnancy, childbirth, breastfeeding or related medical conditions), sexual orientation, gender identity, gender expression, disability (mental and physical), medical condition, genetic information, marital status, or military and veteran status, in connection with services under this Agreement.

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

CITY OF SANTEE:

CONSULTANT:

By: _____
Marlene D. Best
City Manager

By: _____
Sharee Wolff
Chief Financial Officer

APPROVED AS TO FORM:

BEST & KRIEGER LLP

By: _____
Shawn Hagerty
City Attorney

EXHIBIT 'A' **SCOPE OF SERVICES**

Consultant recognizes that the City has a fixed budget to allocate for implementation services, and understands that the precise scope and level of effort for implementation activities can vary based on numerous factors, including City staff availability and expertise, as well as vendor performance. For this reason, Consultant commits to working with the City on a task-by-task basis such that the City can apply resources in a timely manner for the highest priority needs. Working collaboratively with the City will help ensure that Consultant resources are used efficiently and that the project will be completed within budget.

As directed by the City, Consultant will provide the following services:

- Participate as an established member of the City's Land Management and Permit System Steering Committee.
- Participate in business process review meetings and subsequent review of the selected vendor deliverables to provide recommendations and guidance to City staff with regards to sufficiency and acceptance.
- Participate in subject matter expert (SME) configuration training to document homework assignments. In addition, Consultant will deliver assignment lists to the City's project manager.
- Participate in conversion requirement activities; validation planning, including advising validation methods (real time input to whomever is executing the validations); and reviewing validation results (assuming those results would be generated by the City).
- Participate in user acceptance and integrated testing planning.
- Participate in user acceptance and integrated testing activities with identified City staff.
- Participate in developing the go-live cutover plan and be present for the go-live.
- Perform assigned as-needed tasks and activities such as work plan analysis, key milestone review, interface analysis, and documentation.

Consultant will work with the City's project manager and/or stakeholder team with regard to the specific assignments and define the specific tasks within the scope of services. Once a task has been assigned to Consultant, Consultant will report the status of the assignments to the City's project manager. Consultant will also provide a level of effort report, so that the City can proactively manage the project budget.

Specific tasks within the Scope of Services may include:

<p>Monitor & Control Project Execution</p> <p>TASK DESCRIPTION: Working with City stakeholders and the Project Manager for Tyler Technologies, Inc., a third party consultant hired by the City (“Tyler”) and using all the plans, schedules, procedures, and standards prepared for the project, Consultant will monitor the current state of the project schedule and implementation plan to determine the status of upcoming tasks and determine where Consultant’s advisory services can be best applied. This will include ensuring that regular status reports are provided and discussed at project review meetings with the Project Sponsor and appropriate participants. These reviews will include performance measures for the completion of tasks and activities in accordance with the project plan, communication plan, risk management plan, and quality assurance plan.</p> <p>DELIVERABLES: Monitor the following: Tyler Updated Project Plan, Tyler Biweekly Project Status Reports, Tyler Risk / Issue Tracking Logs,</p>
<p>Support Business Process Review, Change Management, and New System Configuration</p> <p>TASK DESCRIPTION: Consultant will assist the City with reviewing business processes decisions to help identify areas where a business process change and their application to the new system environment may result in improved efficiencies. Consultant will provide suggestions and recommendations for business process improvements in conjunction with the City’s project team, and will participate in system configuration discussions with Tyler to help ensure appropriate configuration specifications for the new system.</p>
<p>Support Conversion Requirements Development</p> <p>TASK DESCRIPTION: If needed, Consultant will assist in defining conversion and testing requirements for items that must be converted into the new system.</p>
<p>Support User Acceptance Testing</p> <p>TASK DESCRIPTION: Consultant will assist the City in preparing for user acceptance testing of the configured system, including monitoring of functional tests, security tests, access control capabilities, as well as the identification, tracking, and resolution of acceptance test issues, and the system documentation provided by the software vendor.</p>
<p>Support End User Training</p> <p>TASK DESCRIPTION: Consultant will support the City in identifying training requirements and training audiences, and creating related schedules. Training should be sufficiently detailed and comprehensive to ensure that City staff will be able to effectively use the system and support it after implementation. Consultant will review related training materials to ensure that they accurately reflect the City’s configuration and identified business processes.</p>
<p>Complete Readiness Assessment</p> <p>TASK DESCRIPTION: Consultant will develop a checklist to be used to assess the City’s operational readiness for the new system implementation, including staffing / training, operational procedures, and change management.</p> <p>DELIVERABLE: Readiness Assessment Checklist</p>
<p>Support Cutover Planning & Execution</p> <p>TASK DESCRIPTION: Consultant will provide support for planning and execution of the City’s production implementation of the vendor’s solution.</p>

EXHIBIT 'B'
SCHEDULE OF CHARGES

Consultant will provide consulting services on a time and material basis.

Consultant's hourly rate is \$175 for a senior level resource (DE, PM or SME), which includes all travel and related expenses.

In no event shall the total amount paid for services rendered by Consultant exceed the sum of \$100,000.

Consultant will bill the City each month based on actual hours worked.

EXHIBIT 'C' **ACTIVITY SCHEDULE**

The Consultant's team for Land Management & Permit System implementation services includes public sector specialists with significant depth and expertise to address all aspects of the Project. The Consultant's Project Manager and primary consultant will be Rick Keyes, who will draw upon other team members as needed.

Consultant's team includes:

- Mr. Rick Keyes, Project Manager (PM) and Subject Matter Expert (SME)
- Ms. Greta Davis, Delivery Executive (DE)
- Mr. Mike Gomez, Project Manager (PM) and Subject Matter Expert (SME)
- Dixon Mutadzakupa, Project Manager (PM) and Subject Matter Expert (SME)
- Wahab Balogun, Project Manager (PM) and Subject Matter Expert (SME)

Consultant will provide the Project services until the City's new Land Management & Permit System is implemented, which is estimated to be 12 months. Within this timeframe, Consultant estimates an average of eleven hours per week of senior level support (47.6 hours per month), and approximately 571.43 hours over the course of the Project.

While much of the project will be managed remotely by Consultant, there will be targeted times that onsite work will occur.

MEETING DATE February 9, 2022

ITEM TITLE DRAFT PAVEMENT MANAGEMENT REPORT 2022 AND PAVEMENT MAINTENANCE WORKSHOP

DIRECTOR/DEPARTMENT Carl Schmitz, City Engineer *SML FOR:*

SUMMARY

This item is an informational item regarding the completion of the draft Pavement Management Report 2022 by IMS and a pavement workshop related to the City's pavement maintenance program.

At the September 8, 2021 Council meeting, the City Council authorized the execution of a Professional Services Agreement with IMS to prepare the Pavement Management Report 2022 which includes the assessment of all City streets. The draft report compiles data from field assessments and analysis of all existing public street conditions, prior pavement condition reports, recent pavement resurfacing projects, funding sources and budgets for the entire street network within Santee. IMS has collected and analyzed data from every public street within Santee and has prepared a draft report which provides a recommended pavement maintenance list based on types of funding sources, required street treatment and proposed budgets for the best use of funds allocated for pavement maintenance. The draft report identifies an overall rating of the **City's pavement condition index (PCI) of 65**. A PCI of 70 is an indication that the overall City pavement condition is within a satisfactory maintenance strategy rating. This updated City PCI of 65 is an increase from 62 which was reported in the 2017 Pavement Condition Report.

The 2017 Pavement Condition Report identified that an estimated annual budget of \$3.28 million would be required to maintain the then City PCI of 62. Since 2017, an average of \$1.37 million per year was spent on City paving projects to maintain the street network. Although less than half of the estimated required budget amount to maintain the prior PCI was spent annually on paving, the overall City PCI has increased 3 points. The City adhered to the zone recommendations from the 2017 report, and completed approximately 75% of the project streets between 2017 and 2021. By utilizing Gas Tax RMRA and general funds in addition to TransNet funds staff was able to utilize a more cost-effective maintenance strategy, which allowed a larger number of streets to be resurfaced due to the lower costs.

Among numerous topics within the draft report, the report estimates that an annual budget of \$4.37 million is required to maintain the current PCI of 65 and an estimated annual budget of \$7.00 million is required to achieve an overall PCI of 70 for City streets. The City Council has established a goal to review methods for planning and scheduling road and street repairs. It is anticipated Council members will provide input into this process to give voice to concerns and comments heard in the community.

FINANCIAL STATEMENT *sm*

Funding for this report is provided by TransNet Local Street Improvement Program funds in the amount of \$61,995.00 with a total project budget of \$70,000.00 and is included in the adopted Capital Improvement Program budget.

CITY ATTORNEY REVIEW N/A Completed



RECOMMENDATION

1. Accept the Draft Pavement Management Report 2022; and
2. Approve Zones CD, CE, CI and EB to be resurfaced with current available funding; and
3. Provide direction on additional streets to resurface based on the recommended list herein.

ATTACHMENT

Staff report

STAFF REPORT
DRAFT PAVEMENT MANAGEMENT REPORT 2022
AND
PAVEMENT MAINTENANCE WORKSHOP

CITY COUNCIL MEETING
February 9, 2022

RESULTS OF PAVEMENT MANAGEMENT REPORT 2022

The Pavement Management Report 2022 identifies the condition of City streets and provides an overall rating of the City's pavement condition index (PCI) used to grade roadways on a 0 to 100 scale, with 0 being completely failed and 100 being a new street. The report has identified **Santee's overall PCI as 65.**

A PCI of 70 is considered to indicate the overall City pavement condition is within a maintenance strategy which is the most cost-effective range for a City. This updated City PCI of 65 is an increase from 62 which was reported in the 2017 Pavement Management Report. The 2017 Pavement Management Report identified an estimated annual budget of \$3.28 million that would be required in order to maintain the then City PCI of 62. Since 2017, an average of \$1.37 million per year was spent on City paving projects to maintain the street network. Although less than half of the estimated required budget amount to maintain the prior PCI was spent annually on paving, the overall City PCI has increased 3 points. This is primarily attributed to the use of unrestricted Gas Tax RMRA and general funds in addition to TransNet funds that allow varied maintenance strategies like cape seals and slurry sealing. The restricted funding like Transnet require 70% of funding to be used on rehabilitation like pavement reconstruction, rather than surface treatments such as cape seals and slurry sealing. The net result is more streets can be maintained at a lower cost allowing streets to be repaired before they become more costly. Staff adhered to the zone recommendations from the 2017 report and completed 13 of the 15 residential zones between 2017 and 2021. The remaining zones from the 2017 report will be the first two zones recommended in the 2022 report. By using a more cost-effective maintenance resurfacing strategy, staff was able to repair a larger number of streets with surface treatments due to the lower costs.

The 2022 report estimates that an annual budget of \$4.37 million is required to maintain the current PCI of 65 and an estimated annual budget of \$7.00 million is required to achieve an overall City PCI of 70. The increase of the annual recommended budgets between the 2017 and the 2022 reports are due to significant increases in material and labor costs.

PAVEMENT MANAGEMENT REPORT BACKGROUND

Pavement management is the process of planning, budgeting, funding, designing, constructing, monitoring, evaluating, maintaining, and rehabilitating a pavement network in order to provide the maximum benefit with available funds. The first widely used program for pavement management was Micro Paver. This was developed by the Department of

Defense in conjunction with the Federal Highway Administration. They identified the need to evaluate current conditions, ongoing costs, pavement performance and future infrastructure needs in an effort to optimize budgets and identify infrastructure needs nationwide to lobby for dedicated funding into the future. This effort, coupled with required pavement condition reporting from state and local governments, helped increase roadway funding and provided transparency on infrastructure deficiencies. This resulted in funding increases in the State Gas Tax with SB1 RMRA and the extension of Proposition A, the half-cent sales tax measure, promoted by SANDAG as TransNet.

Santee's first pavement management assessment report was conducted in 1998. The following table identifies the overall City PCI over the past 22 years based on the applicable Pavement Management Reports.

Year	Pavement Condition Index (PCI)
1998	-*
2000	60
2003	71
2008	54
2013	65
2017	62
2022	65

*A PCI was not determined in the original 1998 report.

The first Santee Pavement Management Report that included recommended work plans and overall cost analysis was conducted in 1998. Prior to 1998, pavement management and repair were managed by collective experience of staff and pavement repair decisions were ad hoc and usually complaint-driven, or based on the "worst first" method. As costs increased and networks aged, many cities nationwide started using standardized programs to plan the work on a comprehensive basis.

Staff has been utilizing Pavement Management Reports to cost-effectively maintain the pavement network, report conditions to the League of California Cities, State, SANDAG and federal agencies and to plan future resurfacing projects in an effort to improve the overall condition of all City streets. One thing that has been apparent with every report since 1998 is that the available funding for the pavement maintenance program required to maintain the network is insufficient, thereby resulting in a growing backlog of failed or failing streets.

The City of Santee has approximately 126 centerline miles of roadways encompassing over 27.9 million square feet of asphalt pavement surfaces. This is maintained almost entirely through CIP construction contracts with minor temporary pot-hole patching conducted in-house by Public Services Division staff. There are currently two primary funding sources used to maintain the street network, TransNet (the Prop A half-cent sales tax), and Gas Tax RMRA revenue. There are limited occasions where other one-time funding sources were allocated over the last 10 years. In each of the prior two fiscal years and current fiscal year

staff has identified and City Council has authorized the use of General Fund reserves during budget reviews. Santee also participated in TransNet debt financing bonds which were issued by SANDAG in 2010 and 2014. This provided additional funding for pavement management at the time, but requires financing costs in future years. As a result of the TransNet debt financings (which also included \$4.5 million for the Forester Creek project) approximately \$800,000 of the City's annual TransNet revenue is required to go towards debt service, thereby reducing the amount available for projects through 2030 and to a lesser extent through 2034.

One note of particular importance is the TransNet and Gas Tax RMRA funding must be programmed well in advance of pavement contract awards. TransNet programming is completed through SANDAG and streets to be repaired must be listed. SANDAG has quarterly opportunities to program or amend streets, however the timing of approval requires these to be amended over six months in advance of pavement contract awards. Gas Tax RMRA programming is performed every April for the next fiscal year, therefore pavement repair strategies and street lists are required over a year in advance. By preparing pavement recommendations in the pavement management report for multiple years, this allows staff to effectively program anticipated budgets and streets in advance with careful planning that avoids lengthy amendments that could delay paving repair contracts.

Santee's previous Pavement Management Report was completed in 2017. At that time, Santee had an average PCI of 62, and the County average was 72. The Pavement Management Report completed in 2022 identifies the City PCI increased to 65 while the County average decreased to 70.

PAVEMENT MANAGEMENT REPORT PROCESS IN SANTEE

Funds that have been allocated for pavement resurfacing should be used as effectively as possible. The method used by staff is to obtain maximum value of available funds through the use of a pavement management report. A pavement management report is used to assist staff in determining optimal strategies for providing and maintaining pavement in a serviceable condition over a given time period. The increase of the overall City PCI from 62 to 65 shows the effective use of pavement resurfacing funds being applied to Santee streets especially when the required amount of funding to maintain streets is not available.

Staff hires qualified consultants to conduct periodic (every 4-5 years) reports in order to reevaluate current and future conditions as is reflected in the adopted CIP. This is important not only for reporting purposes and funding, but it also allows for long term coordination with utilities to avoid cutting into newly resurfaced streets and to plan future City work like storm drain replacement projects. By planning long term strategies, staff can coordinate and reduce potential conflicts with other departments and agencies with enough advance notice to allow others to budget accordingly. This strategy is used for items such as simple avoidance of trenching newly resurfaced streets or avoiding emergency budgeting or change orders due to unforeseen conflicts.

As shown in **Figure 1**, streets that are repaired when they are in a good condition will cost significantly less over their lifetime than streets that have deteriorated to a poor condition. Without an adequate budget to provide for a routine pavement maintenance program, streets require more frequent reconstruction, resulting in repair costs totaling millions of extra dollars. Over time, due to traffic, exposure and wear, pavement quality drops until the pavement condition becomes unacceptable. For each street, the shape of the curve, and hence, the rate of deterioration, is dependent on many factors – foremost of which being the strength of the roadway structure and traffic loading.

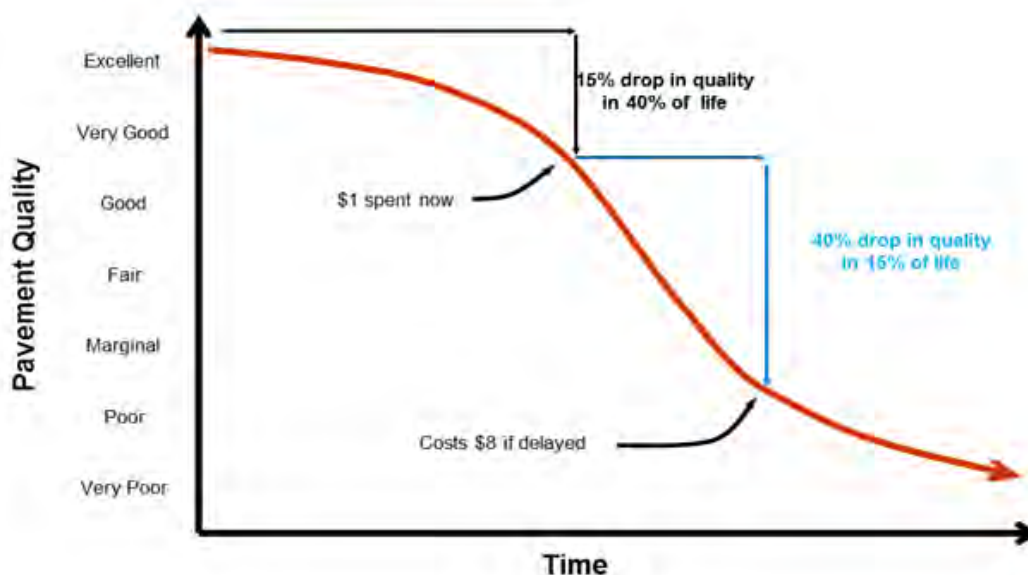


Figure 1

The resultant benefit of this exercise is realized by the long-term cost savings and increase in pavement quality over time. As illustrated in **Figure 1**, pavements typically deteriorate rapidly once they hit a specific threshold. A \$1 investment at 40% of the pavement lifespan is much more effective than deferring maintenance until heavier overlays or possibly reconstruction is required just a few years later. The key point of the pavement management report is to develop policies and practices that delay the inevitable total reconstruction for as long as practical yet still remain within the target zone for cost effective resurfacing. That is, as each roadway approaches the steepest part of its deterioration curve, apply a remedy that extends the pavement life, at a minimum cost, thereby avoiding costly heavy overlays and reconstruction.

The actual pavement management process involves three unique, but important steps, and is presented graphically in **Figure 2**. They include **System Configuration, Field Surveys, and Analysis and Reporting**. Each activity builds on the previous, until the end result is a prioritized paving and rehabilitation program.

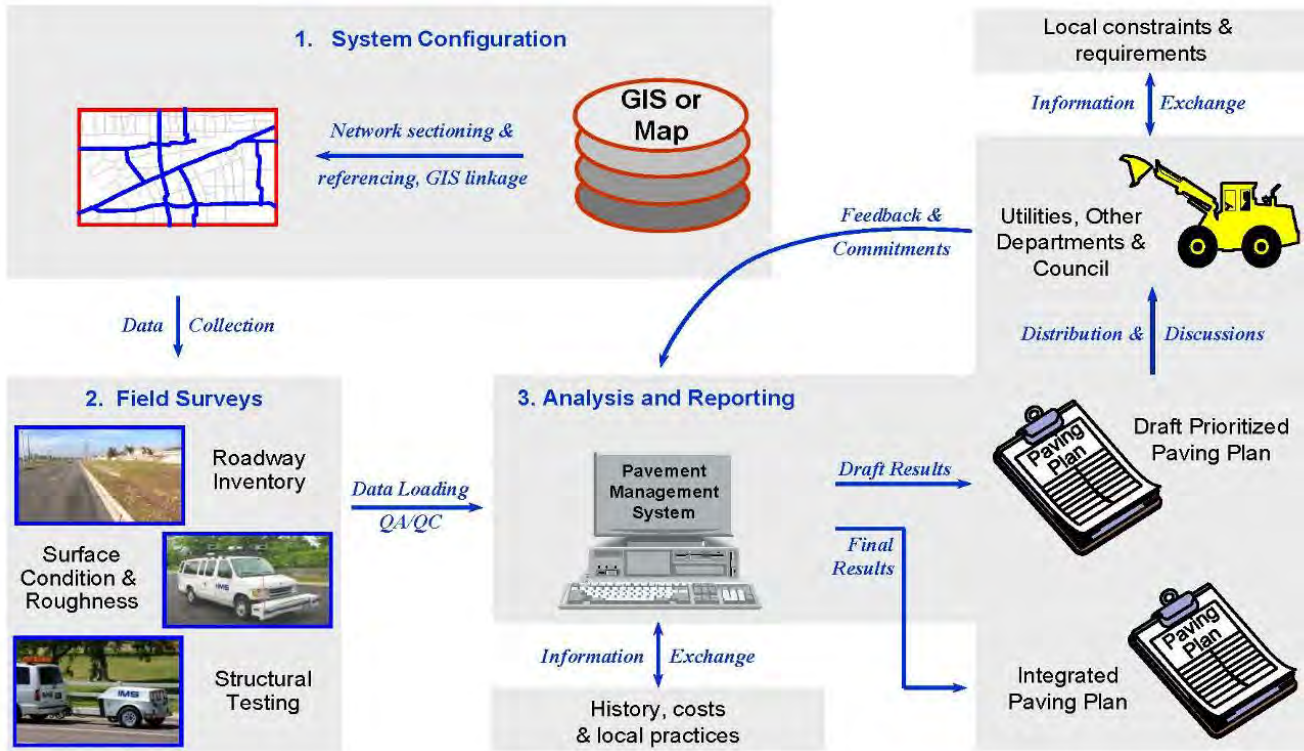


Figure 2 – The Pavement Management Process

- 1. System Configuration:** in Santee’s case the network is broken down into zones that represent neighborhood history and similar original construction timing representing limited areas that can be used for budgeting and economy of scale when bidding. This allows for a similar paving type to be used in one area, which often results in lower bid prices. The overall PCI of all zones within the City in 2017 is shown in **Figure 3A** and the overall PCI of all zones within the City in 2022 is shown in **Figure 3B**. The total number of zones that are in the Very Good and Excellent rating has dramatically increased over the past 5 years.

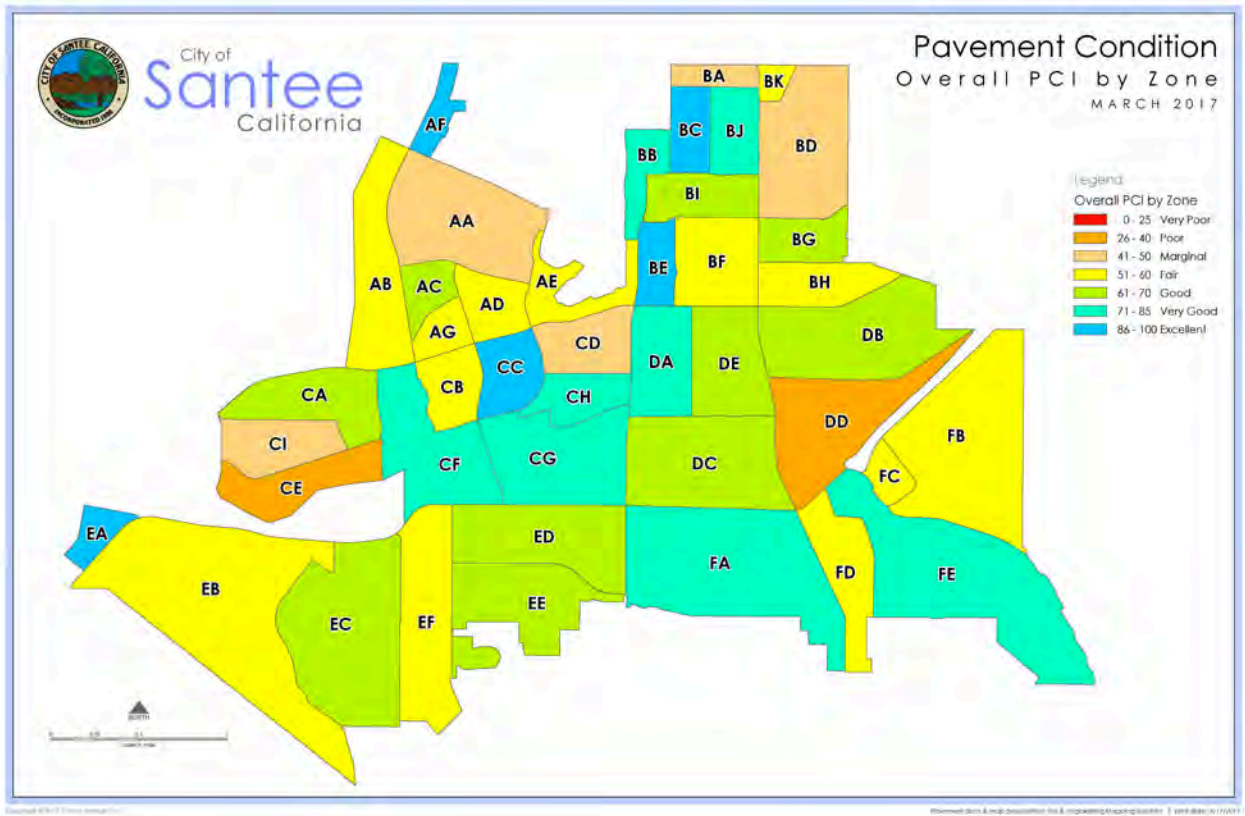


Figure 3A – Santee Pavement Zone Map in 2017

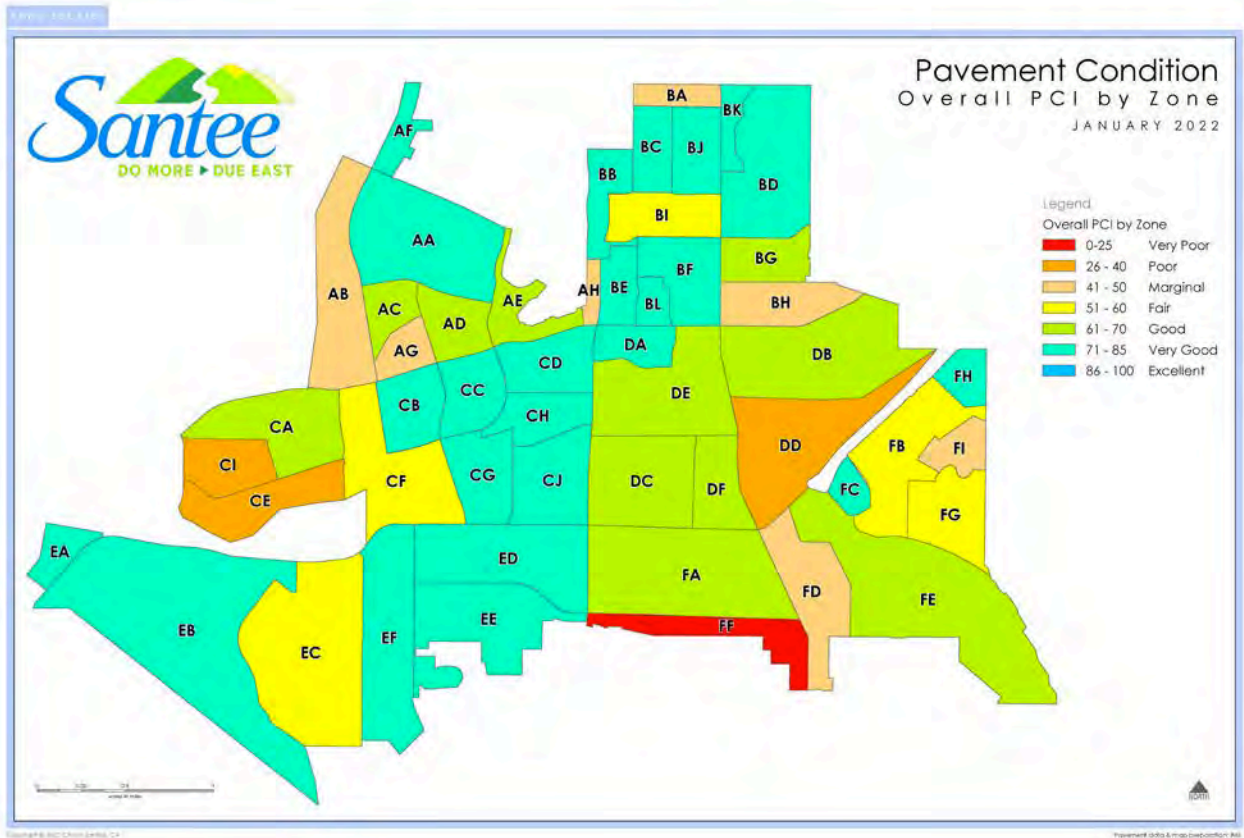


Figure 3B – Santee Pavement Zone Map in 2022

2. **Field Surveys:** These are conducted on every street in Santee’s network by specialized equipment that measure the conditions of the road like cracking, distress, and ride quality.
3. **Analysis and Reporting:** Following the field surveys, the condition data is reviewed and analyzed to create a single score representing the overall condition of the pavement. The Pavement Condition Index (PCI) is calculated and development of the pavement management plan and budgets are completed using Santee-specific rehabilitation strategies, unit rates, priorities, and pavement performance curves. The process is iterative in its attempt to obtain the greatest efficiency and cost benefit.

In order to understand the pavement terminology, the following illustration in **Figure 4** compares the Pavement Condition Index (PCI) to commonly used descriptive terms. The divisions between the terms are not fixed, but are meant to reflect common perceptions of condition. The goal being to crack fill and resurface streets with slurry seals and cape seal which costs as little as \$0.20 per square foot. When a road PCI index reaches 40 – 60, the cost can quickly rise to \$2.00 per square foot or even worse to a full reconstruction at \$8.00 per square foot when the PCI reaches 0 – 40.

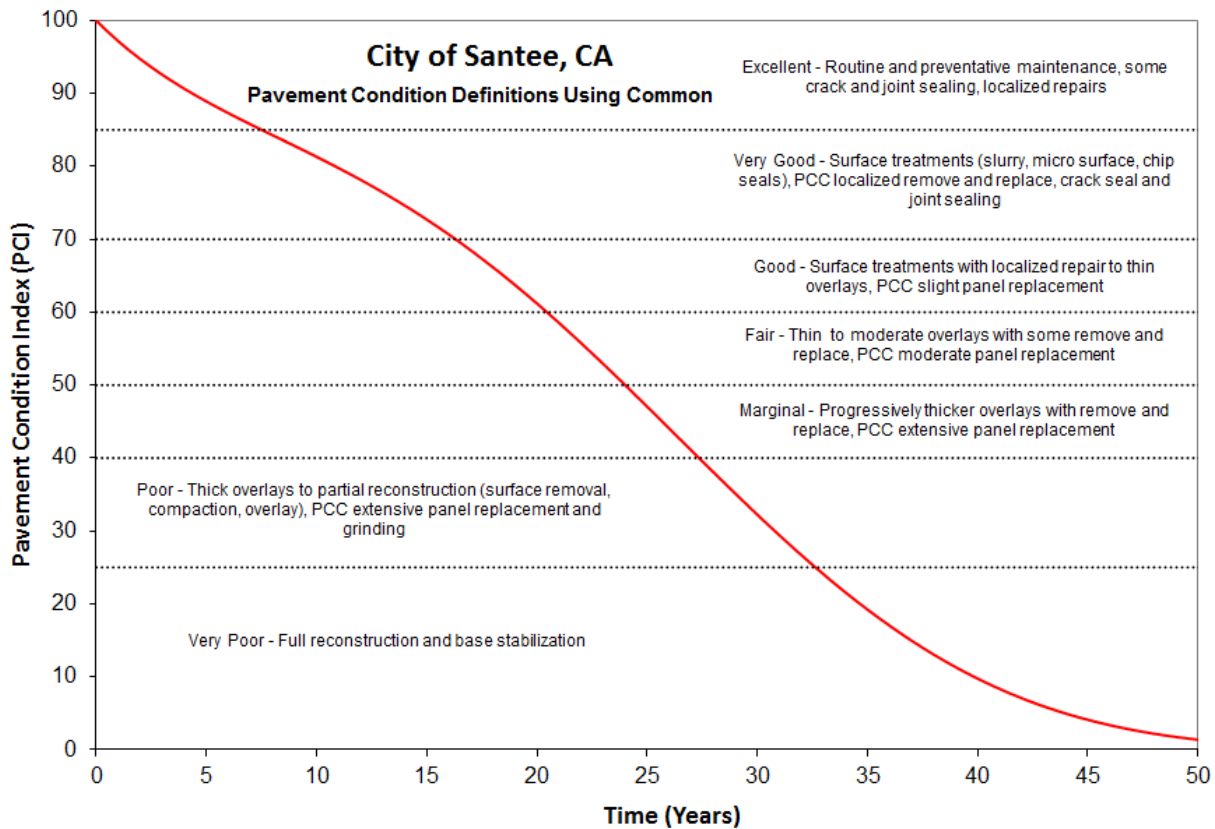


Figure 4 – Understanding the Pavement Condition Index (PCI) Score

CITY COMPARISON

Figure 5 presents a sample list of local agencies overall PCI condition between 2017 and 2021, which is the period of the most recent Pavement Management Reports. Since the last report in 2017, the **City of Santee PCI has increased from 62 to 65**, whereas the average PCI in the region has dropped from 72 to 70. **Figure 5** also identifies the average budgets for local agencies. The City of Santee’s average expenditures for the past five years is \$1.37 million, substantially less than the regional average of \$3.1 million. However, it should be noted that in the current fiscal year Santee has allocated \$5.5 million to street resurfacing. It

should also be noted that some of the sample agencies have dedicated staff performing crack sealing, patching and other pavement repairs with in-house crews to supplement the contracted work.

Local Agency Pavement Condition Index / Funding Comparisons

CITY	CENTERLINE MILES	AVERAGE PAVING COSTS	2017 PCI	2021 PCI
Carlsbad	352	\$5.0M	80	79
Chula Vista	462	\$5.8M	74	74
Coronado	60	\$1.5M	Unknown	75
Del Mar	25	\$0.3M	70	65
El Cajon	186	Unknown	79	Unknown
Encinitas	169	\$3.0M	76	72
Escondido	315	\$5.0M	Unknown	64
La Mesa	Unknown	Unknown	72	Unknown
Lemon Grove	62	\$1.4M	Unknown	60
National City	Unknown	Unknown	75	Unknown
Oceanside	411	\$5.1M	60	60
Poway	165	\$4.5M	80	80
San Diego, City	3,045	\$145M	72	Unknown
San Diego County	1,943	\$56M	61	66
San Marcos	197	\$4.4M	76	76
Santee	126	\$1.4M	62	65
Solana Beach	42	\$0.8M	67	67
Vista	192	\$1.9M	71	76
Average	197*	\$3.1M*	72	70

*City of San Diego and County of San Diego not included in determining average due to budget amounts and size of street inventory.

Figure 5

FUTURE STEPS

The current paving budget for FY2021-22 totals of \$5.5 million which includes \$2.6 million of Transnet and RMRA funding (including \$634,000 from prior year carryover balances), \$1.9 million in General Fund and \$1.0 million from federal American Rescue Plan Act (ARPA)

funds. To date this fiscal year a total of nearly \$2.3 million in paving costs have been incurred, with a remaining balance of \$3.3 million allocated this fiscal year. Paving projects under consideration for the next contracts to be awarded include the following:

- An overlay on Cuyamaca Street from Mission Gorge Road to Buena Vista Avenue and patching on Woodside Avenue from David Ann Road to the eastern City Limits. These two projects are currently out to bid and are estimated at \$985,000.
- Residential Zones CE, CI, one street in Zone CD and one street in Zone EB were within the report in 2017 that did not get completed and staff recommends they be completed. The estimate for these zones is estimated at \$1.5 million. Every street in Zone CE will be completed and approximately 50% of the streets in Zone CI will be completed this year and the remaining streets will be completed in 2023.

Completing the streets and zones listed above is estimated at \$2.49 million. This will result in a remaining balance of the \$3.3 million in available funding to \$815,000. The list below identifies streets and their estimated resurfacing costs that City Council has expressed interest in for resurfacing based on complaints that the City has received.

El Nopal	Magnolia Ave. to Eastern City Limits	\$ 700,000
Magnolia Ave.	Prospect Ave. to South City Limits	\$ 350,000
Mission Gorge Rd.	Rancho Fanita Dr. to West Hills Pkwy	\$ 350,000
Pebble Beach Dr.	Mast Blvd. to North End	\$ 625,000
Cuyamaca St.	Mission Gorge Rd. to River Park Dr.	\$ 325,000
Total		\$ 2,350,000

Other potential streets are as follows:

Carlton Oaks Dr.	Carlton Hills Blvd to Pebble Beach Dr	\$ 500,000
Carlton Oaks Dr.	Pebble Beach Dr to Wethersfield Rd	\$ 500,000
Carlton Oaks Dr.	Wethersfield Rd to West Hills Blvd	\$ 500,000
Woodside Ave.	David Ann to City Limits	\$ 675,000*

* Identifies the cost for the final resurfacing of Woodside Avenue in addition to the current contract out to bid for patching only on Woodside Avenue.

Staff is requesting City Council provide direction on the recommended streets and zones, based on the paving budget. Upon direction by City Council, Staff will return before July 2022 with the award of pavement contracts to complete the recommended street repairs.

By doing so staff can continue to report mandatory Pavement Condition Index (PCI) data to the State and SANDAG. This will also allow staff to plan future years of paving in advance for reporting and in an effort to coordinate with utilities and developers to avoid damage and/or trenching into newly paved streets.

STAFF RECOMMENDATION

1. Accept the Pavement Management Report 2022; and
2. Approve Zones CD, CE, CI and EB to be resurfaced with current available funding; and
3. Provide direction on additional streets to resurface based on the recommended list herein.

MEETING DATE February 9, 2022

ITEM TITLE RESOLUTION PROCLAIMING AN EMERGENCY, AUTHORIZING THE CONSTRUCTION OF FIREBREAKS AND FUEL REDUCTION THROUGHOUT THE SAN DIEGO RIVER CORRIDOR, WAIVING THE REQUIREMENT FOR COMPETITIVE BIDDING, AND AUTHORIZING THE CITY MANAGER TO ENTER INTO CONTRACTS TO CONSTRUCT A FIREBREAK

DIRECTOR/DEPARTMENT Marlene Best, City Manager

SUMMARY

Santee Municipal Code Section 2.32.060 authorizes the City Council to proclaim the existence or threatened existence of a local emergency upon request from the City Manager. This item requests that the City Council proclaim an emergency and authorize the construction of firebreaks near structures and reduce fuel accumulation of dead/dry vegetation and invasive tree growth such as palms and Arundo which increase the likelihood of additional fires. Given the extreme fire conditions the state is currently experiencing and the possibility of future fires in the San Diego River area, the Fire Chief recommends the construction of firebreaks near structures and fuel reduction throughout the San Diego River Corridor in order to safeguard life, health, and property. City Council previously proclaimed an emergency due to the risk of fire in the San Diego River area on October 14, 2020, and again on August 11, 2021, and as a result, the City has made significant progress in constructing firebreaks needed to safeguard life, health, and property from immediate fire risk. However, given the extreme fire conditions in the State and the possibility of future fires, the Fire Chief recommends the continued construction of firebreaks, as shown in the attached San Diego River Corridor map.

ENVIRONMENTAL REVIEW

The project is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15269(c) because the project is an action necessary to prevent or mitigate an emergency.

FINANCIAL STATEMENT *m*

A total of \$825,000 has been allocated for this effort, which includes a \$500,000 grant from the San Diego River Conservancy and \$325,000 appropriated from the General Fund. No additional allocation is required to continue the construction of the needed firebreaks.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *MDB*

Adopt the Resolution:

1. Proclaiming the immediate fire risk emergency; and
2. Approving the construction of firebreaks and fuel reduction to safeguard life, health, or property and waiving the requirement for competitive bidding; and
3. Authorizing the City Manager to enter into contracts for the emergency work from funds appropriated by the City Council for this purpose, and to take other actions as necessary.

ATTACHMENTS

Resolution
San Diego River Corridor Map



RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL PROCLAIMING AN EMERGENCY,
AUTHORIZING THE CONSTRUCTION OF FIREBREAKS AND FUEL REDUCTION
THROUGHOUT THE SAN DIEGO RIVER CORRIDOR, WAIVING THE
REQUIREMENT FOR COMPETITIVE BIDDING, AND AUTHORIZING THE CITY
MANAGER TO ENTER INTO CONTRACTS TO CONSTRUCT A FIREBREAK**

WHEREAS, Section 2.32.060 of the Santee Municipal Code empowers the City Manager to request that the City Council proclaim a local emergency when the City is affected or likely to be affected by an actual incident or the threatened existence of conditions or incidents of extreme peril to the safety of persons and property within the City caused by conditions which may be or are beyond control of the services, personnel, equipment, and facilities of the City; and

WHEREAS, conditions of extreme peril to the safety of persons and property exist within the City with the extreme fire season experienced in the State of California and the frequency of fires in the San Diego River Corridor, as shown on Exhibit A, attached hereto; and

WHEREAS, City Council proclaimed emergencies on October 14, 2020, and August 11, 2021, due to extreme fire risk and the construction of firebreaks, and both proclamations have since expired; and

WHEREAS, the Fire Department has responded to eighty-nine calls for service in the area from January 1, 2021 through December 31, 2021, related to wildland fires, smoke checks, illegal burns, and rubbish fires; and

WHEREAS, conditions of extreme peril warrant and necessitate the proclamation of the existence of a local emergency; and

WHEREAS, the City Council has been requested by the City Manager to proclaim the existence of a local emergency; and

WHEREAS, the immediate establishment of additional firebreaks near structures and fuel reduction is required to safeguard public health, safety and welfare; and

WHEREAS, Section 3.24.150 of the Santee Municipal Code authorizes the City Council to approve services in the case of an emergency that threatens public health, safety, and welfare; and

WHEREAS, funding for this project is available through budgeted General Fund and a \$500,000 grant from the San Diego River Conservancy; and

WHEREAS, this project is exempt from the provisions of the California Environmental Quality Act (CEQA) as provided in CEQA Guidelines Section 15269 (c) titled "Emergency Projects".

RESOLUTION NO. _____

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santee, California, as follows:

Section 1: The City Council hereby proclaims that a local emergency now exists in the City.

Section 2: That during the existence of the local emergency, the powers, functions, and duties of the City Manager, as Director of Emergency Services, shall be those prescribed by state law, ordinances, and resolutions of the City and by the City of Santee Emergency Plan.

Section 3: The immediate establishment of additional firebreaks and fuel reduction throughout the San Diego River Corridor as depicted on Exhibit A is authorized.

Section 4: The requirement for competitive bidding is hereby waived in order to safeguard life, health, and property.

Section 5: The City Manager is hereby authorized to execute contracts on behalf of the City to complete the emergency work described herein from funds appropriated by the City Council for this purpose and to take other actions as necessary. Such actions include, but are not limited to, obtaining rights of entry and signing other agreements required to perform the work.

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 9th day of February 2022, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

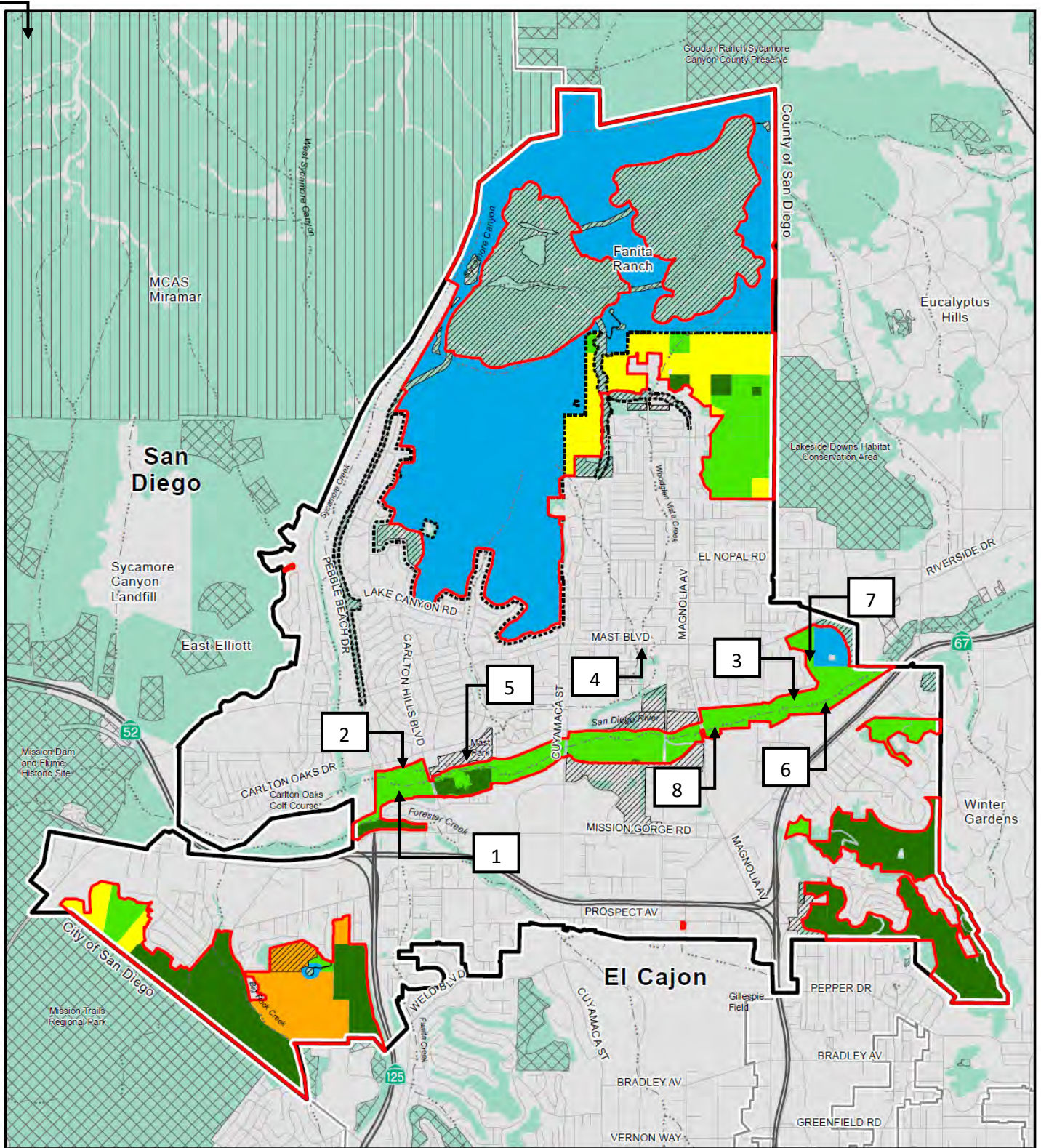
APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

Attachment: Exhibit A



Legend

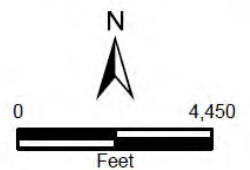
Preserve Boundary

Preserve Type

- Existing Preserves and Fully Managed
- Currently Protected Open Space - Not Fully Managed
- Future Preserves 100% (Hardlines)
- Future Preserves 75% (Softline Area)
- Future Preserves 60% (Softline Area)

City Boundary

- Fanita Subunit
- Pending and Known Development Projects
- Currently Protected Lands Outside the City
- MCAS Miramar
- Natural Vegetation
- Developed/Disturbed/Agriculture



Legend

1. 9088 - 9144 Willow Grove
2. 9057 - 9249 Carlton Oaks Dr.
3. 9502 Hillcreek Wy. - 11048 Hillcreek Rd.
4. 9717 - 9775 San Remo Rd.
5. 9025 Carlton Hills Blvd. - 9055 Willowgrove Ave.
6. 9444 Abraham Wy. - 11478 N. Woodside Ave.
7. 9631 - 9665 Ramsgate Wy.
8. New Frontier

MEETING DATE February 9, 2022

ITEM TITLE PURCHASE OF FIVE (5) BOTTLE FILLER STATIONS FROM MOST DEPENDABLE FOUNTAINS, INC.

DIRECTOR/DEPARTMENT Sam Rensberry, Public Services Manager *SR*

SUMMARY

This item requests City Council authorization to purchase five (5) Bottle Filler Stations from Most Dependable Fountains, Inc. (MDF). These fountains will be installed at Walker Preserve, West Hills Park and Woodglen Vista Park.

Santee Municipal Code (SMC) Section 3.24.120(B) authorizes the City to dispense with the requirements of formal or informal bidding and procure supplies, material and equipment on the open market when a commodity qualifies as a sole source purchase pursuant to SMC Section 3.24.020, and if the costs exceeds \$25,000 the sole source procurement method is approved by the City Council. SMC Section 3.24.020 defines "sole source" as either a commodity that: (a) can be obtained from only one supplier; or (b)(i) is not for a public work as defined in Public Contract Code Section 20161; (ii) must match or be compatible with other supplies, equipment or material presently used and the awarding authority has made a finding to this extent, and (iii) will be purchased from an authorized manufacturer or authorized retailer. Since 2006, all contracts for City park facility projects have specified models of drinking fountains manufactured by MDF or an approved equal. The City has not received any substitution requests during the bid process or during construction by the awarded contractors. Due to the number of drinking fountains throughout the City that are manufactured by MDF, their resistance to vandalism, ease of repair for City staff and that an approved equal based on the City's performance requirements has not been identified, staff recommends that the stainless steel fountains manufactured by MDF continue to be replaced with similar model fountains as manufactured by MDF.

Santee's Purchasing Ordinance requires City Council approval of all purchases exceeding \$25,000 in any single fiscal year. The City has already purchased one (1) Bottle Filler Station in the amount of \$6,065.29 this fiscal year. Staff recommends purchasing an additional five (5) Bottle Filler Stations for an amount not to exceed \$28,591.14. The total cost for six (6) Bottle Filler Stations purchased during FY 21/22 will be an amount not to exceed \$34,656.43.

FINANCIAL STATEMENT *m*

Funding for the purchase of the additional five (5) Bottle Filler Stations will be provided by funds received through CalRecycle's Beverage Container Recycling City/County Payment Program.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *MSB*

Authorize the sole source purchase of five (5) additional Bottle Filler Stations for an amount not to exceed \$28,591.14 and authorize the City Manager to execute all necessary documents.

ATTACHMENT

None



MEETING DATE February 9, 2022

ITEM TITLE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, AUTHORIZING THE FOURTH AMENDMENT TO THE EMPLOYMENT AGREEMENT OF THE CITY MANAGER

DIRECTOR/DEPARTMENT John W. Minto, Mayor

SUMMARY

On February 18, 2016, the City of Santee entered into an employment agreement with Marlene Best to serve as the City Manager, effective March 28, 2016 ("Employment Agreement"). Subsequently, the City has modified terms of the Agreement through First, Second and Third Amendments to the Employment Agreement.

The Employment Agreement provides that Ms. Best would begin accruing vacation at the rate of 20 days per year, the rate for an Executive Management employee with 10-14.9 years of service with the City, which was provided in recognition of her years of public agency experience.

On January 26, 2022, the City Council conducted Ms. Best's performance evaluation, and decided to continue Ms. Best's employment keeping the terms of her employment the same, other than consideration of an increase in her vacation accrual rate. The City Council provided direction to the City Attorney's office to amend the Employment Agreement to increase the vacation accrual rate to 25 working days per year, the maximum accrual rate for Executive Management. With this amendment, Ms. Best will also be entitled to a higher vacation accrual cap based on City policy.

The attached Resolution approves the Fourth Amendment to the Employment Agreement, amending the Salary and Benefits section of the Employment Agreement to increase Ms. Best's vacation accrual.

FINANCIAL STATEMENT *jm*

There is no current fiscal impact as a result of the Fourth Amendment. The ultimate potential fiscal impact would be an increase in the final accrued vacation balance to be paid to Ms. Best upon the conclusion of her employment.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *m DB*

Adopt a Resolution approving the Fourth Amendment to the Employment Agreement of Marlene Best.

ATTACHMENTS

- 1. Resolution
- 2. Employment Agreement



RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
APPROVING THE FOURTH AMENDMENT TO THE EMPLOYMENT AGREEMENT
OF THE CITY MANAGER**

WHEREAS, on February 18, 2016, the City of Santee entered into an Employment Agreement with Marlene Best to serve as the City Manager, as subsequently amended in the First, Second and Third Amendments to the Employment Agreement; and

WHEREAS, as the result of a performance evaluation on January 26, 2022, the City Council desires to further amend the Employment Agreement of Ms. Best, to increase her vacation accrual rate to twenty-five (25) working days per year, effective the first pay period after approval of this Amendment, as reflected in Exhibit "A" Fourth Amendment to Employment Agreement.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Santee, California, does hereby find, determine and declare that the Fourth Amendment to the Employment Agreement of the City Manager provided in Exhibit "A" Fourth Amendment to Employment Agreement, is approved effective February 9, 2022.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 9th day of February 2022, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

Attachment: Exhibit "A" – Fourth Amendment to Employment Agreement

FOURTH AMENDMENT TO EMPLOYMENT AGREEMENT

This Fourth Amendment to Employment Agreement (“Fourth Amendment”) is made and entered into as of the ____ day of _____ 2022, by and between the City of Santee, a municipal corporation (“City”) and Marlene D. Best (“Employee”).

RECITALS

1. On or about February 18, 2016, City and Employee entered into an Employment Agreement whereby the City employed Employee as its City Manager, effective March 28, 2016 (“Employment Agreement”).
2. On or about September 7, 2017, City and Employee amended the Employment Agreement to increase Employee’s annual base salary and car allowance (“First Amendment”).
3. On or about March 1, 2019, City and Employee amended the Employment Agreement to remove the fixed term of employment in the Agreement (“Second Amendment”).
4. On or about November 13, 2019, City and Employee amended the Employment Agreement to provide an ongoing contribution to the City’s deferred compensation plan (“Third Amendment”).
5. On January 26, 2022, the City Council conducted Employee’s performance evaluation, and determined that it would leave all terms of the Employee’s Agreement, as amended, the same, except for consideration of increasing Employee’s vacation accrual.
6. It is the desire of the City Council to amend the Employment Agreement to continue to employ the services of Employee as its City Manager with the increased vacation accrual provided below.

NOW, THEREFORE, IN CONSIDERATION OF PERFORMANCE BY THE PARTIES OF THE COVENANTS AND CONDITIONS HEREIN CONTAINED, THE PARTIES AGREE TO AMEND THE EMPLOYMENT AGREEMENT AS FOLLOWS:

5. The Parties hereby amend Paragraph 3.a. Vacation of the Employment Agreement as follows:

Beginning the first pay period after execution of this Fourth Amendment to the Employment Agreement, Employee will accrue vacation at a rate of twenty-five working days per year, the maximum accrual rate for Executive Management. Employee shall be entitled to accrue vacation up to the cap established under City policy based on this accrual rate.

6. Except as amended in this Fourth Amendment and the First, Second and Third Amendments, the terms and conditions of the Employment Agreement remain the same.

IN WITNESS WHEREOF, City and Employee have signed and executed this Second Amendment as of the ____ day of February 2022.

CITY OF SANTEE

By: _____
John W. Minto, Mayor

EMPLOYEE

By: _____
Marlene D. Best, City Manager

APPROVED AS TO FORM:

By: _____
Shawn Hagerty, City Attorney